

NOTICE

SPECIAL MEETING OF THE BOARD OF DIRECTORS SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

will be held at

Buellton City Council Chambers, 140 West Highway 246, Buellton, California
at 6:30 pm, **Tuesday, June 27, 2023**

AGENDA OF SPECIAL MEETING

1. Call to Order and Roll Call
2. Closed Session (6:30 p.m. – 7:00 p.m.)
The Board will hold a closed session to discuss the following item:
 - a. Conference with Legal Counsel - Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Wolff vs SYRWCD, Superior Court of California, County of Santa Barbara, Case No. 20CV01552 and Case No. 22CV02062
3. Reconvene into Open Session / Closed Session Report (7:00 p.m.)
4. Pledge of Allegiance
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. Consideration of the Minutes of the Regular Meeting of June 7, 2023
7. Review Rate Study Report by Raftelis and Consider Adoption of Resolution No. 722 Making Findings and Determinations, Establishing Zones, Setting Rates and Levying a Groundwater Charge for Water Year 2023-2024
8. Consider Appointments of Representatives and Alternates to GSA Committees
9. Consider scheduling Special Meeting to review applications and appoint Director for Division 4
10. Consider SDRMA 2023 Board of Directors Election Packet and Approve Ballot
11. Reports, acts by Board members, questions of staff, status reports, announcements, observations, and other matters, and/or communications not requiring action
12. Requests from the Board of Directors for items to be included on the next Agenda.

13. The next Regular Meeting is scheduled for September 6, 2023, at 6:30 pm 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 first Wednesday in March, June, September, and December at various locations within the District. Special meetings may be held at any location within the District.

14. Closed Session

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

- a. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)) relating to proceedings pending before the State Water Resources Control Board (SWRCB) regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 of the United States Bureau of Reclamation for the Cachuma Project, and complaints filed by the California Sport Fishing Protection Alliance regarding the operation of the Cachuma Project and SWRCB Order WR 89-18; proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and Reclamation’s Petition for Reconsideration or Rehearing re Order WR 2019-0148; and proceedings related to SWRCB Permit No. 15878 (Application A022423) held by the City of Solvang including the City of Solvang’s Petitions for Change and Extension of Time.
- b. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (Two Matters).
- c. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(4)): Possible initiation of litigation (Two Matters).

15. Reconvene into Open Session / Closed Session Report

16. Adjournment

[This agenda was posted on the District website (SYRWCD.com), at 3669 Sagunto Street, Suite 101, Santa Ynez, California and at 3745 Constellation Rd., Lompoc, 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 7, 2023

A regular meeting of the Board of Directors of the Santa Ynez River Water Conservation District was held on Wednesday, June 7, 2023, at 6:30 p.m. at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Cynthia Allen, Mark Altshuler, Art Hibbits, Steve Jordan, and Brett Marymee

Others Present, in-person: Groundwater Program Manager Bill Buelow, Paeter Garcia, Steven Heuring, Larry Lahr, Board Secretary Amber Thompson, and General Manager Kevin Walsh

Others Present, remote participation: Steve Torigiani (Young Wooldridge)

1. **CALL TO ORDER AND ROLL CALL**

President Allen called the meeting to order at 6:33 pm. Ms. Thompson called roll. All five Directors were present.

2. **PLEDGE OF ALLEGIANCE**

President Allen led the Pledge of Allegiance.

3. **PUBLIC COMMENT**

There was no public comment.

4. **CONSIDERATION OF THE MINUTES OF THE SPECIAL MEETING OF APRIL 26, 2023 AND THE ADJOURNED SPECIAL MEETING OF APRIL 28, 2023**

President Allen submitted the minutes of the Special Meeting of April 26, 2023 and of the Adjourned Special Meeting of April 28, 2023 for Board approval. There was no discussion or public comment.

Director Marymee made a **MOTION** to approve the minutes of the Special Meeting of April 26, 2023 and of the Adjourned Special Meeting of April 28, 2023, as presented. Director Jordan seconded, there was no discussion, and the motion passed 4-0-1, with Director Hibbits abstaining.

5. **GENERAL MANAGER REPORT**

a. Financial Reports

Mr. Kevin Walsh announced that the following financial reports and documents were

submitted for advance review in the meeting packet and asked for any questions.

i. Quarterly Investment Reports – 2nd and 3rd quarters of FY 2022-2023

There was no discussion, public comment, or action.

ii. Quarterly Comparison Balance Sheet

There was no discussion, public comment, or action.

iii. Balance Sheet & Income Statement, FY 2022-23 Period 10, April 2023

There was no discussion, public comment, or action.

iv. Approval of Warrant Lists for February, March, and April 2023

Discussion followed. There was no public comment.

Director Marymee made a **MOTION** to approve the February, March, and April 2023 warrant lists which include check #s 1109-1142 plus ACH transactions totaling \$235,147.86. Director Jordan seconded and the motion passed 5-0.

6. CONSIDER ADOPTION OF THE ANNUAL BUDGET FOR FISCAL YEAR 2023-2024

Mr. Walsh presented the Draft Final Budget, Fiscal Year 2023-2024. Discussion followed.

Director Jordan made a **MOTION** to approve the Budget for Fiscal Year 2023-2024, as presented. Director Altshuler seconded the motion. Public comment was received from Mr. Paeter Garcia regarding the Groundwater Sustainability Agencies' (GSAs) lack of independent funding sources and priority need to establish the same. There was no additional discussion. The motion passed 5-0 by the following roll call vote:

- AYES, Directors: Allen, Altshuler, Hibbits, Jordan, Marymee
- NOES, Directors: None
- ABSENT, Directors: None

Director Altshuler commended staff on financial transparency and a job well done.

7. REVIEW RATE STUDY REPORT BY RAFTELIS AND CONSIDER ADOPTION OF RESOLUTION NO. 722 MAKING FINDINGS AND DETERMINATIONS, ESTABLISHING ZONES, SETTING RATES AND LEVYING A GROUNDWATER CHARGE FOR WATER YEAR 2023-2024

A written public comment letter, dated June 6, 2023, was received by email on June 6, 2023 at 5:02 p.m. from Mr. Paeter Garcia, General Manager, Santa Ynez River Water Conservation District, Improvement District No. 1.

President Allen made a **MOTION** to table Agenda Item No. 7 until a future meeting. Director Jordan seconded. There was no discussion or public comment. The motion passed 5-0.

This agenda item was tabled to a future meeting.

8. CONSIDER FORMING AN AD-HOC COMMITTEE REGARDING SGMA GSAS GOVERNANCE

President Allen recommended forming an Ad-Hoc Committee regarding Sustainable Groundwater Management Act (SGMA) GSAs governance and appointing Director Marymee and Director Jordan to the committee. Discussion followed.

Director Hibbits made a **MOTION** to establish an Ad-Hoc Committee regarding SGMA GSAs governance and appoint Director Marymee and Director Jordan to the committee to work with District staff on this matter. A suggestion was raised and discussion followed regarding amending the motion to include appointing an alternate to the Ad-Hoc Committee. Public comment was received from Mr. Garcia regarding possible Brown Act complications with having an alternate for an Ad-Hoc Committee. Legal Counsel Steve Torigiani recommended the Ad-Hoc include only two members, at this time. Additional discussion followed. The motion remained unchanged, and it passed 5-0.

9. LETTER OF RESIGNATION FROM DIRECTOR HIBBITS; DETERMINE WHETHER TO FILL VACANCY BY APPOINTMENT PURSUANT TO WATER CODE § 74204 AND GOV'T CODE § 1780

Ms. Thompson passed out the letter of resignation, effective June 30, 2023, that was received from Director Art Hibbits. Legal Counsel Steve Torigiani advised that the effective date of the resignation, June 30, 2023, is the reference date for the timeline to follow if the Board chooses to fill the vacancy by appointment pursuant to Water Code § 74204 and Gov't Code § 1780. Discussion followed.

Director Marymee made a **MOTION** to seek applicants to consider for appointment to fill the vacancy in the position of Division 4 Director due to the resignation of Director Hibbits, effective June 30, 2023, and direct Secretary to the Board to complete the required notifications. Director Jordan seconded. There was no discussion or public comment. The motion passed 5-0.

10. CONSIDER SDRMA 2023 BOARD OF DIRECTORS ELECTION PACKET AND APPROVE BALLOT

There was a discussion.

President Allen made a **MOTION** to table Agenda Item No. 10 until a future meeting. Director Marymee seconded. There was no public comment, no additional discussion, and the motion passed 5-0.

This agenda item was tabled to a future meeting.

11. ATTORNEY REPORT

Legal Counsel Steve Torigiani reported on multiple legislative efforts including those on water rights reform and budget trailer bills. There was no discussion, public comment, or action.

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

Director Jordan reported he recently completed drilling a new well with test results showing standing water level at 8-feet and a 20-foot drawdown.

Director Altshuler requested that directors and staff plan something to celebrate Director Hibbits as he retires. Discussion followed.

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

There were no requests.

14. NEXT REGULAR MEETING IS SCHEDULED FOR WEDNESDAY, SEPTEMBER 6, 2023, AT BUELLTON CITY COUNCIL CHAMBERS, 140 WEST HIGHWAY 246, BUELLTON, CALIFORNIA

The next scheduled regular meeting of the Board meeting will be September 6, 2023, at 6:30 p.m., at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

President Allen reported that a Special Meeting will be required by June 30, 2023 to consider and set the Groundwater Charge rates and requested Directors report their availability to Ms. Thompson, Board Secretary.

15. CLOSED SESSION

At 7:20p.m., President Allen closed the Open Session. Mr. Garcia requested permission to make a public comment on Closed Session Agenda Item No. 15a before the Board convened into Closed Session. President Allen resumed Open Session to accept the public comment from Mr. Garcia. Mr. Garcia provided public comment on Agenda Item No. 15a and his ongoing frequent interaction with and appreciation for District staff on various matters. At 7:25 p.m., President Allen closed the Open Session.

After a five-minute recess, the Board convened into Closed Session from 7:30 p.m. to 8:33 p.m. to discuss the following items:

- a. Public Employee Performance Evaluation/Appointment. (Gov't Code § 54957(b)(1).)
Title: General Manager; Assistant General Manager

- b. Conference with Legal Counsel - Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)): Wolff vs SYRWCD, Superior Court of California, County of Santa Barbara, Case No. 20CV01552 and Case No. 22CV02062
- c. Conference with Legal Counsel – Pending Litigation (Gov. Code, § 54956.9, subd. (d)(1)) relating to proceedings pending before the State Water Resources Control Board (SWRCB) regarding Permits 11308 and 11310 issued on Applications 11331 and 11332 of the United States Bureau of Reclamation for the Cachuma Project, and complaints filed by the California Sport Fishing Protection Alliance regarding the operation of the Cachuma Project and SWRCB Order WR 89-18; proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and Reclamation’s Petition for Reconsideration or Rehearing re Order WR 2019-0148; and proceedings related to SWRCB Permit No. 15878 (Application A022423) held by the City of Solvang including the City of Solvang’s Petitions for Change and Extension of Time.
- d. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(2)): Significant exposure to litigation (Two Matters).
- e. Conference with Legal Counsel – Anticipated Litigation (Gov. Code, § 54956.9, subd. (d)(4)): Possible initiation of litigation (Two Matters).

16. RECONVENE INTO OPEN SESSION / CLOSED SESSION REPORT

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

17. ADJOURNMENT

There being no further business, President Allen adjourned the meeting at 8:33 p.m.

Cynthia Allen, President

Amber M. Thompson, Secretary

**SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT**

Rate Study Report

REVISED DRAFT FINAL REPORT / June 22, 2023



June 22, 2023

Mr. Kevin Walsh
General Manager
P.O. Box 719
Santa Ynez, CA 93460

Subject: Groundwater Rate Study Report – REVISED DRAFT FINAL

Dear Mr. Walsh:

Raftelis is pleased to provide this Groundwater Rate Study report for the Santa Ynez River Water Conservation District (District). This report includes a financial plan for fiscal year 2023-2024 (FY 2024) through FY 2028. From those plans and a cost-of-service analysis, groundwater rates for FY 2024 have been developed.

The major objectives of the study include the following:

- Develop a financial plan to support financial sufficiency and meet operation and maintenance (O&M) costs;
- Conduct a water cost-of-service study that is based on the District’s costs;
- Calculate proposed, updated water rates for FY 2024;
- Conduct an analysis of the effects of the proposed rates on District groundwater producers; and
- Demonstrate that the amount raised by the proposed groundwater rates are necessary to cover the reasonable costs of the District’s activities, and that proposed rates are allocated to District producers in a manner that bears a fair or reasonable relationship to the benefits received from the District’s activities, consistent with Proposition 26 (Cal. Const., Art. 13C, § 1).

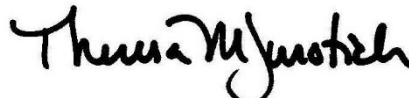
The report summarizes the key findings and recommendations related to the development of the financial plan and the development of the associated water rates.

It has been a pleasure working with you, and we appreciate your and Ms. Amber Thompson’s assistance during the course of the study.

Sincerely,



Sudhir Pardiwala, PE
Executive Vice President



Theresa Jurotich, PE
Manager

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Abbreviations & Acronyms

Terms	Descriptions
AF	Acre foot / Acre feet, 1 AF = 325,851 gallons
DWR	California Department of Water Resources
FY	Fiscal Year (July 1st to June 30th)
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
O&M	Operations and Maintenance
Raftelis	Raftelis Financial Consultants, Inc.
SGMA	Sustainable Groundwater Management Act
SWRCB	State Water Resources Control Board

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1. Executive Summary

The Santa Ynez River Water Conservation District (“District”) was formed in 1939 for the primary purpose of protecting water rights on the lower Santa Ynez River and augmenting water supplies in the District, which are necessary for the public health, welfare, and safety of all residents. The District is a California Water Conservation District formed and existing pursuant to the Water Conservation District Law of 1931 (Wat. Code, §§ 74000 *et seq.*). Pursuant to Water Code sections 74508 and 75500, *et seq.*, the District is expressly authorized to impose groundwater charges within its boundaries, which the Legislature has declared to be in furtherance of district activities in the protection and augmentation of the water supplies for users within the District or a zone or zones thereof. (Wat. Code, § 75521.) The District has, at least since 1979, levied groundwater charges on all public and private operators of groundwater-producing facilities registered within the District to help recover the costs of managing, protecting, conserving, and enhancing water resources within the District. The District’s activities performed by its staff, consultants, and legal counsel include activities relating to the following:

- Planning, scheduling, and managing the release of water from and downstream of the Cachuma Project’s Bradbury Dam for the satisfaction and benefit of downstream water rights, including the timing, volume, and rate of flows to promote recharge in the river alluvium and the Lompoc Plain, as provided in State Water Resources Control Board Order No. WRO 2019-0148, which protects and augments water supplies.
- Reporting on Santa Ynez River system conditions, basin surface water use, and water purchased by contract.
- Supporting compliance with agreements and procedures to mitigate downstream flooding as a result of Cachuma Project storm operations.
- Contributing to the review of, preparation of, and compliance with applicable biological assessments and opinions, including associated consultations, revisions, and replacements, for the protection of endangered species in the Santa Ynez River, while assuring that downstream water rights and water quality in the basin and downstream of Bradbury Dam are maintained and protected.
- Recording groundwater production within the District.
- Monitoring and reporting on groundwater conditions within the District.
- Levying and collecting charges on groundwater production within the District.
- Making annual groundwater use estimates and forecasting groundwater storage and overdraft amounts within the District.
- Determining water volume for replenishment of the dewatered aquifer storage below Bradbury Dam.
- Participation in the three Groundwater Sustainability Agencies (GSA) covering the Santa Ynez River Valley groundwater basin and District. Such participation includes, but is not limited to, coordination, preparation, and implementation activities and provision of administrative support (including arranging GSA committee and citizen advisory group meetings, recordkeeping, and bookkeeping) associated with the GSAs’ groundwater sustainability plans (GSP), annual reports, and associated implementation and other activities. This includes coordinating and contributing to responses to comments made on the GSPs and related technical studies. It also includes participation in discussions of long-term governance and funding for the GSAs.
- The District’s administrative support of the GSAs, which requires expenditure of significant District staff time, has been necessary, in part, because the GSAs have not yet hired their own staff or their own legal, engineering, or other consultants, and have yet to levy any groundwater fees or charges on

landowners or pumpers within the GSAs or otherwise create an independent funding source (aside from grant funding and certain contributions from parties to the Memoranda of Agreement). While it is expected that the District will continue to incur costs to participate in the three GSAs and as the single point of contact with the California Department of Water Resources (DWR), the level of District administrative support could change in the future depending on the GSAs' future governance structure, funding sources, and staffing and contracting decisions.

- The District's activities as party to all three GSAs benefits all pumpers within the District, which depend upon the District to provide local agency Sustainable Groundwater Management Act (SGMA) coverage within its approximately 180,000 acres within the basin. In the absence of such SGMA coverage by the District, the entire basin may not be covered and in such event would be subject to State Water Resources Control Board intervention and management of the basin as a probationary basin (Wat. Code, § 10735.2(a)(4)(B)). The District's SGMA activities benefit, among other pumpers in the District, the pumpers in Zone A, who pump from the river alluvium and benefit from the District's investigation and efforts supporting characterization of those zones as not "groundwater" subject to SGMA management¹ in the GSPs, and the District's ongoing efforts to defend that characterization against those who disagree with it and contend such pumping must be managed under SGMA. To date, DWR has not decided on the adequacy of the GSPs, and the GSAs lack their own independent funding sources (e.g., fees under Water Code sections 10730 and 10730.2).
- Acting as the single point of contact between the GSAs and the DWR for SGMA compliance, for the benefit of all three GSAs.
- Administering SGMA grant funding for the benefit of all three GSAs.
- Participating in the Integrated Regional Water Management Plan process to promote regional water management strategies to ensure sustainable and reliable water supplies, including the protection of agriculture.

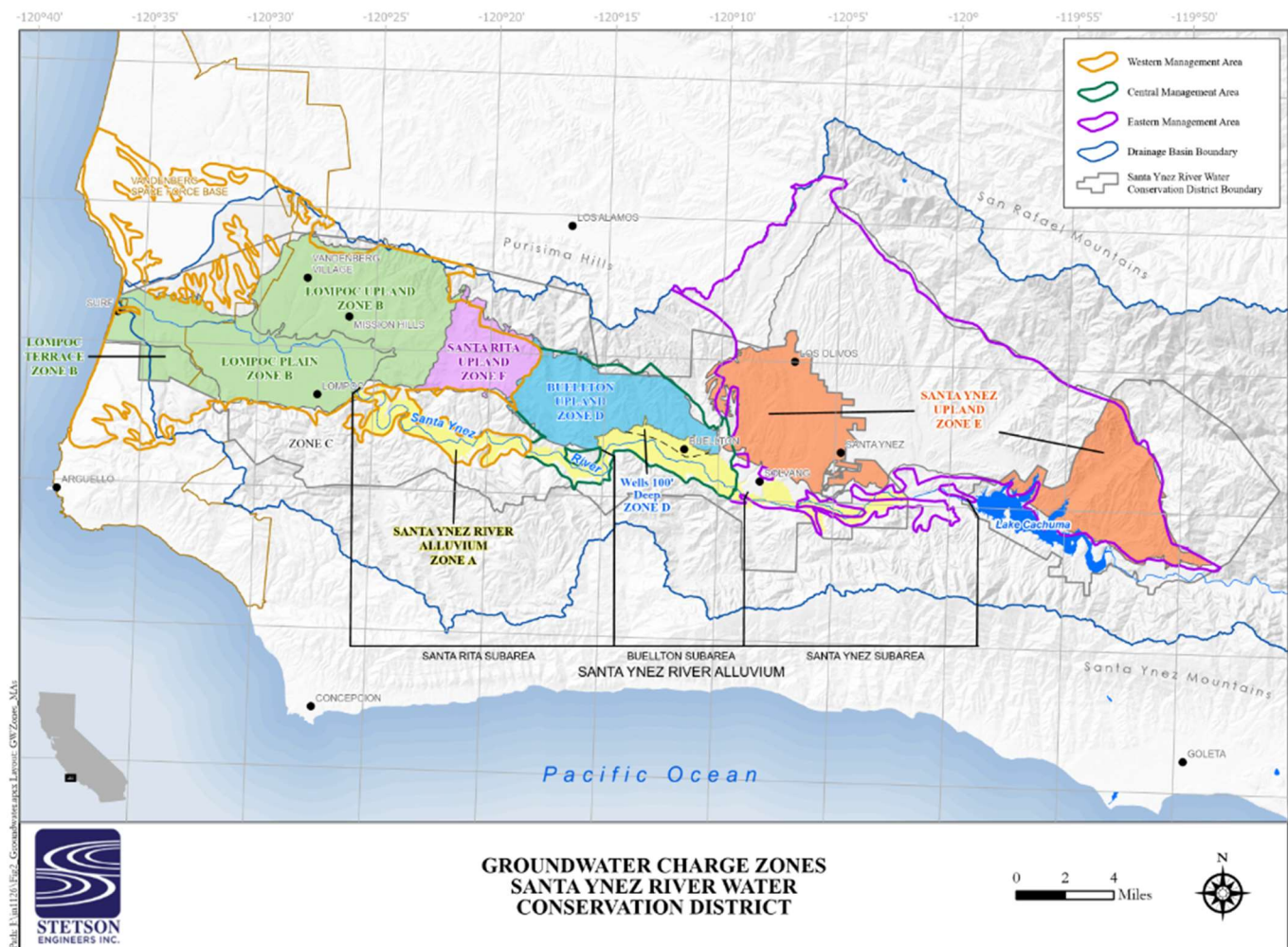
The District comprises two non-contiguous areas and encompasses approximately 180,000 acres that includes the cities of Lompoc, Solvang, and Buellton; the communities of Santa Ynez and Los Olivos; two federal installations; and rural areas with agriculture and suburban development. Groundwater mostly occurs in the unconsolidated alluvial deposits of the Santa Ynez River and Lompoc Plain and in the older poorly consolidated deposits of the Santa Ynez Upland, Lompoc Upland, Buellton Upland, Santa Rita Upland, and Lompoc Terrace subareas. These subareas are defined as zones as follows:

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

The zones are shown in Figure 1-1, on the following page.

¹ SGMA defines the term "groundwater" differently than the Water Conservation District Act. (Compare Water Code, § 10721(g) [SGMA] with § 75502 [Water Conservation District Act].)

Figure 1-1: Groundwater Zones



The major objectives of this study include the following:

- Develop a financial plan to support financial sufficiency and meet operation and maintenance (O&M) costs;
- Conduct a water cost-of-service study that is based on the District’s costs;
- Calculate proposed, updated water rates for FY 2024;
- Conduct an analysis of the effects of the proposed rates on District groundwater producers; and
- Demonstrate that the amount raised by the proposed groundwater rates are necessary to cover the reasonable costs of the District’s activities, and that proposed rates are allocated to District producers in a manner that bears a fair or reasonable relationship to the payor’s burdens on, or benefits received, from the District’s activities, consistent with Proposition 26 (Cal. Const., Art. 13C, § 1).

This report summarizes the rate study’s 5-year financial plan and FY 2024 rate development. The District intends to update this 5-year plan every year with a new 5-year projection so that the Board can maintain a 5-year outlook. However, the District’s rates are set on an annual basis under Water Code sections 75500-75642.

1.1. Methodology

Raftelis and the District developed the proposed groundwater rates using cost-of-service principles set forth by the American Water Works Association M1 Manual titled *Principles of Water Rates, Fees and Charges*, with modifications to align with the requirements of California’s Proposition 26 and related California law.

Raftelis worked with District staff to develop a financial plan by preparing detailed projections of the main revenue sources and expenditure items. The operating revenues and O&M costs estimates are based on projected groundwater pumping from the findings of Stetson Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023, current rates, and District staff estimates of non-operating revenues and costs. The financial plan projection has revealed the need for revenue adjustments in FY 2024 – FY 2028 to meet annual obligations and build reserves to the recommended levels.

Raftelis calculated the District’s revenue requirements for FY 2024 and the resulting water rate and structure.

1.2. Proposed Financial Plan and Revenue Adjustments

The financial planning model enables the District to set rates to generate sufficient revenue to meet its short-term obligations. Table 1-1 shows the proposed groundwater revenue adjustments for FY 2024 - FY 2028. Revenue adjustments occur on July 1 each year.

Table 1-1: Proposed Revenue Adjustments

Fiscal Year	Proposed Revenue Adjustment
2024	10.5%
2025	10.5%
2026	10.5%
2027	10.5%
2028	10.5%

Table 1-2 shows the proposed financial plan, based on the District’s budgeted expenses, incorporating the proposed revenue adjustments (Lines 2 - 6). Note that while rates go into effect at the beginning of the fiscal year, due to semi-annual billing and timing of payments, revenues under the adjustments are only realized for half of the fiscal year in the first year. Therefore, the Number of Months Effective, ‘No. Mon. “Effective”’ column shows 6 months instead of 12. Line 1 shows revenue from the current rates, assuming no increase in rates. Line 7 shows the revenue adjustments each year. Other Revenues are shown in Lines 8 and 9. Line 8 shows projected property tax revenue after covering SGMA-related costs and certain other general costs. Interest revenues (Line 9) are presumed to be between 2 and 3 percent on average beginning and ending fund balances for the remaining fiscal years. Line 11 shows total projected revenues.

Table 1-2: Proposed Financial Plan Cashflow

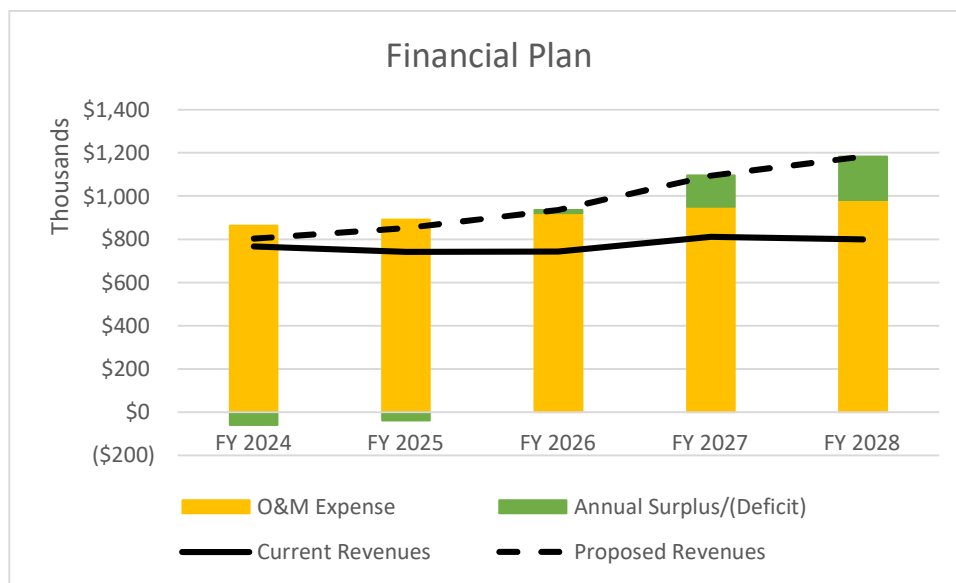
No.	Cashflow			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	Groundwater Rate Revenue Under Existing Rates			\$672,074	\$672,074	\$672,074	\$672,074	\$672,074
	Revenue Adjustments	% Adj.	No. Mon. "Effective"					
2	FY 2024	10.5%	6	\$35,284	\$70,568	\$70,568	\$70,568	\$70,568
3	FY 2025	10.5%	6		\$38,989	\$77,977	\$77,977	\$77,977
4	FY 2026	10.5%	6			\$43,083	\$86,165	\$86,165
5	FY 2027	10.5%	6				\$47,606	\$95,212
6	FY 2028	10.5%	6					\$52,605
7	Total Revenue Adjustments			\$35,284	\$109,556	\$191,628	\$282,316	\$382,527
	Other Revenue							
8	Net SB County Property Taxes			\$34,357	\$10,465	\$13,138	\$79,314	\$62,934
9	Interest Income			\$60,588	\$59,242	\$58,919	\$61,076	\$65,739
10	Total Other Revenue			\$94,944	\$69,707	\$72,056	\$140,390	\$128,673
11	Total Revenue			\$802,303	\$851,337	\$935,758	\$1,094,781	\$1,183,275
	Operation & Maintenance							
12	Routine Operation (Net Property Tax Offset)			\$613,007	\$635,357	\$658,536	\$682,575	\$707,507
13	Special Studies (Net of Offset)			\$0	\$0	\$0	\$0	\$0
14	SGMA (Net of Offset)			\$0	\$0	\$0	\$0	\$0
15	Legal & Engineering							
16	General and Misc. (Net of Offset)			\$0	\$0	\$0	\$0	\$0
17	Annual G.W. Report			\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
18	WR Decision (2019-0148)			\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
19	Upper SYR Operations			\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
20	Fisheries Issues/Hydrology			\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
21	Contingency			\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
22	Total Operation & Maintenance			\$862,507	\$890,842	\$920,186	\$950,574	\$982,046
23	Capital			\$0	\$0	\$0	\$0	\$0
24	Net Income (Annual Surplus/(Deficit))			(\$60,204)	(\$39,504)	\$15,573	\$144,206	\$201,228
25	Beginning Balance			\$2,274,098	\$2,213,894	\$2,174,390	\$2,189,962	\$2,334,169
26	Ending Balance			\$2,213,894	\$2,174,390	\$2,189,962	\$2,334,169	\$2,535,397
27	Target Reserve = Min + 50% Operating Exp.			\$2,431,253	\$2,445,421	\$2,460,093	\$2,475,287	\$2,491,023
28	Minimum Reserve			\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

Lines 12 – 22 summarize the O&M expense projections, excluding SGMA costs that are funded by grants and property taxes, and also excluding special studies and general and miscellaneous legal and engineering costs that are also offset by property taxes. Line 23 shows that no capital expenditures are anticipated. Line 24 shows the net income, which is revenues less O&M expenses. Lines 25 and 26 show the projected beginning and ending Investment Reserves fund balance, respectively. Line 27 shows the target reserve, which is the minimum reserve of \$2 million plus 50 percent of annual operating expenses. The minimum reserve is established by Board policy to cover emergencies and unexpected events including potential litigation. The remainder of the reserve is recommended by Raftelis to provide working capital for the District’s expenses, given the required semiannual billing. Revenue adjustments proposed in this financial plan are calculated to meet this reserve target by the end of FY 2028. Comparing Line 26 to Line 27 and Line 28 shows that the

financial plan is expected to always exceed the minimum reserve requirement and will meet its target reserve by FY 2028. The proposed financial plan supports financial sufficiency and solvency for the District to meet projected expenditures.

Figure 1-2 graphically illustrates the proposed operating Financial Plan – it compares the existing (current) and proposed revenues with projected expenses. The stacked bars show O&M expenses. The green bars above the X-axis show the net cash used to build up the reserves and the bars below the X-axis show the withdrawals from reserves to fund costs. Total revenues at existing and proposed rates are shown by horizontal black solid and dashed lines, respectively. Current revenue from existing rates does not meet future total expenses, which is the reason for the proposed revenue adjustment.

Figure 1-2: Proposed Financial Plan



1.3. Proposed FY 2024 Rates

1.3.1. Proposed Usage Rates

Table 1-3 presents the current water rate and the proposed FY 2024 water rate. The proposed rate is rounded up to the nearest cent to ensure adequate costs recovery.

Table 1-3: Current and Proposed Usage Rates, \$/AF

Rate	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Current	\$14.14	\$14.14	\$14.14	\$14.14	\$14.14	\$14.14
Proposed, FY 2024	\$20.42	\$14.24	\$12.41	\$12.41	\$12.41	\$12.41

1.3.2. Average Producer Bill Impact

The average usage varies by zone, and therefore Table 1-4 through Table 1-6 illustrates the customer bill impact for an average agricultural producer, an average special irrigation producer, and an average Other (non-agricultural) producer within each zone. Average use per bill is based on FY 2022 data from Stetson

Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 1-4: Average Agricultural Producer by Zone, FY 2024 Bill Impact

Agricultural	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Average AF/bill	30.5	36.8	0.2	8.3	5.8	35.0
Current Bill	\$430.91	\$520.84	\$2.75	\$117.59	\$82.22	\$494.76
Proposed Bill	\$622.29	\$524.53	\$2.41	\$103.20	\$72.16	\$434.23
Bill Change, \$	\$191.38	\$3.68	-\$0.34	-\$14.39	-\$10.06	-\$60.53
% Change	44%	1%	-12%	-12%	-12%	-12%

Table 1-5: Average Special Irrigation Producer by Zone, FY 2024 Bill Impact

Special Irrigation	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Average AF/bill	3.3	3.5	0.1	0.2	0.0	0.0
Current Bill	\$46.04	\$49.17	\$1.83	\$2.70	\$0.69	\$0.00
Proposed Bill	\$66.49	\$49.52	\$1.60	\$2.37	\$0.60	\$0.00
Bill Change, \$	\$20.45	\$0.35	-\$0.22	-\$0.33	-\$0.08	\$0.00
% Change	44%	1%	-12%	-12%	-12%	--

Table 1-6: Average Other (Non-Agricultural) Producer by Zone, FY 2024 Bill Impact

Non-Agricultural	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Average AF/bill	8.7	16.3	7.5	2.7	4.4	3.0
Current Bill	\$123.17	\$230.34	\$105.61	\$38.40	\$62.70	\$42.39
Proposed Bill	\$177.87	\$231.97	\$92.69	\$33.70	\$55.03	\$37.20
Bill Change, \$	\$54.70	\$1.63	-\$12.92	-\$4.70	-\$7.67	-\$5.19
% Change	44%	1%	-12%	-12%	-12%	-12%

2. Legal Framework

Proposition 26, codified in the California Constitution as Article XIII C, was approved by voters in 2010 to require a supermajority vote to pass new taxes. Furthermore, Proposition 26 expanded the definition of “tax.” Under the new definition, a tax is any levy, charge, or exaction of any kind imposed by a local government. Any fees or charges that are not exempted by the language of Proposition 26 are considered taxes and subject to voter approval.

Under Proposition 26, local water agencies must demonstrate their fees and charges are not taxes by showing that they fall within one of the exceptions in Proposition 26, which include, among others, the following:

"(e) As used in this article, “tax” means any levy, charge, or exaction of any kind imposed by a local government, except the following:

(1) A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the government of conferring the benefit or granting the privilege.

(2) A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.”

In order not to be considered a tax, Prop 26 requires that local water purveyors must demonstrate that “that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.”

3. Financial Plan

Determining a district’s revenue requirement is a key first step in the rate study process. Raftelis analyzed annual operating revenue under the status quo, operation and maintenance (O&M) expenses, and prudent reserve funding practices. This section of the report provides a discussion of the projected revenues, O&M expenses, reserve funding requirements, and the revenue adjustments needed to support fiscal sustainability and solvency.

3.1. Key Information Used in this Report

This report utilized the following key information provided by the District:

- FY 2023 operating budget and FY 2024 preliminary draft operating budget
- Historical and forecast water pumping amounts
- Historical water rates
- Beginning reserve fund balances as of FY 2023
- Forecast SGMA costs and grant reimbursements FY 2024 - FY 2028. These cost projections assume that none of the GSA’s will have generated any independent income in FY 2024. These projections are not an expression of policy or opinions, but they reflect the status quo, which is that none of the three GSAs have implemented any revenue sources of their own.

3.2. Revenue from Current Water Rates

3.2.1. Current Water Rates

The current water rates are on a volumetric basis per acre-foot (AF) and are currently \$14.14/AF.

3.2.2. Water Use and Growth Assumptions

Table 3-1 shows the financial plan assumptions for water use each year for FY 2024 – FY 2028, which is forecast to stay the same over the study period. The projected water use comes from Stetson Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 3-1: Projected Water Use Per Year

Producer Class	Water Use, AF
Agriculture	31,680
Special Irrigation	13,280
Other	2,570
Total	47,530

3.2.3. Revenue Projections

Table 3-2 presents the projection of the rate-based revenue for FY 2024 – FY 2028 under the current rates.

Table 3-2: Projected Rate Revenue Under Existing Rates

Producer Class	Rate, \$/AF	Water Use, AF	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Agriculture	\$14.14	31,680	\$447,955	\$447,955	\$447,955	\$447,955	\$447,955
Special Irrigation	\$14.14	13,280	\$187,779	\$187,779	\$187,779	\$187,779	\$187,779
Other	\$14.14	2,570	\$36,340	\$36,340	\$36,340	\$36,340	\$36,340
Total		47,530	\$672,074	\$672,074	672,074	672,074	672,074

Table 3-3 shows the projection of other revenues, which includes property taxes (net of SGMA costs and reimbursements and other costs as discussed further in the next section) and estimated interest income. Property taxes are estimated to increase at 2 percent per year from the FY 2024 budget. Interest income is estimated at 2.7 percent of the average beginning and ending balances.

Table 3-3: Projected Other Revenue

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
SB County Property Taxes - Net	\$34,357	\$10,465	\$13,138	\$79,314	\$62,934
Interest Income	\$60,588	\$59,242	\$58,919	\$61,076	\$65,739
Total	\$94,944	\$69,707	\$72,056	\$140,390	\$128,673

3.3. Operating and Maintenance Expenses

3.3.1. Water Operating Expense

Table 3-4 shows the budgeted (FY 2024) and projected operating and maintenance expenses, which includes routine operations, legal, engineering, and contingency. Salaries and benefits are each escalated at 4 percent per year from budget. General costs are escalated at 3 percent per year from budget. The detailed O&M is included in Appendix A.

Table 3-4: Projected O&M Expenses

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Routine Operation	\$797,800	\$827,542	\$858,409	\$890,443	\$923,689
Special Studies	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518
SGMA	\$113,000	\$144,000	\$139,000	\$40,000	\$40,000
Legal & Engineering					
General and Misc.	\$31,500	\$32,445	\$33,418	\$34,421	\$35,454
Annual G.W. Report	\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
WR Decision (2019-0148)	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
Upper SYR Operations	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
Fisheries Issues/Hydrology	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Contingency	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Total Operation & Maintenance	\$1,227,800	\$1,296,552	\$1,330,669	\$1,272,201	\$1,314,200

3.3.2. Net Operating Expense

The District plans to first use property tax revenues and SGMA grant administration cost reimbursement to cover SGMA-related costs and a portion of other general costs, as shown in Table 3-5. Any remaining

property tax revenue will be used to offset the District’s remaining operating costs. The total shown below matches the first line of Table 3-3.

Table 3-5: Property Tax Revenue Use

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Property Tax Revenue	\$365,000	\$372,300	\$379,746	\$387,341	\$395,088
SGMA Grant Admin Cost Reimbursement	\$34,650	\$43,875	\$43,875	\$13,600	\$0
Salary & Benefits for SGMA-time	(\$184,793)	(\$192,185)	(\$199,873)	(\$207,867)	(\$216,182)
SGMA	(\$113,000)	(\$144,000)	(\$139,000)	(\$40,000)	(\$40,000)
General & Misc.	(\$31,500)	(\$32,445)	(\$33,418)	(\$34,421)	(\$35,454)
Special Studies	(\$36,000)	(\$37,080)	(\$38,192)	(\$39,338)	(\$40,518)
Remaining Property Tax Revenue	\$34,357	\$10,465	\$13,138	\$79,314	\$62,934

Table 3-6 shows the net O&M expense projection after offsetting the costs shown in Table 3-5.

Table 3-6: Net O&M Expense Projection

Line Item	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Routine Operation (Net Property Tax Offset)	\$613,007	\$635,357	\$658,536	\$682,575	\$707,507
Legal & Engineering					
Annual G.W. Report	\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
WR Decision (2019-0148)	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
Upper SYR Operations	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
Fisheries Issues/Hydrology	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Contingency	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Net Operation & Maintenance	\$862,507	\$890,842	\$920,186	\$950,574	\$982,046

3.4. Proposed Financial Plan and Revenue Adjustments

The proposed financial plan enables the District to set groundwater rates to generate sufficient revenues to meet its annual obligations. The plan shows the revenues that will be used to maintain appropriate reserves while maintaining a sensitivity to rate increases.

Table 3-7, on the following page, shows the proposed financial plan, based on the District’s budgeted expenses, incorporating the proposed revenue adjustments (Lines 2 - 6). Note that while rates go into effect at the beginning of the fiscal year, due to semi-annual billing and timing of payments, revenues under the adjustments are only realized for half of the fiscal year in the first year. Therefore, the Number of Months Effective, ‘No. Mon. “Effective”’ column shows 6 months instead of 12. Line 1 shows revenue from the current rates, assuming no increase in rates. Line 7 shows the revenue adjustments each year. Other Revenues are shown in Lines 8 and 9. Line 8 shows projected property tax revenue after covering SGMA-related costs and certain other general costs. Interest revenues (Line 9) are presumed to be 2.7 percent on average beginning and ending fund balances for the remaining fiscal years. Line 11 shows total projected revenues.

Lines 12 – 22 summarize the O&M expense projections, net the use of property taxes and SGMA reimbursed costs to cover SGMA-related costs, general and miscellaneous legal and engineering costs, and special studies costs. Line 23 shows that no capital expenditures are anticipated. Line 24 shows the net income, which is

revenues less O&M expenses. Lines 25 and 26 show the projected beginning and ending Investment Reserves fund balance, respectively. Line 27 shows the target reserve, which is the minimum reserve of \$2 million plus 50 percent of annual operating expenses. The minimum reserve is established by Board policy to cover emergencies and unexpected events. The remainder of the reserve is recommended by Raftelis to provide working capital for the District’s expenses, given the required semiannual billing. Revenue adjustments aim to meet this target by the end of FY 2028. Comparing Line 26 with Line 27 and Line 28 shows that the financial plan is expected to always exceed the minimum reserve requirement and will meet its target reserve by FY 2028. The proposed financial plan supports financial sufficiency and solvency for the District to meet projected expenditures.

Table 3-7: Proposed Financial Plan Cashflow

No.	Cashflow			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
1	Groundwater Rate Revenue Under Existing Rates			\$672,074	\$672,074	\$672,074	\$672,074	\$672,074
	Revenue Adjustments	% Adj.	No. Mon. "Effective"					
2	FY 2024	10.5%	6	\$35,284	\$70,568	\$70,568	\$70,568	\$70,568
3	FY 2025	10.5%	6		\$38,989	\$77,977	\$77,977	\$77,977
4	FY 2026	10.5%	6			\$43,083	\$86,165	\$86,165
5	FY 2027	10.5%	6				\$47,606	\$95,212
6	FY 2028	10.5%	6					\$52,605
7	Total Revenue Adjustments			\$35,284	\$109,556	\$191,628	\$282,316	\$382,527
	Other Revenue							
8	Net SB County Property Taxes			\$34,357	\$10,465	\$13,138	\$79,314	\$62,934
9	Interest Income			\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
10	Total Other Revenue			\$94,357	\$70,465	\$73,138	\$139,314	\$122,934
11	Total Revenue			\$801,715	\$852,096	\$936,840	\$1,093,705	\$1,177,535
	Operation & Maintenance							
12	Routine Operation (Net Property Tax Offset)			\$613,007	\$635,357	\$658,536	\$682,575	\$707,507
13	Special Studies (Net of Offset)			\$0	\$0	\$0	\$0	\$0
14	SGMA (Net of Offset)			\$0	\$0	\$0	\$0	\$0
15	Legal & Engineering							
16	General and Misc. (Net of Offset)			\$0	\$0	\$0	\$0	\$0
17	Annual G.W. Report			\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
18	WR Decision (2019-0148)			\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
19	Upper SYR Operations			\$7,500	\$7,725	\$7,957	\$8,195	\$8,441
20	Fisheries Issues/Hydrology			\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
21	Contingency			\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
22	Total Operation & Maintenance			\$862,507	\$890,842	\$920,186	\$950,574	\$982,046
23	Capital			\$0	\$0	\$0	\$0	\$0
24	Net Income (Annual Surplus/(Deficit))			(\$60,792)	(\$38,746)	\$16,654	\$143,131	\$195,489
25	Beginning Balance			\$2,274,098	\$2,213,306	\$2,174,560	\$2,191,214	\$2,334,345
26	Ending Balance			\$2,213,306	\$2,174,560	\$2,191,214	\$2,334,345	\$2,529,834
27	Target Reserve = Min + 50% Operating Exp.			\$2,431,253	\$2,445,421	\$2,460,093	\$2,475,287	\$2,491,023
28	Minimum Reserve			\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

Figure 3-1 graphically illustrates the proposed operating Financial Plan – it compares the existing (current) and proposed revenues with projected expenses. The stacked bars show O&M expenses. The green bars above the X-axis show the net cash used to build up the reserves and the bars below the X-axis show the withdrawals from reserves to fund costs. Total revenues at existing and proposed rates are shown by horizontal black solid and dashed lines, respectively. Current revenue from existing rates does not meet future total expenses, which is the reason for the proposed revenue adjustment.

Figure 3-1: Proposed Financial Plan

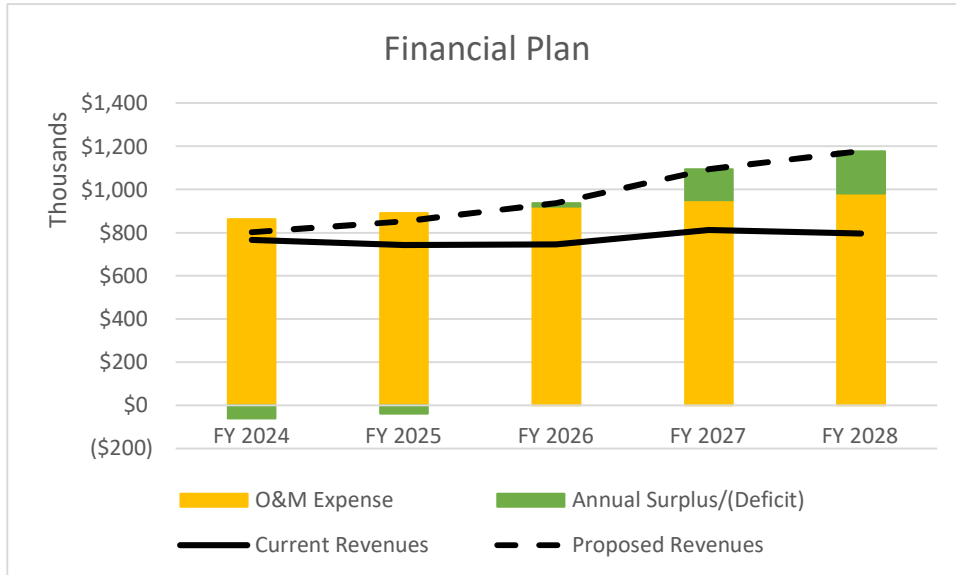
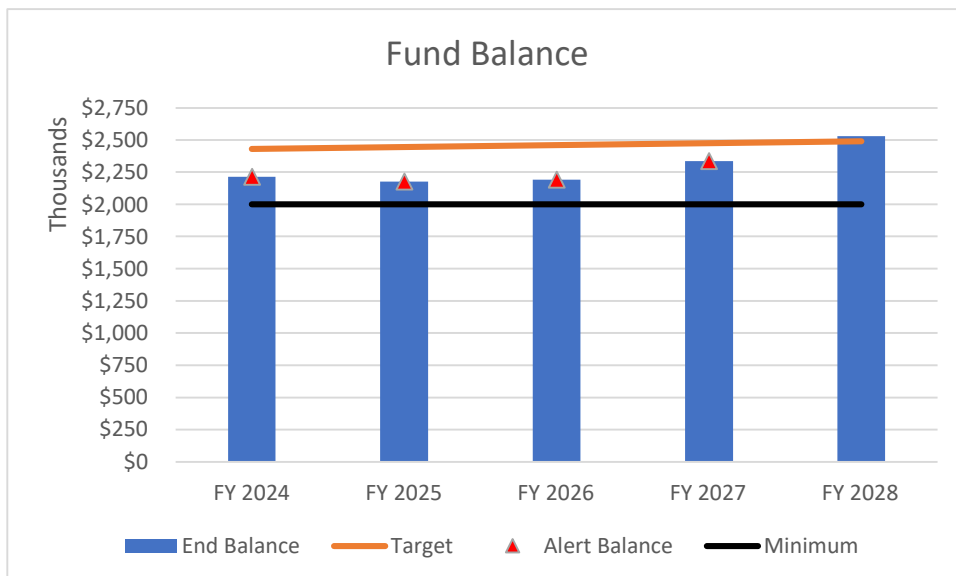


Figure 3-2 shows the projected investments fund balance.

Figure 3-2: Projected Investments Fund Balance



4. Proposed Water Rates

4.1. Net Revenue Requirements

The costs to be allocated to the producers consist of the total revenue requirement less income received from other sources (net revenue requirements). Table 4-1 shows the development of the costs that must be recovered through the rate for FY 2024. Raftelis calculated the revenue requirement using the FY 2024 projections of O&M and capital expenses (which are \$0), shown in Lines 1 and 2. Lines 4 – 6 show the other operating revenues, which are used to offset some of the revenue requirement. The adjustments in Line 9 ensure the cost-of-service accounts for the annual cash balances. Line 10 shows the total revenue required from rates, calculated by adding Lines 3, 7, and 10.

Table 4-1: Net Revenue Requirements, FY 2024

Net Revenue Requirement, Test Year				
No.	Line Item	Operating	Capital	Total
	Revenue Requirement			
1	Operations	\$862,507		\$862,507
2	Capital		\$0	\$0
3	Total Revenue Requirement	\$862,507	\$0	\$862,507
	Revenue Offsets			\$0
4	Net SB County Property Taxes	(\$34,357)		(\$34,357)
5	Interest Income	(\$60,000)		(\$60,000)
6	Subtotal Revenue Offsets	(\$94,357)		(\$94,357)
	Other Adjustments			
7	Change in Fund Balance	(\$60,792)		(\$60,792)
8	Annualized Rate Adjustment	\$35,284		\$35,284
9	Total Adjustments	(\$25,508)	\$0	(\$25,508)
10	Net Revenue Requirement	\$742,642	\$0	\$742,642

4.2. Rate Structure Analysis

Since FY 2018, the District has utilized a uniform groundwater charge rate among the management zones in the District (Zones A through F). Comments received on the previous draft rate study suggested, among other things, that only Zones A and B should be charged for the costs of certain District activities including those relating to water rights releases. The District disagrees with, among other things, the comments’ suggestion that water rights releases solely benefit Zones A and B. There are at least incidental benefits to other zones, and the District believes it has considerable discretion consistent with Proposition 26 to reasonably allocate those costs amongst the different zones. However, for FY 2024, without setting any precedent, the District has decided to charge only Zones A and B for all work related to water rights releases, including the work on fisheries issues and work involved with all upstream reservoirs on the Santa Ynez River: Cachuma, Gibraltar, and Jameson Reservoirs. All other work by the District will be shared proportionally among all the zones because all such work benefits all the zones.

The proportion of the charge for the work related to water rights releases between Zones A and B is based on the average annual delivery of water rights releases since the SWRCB Water Rights Order 89-18. From 1990-2022 (33 years), the average yearly water rights releases delivered to Zones A and B were 4,438 and 1,761 acre-feet per year, respectively. So, Zones A and B will be charged 72% and 28%, respectively, for all work by the District related to water rights releases. Stetson, the District’s long-standing consulting engineer, has recommended this methodology as a reasonable way to allocate the costs of such work among Zones A and B, and Raftelis believes such allocation bears a fair or reasonable relationship to the benefits received from the District’s activities relative to those zones, consistent with Proposition 26.

The purpose of the District is to manage groundwater and protect and augment the water supplies of the District, which are necessary for the public health, welfare, and safety of all users. Rate differentials for producer classes typically are based on the different peaking characteristics of producer classes. In this case, all producers have their own wells from which they draw water, and therefore the District does not incur costs to provide facilities to meet peaking demands. The District’s operations benefit all users in proportion to the amount of water they draw from their wells. Therefore, we have created zonal rates but have not set separate rates based on class of producer.

4.3. Calculating Rates

Once the revenue requirement is known, the costs need to be allocated to the zones. Table 4-2 shows how each of the O&M cost categories are allocated. For all activities except those related to water rights releases, the cost allocation is based on the projected usage in FY 2024 (Table 3-1) based on the findings and determinations in Stetson Engineers’ Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL dated April 28, 2023. For activities related to water rights releases, the cost allocation is based on the average water rights deliveries from 1990-2022 (33 years) based on Table 6 in the Stetson report.

Table 4-2: Net O&M Cost Allocation

Line Item	Allocation Method	A	B	C	D	E	F
Routine Operation	% of Total Production	29%	49%	2%	5%	10%	5%
Legal & Engineering							
Annual G.W. Report	% of Total Production	29%	49%	2%	5%	10%	5%
WR Decision (2019-0148)	% of Water Rights Releases	72%	28%	0%	0%	0%	0%
Upper SYR Operations	% of Water Rights Releases	72%	28%	0%	0%	0%	0%
Fisheries Issues/Hydrology	% of Water Rights Releases	72%	28%	0%	0%	0%	0%
Contingency	% of Total Production	29%	49%	2%	5%	10%	5%

Table 4-3 applies the allocations shown in Table 4-2 to the FY 2024 Net O&M costs shown in Table 3-6.

Table 4-3: Net O&M Costs Allocated to Zones

Line Item	Total	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Routine Operation	\$613,007	\$177,356	\$302,236	\$11,658	\$28,079	\$64,280	\$29,398
Legal & Engineering							
Annual G.W. Report	\$22,000	\$6,365	\$10,847	\$418	\$1,008	\$2,307	\$1,055
WR Decision (2019-0148)	\$110,000	\$79,200	\$30,800	\$0	\$0	\$0	\$0
Upper SYR Operations	\$7,500	\$5,400	\$2,100	\$0	\$0	\$0	\$0
Fisheries Issues/Hydrology	\$60,000	\$43,200	\$16,800	\$0	\$0	\$0	\$0
Contingency	\$50,000	\$14,466	\$24,652	\$951	\$2,290	\$5,243	\$2,398
Total	\$862,507	\$325,987	\$387,435	\$13,028	\$31,377	\$71,830	\$32,850

Table 4-4 shows the net revenue requirement allocated to the zones. The revenue offsets are allocated proportionally to each zone.

Table 4-4: Allocation of Net Revenue Requirement

Unit Cost of Service, Test Year	Total	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Operations	\$862,507	\$325,987	\$387,435	\$13,028	\$31,377	\$71,830	\$32,850
Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$862,507	\$325,987	\$387,435	\$13,028	\$31,377	\$71,830	\$32,850
Revenue Offsets							
Net SB County Property Taxes	(\$34,357)	(\$12,985)	(\$15,433)	(\$519)	(\$1,250)	(\$2,861)	(\$1,309)
Interest Income	(\$60,588)	(\$22,899)	(\$27,216)	(\$915)	(\$2,204)	(\$5,046)	(\$2,308)
Other Adjustments	(\$24,920)	(\$9,419)	(\$11,194)	(\$376)	(\$907)	(\$2,075)	(\$949)
Net Revenue Requirement	\$742,642	\$280,684	\$333,592	\$11,217	\$27,016	\$61,847	\$28,285

Table 4-5 shows the unit cost-of-service based on dividing the net revenue requirement allocated to each zone (Table 4-4) by the projected usage in FY 2024 (Table 3-1) based on the findings and determinations in Stetson Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 4-5: Unit Cost-of-Service, FY 2024

Unit Cost of Service, Test Year	Total	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Net Revenue Requirement	\$742,642	\$280,684	\$333,592	\$11,217	\$27,016	\$61,847	\$28,285
Test Year AF	47,530	13,751	23,434	904	2,177	4,984	2,279
Unit Cost, \$/AF		\$20.42	\$14.24	\$12.41	\$12.41	\$12.41	\$12.41

4.4. Proposed Usage Rates (\$/AF)

Table 4-6 presents the current rate and the proposed rate for FY 2024. The proposed rates are rounded up to the nearest cent.

Table 4-6: Current and Proposed Usage Rates, \$/AF

Rate	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Current	\$14.14	\$14.14	\$14.14	\$14.14	\$14.14	\$14.14
Proposed, FY 2024	\$20.42	\$14.24	\$12.41	\$12.41	\$12.41	\$12.41

4.5. Projected Revenues Under Cost-of-Service Rates

Table 4-7 shows the revenues under the current rates based on the FY 2024 projected usage and the revenues using the proposed rates. The percent increase in total revenues matches the proposed revenue adjustment shown in the financial plan (Table 3-7).

Table 4-7: Projected Revenues Under Cost-of-Service Rates, FY 2024

Zone	Estimated Usage AF	Current Rate \$/AF	Revenue Under Current Rates	Proposed Rate \$/AF	Revenue Under Proposed Rates	Percent Increase/Decrease
Zone A	13,750	\$14.14	\$194,425	\$20.42	\$280,775	44.4%
Zone B	23,435	\$14.14	\$331,371	\$14.24	\$333,714	0.7%
Zone C	905	\$14.14	\$12,797	\$12.41	\$11,231	-12.2%
Zone D	2,175	\$14.14	\$30,755	\$12.41	\$26,992	-12.2%
Zone E	4,985	\$14.14	\$70,488	\$12.41	\$61,864	-12.2%
Zone F	2,280	\$14.14	\$32,239	\$12.41	\$28,295	-12.2%
Total	47,530		\$672,074		\$742,871	10.5%

4.6. Producer Impact Analysis

Table 4-8 through Table 4-10 illustrate the producer bill impact for an average agricultural producer, an average special irrigation producer, and an average non-agricultural producer within each zone. Average use per bill is based on FY 2022 billing data from Stetson Engineers’ *Forty-Fifth Annual Engineering and Survey Report on Water Supply Conditions of the Santa Ynez River Water Conservation District FINAL* dated April 28, 2023.

Table 4-8: Average Agricultural Producer by Zone, FY 2024 Bill Impact

Agricultural	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Average AF/bill	30.5	36.8	0.2	8.3	5.8	35.0
Current Bill	\$430.91	\$520.84	\$2.75	\$117.59	\$82.22	\$494.76
Proposed Bill	\$622.29	\$524.53	\$2.41	\$103.20	\$72.16	\$434.23
Bill Change, \$	\$191.38	\$3.68	-\$0.34	-\$14.39	-\$10.06	-\$60.53
% Change	44%	1%	-12%	-12%	-12%	-12%

Table 4-9: Average Special Irrigation Producer by Zone, FY 2024 Bill Impact

Special Irrigation	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Average AF/bill	3.3	3.5	0.1	0.2	0.0	0.0
Current Bill	\$46.04	\$49.17	\$1.83	\$2.70	\$0.69	\$0.00
Proposed Bill	\$66.49	\$49.52	\$1.60	\$2.37	\$0.60	\$0.00
Bill Change, \$	\$20.45	\$0.35	-\$0.22	-\$0.33	-\$0.08	\$0.00
% Change	44%	1%	-12%	-12%	-12%	--

Table 4-10: Average Other (Non-Agricultural) Producer by Zone, FY 2024 Bill Impact

Non-Agricultural	Zone A	Zone B	Zone C	Zone D	Zone E	Zone F
Average AF/bill	8.7	16.3	7.5	2.7	4.4	3.0
Current Bill	\$123.17	\$230.34	\$105.61	\$38.40	\$62.70	\$42.39
Proposed Bill	\$177.87	\$231.97	\$92.69	\$33.70	\$55.03	\$37.20
Bill Change, \$	\$54.70	\$1.63	-\$12.92	-\$4.70	-\$7.67	-\$5.19
% Change	44%	1%	-12%	-12%	-12%	-12%

APPENDIX A:
O&M Detail



O&M Budget & Projection Detail		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Internal Operations / Expenses						
Employee Salaries	Salaries	\$503,000	\$523,120	\$544,045	\$565,807	\$588,439
Payroll (SS and Medicare)	Benefits	\$32,000	\$33,280	\$34,611	\$35,996	\$37,435
Employee Benefits	Benefits	\$9,800	\$10,192	\$10,600	\$11,024	\$11,465
Retirement Plan Contributions	Benefits	\$36,000	\$37,440	\$38,938	\$40,495	\$42,115
Outside Services	General	\$8,000	\$8,240	\$8,487	\$8,742	\$9,004
Office Expense	General	\$67,000	\$69,010	\$71,080	\$73,213	\$75,409
Director Fees	General	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
Travel & Training	General	\$8,000	\$8,240	\$8,487	\$8,742	\$9,004
Annual Audit	General	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Insurance & Worker's Comp	General	\$21,000	\$21,630	\$22,279	\$22,947	\$23,636
Dues and LAFCO Fees	General	\$7,000	\$7,210	\$7,426	\$7,649	\$7,879
Groundwater Charges Program	General	\$76,000	\$78,280	\$80,628	\$83,047	\$85,539
Miscellaneous	General	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
Legal						
General & Misc.	General	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883
Downstream Releases / Upper SYR Operations	General	\$2,500	\$2,575	\$2,652	\$2,732	\$2,814
WR Decision (2019-0148)	General	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
Fisheries Issues	General	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
Employment/HR	General	\$2,500	\$2,575	\$2,652	\$2,732	\$2,814
Groundwater Program	General	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
Engineering/Environmental						
General & Misc.	General	\$9,000	\$9,270	\$9,548	\$9,835	\$10,130
Annual GW Report	General	\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
Downstream Releases Operations	General	\$65,000	\$66,950	\$68,959	\$71,027	\$73,158
Upper SYR Operations	General	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
WR Decision (2019-0148)	General	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Fisheries Hydrology	General	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
Other Consultants	General	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518
SGMA						
Net Grant Project	General	\$73,000	\$104,000	\$99,000	\$0	\$0
Other Costs	General	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Contingency	No Inflation	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Total O&M		\$1,227,800	\$1,296,552	\$1,330,669	\$1,272,201	\$1,314,200

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MEMORANDUM

DATE: 27 June 2023

TO: SYRWCD Board of Directors
Steve Torigiani Kevin Walsh Bill Buelow

FROM: SGMA Ad-Hoc Committee

SUBJECT: Board Representation on SGMA GSAs in the SY Basin

This memo is to communicate the SGMA Ad-Hoc Committee's recommendation for Santa Ynez River Water Conservation District (SYRWCD) Board of Directors (Board) representation on the three Groundwater Sustainability Agencies in the Santa Ynez River Valley Groundwater Basin (Basin). The SGMA Ad-Hoc committee was formed at the June 7, 2023 meeting of the SYRWCD Board for the purpose of working on issues of governance for the three GSAs in the Basin. The SYRWCD has had the same Board representation since the inception of the three GSAs in 2017.

Given the evolution of the SGMA process in the Basin, and the recent resignation of Director Hibbits, the Ad-Hoc committee is recommending the following representation on the three GSAs:

WMA: Director Steve Jordan (primary representative); President Cindy Allen (alternate)

CMA: President Cindy Allen (primary representative); Director Steve Jordan (alternate)*

EMA: Director Brett Marymee (primary representative); Director Steve Jordan (alternate)*

*Director Jordan is willing to serve as alternate for the CMA and EMA until such time as a new Director is appointed for Division 4 or November 1, 2023, whichever comes first.



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

2023 BOARD OF DIRECTORS ELECTION

OFFICIAL ELECTION BALLOT ATTACHED

This is an official election packet that contains items that require ACTION by your Agency's governing body for the selection of up to three (3) candidates to the SDRMA Board of Directors.

ELECTION PACKET ENCLOSURES

- Election Ballot Instructions
- Official Election Ballot (Action Required)
- Candidate's Statements of Qualifications (4)



SDRMA'S BOARD OF DIRECTORS ELECTION BALLOT INSTRUCTIONS

Notification of nominations for three (3) seats on the Special District Risk Management Authority's (SDRMA's) Board of Directors was mailed to the membership in January 2023.

On May 11, 2023, SDRMA's Election Committee reviewed the nomination documents submitted by the candidates in accordance with SDRMA's Policy No. 2022-06 Establishing Guidelines for Director Elections. The Election Committee confirmed that (4) candidates met the qualification requirements, and those names are included on the Official Election Ballot.

The Official Election Ballot along with a Statement of Qualifications as submitted by each candidate is posted to the SDRMA MemberPlus portal along with these instructions. Election instructions are as follows:

1. The Official Election Ballot must be used to ensure the integrity of the balloting process.
2. Print a copy of this ballot, then select up to three (3) candidates. Your agency's governing body must approve the Official Election Ballot at a public meeting. **Ballots containing more than four (4) candidate selections will be considered invalid and not counted.**
3. The signed Official Election Ballot MUST be sealed and received by mail or hand delivery at SDRMA's office on or before 4:30 p.m. on Tuesday, August 8, 2023 to the address below. Faxes or electronic transmissions are NOT acceptable.
Special District Risk Management Authority
Election Committee
1112 "I" Street, Suite 300
Sacramento, California 95814
4. The four-year terms for newly elected Directors will begin on January 1, 2024, and terminate on December 31, 2027.
5. Important balloting and election dates are:
 - **August 8, 2023: Deadline for members to return the signed Official Election Ballot.**
 - **August 9-11, 2023:** Ballots are opened and counted.
 - **August 10-11, 2023:** Election results are announced, and candidates notified.
 - **November 1-2, 2023:** Newly elected Directors are invited to attend SDRMA board meeting (Sacramento).
 - **January 2024:** Newly elected Directors are seated, and Board officer elections are held.

Please do not hesitate to contact SDRMA's Management Analyst Candice Richardson at crichardson@sdrma.org or 800-537-7790 if you have any questions regarding the election and balloting process.

OFFICIAL 2023 ELECTION BALLOT
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS

VOTE FOR ONLY THREE (3) CANDIDATES

Mark each selection directly onto the ballot, voting for no more than three (3) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than three (3) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery at SDRMA on or before 4:30 p.m., Tuesday August 8, 2023. Faxes or electronic transmissions are NOT acceptable.

- ROBERT SWAN** (INCUMBENT)
Director, Groveland Community Services District

- ACQUANETTA WARREN**
Vice Chair, Local Agency Formation Commission for San Bernardino County

- JESSE CLAYPOOL** (INCUMBENT)
Board Chair, Honey Lake Valley Resource Conservation District

- SANDY SEIFERT-RAFFELSON** (INCUMBENT)
General Manager, Herlong Public Utility District

ADOPTED this ____ day of _____, 2023 by the:

at a public meeting by the following votes:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

ATTEST:

APPROVED:

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Bob Swan
District/Agency Groveland Community Services District (GCSD)
Work Address P.O. Box 350, Groveland CA 95321
Work Phone (209) 962-7131 Cell Phone (408) 398-4731

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I have been a member of the SDRMA Board for two terms. I would like to be elected to a third term because:

1. As a board member of Groveland CSD, I am very aware of the great value that smaller districts get from their membership in SDRMA, and I'd like to continue to support the Authority's great member services.
2. While the organization continues to operate well, thanks to its experienced and motivated staff, we are once again going through a period of management change. I believe that Board continuity is particularly important at such a time.
3. The California re-insurance market continues to be challenging. I believe that my eight years of board experience will be helpful as we negotiate the potentially tricky economic future.
4. Personally, I feel that we have a very well-functioning and collegial Board, and I find it both challenging and enjoyable to be part of it.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

1. SDRMA Board: Member since 2016, presently Vice President. I am our representative on the CSDA Legislative Committee (and a member in my own right), and on the Alliance Executive Council.
2. Groveland CSD Board: Member since appointment in June 2013. I was Board President 2014-2018.
3. Member of Board of Southside Community Connections, which is a 501(c)(3) nonprofit in Groveland that provides transportation, educational, social and recreational services to seniors and differently-abled folks in the Groveland area. I was on this Board from 2018 through 2022, mostly as Treasurer.
4. Board Member (Treasurer) of Pine Cone Performers, a local community choral and acting group, since 2010.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

Background: BS Physics, MS Computer Science. 3 years in USAF. 30 years in the semiconductor industry as engineer, engineering manager, business unit director.

Skills, etc.: Very familiar with financial reports and cost accounting. Working knowledge of computer and communications technology. In my work life, I managed geographically distributed organizations with up to 150 technical personnel and up to \$120 million in annual sales. I'm pretty good at helping groups work together to achieve consensus (or, failing that, acceptable compromise).

In recent years, most of my volunteer work has been in driving folks (who can't drive themselves) to medical appointments, shopping, and the like. This is one of the services of Southside Community Connections.

I'm also a pretty decent choral singer, but that's not relevant to this application.

What is your overall vision for SDRMA? (Response Required)

Our vision statement is "To be the exemplary public agency risk pool of choice for California special districts and other public agencies". To achieve this vision, I believe we must focus on:

(1) maintaining long-term financial stability, by ensuring that there is a fair allocation of cost versus risk across the membership, continuously evaluating the appropriate level of risk retention, and using creative ideas like our "captive" reinsurance agency to enhance our cash position.

(2) continue to expand our risk management training and assistance services. We have made significant improvements in this area by bring it internal to the Authority.

(3) continue to emphasize services to our core membership: small to mid-sized districts with limited options for insurance.

(4) ensure that SDRMA remains a desirable workplace, and maintain our highly-qualified and responsive staff.

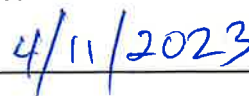
Above all, remember that this is an insurance pool, owned by its member agencies, and maintain an overarching focus on member service and support. Make certain that we will be here for our members.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date



**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – **no attachments will be accepted**. No statements are endorsed by SDRMA.

Candidate* **ACQUANETTA WARREN**
District/Agency **Local Agency Formation Commission (LAFCO) for San Bernardino County**
Work Address **1170 W. Third Street, Unit 150, San Bernardino, CA 92415-0490**
Work Phone **(909)388-0480** Home Phone

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

As a City Mayor I have been fortunate to serve on regional boards that include special district representation: San Bernardino Countywide Oversight Board and Southern California Water Coalition's Board of Trustees. I realize that special districts, especially the smaller districts, are not included in the conversation for a variety of matters. Currently, I serve on San Bernardino LAFCO and the California Association of LAFCOs, which do have robust special district representation. I believe that my skills, experience, and understanding can contribute to SDRMA. Specifically, I want to contribute by developing programs that would help member agencies maximize their protection and minimize their risks.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I currently serve as mayor for the City of Fontana. This is my fourth term, and my focus has been bolstering economic development, creating educational opportunities, improving public safety, and advocating for a healthier community. As mayor, I have been fortunate to serve on:

- San Bernardino LAFCO since 2014, serving currently as Vice Chair of the Commission. I am also a Board Member of the statewide organization of LAFCOs, CALAFCO, serving as Treasurer
- San Bernardino County Transportation Authority: Board of Directors, General Policy Committee, and Transit Committee
- San Bernardino County Racial Equity Committee for the San Bernardino Council of Governments
- San Bernardino Countywide Oversight Board

In addition, I am the current Chair for the Southern California Water Coalition's Board of Trustees as well as Co-Chair of its Task Force for Water Equity, Access, and Affordability.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**


Aside from being Mayor for the City of Fontana, I am currently the District Director for the Second Supervisorial District for San Bernardino County and I coordinate district services and communications with constituents, I oversee community outreach efforts, as well as supervise district staff.

In addition to local-level involvement, I have served on the State Park Commission and as a trustee of the United States Conference of Mayors, an official non-partisan organization of cities in the United States with populations of 30,000 or more. I have also served in community organizations such as Water/Recycled Water Projects and Development Processing for New Communities, Casa Colina Rehabilitation Hospital Board of Directors, and the Upland YMCA Board of Directors.

What is your overall vision for SDRMA? (Response Required)

My vision for SDRMA is to ensure that it continues to be the best risk management agency, who will continue to listen and communicate with its member agencies. I would strive to make sure SDRMA continues to provide excellent service, provide educational and training programs that are beneficial to its member agencies, and offer more resources that add value to its members. Lastly, I want to make sure SDRMA operates in the highest ethical manner with complete transparency.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature  Date 4/25/2023

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Jesse D. Claypool
District/Agency Honey Lake Valley Resource Conservation District
Work Address USDA Service Center 170 Russell Avenue, Suite C, Susanville, CA 96130
Work Phone 530-257-7271 Cell Phone 530-310-0232

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

My interest for being on the SDRMA Board of Directors is because I believe it is imperative for there to be a knowledgeable and experienced voice on the Board with the perspective of the small to mid-size special district. In addition, I am eager to continue working with SDRMA staff and fellow Board members, providing relevant and affordable solutions, available to all special districts.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

The vast amount of understanding and experience that I've gained as a current member of the SDRMA Board of Directors will undoubtedly aide as I continually strive to be an increasingly effective member of the SDRMA Board of Directors going forward.

In addition to being a current SDRMA Board member, I am currently Chairman of the Board for the Honey Lake Valley Resource Conversation District and a board member of a Regional Water Managment Group. Previously I have served on the following, Lassen County's Civil Grand Jury, two terms, CSDA Professional Development committee, two terms, Janesville Union School District trustee, Technical Advisory Committee for the prevention of violence against schools K-12, two terms, and CSDA Member Services committee, two terms.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**


What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

I have attended various board member trainings and completed leadership and governance classes, including the following; CSDA's Extraordinary Leadership Training and CSDA's Special District Leadership Academy. I have received CSDA's Recognition in Special District Governance certificate and successfully completed Executive Education in Public Policy at University of Southern California, Sol Price School of Public Policy.

What is your overall vision for SDRMA? (Response Required)

My continued vision for SDRMA is to be effective within the communities they serve. With focused attention to affordable solutions, administered by a team of highly dedicated professional staff, SDRMA will continue to be an industry leader providing affordable solutions to its members.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature  Date 4/20/2023

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – **no attachments will be accepted**. No statements are endorsed by SDRMA.

Candidate* Sandy Seifert-Raffelson
District/Agency Herlong Public Utility District
Work Address P O Box 115, Herlong CA 96113
Work Phone (530)827-3150 Cell Phone (530)310-4320

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I am a current Board member of SDRMA and feel that I have added my financial and general manager background to make a better-informed decision for SDRMA members. As a Board member, I continue to Improve my education of insurance issues and look forward to representing small District's and Northern California as a voice on the SDRMA Board. I feel I am an asset to the Board with my degree in Business and my 35 plus years' experience in accounting and special districts.

I understand the challenges that small District face every day when it comes to managing liability insurance, worker's compensation and health insurance for a few employees with limited revenue and staff. My experience in small districts give me an appreciation of the importance of risk management services and programs, especially for smaller District that lack expertise within.
I feel I am an asset to this Board, and would love a chance to stay on 4 more years!

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

While serving on the SDRMA Board, I have been privilege to be Secretary of the Board, Vice-President and currently President. I have served on CSDA's Audit and Financial committee's for several year; I have served on the SDFL Board and current President; Northeastern Rual Health Clinic Board; Fair Board; School and Church boards; 4-H Council and leader for 18 years; and UC Davis Equine Board. In the past 30 years, I have learn that there is no "I" in Board and it can be very rewarding to part of a team that makes a difference for others.

As part of my many duties working for Herlong PUD, I worked to form the District and was directly involved with LAFCo, Lassen County Board of Supervisors and County Clerk to establish the initial Board of Directors and first policies for HPUD. I have administered the financial portion of 2 large capital improvement projects with USDA as well as worked on the first ever successful water utility privatization project with the US Army and department of Defense. I am currently in the middle of a 14 million infrastructure project with SRF monies. I am also the primary administrator of two federal contract for utility services.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

I have my Bachelor's Degree in Business with a minor in Sociology. I have audit small districts and worked for a small district for almost 18 years. I am a good communicator and organizer. I have served on several Boards and feel I work well within groups or special committee. I am willing to go that extra mile to see things get completed.

I believe in recognition for jobs well done. I encourage incentive programs that get members motivated to participate and strive to do their very best to keep all losses at a minimum and reward those with no losses.

With HPUD and with SDRMA both boards and employees have worked hard to receive their District of Distinction and their District of Transparency.

I feel I am a good leader with people skills that can accomplish what is necessary to keep a District or JPA moving forward.

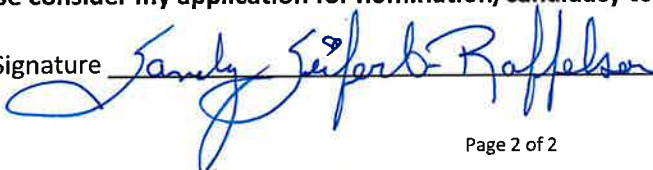
What is your overall vision for SDRMA? (Response Required)

SDRMA Staff and Board work together to bring Special Districts affordable insurance for the pool they serve. By

listening to the needs of all California Special Districts and meeting those needs at a reasonable price that Special Districts can afford. I would continue advocating for these continued efforts and rewarding continue education for all Districts and employees.

I see SDRMA pool continuing for centuries and serving those needs.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature  Date 4/17/2023