

**MEETING MINUTES
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT**

A regular meeting of the Board of Directors of the Santa Ynez River Water Conservation District was held on Wednesday, 6 March 2019, at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present:	Cynthia Allen Steve Jordan	Mark Altshuler Brett Marymee	Art Hibbits
Staff Present:	Bill Buelow	Amber Thompson	Steve Torigiani
Others Present:	Joe Barget Jeff Hodge	Loch Dreizler Kevin Walsh	Paeter Garcia

I. CALL TO ORDER AND ROLL CALL

President Allen called the meeting to order at 6:31 p.m. and requested that Ms. Thompson call the roll. All Directors were present.

II. PLEDGE OF ALLEGIANCE

President Allen led the Pledge of Allegiance.

III. APPROVAL OF MINUTES

Mr. Buelow submitted the minutes of the special meetings of 15 February 2019 and 25 February 2019 for Board approval. Director Jordan made a MOTION to approve the minutes of 15 February 2019. Director Marymee seconded the motion and it passed 4-0-1 with Director Altshuler abstaining. Director Jordan made a MOTION to approve the minutes of 25 February 2019. Director Marymee seconded the motion and it passed unanimously.

IV. ADDITIONS, IF ANY, TO THE AGENDA

Mr. Buelow requested an additional item to the General Manager Report be added to be Agenda titled: "Santa Barbara County Emergency Water Supply Declaration". Director Altshuler made a MOTION to approve the addition to the agenda as Item VIII-G. Director Hibbits seconded the motion and it passed unanimously.

V. PUBLIC COMMENT

There was no public comment.

VI. REVISED 2019 SANTA BARBARA COUNTY INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) PLAN

1. Presentation of the 2019 IRWM Plan - Executive Summary

Mr. Buelow reviewed the 2019 IRWM Plan Executive Summary and said the main reason for being a party of IRWMP is to track grant funding such as Proposition 1 project implementation grants, among other programs. Discussion followed regarding IRWMP and the benefits to participate. Directors requested access to the complete final Plan. Staff will email the plan to them for review. Mr. Buelow suggested the full Plan will added to the District's Dropbox and shared with all Directors. Directors unanimously agreed.

2. Consideration of Resolution No. 687 Adopt the 2019 Santa Barbara Countywide IRWM Plan

Director Jordan waived reading of the Resolution and MOVED to adopt Resolution No. 687, RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT ADOPTING THE 2019 SANTA BARBARA COUNTYWIDE IRWM PLAN.

The motion was seconded by Director Hibbits with the understanding that he read the Executive Summary only. The Resolution was adopted and passed 3-0-2 on the following roll call vote:

AYES, Directors:	Allen, Hibbits, Jordan
NOES, Directors:	None
ABSTAIN, Directors:	Altshuler, Marymee

VII. RECEIPT OF PRELIMINARY 41ST ANNUAL ENGINEERING AND SURVEY REPORT ON WATER SUPPLY CONDITIONS OF THE SYRWCD, FY 2018-19

The Board received and discussed the Preliminary 41st Annual Engineering and Survey Report. The report summarizes groundwater production and groundwater charge revenue for FY 2017-18, and the first half of FY 2018-19. The report indicated that groundwater production is similar to last year. Revenue has increased due to the approved rate changes for FY 2018-19; efforts by staff to follow-up on severely late producers; the registration of numerous formerly unregistered producers; and clarifications made to the water production calculation (Method C) form. Previously, many of these producers were incorrectly classifying groundwater production for hobby farm pastures as "Ag water" which is a lower rate than the "Other water" rate. The status of various major groundwater producers was discussed. Mr. Buelow reported that the District is on track to meet budgeted revenue for the first half of FY 2018-19. Mr. Buelow said that the Annual Report will be finalized and presented at a Special Board meeting to be held on 1 May 2019.

VII. GENERAL MANAGER REPORT

A. Board Reorganization

After discussion, Director Altshuler made a MOTION to keep Director Allen as President, Director Marymee as Vice-President, and Mr. Buelow as Secretary and Treasurer. Director Hibbits seconded the motion and it passed unanimously.

B. Financial Reports, Monthly Warrant Reports and Quarterly Investment Report

The Board reviewed the financial reports of FY 2018-19 Periods 5, 6 and 7 (through January 2019) and approved unanimously the December, January and February Warrant Lists as presented (check numbers 4558-4652). Director Hibbits made a MOTION, seconded by Director Marymee to approve the warrant lists and financial reports. The motion was passed unanimously.

Mr. Buelow presented the Quarterly Investment Report advising investments were made in accordance with policy and sufficient funds are available to meet District obligations in accordance with law.

Director Altshuler requested, for future, a single page Executive Summary accompany financial reports presented to the Board to highlight the top items that make up variances and state the reason for variance similar to how Mr. Buelow verbally informs Board. All Directors concurred that would be helpful.

C. FY 2019-20 Budget/Groundwater Rate Outlook

Mr. Buelow said there is nothing new to report. Item is deferred until the new General Manager reviews finances and creates the FY 2019-20 Budget.

D. SYRWCD Investment Policy

1. Discussion of proposed changes

Mr. Buelow indicated that annual review and re-adoption of the policy is required by State law. Staff reviewed policy with Counsel and a few changes are recommended this year.

2. Consideration of Resolution 688 Adopting A Revised Investment Policy

Mr. Buelow read Resolution 688. After discussion, Director Hibbits made a MOTION to adopt Resolution No. 688, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER WATER CONSERVATION DISTRICT TO ADOPT A REVISED INVESTMENT POLICY.

The motion was seconded by Director Marymee and the resolution was adopted and passed 5-0-0 by the following roll call vote:

AYES, Directors:	Allen, Altshuler, Hibbits, Jordan, Marymee
NOES, Directors:	None
ABSTAIN, Directors:	None

E. District Long Range Plan

Potential changes to the Plan since its adoption in late 2017 were reviewed and discussed, specifically changes to page 5 of the Plan. Director Allen made a MOTION directing staff to keep Fig. 1 as is with Strategic Advisor as Optional/as needed but change Fig. 2 to show duties as the responsibility of “position title” not individual’s initials. The motion was seconded by Director Jordan and passed unanimously.

F. 2020-2022 CSDA Board of Directors - Call for Nominations

Mr. Buelow asked if any Director is interested in being nominated for a seat on the 2020-2022 California Special Districts Association (CSDA) Board of Directors. No Directors were nominated.

Mr. Jeff Hodge of the Santa Ynez CSD was present in the audience and at the request of the Board spoke about his role on the Board and his intentions to run for a seat.

G. Santa Barbara County Emergency Water Supply Declaration

Mr. Buelow presented a Drought Emergency Declaration request for input received from the County of Santa Barbara. He advised that Stetson Engineers is working with him on a response to the County’s request for the District.

Director Marymee made a MOTION for staff to generate a letter subject to review by District Counsel and Board President. Director Hibbits seconded the motion and it passed unanimously.

IX. SURFACE WATER PROGRAM – Status, discussion, and possible Board action on the following topics:

A. River Hydrologic Conditions/Water Rights Accounts

1. Cachuma Project Operations

Mr. Buelow reported, as of 31 January 2019, the totals for the District’s Water Rights Accounts in Lake Cachuma are 11,355 Acre-Feet in the Above Narrows Account (ANA) and 209 Acre-Feet in the Below Narrows Account (BNA) for a total of 11,564 Acre-Feet. Water Year 2019 began very dry with only 2.7 inches of rain at Bradbury Dam from

October through December, but 01 January through 05 March, has totaled 17.2 inches, with more forecasted for March.

2. Upper River Operations

Mr. Buelow reported Gibraltar Reservoir began spilling on 17 January 2019. Jameson Reservoir began spilling on 03 February 2019. There have been no new developments on the Upper River Operations.

B. SWRCB WR 94-5 Water Rights Proceedings

Mr. Buelow reported that the State Board scheduled the Cachuma Project water rights for a closed session on 05 March 2019. Otherwise, there are no new developments.

C. Fish Management Plan/Biological Opinion/Biological Assessment (FMP/BO/BA)

1. Fisheries Activities under 2001 Agreement to Support FMP/BO Compliance

Mr. Buelow reported that the recent storms have raised Lake Cachuma above 120,000 Acre Feet. Therefore, under the 2000 Biological Opinion, Reclamation will be making releases to meet the target flow of 5 cubic feet per second at the Highway 154 Bridge for the fish habitat maintenance. Reclamation also has undertaken releases in three different periods (occasions) so far in 2019 for the purpose of accommodating fish passage.

2. Biological Assessment

Mr. Buelow reported SYRWCD is currently assisting Reclamation to complete a revised Biological Assessment (BA) under Section 7 consultation with the National Marine Fisheries Service (NMFS) for endangered Southern California Steelhead. The original deadline to turn a draft BA is the end of March 2019, but parties are seeking to extend the deadline to mid-May 2019.

D. Projects and Activities that Could Affect District Operations

1. COMB's Project to reconstruct and make permanent the Emergency Pumping Facility (to Tecolote Tunnel) and connect the State Water Project water pipeline system

Mr. Buelow reported with regards to the Emergency Pumping Facility Project implementation, due to the increase in Cachuma Reservoir storage this winter, it will no longer be necessary for COMB to install the pilings and pipeline to Site 1 through December 2020 under the

latest lake level forecasts. The ability to defer the implementation of the work to a later date has saved COMB roughly \$1.5 million in expenditures since it is no longer immediately necessary.

He further reported that in November 2018, COMB authorized a contract with Makai Ocean Engineering, Inc. to perform a feasibility study for the Lake Cachuma Conveyance Operations (i.e. permanent pumping/pipeline facilities for Tecolote Tunnel diversions).

2. Cachuma Project Contract Negotiations

Mr. Buelow reported of discussions between the County and Reclamation and the County and Cachuma Member Units have been initiated. SYRWCD has only been involved marginally so far and has been specifically uninvited to some talks. SYRWCD is not a party to the contract.

X. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)

Mr. Buelow advised that Stetson Engineers held a kick-off meeting for two Task Orders issued under the District's new contract with Stetson for GSP activities in the Central Management Area (CMA) and one for the Western Management Area (WMA). The kick-off was attended by Bill Buelow and Else Wolff from the District and Ali Shahroody and Curtis Lawler from Stetson Engineers. The meeting was held at the Stetson office in San Rafael, CA. They were joined via phone by staff from GeoSyntec and Dudek, Eric Erland (City of Lompoc) and Matt Young (County of Santa Barbara. Other staff not present were briefed on the meeting.

Stetson was issued two tasks orders, one for the WMA and one for the CMA. The two tasks in each order are for creation of Stakeholder Engagement Plans and Data Management Plans for the two GSAs.

Stetson will provide invoices to the District for each Task Order to separate the costs by GSA. These invoices will be paid with contributed funds held by the District in checking accounts opened specifically for each GSA. The District will submit invoices to DWR for reimbursement on a quarterly basis as required.

Mr. Buelow reported that District staff had a kick-off in January 2019 with DWR staff regarding the District's Proposition 1 Grant Award. The kick-off and training covered the requirements for the quarterly reporting and reimbursement process.

District staff requested that the cost share requirement for the grant reimbursement be calculated on a concurrent-drawdown basis. The alternative is that the entire cost-share is paid before reimbursements are made. The concurrent-draw down will help the GSAs manage cash-flow more easily.

Mr. Buelow reported SYRWCD will host the EMA GSA kick-off meeting on 07 March 2019 at the District office with GSI and their consultant team, staff members from the City of Solvang, ID No. 1, and the County of Santa Barbara Water Agency.

Mr. Buelow summarized the status of contract negotiations between Stetson and the GSI team. Since an agreeable contract could not be made between GSI and Stetson, Stetson will be contracted by the District on behalf of the GSAs to coordinate GSP efforts in the EMA with the CMA and WMA. DWR requires that all three GSPs are coordinated.

XI. ATTORNEY REPORT

Mr. Torigiani presented information regarding Water Tax/Budget Trailer Bill (SB 623) and Safe Drinking Water Trust (SB 669) as requested by Director Marymee on 23 January 2019. He included in the packet a sample letter of support and a link to a sample Resolution of support for SB 669. Support for SB 669 is urged by ACWA. Mr. Torigiani will keep Board up to date with changes.

Director Marymee requested staff prepare a Resolution to support SB 669 and present to the Board for consideration at the next Board meeting.

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

Director Marymee reported the required Ethics training was completed via CSDA webinar at the District office by three Board Directors (Directors Allen, Hibbits and Marymee) and one staff (Mr. Buelow).

Ms. Thompson reported that District Staff and all but one Director, have filed their Annual Form 700 for 2018 with the County of Santa Barbara Elections Division.

Mr. Buelow reported that he, Else Wolff and Steve Torigiani travelled to San Rafael for joint meetings with ID No. 1 and Stetson Engineers. ID No. 1 Staff included Paeter Garcia and Chris Dahlstrom, and the Stetson Staff included Ali Shahroody, Curtis Lawler, and others. The meeting focused on common water issues, downstream user issues and SGMA. Staff found the meetings very informative and helpful to build and maintain a good working relationship between the three parties.

XIII. NEXT MEETING DATE

The next Board meeting is scheduled as special meeting for May 1, 2019.

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

Director Marymee requested a Resolution in support of SB 669.

XV. CLOSED SESSION

The Board adjourned into Closed Session at 8:24 p.m. to discuss the following topics:

- A. Conference with Legal Counsel – Existing litigation (Subdivision (d) of Section 54956.9 of the Government Code) relating to adjudicatory proceedings pending before the State Water Resources Control Board regarding Permits 11302 and 11310 issued on Applications 11331 and 11332 to the United States Bureau of Reclamation and complaints filed by the California Sport Fishing Protection Alliance regarding the operation of the Cachuma Project and State Board Order WR 89-18; and proposed changes to the place and purpose of use of waters obtained through aforementioned permits for the Cachuma Project; and proceedings related to SWRCB Permit No. 15878 held by the City of Solvang.
- B. Conference with Legal Counsel –Anticipated litigation: Possible initiation of litigation pursuant to Section 54956.9(d)(4) of the California Government Code (one potential case).
- C. Conference with Legal Counsel – Anticipated Litigation: Significant exposure to litigation pursuant to Section 54956.9(d)(2) of the California Government Code (one potential case).
- D. Public Employment (Gov't Code §54957(b)) Title: General Manager, Groundwater Program Manager, Surface Water Program Manager, Strategic Advisor, District Administrator

The Board emerged from Closed Session at 9:30 p.m. No actions were taken.

XVI. RECONVENE OPEN SESSION/REPORT FROM CLOSED SESSION

Open session reconvened at 9:31 p.m.

President Allen reported that by unanimous vote of the Board, Kevin Walsh was appointed to the General Manager position at an annual salary of \$150,000; William Buelow will resume his duties as Groundwater Resources Manager; and the Strategic Advisor has completed his task list.

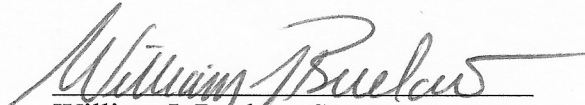
Director Marymee made a MOTION to appoint Kevin Walsh as General Manager at an annual salary of \$150,000 and William Buelow return to Groundwater Program Manager. Director Jordan seconded the motion and it passed unanimously.

Director Marymee made a MOTION that Bruce Wales, having completed the Strategic Advisor Task List, no longer fill the role of Strategic Advisor, effective immediately. Director Jordan seconded the motion and it passed unanimously.


XVII. ADJOURNMENT

There being no further business, President Allen adjourned the meeting at 9:42 p.m.

Respectfully submitted,


William J. Buelow, Secretary

ATTEST:


Cynthia Allen, President