

San Antonio Basin Water District

1005 S. Broadway - Santa Maria, California 93454

Phone: (805) 937-0511 - Fax: (805) 754-2874

Board of Directors Regular Meeting

June 16, 2020 at 1:00 P.M.

Dial-in-number - 1-605-472-5736

Access Code – 186891

Consistent with Executive Order N-29-20 suspending provisions of the Brown Act to allow for public meetings to be conducted remotely, the District will hold its regular Board of Directors meeting by teleconference. There will be no meeting site open to the public. Public participation is encouraged using the teleconference information referenced above.

Meeting and Agenda

- 1) **Call to Order**
- 2) **Roll Call**
- 3) **Self-Introductions**
- 4) **Public Comment:** This portion of the meeting is set aside to provide the public an opportunity to bring to the attention of the Board members matters that are within the jurisdiction of the Board and that are not on today's agenda. No action will be taken on any matter discussed during this portion of the meeting. The total time allotted for this portion of the meeting may be limited to no more than 3 minutes per speaker.
- 5) **Minutes**
 - a. May 19, 2020 Board Meeting Minutes – **Board Approval Needed**
- 6) **Financial Report**
 - a. Discuss FSAWB Financial Statement
 - i. Determine Available Funds to Open New Bank Account
 - b. Review GSA May Financial Statement
- 7) **Management/Administration**
 - a. Status Report
- 8) **Consideration of Appointment of Alternate Director to the San Antonio Basin GSA Board of Directors**
- 9) **Associations, Committees and Other Business Matters**
 - a. Discuss and Consider joining associations to have access to training, insurance, and representations in Sacramento
 - i. California Association of Water Agencies
 - ii. California Special District Associations

- b. Discuss Director requirements, including filing Form 700 and training
 - i. Sexual Harassment Training (within 6 months)
 - ii. Ethics Training (within 12 months)
- c. Review and Approve Legal Representation Agreement and Conflict Waiver Letter

10) Engineer's Report and Proposition 218 Assessment Ballot Proceedings Matters

- a. Preliminary 2020/2021 Budget and Assessment Discussion
 - i. Review Assessment Irrigated/Non-Irrigated Fee Options
- b. Proposition 218 Hearing – minimum 45 days after mailing
 - i. At regularly scheduled meeting July 21, 2020

11) New Business— requests for items to be placed on next agenda.

12) Next Meeting Date – July 21, 2020

13) Adjournment

In compliance with the American with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), if you need special assistance to access the meeting room or otherwise participate at this meeting, including auxiliary aids or services, please contact Donna Glass, admin@sanantoniobasinwd.org 805-928-8349, 1875 Cambridge Way, Santa Maria, CA 93454. Notifications of at least forty-eight (48) hours prior to the meeting will help enable reasonable arrangements to ensure accessibility to the meeting.

Copies of Meeting Documents can be found on our District Webpage <https://sanantoniobasinwd.org/> or requested by contacting Donna Glass, admin@sanantoniobasinwd.org 805-928-8349, 1875 Cambridge Way, Santa Maria, CA 93454.

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Meeting Minutes

Board of Directors Regular Meeting
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Access Code – 186891

Consistent with Executive Order N-29-20 suspending provisions of the Brown Act to allow for public meetings to be conducted remotely, the District held its regular Board of Directors meeting by teleconference. There was no meeting site open to the public. Public participation was encouraged using the teleconference information included in the Agenda.

1) Call to Order

The meeting was called to order at 1:02 p.m. by Kevin Merrill.

2) Roll Call

The following directors were present, constituting a quorum for the transaction of business.

Directors Present:

Kevin Merrill
Randy Sharer
Craig Reade
Victor Schaff
Ken Hunter

Members absent: None

Others in attendance: Kari Wagner, Wallace Group, Alan Doud, Young Wooldridge, LLC, Lon Fletcher and Donna Glass, Water District Formation Coordinators for the Friends of the San Antonio Basin Water District

3) Announcement of Formation of the San Antonio Basin Water District

Kevin Merrill announced that the District's formation election was conducted on April 7, 2020 and over 79% of the acreage held by landowners in the District voted in favor of formation. The election was certified by the County Clerk on April 15, 2020. At its meeting last week, LAFCO approved and signed the District's Certificate of Completion. The date of the signature is May 14, 2020, and we have confirmed that May 14th is the effective date of the District's formation.

4) Public Comment: This portion of the meeting is set aside to provide the public an opportunity to bring to the attention of the Board members matters that are within the jurisdiction of the Board and that are not on today's agenda. No action will be taken on any matter discussed during this portion of

the meeting. The total time allotted for this portion of the meeting may be limited to no more than 3 minutes per speaker.

No public comments.

5) Election of Officers and Appointments

Kevin Merrill briefly discussed process for nominating the President and Vice President. The Secretary, Treasurer, Assessor and Tax Collector are all appointed positions.

a. Nomination of President

Motion was made by Director Sharer to nominate Kevin Merrill for President and seconded by Director Reade.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

b. Nomination of Vice President

Motion was made by Director Reade to nominate Randy Sharer for Vice President and seconded by Director Merrill.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

c. Appointment of Secretary

Motion was made by Director Merrill to appoint Craig Reade for Secretary and seconded by Director Sharer.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

d. Appointment of Treasurer

Motion was made by Director Merrill to appoint Victor Schaff for Treasurer-Assessor and Tax Collector and seconded by Director Sharer.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

e. Consider Appointment of Assessor and Tax Collector

Completed above

6) **Resolution Fixing Time and Place of Regular Meetings**

Motion was made by Director Sharer to adopt a resolution to set the regular meetings of the Board of Directors to be held on the 3rd Tuesday of each month at 1:00 P.M., at the Los Alamos Community Services District located at 82 North Saint Joseph, Los Alamos, California, 93340.
Motion seconded by Director Schaff.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

7) **Resolution to Authorize to Open Bank Accounts**

Motion was made by Director Sharer to adopt the resolution authorizing the San Antonio Basin WD to open one or more bank accounts for the purposes of conducting the District's business at the Community Bank of Santa Maria. Motion seconded by Director Reade

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

Motion was made by Director Sharer and seconded by Director Reade that the signers on the accounts will be:

Director Kevin Merrill, President
Director Randy Sharer, Vice President
Director Craig Reade, Secretary
Director Victor Schaff, Treasurer-Assessor-Tax Collector

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

8) **Fixing Terms of Directors**

Kevin Merrill explained that staggered terms needed to be determined with three directors having four-year terms and two directors having two-year terms. After the November 2022 election all terms will be four years.

After some discussion a **motion** was made by Director Sharer and seconded by Director Schaff to assign Director Merrill, Director Sharer and Director Reade with the 4 year terms and Director Schaff and Director Hunter with the 2 year terms.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

9) **Adoption of Bylaws**

Alan Doud briefly explained the Bylaws and answered some questions. A **motion** was made by Director Sharer and seconded by Director Merrill to adopt the Bylaws of the San Antonio Basin Water District.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

10) Associations, Committees and Other Business Matters

a. Discuss and Consider joining associations to have access to training, insurance, and representations in Sacramento

i. California Association of Water Agencies

A brief discussion took place and a **motion** was made by Director Sharer and seconded by Director Schaff to join the ACWA.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

ii. California Special District Associations

A brief discussion took place and it was decided to look into joining at a later time.

b. Discuss Director requirements, including filing Form 700 and training

Alan Doud briefly discussed the need for the two trainings to take place sooner rather than later. Either his office or Carrie Troup, CPA can provide the training. It was decided to have Carrie Troup provide the training as she has done for the SABGSA board members.

i. Sexual Harassment Training (within 6 months)

ii. Ethics Training (within 12 months)

c. Adoption of Conflict of Interest Code (format is set by Fair Political Practices Commission; needs to be initiated within 6 months; meanwhile Directors must file Form 700s for Assuming Office which will replace existing Candidate 700s)

Alan Doud discussed the need to get this done and will assist the board with what is needed. Form 700 must replace the existing Candidate 700 form within 30 days of assuming office.

d. Consider District's insurance needs

Alan Doud briefly discussed the need for both Directors & Officers and General Liability insurance. Donna Glass has contacted Tolman Wiker and requested a quote for both. An application has been received that needs to be completed and returned. Alan Doud will assist with completing the form.

e. Review and approve Carrie Troup, CPA engagement letter

A brief review and discussion took place about increasing the budget for additional fees outside of the scope of work included in the engagement letter.

Motion was made by Director Sharer and seconded by Director Reade to accept the letter and fee quoted without any increase to the budget for any additional items outside of the scope of work included in the engagement letter.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

f. Review and approve contract with Wallace Group to complete Proposition 218 proceedings

Motion was made by Director Hunter and seconded by Director Sharer to accept the contract with Kari Wagner, Wallace Group, to complete the Proposition 218 proceedings.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

11) Resolution Concerning Substitution by District of Cachuma Resource Conservation District as a Member of the San Antonio Basin GSA

Motion was made by Director Sharer and seconded by Director Reade to adopt the resolution that the Board of Directors of the San Antonio Basin Water District declares and directs as follows:

1. That the Board of Directors of the District desires to exercise the option to which it is entitled under the JPA to substitute for the CRCD as a Member of the GSA.

2. The Board of Directors of the District approves the form of notification attached hereto as Exhibit "A", which notification will serve as the Notice defined in the JPA.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

12) Engineer's Report and Proposition 218 Assessment Ballot Proceedings Matters

a. Preliminary Budget from Engineer's Report

The budget was reviewed and discussed. A **motion** was made by Director Sharer and seconded by Director Merrill to approve the Budget as presented.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

b. General discussion of need to levy assessment to meet budget requirements and of Proposition 218 process to authorize levy and collection of assessment

Alan Doud and Kari Wagner briefly reviewed the process and answered questions.

c. Consider motion to adopt Final Engineer's Report for the District

After a discussion and some questions addressed a **motion** was made by Director Sharer and seconded by Director Reade to approve the Final Engineer's Report as presented with

a correction to the address documents can be view at to be 1005 S. Broadway. The cost per irrigated/non-irrigated acres will be added to the column headings of the Assessment Roll.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

d. Consider Resolution to Initiating Proceedings to Approve Assessment entitled

Motion was made by Director Sharer and seconded by Director Hunter to adopt the “RESOLUTION ADOPTING PROPOSITION 218 ASSESSMENT BALLOT PROCEDURES AND CALLING FOR AN ASSESSMENT BALLOT PROCEEDING ON A PROPOSED ASSESSMENT”—this includes approval of assessment ballot, form of notice of hearing and procedures for conducting 218 assessment proceeding;

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

e. Schedule Proposition 218 Hearing – minimum 45 days after mailing

i. Any time after July 6, 2020

Alan Doud explained the date for the hearing needs to be a minimum of 45 days after the ballots are mailed. Setting the date as the regularly scheduled meeting should not be an issue and will still give plenty of time to meet the LAFCO completion deadline of September 30, 2020.

ii. At regularly scheduled meeting July 21, 2020

Motion was made by Director Sharer and seconded by Director Hunter to set the hearing date for July 21, 2020 at 1:00 pm at the Los Alamos Community Service District Office. 82 North Saint Joseph St - Los Alamos, California 93440

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

13) New Business— requests for items to be placed on next agenda.

No new business was discussed by the Board.

14) District Business Operations

a. Discuss Operational needs

No discussion took place.

b. Discuss District’s need for staff support

Motion was made by Director Schaff and seconded by Director Sharer to approve Donna Glass as the interim District Manager of the SABWD at the salary approved in the District

budget. Lon Fletcher will continue on, at an as needed basis, at his current pay rate with the Friends of the San Antonio Basin Water District to help through the Prop 218 vote process ending on July 21, 2020.

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

c. Appointment of General Counsel

Motion was made by Director Sharer and seconded by Director Merrill to appoint Alan Doud, Young Wooldridge, as General Counsel for the SABWD

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

15) Next Meeting Date – June 16, 2020

Motion was made and seconded to set the next meeting date for June 16, 2020

A roll call vote was taken and the motion carried unanimously.

AYES: Director Hunter, Merrill, Reade, Sharer and Schaff.

NOES: None; **ABSTAIN:** None; **ABSENT:** None

16) Adjournment

Meeting was adjourned by Director Merrill at 3:05 pm.

Respectfully submitted,

Craig Reade, Secretary

Accepted:

Kevin Merrill, President

Date

Friends of the San Antonio Water Basin
Statement of Assets, Liabilities & Equity - Tax Basis
As of May 31, 2020

	<u>May 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
CBSM - GSA #1169	19,806
CBSM - Water District #1193	<u>297,953</u>
Total Checking/Savings	<u>317,759</u>
Total Current Assets	<u>317,759</u>
TOTAL ASSETS	<u><u>317,759</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	<u>766</u>
Total Other Current Liabilities	<u>766</u>
Total Current Liabilities	<u>766</u>
Total Liabilities	766
Equity	
Unrestricted Net Assets	381,293
Net Income	<u>(64,300)</u>
Total Equity	<u>316,993</u>
TOTAL LIABILITIES & EQUITY	<u><u>317,759</u></u>

**Friends of the San Antonio Water Basin
Statement of Revenue & Expenses - Tax Basis
Five Months Ended May 31, 2020**

	May 20	Jan - May 20
Ordinary Income/Expense		
Income		
Water District Contrib's Rec'd	0	12,354
PAC Reimbursement	4,132	8,041
	4,132	20,395
Expense		
Computer and Internet Expenses	0	154
Groundwater Sustainability Exp	0	50,000
Office Supplies	0	26
Payroll Expenses		
Salaries & Wages	2,450	10,688
Payroll Tax Expense	224	1,242
	2,674	11,929
Postage & Delivery	0	66
Professional Fees		
Accounting	317	2,226
Engineering	8,135	11,531
Legal	1,652	8,753
	10,104	22,510
State Taxes	0	10
	12,778	84,695
Total Expense	12,778	84,695
Net Ordinary Income	(8,646)	(64,300)
Net Income	(8,646)	(64,300)

San Antonio Basin GSA
Profit & Loss Budget Performance 19-20
May 2020

92% of year elapsed	<u>May 20</u>	<u>Jul '19 - May 20</u>	<u>YTD Budget</u>	<u>% of Budget</u>
Income				
1 - Grant	1,968.90	8,032.62	49,981.00	16.07%
4-Interest Income	8.55	191.19		
Contributions	0.00	50,000.00	298,722.00	16.74%
Total Income	<u>1,977.45</u>	<u>58,223.81</u>	<u>348,703.00</u>	<u>16.7%</u>
Expense				
Administration and Operation				
1-Administrative Exp/Office Ex	4,096.00	35,987.22	65,800.00	54.69%
2-Accountant	625.00	6,990.00	12,400.00	56.37%
3-Comm Eng Grant Wrtnng NonGSP	0.00	0.00	25,000.00	0.0%
4-Monitoring	589.25	19,714.91	59,358.00	33.21%
5-Legal Counsel	1,501.00	11,512.00	36,000.00	31.98%
6-Insurance	0.00	1,800.00	2,000.00	90.0%
7-Audit Fees	0.00	2,590.00	2,700.00	95.93%
8-GSP Development(GSI contract)	30,935.25	62,845.99	99,962.00	62.87%
9-Other Expense	0.00	4,358.22	30,483.00	14.3%
Total Administration and Operation	<u>37,746.50</u>	<u>145,798.34</u>	<u>333,703.00</u>	<u>43.69%</u>
Capital Expenditures				
10- Capital Assets	0.00	13,173.23	15,000.00	87.82%
Total Capital Expenditures	<u>0.00</u>	<u>13,173.23</u>	<u>15,000.00</u>	<u>87.82%</u>
Total Expense	<u>37,746.50</u>	<u>158,971.57</u>	<u>348,703.00</u>	<u>45.59%</u>
Net Income	<u><u>-35,769.05</u></u>	<u><u>-100,747.76</u></u>	<u><u>0.00</u></u>	<u><u>100.0%</u></u>

San Antonio Basin GSA

Balance Sheet

As of May 31, 2020

May 31, 20

ASSETS

Current Assets

Checking/Savings

Community Bank of Santa Maria -10,749.83

Community Bank of SM MMKT -2449 50,344.99

Total Checking/Savings 39,595.16

Total Current Assets 39,595.16

TOTAL ASSETS 39,595.16

LIABILITIES & EQUITY

Equity

Retained Earnings 140,342.92

Net Income -100,747.76

Total Equity 39,595.16

TOTAL LIABILITIES & EQUITY 39,595.16

**San Antonio Basin GSA
Expenses by Vendor Detail**

May 2020

	<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Account</u>	<u>Amount</u>
Brownstein Hyatt Farber Schreck					
	Check	05/31/2020	2174	5-Legal Counsel	<u>1,501.00</u>
Total Brownstein Hyatt Farber Schreck					1,501.00
Cachuma Resource Conservation District					
	Check	05/31/2020	2176	1-Administrative Exp/Office Ex	<u>4,096.00</u>
Total Cachuma Resource Conservation District					4,096.00
Carrie Troup, C.P.A.					
	Check	05/31/2020	2175	2-Accountant	<u>625.00</u>
Total Carrie Troup, C.P.A.					625.00
GSI WATER SOLUTIONS, INC.					
	Check	05/31/2020	2172	4-Monitoring	589.25
	Check	05/31/2020	2173	8-GSP Development(GSI contract)	<u>30,935.25</u>
Total GSI WATER SOLUTIONS, INC.					<u>31,524.50</u>
TOTAL					<u><u>37,746.50</u></u>

LAW OFFICES OF YOUNG WOOLDRIDGE, LLP
1800 30TH STREET, Fourth Floor
Bakersfield, California 93301
(661) 327-9661
Facsimile (661) 327-0720

LEGAL REPRESENTATION AGREEMENT
(California Business and Professions Code Section 6148)

This agreement ("Contract") is entered into by and between the undersigned, whether one or more, **SAN ANTONIO BASIN WATER DISTRICT**, ("Client"), and **THE LAW OFFICES OF YOUNG WOOLDRIDGE, LLP** ("Attorneys"), as follows:

1. ARBITRATION. Subject to any law, or State Bar Rule, or Kern County Bar Association Rule to the contrary, any dispute arising under or related to this Contract, whether alleged in tort or contract or otherwise, including but not limited to Attorneys' alleged performance or nonperformance hereunder, Attorneys' alleged legal malpractice, Attorneys' alleged unnecessary or unauthorized or improperly or negligently or incompetently or fraudulently rendered legal services ("Claim"), may, at the election of Attorneys or Client, be referred to arbitration for resolution in accordance with California law, and any decision rendered in such proceeding shall be final and binding upon the parties, and a Court of competent jurisdiction may enter judgment thereon. It is understood that any Claim will be determined by submission to arbitration as provided by California law, and not by a lawsuit or resort to court process except as California law provides for judicial review of arbitration proceedings. Both parties to this Contract, by entering into it, are giving up their constitutional right to have any such Claim decided in a court of law before a jury, and instead are accepting the use of arbitration, in the belief that a private arbitration proceeding is a better vehicle to quickly and efficiently resolve any such Claim in a fair and equitable manner.

2. CONDITIONS. This Contract will not take effect, and Attorneys will have no obligation to provide legal services, until Client returns a signed copy of this Contract and pays the retainer fee, if any, called for on the attached Compensation Schedule incorporated herein by this reference and made a part hereof.

3. SCOPE AND DUTIES. Client hires Attorneys regarding as **General Counsel** and any other services that Client may require. Attorneys shall provide those legal services reasonably required to represent Client, and shall take reasonable steps to keep Client informed of progress and to respond to Client's inquiries. Client shall be truthful with Attorneys, cooperate with Attorneys, keep Attorneys informed of developments, abide by this Contract, including, in particular, paying Attorneys' bills on time, calculated as set forth in the attached Compensation Schedule, and keep Attorneys advised of Client's current address, telephone number, and whereabouts.

4. ATTORNEYS' COMPENSATION. For their services hereunder Attorneys shall be compensated as set forth on the attached Compensation Schedule. Client understands Attorneys charge minimum fees for certain services, specifically, any professional's service (.25 hr.), preparation and filing court pleading (2.0 hrs.), any court appearance (1.0 hr.), and utilization of existing work product (reasonable value). In addition, Client will reimburse Attorneys the reasonable charges required for the proper handling of the Client's matter, including, but not limited to, charges for process servers, filing fees, court reporters, messengers, investigators, consultants, expert witnesses, long distance phone calls, telecopy transmissions ("Fax"), photocopying, travel and computer usage.

5. STATEMENTS. Attorneys shall send Client periodic statements for fees and costs incurred. Each statement will be due within 15 days of its mailing, provided, any unused retainer fee on deposit may be withdrawn and credited against client's monthly statement(s) upon mailing. Client may request a statement at intervals of no less than 30 days. If such request is made, a statement will be provided within 10 days thereafter. Unless Client objects to any such statement within 30 days of receipt, it will be presumed to be correct. A time priced service charge will be made on all accounts over 30 days old at the rate of 1.5% per month, or 18% per annum.

6. LIEN. Client hereby grants Attorneys a lien on any and all claims or causes of action that are the subject of Attorneys' representation under this Contract. Attorneys' lien will be for any sums due and owing to Attorneys at the conclusion of Attorneys' services. The lien will attach to any recovery Client may obtain, whether by arbitration award, judgment, settlement, or otherwise, and to any funds or other property of Client in the possession of Attorneys.

7. DISCHARGE AND WITHDRAWAL. Client may discharge Attorneys at any time upon giving written notice to Attorneys. Attorneys may withdraw with Client's consent or for good cause. Good cause includes Client's breach of this Contract, including but not limited to Client's failure to timely pay Attorneys' bills, Client's refusal to cooperate with Attorneys or to follow Attorneys' advice on a material matter, or any other fact or circumstance that would render Attorneys' continuing representation unlawful, unethical, or ineffective.

8. DISCLAIMER OF GUARANTEE. Nothing in this Contract and nothing in Attorneys' statements to client will be construed as a prediction, promise or guarantee about the outcome of Client's matter. Attorneys make no such predictions, promises or guarantees. Attorneys' comments about the outcome of Client's matter are expressions of opinion only.

9. COURT ORDERED ATTORNEYS' FEES. In the event the court orders an adverse party to pay Client's attorney fees, Client's responsibility hereunder will not be in any way modified. However, should the adverse party actually make payment to Attorneys, an appropriate credit will be allowed to Client. Attorneys to be compensated by client as aforesaid for efforts to enforce/collect any such order.

10. **CASE FILE.** At any reasonable time Client, at Client's expense, payable in advance, may obtain copies of Client's file from Attorneys. Furthermore, unless the file is then active, said file may be destroyed upon the expiration of ten (10) years following the Effective Date below.

11. **AMBIGUITY.** Neither this Contract nor any ambiguity hereunder shall be construed against the party drafting it but shall be construed fairly and equitably as though it was the joint product of the parties.

12. **ENTIRE AGREEMENT.** This Contract contains all of the agreements, representations and conditions made between the parties hereto and may not be modified orally or in any other manner than by an agreement in writing signed by the parties hereto or their respective successors in interest.

13. **EFFECTIVE DATE.** This Contract shall be effective from and after June _____, 2020.

ATTORNEYS:

THE LAW OFFICES OF YOUNG WOOLDRIDGE, LLP

By: _____
ALAN F. DOUD

NOTICE: BY SIGNING THIS CONTRACT YOU ARE AGREEING TO HAVE ANY CLAIM DECIDED BY NEUTRAL ARBITRATION AND YOU ARE GIVING UP YOUR RIGHT TO A JURY OR COURT TRIAL. SEE ARTICLE 1 OF THIS CONTRACT.

Client may rescind this contract by giving written notice to Attorneys within 30 days following Client's signature date below, provided, Client will be obligated to pay the reasonable value of all services previously rendered.

I have read and understand the terms of this agreement and have received a copy of the same this date.

SAN ANTONIO BASIN WATER DISTRICT

DATED: _____, 2020

KEVIN MERRILL, President

Law Offices of Young Wooldridge, LLP

COMPENSATION SCHEDULE

Water and Special Districts Department (2020)

A. HOURLY RATES FOR LEGAL PERSONNEL

Senior Attorneys	_____	\$295.00 (10 or more years experience)
Junior Attorneys	_____	\$265.00 (5 to 10 years experience)
Associate Attorneys II	_____	\$235.00 (3 to 4 years experience)
Associates Attorneys I	_____	\$220.00 (less than 3 years experience)
Law Clerks	_____	\$150.00
Legal Assistants/Paralegals	_____	\$ 110.00
Other:	(_____)	\$ _____ (Specify)

NOTE: THE ABOVE CLASSIFICATIONS ARE ASSIGNED BY ATTORNEYS TO THEIR LAWYERS AND OTHER LEGAL PERSONNEL BASED UPON EXPERIENCE/PERFORMANCE.

Client shall provide a \$ -0- Retainer upon entering this Agreement, which shall be refunded and/or applied to outstanding billings upon completion of services.

- / / Minimum Fee - Non-Refundable - "Pure Retainer".
- / / Credit Against Services. (Any unused funds to be refunded to client.)
- / / "Flat Fee" for Specific Services, to wit: \$
- / X / Hourly rate



A Limited Liability Partnership • Est. 1939

Alan F. Doud, Partner

June 2, 2020

San Antonio Basin Water District
Attention: Kevin Merrill, President
1005 S. Broadway
Santa Maria, CA 93454

RE: General Counsel

Dear Mr. Merrill:

This letter follows your Board's appointment of Young Wooldridge as General Counsel for the San Antonio Basin Water District. We appreciate the opportunity to assist you.

We represent various water districts and agencies, principally in the San Joaquin Valley. We also represent districts and agencies in and around Paso Robles and Santa Barbara Counties. Our existing principal water agency clients in the area include Angiola Water District, Arvin-Edison Water Storage District, Cuyama Basin Water District, Del Puerto Water District, Estrella-El Pomar-Creston Water District, Green Valley Water District, Hills Valley Irrigation District, James Irrigation District, Kern River Water Master, Kern Water Bank Authority, Kern-Tulare Water District, Laguna Irrigation District, Madera Chowchilla Power Water Authority, North Kern Water Storage District, Oak Flat Water District, Orange Cove Irrigation District, Porterville Irrigation District, Semitropic Water Storage District and Semitropic, Buttonwillow and Pond-Poso Improvement Districts of SWSD (collectively, "Semitropic"), Shandon-San Juan Water District, Southern California Water Bank Authority, Shafter-Wasco Irrigation District, Sites Project Authority, Santa Ynez River Water Conservation District, Southern San Joaquin Municipal Utility District, Tulare Irrigation District Reclamation District No. 1606, Wheeler Ridge-Maricopa Water Storage District, and Wilbur Reclamation District No. 8256.

Although not likely, it is possible that in the future a conflict might arise between the San Antonio Basin Water District and one of other clients.

In light of the foregoing, we request that San Antonio Basin Water District acknowledge with regard to any potential conflicts that may arise with our clients that, notwithstanding our representation of San Antonio Basin Water District, we would be free to represent our other clients and that the San Antonio Basin Water District waive any potential conflicts. We recognize and affirm that notwithstanding the foregoing waiver, we will not in the course of any such representation use or disclose confidential information obtained in the course of our representation of San Antonio Basin Water District.

If these understandings set forth above are acceptable to San Antonio Basin Water District, please acknowledge this understanding by signing and approving this letter at the place provided below.

We appreciate your consideration of our Firm in assisting San Antonio Basin Water District and look forward to working with you.

Very Truly Yours,



ALAN F. DOUD

AFD: pam

Enclosure

APPROVED THIS _____ DAY
OF _____, 2020

SAN ANTONIO BASIN WATER DISTRICT

BY: _____
KEVIN MERRILL
Its: PRESIDENT

San Antonio Basin Water District

Budget Item Description		FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	General Manager (part-time)	\$40,000	\$41,600	\$43,300	\$45,000	\$46,800
2	Employment taxes and benefits	\$14,000	\$14,600	\$15,200	\$15,800	\$16,400
3	Audit & Financial Reporting (Accountant)	\$7,500	\$7,800	\$8,100	\$8,400	\$8,700
4	Contract Administration (Assessment Billing)	\$25,000	\$26,000	\$27,000	\$28,100	\$29,200
5	Legal Services	\$30,000	\$31,200	\$32,400	\$33,700	\$35,000
6	Meeting Room Lease	\$1,200	\$1,200	\$1,300	\$1,400	\$1,500
7	Web Page Support	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
8	Conferences/Training	\$5,000	\$5,200	\$5,400	\$5,600	\$5,800
9	Travel	\$3,500	\$3,600	\$3,700	\$3,800	\$4,000
10	Insurance Errors and Omissions & Board	\$8,000	\$8,300	\$8,600	\$8,900	\$9,300
11	Office Supplies	\$2,000	\$2,100	\$2,200	\$2,300	\$2,400
12	Postage/Printing	\$5,000	\$5,200	\$5,400	\$5,600	\$5,800
13	Board Elections	\$2,000	\$2,100	\$2,200	\$2,300	\$2,400
14	CSDA Membership	\$1,000	\$1,000	\$1,100	\$1,200	\$1,300
15	LAFCO District Fees	\$1,000	\$1,000	\$1,100	\$1,200	\$1,300
16	Telephone/Computer/Internet	\$3,000	\$3,100	\$3,300	\$3,600	\$3,900
	SUBTOTAL	\$149,400	\$155,200	\$161,500	\$168,100	\$175,000
17	Contingency 10 %	\$14,900	\$15,500	\$16,200	\$16,800	\$17,500
	SUBTOTAL	\$164,300	\$170,700	\$177,700	\$184,900	\$192,500
18	GSA Budget (10% Contingency Included)	\$458,900	\$214,600	\$762,300	\$765,200	\$714,300
19	Carry over funds from FSAWB	\$225,000				
	TOTAL	\$398,200	\$385,300	\$940,000	\$950,100	\$906,800

Five Year Average: \$716,080

Total Assessments

Assessment Class	Total Unit		Maximum Cost per Acre	Total Assessment
			(\$)	(\$)
Irrigated Agriculture	13,857	Acres	50.00	692,850.00
Non-Irrigated Agriculture	46,549	Acres	0.50	23,274.50
Non-Overlying	26,078	Acres	0.00	0.00
Assessment Collected				716,124.50

San Antonio Basin Water District 5 Year Assessment Options

	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>5 Year Total</u>
BUDGET TOTAL	\$398,200	\$385,300	\$940,000	\$950,100	\$906,800	\$3,580,400
Assessment Option 1 = \$50.00 - \$0.50/per year	\$716,125	\$716,125	\$716,125	\$716,125	\$716,125	\$3,580,623
Irrigated Fee	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	
Non-Irrigated Fee	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	
Assessment Option 2 = \$Variable - \$0.50/per year	\$508,270	\$646,840	\$813,124	\$813,124	\$813,124	\$3,594,480
Irrigated Acres	13,857	13,857	13,857	13,857	13,857	
Non-Irrigated Acres	46,549	46,549	46,549	46,549	46,549	
Irrigated Fee	\$35.00	\$45.00	\$57.00	\$57.00	\$57.00	
Non-Irrigated Fee	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	