

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, 5 September 2018, at the Buellton City Council Chambers, 140 West Highway 246, Buellton, California.

Directors Present: Cynthia Allen Art Hibbits Brett Marymee
Directors Absent: Larry Flinkingshelt Steve Jordan
Staff Present: Bruce Wales Bill Buelow Else Wolff
Ernest Conant
Others Present: Penny Knowles

I. CALL TO ORDER AND ROLL CALL

President Allen called the meeting to order at 6:30 p.m. and requested the Secretary to call the roll. All Directors were present except Director Flinkingshelt and Director Jordan.

II. PLEDGE OF ALLEGIANCE

President Allen led the Pledge of Allegiance.

III. APPROVAL OF MINUTES

Mr. Wales submitted the minutes of the regular meeting of 4 June 2018 for Board approval. Director Marymee made a MOTION to approve the minutes. Director Hibbits seconded the motion and it passed 3 - 0.

IV. ADDITIONS, IF ANY, TO THE AGENDA

There were no additions to the agenda.

V. PUBLIC COMMENT

There was no public comment.

VI. GENERAL MANAGER REPORT

A. Elections Filing results

Mr. Wales said that Directors Allen, Hibbits, and Marymee were unopposed and the Board of Supervisors would appoint them in lieu of election.

B. Office Move

Mr. Wales reported that the office move from Suite 108 to Suite 101 in the same building was appropriately noticed and proceeded uneventfully. He said that on 11 September 2018, the District is scheduled to receive a donation of surplus furniture from Vandenberg Village Community Service District and that phones with multiple-line functionality will be installed within the next 10 days. Mr. Wales said that there is a back office space of approximately 135 square feet possessing an exterior entryway. The District sublet this space to the existing sub-tenant while she waited for her new space to become available. This sub-tenant has since vacated the space. Mr. Wales said that there is a prospective new sub-tenant, a representative from a security firm, interested in subletting the space.

C. FY 2017-18 Financial Report and Monthly Accounts Payable Reports

The Board briefly reviewed and discussed the FY 2017-18 financial report and payables since the last Board meeting. Revenues of \$678,554 and expenses of \$769,141 produced a deficit less than budgeted. On a MOTION by Director Hibbits and second by Director Marymee, the warrant list was unanimously approved as presented (Nos. 4389-4445). Mr. Wales said investments were made in accordance with policy and sufficient funds are available to meet District obligations in accordance with law.

D. FY 2017-18 Independent Auditor's Report

The Board reviewed and discussed the FY 2017-18 Independent Auditor's Report and Report on Internal Control. On a MOTION by Director Marymee and second by Director Hibbits, the Board unanimously approved the reports.

E. FY 2018-19 Financial Report and Monthly Accounts Payable Report

The Board briefly reviewed the FY 2018-19 Financial Report through July 2018. On a MOTION of Director Hibbits and second by Director Marymee, the Board unanimously approved the warrant list as presented (Nos. 4446-4469).

F. Consider Retention of CPA Consulting Services for FY 2018-19

The Board considered the retention of the CPA firm Bartlett, Pringle & Wolf for consulting services on SGMA program accounting. Director Marymee made a MOTION to retain Bartlett, Pringle & Wolf for this purpose. Director Hibbits seconded the motion. The motion passed unanimously.

VII. GENERAL

A. River Hydrologic Conditions/Water Rights Accounts

1. Cachuma Project Operations

Ms. Wolff said that the U.S. Drought Monitor indicates that almost all of Santa Barbara County continues to experience severe drought and the Seasonal Drought Outlook indicates that the drought is likely to continue. Reviewing the County's Rainfall Reservoir Summary, she said that the antecedent index listed is 12.5, the maximum value on the scale, indicating very dry soil conditions. Ms. Wolff said that 31 August 2018 was the last day of the Water Year, hence 54% for "Normal-to-Date" and 54% "Normal Water-Year" are final figures for Water Year 2017-2018. With respect to the reservoir elevations, she said that Cachuma stands at 694.18 ft asl, equivalent to about 63,246 AF (or about 32.7% capacity). Gibraltar and Jameson Reservoirs are at about 78% and 58%, respectively; both continuing to suffer from poor water quality and decreased storage due to fires.

Mr. Wales reviewed the Daily Operations Reports for June through August and explained the components of releases for steelhead, State Water, and water rights releases, as well as some of the obstacles that were overcome during preparations for the 2018 water rights release. For example, Reclamation's reluctance to use the Hilton Creek Watering System because of reliability concerns could have limited the flow rate at the outlet works, and possibly the ability to deliver to the BNA under the planned 10,000 acre-feet cap; however, as a result of Mr. Sharody's efforts with with USBR Chief of Operations for Cachuma, Mr. Reyes, the desired release rate of 180 cfs was achieved. Mr. Wales said that the water rights release began on 6 August 2018 and continues to progress according to plan. He also noted that several figures in the August report are erroneous and are in the process of being corrected.

Ms. Wolff said that monthly pan evaporation totals for Lake Cachuma appear to be back to within historic norms. She said that water level measurements for July indicate that the dewatered storage volumes for all areas are within the top three highest (i.e., most dewatered) since the 2011 spill. She noted that the Climate Prediction Center stated that there is a ~60% chance of El Niño this fall, increasing to ~70% during the winter.

2. Upper River Operations

Mr. Wales said that he is in dialogue with the City of Santa Barbara to release Gin Chow water earlier than is prescribed in the Upper Santa Ynez River Operations Agreement and in Technical Memorandum No. 06-01, which state that the annual estimated accumulated inflow is to be released between 1 June and 30 November. He said that during average and wet years, this approach had served the District well, but in dry years, the water percolates above the Cachuma Reservoir and any potential ANA inflow credit is lost. The City is hesitant to

carry-over water to the next year and carry-over also subject to evaporation charges. Mr. Wales said that he is seeking, on a trial basis, to have the water released earlier than 1 June, at a time when there is an opportunity for better conveyance (e.g., during a storm/spill).

B. SWRCB WR 94-5 Water Rights Proceedings

Mr. Wales said that the State Water Resources Control Board met in closed session on 7 August 2018 and again on 28/29 August 2018 to consider the 2016 draft order for the Cachuma Project. He said that the draft order could be finalized in October. If so, he said that the District would evaluate the final order and attend a planned hearing in Sacramento. Attorney Conant that said if any party wished to challenge the order, they must file action in Superior Court within 30-days of final implementation.

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

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

Mr. Wales said that, based on requests from the National Marine Fisheries Service (NMFS) with regard to the 2000 Biological Opinion's RPM 6, Tim Robinson COMB (Tim Robinson) conducted snorkel studies and fish trapping before and during the water rights release. No *O. mykiss* were reported observed, only predators such as large-mouth bass.

2. Biological Opinion Reconsultation

Mr. Wales said that, as described in a 15 June 2018 correspondence from NMFS Regional Administrator, Barry Thom, to USBR Regional Director, David Murillo, a new proposed action would serve as the basis of a formal consultation and would supersede the existing proposed action, and as a result, that NMFS had terminated consultation on the existing proposed action. Mr. Wales said the District, in collaboration with CCRB and SYRWCD ID No 1, submitted a new proposed action to USBR, which was forwarded by USBR to NMFS. He said that a mid-October meeting at is planned in Long Beach between USBR, NMFS, and local interests in order to present the new proposed action to NMFS.

D. Sustainable Groundwater Management Act (SGMA)

Mr. Buelow provided an update on SGMA activities. The Board discussed the adoption of a Conflict of Interest Code for the Central Management Area (CMA) and the Western Management Area (WMA). Director Hibbits made a MOTION to direct District representatives on GSA (Groundwater Sustainability Agency) committees to approve the Conflict of Interest Codes noticed on 6 August 2018 for the CMA and WMA, respectively. Director Marymee seconded the motion and it passed 3 - 0.

The Board discussed cost sharing between WMA GSA voting agencies. Specifically, they reconsidered the cost share agreement approved at the 7 June 2018 WMA GSA meeting, in which the cost sharing was apportioned as follows: 50% for the District, 25% for the City of Lompoc, 12.5% for Vandenberg Village, and 12.5% for Mission Hills. On a MOTION by Director Marymee and second by Director Hibbits, the Board unanimously approved to direct District representatives on the WMA GSA committee to approve the cost share agreement previously approved at the 7 June 2018 WMA GSA meeting, as described above.

E. Projects and Activities that Affect District Operations

1. Cachuma Project Contract Negotiations

Mr. Wales said there is nothing new to report.

2. Santa Ynez CSD Draft Recycled Water Facilities Plan prepared by RMC

Mr. Wales said the Santa Ynez CSD completed a study assessing the need and potential siting of a wastewater treatment facility, including recycling. He said the study concluded that there is not a demonstrated need for the facility and it recommended the evaluation of the modernization and potential expansion of the City of Solvang's existing Wastewater Treatment Plant.

3. Cannabis Production

Mr. Wales said the District is getting an increasing number of inquiries related to cannabis operations, including hoop structures getting closer to the low flow channel. He said that it is an issue that we are continuing to follow.

F. District Long Range Plan

Mr. Wales said that there is nothing new to report.

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

Ms. Wolff announced that she received Recognition in Special District Governance from the Special District Leadership Foundation on 12 July 2018. To achieve this recognition, she completed the Special District Leadership Academy, consisting of governance foundations, strategic planning, public engagement, human resources, and special district finances, and attended the California Special District Association's General Manager Leadership Summit.

The Board and staff discussed water quality impacts associated with phosphorus-based fire retardant, as well as how evaporation is measured.

IX. NEXT MEETING DATE

The next Board meeting is scheduled as a regular meeting for 5 December 2018.

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

No requests were made for items to be included in the next agenda.

XI. CLOSED SESSION

The Board adjourned into Closed Session at 9:00 p.m. to discuss the following topics:

- A. Conference with Legal Counsel – Existing litigation (Subdivision (a) 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 – Significant exposure to litigation pursuant to Section 54956.9(b) of the California Government Code (one item).
- C. Conference with Legal Counsel – Significant exposure to litigation pursuant to Section 54956.9(b) of the California Government Code (one item).
- D. PUBLIC EMPLOYEE EVALUATION (Govt. Code Sec. 54957)
Title: General Manager

The Board emerged from Closed Session at 9:27 p.m. President Allen announced that no action was taken in Closed Session.

XIII. ADJOURNMENT

There being no further business, President Allen adjourned the meeting at 9:27 p.m.

Respectfully submitted,

Bruce A. Wales, Secretary

ATTEST:

Cynthia Allen, President