

SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY (WMA GSA) BOARD OF DIRECTORS

Agenda Item 4.a: Minutes of the Regular Board Meeting of May 27, 2026

The following is a summary of the actions taken at the WMA GSA Board of Directors Meeting. The official record for the meeting is the recording that can be found at:

wma-santaynezwater.org/wma-gsa-ipa-board-meetings

Agenda Item	Discussion or Action
1. Call to Order and Roll Call	Acting Chair Stassi called the meeting to order at approximately 2:05 PM . Executive Director Daniel Heibel called roll to begin the meeting. Alternative Director Worthley, Director Stassi (acting chair), Director Jordan, Alternate Director Garner, and Alternate Director Dietenhofer (ONLINE) were present.
2. Pledge of Allegiance	
3. Public Comment	None
4. Consent Agenda a. Review and consider approval of meeting minutes for the Regular Meeting of February 25, 2026. b. Review and consider approval of meeting minutes for the March 13, 2026 SYRVGB Joint Management Area Board Meeting. c. Review and consider approval of Monthly Financial Reports.	Introduction of the Item Acting Chair Stassi stated the items on the Consent Agenda. <u>Board Discussion</u> None. <u>Public Comment</u> None. <u>Board Action</u> The Board moved to approve Item 4. Motion: Director Jordan Second: Director Worthley Ayes: 4 Nays: 0 Abstains: Acting Chair Stassi abstained from Item B. Minutes of March 13, 2026 meeting. Passes: 4/0
5. Action Items	
5.a. Review and consider approval of WMA GSA FY 2026-27 budget.	Introduction of the Item Executive Director Heibel introduced and explained the proposed budget. Revenue from the Member Agency Contributions, or otherwise loans, has decreased to \$0. SGMA Grant Reimbursement decreased by \$1,055,878, due to an extension on the grant schedule until the end of February 2027. The Executive Director Services fees now include the Fees Collection line-item expense. Various Engineering, Reporting, and Technical Fees came in under budget because much of those expenses were grant-funded. The \$45,000 Annual DWR Report expense is now included in the proposed 2027 budget because there will no longer be grant money to use. Estimated surplus for 2026 is expected to be around \$430,000 but is complicated to calculate because of ongoing grant funding income and expenses, and delays with that. A surplus is beneficial and needed so that the Member Agency Contributions can be paid back and because of future monitoring wells expense, even with grant funding. Executive Management suggests using rate increase and surplus

	towards the previously mentioned expenses. The proposed 2027 budget includes a new expense of \$80,000 for Payback Agencies and decreases the Grant Components to \$1,055,88 due to remaining DWR Grant Funds. Executive Management recommends adopting the Proposed 2027 Budget. <u>Board Discussion</u> Director Jordan asked about proposed timing of paying back loans and asked why audit was not included. Heimerl stated that there is an open suggestion to change to bi-annual. There was also discussion and clarification on contingency not just included in the \$50,000 line item, but also in Engineering and Environmental expenses for collection of data, etc. Jordan requested confirmation from legal counsel that fees will decrease. <u>Public Comment</u> None. <u>Board Action</u> The Board moved to approve Item 5.a. Motion: Alternative Director Garner Second: Director Jordan Ayes: 4 Nays: 0 Abstains: N/A Passes: 4/0
5.b. Review and consider approval of Resolution 2026-01 Authorizing Groundwater Extraction Fees Charges to be Collected on the Tax Roll.	<u>Introduction of the Item</u> Mr. Heimerl introduced and recommended adoption of the resolution, which includes the rate study's suggested fiscal year 2026/2027 groundwater extraction fee rate of \$16.31 per acre foot, and authorizes WMA GSA to place that fee on the county tax roll. <u>Board Discussion</u> Director Jordan asked a question regarding the groundwater extraction fee rate in the context of the GSA budget, which includes a large contingency. Mr. Heimerl stated the rate study was structured around existing and proposed budget, and many other agencies have reserves, which we do not have. The budget contingency and loan payback budget items were discussed again and mentioned that the contingency will be used like a reserve. <u>Public Comment</u> None. <u>Board Action</u> The Board moved to approve Item 5.b. Motion: Director Worthley Second: Director Stassi Ayes: 4 Nays: 0 Abstains: N/A Passes: 4/0
5.c. Receive presentation from Moss, Levy & Hartzheim and file the FY 2023-24 and FY 2024-25	<u>Introduction of the Item</u> Chris Padilla of Moss, Levy & Hartzheim presented the Financial Statement Audit Results for fiscal year '24-'25. Their audit opinion is unmodified and stated the financial statements for the Agency are presented fairly and in accordance with U.S. GAAP. The

Independent Auditor's Reports and Reports on Internal Controls.	financial statements were audited in accordance with GAAS (Auditing Standards Generally Accepted in the U.S.) and Government Auditing Standards (Yellow Book). They also audit internal controls on financial reporting and compliance matters and found no internal weaknesses with reporting and no non-compliance issues. Deficiencies in Internal Control – none in Material Weakness and Significant Deficiencies. Lack of formal accounting policies and procedures, which management said they are addressing, and no formal fraud risk assessment of whistleblower policy. These are not significant for a misstatement in financial reporting but might be an issue moving forward. Also, they did not identify any fraud or noncompliance. There were no difficulties or concerns with performing the audit. Their letter needs to be reviewed and signed. <u>Board Discussion</u> Director Jordan questioned which years the audit covers. It was stated that there are 2 audit reports in the agenda packet. Director Worthley asked if there is a process in place to address the recommended improvements. Mr. Heibel stated there are some items that will be brought forward to be addressed, now that we have these findings. He also said there were policies that were recommended to be approved by the Board. The Agency does not have By-Laws, but an Invoice Approval Procedure was adopted, and will use the recommendations to make improvements. <u>Public Comment</u> None <u>Board Action</u> The Board moved to formally receive and file audit report in Item 5.c. Motion: Director Jordan Second: Director Garner Ayes: 4 Nays: 0 Abstains: N/A Passes: 4/0
5.d. Review and consider approval of board recommendation to member agencies to adopt a JPA amendment adding a Voting Agricultural Representative Director to the WMA GSA board.	<u>Introduction of the Item</u> Mr. Heibel introduced the item and gave a brief history. In July 2024 the WMA GSA provided direction to create a position for a non-voting Ag Director with an Amendment, which was adopted by 3 of the 5-member agency Boards, but was suspended in draft. In September 2025 the concept was brought up again for the Ag Director but as a voting member, and a list of questions and answers were created for the position and are included in the agenda packet. Also in the packet is potential Amendments to the Joint Exercise of Powers Agreement (JPA) that was provided by legal counsel. There are notes and other items that will need to be created and decided upon, such as creating a policy for voting in the Director. Mr. Heibel reminded the Board that they do not have authority to change the JPA; each individual Agency Board would need to do that. <u>Board Discussion</u> Chair Stassi confirmed with Legal Counsel and Mr. Heibel that if approved, members would go back to their other governing Boards with Amendment, not the way it is written, but it may be done that way if the current draft JPA amendment was edited as such. Stassi

	also notes that the draft amendment does not include the nomination process. It was noted that the Q&A document references the process that was used in the EMA. Counsel clarified that the nomination process is not part of this item and would be a separate document. Director Jordan discussed the importance to get Ag Rep. involved now, and that WCD would be giving up 2 votes to Ag Director. Director Worthley stated that the City of Lompoc has always maintained that various reps could be on the Board (Ag, fish, etc.), but it was decided at the time of creating the JPA that none of these should be included. It only seems to be pursued again because Doug Circle (the assumptive Ag Director) is pushing for it and Director Worthley feels that Ag is represented adequately enough with the current Board. Jordan reminded that the Board previously unanimously approved the addition of a non-voting Ag Director. Worthley stated that there was ambiguous wording in that GSA Board action (that it would be considered by the City's council. Didn't have to result in positive result). Director Garner reminded the Board that the City presented a lot of questions that were answered. <u>Public Comment</u> None. <u>Board Action</u> The Board moved to approve to send Item 5.d. to Member Agencies with the possibility of a presentation to the city, as proposed by Director Jordan. Motion: Director Jordan Second: Director Garner Worthley needed clarification on action. Counsel stated that what is needed is a firm decision from the City and a response from each of the agencies and City. Ayes: 4 (Worthley joins Ayes after clarifying that the vote simply means that the draft JPM amendment will be brought to City council) Nays: 0 Abstains: N/A Passes: 4/0
5.e. Review and consider approval of Executive Director and Stetson Engineers Rate Changes	<u>Introduction of the Item</u> Mr. Heimel presented proposed increases to the Board for approval. Possible increases can be effective in June. <u>Board Discussion</u> Director Jordan asked what is the % increase. Mr. Heimel explained that for Confluence Engineering Solutions (CES) the charges vary, but about 5% and up to about 10%. For Stetson it's about 2% from current. Director Worthley asked what the CES contract states. The Board can negotiate the rate, and Worthley agrees that the price should be negotiated and brought up possibly 2%. It was also discussed that the amount of work should decrease over the next year and therefore the cost should decrease. Chair Stassi and Director Jordan suggested what they give the CSD employees, which is based on current CPI, which is 2.6% for the Lompoc area. Dietenhofer comments that the price of gas should be a consideration (CES needs to drive to perform this work). <u>Public Comment</u>

	None. <u>Board Action</u> The Board moved to approve Item 5.e. with a 2% increase for Stetson and 3% increase for Confluence Engineering Solutions, effective June 1. Motion: Director Worthley Second: Director Garner Ayes: 4 Nays: 0 Abstains: N/A Passes: 4/0
6. Informational Items	
6.a. Receive updates on Proposition 68 Grant Projects from EKI.	<u>Introduction of the Item</u> John Fio with EKI Environment & Water gave an update and presentation on Component 2: Well Extraction Measurement Demonstration Projects and Basin Reporting Program, and data evaluation on extraction. They tested and evaluated methods: Mechanical Totalizing Meters, Electrical Power Consumption, and Evapotranspiration (ET) or water consumption by plants (Measured ET and Remote Sensing). <u>Board Discussion</u> Director Worthley wanted EKI's recommendation as if they were a farmer. He stated that it depends on the policy, but meters are the standard and most reliable, but power consumption provides more information and is cost-competitive. Director Jordan discusses costs of Electric vs. Metering with John and Chair Stassi suggests continuing discussion separate from the meeting to go into more detail. Then Fio briefly covered other Components 5, 6, 7, 8, and they are progressing on all items. Director Jordan was disappointed that he wasn't invited to contribute to Wastewater treatment study and wanted to be involved. Fio thought he was invited and would follow up. <u>Public Comment</u> None.
6.b. Receive presentation from Stetson Engineers on Spring 2026 water level data for the Santa Ynez River Valley Groundwater Basin.	<u>Introduction of the Item</u> Curtis with Stetson Engineers gave presentation on water level data and said the water supply is looking good, and implementation of the GSP is going well. The 5-Year Periodic Evaluation of the GSP is under way, which includes addressing DWR's 7 Recommended Corrective Actions (RCAs). Depending on how each RCA is addressed there may be some amendments to the GSP considered, but it is too early to tell. <u>Board Discussion</u> Mr. Heimel added that staff has had many discussions with Stetson and DWR, and that the potential for GSP amendment would be presented to the Board for consideration. Discussion of due dates and the date of the next Board meeting ensued. It was determined the due date for potential GSP amendment notifications will be 9/15/26 and that consideration of potential GSP amendment would be an item at the next Board meeting on 9/2/26. <u>Public Comment</u> None.

6.c. Receive presentation from Stetson Engineers on status of the GSP 5-Year Evaluation, including an update on DWR Recommended Corrective Actions.	Introduction of the Item Completed with above presentation and discussion. <u>Board Discussion</u> See above. <u>Public Comment</u> See above.
6.d. Verbal Report from Executive Director on the Potential for Consolidation/Streamlining of Annual Reports.	Introduction of the Item Mr. HeimeI gave statement on potential for streamlining of Annual Reports due to the requirements being time consuming for everyone, and reported that DWR is also considering streamlining requirements. However, DWR has not yet released guidelines or requirements and there will be more to come. <u>Board Discussion</u> Jordan asked if a single consultant can be used. Mr. HeimeI said there is a possibility, but we need to see the DWR guidelines. <u>Public Comment</u> None.
6.e. WMA GSA Legal Counsel Updates.	Introduction of the Item Legal had no updates. <u>Board Discussion</u> None. <u>Public Comment</u> None.
7. Consider Date/Time for Next Regular and/or Special Meetings of the WMA GSA.	Introduction of the Item The proposed next meeting date is Wednesday, September 2nd at 2:00 PM. <u>Board Discussion</u> <u>Public Comment</u> None.
8. WMA GSA Board of Director Reports and Requests for Future Agenda Items.	Introduction of the Item There were no requests. <u>Board Discussion</u> Stassi prefers the meeting minutes format of the Joint meeting, with more description, better than the current format for WMA. CES will change the format. HeimeI introduced their new administrative employee, Megan Chew. <u>Public Comment</u> None.
9. Adjournment	Meeting adjourned at approximately 4:36 PM.



Charlotte Arnao, Board Secretary