NOTICE AND AGENDA OF SPECIAL MEETING

BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN
EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY

HELD AT
SANTA YNEZ COMMUNITY SERVICES DISTRICT, MEETING ROOM
1070 FARADAY STREET, SANTA YNEZ, CALIFORNIA
4:00 P.M., THURSDAY, NOVEMBER 19, 2026

Optional remote public participation is available via Telephone or TEAMS
To access the meeting via telephone, please dial: +1 469-998-7311, 209762335# or via the Web at: Join the meeting now

"Join a Meeting" - **Meeting ID 294 811 517 405 Meeting Passcode: 4nNRT3**
***** Please Note *****
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AGENDA OF SPECIAL MEETING

1. Call to Order and Roll Call
2. Public Comment (Any member of the public may address the Board relating to any non-agenda matter within the Board's jurisdiction. The time for public comment allotted for each individual shall not exceed three minutes. No action will be taken by the Board at this meeting on any public comment item.)
3. Consent Agenda
    a. Review and consider approval of meeting minutes for the October 7, 2026 Special Meeting and September 24, 2026 Regular Meeting. (Packet Pages: 3-8)
    b. Review and consider approval of Financial Statements and Warrant List. (Packet Pages: 9-18)
    c. Review and consider approval of 2027 EMA GSA Meetings Schedule. (Packet Pages: 19-20)
4. Citizen Advisory Group (CAG) Meeting Report-Out
    a. None – did not meet
5. Action Items
    a. Receive Santa Ynez Water Group nomination report and consider appointment of Agricultural Director and Alternate Agricultural Director for the EMA GSA Board of Directors. (Packet Pages: 21-43)
    b. Review and consider approval of professional services agreement with GSI for preparation of the Water Year 2026 EMA GSA Annual Report. (Packet Pages: 44-61)
    c. Review and consider approval of Fifth Amendment to Professional Services Agreement with Confluence Engineering Solutions for Executive Director Support Services. (Packet Pages: 62-68)

d. Review and consider approval of renewal of the Professional Services Agreement with Aleshire & Wynder, LLP for legal services. (Packet Pages: 69-73)

e. Receive and file staff report and legal assessment for approach to shared wells and De Minimis user certifications (Packet Pages: 74-77)

f. Review and consider approval of developing a De Minimis calculator tool to support well registration and metering initiatives (Packet Pages: 78-86)

g. Receive Board direction on unpaid FYE 2026 groundwater extraction fee direct bills (Packet Pages: 87-94)

6. Informational Items

   a. Prop 68 Grant Executed Amendment #4

   b. Prop 68 Grant Tasks and EMA GSA Initiatives Update

      i. GSP Periodic Evaluation

      ii. Well Registration Update

7. Consider Date/Time and Need for Future Meetings of the EMA GSA.

   a. Next Basin-Wide Joint Special Meeting Friday, December 11, 2026, at 9:00 AM at Buellton City Council Chambers.

   b. Next EMA GSA CAG Meeting Thursday, December 17, 2026 at 3:00 PM via Microsoft Teams.

   c. Next EMA GSA Board Meeting Thursday, January 28, 2027 at 4:00 PM at SYCSD Meeting Room.

8. Board of Directors Reports and Requests for Future Agenda Items

9. Adjournment

[This agenda was posted at least 24 hours prior to the special meeting at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and ema-SantaYnezWater.org in accordance with Government Code Section 54954. 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 Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency at (805) 457-5065. Advanced notification as far as practicable prior to the meeting will enable the GSA to make reasonable arrangements to ensure accessibility to this meeting.]

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

Agenda Item 3.a.: Minutes of the Special Meeting of October 07, 2026

The following is a summary of the actions taken at the SYRVGB EMA GSA Board of Directors Meeting. The official record for the meeting is the recording that can be found at: https://www.ema-santaynezwater.org/ema-gsa-jpa-board-meetings

Agenda Item	Discussion or Action
1. Call to Order and Roll Call	Chair Orona called the meeting to order at approximately 4:00 PM. Daniel Heimel, Executive Director, called roll to begin the meeting. Director Circle, Alternate Director Dietenhofer, Alternate Director Jordan, Director Joos, and Chair Orona were present in-person (00:00:01). Director Marymee joined remotely; because remote attendance had not been noticed, he did not participate as a Director.
2. Public Comment	George Peraza (00:02:18)
3. Agricultural Director and Alternate Director Selection Process **a.** Review and consider approval of requesting nominations for an Agricultural Director and an Alternate Agricultural Director for the EMA GSA Board of Directors.	**Introduction of the Item** (00:03:44) **Board Discussion** (00:07:25) The Board directed staff to calendar the Agricultural Director and Alternate Agricultural Director nomination request for July of even-numbered years (00:21:40). **Public Comment** (00:19:13) Mary Heyden **Board Action** (00:22:00) The Board moved to approve requesting that the Santa Ynez Water Group solicit applications for and nominate qualified candidates to the Agricultural Director and Alternate Agricultural Director positions in accordance with Article 7.2 of the JPA. **Motion:** Director Jordan **Second:** Director Dietenhofer **Ayes:** All **Nays:** None **Passes:** 4-0
4. Consider Date/Time for Next Regular and/or Special Meetings of the EMA GSA **a.** Next EMA GSA CAG Meeting Thursday, October 15, 2026 at 3:00 PM. **b.** Next EMA GSA Board Meeting Thursday, November 19, 2026 at 4:00 PM at	**Introduction of the Item** (00:23:07) **Board Discussion** (00:24:09) **Public Comment** None

Agenda Item	Discussion or Action
SYCSD Meeting Room. **c.** Next Basin-Wide Joint Special Meeting Friday, December 11, 2026, at 9:00 AM at Buellton City Council Chambers.	
5. Board of Directors Reports and Requests for Future Agenda Items	**Introduction of the Item** (00:25:15) **Board Discussion** (00:26:37) A representative of the Santa Ynez Water Group will attend the November 19, 2026 Board meeting to discuss the nomination process. **Public Comment** None
6. Adjournment	Chair Orona adjourned the meeting at approximately 4:29 PM (00:28:51).

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

Agenda Item 3.a: Minutes of the Regular Meeting of September 24, 2026

The following is a summary of the actions taken at the SYRVGB EMA GSA Board of Directors Meeting. The official record for the meeting is the recording that can be found at: https://www.ema-santaynezwater.org/ema-gsa-jpa-board-meetings

Agenda Item	Discussion or Action
1. Call to Order and Roll Call	Chair Orona called the meeting to order at approximately 4:01 PM. Daniel Heimel, Executive Director, called roll to begin the meeting. Chair Orona, Director Circle, Director Hartmann, Alternate Director Jordan, and Director Joos were present (00:00:01).
2. Public Comment	None (00:01:12).
3. Consent Agenda **a. Review and consider approval of meeting minutes for the previous Board Meeting.** **b. Review and consider approval of Financial Statements and Warrant List.**	**Introduction of the Item** (00:01:37) **Board Discussion** (00:02:06) **Public Comment** None **Board Action** (00:08:32) The Board moved to approve the consent agenda. **Motion**: Chair Orona **Second**: Director Joos **Ayes**: All **Nays**: None **Passes**: 5-0
4. CAG Meeting Report-Out	**Introduction of the Item** (00:08:42) **Board Discussion** None **Public Comment** None
5. Action Items	
5.a. Review and consider approval of GSP Periodic Evaluation and amendment to GSP to address Recommended Corrective Actions (RCAs) #5 and #6.	**Introduction of the Item** (00:12:46) **Board Discussion** (00:33:24, 00:43:25, 01:08:00, 01:53:10) **Public Comment** (01:45:43) Mary Heyden Gay Infanti Brian Macy Paeter Garcia

Agenda Item	Discussion or Action
	Board Action (02:15:07) The Board directed staff not to amend the GSP at this time, to respond to DWR's Recommended Corrective Actions through the Periodic Evaluation, and to bring an updated draft of the Periodic Evaluation back to the Board for approval.
5.b. Review and consider approval of Public Works Contract with low-bid Drilling Contractor for Prop 68 Grant Component 5 Monitoring Program Improvements.	**Introduction of the Item** (02:16:59) **Board Discussion** (02:18:04) **Public Comment** None **Board Action** (02:21:21) The Board moved to approve the Public Works Contract with BC2 Environmental, the lowest responsive bidder, for Prop 68 Grant Component 5 Monitoring Program Improvements. **Motion**: Director Circle **Second**: Director Jordan **Ayes**: All **Nays**: None **Passes**: 5-0
5.c. Review and consider approval of Amendment No. 2 to the Agreement with MLJ Environmental for On-Call Watermark Support Services.	**Introduction of the Item** (02:21:50) **Board Discussion** (02:24:11) **Public Comment** None **Board Action** (02:29:03) The Board moved to approve the $2,513 budget amendment for additional implementation support services that MLJ Environmental performed at risk, and did not approve the proposed $5,000 on-call support services budget. **Motion**: Director Circle **Second**: Director Hartmann **Ayes**: All **Nays**: None **Passes**: 5-0
5.d. Review and consider for approval adoption of a 1-year audit cycle for the duration of the Proposition 68 Grant and consider for approval the Engagement Letter for GSA Audit for Fiscal Year ended June 30, 2026.	**Introduction of the Item** (02:29:40) **Board Discussion** (02:31:30) **Public Comment** None **Board Action** (02:31:53) The Board moved to approve adoption of a 1-year audit cycle for the duration of the Proposition 68 Grant and the Engagement Letter for the GSA Audit for Fiscal Year ended June 30, 2026.

Agenda Item	Discussion or Action
	Motion: Director Circle **Second**: Director Hartmann **Ayes**: All **Nays**: None **Passes**: 5-0
5.e. Review status of well registration and provide direction on potential extension of well registration deadline and potential penalties for not registering wells.	**Introduction of the Item** (02:32:04) **Board Discussion** (02:44:59) The Board took Items 5.e. and 5.f. together (02:54:42). **Public Comment** (03:03:56, 03:04:54) Meighan Dietenhofer Brian Macy **Board Action** (03:09:08, 03:15:52) No formal motion was taken. The Board directed staff to extend the well registration deadline to January 1, 2027, and to send a grace-period mailer in the interim. The Board directed staff to provide a recommendation and a staff ranking of the well registration outreach actions discussed that would yield the greatest number of additional registrations for the effort and cost. Director Circle requested that staff provide him a list of the top 25 landowners to assist with outreach. The Board authorized Chair Orona and Director Joos to coordinate with staff on further well registration outreach in the interim before the next Board meeting.
5.f. Review and provide direction on de minimis extractor determinations for metering requirements and policies and procedures for shared wells.	**Introduction of the Item** (02:54:42) The Board took Items 5.e. and 5.f. together. See Item 5.e. for Board Discussion and Public Comment. **Board Action** (03:01:37, 03:18:16) The Board directed staff to prepare a staff report, combined with a legal assessment from legal counsel, on de minimis extractor determinations and shared wells, and to bring it back to the Board.
6. Informational Items	
6.a. Prop 68 Grant and EMA GSA Initiatives Update	**Introduction of the Item** (03:18:33) **Board Discussion** None **Public Comment** None
7. Consider Date/Time and Need for Future Meetings of the EMA GSA.	**Introduction of the Item** (03:21:16) **Board Discussion** (03:21:28) **Public Comment** None
8. Board of Directors Reports and Requests for Future Agenda Items	**Introduction of the Item** (03:21:53) **Board Discussion** None **Public Comment**

Agenda Item	Discussion or Action
	None
9. Adjournment	Chair Orona adjourned the meeting at approximately 7:23 PM (03:22:13).

EMA GSA
Balance Sheet
As of Oct 31, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
1150 Five Star Bank Ckg	256,369.05
Total Bank Accounts	**$256,369.05**
Accounts Receivable	
1200 Accounts Receivable	247,953.87
Total Accounts Receivable	**$247,953.87**
Other Current Assets	
1400 Prepaid Expense	950.00
Total Other Current Assets	**$950.00**
Total Current Assets	**$505,272.92**
Total Assets	**$505,272.92**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	382,868.74
Total Accounts Payable	**$382,868.74**
Other Current Liabilities	
2300 Deposits - Well Verification	0.00
2501 Loan from SYRWCD	112,438.75
2502 Loan from County of SB	112,438.75
2503 Loan from City of Solvang	112,438.75
2504 Loan from ID No. 1	112,438.75
Total Other Current Liabilities	**$449,755.00**
Total Current Liabilities	**$832,623.74**
Total Liabilities	**$832,623.74**
Equity	
3000 Ret Earnings	2,425.67
32000 Unrestricted Net Assets	-144,989.21
Net Income	-184,787.28
Total Equity	**-$327,350.82**
Total Liabilities and Equity	**$505,272.92**

EMA GSA
Profit and Loss
July-October, 2026

	Total
Income	
4300 Groundwater Extraction Fee	0.00
4600 Interest Income	332.87
Total Income	**$332.87**
Gross Profit	**$332.87**
Expenses	
5200 GSA Management/Admin	43,224.84
5350 Public Relations	522.50
5360 Insurance	4,892.55
5800 Legal Services	4,625.20
6400 Annual Report	1,457.50
6501 GSP - Well Measure & Report Program	80,080.06
6503 GSP - Update	43,427.50
6504 GSP - Monitoring Network (incl.GDEs)	6,890.00
Total Expenses	**$185,120.15**
Net Operating Income	**-$184,787.28**
Net Income	**-$184,787.28**

EMA GSA
General Ledger
October 2026

	Distribution account	Transaction date	Transaction type	Num	Name	Description	Split	Amount	Balance
1150 Five Star Bank Ckg									
	Beginning Balance								248,949.40
	1150 Five Star Bank Ckg	10/30/2026	Bill Payment (Check)	1137	Chamberlin Ranch LLC		2000 Accounts Payable	-3,000.00	245,949.40
	1150 Five Star Bank Ckg	10/30/2026	Bill Payment (Check)	1138	Sinai		2000 Accounts Payable	-3.10	245,946.30
	1150 Five Star Bank Ckg	10/30/2026	Deposit		Santa Barbara County	Santa Barbara Coaut Trace Sy Riv Santa Barbara Coaut Trace Sy River Valley Gsa		10,401.55	256,347.85
	1150 Five Star Bank Ckg	10/31/2026	Deposit		Five Star Bank	Interest Deposit	4600 Interest Income	21.20	256,369.05
Total for 1150 Five Star Bank Ckg								**$7,419.65**	
1200 Accounts Receivable									
	Beginning Balance								247,953.87
Total for 1200 Accounts Receivable								**$0.00**	
1400 Prepaid Expense									
	Beginning Balance								950.00
Total for 1400 Prepaid Expense								**$0.00**	
2000 Accounts Payable									
	Beginning Balance								382,432.43
	2000 Accounts Payable	10/08/2026	Bill	2404	Santa Ynez Community Services District	10/7/26 Board Room Rental	5350 Public Relations	79.41	382,511.84
	2000 Accounts Payable	10/12/2026	Bill	0012964	MLJ Environmental, LLC	Watermark Core Module 9.1.26-9.30.26	6501 GSP - Well Measure & Report Program	360.00	382,871.84
	2000 Accounts Payable	10/29/2026	Bill	1001	Chamberlin Ranch LLC		6504 GSP - Monitoring Network (incl.GDEs)	3,000.00	385,871.84
	2000 Accounts Payable	10/30/2026	Bill Payment (Check)	1137	Chamberlin Ranch LLC		1150 Five Star Bank Ckg	-3,000.00	382,871.84
	2000 Accounts Payable	10/30/2026	Bill Payment (Check)	1138	Sinai		1150 Five Star Bank Ckg	-3.10	382,868.74
Total for 2000 Accounts Payable								**$436.31**	
2501 Loan from SYRWCD									
	Beginning Balance								112,438.75
Total for 2501 Loan from SYRWCD								**$0.00**	
2502 Loan from County of SB									
	Beginning Balance								112,438.75
Total for 2502 Loan from County of SB								**$0.00**	
2503 Loan from City of Solvang									
	Beginning Balance								112,438.75
Total for 2503 Loan from City of Solvang								**$0.00**	
2504 Loan from ID No. 1									
	Beginning Balance								112,438.75
Total for 2504 Loan from ID No. 1								**$0.00**	
3000 Ret Earnings									
	Beginning Balance								2,425.67
Total for 3000 Ret Earnings								**$0.00**	
Retained Earnings									
	Beginning Balance								-144,989.21
Total for Retained Earnings								**$0.00**	
4300 Groundwater Extraction Fee									
	Beginning Balance								-10,154.32
	4300 Groundwater Extraction Fee	10/30/2026	Deposit		Santa Barbara County	Santa Barbara Coaut Trace Sy Riv Santa Barbara Coaut Trace Sy River Valley Gsa	1150 Five Star Bank Ckg	10,154.32	$0.00
Total for 4300 Groundwater Extraction Fee								**$10,154.32**	
4600 Interest Income									
	Beginning Balance								64.44
	4600 Interest Income	10/30/2026	Deposit		Santa Barbara County	Santa Barbara Coaut Trace Sy Riv Santa Barbara Coaut Trace Sy River Valley Gsa	1150 Five Star Bank Ckg	247.23	311.67
	4600 Interest Income	10/31/2026	Deposit		Five Star Bank	Interest Deposit	1150 Five Star Bank Ckg	21.20	332.87
Total for 4600 Interest Income								**$268.43**	
5200 GSA Management/Admin									
	Beginning Balance								43,224.84
Total for 5200 GSA Management/Admin								**$0.00**	
5350 Public Relations									
	Beginning Balance								443.09
	5350 Public Relations	10/08/2026	Bill	2404	Santa Ynez Community Services District	10/7/26 Board Room Rental	2000 Accounts Payable	79.41	522.50
Total for 5350 Public Relations								**$79.41**	
5360 Insurance									

EMA GSA
General Ledger
October 2026

	Distribution account	Transaction date	Transaction type	Num	Name	Description	Split	Amount	Balance
	Beginning Balance								4,892.55
Total for 5360 Insurance								**$0.00**	
5800 Legal Services									
	Beginning Balance								4,625.20
Total for 5800 Legal Services								**$0.00**	
6400 Annual Report									
	Beginning Balance								1,457.50
Total for 6400 Annual Report								**$0.00**	
6501 GSP - Well Measure & Report Program									
	Beginning Balance								79,720.06
	6501 GSP - Well Measure & Report Program	10/12/2026	Bill	0012964	MLJ Environmental, LLC	Watermark Core Module 9.1.26-9.30.26	2000 Accounts Payable	360.00	80,080.06
Total for 6501 GSP - Well Measure & Report Program								**$360.00**	
6503 GSP - Update									
	Beginning Balance								43,427.50
Total for 6503 GSP - Update								**$0.00**	
6504 GSP - Monitoring Network (incl.GDEs)									
	Beginning Balance								3,890.00
	6504 GSP - Monitoring Network (incl.GDEs)	10/29/2026	Bill	1001	Chamberlin Ranch LLC	Reimburse Legal Services for Monitoring Well Easement	2000 Accounts Payable	3,000.00	6,890.00
Total for 6504 GSP - Monitoring Network (incl.GDEs)								**$3,000.00**	

Accrual Basis Tuesday, November 10, 2026 06:11 PM GMT-08:00

EMA GSA
Bill Payment List
October 2026

Date	Num	Vendor	Amount
1150 Five Star Bank Ckg			
10/30/2026	1137	Chamberlin Ranch LLC	-3,000.00
10/30/2026	1138	Sinai	-3.10
Total for 1150 Five Star Bank Ckg			**-$3,003.10**

EMA GSA
Balance Sheet
As of Sep 30, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
1150 Five Star Bank Ckg	248,946.30
Total for Bank Accounts	**$248,946.30**
Accounts Receivable	
1200 Accounts Receivable	247,953.87
Total for Accounts Receivable	**$247,953.87**
Other Current Assets	
1400 Prepaid Expense	950.00
Total for Other Current Assets	**$950.00**
Total for Current Assets	**$497,850.17**
Total for Assets	**$497,850.17**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	357,259.43
Total for Accounts Payable	**$357,259.43**
Other Current Liabilities	
2300 Deposits - Well Verification	0.00
2501 Loan from SYRWCD	112,438.75
2502 Loan from County of SB	112,438.75
2503 Loan from City of Solvang	112,438.75
2504 Loan from ID No. 1	112,438.75
Total for Other Current Liabilities	**$449,755.00**
Total for Current Liabilities	**$807,014.43**
Total for Liabilities	**$807,014.43**
Equity	
3000 Ret Earnings	2,425.67
32000 Unrestricted Net Assets	-158,476.03
Net Income	-153,113.90
Total for Equity	**-$309,164.26**
Total for Liabilities and Equity	**$497,850.17**

EMA GSA
Profit and Loss
July-September, 2026

	Total
Income	
4600 Interest Income	64.44
Total for Income	**$64.44**
Gross Profit	**$64.44**
Expenses	
5200 GSA Management/Admin	26,301.19
5350 Public Relations	443.09
5360 Insurance	4,892.55
5800 Legal Services	4,625.20
6400 Annual Report	1,457.50
6501 GSP - Well Measure & Report Program	72,481.31
6503 GSP - Update	40,190.00
6504 GSP - Monitoring Network (incl.GDEs)	2,787.50
Total for Expenses	**$153,178.34**
Net Operating Income	**-$153,113.90**
Net Income	**-$153,113.90**

EMA GSA
General Ledger
September 2026

Distribution account	Transaction date	Transaction type	Num	Name	Description	Split	Amount	Balance
1150 Five Star Bank Ckg								
Beginning Balance								249,243.45
1150 Five Star Bank Ckg	09/22/2026	Bill Payment (Check)	1136	Santa Ynez Community Services District		2000 Accounts Payable	-317.64	248,925.81
1150 Five Star Bank Ckg	09/30/2026	Deposit		Five Star Bank	Interest Deposit	4600 Interest Income	20.49	248,946.30
Total for 1150 Five Star Bank Ckg							**-$297.15**	
1200 Accounts Receivable								
Beginning Balance								247,953.87
Total for 1200 Accounts Receivable							**$0.00**	
1400 Prepaid Expense								
Beginning Balance								950.00
Total for 1400 Prepaid Expense							**$0.00**	
2000 Accounts Payable								
Beginning Balance								260,946.17
2000 Accounts Payable	09/03/2026	Bill	0012922	MLJ Environmental, LLC	Watermark Core Module 8.1.26-8.31.26	6501 GSP - Well Measure & Report Program	270.00	261,216.17
2000 Accounts Payable	09/22/2026	Bill Payment (Check)	1136	Santa Ynez Community Services District		1150 Five Star Bank Ckg	-317.64	260,898.53
2000 Accounts Payable	09/22/2026	Bill	1467	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Executive Director	5200 GSA Management/Admin	26,301.19	287,199.72
2000 Accounts Payable	09/22/2026	Bill	1468	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Prop 68 Grant - Component 2 - Extraction Measurement & Reporting	6501 GSP - Well Measure & Report Program	49,076.25	336,275.97
2000 Accounts Payable	09/22/2026	Bill	1469	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Prop 68 Grant - Component 4 - Annual Reports & 5-yr Update	6503 GSP - Update	15,841.25	352,117.22
2000 Accounts Payable	09/22/2026	Bill	1470	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Prop 68 Grant - Component 5 - Monitoring Improvement & Expansion	6504 GSP - Monitoring Network (incl.GDEs)	2,787.50	354,904.72
2000 Accounts Payable	09/22/2026	Bill	109499	Aleshire & Wynder	8/1/26-8/31/26 Legal Services	5800 Legal Services	2,275.30	357,180.02
2000 Accounts Payable	09/25/2026	Bill	2402	Santa Ynez Community Services District	9/24/26 Board Room Rental	5350 Public Relations	79.41	357,259.43
Total for 2000 Accounts Payable							**$96,313.26**	
2300 Deposits - Well Verification								
Beginning Balance								$0.00
Total for 2300 Deposits - Well Verification							**$0.00**	
2501 Loan from SYRWCD								
Beginning Balance								112,438.75
Total for 2501 Loan from SYRWCD							**$0.00**	
2502 Loan from County of SB								
Beginning Balance								112,438.75
Total for 2502 Loan from County of SB							**$0.00**	
2503 Loan from City of Solvang								
Beginning Balance								112,438.75
Total for 2503 Loan from City of Solvang							**$0.00**	
2504 Loan from ID No. 1								
Beginning Balance								112,438.75
Total for 2504 Loan from ID No. 1							**$0.00**	
3000 Ret Earnings								
Beginning Balance								2,425.67
Total for 3000 Ret Earnings							**$0.00**	
Retained Earnings								
Beginning Balance								-158,476.03
Total for Retained Earnings							**$0.00**	
4600 Interest Income								
Beginning Balance								43.95
4600 Interest Income	09/30/2026	Deposit		Five Star Bank	Interest Deposit	1150 Five Star Bank Ckg	20.49	64.44
Total for 4600 Interest Income							**$20.49**	
5200 GSA Management/Admin								
5200 GSA Management/Admin	09/22/2026	Bill	1467	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Executive Director	2000 Accounts Payable	26,301.19	26,301.19
Total for 5200 GSA Management/Admin							**$26,301.19**	
5350 Public Relations								
Beginning Balance								363.68

EMA GSA
General Ledger
September 2026

	Distribution account	Transaction date	Transaction type	Num	Name	Description	Split	Amount	Balance
	5350 Public Relations	09/25/2026	Bill	2402	Santa Ynez Community Services District	9/24/26 Board Room Rental	2000 Accounts Payable	79.41	443.09
Total for 5350 Public Relations								**$79.41**	
5360 Insurance									
	Beginning Balance								4,892.55
Total for 5360 Insurance								**$0.00**	
5800 Legal Services									
	Beginning Balance								2,349.90
	5800 Legal Services	09/22/2026	Bill	109499	Aleshire & Wynder	8/1/26-8/31/26 Legal Services	2000 Accounts Payable	2,275.30	4,625.20
Total for 5800 Legal Services								**$2,275.30**	
6400 Annual Report									
	Beginning Balance								1,457.50
Total for 6400 Annual Report								**$0.00**	
6501 GSP - Well Measure & Report Program									
	Beginning Balance								23,135.06
	6501 GSP - Well Measure & Report Program	09/03/2026	Bill	0012922	MLJ Environmental, LLC	Watermark Core Module 8.1.26-8.31.26	2000 Accounts Payable	270.00	23,405.06
	6501 GSP - Well Measure & Report Program	09/22/2026	Bill	1468	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Prop 68 Grant - Component 2 - Extraction Measurement & Reporting	2000 Accounts Payable	49,076.25	72,481.31
Total for 6501 GSP - Well Measure & Report Program								**$49,346.25**	
6503 GSP - Update									
	Beginning Balance								24,348.75
	6503 GSP - Update	09/22/2026	Bill	1469	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Prop 68 Grant - Component 4 - Annual Reports & 5-yr Update	2000 Accounts Payable	15,841.25	40,190.00
Total for 6503 GSP - Update								**$15,841.25**	
6504 GSP - Monitoring Network (incl.GDEs)									
	6504 GSP - Monitoring Network (incl.GDEs)	09/22/2026	Bill	1470	Confluence Engineering Solutions, Inc.	7/1/26-8/31/26 Prop 68 Grant - Component 5 - Monitoring Improvement & Expansion	2000 Accounts Payable	2,787.50	2,787.50
Total for 6504 GSP - Monitoring Network (incl.GDEs)								**$2,787.50**	

Accrual Basis Monday, October 12, 2026 01:27 PM GMT-07:00

EMA GSA
Bill Payment List
September 2026

Date	Num	Vendor	Amount
1150 Five Star Bank Ckg			
09/22/2026	1136	Santa Ynez Community Services District	-317.64
Total for 1150 Five Star Bank Ckg			**-$317.64**

TO: **EMA GSA Board of Directors**

FROM: **Daniel Heimel, Executive Director**

DATE: **November 19, 2026**

SUBJECT: **Item 3c – Review and consider approval of 2027 EMA GSA Meetings Schedule.**

Recommendation

EMA GSA Staff recommend that the Board of Directors approve the proposed 2027 meeting schedule for the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency (EMA GSA), including Board meetings, Joint Management Area meetings, and Citizen Advisory Group (CAG) meetings, as presented.

EMA GSA Board Meetings

Fourth Thursday of every other month at 4:00 PM, unless a holiday requires a special meeting on the third Thursday

- **January 28, 2027** – Thursday, 4:00 PM
- **March 25, 2027** – Thursday, 4:00 PM
- **May 27, 2027** – Thursday, 4:00 PM
- **July 22, 2027** – Thursday, 4:00 PM
- **September 23, 2027** – Thursday, 4:00 PM
- **November 18, 2027** – Thursday, 4:00 PM
  (Fourth Thursday falls on Thanksgiving; meeting held on the third Thursday)

Joint Management Area Meetings

(Eastern, Western, and Central Management Areas)
Second Friday of the last month of each quarter at 9:00 AM

- **March 12, 2027** – Friday, 9:00 AM
- **June 11, 2027** – Friday, 9:00 AM
- **September 10, 2027** – Friday, 9:00 AM
- **December 10, 2027** – Friday, 9:00 AM

CAG Meetings

Third Thursday of every other month at 3:00 PM

- **February 18, 2027** – Thursday, 3:00 PM
- **April 15, 2027** – Thursday, 3:00 PM
- **June 17, 2027** – Thursday, 3:00 PM
- **August 19, 2027** – Thursday, 3:00 PM
- **October 21, 2027** – Thursday, 3:00 PM
- **December 16, 2027** – Thursday, 3:00 PM

The proposed 2027 EMA GSA Meetings Schedule is also provided below in a single, chronological bulleted list.

- **January 28, 2027** – *EMA GSA Board Meeting*, Thursday, 4:00 PM
- **February 18, 2027** – *CAG Meeting*, Thursday, 3:00 PM
- **March 12, 2027** – *Joint Management Area Meeting*, Friday, 9:00 AM
- **March 25, 2027** – *EMA GSA Board Meeting*, Thursday, 4:00 PM
- **April 15, 2027** – *CAG Meeting*, Thursday, 3:00 PM
- **May 27, 2027** – *EMA GSA Board Meeting*, Thursday, 4:00 PM
- **June 11, 2027** – *Joint Management Area Meeting*, Friday, 9:00 AM
- **June 17, 2027** – *CAG Meeting*, Thursday, 3:00 PM
- **July 22, 2027** – *EMA GSA Board Meeting*, Thursday, 4:00 PM
- **August 19, 2027** – *CAG Meeting*, Thursday, 3:00 PM
- **September 10, 2027** – *Joint Management Area Meeting*, Friday, 9:00 AM
- **September 23, 2027** – *EMA GSA Board Meeting*, Thursday, 4:00 PM
- **October 21, 2027** – *CAG Meeting*, Thursday, 3:00 PM
- **November 18, 2027** – *EMA GSA Board Meeting*, Thursday, 4:00 PM
  (Special meeting date due to Thanksgiving holiday on the fourth Thursday)
- **December 10, 2027** – *Joint Management Area Meeting*, Friday, 9:00 AM
- **December 16, 2027** – *CAG Meeting*, Thursday, 3:00 PM

TO: **EMA GSA Board of Directors**

FROM: **Daniel Heimel, Executive Director**

DATE: **November 19, 2026**

SUBJECT: **Item 5.a – Receive Santa Ynez Water Group Nomination Report and Consider Appointment of Agricultural Director and Alternate Agricultural Director for the EMA GSA Board of Directors**

Background

The "Joint Exercise of Powers Agreement Santa Ynez River Valley Basin Eastern Management Area Groundwater Sustainability Agency" (JPA) was approved and adopted on July 16th, 2024 by the four agencies of the Santa Ynez River Valley Eastern Management Area Groundwater Sustainability Agency (EMA GSA): the City of Solvang, the Santa Barbara County Water Agency, the Santa Ynez River Water Conservation District, and the Santa Ynez River Water Conservation District, Improvement District No. 1. Article 7 of the JPA, included as Attachment A, calls for the formation of a Board of Directors (Board) consisting of one representative from each of the public agency parties (Member Directors) and one representative (the Agricultural Director) representing the agricultural interests of the EMA. Pursuant to Article 7.2(f) of the JPA, the Member Directors have the authority to appoint the Agricultural Director via unanimous vote at public noticed meeting. The Agricultural Director shall serve two-year terms and may be reappointed for multiple terms. On October 24, 2024, the Board appointed Mr. Douglas Circle as Agricultural Director and Ms. Mary Heyden as Alternate Agricultural Director; their two-year terms expired on October 24, 2026.

To qualify for the position of Agricultural Director on the EMA GSA Board, candidates must meet several specific criteria as outlined by Article 7 of the JPA. They do not need to be a member of any agricultural association or entity operating within the GSA's boundaries but must own or represent property located within the GSA boundaries and engage in commercial agriculture that uses at least 2 acre-feet of groundwater annually from within the GSA to support farming on that property. Additionally, candidates must be both a resident and a registered voter within the GSA boundaries. Those involved in pending litigation against the GSA, except for groundwater rights adjudication affecting the EMA, are ineligible.

To notify the EMA GSA Member Directors of their recommendations (i.e. Mr. Douglas Circle - Agricultural Director; and Ms. Mary Heyden - Alternate Agricultural Director) and to demonstrate compliance with the requirements of the JPA, the Santa Ynez Water Group (Water Group) provided the EMA GSA with a nomination report dated November 5, 2026 (Attachment B) outlining their process for soliciting and reviewing applications and developing recommendations for the Agricultural Director and Alternate Director positions. Working with the Santa Barbara Vintners, the Santa Barbara County Farm Bureau, the Santa Barbara County Cattlemen's Association, and the Santa Barbara Agricultural Advisory Committee, the Water Group solicited applications through notices published in the Santa Ynez Valley News and the Santa Maria Times from October 14 to October 29, 2026, supplemented by email and

newsletter outreach from the Santa Barbara Vintners and the Santa Barbara County Farm Bureau. The Water Group received two applications, interviewed each applicant, and approved its recommendation of Mr. Circle and Ms. Heyden at its November 4, 2026 Board of Directors meeting. Mr. Circle and Ms. Heyden are the incumbent Agricultural Director and Alternate Agricultural Director, respectively, and are seeking reappointment. Additionally included in the Water Groups submission are copies of the newspaper articles soliciting applications, director applications, and letters of recommendations (included as attachments).

EMA GSA Staff and Legal Counsel have reviewed the submitted materials and believes that the Water Group has fulfilled the requirements of the JPA for soliciting qualified applicants and developing recommendations for the Agricultural Director and Alternate Agricultural Director positions for the EMA GSA Member Directors consideration.

Recommendation

Receive Santa Ynez Water Group Nomination Report and Consider Appointment of Agricultural Director and Alternate Agricultural Director for the EMA GSA Board of Directors.

Attachments

Attachment A: July 16th, 2024 Article 7 of the Joint Exercise of Powers Agreement Santa Ynez River Valley Basin Eastern Management Area Groundwater Sustainability Agency
Attachment B: November 5, 2026 Santa Ynez Water Group's Nomination Report for Agricultural Director and Alternate Agricultural Director
Attachment C: Newspaper Media Release from Santa Ynez Water Group
Attachment D: October 2026 Doug Circle and Mary Heyden's Applications for Consideration as Agricultural Director/Alternate Director for the EMA GSA
Attachment E: November 13, 2026 Santa Barbara Vintners Letters of Recommendation for Doug Circle as Agricultural Director and Mary Heyden as Alternate Agricultural Director

imposed on Solvang.

ARTICLE 6
MEMBERSHIP

6.1 Members. The Members of the EMA GSA, as long as they have not withdrawn from this Agreement pursuant to Article 16, shall be:

(a) City of Solvang;

(b) Santa Barbara County Water Agency;

(c) Santa Ynez River Water Conservation District; and

(d) Santa Ynez River Water Conservation District, Improvement District No.1.

6.2 New Members. Any entity authorized by SGMA and other applicable law to participate in the EMA GSA, that is not a Member on the Effective Date of this Agreement, may become a Member upon all of the following:

(a) The approval of the Board of Directors as specified in Article 11.3;

(b) Amendment of the Agreement in accordance with Article 17.2; and

(c) Payment by the new Member of a pro rata share of all previously incurred costs that the Board of Directors determines have resulted in benefit to the new Member, and are appropriate for assessment on the new Member.

ARTICLE 7
BOARD OF DIRECTORS

7.1 Formation of the Board of Directors. The EMA GSA shall be governed by a Board of Directors ("Board"). Directors of the Board shall consist of one representative from each of the Members of the GSA pursuant to Article 6, and one representative

appointed by the Member Directors, initially as follows:

(a) One Director representing Solvang;

(b) One Director representing Santa Barbara;

(c) One Director representing SYRWCD;

(d) One Director representing ID No.1; and

(e) One Director, appointed in accordance with Article 7.2 by the Member Directors listed in (a)-(d) above, specifically representing the agricultural interests of the EMA (the "Agricultural Director").

7.2 Appointment of Directors. Directors of the Board shall be appointed as follows:

(a) The Director representing Solvang shall be appointed by resolution of Solvang's City Council.

(b) The Director representing Santa Barbara shall be appointed by resolution of Santa Barbara's Board of Directors.

(c) The Director representing SYRWCD shall be appointed by resolution of SYRWCD's Board of Directors.

(d) The Director representing ID No.1 shall be appointed by resolution of ID No.1's Board of Trustees.

(e) The Director of any new Member of the EMA GSA pursuant to Article 6.2 shall be appointed by resolution of the governing body of the new Member.

(f) The Agricultural Director listed in Article 7.1(e) shall be appointed as follows:

(1) Upon request of the Board, the Santa Ynez Water Group, working in conjunction with other agricultural associations or entities having members or doing business within the GSA's boundaries, specifically including but not limited to the Santa Barbara County Farm Bureau, shall solicit applications for the Agricultural Director position through an open public process where such solicitation shall be publicly noticed in a newspaper of general circulation within the EMA and announced at no less than one public meeting of the EMA GSA. The Santa Ynez Water Group shall review all received applications and submit (i.e., nominate) one or more Qualified Nominees for the Agricultural Director position to the

Board, where a discussion of the review and nomination process must be provided by the nominating entity as part of an open public meeting of the EMA GSA.

(a) A "Qualified Nominee" need not be a member of the Santa Ynez Water Group, or any other agricultural association or entity having members or doing business within the GSA's boundaries, but shall satisfy the following qualifications:

(i) Be an owner or representative of an owner of property located within the boundaries of the GSA and involved in Commercial Agriculture which produces at least 2 acre-feet per year of groundwater (as defined by SGMA and the EMA GSP) from within the boundaries of the GSA to support Commercial Agriculture on said property;

- For purposes of these criteria, "Commercial Agriculture" means a commercial or family farming enterprise whose business is to cultivate the land for growing plants, vines, or other crops for consumption, fiber, biofuel, or raw materials, or the breeding, feeding, or raising of animals, livestock, or poultry for human consumption or other products, all resulting in the marketing and commercial sale of such products. The GSA may require submittal of documentation satisfactory to the GSA, including but not limited to applicable IRS forms, certifying that the property is used for Commercial Agriculture.

(ii) Be a resident and registered voter within the boundaries of the GSA; and

(iii) The Agricultural Director, or the owner he/she represents, may not be a party to any pending litigation against the GSA, other than as a party to a groundwater rights adjudication affecting the EMA.

(iv) Amendments to these criteria may be adopted through resolution by a unanimous vote of the Member Directors.

(2) After the Santa Ynez Water Group has submitted one or more Qualified Nominees for the Agricultural Director position, the

Member Directors will consider said Qualified Nominees for appointment to the Board. Notwithstanding Article 11.3 of this Agreement, said appointment decision shall require a unanimous vote of all the Member Directors (or Alternates as applicable) during a publicly noticed meeting of the EMA GSA where the Directors from each of the Members (or Alternates as applicable) are present and each casts a vote. In the absence of a unanimous vote of approval and appointment by the Member Directors, the Member Directors may request the Santa Ynez Water Group to submit alternative Qualified Nominees in accordance with the process set forth above.

(3) The Agricultural Director shall be appointed for a term of two years but may be reappointed for multiple terms so long as that Agricultural Director is nominated by the Santa Ynez Water Group in accordance with the processes and requirements set forth above and unanimously approved and appointed by the Member Directors.

(4) If the Santa Ynez Water Group is unwilling or unable to select and submit one or more Qualified Nominees for the Agricultural Director position to the Board pursuant to the process set forth herein, the Board may request another agricultural association or entity having members or doing business within the GSA's boundaries to perform such process.

(g) Each Director representing a Member shall be an elected official of the appointing Member.

7.3 Alternate Directors. Each Director shall have one Alternate to act as a substitute Director for that Director. All Alternates shall be appointed in the same manner as set forth in Article 7.2. Alternate Directors shall not vote or participate in any deliberations of the Board unless appearing as a substitute for a Director due to absence or conflict of interest. If a Director is not present, or if a Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all roles of the Director, and shall have the authority to act on behalf of the absent Director, including but not limited to participating in open session and closed session deliberations and casting votes on matters before the Board. An Alternate Director representing a Member shall be an elected official or staff of the appointing Member.

7.4 Requirements. Each Member Director and Alternate Member Director shall be appointed by resolution as set forth in Article 7.2. Member Directors and Alternate Member Directors shall serve at the pleasure of the governing body of the appointing Member. No individual Director or Alternate representing a Member may be removed

except by the vote of the governing body of the Member that appointed him/her. The term of a non-Member Director or non-Member Alternate appointed in accordance with Article 7.2 above shall be two (2) years, and such Director or Alternate may serve any number of consecutive terms upon re-appointment in accordance with Article 7.2 above; provided, however, that any non-Member Director or non-Member Alternate may be removed from his/her position at any time prior to the expiration of his/her then-current term based on a decision by the Member Directors, where notwithstanding Article 11.3 of this Agreement said removal decision shall be subject to the unanimous voting requirements of Article 7.2(f)(2) above.

7.5 Vacancies. Upon the vacancy of a Director, the Alternate Director shall serve as Director until a new Director is appointed as set forth in Article 7.2 above. Upon the vacancy of an Alternate, a new Alternate shall be appointed as set forth in Articles 7.2 and 7.3. A Member shall submit any changes in its Director or Alternate Director positions to the Board by providing a copy of its executed resolution.

7.6 Duties of the Board of Directors. The business and affairs of the EMA GSA, and all of its powers, including without limitation all powers set forth in Article 5, are reserved to and shall be exercised by and through the Board of Directors, or Member Directors where specifically set forth in this Agreement, except as may be expressly delegated to the Executive Director or other(s) pursuant to this Agreement, Bylaws of the GSA, or by specific action of the Board of Directors.

7.7 Director and Alternate Compensation. No Director or Alternate shall be compensated by the EMA GSA in connection with any meetings or other activities undertaken as a representative of the GSA. Nothing in this Article is intended to prohibit a Member from compensating its Director or Alternate for compensable activities undertaken as a Director or Alternate of the GSA Board.

ARTICLE 8
OFFICERS

8.1 Officers. Officers of the EMA GSA shall be a Chair, Vice Chair, Secretary, and Treasurer. Additional officers may be appointed by the Board as it deems necessary.

(a) Chair. The Chair shall preside at all meetings of the Board of Directors and shall be a member of the Board.

(b) Vice Chair. The Vice Chair shall exercise all powers of the Chair in the Chair's absence or inability to act, and shall be a member of the Board.

(c) Secretary. The Secretary shall certify minutes of meetings of the Board of Directors and shall perform other duties and responsibilities as properly delegated by the Board. The Secretary may, but need not, be a member of the Board.

(d) Treasurer. The Treasurer shall perform such duties and responsibilities specified in Government Code sections 6505.5 and

Santa Ynez Water Group

November 5, 2026

Elizabeth Orona EMA GSA Board Chair
Eastern Management Area GSA
3669 Sagunto Street, Suite 101
Santa Ynez, CA 93460
Email: elizabeth.orona@cityofsolvang.com

RE: Santa Ynez Water Group's Recommendation for Agricultural Director and Alternate Director

Dear Elizabeth Orona:

The purpose of this letter is to provide the Board of Directors (Board) of the Eastern Management Area Groundwater Sustainability Agency (EMA GSA) with the recommendation of the Santa Ynez Water Group (Water Group) for the positions of Agricultural Director and Alternate to the Agricultural Director.

Effective July 16, 2024, the City of Solvang, the Santa Barbara County Water Agency, the Santa Ynez River Water Conservation District, and the Santa Ynez Water Conservation District, Improvement District No. 1 approved and adopted the "Joint Exercise of Powers Agreement Santa Ynez Valley Basin Eastern Management Area Groundwater Sustainability Agency" (JPA). Article 7 thereof establishes a Board of Directors consisting of one representative from each of the public agency parties (Member Directors), and one representative, specifically representing the agricultural interests of the Eastern Management Area (EMA), appointed by the Member Directors in accordance with Article 7.2 of the JPA.

Accordingly, pursuant to Article 7.2 of the JPA, the Water Group, working with the Santa Barbara Vintners, the Santa Barbara County Farm Bureau, the Santa Barbara County Cattlemen's Association, and the Santa Barbara Agricultural Advisory Committee solicited applications for the Agricultural Director position. In doing so, the Water Group published information in the Santa Ynez Valley News and the Santa Maria Times from October 14 to October 29, 2026. The Santa Barbara Vintners emailed information to its 800 contacts. And the Santa Barbara County Farm Bureau published information in its newsletter to its 400 contacts. In response, the Santa Ynez Water Group received two written applications.

The Water Group reviewed the two applications for completion. Thereafter, the Water Group interviewed each applicant. The two remaining applicants, Mr. Douglas Circle and Ms. Mary Heyden, were determined to qualify for the position and have

sufficient knowledge regarding the Sustainable Groundwater Management Act and its implementation in the EMA.

Mr. Circle and Ms. Heyden then were considered and approved by the Water Group for the positions of Agricultural Director and Alternate to the Agricultural Director, respectively at the Santa Ynez Water Group Board of Directors meeting on November 4, 2026. This recommendation was then considered by the Santa Barbara Vintners and the Santa Barbara County Farm Bureau, each of which have previously provided a letter of support for Mr. Circle and Ms. Heyden, enclosed. Also enclosed, you will find Mr. Circle's and Ms. Heyden's complete application packets for your review.

In conclusion, in accordance with Article 7.2 of the JPA the Water Group hereby recommends Mr. Douglas Circle for the position of Agricultural Director. and Ms. Mary Heyden for the position of Alternate to the Agricultural Director.

If the Board of the EMA GSA has any questions or requires any supplemental information regarding the Water Group's recommendation, please do not hesitate to contact Kevin Merrill at kmerrill@mesavineyard.com.

Thank you,

Kevin Merrill, Secretary

cc: [INSERT]

Review

From A2

though the omissions prevented the them from confirming the amounts.

City Attorney Jeff Malawy in an email Oct. 14 said that deciding whether to label any rebates as improperly paid is a matter for the City Council.

"It is a City Council decision whether to characterize them that way," he wrote.

A review of the findings was set to be discussed at the Oct. 20 meeting, according to the draft agenda, but was removed from the final agenda posted on Friday. Council will be asked to weigh the findings and determine what further action is necessary once agenized.



STAFF PHOTO

Water leak rebates to local customers made up 102 of the 107 deficient applications — roughly 46% of the 224 applications in that category. In 90 instances, the files were missing photographs or water-use charts required by the application form. In addition, 143 of the 224 water leak rebate files, or 64% of that category's applications, did not contain documentation explaining how the rebate amount was determined, limiting the consultant's ability to independently verify the amounts, they said.

Review identifies record and process gaps

The City hired RSG under a contract of up to $38,895. In an Oct. 6 memo to City Attorney Jeff Malawy, the consultant detailed its review of applications submitted from January 2024 through April 2026, and defined a "deficiency" as missing information or documentation required by the program's forms, materials or eligibility rules.

Water leak rebates made up 102 of the 107 deficient applications — roughly 46% of the 224 applications in that category. In 90 instances, the files were missing photographs or water-use charts required by the application form.

In addition, 143 of the 224 water leak rebate files, or 64% of that category's applications, did not contain documentation explaining how the rebate amount was determined, limiting the consultant's ability to independently verify the amounts, they said.

RSG also found one approved water leak rebate that did not seem to satisfy eligibility standards. The recipient was not the utility account holder, and there was no documentation in the file supporting eligibility, according to the memo.

In another case, the file did not include a record showing that a contractor's license had been verified. RSG checked the license on its own and found it current and active at the time of review.

The consultant said application files did not reliably contain records supporting eligibility decisions, rebate calculations, contractor license checks and approvals. The memo stated that the rebate program had "limited documented procedures defining application review, eligibility verification, and rebate issuance."

Because of that, the City "may be unable to independently verify how rebate decisions were made," the memo said.

City staff told RSG that Efficiency Services Group, the outside contractor running the program, had not previously supplied copies of completed application files. Since the city and contractor shared review duties, "accountability for key eligibility determinations may be unclear," the memo said.

RSG also noted inconsistencies in the application forms. None of the four commercial rebate forms requests a contractor license number or says applicants must be utility account holders. Two omit applicant eligibility criteria altogether.

The water leak form does not describe eligibility for excessive-water rebates or explain how those rebates are calculated. City staff calculate those amounts because the contractor lacks access to the city's water billing system.

Review comes after earlier audit

The recent review came after the city's annual financial audit, which the council received on March 3. LSL CPAs and Advisors reviewed 81 rebate payments and found that 11 lacked documentation proving the work had been done by a contractor with an active license, according to the staff report.

The July staff report said LSL concluded that applications missing essential details, including a contractor's name, city or license number, "should not have been processed." That same July report stated that the city had revised all rebate applications so they require a contractor license number.

In RSG's Oct. 6 memo, however, said forms in three categories had been updated, but none of the four commercial forms asked for the number. RSG also found that the procedures did not clearly say when a license check must be performed, who must do it, or how the check should be recorded.

The review also drew more public attention because of the criminal case involving Councilmember Steve Bridge who faces 25 counts — 20 felonies and five misdemeanors — in Santa Barbara County Superior Court. Prosecutors say he secured rebates for three projects by using falsified invoices from a business they say does not exist and a contractor's license number tied to a different company.

Neither RSG's memo nor the city's staff report references Bridge.

Council to weigh next steps

Moving forward, RSG advised standardizing forms, eligibility standards and documentation requirements across all rebate categories. It also recommended recording how excessive-water rebates are calculated, maintaining records that support eligibility decisions and payments, creating uniform record-retention policies, clarifying the roles of the city and contractor, and adopting written procedures.

What the council will do next has not been decided. Staff recommend that the council receive and review the report and "provide any desired direction to Staff " in a future meeting, according to the posted draft agenda on Wednesday.

Malawy on Wednesday said that council would decide whether to characterize rebates as improperly approved and could choose whether to seek repayment and estimate a potential dollar loss to the city.

Lisa André covers lifestyle and local news for the Santa Ynez Valley News and Lompoc Record, editions of the Santa Maria Times. She can be reached at landre@syvnews.com



COURTESY FIONA MA

California State Treasurer Fiona Ma, a candidate for lieutenant governor, center, stands at the picket line for a photo with striking workers at Solvang Park in this September 16 photo.

Strike

From A1

Jeff Lee, business representative for Teamsters Local 986, commended the employees for remaining united during the dispute and said the union was eager to move ahead with a renewed commitment to workers and the community.

The City and the union also thanked employees for their service, and they thanked Solvang residents, businesses and visitors for their patience during the work stoppage.

Both sides said their attention now will turn to restoring the working relationship in service of the community.

The City Council is set to consider ratifying the agreement Oct. 26.

Lisa André covers lifestyle and local news for the Santa Ynez Valley News and Lompoc Record, editions of the Santa Maria Times. She can be reached at landre@syvnews.com

Vending

From A2

visiting locations where unpermitted vendors were known to operate.

According to the Health Department the April to October pilot program, delivered measurable progress in protecting public health, improving roadway safety, and supporting the permitted vendors and restaurants that follow the rules.

To complement enforcement, the County launched a bilingual public awareness campaign to help residents recognize permitted vendors and to guide vendors toward compliance.

The campaign included a Safe Sidewalk Vending webpage with a vending guide and agency contacts, a bilingual brochure for vendors and community partners, and monthly newsletters sent to 39,000 recipients.

The department's public service announcement, "Before You Take a Bite, Take a Look," urged residents to check for a valid health permit on display at their vendor location—which allows approved vendors to sell low-risk, pre approved items such as fruit and other prepackaged or simple foods from small carts or stands on paved sidewalks.

Large pop-up setups, open-flame cooking, raw meat or other high-risk foods, and vending in streets, roadways, medians, or bike lanes are not permitted.

While the pilot is complete, EHS said staff will continue responding to community complaints about unpermitted vendors as part of its regular operations.

Residents who see unpermitted food vending can report via multiple channels:

- Santa Barbara office: 805-681-4900
- Santa Maria office: 805-346-8460
- Online: County reporting form at https://bit.ly/ComplaintEHS.

Please include the location, date and time, and a description of the operation when reporting.

Vendors seeking to operate legally can find permitting information on the County's Safe Sidewalk Vending webpage or at www.countyofsb.org/ch-environmental-health.

Information in this staff report was provided by the County of Santa Barbara Executive Office.

Football

From A6

Cabrillo scored one more touchdown just minutes into the fourth quarter when Lagatutta found a hole and raced 57 yards for his second touchdown but, the team was still looking at a four-point deficit.

The Conquistadors even had a chance to orchestrate a game-winning drive but came up one yard short for a first down on a trick play pass play from running back Felix Hernandez.

"What was going through my head?" McClurg asked. "Why are we not there? We have bracket coverage but sometimes you better be lucky than good."

With the win, Santa Ynez has a half-game lead atop the Ocean League standings with two games remaining on the schedule.

The Pirates host Morro Bay on Friday and close the regular season out with a road game against Santa Maria.

Cabrillo will take its bye week and close out the regular season a week from Friday at Pioneer Valley.

Sports reporter Ryan Kuhn is available at rkuhn@santamariatimes.com.

Hancock

From A6

also showed off his arm as he threw a 65-yard pass down the Moorpark sideline to wide receiver Aiden Good to put them up by 17 points.

Good, a freshman, out of Albany, N.Y., leads the team with 27 catches for 569 yards and two touchdowns.

"My man was playing off and inside so I just cut it back out and got enough separation," Good said. "I caught the ball right in the pocket."

The Raiders came back to score but the Bulldogs held on when Young scored his fifth touchdown of the season.

Hancock will now travel to Santa Barbara City where they have had lots of success winning their last four games at La Playa Stadium.

The Vaqueros have not won a game all season.

Sports reporter Ryan Kuhn is available at rkuhn@santamariatimes.com.

SANTA YNEZ WATER GROUP

Contact: Santa Ynez Water Group
3942 Roblar Ave
Santa Ynez, CA 93460
Phone: 714.630.0299
Email: santaynezwatergroup@gmail.com

FOR IMMEDIATE RELEASE

Now Accepting Applications for the Agricultural Director and Alternate Director Positions on the Board of Directors for the Eastern Management Area Groundwater Sustainability Agency

Effective July 16, 2024, the Santa Ynez River Conservation District, the Santa Ynez River Conservation District Improvement District No.1, the Santa Barbara County Water Agency, and the City of Solvang approved and adopted a Joint Powers Agreement (JPA) forming the Eastern Management Area Groundwater Sustainability Agency (EMA GSA). Among other things, the JPA calls for a five-member Board of Directors (Board) consisting of one representative from each of the public agencies mentioned above and one representative from the agricultural community at-large. The JPA provides for the Santa Ynez Water Group, a nonprofit entity representing landowners, farmers, and ranchers who rely on groundwater within the Santa Ynez River Groundwater Basin, to solicit applications and submit nominations to the Board for the Agricultural Director and Alternate Director positions. Appointment decisions are made by the directors representing the four public agencies of the JPA.

The purpose of this press release is to inform the public that the Santa Ynez Water Group is now accepting applications for the Agricultural Director and Alternate Director positions on the EMA GSA's Board. According to the JPA, to qualify as a candidate for the position, you must:

(1) Be an owner or representative of an owner of property located within the boundaries of the EMA GSA and involved in Commercial Agriculture (as defined in the JPA), and which produces at least 2 acre-feet per year of groundwater from within the boundaries of the EMA GSA to support Commercial Agriculture on said property.

(2) Be a resident and registered voter within the boundaries of the EMA GSA.

(3) Not be party to any pending litigation against the EMA GSA, other than as a party to a groundwater rights adjudication affecting the EMA GSA (no such adjudication is pending).

Please be aware that the Agricultural Director and Alternate Director positions on the JPA Board are public official designations, where individuals appointed to these positions are subject to the requirements of the Fair Political Practices Act, Public Records Act, Brown Act, and other applicable public laws and regulations. If you are interested in applying for the Agricultural Director and/or Alternate Director position, please email santaynezwatergroup@gmail.com to receive an application.

All applications must be completed and submitted to the Santa Ynez Water Group by 5:00 PM PST on October 30, 2026.

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Edward Jones® > edwardjones.com Member SIPC



Edward Jones Financial Advisor, Kelly Hunziker celebrates Kendall Herthel the SYV High School Student of the Month for October.

Kelly R. Hunziker, CFP®, ChFC®
Financial Advisor

650 Alamo Pintado Road
Suite 202
Solvang, CA 93463
805-688-9464

EFA-24358-A-E-AD AECSPAD 30266790

SANTA YNEZ WATER GROUP

APPLICATION FOR CONSIDERATION AS AGRICULTURAL DIRECTOR / ALTERNATE DIRECTOR FOR THE EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY

Pursuant to the July 16, 2024 Joint Exercise of Powers Agreement (JPA) forming the Santa Ynez Valley Basin Eastern Management Area Groundwater Sustainability Agency (EMA GSA), the Santa Ynez Water Group is responsible for soliciting applications and submitting nominations for the Agricultural Director and Alternate Director positions on the EMA GSA's Board of Directors (Board). (See 7.2(f) of the JPA.) Accordingly, by completing and submitting this Application to the Santa Ynez Water Group, you are submitting yourself for consideration by the Santa Ynez Water Group for nomination as the Agricultural Director or Alternate Director on the EMA GSA Board.

APPLICATION

Name: Doug Circle

Address: Rancho Cañada 3942 Roblar Ave., Santa Ynez, CA 93460

Phone Number: 714.742.1444

Email: doug@circlevision.com

Signature: _____

Do you own or are you an authorized representative of an owner of real property located within the boundaries of the EMA GSA? A copy of the boundaries of the EMA GSA are attached hereto as Attachment A.

NO ☐

YES ☑ If yes, please list those APN here: 141-042-001, 141-042-002, 141-042,003 142-141-015. 200 gross acres 178 net planted wine grape vineyard

[APPLICATION CONTINUES ON NEXT PAGE]

SANTA YNEZ WATER GROUP

Are you involved in "Commercial Agricultural" on those APNs listed above?

For purposes of the JPA, "Commercial Agriculture" means a commercial or family farming enterprise whose business is to cultivate the land for growing plants, vines, or other crops for consumption, fiber, biofuel, or raw materials, or the breeding, feeding, or raising of animals, livestock, or poultry for human consumption or other products, all resulting in the marketing and commercial sale of such products.

NO ☐

YES ☑ If yes, please attach supporting documentation to this application upon submission and provide a brief explanation, here: _____

178 acres of wine grapes sold to 15 contracted wineries, Sauv Blanc, Chardonnay, Pinot Noir, Cab Sauv, Petite Sirah, Grenache, Syrah, Malbec and Mourvedre

Do you produce at least 2 acre-feet of groundwater per year from within the boundaries of the EMA GSA for use in your "Commercial Agricultural" activities?

NO ☐

YES ☑ If yes, please attach supporting documentation to this application upon submission.

Are you a resident and registered voter within the boundaries of the EMA GSA?

NO ☐

YES ☑ If yes, please attach supporting documentation to this application upon submission. (Check voter registration status here: https://voterstatus.sos.ca.gov.)

Are you party to any litigation adverse to the EMA GSA?

NO ☑

YES ☐

[APPLICATION CONTINUES ON NEXT PAGE]

SANTA YNEZ WATER GROUP

Are you familiar with the Sustainable Groundwater Management Act (SGMA)?

NO ☐

YES ☑ If yes, please explain how here: President of Santa Ynez Water Group. Farm in GSA Basins, active in 3 currently. Have been participating for the last 4 years in GSA, GSP for Santa Ynez Valley.

How have you participated in the process of implementing SGMA within the EMA GSA?

NO ☐

YES ☑ If yes, please explain how here: I have been active in the EMA GSA.

If nominated by the Santa Ynez Water Group and appointed by the EMA GSA Board as the Agricultural Director or Alternate Director, are you willing and able to dedicate the time and resources necessary to actively participate in decision-making, including attending at least one Board meeting a month (possibly more), communicating with agricultural groundwater users and other stakeholders within the EMA GSA, and advocating on behalf of agricultural groundwater users?

NO ☐

YES ☑

Please describe your knowledge of and experience with the Sustainable Groundwater Management Act (a.k.a., SGMA):

I have participated in Santa Ynez Water Group over last 4 years. I have time, knowledge and energy to attend meetings and participate in decision making. Further, I will make this a priority to represent agriculture. Graduated the California Agriculture Leadership Program Class of XXV.

SANTA YNEZ WATER GROUP

Please describe your knowledge of and experience with water management, water wells, and water meters:

I have farmed in Santa Barbara County since 1978 and have had water wells at more than 30 locations. I'm currently operating 10 active wells. 4 are located within the EMA GSA boundaries. I have experience in Fox Canyon Water District GSA where water meters, well registration, and water usage have been required for over 35 years.

Please provide any other supplemental information that you would like considered here:

I have farmed in multiple locations in the Central Coast and Coachella Valley. We use water from other basins. Santa Ynez Valley in my primary interest currently. I believe my experience will serve the EMA GSA and all agriculture well. I'll be able to straight forwardly deal with issues as they arise. I look forward to contributing my time, knowledge and energy.

Shirley N. Weber, Ph.D.
California Secretary of State

My Voter Status

Personal Information

First name	DOUGLAS
Last name	CIRCLE
Status	ACTIVE
Your preferred language to receive election material is	ENGLISH
Address where you are registered to vote	[redacted]
Mailing Address	[redacted]
Your political party preference is	[redacted]
Vote-by-Mail in All Elections	All active registered voters will be mailed a vote-by-mail ballot for every election. If you want to vote in person, you must turn in your vote-by-mail ballot, or you may be required to vote a provisional ballot.
	You can track the status of your vote-by-mail ballot. Sign up for ballot tracking.
You are registered to vote in	SANTA BARBARA COUNTY
	County website: http://www.sbcvote.com/
	County phone: 805-568-2200

Voters have the option to receive important election information by email. To add or verify your email address please review the Email Contact Information section below.

To change your voter information, please re-register to vote.

Voting History

If you voted in an election, you can see if you voted at a polling place, vote center, voted by mail, or cast a provisional ballot.

If you do not see a recent election that you voted in, it may be because your county has not yet sent information about your ballot to the Secretary of State.

SANTA YNEZ WATER GROUP

APPLICATION FOR CONSIDERATION AS
AGRICULTURAL DIRECTOR / ALTERNATE DIRECTOR FOR THE
EASTERN MANAGEMENT AREA
GROUNDWATER SUSTAINABILITY AGENCY

Pursuant to the July 16, 2024 Joint Exercise of Powers Agreement (JPA) forming the Santa Ynez Valley Basin Eastern Management Area Groundwater Sustainability Agency (EMA GSA), the Santa Ynez Water Group is responsible for soliciting applications and submitting nominations for the Agricultural Director and Alternate Director positions on the EMA GSA's Board of Directors (Board). (See 7.2(f) of the JPA.) Accordingly, by completing and submitting this Application to the Santa Ynez Water Group, you are submitting yourself for consideration by the Santa Ynez Water Group for nomination as the Agricultural Director or Alternate Director on the EMA GSA Board.

APPLICATION

Name: Mary Hayden

Address: PO Box 747 / 2751 Stow St. Los Olivos, CA 93441

Phone Number: 805.350.1854

Email: Marysneedles@yahoo.com

Signature:

Do you own or are you an authorized representative of an owner of real property located within the boundaries of the EMA GSA? A copy of the boundaries of the EMA GSA are attached hereto as Attachment A.

NO ☐

YES ☑ If yes, please list those APN here:

135. 030. 040, 041, 042, 043 & 135; 220. 030
135. 071. 060, 010, 012, 014
133. 151. 041., 042
133. 151. 059, 020, 060, 061, 088, 058 & 135. 110. 026

[APPLICATION CONTINUES ON NEXT PAGE]

Are you involved in "Commercial Agricultural" on those APNs listed above?

For purposes of the JPA, "Commercial Agriculture" means a commercial or family farming enterprise whose business is to cultivate the land for growing plants, vines, or other crops for consumption, fiber, biofuel, or raw materials, or the breeding, feeding, or raising of animals, livestock, or poultry for human consumption or other products, all resulting in the marketing and commercial sale of such products.

NO ☐

YES ☑ If yes, please attach supporting documentation to this application upon submission and provide a brief explanation, here: CO-OWNER of Ted Chamberlin Ranch - an 8000 acre beef cattle ranch with HQ located @ 4155 Figueroa Mt. Rd

Do you produce at least 2 acre-feet of groundwater per year from within the boundaries of the EMA GSA for use in your "Commercial Agricultural" activities?

NO ☐

YES ☑ If yes, please attach supporting documentation to this application upon submission.

Are you a resident and registered voter within the boundaries of the EMA GSA?

NO ☐

YES ☑ If yes, please attach supporting documentation to this application upon submission. (Check voter registration status here: https://voterstatus.sos.ca.gov.)

Are you party to any litigation adverse to the EMA GSA?

NO ☑

YES ☐

[APPLICATION CONTINUES ON NEXT PAGE]

SANTA YNEZ WATER GROUP

Are you familiar with the Sustainable Groundwater Management Act (SGMA)?

NO ☐

YES ☑ If yes, please explain how here: _____

I have been the Alternate Agricultural Representative on the EMA GSA for the past two (2) years.

How have you participated in the process of implementing SGMA within the EMA GSA?

NO ☐

YES ☑ If yes, please explain how here: _____

Prior to being the Alt. Ag Rep, I was very involved in both the Santa Ynez Water Group and the EMA Citizens Advisory Group.

If nominated by the Santa Ynez Water Group and appointed by the EMA GSA Board as the Agricultural Director or Alternate Director, are you willing and able to dedicate the time and resources necessary to actively participate in decision-making, including attending at least one Board meeting a month (possibly more), communicating with agricultural groundwater users and other stakeholders within the EMA GSA, and advocating on behalf of agricultural groundwater users?

NO ☐

YES ☑

Please describe your knowledge of and experience with the Sustainable Groundwater Management Act (a.k.a., SGMA):

Please see above.

I have attended the majority of EMA GSA Board meetings and CAG meetings for the last 5+ years.

SANTA YNEZ WATER GROUP

Please describe your knowledge of and experience with water management, water wells, and water meters:

The Ted Chamberlin Ranch / Chamberlin Ranch LLC has 5 main / active water wells that serve both our irrigated farmers, stock troughs and headquarters (residential and facilities)

While I do not manage our water systems directly - I am involved daily on the ranch and pay all the bills!

Please provide any other supplemental information that you would like considered here:

I am happy to continue to serve the EMA Agricultural Community as the Alternate Ag. Representative on the EMA GSA.

If there is someone who is more qualified to represent the Agricultural interests in the EMA → I am happy to step aside and allow that person to serve.

Thank You

America

Mary Heyden is registered to vote

Mary Heyden

[redacted]

Voter status: Active

CA data last updated: 6/12/2024



Thanks for checking your voter registration status!
Our partner Daily Harvest shares our passion for civic engagement. To celebrate your commitment to our democracy, use the **code VOTE2024** to save 15% on pre-portioned, ready-to-prep meals and snacks available at dailyharvest.com.

Terms: Offer expires 11:59 pm ET, Nov. 19, 2024. Minimum $100 purchase before tax + shipping. Discount not applicable to tax + shipping, has no cash value, may be modified or canceled at any time, and cannot be combined with other promotional offers.

DAILY HARVEST

Continue

VoteAmerica.org is the joint website of VoteAmerica and VoteAmerica Action Fund. VoteAmerica and VoteAmerica Action Fund are separate organizations. VoteAmerica is a registered 501(c)(3), and does not support or oppose any political candidate or party. Donations to VoteAmerica are tax-deductible. VoteAmerica Action Fund is a registered 501(c)(4). Donations to VoteAmerica Action Fund are not tax-deductible.

Privacy Terms Contact

SANTA BARBARA
VINTNERS

November 13, 2026

EMA GSA Board of Directors
Santa Ynez River Valley Basin
Eastern Management Area Groundwater Sustainability Agency

RE: Doug Circle — Agricultural Director Re-election

To Whom It May Concern:

Santa Barbara Vintners is pleased to reaffirm our support for Doug Circle's re-election as Agricultural Director of the Eastern Management Area Groundwater Sustainability Agency (EMA GSA).

When we first recommended Doug in 2024, we emphasized his extensive agricultural knowledge, particularly in strawberries and winegrapes, and his understanding of the water challenges facing the Santa Ynez Valley. Over the past two years, he has continued serving on the EMA GSA Board, including as its secretary, during an important period of groundwater management and implementation.

During his tenure, the EMA GSA has advanced implementation of its Groundwater Sustainability Plan, including groundwater extraction fees, well registration, and metering and reporting requirements. The agency has also pursued grant-funded monitoring improvements to strengthen the information available for long-term groundwater management. These developments represent significant steps in the agency's work to manage groundwater resources responsibly.

I have personally worked with Doug on numerous occasions and have asked him to accompany me to meetings with government officials. His patience, measured approach, and ability to communicate complicated and sometimes contentious issues have consistently impressed me. He understands the realities facing agricultural producers and the importance of maintaining a sustainable water supply for the entire community.

Doug brings valuable agricultural experience and a practical perspective to the agency's work. His continued service provides continuity as the EMA GSA moves forward with implementation of its groundwater sustainability responsibilities.

Santa Barbara Vintners represents the Santa Barbara County wine industry, whose long-term success depends on responsible stewardship of our region's water resources. We fully endorse Doug Circle's re-election as Agricultural Director and appreciate his continued commitment to the Santa Ynez Valley.

Sincerely,

Alison Laslett
CEO, Santa Barbara Vintners
alison@sbcountywines.com
www.sbcountywines.com

SANTA BARBARA
VINTNERS

November 13, 2026

EMA GSA Board of Directors
Santa Ynez River Valley Basin
Eastern Management Area Groundwater Sustainability Agency

RE: Mary Heyden — Alternate Agricultural Director Re-election

To Whom It May Concern:

Santa Barbara Vintners is pleased to reaffirm our support for Mary Heyden's re-election as Alternate Agricultural Director of the Eastern Management Area Groundwater Sustainability Agency (EMA GSA).

I have worked closely with Mary for several years, serving alongside her on both the Agriculture Enterprise Ordinance Committee and a subcommittee of the Agricultural Advisory Committee. She has consistently demonstrated a thoughtful, practical approach to complex agricultural issues and a commitment to protecting the long-term interests of the Santa Ynez Valley.

Mary brings a particularly valuable perspective to groundwater management. Her family has farmed and ranched in the Santa Ynez Valley for generations, relying on groundwater to sustain its agricultural operations. Her experience is complemented by her involvement with the EMA Citizens Advisory Group and her leadership as Treasurer of the Santa Ynez Water Group.

Over the past two years, Mary has served as Alternate Agricultural Director during an important period for the EMA GSA. The agency has advanced implementation of its Groundwater Sustainability Plan, including groundwater extraction fees, well registration, metering, and reporting requirements. These developments require careful consideration of agricultural operations, groundwater sustainability, and the long-term economic health of the region.

Mary understands these competing responsibilities. She is knowledgeable, fair-minded, and deeply committed to the community. Her experience working with agricultural producers and participating in local policy discussions provides an important perspective as the agency continues its work.

Santa Barbara Vintners represents the Santa Barbara County wine industry, whose future depends on responsible groundwater management and a thriving agricultural economy. We fully endorse Mary Heyden's re-election as Alternate Agricultural Director and appreciate her continued service to the Santa Ynez Valley.

Sincerely,

Alison Laslett
CEO, Santa Barbara Vintners
alison@sbcountywines.com

140 W HWY 246, Box 1059, Buellton, CA 09427 805-688-0881 info@sbcountywines.com

PROFESSIONAL SERVICES AGREEMENT
FOR CONSULTANT SERVICES

1. IDENTIFICATION

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into by and among the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency, a California Joint Powers Agency ("Client"), and GSI Water Solutions, Inc. (GSI), an Oregon consultant ("Consultant"). Client and Consultant may be referred to in this Agreement collectively as the "Parties" or individually as a "Party."

2. RECITALS

2.1 Consultant represents that it is fully qualified to perform the professional services described in the Scope of Work by virtue of its experience and the training, education, and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility to perform such services in accordance with this Agreement.

2.2 Consultant represents that it has no known relationships with third parties, members of Client's governing board, or employees of Client which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code section 1090, the Political Reform Act (Government Code sections 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, Client and Consultant agree as follows:

3. DEFINITIONS

3.1 "Scope of Work": Such professional services, and Consultant's fees for such services, are set forth in Consultant's proposal attached hereto as Exhibit A and incorporated herein by this reference.

3.2 "Approved Fee Schedule": Consultant's compensation rates are set forth in the fee schedule included in Consultant's proposal attached hereto as Exhibit A and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.

3.3 "Maximum Amount": The highest total compensation and costs payable to Consultant by Client under this Agreement. The Maximum Amount under this Agreement is the total project cost set forth in Consultant's proposal attached hereto as Exhibit A.

3.4 "Commencement Date": November 19th, 2026.

3.5 "Project Administrator": The individual that shall manage Consultant's performance of this Agreement on Consultant's behalf. No change shall be made in Consultant's project administrator without Client's prior written consent.

4. TERM

The initial term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall continue for a period not to exceed one year. This Agreement may be terminated prior to expiration of the initial term in accordance with Section 13 ("Termination") below, and may be extended beyond the initial term upon written agreement of the Parties.

5. CONSULTANT'S DUTIES

5.1 **Services**. Consultant shall perform the services identified in the Scope of Work. Client shall have the right to request, in writing, changes in the Scope of Work. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

5.2 **Coordination with Client and Legal Counsel**. In performing services under this Agreement, Consultant shall coordinate all contact with Client and its legal counsel, if requested by Client.

5.3 **Budgetary Notification**. Consultant shall notify Client, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform Client of Consultant's estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

5.4 **Professional Standards**. Consultant shall perform all work to the standards of Consultant's profession prevailing at the time and place the work is performed. Consultant shall comply with all applicable federal, state, and local laws and regulations. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict-of-interest provisions of Government Code section 1090, and the Political Reform Act (Government Code sections 81000 et seq.).

5.5 **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with

performance under this Agreement. However, Client may consent in writing to Consultant's performance of such work.

5.6 **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Work. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The Project Administrator shall have direct responsibility for management of Consultant's performance under this Agreement.

5.7 **Substitution of Personnel.** Any persons named in the proposal or Scope of Work constitutes a promise to the Client that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of Client. If Client and Consultant cannot agree as to the substitution of key personnel, Client may terminate this Agreement for cause.

5.8 **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement.

5.9 **Notification of Organizational Changes.** Consultant shall notify the Client, in writing, of any change in name, ownership, or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.

5.10 **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Client under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of Client. In addition, pursuant to Government Code section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of Client or as part of any audit of Client, for a period of three (3) years after final payment under this Agreement.

5.11 **Non-Disclosure**. All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement shall not be disclosed by Consultant without prior written consent by Client. Client shall grant such consent if disclosure is legally required. Upon request, all data of Client or of Client's legal counsel shall be returned to same, as the case may be, upon the termination or expiration of this Agreement.

6. SUBCONTRACTING

6.1 **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.

6.2 **Consultant Responsible.** Consultant shall be responsible to Client for all services to be performed under this Agreement.

Compensation for Subcontractors. Client shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. Client shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

7.1 **General.** Client agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Approved Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by Client in advance.

7.2 **Invoices.** Consultant shall submit to Client an invoice, on a monthly basis or as otherwise agreed to by the Client, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.

7.3 **Payment by Client**. Client will pay undisputed amounts invoiced within 45 days of its receipt of the invoice.

7.4 **Taxes.** Client shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.

7.5 **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Work unless prior written approval is given by the Client through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the Client.

7.6 **Client Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until Client is satisfied that the services are satisfactory.

7.7 **Right to Withhold Payments.** If Consultant fails to provide a deposit or promptly satisfy an indemnity obligation described in Section 10, Client shall have the right to withhold payments under this Agreement to offset that amount.

8. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents, or other written material, and all electronic files, including computer-aided design files, developed by Consultant in the performance of this Agreement (such written material and electronic files are collectively known as "written products") shall be and remain the property of Client without restriction or limitation upon its use or dissemination by Client except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

9. RELATIONSHIP OF PARTIES

9.1 **General.** Consultant is, and shall at all times remain as to Client, a wholly independent contractor.

9.2 **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of Client or otherwise to act on behalf of Client as an agent. Neither Client, nor any of its agents, shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of Client.

9.3 **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to Client as an employer. Consultant shall not be entitled to any benefits. Client makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.

9.4 **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the Client, Consultant shall indemnify, defend, and hold harmless Client for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its

employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Client.

10. INDEMNIFICATION

10.1 **Definitions**. For purposes of this section, "Consultant" shall include Consultant, its officers, employees, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "Client" shall include Client, its officers, agents, employees and volunteers.

10.2 **Consultant to Indemnify Client**. To the full extent permitted by law, Consultant shall indemnify, hold harmless, and defend Client, and its respective officers, agents, employees, and volunteers from and against any and all claims and losses, costs, or expenses for any damage due to death or injury to any person and injury to any property to the extent caused by the intentional, reckless, or negligent acts, errors, or omissions of Consultant or any of its officers, employees, agents, or subcontractors in the performance of this Agreement except the negligence of Client and its agents, officers, and employees.

10.3 **Material Term**. Consultant acknowledges that Client would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect Client as set forth herein. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to Client.

10.4 **Subcontractor to Indemnify Client.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with, or on behalf of Consultant in the performance of this Agreement.

10.5 **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential, or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify Client for such loss or damage as is caused by the sole active negligence or willful misconduct of the Client.

10.6 **Waiver of Statutory Immunity.** The obligations of Consultant under this section are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to Client.

10.7 **Insurance.** Consultant's liability under this Section 10 (Indemnification) shall not exceed the insurance coverage required under Section 11 (Insurance).

10.8 **Consultant Cooperation in Defense of Claims.** In the event any claim or action is brought relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that Client may require.

11. INSURANCE

11.1 **Insurance Required.** Consultant shall maintain insurance as described in this section and Client and its officers, directors, employees and agents shall be named as addition insureds on all insurance policies required by this Agreement, and Consultant shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the Client shall not relieve or decrease any liability of Consultant. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

11.2 **Documentation of Insurance.** Consultant shall file with Client complete, certified copies of all required insurance policies, including endorsements affecting the coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them.

11.3 **Comprehensive General Liability**. Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, comprehensive general liability and property damage insurance covering Consultant's performance under this Agreement in an amount of not less than Two Million Dollars ($2,000,000), combined single limit coverage.

11.4 **Workers' Compensation**. Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, workers' compensation insurance covering its employees in Consultant's performance under this Agreement.

11.5 **Professional Liability**. Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this Agreement, professional liability insurance in an amount not less than One Million Dollars ($1,000,000) coverage.

11.6 **Comprehensive Automobile Insurance**. Consultant shall procure and/or maintain in full force and effect during the performance of any Services or Additional Services pursuant to this agreement, comprehensive automobile insurance with bodily injury and property damage coverage of not less than $1,000,000.00 per accident, which includes coverage for all owned, non-owned, and hired vehicles used in connection with providing Services or Additional Services under this Agreement.

11.7 **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify Client under this Agreement shall survive the expiration of this Agreement as well as expiration or early termination of this Agreement.

12. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile, or overnight courier service during Client's and Consultant's regular business hours; (ii) on the second business day following deposit in the United States mail if delivered by mail, postage prepaid, or (iii) the day of delivery if delivered by email, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to Client:

Daniel Heimel, Executive Director
Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency
Mailing Address: PO Box 7098, Los Osos, CA 93412
ema@santaynezwater.org

If to Consultant:

Tim Nicely, Supervising Hydrogeologist
GSI Water Solutions, Inc.
Mailing Address: 418 Chapala Street, Suite H, Santa Barbara, CA 93101
tnicely@gsiws.com

13. TERMINATION

13.1 **Client Termination**. Client shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant.

13.2 **Consultant Termination**. Consultant shall have the right to terminate this Agreement for any reason on thirty calendar days' written notice to Client.

13.3 **Cessation of Work**. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. Consultant shall upon payment of all sums due to Consultant, return to Client and its legal counsel all Client's or legal counsel's data, documents, objects, materials, or other tangible things upon the termination or expiration of this Agreement.

13.4 **Compensation Following Termination**. If Client terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

14. GENERAL PROVISIONS

14.1 **Governing Law and Venue**. This Agreement is entered into and performed in the State of California and is to be interpreted pursuant to the law of the State of California. Venue in any action arising out of this Agreement shall be in the Superior Court of California for the County of Santa Barbara. For litigation subject to United States District Court jurisdiction, venue shall be in the district court that is geographically closest to Santa Barbara, California.

14.2 **Entire Agreement**. The Parties agree that this Agreement contains the entire understanding concerning the subject matter among the Parties and supersedes and replaces all prior negotiations of proposed agreements, written or oral, if any. This Agreement shall not be amended or modified except in writing, executed and agreed to by all the Parties to this Agreement.

14.3 **Severability.** If any term, provision, covenant, or condition of this Agreement is held to be invalid, void, or unenforceable, the Parties shall amend this Agreement and/or take other action necessary to achieve the intent of this Agreement.

14.4 **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

14.5 **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.

14.6 **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.

14.7 **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.

14.8 **Counterparts; Electronic Signatures**. This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

CLIENT	**CONSULTANT**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Exhibit A: Consultant Proposal

November 10, 2026

Dan Heimel
Executive Director
Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency
Santa Ynez, CA 93460

Proposal for Water Year 2026 Annual Report for the Eastern Management Area of the Santa Ynez River Valley Groundwater Basin

Dear Mr. Heimel:

GSI Water Solutions (GSI) is pleased to present this proposal to prepare an Annual Report for Water Year 2026 for the Eastern Management Area (EMA) portion of the Santa Ynez River Valley Groundwater Basin (Basin). The Annual Report will be prepared to present the current groundwater conditions and progress towards implementing the Groundwater Sustainability Plan (Plan) in the EMA area of the Basin, which is managed by the EMA Groundwater Sustainability Agency (GSA).

This Annual Report will be prepared by GSI, who also prepared the Plan for the EMA. GSI will leverage this familiarity to deliver the EMA portion of the Annual Report that will be prepared for the overall Basin (including the Central Management Area and the Western Management Area). The Annual Report will completed on time and in compliance with State regulations.

GSI brings the following as the GSA's partner on this project:

- **A streamlined project delivery.** GSI understands the needs and issues of the stakeholders within the EMA portion of the Basin, which will enable us to work effectively and efficiently to meet the needs and expectations of the GSA.
- **The ability to foster collaboration and consensus.** GSI will draw evidence-based conclusions about the groundwater conditions to help all parties work together in a collaborative, cooperative manner to achieve the goals of the Plan. Our un-biased approach will allow us to work effectively with the GSA and stakeholders, facilitate timely reviews and decision-making, and help find common ground to build consensus.
- **Experience helping the EMA comply with the Sustainable Groundwater Management Act (SGMA):** We have led the development of the EMA's Plan as well as numerous Plans throughout the State, and we have helped various GSAs with the completion and submission of annual reports for their Basins. We understand what the California Department of Water Resources (DWR) and the stakeholders expect to be included in annual reports and will use this experience to set the template for the reporting structure and content for years to come.

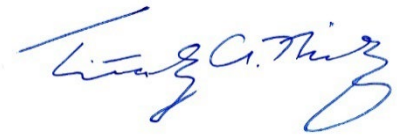
The Plan for the EMA portion of the Basin outlines steps for ensuring sustainability in accordance with SGMA. To measure the effectiveness of the Plan and demonstrate to DWR that the GSA is being sustainably managed, the GSA will compile data and prepare annual reports that summarize the results of monitoring efforts, document

changes in groundwater supplies, tabulate groundwater use, and track the effectiveness of Plan implementation efforts.

To achieve these goals, this proposal presents scope and costs to prepare an Annual Report for the EMA portion of the Basin for Water Year 2026. Following approval by the GSA, the report will be incorporated by others into a single annual report for the overall Santa Ynez River Valley Groundwater Basin and submitted to DWR for on-time delivery by March 31, 2027.

Thank you for your consideration of our proposal. We look forward to the opportunity to support this project for the EMA. Please do not hesitate to contact me with questions.

Sincerely,



Tim Nicely, PG, CHg
Senior Managing Hydrogeologist and Project Manager
GSI Water Solutions, Inc.
805.701.1245
tnicely@gsiws.com

Scope of Work

The following scope of work presents our understanding of the annual reporting requirements as outlined in the SGMA Emergency Regulations. This scope is based on our experience preparing prior Eastern Management Area (EMA) annual reports and our awareness of stakeholder groundwater management needs.

Task 1 – Data Analysis and Representation

The following sections describe the data types that will be presented as required for DWR annual reports. The datasets will be appended to the DMS data tables that are compiled in compliance with Plan requirements. These data will be uploaded to the DWR website along with the Annual Report.

Several discrete data sets are required to be included in the Data Management System (DMS) and presented in this Annual Report, including the following:

- Groundwater elevation data (for each principal aquifer)
- Groundwater extraction
- Surface water supply
- Total water use
- Change in groundwater in storage

Groundwater Elevation Data

Groundwater elevation data are collected and compiled through the County of Santa Barbara groundwater level monitoring program, operated by the Santa Barbara County (County) Water Agency with data collected twice a year (typically in April and October), and by the City of Solvang with data collected monthly. We are familiar with the wells in the County water level monitoring program and the Plan's representative monitoring well network.

Water level contour maps of each of the principal aquifers (Paso Robles Formation Aquifer and the Careaga Sand Aquifer) will be prepared representing groundwater conditions in October 2025, April 2026, and October 2026.

The EMA's representative monitoring well network includes approximately 24 wells, which is a subset of the County monitoring program. Each of the hydrographs presented in the Plan will be updated to include data through October 2026, which will be used to represent groundwater conditions present at the end of water year 2025. Recommendations may follow for potential adjustments to the monitoring schedule that could provide data within the current water year.

Groundwater Extraction

Groundwater extraction data have been compiled and documented most recently in the *Annual Report Water Year 2025 For the Santa Ynez River Valley Groundwater Basin Bulletin 118 Basin No. 3-15 Joint Report of the Groundwater Sustainability Agencies*. These data will be updated, including the estimates of extractions, water use by sector, and methodology of measurement for the current water year.

Updated groundwater extraction information will be estimated using data provided by SYRWCD, extraction data from the municipalities and mutual water companies in the EMA (as available), and crop coverage information derived from satellite imagery. To estimate agricultural groundwater extraction, water year 2026 crop mapping data from Land IQ will be used in conjunction with the OpenET ensemble model.

Surface Water Supply

The SGMA regulations require that a description of surface water supplies be incorporated into the report. Use of surface water in the EMA is relatively small but is well documented. These data will be compiled and described and incorporated into the total EMA water use data compilation and descriptions.

Total Water Use

We will compile and present total water use information for the EMA area, including water sector, water source type, method of measurement, and a representation of relative accuracy of the measurement methodology. DWR standards in other annual report submittals that we are familiar with require qualitative judgments such as "high," "medium," and "low".

Change in Groundwater in Storage

During development of the Plan, calculations of groundwater-in-storage changes in each of the two principal aquifers (Paso Robles Formation and Careaga Sand aquifers) were performed through use of the groundwater flow model developed for the EMA. To perform similar calculations for the Annual Report would require updating the model, which is neither planned nor advised for the annual reporting effort. An alternative method for calculating changes in groundwater in storage from one year to another is to create water level contour maps for each year of interest and calculate the volume changes between years. This method is approved by DWR and was used most recently in annual reports for water years 2022 through 2024.

An ArcGIS® tool will be used to compute the volume difference between the initial groundwater surface elevation and the following year's groundwater surface elevation. By applying hydraulic property values (e.g., storage coefficient) for the principal aquifers we can compute the change in the volume of groundwater present in each aquifer. It is not necessary to know the total volume of groundwater in storage; but instead, the storage changes (positive or negative) from year to year. Based on these contoured surfaces, we will compute the difference in the water surface elevation and the corresponding change in volume of saturated aquifer for each principal aquifer. This calculation will be conducted to compute the change in storage between the fall and spring periods for 2025 and 2026. These data will be used along with storage coefficients representative of each aquifer.

Task 2 – Report Preparation

The overall purpose of the Annual Report is to use updated data to assess the progress that the EMA GSA and various stakeholders are making towards successful Plan implementation. The results of the data analysis will be evaluated and compared with the goals of the Plan, then described in the Annual Report to demonstrate to DWR the efforts of the GSA and the effectiveness of Plan implementation. Initial efforts to implement management actions described in the Plan will also be described.

Building upon our experience with the preparation and submittal of annual reports and the general outline of the necessary components of the report structure described in the SGMA Emergency Regulations, GSI will prepare an initial Administrative Draft report for GSA staff review. GSA staff comments will be addressed and used to prepare a Draft for review by both GSA staff and the GSA board of directors. Following incorporation of comments, a Final Draft will be prepared and submitted to Stetson Engineers, who will provide consolidated annual report for the entire Basin to the DWR.

The report will be based on data collected and the analysis performed as described above, on other data that may become available, and on ongoing discussions with the GSA staff. The general organization of the report is expected to be the following:

- Executive Summary
- Introduction
- Basin Description (brief restatement of EMA's Plan description)
- Groundwater Conditions
  - Groundwater Monitoring Network
  - Groundwater Elevations, including water level contour maps and updated hydrographs
  - Change in Groundwater in Storage
- Water Supply and Demand
- Progress Towards Implementing the Plan

- Summary, Conclusions, and Recommendations
- Appendices
  - A. Groundwater Monitoring Program Well Information
  - B. Hydrographs
  - C. Precipitation
  - D. Groundwater in Storage Calculation and Specific Yield/Storage Coefficient Discussion
  - E. Groundwater in Storage Sensitivity Analysis
  - F. Water Budget Data
  - G. Water Quality Data

Deliverables include the following:

- Administrative draft report, for review and approval by the GSA staff
- Draft report, for review by the GSA staff, and the GSA board of directors
- Final report to be used for concatenating with CMA/WMA annual reports for ultimate submittal to the DWR

Task 3 – Report and Data Submittal

Following completion of the Annual Report, GSI staff will submit the Final report and associated data to the consultant preparing the single annual report, who will in turn upload the data and the single annual report to the DWR portal. GSI staff are familiar with the SGMA reporting process and templates on the DWR portal for annual reporting and have submitted several SGMA annual reports to DWR.

Task 4 – Meetings and Workshop

GSI has budgeted for the following meetings:

- GSA staff meetings (2), including the kickoff meeting
- GSA board of directors meetings (2) presenting the draft and final versions of the report

Task 5 – Project Management and Administration

Project management tasks include project setup, monthly invoicing, communications with the GSA staff, GSI team coordination, and project closeout.

Fee Proposal and Schedule

Fee Proposal

The costs to prepare the Annual Report are presented on the table below. No expenses for travel, lodging or meals are included in our cost proposal because we assume they will not be necessary. GSI's Fee Schedule is included as an attachment.

Description	Labor Hours	Labor Cost	Outside Services	Total
Task 1 – Data Analysis	94	$17,850	$7,150	**$25,000**
Task 2 – Report Preparation	91	$19,315	--	**$19,315**
Task 3 – Report & Data Submittal	9	$1,455	--	**$1,455**
Task 4 – Meetings and Workshops	45	$9,325	--	**$9,325**
Task 5 – Project Management and Administration	16	$3,430	--	**$3,430**
Project Totals	**255**	**$51,375**	**$7,150**	**$58,525**

Schedule

Meeting the reporting schedule is a top priority. GSI will adhere to project milestones focused on submitting the final report by March 31, 2027. The tentative key dates for the preparation and submittal of the report include:

- February 2027: Presentation of draft EMA report at GSA board of directors meeting
  - February 25, 2027
- March 2027: Presentation of final EMA report to GSA board of directors meeting
  - March 25, 2027
- March 31, 2027: Final report submittal to DWR (by others)

We anticipate working with the GSA staff as an initial task to finalize these dates. We will adhere to the schedule developed during that initial task through close management of the team as well as communication and coordination with the GSA staff. Should any schedule deviation occur, the GSI team will address it promptly and propose a solution to the GSA project manager.

Scope and Budget Assumptions

- The GSA will provide timely assistance in providing the following data:
  - Water levels for spring and fall of 2026
  - Groundwater production and imported water delivery data for 2025 and 2026 (to date)
  - Santa Ynez River Water Conservation District self-reported pumping data that will enable estimation of irrigation demand for 2025 and 2026 (to date)
- Our scope includes:
  - GSA staff meetings, including GSI staff, and staff from the Eastern Management Area including the kickoff meeting, lasting 2 hours each
  - GSA board of directors meeting / public workshop on the draft and final versions of the report
  - One set of revisions to final Annual Report

2027 GSI Fee Schedule

Labor Category	Hourly Rate
Technical Professionals	
Principal II	$305 – $375
Principal I	$280 – $335
Senior Managing II	$250 – $320
Senior Managing I	$225 – $260
Managing II	$195 – $230
Managing I	$185 – $215
Senior Project II	$175 – $205
Senior Project I	$165 – $195
Project II	$155 – $185
Project I	$145 – $175
Staff II	$135 – $165
Staff I	$125 – $155
Other Services	
GIS/Graphics/Database	$135 – $190
Editor/Documents	$135 – $165
Administration	$100 – $135

The hourly rate for trial preparation and expert witness testimony is 1.5 times the standard billing rate shown above.

Expenses

- **Mileage:** IRS authorized rate/mile plus 10 percent markup
- **Direct expenses and outside services**: Cost plus 10 percent markup
- **Enterprise GIS:** $100 per month for the duration of use

**Hourly rates are subject to annual increases on the contract anniversary date.*

TO: **EMA GSA Board of Directors**

FROM: **Phillip Hall, General Counsel**

DATE: **November 19, 2026**

SUBJECT: **Item 5.c. – Review and consider approval of Fifth Amendment to Professional Services Agreement with Confluence Engineering Solutions for Executive Director Support Services**

Discussion

In May 2026, the Santa Ynez River Valley Groundwater Basin Eastern Management Area Groundwater Sustainability Agency (EMA GSA) Board of Directors (Board) approved the Fourth Amendment to the Executive Director Professional Services Agreement (PSA) with Confluence Engineering Solutions (ConfluenceES), extending services to Fiscal Year 2026/27 and adding $283,374 to the budget. Now that Proposition 68 grant work is nearing completion and the EMA GSA has coordinated with the California Department of Water Resources (DWR) to execute Amendment 4 to the Proposition 68 grant agreement, staff has a better understanding of the remaining grant funds available and the level of effort needed for work beyond those funds. Based on projected invoicing, the remaining authorization will be exhausted in late December 2026, with the largest driver being the well registration initiative under Proposition 68 Grant Component 2. A breakdown of ConfluenceES' invoiced level of effort for July through September 2026 is captured in the table below.

Task	Invoiced Amount July–September 2026	Percentage Breakdown
Executive Director	$43,225	35%
Prop 68 Grant Component 2	$56,315	46%
Prop 68 Grant Component 4	$19,079	16%
Prop 68 Grant Component 5	$3,890	3%
Grand Total	**$122,509**	**100%**

The EMA GSA opened well registration on July 1, 2026, through the Watermark online platform. To reach landowners throughout the EMA, ConfluenceES staff, with outreach support from Stantec through the DWR Facilitation Support Services program, set up and administered the platform with MLJ Environmental (including prepopulating 481 known wells), mailed three rounds of notices with unique verification codes to approximately 3,300 property owners, hosted three public workshops, prepared FAQs and paper registration forms, and staffed a dedicated hotline and email inbox to assist landowners one-on-one. As of September 22, 2026, 328 of an estimated 700 wells (47%) had been registered in less than three months, the second-highest rate among the peer GSAs reviewed by staff, and approximately 65% of registered wells were not previously documented in existing records. ConfluenceES Component 2 labor from July through September 2026 totaled $56,315.

Because registration remained incomplete (as of September 22, wells had been registered on only 12% of parcels and 29% of acreage in the EMA), the registration deadline was extended from August 31 to December 31, 2026. ConfluenceES estimates approximately $27,000 in additional labor through December 31, primarily for hotline and inbox support and targeted outreach. It is anticipated that the majority of the well registration support effort will end with the December 31 deadline. Remaining Component 2 work from January through March 31, 2027, the date by which all work under the Proposition 68 grant agreement must be completed, will focus on de minimis verification and the transition to well metering and extraction reporting. The Fifth Amendment also includes extraction reporting support from April through June 2027, after grant-funded work ends, which will be funded by the EMA GSA groundwater extraction fees. Much of this grant component labor is eligible for reimbursement through the Proposition 68 grant. However, Component 4 grant funding is fully expended and Component 2 labor exceeds its remaining allocation, so approximately $71,319 of projected ConfluenceES grant component labor from October 2026 through June 2027 is estimated to be funded by the EMA GSA.

The current authorization for Executive Director services is projected to cover work through late December 2026. The proposed Fifth Amendment budget, summarized in the table below, covers services from that point through June 30, 2027. This budget assumes ConfluenceES will continue to carry most of the workload for well registration and the related outreach. However, ConfluenceES works on a time and materials basis and does not charge for any unused budget. Any help the Board and member agency representatives can provide with well registration, such as encouraging landowners to register and directing questions to the registration resources, will reduce the Executive Director's level of effort and the resulting costs to the EMA GSA.

Fifth Amendment Budget Item	**Amount**
December 2026 services beyond current authorization (all tasks)	$3,804.71
Executive Director services (January–June 2027)	$86,449.68
Grant Component 2 – De minimis verification/extraction reporting (Jan–Mar 2027)	$21,716.25
Grant Component 4 – Five-Year GSP Update (January–March 2027)	$9,712.50
Grant Component 5 – Monitoring Network (January–March 2027)	$20,000.00
Extraction reporting, non-grant (April–June 2027)	$21,716.25
FY 2025/26 time exceeding prior budget, not previously invoiced	$17,622.17
Contingency (20% of projected labor through June 2027)	$49,868.40
Rounding	$110.04
Total Proposed Fifth Amendment	**$231,000.00**

The Fifth Amendment would also simplify how compensation under the PSA is stated and tracked. The Original Agreement set a single Maximum Amount of $113,057, and later amendments added separate not-to-exceed amounts under new Sections 7(a) and 7(b) without updating that Maximum Amount. In addition, the Fourth Amendment stated its $283,374 as the Section 7(b) not-to-exceed amount rather than adding it to the $206,703 previously authorized, although the Board intended each authorization to be cumulative. The Fifth Amendment corrects this by deleting Sections 7(a) and 7(b) and restating the

Maximum Amount as a single cumulative total of $1,003,560 for all services from the start of the PSA in September 2024 through June 30, 2027. This total is not an annual budget. It is the sum of every authorization the Board has approved since the PSA began, plus the proposed Fifth Amendment: the Original Agreement ($113,057, Fiscal Year 2024/25 Executive Director services); the First Amendment ($169,426, Proposition 68 grant support services); the Second Amendment ($201,611, Fiscal Year 2025/26 Executive Director services); the Third Amendment ($5,092, Fiscal Year 2025/26 bookkeeping); the Fourth Amendment ($283,374, consisting of $75,000 for the Fiscal Year 2025/26 overage and $208,374 for Fiscal Year 2026/27); and the proposed Fifth Amendment ($231,000). Through the Fourth Amendment, total authorized compensation is $772,560, of which $686,617 had been invoiced through September 30, 2026.

As summarized in the table below, based on staff's Fiscal Year 2026/27 liabilities versus revenue analysis, the EMA GSA is projected to have approximately $1,638,894 in available funding through June 30, 2027, compared to approximately $1,343,072 in total liabilities, including the full Fifth Amendment. Available funding is therefore sufficient to cover the Fifth Amendment, with a projected balance of approximately $295,821 at the end of the fiscal year.

1. Funding by Source

Source	Amount ($)	% of Total
A. Cash on hand thru 11/10/26	$419,995	25.6%
B. Future – Prop 68 grant for work already performed (DWR Inv #10–#12)	$247,996	15.1%
C. Future – Prop 68 grant for work to be performed (DWR Inv #13–#14)	$364,197	22.2%
D. Future – FY 2026/27 groundwater extraction fee (tax roll + direct bills)	$606,706	37.0%
Subtotal future projected funds (B–D)	*$1,218,899*	*74.4%*
Total Funding	**$1,638,894**	**100.0%**

2. Liabilities by Category

Category	Amount ($)	% of Total
A. Incurred to date (unpaid invoices held by EMA GSA awaiting DWR reimbursement)	$408,956	30.4%
B. Under contract, not yet billed (incl. remaining ED authorization)	$440,855	32.8%
C. Anticipated through FYE (incl. proposed Amendment for ED)	$493,262	36.7%
Total Liabilities	**$1,343,072**	**100.0%**

3. Bottom Line – Funding vs. Liabilities through FYE

Item	Amount ($)
Total available funding through FYE	$1,638,894
Total liabilities incurred and to be incurred through FYE	($1,343,072)
Projected balance at FYE (incl. full ED Amendment)	**$295,821**
Revenue sufficient to cover all liabilities, incl. proposed $231,000 ED Amendment?	**Yes**

Accordingly, the EMA GSA's General Counsel is requesting approval of the Executive Director's Fifth Amendment, included as Attachment A, to increase the total compensation authorized under the PSA by $231,000, from $772,560 to $1,003,560, to restate that total as a single Maximum Amount, and to extend the term of the PSA through June 30, 2027, to continue Executive Director and Proposition 68 grant support services through June 30, 2027.

Recommendation

Review and consider approval of Fifth Amendment to Professional Services Agreement with Confluence Engineering Solutions for Executive Director Support Services.

Attachments

Attachment A: Fifth Amendment to Professional Services Agreement with Confluence Engineering Solutions for Executive Director Support Services

FIFTH AMENDMENT TO AGREEMENT BETWEEN SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY ("EMA GSA") AND CONFLUENCE ENGINEERING SOLUTIONS ("ConfluenceES")

This Fifth Amendment is made and entered into this 19th day of November, 2026, ("Effective Date") by and between EMA GSA and ConfluenceES. EMA GSA and ConfluenceES are sometimes individually referred to as "Party" and collectively as "Parties."

RECITALS

A. On October 1, 2024, the EMA GSA entered into a contract with ConfluenceES pursuant to which ConfluenceES would provide executive director services ("Original Agreement"). Section 3.3 of the Original Agreement set a Maximum Amount of $113,057.00.

B. On March 21, 2025, the Parties executed a "First Amendment" to the Original Agreement to expand the Scope of Services to include Proposition 68 grant support services and to add Section 7(a) authorizing compensation of $169,426.00 for these new services.

C. On June 26, 2025, the Parties executed a "Second Amendment" to the Original Agreement to amend Section 5.1 to extend the Scope of Services to Fiscal Year 2025/26 and expand the services to include Groundwater Extraction Fee administration, and to add Section 7(b) authorizing compensation of $201,611.00 for these new services.

D. On November 20, 2025, the Parties executed a "Third Amendment" to the Original Agreement to amend Section 5.1 to update the Fee Schedule to incorporate bookkeeping fees and level of effort, and to amend Section 7(b) to increase the not-to-exceed amount by $5,092.00, from $201,611.00 to $206,703.00.

E. On May 28, 2026, the Parties executed a "Fourth Amendment" to amend Section 5.1 to extend the Scope of Services to Fiscal Year 2026/27 and account for the Fiscal Year 2025/26 budget overage, and to amend Section 7(b) to state a not-to-exceed amount of $283,374.00 in place of $206,703.00.

F. The Fourth Amendment restated the not-to-exceed amount in Section 7(b) as $283,374.00 rather than adding $283,374.00 to the $206,703.00 previously authorized, for a total of $490,077.00 under Section 7(b), and Section 3.3 of the Original Agreement was not amended to reflect the additional compensation authorized by the First through Fourth Amendments. The Parties intended the compensation authorized by the Original Agreement and each amendment to be cumulative, for a total of $772,560.00 through the Fourth Amendment.

G. The Parties now desire to increase compensation to ConfluenceES by $231,000.00 for services to be provided through June 30, 2027; to consolidate all authorized compensation into a single Maximum Amount; and to extend the term of the Agreement through June 30, 2027.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants, conditions and promises contained in the Original Agreement, the Parties mutually agree to make the following amendments:

AMENDMENT

1. Maximum Amount. Section 3.3 of the Original Agreement is amended to read in its entirety as follows: 3.3 “Maximum Amount”: The highest total compensation and costs payable to Consultant by Client under this Agreement for all services performed from the Commencement Date (September 26, 2024) through June 30, 2027. The Maximum Amount under this Agreement is $1,003,560.00.

2. Compensation. Sections 7(a) and 7(b), added to Section 7 of the Original Agreement by the First Amendment and the Second Amendment, respectively, and as amended by the Third and Fourth Amendments, are deleted in their entirety and superseded by Section 3.3 as amended by this Fifth Amendment. EMA GSA will pay ConfluenceES on a time and materials basis in accordance with the Approved Fee Schedule for all services under the Scope of Work, subject to the Maximum Amount in accordance with Section 7.1. Direct expenses (e.g., travel, mileage (per IRS rates), delivery/copy services, and subconsultant services) will be invoiced with a 10% processing fee. The Maximum Amount consists of the following authorizations: Original Agreement, $113,057.00; First Amendment, $169,426.00; Second Amendment, $201,611.00; Third Amendment, $5,092.00; Fourth Amendment, $283,374.00; and this Fifth Amendment, $231,000.00.

3. Term. Section 4 of the Original Agreement is amended to provide that the term of this Agreement is extended through June 30, 2027, unless terminated earlier in accordance with Section 13 or further extended by written agreement of the Parties.

4. Scope of Work. The Scope of Work under Sections 3.1 and 5.1 of the Original Agreement consists of Exhibit A to the Original Agreement as amended by the First, Second, Third, and Fourth Amendments, and includes Executive Director services and Proposition 68 grant support services through June 30, 2027.

5. All other terms and conditions in the Original Agreement, as amended by the First, Second, Third, and Fourth Amendments, shall remain unchanged by this Fifth Amendment.

6. This Fifth Amendment may be signed in counterparts, each of which shall constitute an original.

In witness whereof, the parties have caused this Fifth Amendment to become effective by their respective endorsements below:

EMA GSA	**Confluence Engineering Solutions**
By:	By:
Dated:	Dated:

SECOND AMENDMENT TO AGREEMENT BETWEEN SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY ("EMA GSA") AND ALESHIRE & WYNDER, LLP ("A&W")

This Second Amendment is made and entered into this 19th day of November, 2026 ("Effective Date") by and between EMA GSA and A&W. EMA GSA and A&W are sometimes individually referred to as "Party" and collectively as "Parties."

RECITALS

A. On September 27, 2024, the EMA GSA entered into a contract with A&W pursuant to which A&W would provide legal services ("Original Agreement").

B. On January 22, 2026, the Parties entered into a First Amendment to the Original Agreement ("First Amendment"), which extended the term until January 1, 2027 and amended the Fee Agreement to reflect Fiscal Year 2025-2026 rates.

C. The Parties now desire to extend the contractual term to January 1, 2028 and amend the Fee Agreement to reflect Fiscal Year 2026-2027 rates.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants, conditions and promises contained in the Original Agreement, as amended by the First Amendment, the Parties mutually agree as follows:

1. Section 14 of the Original Agreement, as amended by the First Amendment, is hereby amended in its entirety to read as follows:

> The term of this Original Agreement shall be extended until January 1, 2028. This Agreement may be terminated by either party hereto prior to expiration of this term in accordance with this Section 14. The term of this Agreement may be extended beyond the initial term upon written agreement of the Parties. During the initial term or any term thereafter,
>
> Agency may discharge A&W at any time, with or without notice, with no right to hearing or notice. A&W may withdraw from Agency's representation at any time, to the extent permitted by law, and the California Rules of Professional Conduct, upon at least sixty (60) days' written notice to Agency.
>
> In the event of such discharge or withdrawal, Agency will pay A&W professional fees and costs, in accordance with this Agreement, for all work done (and costs incurred) through the date of cessation of legal representation. Agency agrees to execute, upon request, a stipulation in such form as to permit A&W to withdraw as Agency's attorneys of record in any legal action then pending. A&W shall deliver all documents and records of Agency to Agency, or to legal counsel designated by Agency, and assist to

the fullest extent possible in the orderly transition of all pending matters to Agency's counsel.

2. Section 5 of the Original Agreement, as amended by the First Amendment, is hereby amended in its entirety to read as follows:

> A&W's fees for general counsel and transactional services will be charged on an hourly rate basis. All legal services authorized by the Agency shall be charged on an hourly basis for all time expended, as set forth in the compensation schedules shown in Exhibit "A" attached hereto and incorporated herein by this reference. As provided for in Exhibit A attached hereto the rates were in effect as of July 1, 2026 and will remain in effect until June 30, 2027. Travel time is billed, but where possible, fees and costs will be split on a pro-rata basis with other clients to reduce overall fees and costs between clients.

3. All other terms and conditions in the Original Agreement shall remain unchanged by this Second Amendment during the extended term.

4. This Second Amendment may be signed in counterparts, each of which shall constitute an original.

In witness whereof, the parties have caused this Second Amendment to become effective by their respective endorsements below:

EMA GSA	**Aleshire & Wynder, LLP**
By:	By:
Dated:	Dated:

ATTACHMENT A

EXHIBIT A - FEE AGREEMENT

A. GENERAL

Included below are typical hourly rates for legal services, including services outside of general counsel and transactional services. Hourly rate services typically are billed based upon the type of work and the attorney performing the work. We bill in time increments of one-tenth (0.1) of an hour, which is about six (6) minutes. We bill for travel time. We also utilize separate billing accounts based upon the Agency's departments, litigation matters, development projects, construction projects, and other unique matters. The monthly billing statements for fees and costs shall indicate the basis of the fees, including a detailed and auditable breakdown of the hours worked, the billable rates charged if applicable, and description of the work performed, including the personnel who performed the work.

The fee arrangement for general counsel and transactional services will remain valid through June 30, 2027. Thereafter the rates will be subject to adjustment as agreed to between the Agency and A&W as set forth herein or as otherwise agreed to in writing. Where possible, fees and costs will be split on a pro-rata basis with other clients to reduce overall fees and costs between clients.

Our reimbursable expenses are as follows:

REIMBURSABLE	
In house photocopies and faxes	$0.20 per page (copies)
Postage, Out-of-Pocket Expenses, Outsourced Reproduction	Billed at our cost with no mark up.
Travel Time Mileage	The current IRS mileage rate is the rate charged to the Agency.
Lodging/Meals	Actual lodging/meal expenses incurred, using typical business rates for the area.
Subcontractors	Should the Agency request that the Firm retain subcontractors, such as appraisers or expert witnesses or consultants, such costs will be billed at our cost with no mark up.

EXHIBIT A - FEE AGREEMENT

B. RATES*

PROPOSED RATES	
1. Advisory Services & Transactional Services*: Advisory Services are general counsel services such as communications with the Agency on general legal issues, upcoming agendas, and Committee and Board meetings, with occasionally the need for limited legal or factual research. Transactional Services are those that require drafting of correspondence, memos, or contracts, which may require legal or factual research.	**Partners & Of Counsel:** $373 **Associates:** $320 **Paralegal:** $192 **Law Clerk:** $192 **Document Clerk:** $117 **Legal Assistant & Clerical Support:** $144
2. Litigation and Special Services: Litigation and Special Services include litigation in any court or tribunal, and administrative proceedings in federal, State, county, or local forums, and special services when approved by the Agency such as labor and employment, real estate transactions, major contract negotiations, toxics wastes, and similar services, as well as services that call for expenditures of time outside the normal and typical amounts of time spent on providing the Agency's services on a monthly basis.	**Partners & Of Counsel:** $384 **Associates:** $336 **Paralegal:** $192 **Law Clerk:** $192 **Document Clerk:** $117 **Legal Assistant & Clerical Support:** $144
3. Public Finance Rates: For Public Finance the fee structure shall be as follows: (i) one and one-half (1½) percent of the first $1 million executed and delivered; three-quarters (3/4) percent of the next $4 million executed and delivered; one-third (1/3) percent of the next $10 million; one-eighth (1/8) percent of the next $10 million; and one-tenth (1/10) percent of any amount over $25 million; subject to a minimum fee of Forty Thousand Dollars ($40,000); and (ii) for land-based issues (e.g., CFDs and Assessment Agencies), a minimum additional fee of $15,000 payable from a developer's deposit shall apply for the formation of each Agency or improvement area. If multiple series of bonds, loans or notes are issued, the foregoing fee schedule would be applied to each issue. Fees shall be contingent unless otherwise directed by the Agency. If contingent, payment of the fees is entirely contingent upon the successful execution and delivery of the bonds or notes to be payable on or after delivery except for out-of-pocket expenses. In addition to the foregoing, a fee of $7,500 may be charged if a tax opinion is required. At the discretion of the Agency, Agency can choose a non-contingent structure in lieu of the above schedule at the rate of $437 per hour on a blended rate for all attorney time incurred, $171 for paralegals, and $117 for law clerks. Fees may be adjusted upon negotiation with the Agency to the extent there are significant delays in the transaction, or the transaction is extremely complex.	

Annual CPI Adjustment: Commencing July 1, 2027, and continuing annually thereafter, all rates set forth above shall increase using the positive change in the CPI-U calculation for the Los Angeles-Long Beach- Anaheim region for the prior May-May period, as calculated by the federal Bureau of Labor Statistics.

* Other rates may be subject to determination, such as where there is an opportunity to obtain cost recovery through a private party such as a developer.

LEGAL MEMORANDUM

TO: SYRVGB EMA GSA Board of Directors **DATE:** November 14, 2026

FROM: Phillip Hall

SUBJECT: Explanation of De Minimis Groundwater Extractors Under the Sustainable Groundwater Management Act

OVERVIEW

The Sustainable Groundwater Management Act (SGMA) defines a de miminus extractor in Water Code section 10721(e) as "a person who extracts, for domestic purposes, two acre-feet or less per year." Notably, the Legislature used the word "person" rather than "well," "parcel," or "groundwater extraction facility." The EMA's Well Registration Ordinance and Well Metering Reporting Ordinance adopt the SGMA definition as written.

Broken down, the de miminus extractor definition in SGMA turns on three separate but interrelated requirements: 1) the extraction must be by a person[1]; 2) the extraction must be for domestic purpose; and, 3) the extraction must be less than two-acre feet per year.

Importantly, because the SGMA definition does not focus on the well, the parcel served, and/or the extraction facility itself, it is possible that more than person can extract groundwater from a well and for those persons to each qualify as de miminus. In fact, this is fairly common occurrence because under California law the ownership of the well can be shared by up to four parcels before the well becomes a "State small water system"[2] and the ownership needs to be

[1] A person is defined in the opening sections of the Water Code to include such things as a mutual water company and a regulated public utility. As will be acknowledged in the following this creates some analytical problems because a mutual water company acts for the sole purpose of its members and its members own the Company – in other words the mutual is the legal agent for the individual members.

[2] Health and Safety Code section 116275(n) - "State small water system" means a system for the provision of piped water to the public for human consumption that serves at least 5, but not more than 14, service connections and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days out of the year.

shared by those that use the well to avoid regulation by the California Public Utilities Commission.[3]

Accordingly, if a well is part of a well sharing arrangement, then each of the owners (up to four) may individually qualify as a de miminus extractor so long as their individual use is for a domestic purpose and the domestic use is less than two-acre feet per year. In other words, the well can serve up to four owners each of which can be de miminus extractors. Likewise, it is possible for one well to serve multiple de miminus extractors and another extractor that does not qualify as de miminus (non-de miminus user). As example, if 4 owners share a well and 3 of the owners are extracting less than two acre feet per year individually for their domestic use (less then 6 acre feet per year in total) and the 4th individual in the well sharing arrangement uses one acre foot for a commercial purposes, the well would have 3 de miminus users and 1 non-de miminus user because the 3 de miminus users are each using less than two acre feet per year for their domestic use and the 4th would be a non-de miminus users because their use, even though it was less than two acre feet, was for a non-domestic purpose. Accordingly, the 3 de miminus users would not need a meter but the 4th would need a meter on its service connection and the meter should be placed as close at possible to the well.

Additionally, it is possible that a landowner may use a well for his domestic home use of less than two acre feet thus qualifying as de minimis while that same person may also use that same well for a commercial non-de miminus use - the key in this example is how the two parcels are legally owned. Explaining this example further, it is somewhat common for well owners with commercial operations (commonly ag) to own homes on their lands and for realty/insurance/tax/loan purposes for those same owners to divide their lands so the commercial use is on a separate parcel controlled by a separate legal entity such as an LLC. In this situation, it would seem highly likely that a reviewing court would hold that the well had two users one that was de minimus and own that was not. Taking this a step further some landowners in this example may also form mutual water company (instead of an LLC) for legal reasons related to water rights

[3] In general, California Public Utilities Code section 216 and sections 2701–2706 provide that unless the water is purveyed by a properly formed mutual water company serving its members, and only its members, anyone purveying water to others is a private water purveyor subject to regulation by the California Public Utilities Commission (CPUC).

but because of the unique manner in which a mutual is operated (especially one of this size) we believe that a reviewing court will not change the analysis because the owner has formed a mutual water company, rather than an LLC.

BRIGHT LINE RULES

As the reader may have gathered, while the definition of what a de miminus extractor is in Water Code section 10721(e) is fairly simple "a person who extracts, for domestic purposes, two acre-feet or less per year," the application of that definition can become fairly unique depending on the wells in question and how the owners of that well have decided to legally treat the well and the property it serves. Accordingly, there are no simple brightline rules that can be fashioned into simple check the box analysis of what is, or is not, a de miminus extractor.

Five Connections Rule -

With that said, it is probably safe to say to assume that once a well has 5 connections, the well cannot be considered a de miminus well because at that stage the well would be controlled by a mutual water company (most likely consisting of more than one user), the well would be a State small water system, and it is highly unlikely that 5 connections would use less than 2 acre feet of water. Obviously, someone could try and argue that the mutual is the legal agent of the landowners and the landowners are the "persons" extracting from the well but that argument would lead to an absurd result because it would swallow the limitations in the rule. In other words, the reviewing court would be stuck trying to define when the mutual becomes so large that it cannot act as a de miminus extractor. To extend that logic out, there are some mutual water companies that provide water service to tens of thousands of members and it would be absurd to consider those mutuals as de minimus because they act on behalf of their members but it would also be absurd to limit a rural homeowner's de minimus exemption because they formed a mutual water company instead of an LLC for legal reasons related to water rights.

Related considerations with the Five Connections Rule include the State's Well Standards which declare a well serving 1-4 parcels as a "domestic well." Additionally, once the 5 connections standard has been crossed and the well is owned by a mutual all operations and communications should be handled through the mutual and its governance structure rather than individual users that make up the mutual's membership. In other words, the mutual will have a

corporate structure and board it must abide by in the decision making process and as the number of members in the mutual grows so does this legal decision-making structure.

CONCLUSION

While the definition of a de miminus extractor in Water Code section 10721(e) is fairly simple - "a person who extracts, for domestic purposes, two acre-feet or less per year" - the application of that definition can become fairly unique depending on the particular facts in question and the EMA's metering requirements will need to be enforced with that in mind.

GUIDE TO COMMON GROUNDWATER USER DESIGNATIONS

The following examples apply the forgoing discussion and analysis to some common groundwater users.

Groundwater use	De minimis status	Explanation	Meter Required
Residence using 0.5afy	Qualifies	Domestic use less than 2afy	No
Residence using exactly 2.0afy	Qualifies	At the threshold limit	No
4 Residences using 1.0afy each	Qualifies	Domestic use less than 2afy	No
Residence using exactly 3afy	Does not Qualify	Exceeds the annual limit	Yes
Commercial agricultural irrigation	Does not Qualify	Non-Domestic Use	Yes
Industrial/Commercial use	Does not Qualify	Non-Domestic Use	Yes
1 Residence using 1.0afy and 1 commercial use on same well	Qualifies/Does not Qualify	Domestic use less than 2afy/Non-Domestic Use	Yes/No

TO: **SYRVGB EMA GSA Board of Directors**

FROM: **Dan Heimel, Executive Director**

DATE: **November 19, 2026**

SUBJECT: **Item 5.f – Review and consider approval of developing a De Minimis calculator tool to support well registration and metering initiatives**

Summary

The Eastern Management Area Groundwater Sustainability Agency (EMA GSA) ordinances exempt de minimis extractors from metering and reporting through a self-certification. After the first registration deadline on August 31, 2026, 63 active wells claimed de minimis status, with only eight uploading some form of supporting evidence. Staff prepared a draft methodology for a tool that tests each de minimis claim against the domestic-use requirement by measuring irrigated area from aerial and satellite imagery.

No ordinance amendments are proposed. Determinations would be made under the authority of the existing Well Metering and Reporting Ordinance and could be appealed to the Board under Section 10 of that ordinance. Staff requests authorization to complete the tool, run it on all active de minimis claims, and return to the Board with the results before the determination notices are mailed by February 2027.

Background

The Well Registration Ordinance (Ordinance No. 2025-01) and the Well Metering and Reporting Ordinance (Ordinance No. 2025-03) define a De Minimis Extractor using Water Code section 10721(e): "a person who extracts, for domestic purposes, two acre-feet or less per year." Both ordinances specifically define Domestic Use by reference to 23 CCR section 660, which includes "the irrigation of not to exceed one-half acre in lawn, ornamental shrubbery, or gardens at any single establishment."

De minimis extractors must register their well with the EMA GSA but are exempt from the metering and reporting requirements. To claim the exemption, a registrant must self-certify and "provide some form of technical justification," such as aerial imagery, electrical usage or meter records. Without verification, a property irrigating large lawns or agriculture could self-certify and avoid installing a meter and reporting extraction. Meters must be installed by June 30, 2027, and the first extraction report is due October 31, 2027.

EMA GSA Legal Counsel reviewed the de minimis definition in a companion memorandum, Explanation of De Minimis Groundwater Extractors Under the Sustainable Groundwater Management Act (November 14, 2026; Item 5.e), cited here as the Legal Counsel Memorandum. The memorandum concludes that the ordinances should remain unchanged because they adopt the SGMA definition directly.

De Minimis Definition

The definition has three requirements: the extraction is by a person, it is for a domestic purpose, and it is two acre-feet or less per year (Legal Counsel Memorandum). A use that is not domestic does not qualify, whatever the volume of groundwater extracted. The memorandum lists commercial agricultural irrigation and industrial or commercial use as non-domestic uses that do not qualify.

The EMA ordinances explicitly define Domestic Use. Under that definition, irrigation of more than one-half acre of lawn, ornamental shrubbery or gardens at a single establishment is outside Domestic Use, as is irrigation of crops, orchards, vineyards or pasture.

This de minimis verification tool tests the domestic-use requirement defined above. It measures irrigated area and determines if it exceeds one-half acre. It is important to note the tool does not estimate the total annual volume of water extracted because a volume estimate depends on assumed crop water demand, irrigation efficiency and indoor use that are difficult to verify for each individual property.

Shared Wells

The de minimis definition applies to a person, not to a well or a parcel. A well shared by up to four owners can serve both de minimis and non-de minimis users. Each owner is evaluated individually. A well with five or more connections cannot be considered de minimis (Legal Counsel Memorandum, Five Connections Rule).

The tool applies these shared-well rules as follows. Each parcel served by a shared well is evaluated on its own use. A well that lists five or more parcels on its registration is treated as having five or more connections. The registration form lists parcels served and not connections, so the parcel count is an assumption that can be adjusted through staff review.

Authority

State Law

- Water Code 10725.4(a)(4), (c). A GSA may investigate for "monitoring compliance and enforcement," and may inspect property "upon obtaining any necessary consent or obtaining an inspection warrant."
- Water Code 10725.2(a), (b). A GSA may "adopt rules, regulations, ordinances, and resolutions" and "perform any act necessary or proper" to carry out SGMA.
- Water Code 10725.8(e). The metering section "does not apply to de minimis extractors." A GSA may require metering of a person who is not a de minimis extractor.

EMA Ordinances

- Ordinance No. 2025-03, Exhibit A, Section 2.A.1. De Minimis Extractors are exempt from metering and reporting. They must self-certify and provide technical justification to support the self-certification.

- Ordinance No. 2025-03, Section 5. The Executive Director or designee is "authorized and directed to take any such actions as may be necessary and appropriate to implement this Ordinance."
- Ordinance No. 2025-03, Exhibit A, Section 10. A Property Owner or Operator may appeal "a decision made pursuant to these Rules and Regulations" to the Board within 30 calendar days. The Board's decision is final, subject to judicial review.

A determination that a well does not qualify for the Section 2.A.1 exemption would be a decision under the Well Metering and Reporting Ordinance and could be appealed under Section 10.

Draft Methodology

The draft tool screens each claimed parcel for shared wells, mapped crops, and irrigated area measured from aerial and satellite imagery. It produces an indicated ruling that a staff reviewer confirms or changes. Every step is run and recorded for every parcel, so each determination has a documented basis. The tool applies to every parcel with a de minimis claim and every parcel listed as receiving water from a shared well.

Record Checks

1. A well that lists five or more parcels on its registration is ruled not de minimis (Legal Counsel Memorandum, Five Connections Rule).
2. A well serving two to four parcels is evaluated parcel by parcel. Such a well can serve both de minimis and non-de minimis users, and a mixed result is recorded as a reviewer note.
3. Claims on wells reported as inactive, abandoned or being destroyed are not included in the tool unless another active well serves the parcel.
4. A parcel of 0.50 acre or less cannot fail the total irrigated area test. It can still be ruled not de minimis under the shared-well, crop mapping or agriculture tests.
5. A well type or assessor land use that conflicts with a domestic-only claim is recorded as a reviewer note and does not directly decide a de minimis claim.

DWR Crop Mapping

A parcel with 0.25 acre or more of fields in the California Department of Water Resources (DWR) Statewide Crop Mapping for 2024 is ruled not de minimis. DWR maps vineyards, orchards, pasture, grain and hay, and other crops from imagery and field verification, independent of the GSA and the landowner. The tool treats a field mapped by DWR as evidence of irrigated agriculture. The 0.25-acre threshold keeps slivers, created where field boundaries and parcel lines do not align, from triggering the rule. The 2024 map is provisional; the 2023 final map is shown on each review sheet for comparison.

Aerial Imagery

Irrigated area is drawn on the most recent July to September aerial image of each parcel, dated 2025 or later, at about 0.3 to 0.5 m resolution (Esri World Imagery Wayback). The Santa Ynez Valley has a dry summer, and by July most unirrigated grass and pasture are dormant. Vegetation that is green in a late-summer image indicates irrigation. The acquisition date and source of each image are recorded.

Delineation

A commercially available multimodal large language model (LLM) drafts outlines of irrigated area on the summer image within the parcel boundary. It delineates two classes: home landscape (lawn, ornamental plantings, garden beds) and agriculture or pasture (irrigated pasture, vineyards, orchards, row crops). Areas the model is unsure about are outlined and marked low confidence. Roofs, paving, pools, bare ground, dry grass and native vegetation are excluded. The model is fed only the aerial image and does not see the satellite data or the DWR crop fields. This is done so that the outlines, the satellite check and the crop mapping test remain independent checks on one another. Areas are then calculated from the resulting delineation.

General-purpose multimodal LLMs can classify land use and land cover in aerial imagery without task-specific training (Ma et al. 2026). Because the LLM produces a first draft of each outline, staff only need to check and correct it. This saves staff labor and reduces the cost of each determination compared with drawing every outline by hand.

Staff Review

A staff reviewer compares each outline with the image, edits it where necessary, and approves it. The LLM draft and the approved outline are both retained, so the record shows every change. Staff approval makes the outline the GSA's measurement and assigns responsibility for it to a named reviewer. The reviewer then concurs with the indicated ruling or changes it and records the reason for any change.

Satellite Irrigation Check

Satellite data tests whether the approved outlines stay green through the dry season. The check uses Sentinel-2 imagery at 10 m resolution from July 1 to September 30 of 2024, 2025 and 2026. For each pixel and each summer, the median Normalized Difference Vegetation Index (NDVI) is calculated from cloud-free observations, with at least five required. Simply put, the check measures how green the outlined area typically is in summer over the past three years. A pixel inside an outline is confirmed as irrigated when the median of its valid summer values meets the threshold, with at least two valid summers required. Tree canopy taller than 3 m is removed from the confirmed area, because greenness alone cannot show whether a tree is irrigated.

The threshold is NDVI 0.50 for lawn, garden and pasture, and 0.35 for vineyards and orchards. Dry grassland in Southern California reads below about 0.3 (Warter et al. 2021), and watered turf in Central California reads 0.5 or higher (Haghverdi et al. 2021). California vineyards read about 0.3 to 0.6 at peak canopy, with bare soil between rows near 0.25 (Oger et al. 2025). Pixels along an outline's edge mix irrigated and dry ground and read lower, so error in this step tends to reduce the confirmed area. This check is a reproducible, fixed calculation per parcel.

Ruling

Every parcel receives one of two indicated rulings: de minimis or not de minimis. A parcel is ruled not de minimis if any of four tests is met:

1. A claimed well serving the parcel lists five or more parcels on its registration.

2. DWR crop mapping for 2024 shows 0.25 acre or more of crops, orchards, vineyards or pasture on the parcel.
3. Agriculture or pasture is outlined on 0.25 acre or more, and the satellite check confirms 0.25 acre or more of it as irrigated.
4. The satellite-confirmed home landscape and agriculture or pasture together exceed 0.50 acre.

If none of the tests is met, the parcel is ruled de minimis. Low-confidence outlines, more than 0.25 acre of green ground outside the outlines, a conflicting well type or land use, and other registered wells on the parcel are recorded as reviewer notes. The reviewer checks each note against the image and may edit the outlines before signing off. An edited outline is run through the same tests.

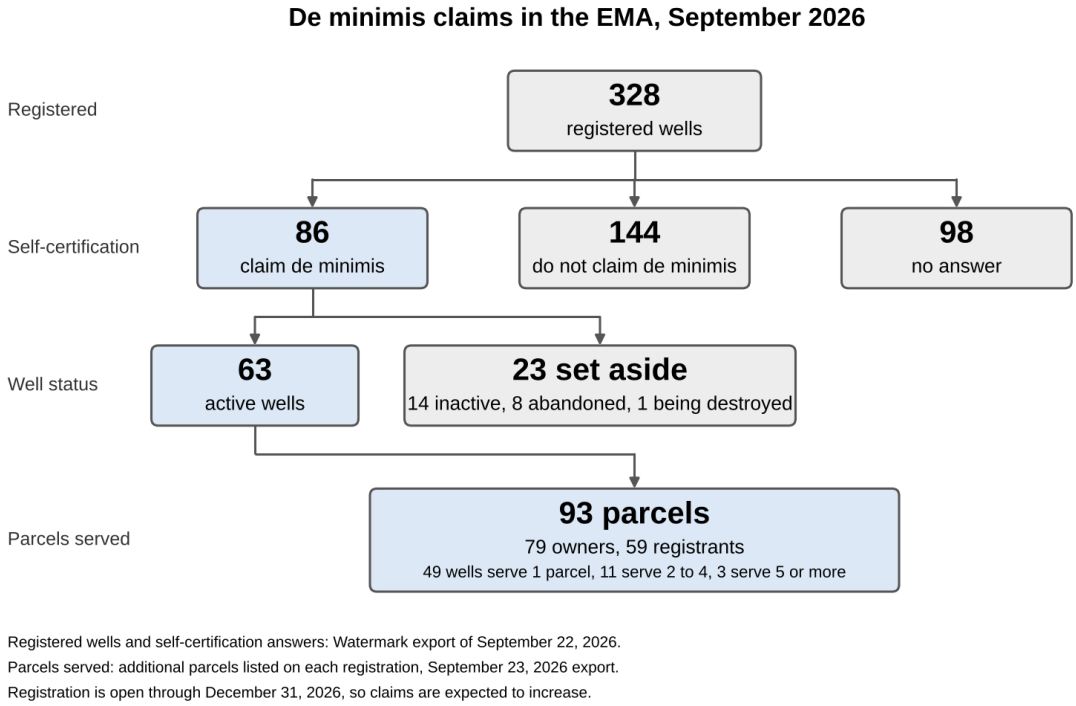
Record

Each parcel file contains the outlines with image dates and sources, the satellite values for each summer, any DWR fields, the confirmed area, the result of each test, the indicated ruling, and the reviewer sign-off. This record would support a determination letter and any appeal.

Limitations

- The method does not measure volume. A parcel ruled de minimis is not thereby shown to extract two acre-feet or less.
- Parcel lines are not surveyed, and the aerial imagery is accurate to about 8.5 m. Outlines near a property line can be assigned to the wrong parcel.
- At 10 m resolution, small or narrow lawns may show a lower NDVI value than they actually have, which reduces the confirmed area of irrigation.
- The tree canopy map dates from 2018 to 2019 imagery. Summer-green oak and riparian growth can appear as green ground outside the outlines. These areas are reviewer notes and do not change the ruling.
- The NDVI thresholds come from published studies and have not been tested against field-verified sites in the EMA. Staff review of every outline is the validation procedure.
- The method assumes irrigated area on a parcel is watered by the claimed well. Water purveyor service areas are not yet included.

Scope of Claims



The 63 active claimed wells serve 93 parcels. The number of extractors who claim de minimis, however, is expected to grow. Santa Ynez River Water Conservation District records show 274 wells not yet registered with the EMA GSA, on 213 parcels held by 199 owners. Of those, 194 wells are located on rural home site parcels, where de minimis claims are more likely. Additionally, 98 registered wells have incomplete registrations because they have not indicated whether they are de minimis. The EMA GSA also currently bills 331 parcels as de minimis for groundwater extraction fees, which gives a further indication of the number of parcels that could require this analysis. LLM-assisted screening would let staff review this potentially large number of de minimis claims at lower cost than drawing every outline by hand.

Determination and Appeal Process

If the Board authorizes the tool, staff proposes the following sequence under the existing ordinances.

1. Staff complete the tool, run it on every active claim, review each parcel, and sign off on each indicated ruling.
2. Staff return to the Board with the results and a draft Notice of Determination before the notices are mailed.
3. With the Board's direction, staff mail a Notice of Determination for each parcel ruled not de minimis by February 2027. The notice states the finding, the definition applied, the evidence relied on, and how to appeal. Parcels ruled de minimis receive no notice.

4. The Property Owner or Operator may appeal under Section 10 of the Well Metering and Reporting Ordinance by filing a written notice of appeal with the Board within 30 calendar days of the decision. The notice of appeal states the decision appealed, the basis for the appeal, the action requested, and the evidence relied on, such as meter records, a site survey, or evidence of another water source. Under Section 10, the appellant is responsible for the fees and costs of the appeal, and the filing fee is set by Board resolution.
5. The Board considers the appeal at its first regular meeting after filing where practicable, and no later than 60 calendar days after filing. Its decision is final, subject to judicial review under Code of Civil Procedure section 1094.5.
6. A well determined not to be de minimis is subject to the Well Metering and Reporting Ordinance: a flow meter by June 30, 2027, and the first extraction report by October 31, 2027.

Fiscal Impact

Staff estimates 15 hours, or about $2,325, to complete the tool, run it on every active claim, review and sign off on each ruling, and prepare notices. All hours are billed at $155 per hour.

Task	Hours	Cost	Basis
Tool completion and full run	5	$775	Complete the tool and run it on the 63 active claims and the 93 parcels they serve; check inputs and outputs
Staff review and sign-off	5	$775	Review outlines, confirm the ruling, sign the sheet
Notices and appeals	5	$775	Prepare and mail Notices of Determination after Board review of the results; support any appeal to the Board
Total	**15**	**$2,325**	

Recommendation

Staff recommends that the Board of Directors:

1. Receive the draft methodology.
2. Authorize staff to complete the de minimis verification tool and run it on all active de minimis claims, under the existing Well Metering and Reporting Ordinance (Ordinance No. 2025-03).
3. Direct staff to return to the Board with the results before any Notice of Determination is mailed.

Sources

Statutes and Regulations

- Water Code sections 10721(e), 10725.2, 10725.4 and 10725.8. State Water Board, Sustainable Groundwater Management Act and Related Provisions (January 2026 edition).
- 23 CCR section 660.
- Code of Civil Procedure section 1094.5.

EMA GSA Documents

- EMA GSA Legal Counsel (Phillip Hall), Explanation of De Minimis Groundwater Extractors Under the Sustainable Groundwater Management Act, memorandum to the Board of Directors, November 14, 2026 (Item 5.e).
- Amendment to Ordinance No. 2025-01 (First Amended Well Registration Ordinance), Exhibit A.
- Ordinance No. 2025-03 (Well Metering and Reporting Ordinance), Section 5; Exhibit A, Sections 2.A.1 and 10.
- Watermark well registration data exports, September 22 and September 23, 2026 (SGMA Software, prepared by MLJ Environmental).
- Draft de minimis verification tool configuration v5 (November 2026).

Imagery and Data

- California Department of Water Resources, Statewide Crop Mapping, 2023 and 2024 (provisional). https://data.ca.gov/dataset/statewide-crop-mapping
- Copernicus Sentinel-2 Level-2A imagery, July to September of 2024 to 2026, accessed through Earth Search (Element 84).
- Esri World Imagery Wayback, July to September captures dated 2025 or later. https://livingatlas.arcgis.com/wayback/
- Meta and World Resources Institute, High Resolution Canopy Height Maps (CC BY 4.0).
- LANDFIRE 2025 Existing Vegetation Type, U.S. Geological Survey and U.S. Forest Service. https://landfire.gov

Scientific Literature

- Haghverdi, A., Reiter, M. S., Singh, A., and Sapkota, A. (2021). Hybrid bermudagrass and tall fescue turfgrass irrigation in Central California: II. Assessment of NDVI, CWSI, and canopy temperature dynamics. Agronomy 11(9):1733. https://doi.org/10.3390/agronomy11091733
- Ma, Q., Qiu, C., Cheng, X., Zhang, X., Duan, P., Yang, K., Kang, X., and Li, S. (2026). Multimodal large language models for remote sensing image understanding: Domain-specific or general-purpose? arXiv:2607.20284.
- Oger, B., Aboutalebi, M., Dokoozlian, N., Sanchez, L., and Mar Alsina, M. (2025). Vineyard design, vine age, and floor management practices affect Sentinel-2 NDVI time series analysis of California

vineyards. American Journal of Enology and Viticulture 76:0760023. https://doi.org/10.5344/ajev.2025.25010

- Warter, M. M., Singer, M. B., Cuthbert, M. O., Roberts, D., Caylor, K. K., Sabathier, R., and Stella, J. (2021). Drought onset and propagation into soil moisture and grassland vegetation responses during the 2012-2019 major drought in Southern California. Hydrology and Earth System Sciences 25:3713-3729. https://doi.org/10.5194/hess-25-3713-2021

TO: **EMA GSA Board of Directors**

FROM: **Daniel Heimel, Executive Director**

DATE: **November 19, 2026**

SUBJECT: **Item 5.g - Receive Board direction on unpaid FYE 2026 groundwater extraction fee direct bills**

Background

On June 26, 2025, following a Proposition 218 public hearing, the Board adopted the EMA GSA Groundwater Extraction Fee Ordinance (Attachment 1). The Ordinance established a five-year schedule of per acre-foot fees, beginning at $39.50 per acre-foot for Fiscal Year 2025-26, and provides two methods of collection: (1) collection on the Santa Barbara County property tax roll, under which all laws providing for the collection and enforcement of County taxes apply (Section 6); and (2) direct billing by the Executive Director for entities that do not receive a tax bill (Section 7). Section 8 further authorizes the Executive Director and General Counsel to take such other steps as may be necessary or appropriate to implement the Ordinance.

Twenty-one entities were direct billed for FY 2025 groundwater extraction fees based on their reported groundwater use. Original invoices were sent in early February 2026 by email to the owners of each water system, using the best available contact information obtained from the County of Santa Barbara or the State Water Resources Control Board's Division of Drinking Water (DDW), and late payment notices were sent at the end of March 2026. As of the preparation of this report, $10,496.85 in direct-billed fees remains unpaid, as summarized in Table 1.

Table 1. Unpaid FY 2025 Groundwater Extraction Fees – Direct Billing

Entity	Water Use (AF)	Fee Amount
Chalk Hill Estates HOA	49.3	$1,945.77
Fredensborg Canyon Water Company	17.0	$673.08
Fredensborg Hill Estates MWC	34.4	$1,360.38
Midland School	27.6	$1,090.40
Oak Trail Estates	123.3	$4,870.66
Shepherd of the Valley	11.2	$440.43
White Oak Water Association	2.9	$116.13
Total	**265.7**	**$10,496.85**

Nearly nine months have passed since the original invoices were issued and more than seven months since late payment notices were sent. Unlike fees collected on the tax roll, which are enforced through the County's property tax collection process, direct-billed fees have no built-in enforcement mechanism. Staff is therefore requesting Board direction on next steps to collect the outstanding balance and to improve collection of direct-billed fees in future years.

Discussion

The Sustainable Groundwater Management Act (SGMA) provides groundwater sustainability agencies with several tools to enforce payment of groundwater fees. Under Water Code section 10730.6:

- A groundwater fee is due and payable on a date established by the GSA (subdivision (a)).
- If an owner or operator knowingly fails to pay a groundwater fee within 30 days of it becoming due, the owner or operator is liable for interest of 1 percent per month on the delinquent amount and a 10 percent penalty (subdivision (b)).
- The GSA may bring suit in court to collect delinquent fees, interest, and penalties (subdivision (c)).
- As an alternative to suit, the GSA may collect delinquent charges, penalties, and interest pursuant to the laws applicable to the local agency or, for a joint powers authority, the entity designated under Government Code section 6509 (subdivision (d)).
- After a public hearing, with notice by certified mail at least 15 days in advance, the GSA may order an owner or operator to cease groundwater extraction until all delinquent fees are paid (subdivision (e)).

The Ordinance itself does not specify a payment due date, interest, or penalties for delinquent direct-billed fees. Legal counsel should confirm whether the February 2026 invoices established an enforceable due date and whether the March 2026 late notices, together with any further notice, are sufficient to support a finding that nonpayment is "knowing" for purposes of assessing interest and penalties under Water Code section 10730.6(b). For reference, a 10 percent penalty on the outstanding balance would be $1,049.69, and interest at 1 percent per month would accrue at approximately $104.97 per month across all accounts.

Because the original invoices were delivered by email using contact information from County and DDW records, it is possible that some invoices did not reach the appropriate decision makers. Before or in conjunction with any escalated enforcement, staff recommends confirming billing contacts and parcel ownership for each account and sending further correspondence by certified mail to document receipt.

Options for Board Consideration

The following options may be pursued individually or in combination:

Option 1 – Direct legal counsel to send a formal demand letter. EMA GSA legal counsel would send a letter to each delinquent account stating the amount owed, setting a final payment deadline (e.g., 30 days), and advising of the potential consequences of continued nonpayment, including interest and penalties under Water Code section 10730.6(b), transfer of the charges to the County tax roll, a civil collection action, and a potential order to cease extraction. This option is low cost, formally escalates the matter, and creates a clear record of notice to support subsequent enforcement. Legal fees would be incurred for preparation of the letters.

Option 2 – Transfer collection to the County tax roll and/or record a lien on the parcels. For parcels that receive a property tax bill, the delinquent amount and future fees could be placed on the County

tax roll under Section 6 of the Ordinance, so that County collection and enforcement procedures apply. Counsel would also advise whether a lien may be recorded against the parcels for the delinquent amounts and the procedure for doing so. Considerations include:

- Section 7 of the Ordinance limits direct billing to entities that do not receive a tax bill. Staff and counsel would need to identify the Assessor's Parcel Numbers associated with each account and confirm why each was direct billed. Some entities (e.g., schools or religious organizations) may hold tax-exempt parcels that cannot be placed on the tax roll.
- Placement would be subject to the County Auditor-Controller's annual deadline for direct charges, so collection would likely not occur until the FY 2027-28 tax roll. Under Section 6, the County deducts its collection charges from amounts remitted to the EMA GSA.
- Counsel should confirm whether prior-year delinquent amounts may be added to the tax roll or secured by lien and whether any additional notice or hearing is required.

Option 3 – Pursue a civil collection action. The EMA GSA could file suit to collect the delinquent fees, interest, and penalties under Water Code section 10730.6(c). Given the size of the individual balances (ranging from $116.13 to $4,870.66), the legal costs of litigation would likely exceed the amounts recovered for most accounts. Staff suggests reserving this option for accounts that remain unpaid after other measures.

Option 4 – Hold a hearing to consider an order to cease extraction. Under Water Code section 10730.6(e), the Board could, following a noticed public hearing, order a delinquent owner or operator to cease groundwater extraction until all fees are paid. While this is a strong remedy, several of the delinquent accounts are water companies, homeowners associations, or institutions that may supply water for domestic and public health purposes, and an order may be difficult to enforce. Staff suggests this option be reserved for continued noncompliance.

Option 5 – Direct staff to pursue further informal collection. Staff would contact each account directly by phone and certified mail, confirm billing contacts, and, where appropriate, offer a short-term payment plan. This option has minimal cost but provides no additional leverage beyond the notices already sent.

Additional consideration – Formalize direct-billing collection procedures. Independent of the option(s) selected, the Board may wish to direct staff and counsel to prepare a resolution or ordinance amendment establishing a payment due date, delinquency procedures, and interest and penalties consistent with Water Code section 10730.6 for direct-billed fees, and to state those terms on future invoices. This would provide clearer notice to fee payers and support enforcement in future years.

Fiscal Impact

The outstanding balance of $10,496.85 represents uncollected FY 2025 groundwater extraction fee revenue budgeted to fund EMA GSA operations and Groundwater Sustainability Plan implementation. Option 1 would result in legal fees for preparation of the demand letters, to be paid from the EMA GSA's legal services budget. Option 2 would require legal and staff time to identify parcels and coordinate with

the County, and the County's collection charges would be deducted from amounts remitted. Options 3 and 4 would involve greater legal costs. Any interest and penalties collected under Water Code section 10730.6(b) would partially offset enforcement costs.

Recommendation

Receive Board direction on unpaid FYE 2026 groundwater extraction fee direct bills.

Attachments

Attachment 1 – Groundwater Extraction Fee Ordinance, adopted June 26, 2025

ORDINANCE NO. 2025-02

ORDINANCE NO. 2025-02 OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY ("EMA GSA") FOR IMPLEMENTING A GROUNDWATER EXTRACTION FEE

RECITALS

WHEREAS, the Sustainable Groundwater Management Act of 2014, inter alia, Water Code sections 10720-10737.8 ("Sustainable Groundwater Management Act [SGMA]") was signed into law on September 16, 2014; and

WHEREAS, the EMA GSA has been organized under a Joint Powers Authority Agreement between the City of Solvang, Santa Ynez River Water Conservation District, Improvement District No.1, Santa Ynez River Water Conservation District, and the Santa Barbara County Water Agency to sustainably manage groundwater in the Eastern Management Area of the Santa Ynez River Valley Groundwater Basin; and

WHEREAS, the EMA GSA is the exclusive groundwater sustainability agency for the Eastern Management Area of the Santa Ynez River Valley Groundwater Basin and has been approved by the California Department of Water Resources; and

WHEREAS, The Board of Directors of the EMA GSA seeks to adopt its Groundwater Extraction Fee ("Fee") as authorized by SGMA (Water Code section 10720 et seq); and

WHEREAS, pursuant to California Water Code section 10730.2(c), the proposed Fee is being adopted in accordance with the procedures set forth in subdivisions (a) and (b) of Section 6 of Article XIII D of the California Constitution; and

WHEREAS, pursuant to California Constitution, Article XIII D, section 6(a) and (b), the EMA GSA: identified the parcels in the EMA upon which the Fee may be imposed; calculated the amount of the proposed Fee; provided written notice to the record owner of each parcel potentially subject to the proposed Fee, the amount proposed, the basis of calculation, the reason for the Fee, along with the date, time, and location of a public hearing on the proposed Fee; and

WHEREAS, pursuant to Water Code section 10730, the EMA GSA posted notice of the time and place of the public meeting at which the proposed Fee was to be considered, in compliance with Government Code section 6066, as well as on the EMA GSA's website; and

WHEREAS, on April 23, 2025 the EMA GSA mailed 6,222 notices of the proposed Fee to all record owners of the parcels within the jurisdiction of the EMA GSA; and

WHEREAS, pursuant to Government Code section 53759.1 the EMA GSA has taken the following actions concerning the proposed Fee:

The EMA GSA made the proposed Fee available at least 45 days prior to the deadline for a property owner to submit objections, and provided notice of the administrative remedy procedure in the public hearing notice; and

The EMA GSA posted evidence supporting the proposed Fee on its website; and

The EMA GSA provided property owners with a minimum of 45 days in which to submit a written objection alleging noncompliance with Proposition 218; and

The EMA GSA responded in writing to each written objection prior to the close of the public hearing at which the agency considered adopting the proposed extraction fee.

WHEREAS, pursuant to Water Code Section 10730, prior to imposing the proposed Fee, the EMA GSA reviewed and approved the Fee Study [*EMA GSA Rate Study Report*] supporting the Fee; and

WHEREAS, a public hearing was held on June 26, 2025, pursuant to California Constitution Article XIII D, Section 6(a), at which all interested persons had an opportunity to provide oral and written testimony and all protests and objections to the proposed Fee were heard; and

WHEREAS, all written legal objections have been responded to by the EMA GSA, and all written protests received by the EMA GSA have been tallied; and

WHEREAS, the Board accepted and caused the tabulation of all written protests against the proposed EMA GSA Fee received prior to the end of the public hearing, and based upon the results of this tabulation, a majority protest against the EMA GSA Fee as proposed in the Rate Study does not exist; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EMA GSA DOES HEREBY ORDAIN, DETERMINE AND ORDER AS FOLLOWS:

1. The EMA GSA hereby finds that the facts set forth in the Recitals to this Ordinance are true and correct and establish the factual basis for the EMA GSA's adoption of this Resolution; and

2. There is hereby established an EMA GSA Groundwater Extraction Fee ("Fee") on the terms and conditions set forth in Attachment A, attached hereto and incorporated herein by reference; and

3. Revenues derived from the Fee will not exceed the funds required to provide the services of complying with SGMA by sustainably managing groundwater in the EMA and implementing the EMA GSA's GSP; and

4. Revenues derived from the Fee shall not be used for any purpose other than those purposes identified in the Rate Study; and

5. The maximum amount of the Fee levied on groundwater production from a parcel does not exceed the proportional cost of the service attributable to such production; and

6. The Executive Director of the EMA GSA is hereby authorized and directed to file a certified copy of this Ordinance with the Auditor of the County of Santa Barbara. Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land that is subject to the Fee the amount of the Fee thereupon as shown in the levy roll. The Fee shall continue to be collected at the same time and in the same manner as County taxes are

collected and all the laws providing for collection and enforcement shall apply to the collection and enforcement of the Fee. After collection by the County, the net amount of the Fee, after deduction of any compensation due to the County for collection, shall be paid by the County to the EMA GSA; and

7. The Executive Director of the EMA GSA is hereby authorized and directed to cause the direct billing of the Fee for entities that do not receive a tax bill; and

8. The Executive Director of the EMA GSA and its General Counsel are hereby authorized and directed to take such other and further steps as may be necessary or appropriate to implement the intent and purpose of this Ordinance; and

9. Reference is hereby made to the direct charge levy roll on file with the EMA GSA, as it is too voluminous to be bound with this Ordinance. This roll file contains a list of parcels and the amount to be collected for each parcel.

PASSED AND ADOPTED by the Board of Directors of the EMA GSA on the day of June 26, 2025, by the following roll call vote:

AYES: 5

NOES: 0

ABSTAIN: 0

ABSENT: 0

June 26, 2025

Executive Director of the EMA GSA

SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN EASTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY

GROUNDWATER EXTRACTION FEE

ATTACHMENT A

I. FIVE YEAR SCHEDULE OF ANNUAL PER ACRE-FOOT GROUNDWATER EXTRACTION FEE

FISCAL YEAR 2025-2026: $39.50

FISCAL YEAR 2026-2027: $41.50

FISCAL YEAR 2027-2028: $43.60

FISCAL YEAR 2028-2029: $45.80

FISCAL YEAR 2029-2030: $48.10

II. DE MINIMIS PUMPERS

De Minimis pumpers are those who extract 2 acre feet or less per year for domestic purposes from the Eastern Management Area of the Santa Ynez River Valley Groundwater Basin (Water Code section 10721(e)). The Extraction Fee for De Minimis pumpers will be based on an annual average production of 1.07 acre feet.