



Officers

President
Keith Hadick

Board Secretary
Andy Adam

Directors

Vacant, Div. 1
Andy Adam, Div. 2
Keith Hadick, Div. 3
Gerald Mahoney, Div. 4
Vacant, Div. 5
Casey Conrad, Div. 6
Randy Sharer, Div. 7

**SANTA MARIA VALLEY
WATER CONSERVATION DISTRICT**

P.O. BOX 364
SANTA MARIA, CALIFORNIA 93456
PHONE (805) 925-5212 FAX (805) 739-0763
E-MAIL districtoffice@smvwcd.org

September 21, 2023

Via First Class mail and Email: sbcgj@sbcourts.org

Grand Jury Chambers
Santa Barbara County Courthouse
1100 Anacapa Street
Santa Barbara, CA 93101

Re: June 21, 2023 Grand Jury Report and Responses
Lack of Transparency and Due Diligence at the
Santa Maria Valley Water Conservation District

The Santa Maria Valley Water Conservation District welcomes the report of the Grand Jury and their effort to improve the practices of the District.

The District responds to each request as follows:

Finding 1: The Santa Maria Valley Water Conservation District's transparency needs to be improved both in terms of timeliness and adequacy.

Recommendation No. 1: That the Santa Maria Valley Water Conservation District bring its website disclosures up to best practices comparable to those recommended by the Special District Leadership Foundation and those employed by other special districts in northern Santa Barbara County.

Response to Finding No. 1: Respondent agrees with finding. The SMVWCD has indicated that it is currently working to retain a General Manager in response to other recommendations of this Grand Jury. The District will work with the new General Manager to improve the website as suggested.

Finding 2: The Santa Maria Valley Water Conservation District's inadequate disclosure regarding its contract with Mitigation Solutions, LLC resulted in Western Sierra Resource Corporation's inaccurate news releases becoming the only public source of information about ongoing mitigation activities at Twitchell Dam and Reservoir.

Recommendation No. 2: That the Santa Maria Valley Water Conservation District's website report at least quarterly on ongoing mitigation projects.

Response to Finding No. 2: Respondent agrees with finding. The SMVWCD has indicated that it is currently working to retain a General Manager in response to other recommendations of this Grand Jury. The District will work with the new General Manager to improve the website as suggested.

Finding 3:The Santa Maria Valley Water Conservation District failed to exercise financial due diligence in its evaluation of Mitigation Solutions, LLC's ability to meet its contractual obligations, particularly considering Western Sierra Resource Corporation and Mitigation Solutions, LLC's financial condition.

Recommendation No. 3: That within six months, the Santa Maria Valley Water Conservation District establish and follow policies for thoroughly vetting the financial capacity and capabilities of potential parties to all contracts.

Response to Finding No. 3: Respondent agrees with finding. The SMVWCD will work with District Counsel to develop the suggested policies in the time frame suggested.

Sincerely,

Keith Hadick

A handwritten signature in black ink that reads "Keith Hadick". The signature is written in a cursive style with a large, stylized initial "K".