

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

City of Ridgecrest, Indian Wells Valley Water District, Inyo County, Kern County, San Bernardino County

BOARD OF DIRECTORS MEETING MINUTES Thursday, December 19; 10:00 a.m.

IWVGA Members Present:

Chairman Ron Kicinski, IWVWD	Don Zdeba, IWVGA General Manager
John Vallejo, Inyo County	James Worth, Legal Counsel
Mick Gleason, Kern County	Steve Johnson, Stetson Engineers
Scott Hayman, City of Ridgecrest	Commander Peter Benson, US Navy, DoD Liaison
Thomas Bickauskas, Bureau of Land Management	Lauren Duffy, Clerk of the Board
Bob Page, San Bernardino County	

Meeting recording and public comment letters submitted are made available at:

<https://iwvga.org/iwvga-meetings/>

1. CALL TO ORDER:

The meeting is called to order by Chairman Kicinski at 10:02 a.m.

2. PUBLIC COMMENTS ON CLOSED SESSION:

None.

Chairman Kicinski calls the meeting into Closed Session at 10:02 a.m.

3. CLOSED SESSION:

- CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION (Government Code Section 54956.9(d)(2)(e)(1)) Number of cases: One (1) Significant exposure to litigation in the opinion of the Board of Directors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against the IWVGA but which are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed.

4. OPEN SESSION:

Meeting was reconvened into Open Session at 11:05 a.m.

a. Report on Closed Session:

Jim Worth reported that no action was taken which would require disclosure under the Brown Act.

b. The Pledge of Allegiance is led by Vice Chair Gleason.

c. Ron Kicinski asks for a moment of silence to recognize the passing of TAC Member Earl Wilson.

d. April Nordenstrom calls the following roll call:

Director Vallejo	Present
Director Hayman	Present
Chairman Kicinski	Present
Director Page	Present
Vice Chair Gleason	Present

5. PUBLIC COMMENTS:

The Board hears public comments from Sophia Merk and John Kinnect.

6. CONSENT AGENDA:

- a. Approve Minutes of Board Meeting November 21, 2019
- b. 2020 Meeting Dates – 3rd Thursday of every month
- c. Appointment of April Nordenstrom as Clerk of the Board
- d. Approval of Resolution No. 09-19 Appointing Jade Zimmerman as TAC representative for U.S Navy, DoD Liaison
- e. Approve Expenditures
 - i. \$13,226.22 - RWG LAW
 - ii. \$33,064.02 - DRI
 - iii. \$183,634.49 – Stetson Engineers
 - iv. \$80.36 – The Daily Independent

Motion made by Scott Hayman and seconded by Mick Gleason to approve Minutes of Board Meeting November 21, 2019, 2020 meeting dates, appointment of April Nordenstrom as Clerk of the Board, approval of Resolution 09-19, and the following expenditures in the amount of \$13,226.22 to RWG Law, \$33,064.02 to DRI, \$183,634.49 to Stetson Engineers, \$80.36 to The Daily Independent. Motion unanimously carries by the following vote: (Ayes: Gleason, Hayman, Kicinski, Page, Vallejo. Nays: None. Abstain: None.)

Chairman Kicinski notes there will be an edit made to Resolution 09-19, changing section 2.2 to reflect Technical Advisory not Policy Advisory.

Motion made by Scott Hayman and seconded by Mick Gleason to adopt Resolution 09-19. Motion unanimously carries by the following roll call vote.

Director Vallejo	Aye
Director Hayman	Aye
Chairman Kicinski	Aye
Director Page	Aye
Vice Chair Gleason	Aye

7. UPDATE ON IWVGA FINANCES:

a. Monthly Financial Report

Don Zdeba provides a report on the IWVGA finances (made available on the IWVGA website). The current account balance is \$48,170.00, which will be used to pay the invoices listed under the consent agenda, not including Stetson (combined with deferred August invoice, amount owed is now \$286,289.03). Once payments are made, the balance remaining will be \$1,799.40. Reimbursement for the 3rd invoice submittal should be received within the next 30 days.

Steve Johnson explains the Stetson invoice submitted was high due to the extensive fieldwork that has been done. Any costs associated with that fieldwork will be covered under Prop 1. He further states any receipts in question will be removed from the invoice packet.

8. BOARD TO RECEIVE AND FILE IWVGA GSP DEVELOPMENT AND 2020 POST GSP IMPLEMENTATION PRO-FORMAS:

Don Zdeba reports on the 2020 Pro-formas (made available on the IWVGA website). The 2020 GSP Development Pro-forma still reflects the \$30/acre ft. and certain administrative costs have been removed. Zdeba points out the footnote at the bottom of the page, which explains there may be expense adjustments for work done in 2019 based on further classification as Pre or Post GSP Development costs. As well, Zdeba brings attention to the top three lines under expenses, reflecting the reimbursements to Kern County (\$500,000), City of Ridgecrest (\$210,466), and the advance from

Indian Wells Valley Water District (\$500,000). The GSP Development Pro-forma reflects a positive balance of \$80,245 by the end of 2020. Zdeba states there is no revenue shown in the 2020 Post-GSP Implementation Budget due to the uncertainty regarding increase of the current extraction fee, or new fees going forward. Staff recommends the Board receive and file the current Pro-formas with the understanding that as fees are approved and implemented, updated versions of the Pro-formas will be brought to the Board.

Chairman Kicinski expresses concerns with the ability to finance the Severely Disadvantaged Communities (SDAC) Program. He further questions the timeframe allowed by the state to start working on these projects. Jim Worth responds, a letter requesting an extension will be filed by the end of the week with Department of Water Resources (DWR), however it is uncertain of how long it may take to hear back from them. Steve Johnson adds that DWR has informally approved an extension for longer than the IWVGA has requested. DWR will send a formal approval once the letter of extension has been received.

Director Page clarifies thoughts of the existing extraction fee including both GSP development and administrative costs. Jim Worth answers that the existing extraction fee does include general administrative costs that supported GSP development. Page further questions if the beginning balances shown assume all administrative costs up until the end of the year. Zdeba responds that all administrative costs up until GSP adoption will be covered by the current extraction fee. Page further notes that the Pro-forma does not include water marketing. Zdeba confirms that it does not.

Dave Janiec, Policy Advisory Committee (PAC) Chair, states that at the previous month's meeting the possibility of having a PAC meeting regarding increase to the existing pumping fee was mentioned, however, the Pro-formas do not supply enough detail to make a recommendation. Kicinski agrees and pushes PAC to February.

The Board hears public comment from Sophia Merk

9. WATER RESOURCES MANAGER REPORT:

Steve Johnson provides updates on the following grants/programs; (presentations made available on the IWVGA website)

- a. Report on Proposition 1 Grant Status:
Invoice #3 was submitted November 21, and there have been no further comments received from Department of Water Resources (DWR). Johnson states the PowerPoint presentation reflects invoice #4 covering April 2019 – June 2019, however that is a typo and should have reflected coverage for the months of July 2019 – September 2019.
- b. Severely Disadvantaged Communities (SDAC) Program:
Tentatively approved for a one-year extension and consultants may be retained after Grant Agreement is both modified and approved. Johnson shares concern with cashflow; however, he urges this is an important project for the GSP implementation and once approved it is 100% funded through state grants. Johnson states they will update the Board once they hear back from the state.
- c. Groundwater Sustainability Plan (GSP) Update:
Johnson states that all public comment/review is due no later than January 8, 2020. Public Hearing and Adoption of the GSP will be held on January 16, 2020 with a final submission to DWR on January 24, 2020.
- d. Proposition 68 Grant Status:
Submitted November 14, 2019 with a predicted payout in March 2020. Grant funding request was \$753,900 and will cover various projects going forward, as well as some past costs.

The Board hears public comment from Renee Westa-lusk.

10. UPDATE ON OUTREACH EFFORTS:

Don Zdeba shares that both he and Chairman Kicinski have been invited to address the Democratic Club on Saturday, December 21.

The Board hears public comment from Judie Decker.

11. GENERAL MANAGER'S REPORT:

a. Report on IWVGA's Water Marketer (Capitol Core Group)

Don Zdeba provides a summary of CCG's Technical Memorandum. Most of their efforts have been set towards the Defense Community Infrastructure Program (DCIP). Dave Janiec explains the House of Representatives recently approved a \$50,000,000 Defense Appropriations Budget, that is now in the process of being approved by the Senate. Janiec further expresses that the level of competition for this grant funding will be challenging as it is nationwide. Zdeba states that he will discuss with staff how best to approach DCIP work for CCG going forward.

b. Well Registration Update

Non de minimis – 4

De minimis – 81

The board hears public comment from Mallory Boyd

12. CLOSING COMMENTS :

Chairman Kicinski recognizes Lauren Duffy, for all her hard work during her time as Clerk of the Board for the IWVGA and welcomes April Nordenstrom as the new Clerk. Kicinski thanks Staff, PAC, and TAC, for all their efforts and time committed to the IWVGA. Kicinski thanks the public for comments received on the draft GSP and assures them they are going to solve this problem the best way possible.

Vice Chair Gleason suggests the Board revisit a past decision to keep Don Zdeba as the IWVGA General Manager, due to recent legal proceedings that have been filed against the IWVWD. Gleason expresses concerns with conflict of interest and feels Board and Staff need to look further into an independent general manager.

Director Vallejo concurs with Vice Chair Gleason and suggests Board discussion on what an independent administration looks like going forward.

13. DATE AND TIME OF NEXT MEETING – January 16, 2020; 10:00 a.m.

With no further Board or Public comment, the meeting is reconvened into Closed Session at 11:57 a.m.

14. CLOSED SESSION:

The meeting is called back into open session.

No action is taken which would require disclosure under the Brown Act.

15. ADJOURN:

Vice Chair Gleason adjourned the meeting at 1:30 p.m.

Respectfully submitted,

April Nordenstrom



Clerk of the Board

Indian Wells Valley Groundwater Authority