

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

Ridgecrest City Hall 100 W California Ave., Ridgecrest, CA 93555 760-499-5000

BOARD OF DIRECTORS

A G E N D A

Thursday January 19, 2017, 10:00 a.m.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Alan Christensen at (661) 868-3183. Requests must be made as early as possible and at least one full business day before the start of the meeting. Documents and material relating to an open session agenda items that are provided to the IWVGA Board of Directors prior to a regular meeting will be available for public inspection and copying at Indian Wells Valley Water District, 500 Ridgecrest Blvd, Ridgecrest, CA 93555, or online at www.co.kern.ca.us/groundwater/.

Statements from the Public

The public will be allowed to address the Board during Public Comments about subjects within the jurisdiction of the IWVGA Board and that are NOT on the agenda. No action may be taken on off-agenda items unless authorized by law. Questions posed to the Board may be answered after the meeting or at future meeting. Dialog or extended discussion between the public and the Board or staff will be limited in accordance with the Brown Act. The Public Comments portion of the meeting shall be limited to three (3) minutes per speaker. Each person is limited to one comment during Public Comments.

All remarks and questions should be addressed to the Board as a whole and not to any individual Board member or staff. There will be time after each action item on the agenda to receive comments from the public. Again each speaker will be limited to three (3) minutes. Speakers should be brief and limit their comments to the specific subject being discussed. Persons will be limited to one comment per person unless directed by the Chair.

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENTS

This time is reserved for members of the public to address the Board relative to matters NOT on this agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to three minutes per person.

4. SPECIAL PRESENTATIONS

- a) Report by Tim Parker on Technical Progress in the IWV Groundwater Basin
- b) Report by DRI on Groundwater Model from the US Navy
- c) Presentation by Larry Moxely of Kernco Home and Farm Water LLC on Alternative Water Sources for the Indian Wells Valley
- d) Report by Lorelei Oviatt on Solar Initiatives in the Indian Wells Valley

5. CONSENT AGENDA

If the Board would like to discuss any item listed, it may be removed from the Consent Calendar.

- a) Approve Meeting Minutes of November 17, 2016
- b) Approve Meeting Minutes of December 8, 2016

6. **DISCUSSION/ACTION FOR HIRING SPECIAL LEGAL COUNSEL FOR WATER AND GROUNDWATER**
7. **DISCUSSION/ACTION TO CONSIDER FINANCING ALTERNATIVES FOR THE IWVGA**
8. **DISCUSSION OF A CONSULTING SERVICES AGREEMENT WITH PARKER GROUNDWATER FOR HYDROGEOLOGIC AND TECHNICAL SERVICES**
9. **DISCUSSION/ACTION ON PROJECTS AND OBJECTIVES OF THE IWVGA**
10. **CLOSING COMMENTS**
This time is reserved for comments by Board members and/or staff and to identify matters for future Board business.
11. **DATE AND TIME OF NEXT MEETING** February 16, 2017, 10 am.
12. **CLOSED SESSION - None**
13. **ADJOURN**

FREMONT VALLEY RECOVERY PROJECT

KERNCO HOME AND FARM WATER LLC

January 19, 2017

1

PURPOSE

KERNCO HOME AND FARM WATER LLC
PROVIDE NEW, IMPORTED WATER SUPPLY FOR LOCAL
BENEFIT

- REDUCE DROUGHT EMERGENCY IMPACTS
 - REDUCE SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) IMPACTS
 - IMPROVE/MAINTAIN KERN COUNTY ECONOMY
- CONSISTENT WITH STATE POLICY
- PUT WATERS OF STATE TO BENEFICIAL USE (AND AVOID WASTE)
 - TRANSFER WATER FOR USE WHERE MOST NEEDED

2

STATE POLICY – PUT ALL WATER RESOURCES TO BENEFICIAL USE

California Constitution, Art. X, § 2:

“It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste...of water be prevented...in the interest of the people and for the public welfare.”

3

STATE POLICY – WATER TRANSFERS ENCOURAGED

California Water Code § 109:

(a) The Legislature hereby finds and declares that the growing water needs of the state require the use of water in an efficient manner and that the efficient use of water requires...transferability of such rights...

(b) The Legislature hereby directs the Department of Water Resources, the State Water Resources Control Board, and all other appropriate state agencies to encourage voluntary transfers of water and water rights...

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STATE POLICY – WATER TRANSFERS ENCOURAGED

California Water Code § 475:

The Legislature further finds and declares that transfers of surplus water...can help alleviate water shortages, save capital outlay development costs, and conserve water and energy.

The Legislature further finds and declares that it is in the public interest to conserve all available water resources, and that this interest requires the coordinated assistance of state agencies for voluntary water transfers to allow more intensive use of developed water resources...

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DROUGHT EMERGENCY

- January 17, 2014: Governor Brown declares state of emergency as a result of extremely dry conditions which have persisted since 2012
- April 25, 2014: Governor issues “Continued State of Emergency”
- April 1, 2015: Governor issues Executive Order B-29-15 requiring specified measures to address the extremely dry conditions that are continuing into 2015
- May 9, 2016: Governor issues Executive Order B-37-16 “making water conservation a California way of life”

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DROUGHT EMERGENCY

Executive Order B-32-16:

“...these ongoing drought conditions and our changing climate require California to move beyond temporary emergency drought measures and adopt permanent changes to use water more wisely and to prepare for more frequent and persistent periods of limited water supply...”

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DROUGHT EMERGENCY IMPACTS

PROBLEM:

- Ongoing drought puts farmers' long-term investments at risk
- Ongoing drought heavily impacts low-income communities chiefly dependent on agricultural employment
- Ongoing drought has caused and threatened drinking water shortages in communities throughout the state

SOLUTION (among others):

State and local agencies are encouraged to generate and expedite voluntary water transfers and exchanges to enable water to flow where it is needed most (Drought Emergency Proclamation – January 17, 2014)

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SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)

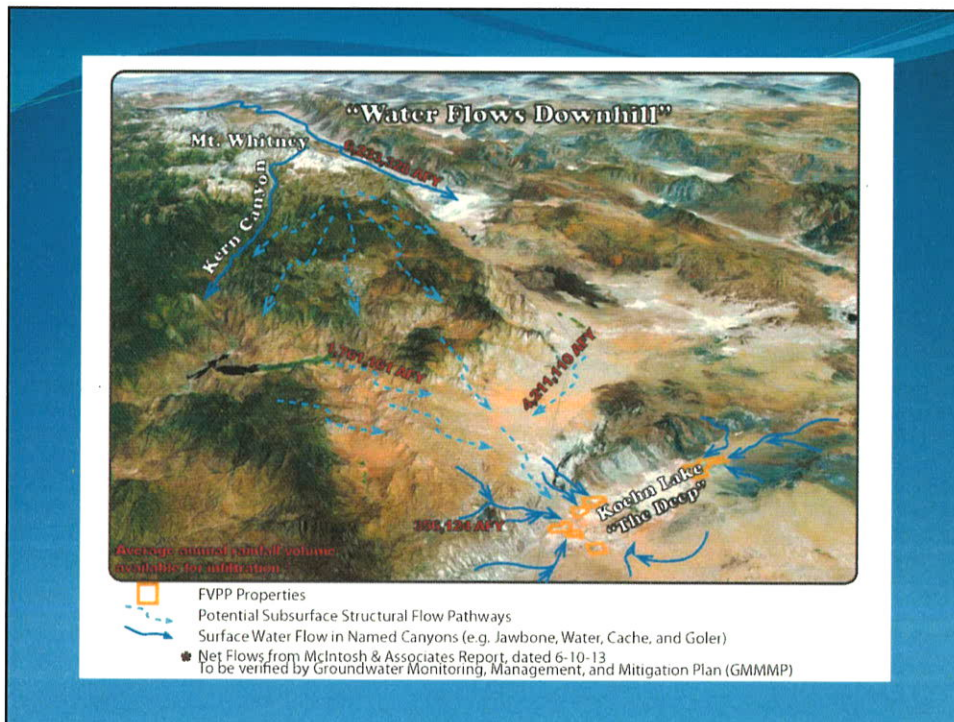
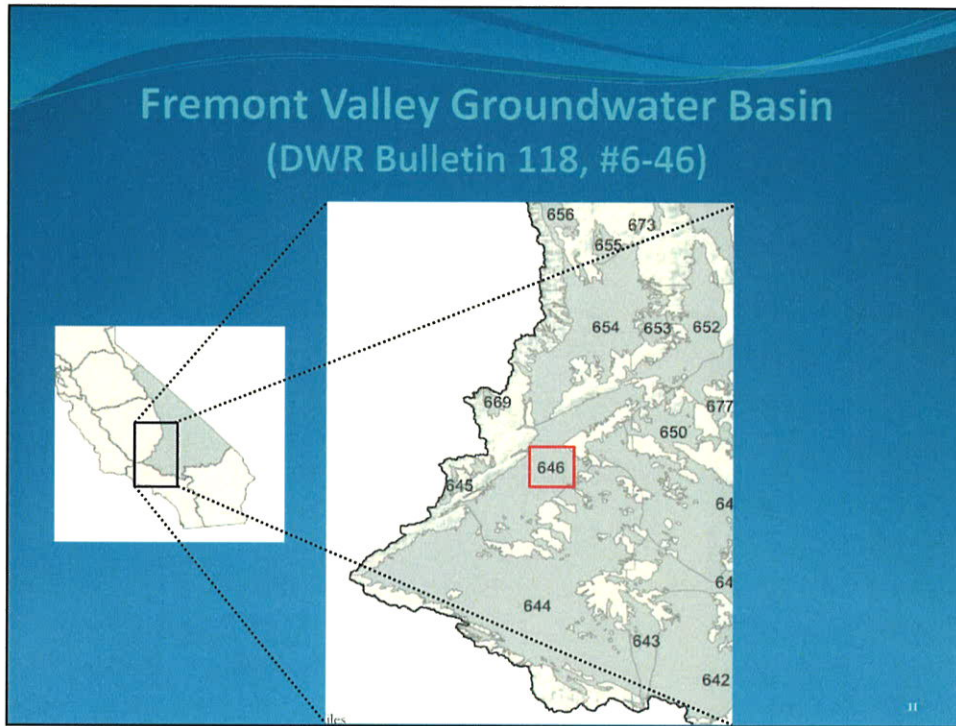
- Groundwater Sustainability Agency (GSA) – 2017
- Groundwater Sustainability Plan (GSP) – 2020
- Full Implementation of GSP – 2040
 - 5-Year Milestones

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SGMA IMPACTS ON AGRICULTURE

- FALLOW LAND DUE TO LACK OF SUPPLY
 - LOSS OF JOBS
 - LOSS OF TAX REVENUE
 - ADVERSE IMPACT ON LOCAL ECONOMY
- FIND A NEW WATER SUPPLY TO SUSTAIN FARMING

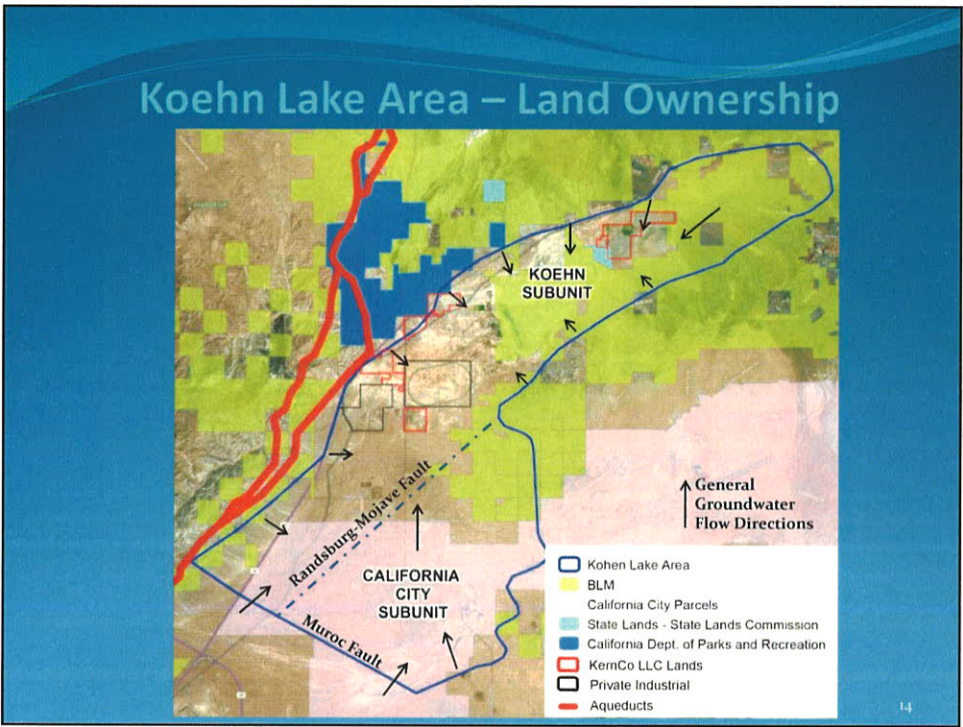
10



Fremont Valley, California

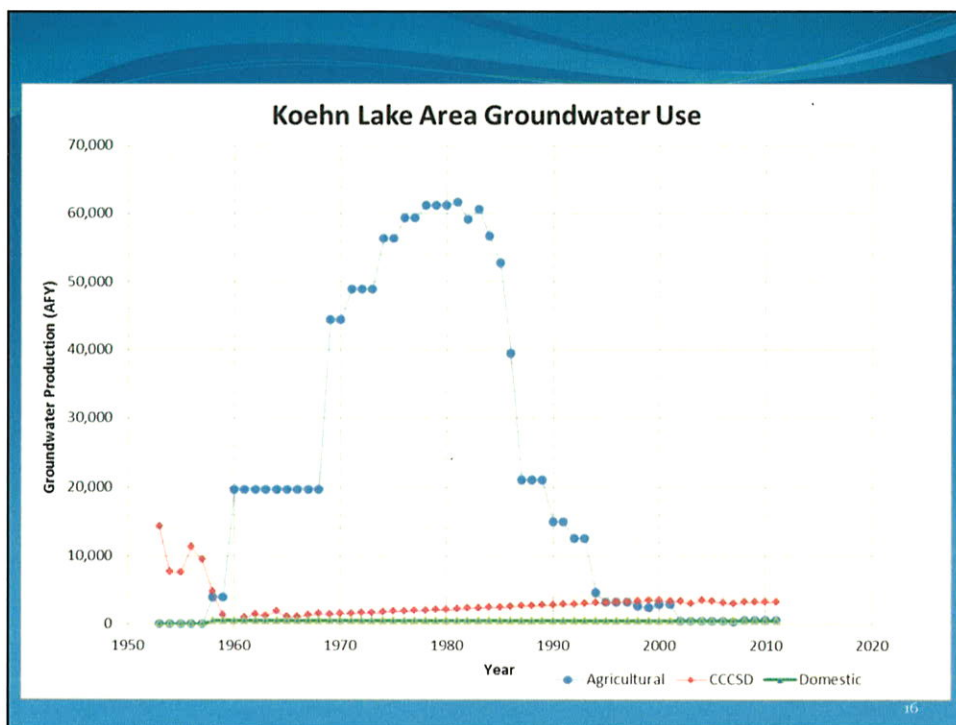
- Fremont Valley Groundwater Basin – Closed Groundwater Basin with Limited Groundwater Use
- Land Ownership – Mostly Federal, California City, Private Industrial, and KernCo LLC
- Land Use – Solar, Industrial and Private with Little Agricultural Use
- Surplus Groundwater Available

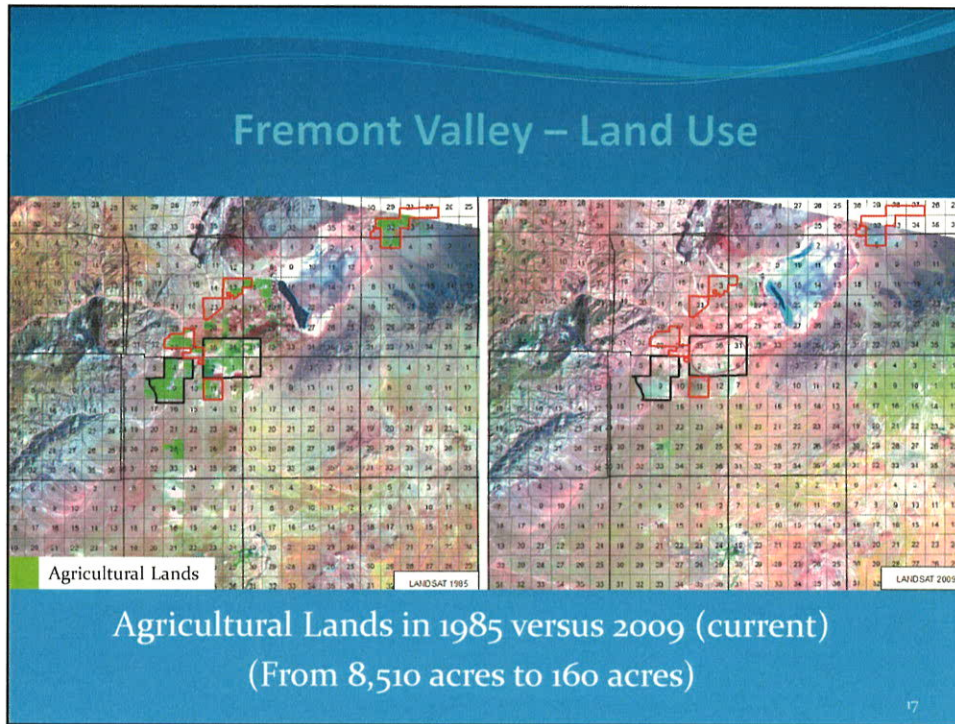
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Project Area – Groundwater Basin

- Koehn Lake Area (Hydrogeologically Separate Subunit)
 - Includes the Koehn Subunit and the California City Subunit (523 square miles).
 - Separated from the Indian Wells Valley Groundwater Basin by the El Paso and Garlock Faults
 - Bounded by the Muroc Fault to the south, the Tehachapi Mountains to the west, the El Paso Mountains to the north, and the Rand Mountains to the east.
 - The Randsburg-Mojave Fault is the boundary between the California City Subunit and the Koehn Subunit.
 - Muroc Fault is a partial barrier to groundwater flow, and is the boundary between the Mojave City area and the Subunit of the Koehn Lake Area
 - No groundwater outflow from the Koehn Lake Area to other basins ¹⁵





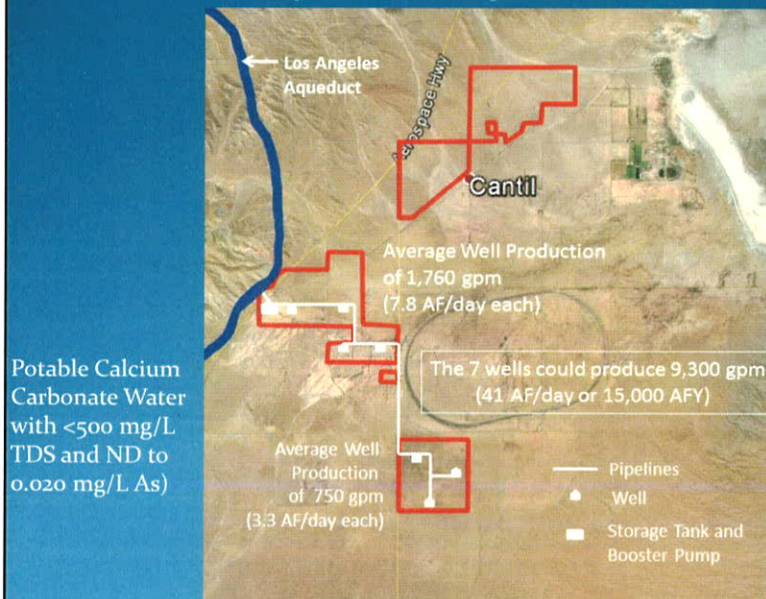
- ### Groundwater Use
- Historical groundwater extraction was primarily for agricultural purposes.
 - First recorded agricultural groundwater production was in 1953 by the California City Community Service District.
 - Peak groundwater production was from 1978 to about 1983 at about 62,000 AFY.
 - Groundwater pumping declined significantly from 1983 to 2002 and has remained at 2002 levels of about 4,400 AFY.
 - Agricultural use went from 9,940 acres in 1981 to 160 acres in 2012.
 - Natural recharge to the Koehn Lake Area is from 15,000 to 17,000 AFY.
 - Current groundwater surplus is between 10,500 to 12,500 AFY.
 - Since 1983, groundwater levels have increased over 100 feet.
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Groundwater Quality

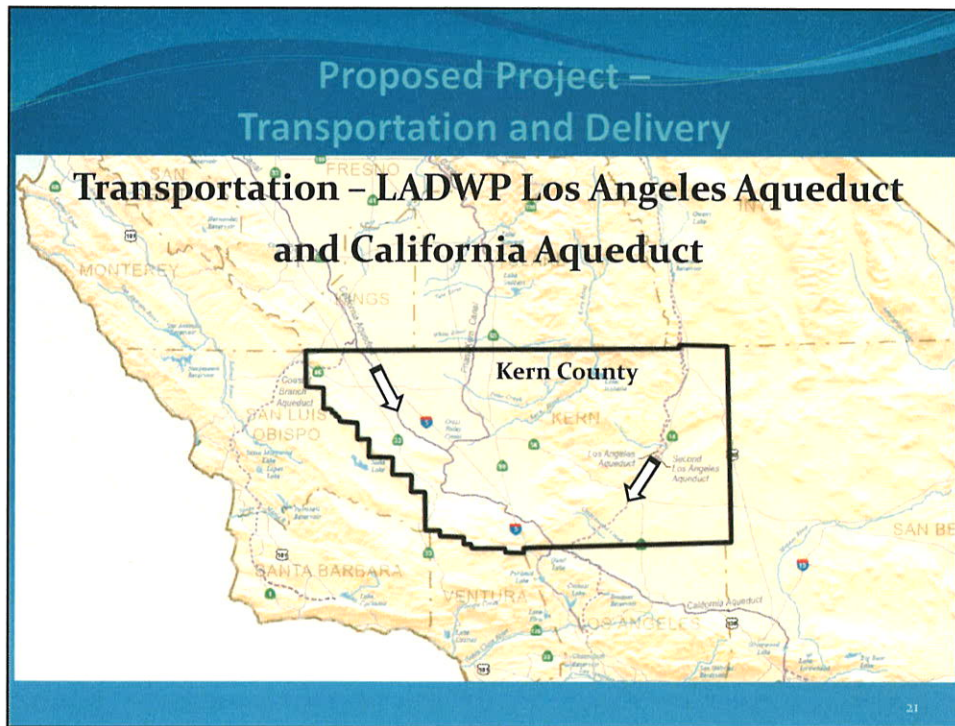
- Varies by Area (From Non-Potable to Potable)
- Ranges from <500 mg/L to 325,000 mg/L TDS
- From sodium chloride (>1,000 mg/L TDS) to calcium carbonate (<500 mg/L TDS)
- Arsenic (from Non Detect to 0.025 mg/L, 0.010 mg/L MCL)

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Proposed Project - Facilities



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- ### Proposed Project - Facilities
- 7 Recovery Wells – 7 Wells
 - Pipeline to LADWP Aqueduct
 - Transportation Exchange– LADWP
 - Delivery Exchange – MWD
 - Delivery Partner – Kern Sub-Basin District
 - Point of Delivery Agreement – KCWA/DWR
- The number '22' is in the bottom right corner.

Alternate Project Water Sale to IWVGA

- No MWD exchange; No Delivery Partner
- Reduced impact on L.A. Aqueduct
- Water stays on east side of Sierras
- Win-Win Scenario
 - Add much needed, imported water supply to IWV
 - Generate revenue for local water purchase
 - Multiple benefits for Kern County economy
 - SGMA benefits doubled

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Water Sale to IWVGA

Cooperative Groundwater Management Plan (March 15, 2006) – Objective #5:

“The Parties will consider, individually or collectively, projects such as water transfers, water banking, water importation, groundwater replenishment, and other programs that will enhance or prolong the groundwater reserves in the Valley. The Parties may consider joint acquisition, use, and operation of such projects and/or programs.”

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Water Sale to IWVGA

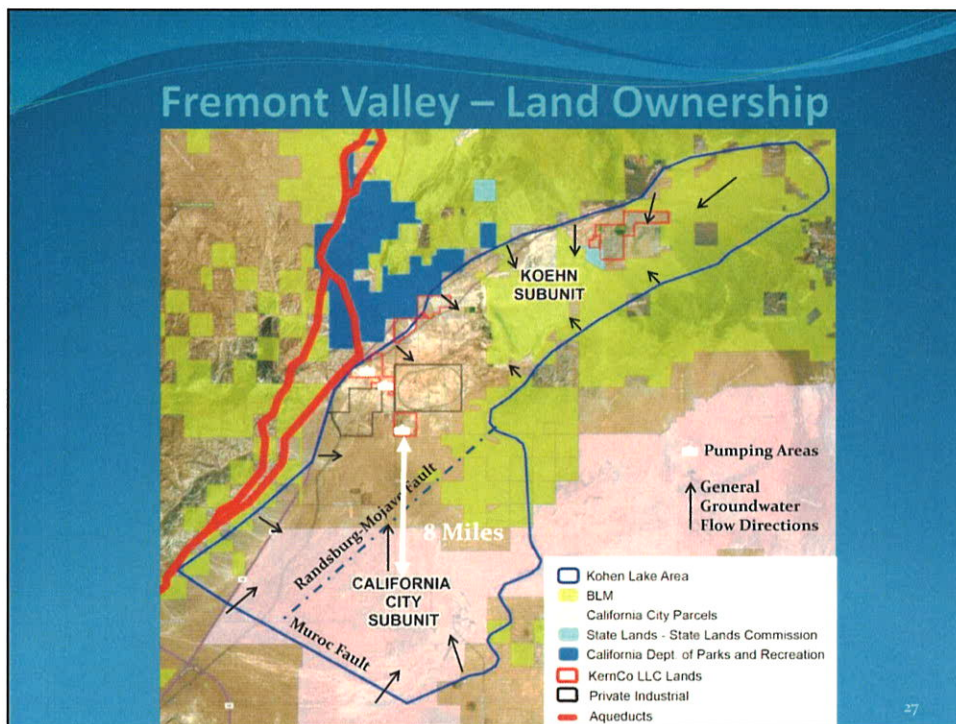
- Implementation:
 - Purchaser
 - Project Description
 - Local Outreach
 - CEQA Compliance
 - LADWP Cooperation

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Interested Parties

- County of Kern (Compliance With Ordinance)
- California City CSD (No Impact Analysis)
- Mojave Public Utility District (No Impact Analysis)
- AVEK (No Impact Analysis)
- Independent Well Owners (Mitigation/Monitoring)

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Response to CCCSD

California Water Code § 106.5:

“It is hereby declared to be the established policy of this State that the right of a municipality to acquire and hold rights to the use of water should be protected to the fullest extent necessary for existing and future uses, but that no municipality shall acquire or hold any right...to prevent the appropriation and application of water in excess of its reasonable and existing needs to useful purposes by others....”

Distinguished from the Former Project

- Not Mining Native Water
 - Former Project = 114,000 AFY
 - KernCo Project = Pumping Not to Exceed Available Groundwater Surplus
- Restriction on Place of Use
 - Only use in Kern County
- Practical, Common Sense Approach
 - Monitoring and Mitigation Plan
- Located to Avoid Local Impacts

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Yield Enhancement

- Optional Banking Program Available
- Optional Increased Yield Available
 - Surface Water Capture Program
 - Land Fallowing Program
 - Local Compensation for Increased Pumping

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Questions?

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Interested Parties

- Cooperative Agreements:
 - Los Angeles Department of Water and Power
 - The Metropolitan Water District of Southern California
 - Year Round Supply (Including Dry Years)
 - Flexible Payback Arrangements
 - KCWA/DWR (Point of Delivery Agreement)
 - _____ (Delivery Partner)

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Delivery Partner Term Sheet

- District and KernCo Jointly Pursue Project
- KernCo Contribute Land and Facilities
- District Satisfy CEQA Requirements
- District Obtain Transportation Agreements
- District Operate Project Facilities
- District Delivers Exchange Water to Designated Lands Within District Boundaries
 - Surplus Water Purchase
 - Delivery Flexibility

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

BOARD OF DIRECTORS

MINUTES

Ridgecrest City Hall
100 W California Ave
Ridgecrest, CA 93555

Thursday November 17, 2016, 10:00 a.m.

CALL TO ORDER:

The meeting was called to order by Chairperson Gleason at 10:03am.

ROLL CALL:

Bob Harrington, Inyo County.

Mayor Peggy Breeden, City of Ridgecrest.

Chairperson Mick Gleason, Kern County.

Peter Brown, Indian Wells Valley Water District.

Robert Lovingood, San Bernardino County. (Not present at the time of roll call)

Robert Pawalek, BLM.

Commander Brian Longbottom, Department of the Navy.

PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was led by Don Zdeba.

PUBLIC COMMENTS:

Lorelei Oviatt, Kern County Director of Planning and Community Development, updated that the launch of the solar overlay zone district, specifically in the Indian Wells Valley, will commence in January. The IWVGA will be on the mailing list. If any member of the public would like to receive mail updates, please contact Ms. Oviatt's office. Ms. Oviatt also explained that after the passing of Prop. 64 there is currently a moratorium on any of these activities in the Indian Wells Valley. In January, Ms. Oviatt will be launching an extensive conversation on zoning and what the Board of Supervisors will consider to be allowed in the Indian Wells Valley.

Judie Decker, local resident, stated that some recent comments by the City and Water District make it appear that they do not take seriously the fact that the IWV is in critical overdraft. In fact, it appears that they intend to operate in a "business as usual" mode. Allowing additional growth without the requirement of new development bringing supplemental water into this valley is irresponsible. Use of presently available water for new users robs water and the right to future water from those already here. In the past 20+ years, local governments have ignored the facts and recommendations of the scientific reports they paid for. You [the Board] are in the process of creating a new government agency to correct the situation, not to make it worse. The more you deny the problem and proceed as you always have, the sooner the State will control our water. You [the Board] need to follow Mr. Gutierrez's recommendation of having a well moratorium on all new wells until this problem is resolved satisfactorily. References made by Judie Decker include: 1) Mayor Breeden "If we are not growing, we are dying" – stated publicly many times. 2) Daily Independent article by Jack Barnwell on 11/16/2016, "IWVWD Board talks conservation plans or potential large scale development". 3) City attorney Keith Lemieux, 09/07/2016, City Council Meeting "critical overdraft is only an option".

Renee Westa-Lusk, local resident, mentioned State law SB 837, signed by Governor Jerry Brown this year that regulates water for marijuana growing purposes. Ms. Westa-Lusk is concerned about the amount of water that will be used and if there will be more agriculture beginning to grow marijuana locally.

Robert Lovingood, San Bernardino County, arrived.

SPECIAL PRESENTATIONS:

a) Report by Tim Parker on Technical Progress in the IWV Groundwater Basin

Public comments: none.

Mayor Breeden asked how much it costs, per acre foot, to bring water to the surface, with regards to brackish water treatment. Don Zdeba answered that it's close to \$200 per acre-foot for the Water District. Chairperson Gleason mentioned the modeling that is being done by the Navy. Commander Longbottom stated that the model will be made available to the Technical Advisory Committee and the Policy Advisory Committee. DRI will be making a presentation soon. The Navy, as an in-kind service, will maintain the model.

Motion made by Peggy Breeden and seconded by Peter Brown to receive and file agenda item. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Harrington, Lovingood Nays: None.)

b) Report By Don Zdeba on the Status of the IWV Cooperative Groundwater Group

Presentation is available at <http://www.co.kern.ca.us/WaterResources.aspx#.WCoBry0rKUK> under tab "Indian Wells Valley Groundwater Basin" Board packet for 11/17/16.

Peter Brown commented on Judie Decker's earlier comments, stating the Cooperative Group has done some amazing things.

Public making comment is Judie Decker, stating that her comments were not in regards to the Water District not cooperating, but with regards to the Monday night Water District Board meeting and future developments.

Public making comment is Elaine Mead, local resident, thanking Judie Decker and Don Zdeba for their input. Ms. Mead states that the Cooperative Group actually has its roots in the 70's and met often in the 80's. It was the ad-hoc committee, prior to being formalized.

Public making comment is Donna Thomas, EKCRCD, acknowledging the development of the Indian Wells Valley Cooperative Groundwater Management Group and also the work of a previous president, Leroy Marquardt, who served as the first chairperson of the Cooperative Group.

Chairperson Gleason stated that whether the IWVCGMG is absorbed by the Indian Wells Valley Groundwater Authority or not, he appreciates all that the group offers and does.

Motion made by Robert Lovingood and seconded by Peter Brown to receive and file agenda item. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Harrington, Lovingood Nays: None.)

c) Report by Department of Water Resources (DWR) on Best Practices for a Groundwater Sustainability Plan

Chairperson Gleason reported that DWR representatives were running late and gave a brief update. There is an effort underway by DWR to have a conversation about SGMA implementation understanding and Best Management Practices. Kern County Farm Growers was putting on a State Water Board and Department of Water Resources (DWR) forum on the new Best Management Practices tonight. Supervisor Gleason and Mayor Breeden will be attending.

CONSENT CALENDAR:

Motion made by Peter Brown and seconded by Robert Lovingood to approve the Minutes of the October 20, 2016 regular IWVGA Board of Directors meeting with two corrections; include Judie Decker's comments as well as Bob Page's corrections. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Harrington, Lovingood Nays: None.)

APPOINT LEGAL COUNSEL FOR THE IWVGA:

Alan Christensen provided the agreement previously asked for at a prior IWVGA meeting. It was suggested that legal counsel at the meetings be rotated on a monthly basis between Kern County, City of Ridgecrest, and the Water District's attorneys.

Phill Hall explained that, due to the GSA notice needing to be filed, the retainer agreement also needed to be filed. Mr. Hall further explained that when an attorney is assigned a task, no matter the duration, that attorney will be in charge of completing it. The monthly rotation is for the serving as legal counsel at the Board meetings.

Public making comment is Chuck Griffin, Indian Wells Valley Water District Board, who stated his concern with regards to conflict of interest. The GSA is a separate entity from each agency. If any of the agencies brought litigation against the GSA, how would representation be offered in that situation? Mr. Griffin also suggested just one attorney who represents the GSA as a whole. Keith Lemieux states that Conflict of Interest waivers will be signed by all attorneys.

Jim Worth, legal counsel for the Indian Wells Valley Water District, states that he has not had the opportunity to discuss with attorneys Phill Hall or Keith Lemieux what the retainer entails or what the representation would be. Mr. Worth also states he is not sure he would relinquish his representation of the Indian Wells Valley Water District for the GSA if there were a conflict between the two entities. Mr. Worth states he is not sure he agrees completely with what Mr. Hall and Mr. Lemieux have said as he has not had the opportunity to discuss it with them.

Donna Hocker, Ridgecrest Area Association of Realtors, asked for clarification on which of the five attorneys represents the GSA. Phill Hall states the GSA is represented with co-counsels. The three attorneys are County of Kern, City of Ridgecrest and Indian Wells Valley Water District. San Bernardino and Inyo County's attorneys are invited to be part of the co-counsel arrangement. Ms. Hocker stated concern for so many attorneys representing the GSA. Ms. Hocker asked how it will be funded. Chairperson Gleason clarifies that the attorneys are being paid for by their agencies.

Bob Page, San Bernardino County, asked that attorney Hall clarify a point he made with regards to the one retainer in place right now which is Kern County's standard retainer agreement. When the other two

retainers come in, all retainers should match. Mr. Page explains that from his understanding, all attorneys will agree upon a retainer that matches and that not all need match Kern County's retainer.

Motion made by Peggy Breeden and seconded by Robert Lovingood to approve the retainer agreement for County of Kern. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Harrington, Lovingood Nays: None.)

APPROVAL OF RECOMMENDATIONS FROM AD HOC COMMITTEE ON IWVGA COMMITTEE MEMBERSHIP, MISSION STATEMENTS, AND ORGANIZATIONAL STRUCTURE:

Alan Christensen presented the recommendations to the Board and stated that as an organization, baby steps are being taken.

Public making comment is Derek Hoffman, legal counsel for Meadowbrook, stating on November 11, 2016 they sent a letter to the Board requesting that Meadowbrook be added as a TAC member for the GSA. Mr. Hoffman expressed appreciation for Meadowbrook being recommended as a PAC member. Mr. Hoffman commented on the bylaws, specifically the engineer that is described within. He expressed hope that the duties of the TAC and PAC are not bypassed or marginalized by this position.

Joshua Nugent, Mojave Pistachio and Nugent Farm, thanked the Board for addressing their concerns thus far. Mr. Nugent wanted to reassure the Board that both Mojave Pistachio and Nugent Farms is in it for the long run and willing to participate financially.

Peter Brown asked if it is necessary to form a new Technical Advisory Committee (TAC) under the GSA while there is an active TAC already formed for the Indian Wells Valley Cooperative Groundwater Management Group.

Phill Hall stated he would first need to find out more about the active IWVCGMG TAC and fully understand it prior to considering a potential merge.

Bob Harrington states that Inyo County is unsure of the capacity in which they will be able to participate in the Technical Advisory Committee. Mr. Harrington also commented that if the existing TAC is working effectively and producing the necessary analysis that the Groundwater Authority is going to need to complete its work, he feels we should utilize the existing TAC.

Mayor Breeden asked that one of the two representatives for the Domestic Well Owners be a representative for Mutual and cooperative well owners on the Policy Advisory Committee.

Chairperson Gleason stated he attended an IWVCGMG meeting and appreciated how science and water were discussed without an argument.

Public addressing the Board is Don Decker, who commented that the rural community is at the greatest jeopardy resulting from declining water levels. It is important that well owners are properly represented.

Bob Page, County of San Bernardino, asked for a point of clarification. Did Mr. Christensen state that the provisions in the committee charter document about the PAC would be added to the IWVGA Bylaws? Might the Ad Hoc Committee's recommendation at the next meeting then be that the committee charter provisions about the TAC would also be included in the Bylaws? Or is it the Ad Hoc Committee's intent to have the IWVGA Board approve the Bylaws and committee charter as separate documents?

Alan Christensen clarified that just the PAC membership list would be added to the Bylaws, the draft charter is intended to be a separately approved document, which would be presented to the IWVGA Board for consideration at a future meeting.

Public making comment is Judie Decker asking for clarification that just the PAC membership is being voted on right now and not the TAC. Ms. Decker also urged the Board to develop an independent committee that will use their knowledge independently, whomever they represent.

Patti Farris, local resident, stated concern about the IWVCGMG being absorbed. Also, SGMA law requires that everything be subject to the Brown Act.

Motion made by Peter Brown and seconded by Robert Lovingood to approve the recommended Policy Advisory Committee membership list and staff to provide options for Technical Advisory Committee. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Harrington, Lovingood Nays: None.)

REVIEW OF DRAFT BYLAWS:

Alan Christensen presented draft bylaws.

Public making comment is Derek Hoffman, legal counsel for Meadowbrook. Mr. Hoffman reiterated that this is a set of draft bylaws and if there is such an engineer selected that those provisions within the bylaws are seamlessly integrated with committee language to ensure that the committee function is not bypassed, marginalized, or diminished in any way.

Don Decker, local resident, thanked Mr. Lemieux for mentioning liability of the various members of committees and how the whole package is going to work in a legal sense.

Phill Hall stated that it would be helpful to set up a committee to work with counsel and staff on the bylaws.

Motion made by Peggy Breeden and seconded by Robert Lovingood to appoint an ad hoc committee consisting of the Water District (Peter Brown) and Kern County (Supervisor Gleason) to help staff and legal counsel with the bylaws due in January. (Ayes: Breeden, Brown, Gleason, Harrington, Lovingood Nays: None.)

REPORT ON DRAFT BUDGET FOR 2017:

Alan Christensen presented the draft budget for 2017. Tracking of in-kind is in process and office space has been offered. Mr. Christensen explains that a budget must be adopted at the next meeting. Three issues must be considered: 1) Implementing a revenue measure and a timeline for implementation. 2) Bridge financing until more grant funds are available. 3) Under the organizational structure, how will the proposed general manager/executive director position be funded? Mr. Christensen will provide a draft budget report for 2017 at the next IWVGA meeting.

Robert Lovingood asked that hire dates and projected costs for the fee study consultant, the engineering/hydrologist consultant and the general manager/executive director also be included in next month's budget report.

PROJECTS AND OBJECTIVES OF THE IWVGA:

Alan Christensen stated that this is an upcoming items list that includes deadlines. This will remain a standing agenda item.

CLOSING COMMENTS:

Chairperson Gleason thanked everyone, especially the staff for everything they have done. There is always room for improvement. He would like to see a workshop with the staff before the end of the year. Chairperson Gleason instructed his staff to coordinate a workshop to have a focused conversation about improving the process for exchanging information among the agencies and staff.

DATE AND TIME OF NEXT MEETING:

The next IWVGA meeting and Public Hearing will be held on December 8, 2016, at 10:00 am, in the Council Chambers at Ridgecrest City Hall, 100 W. California Avenue.

CLOSED SESSION: None.

ADJOURN:

Motion was made by Peter Brown and seconded by vice chair Breeden to adjourn meeting at 12:46pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lauren Duffy', with a long, sweeping flourish extending to the right.

Lauren Duffy
IWVWD Recording Secretary

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

BOARD OF DIRECTORS

MINUTES

Ridgecrest City Hall
100 W California Ave
Ridgecrest, CA 93555

Thursday December 8, 2016, 10:00 a.m.

Remote Locations

Multi-purpose Conference Room
High Desert Government Center
15900 Smoke Tree Street, 2nd Floor
Hesperia, CA 92345

Conference Room
Inyo County Water Department
135 Jackson Street
Independence, CA 93526

CALL TO ORDER:

The meeting was called to order by Chairperson Gleason at 10:03am.

ROLL CALL:

Matt Kingsley, Inyo County.
Mayor Peggy Breeden, City of Ridgecrest.
Chairperson Mick Gleason, Kern County.
Peter Brown, Indian Wells Valley Water District.
Bob Page, San Bernardino County.
Robert Pawalek, BLM.
Commander Brian Longbottom, Department of the Navy.

PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was led by Don Zdeba followed by a moment of silence.

PUBLIC COMMENTS:

None.

SPECIAL PRESENTATIONS:

a) **Report by Tim Parker on Technical Progress in the IWV Groundwater Basin**
Public comments: None.

b) **Report by Brian Moniz of the Department of Water Resources on Best Management Practices for a Groundwater Sustainability Plan**
Board comments: Matt Kingsley asked how the Department of Water Resources planned to distribute the remaining funds available for Groundwater Sustainability Agencies. Would it be through grants? Mr. Moniz clarified that the Prop. 1 funds are a designated grant program.

Peter Brown asked Mr. Moniz to elaborate further on "managing data sets". Mr. Moniz replied that he was not sure which data sets would be available.

Vice chair Breeden asked how this agency would develop the monitoring protocols. Are there guidelines or criteria the agency must meet or does the agency have the opportunity to develop their own fully, without having to meet certain expectations? Mr. Moniz answered that he wasn't sure of criteria, but would find an answer.

Tim Parker pointed out that the GSA could review the DWR Best Management Practices and use them if they are appropriate and if not the GSA can develop its own BMPs.

Alan Christensen asked with regards to Prop. 1 funds, how does the Department of Water Resources administer the allocated \$8-10 million for disadvantaged communities? Is it by City or County, etc.? Mr. Moniz replied he was unsure, but would find out and provide the answer.

Chair Gleason asked, with regards to the remaining \$86 million of grant funds, he was informed by Mr. Gutierrez that critically overdrafted basins can expect a focused amount. Mr. Moniz stated he would found out the answer and let the Board know. Chair Gleason asked if the presentation Mr. Moniz's provided would be available for the public. It will be sent to Alan Christensen and will be put on the IWVGA website.

CONSENT CALENDAR:

a) Approve Meeting Minutes of November 17, 2016

Board agreed to present minutes at the next IWVGA Meeting on January 19, 2017 with changes mentioned by Bob Page. Also, Donna Thomas noted an addition with regards to Peggy Breeden's comment on the November 17, 2016 IWVGA meeting concerning a mutual water company being represented on the Policy Advisory Committee.

b) Retainer Agreement with Lemieux & O'Neill (City of Ridgecrest)

Redline on page 4, termination portion, made by the Indian Wells Valley Water District. Final agreement will include new language.

c) Retainer Agreement with James A. Worth (Indian Wells Valley Water District)

This item was pulled from the agenda as there was no retainer available as of yet from Mr. Worth.

d) Retainer Agreement with Office of County Counsel, County of Kern

e) Appointment of Lauren Duffy as Clerk of the Board

f) Approval of Meeting Calendar for 2017

Vice chair Breeden addressed issues with the Calendar for 2017, namely the time of each monthly meeting and how the public may not be able to attend due to the time, 10:00 am. Vice chair Breeden asked that possibly staff or public could call in if they are unable to attend at a different time for the IWVGA Meetings.

Chair Gleason stated that having the public involved is critical. Mr. Gleason suggested adopting the Consent Calendar today and in January allow possible changes for the calendar.

Motion made by Peter Brown and seconded by Bob Page to approve items B, D, E, and F of the consent calendar. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Kingsley, Page Nays: None.)

PUBLIC HEARING TO CONSIDER ELECTION OF THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY AS A GROUNDWATER SUSTAINABILITY AGENCY (GSA) FOR THE ENTIRETY OF THE INDIAN WELLS VALLEY GROUNDWATER BASIN; AND APPROVAL OF THE RESOLUTION FOR IWVGA TO ACT AS GSA; AND MAKE FINDING THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15061(b)(3) AND 15378(b)(5) OF THE STATE CEQA GUIDELINES:

Chair Gleason stated that this is the time and place set for a duly noticed Public Hearing regarding the proposed formation of a Groundwater Sustainability Agency for the Indian Wells Groundwater Basin in accordance with the Sustainable Groundwater Management Act of 2014.

Chair Gleason declared this Public Hearing open and asked for a staff report on this proposed action.

Tim Parker provided an overview of GSA formation.

Chair Gleason asked County Staff how this hearing was noticed, to which Mr. Christensen replied Notice of the Public Hearing was published in the Bakersfield Californian, The Inyo Register, and The Daily Press, in accordance with water code section 102723(b) and Government code 6066.

No written comments.

Public comments:

James Heaser stated that the map shown was not functional because it does not include the entire watershed. Tim Parker answered that the law only allows for mapping of the basin as defined in DWR Bulletin 118. That is what is on the map and accepted under SGMA. Mr. Parker clarified that the map is correct.

Renee Westa-Lusk stated that she supports formation for the GSA.

DWR funded contractor Dale Schaefer was in attendance at the meeting and assisting with meeting management and public engagement.

Remote Locations-

Laurie Marsden stated that there were no public comments from San Bernardino County.

April Zerelik stated that she was the only one in attendance in Inyo County and had no public comment.

Alan Christensen noted two changes of Resolution No. 16-01. Page 2 – IT IS RESOLVED. Page 3, no. 4 – no attachment, should read “This Board hereby elects to form a GSA for the entirety of the Basin.”

Bob Page stated that there is one item in the agreement, but not in the resolution. Specifically, “In the recitals for our Joint Powers Agreement (JPA), the members stated that whereas general and associate members, individually and collectively have the goal of cost effective Sustainable

Groundwater Management that considers the interest and concerns of all the communities and parties that rely upon the basin for their water supply.” Mr. Page wanted it to be known to the audience that it is very important to the Board. Mr. Page also commented that there was a mention in the presentation of the voting structure and requirements for voting. One piece that is different from the standard process is that when the Policy Advisory Committee (PAC) gets to the point that it will recommend a Groundwater Sustainability Plan (GSP) to the Board, approval of that requires a super majority.

Motion made by Peter Brown and seconded by Peggy Breeden to approve resolution 16.01.

Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Kingsley, Page. Nays: None.)

APPROVAL OF A POLICY ADVISORY COMMITTEE APPLICATION AND PROCESS:

Alan Christensen presented Policy Advisory Committee application and process to the Board. The application will be available electronically, as well as hard copies are available. As far as the process goes, applications will be compiled by the Indian Wells Valley Groundwater Authority Clerk of the Board and screened for completeness. All applications will be reviewed by the Board and appointments for those positions will be selected on a basis of the information submitted on the applications.

Public comments: Dell Hledik asked what the criteria is to evaluate the applications.

Chair Gleason noted that the criteria had not yet been determined, but an answer to the question will be forthcoming when the criteria are determined.

Donna Thomas asked if there are going to be hard and fast deadlines for the nominations of Policy Advisory Committee representatives.

Judie Decker commented she thought that SGMA law stated any Policy Advisory Committee representatives could not also be currently serving on another Board.

Board comments: Vice chair Breeden asked if there were priorities given to one area of experience and if the Board is looking for something specific in the applications.

Alan Christensen commented that there was discussion on how much detail to guide the application process. The belief of the staff is that the Board ultimately has discretion to appoint whomever the Board wanted to.

Peter Brown commented that there was not any one attribute that the Board was looking for, rather just an appropriate fit.

Chair Gleason replied to Donna Thomas that the Board will allow time for agencies to appoint an appropriate representative.

Chair Gleason also noted that applicants would be reviewed in public. There would not be just one criterion; the Board would be looking at totality and balance. The person chosen would contribute to a quality decision.

Phill Hall commented with regards to Judie Decker's comment that he was not aware of any specific laws pertaining to a representative of the PAC also being on another Board.

Bob Page commented on the draft document called the charter, which included comments about the rules and responsibilities of the PAC members. It is indicated in that document someone who is on the Policy Advisory Committee would present their constituent members' views on issues being discussed. Another point was that they would keep their constituents informed about deliberations and actively seek their constituents' input. Mr. Page asked whether the Board would want to encourage organizations representing small agriculture, business and domestic well owners to nominate someone for the PAC versus an open call for applicants.

Keith Lemeux commented that the charter is still a draft. There are some items in the charter that are not consistent with the Brown Act and other issues that have been identified.

Bob Page asked whether the members of the Board's Ad Hoc Committee who worked on the development of PAC structure and principles would recommend the Board encourage organizations to nominate a representative to be on the PAC.

Peter Brown commented that he felt the Chamber of Commerce or the Board of Realtors would be a good choice as a representative for business.

Motion made by Peter Brown and seconded by Peggy Breeden to approve the Policy Advisory Committee Application and Process as it is stated in the Board packet. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Kingsley, Page. Nays: None.)

ADOPTION OF 2017 ANNUAL BUDGET AND FUTURE FUNDING AND FINANCE OPTIONS:

Tim Parker presented the 2017 Annual Budget and Future Funding Finance Options included in the Board Packet.

Public Comments:

Judie Decker mentioned now that the Board is an official GSA Board, committees should be established similar to the City of Ridgecrest and Indian Wells Valley Water District to provide recommendations on agenda items in the future.

Board comments:

Vice chair Breeden asked, in regards to the grants available from Department of Water Resources, is there only a one-time grant or is there the option to amend, change, or re-do a grant. Mr. Parker answered that there are several different grants offered under Prop. 1. Mr. Parker also suggested that the Board form a finance ad-hoc or finance committee.

Bob Page asked for verification with regards to the budget. The income side indicates that the initial contribution from the agencies is being carried over meaning none of it has been spent. Mr. Christensen acknowledged that is correct. Mr. Page then asked if the \$75,000 was being held in a trust account that does not earn interest. Mr. Christensen said he would have to check with staff at the county, but if interest is accumulating it is probably at a very low rate. Mr. Page inquired about the "Consulting Services" listing under expenses. Mr. Page assumes it pertains to the engineering hydrologist the Board would potentially bring on to start drafting the Groundwater Sustainability Plan with the committee. The \$30,000 rate study would be to hire an

outside firm to assist the Board with the rate study. The potential time line is the first part of the year. It was questioned whether those amounts would be enough to get the IWVGA through the year. Mr. Christensen stated that there will be more discussion. As of right now, those are all just estimates.

Mr. Christensen stated that there will be more discussion. As of right now, those are all just estimates.

Motion made by Matt Kingsley and seconded by Peter Brown to approve the 2017 Budget as it is stated in the Board packet. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Kingsley, Page. Nays: None.)

REPORT ON PROJECTS AND OBJECTIVES OF THE IWVGA:

Alan Christensen stated that this portion of the agenda will be a regular item. Staff provided a report of a list of projects and objectives of the IWVGA available in the Board packet.

Public comment:

Derek Hoffman, legal counsel for Meadowbrook, stated they recognize there is a lot of work to be done within the coming years and one of those tasks is to figure out funding. Staff report indicates that those funding options might include things like property taxes and assessments, pumping fees, or some combination of those. Those funding questions are a matter of public concern as they could affect every property owner and or pumper in the basin. For that reason, Mr. Hoffman, on behalf of Meadowbrook respectfully objected to a possible Finance ad-hoc committee meeting in private. Meadowbrook urges that the Board keep with the letter of intent of the Joint Powers Agreement (JPA) and consistent with Chairperson Gleason and Director Page's comments today about the importance of public participation on issues important to the public. Meadowbrook suggests that the Board utilize the Policy Advisory Committee (PAC) to advise the Board with important policy questions about funding for the GSA and GSP.

Board comment:

Peter Brown asked if the original money added by each agency for 2016 is sufficient or is there need for each agency to commit more funds for 2017. Mr. Brown mentioned the possibility of the Indian Wells Valley Water District's loaning money from its "Future Source of Supply" fund to the GSA. Mr. Brown was clear this was only his idea and would require approval of the District's Board of Directors. Mr. Brown also mentioned that the annual funds submitted by each agency may need to be revised and increased. He suggested each agency speak with their Board and see if more funds can be contributed.

Vice chair Breeden asked why Mr. Hoffman assumed the Finance Committee meeting would be held in "secret".

Keith Lemieux noted that discussion would be held at a staff level and each agency would be involved to come up with a proposal. If any of the fees were to be adopted, there would be a significant public process.

Alan Christensen added that because the IWVGA meets monthly starting the process is important because there is a need to move quickly to ensure adequate funding. The County

cannot continue to subsidize or continue to pay for some costs, particularly those involving consultants.

Vice chair Breeden was concerned that the public was under the impression that only after a decision was made would it then be known to the public.

Matt Kingsley stated that as far as the on-going financial situation, it is a public issue and suggested possibly a workshop would be best. This would allow the public to be heard and issues to be worked through. Mr. Kingsley stated that as far as agency contributions, that is an issue that needs to be addressed quickly and it is not necessarily a public process.

Bob Page asked for clarification with Peter Brown's comments on member contributions. Mr. Page stated there are no requirements in the JPA for annual contributions, only a requirement for initial contribution and a mention of the possibility of future contributions that would be equitably shared.

Bob Page asked for clarification on the recommendation for agenda item no. 9 -- "staff encourages Board discussion." There is not a specific recommendation for forming an ad-hoc committee today. Mr. Page asked if there is just discussion of forming an ad-hoc committee and direction for future consideration. Phill Hall replies that it is recommended an ad-hoc committee be formed today, especially with time being an issue because of the upcoming holidays. If the Board would prefer to hold off until January, the Board could. Bob Page asks that in the future, if staff would like the Board to act on a specific item that it be noted on the agenda as an action item.

Vice chair Peggy Breeden stated that she has assured City Council that she would take any items back to her Board for approval. Without prior knowledge of an action item, she cannot vote on it.

Commander Brian Longbottom asked with regards to appointing committee members, what is the due date for applications.

Keith Lemieux recommends that the appointment of committee members be held off until February's meeting so that the bylaws and charter may be adopted prior to appointments.

Motion made by Bob Page and seconded by Peggy Breeden to receive and file agenda item and also to direct staff for recommendations on Ad-hoc Committee, Finance Committee, as well an updated report on Special Counsel. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Kingsley, Page. Nays: None.)

CLOSING COMMENTS:

Board comments:

Peter Brown thanked Kern County for the funding provided to the Indian Wells Valley Groundwater Authority and getting the IWVGA this far considering Kern County's budget.

Chairperson Gleason thanked all staff for everything that they have done and remarked how each meeting is getting better and better. Chairperson Gleason thanked the Navy for their contributions and very useful studies.

Chairperson Gleason read a letter from KernCo Home and Farm Water LLC. addressed to the Indian Wells Valley Groundwater Authority, Attention Chair Gleason. "KernCo Home and Farm Water LLC is proposing a water recovery, storage, transportation, distribution and sale project which could provide up to 12,500 acre feet per year of new, imported, supplemental water to the Indian Wells Valley groundwater basin. We would like to present this project to the Indian Wells Valley Groundwater Authority for its review and consideration. If possible, please add us to the agenda for the Authority's first meeting in 2017 which we understand will occur on or about January 19 of that year. Thank you for your cooperation." Chair Gleason asked staff to add this item to the agenda for January's meeting.

DATE AND TIME OF NEXT MEETING:

The next IWVGA meeting will be held January 19, 2017, at 10:00 am, in the Council Chambers at Ridgecrest City Hall, 100 W. California Avenue.

CLOSED SESSION: None.

ADJOURN:

Motion was made by Peter Brown and seconded by Bob Page to adjourn the meeting at 12:19 pm.

Respectfully submitted,



Lauren Duffy
Clerk of the Board of Directors
Indian Wells Valley Groundwater Authority

IWVGA ADMINISTRATIVE OFFICE

Staff Report

Agenda Item 6

TO: IWVGA Board Members **DATE:** January 19, 2017
FROM: Alan Christensen, IWVGA Staff *AC*
SUBJECT: Discussion/Action to Consider Special Legal Counsel for Water and Groundwater
(Fiscal Impact: None)

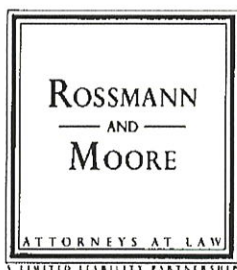
DISCUSSION

The IWVGA Board directed staff to bring back law firms or individual attorneys with water and groundwater experience to serve as special legal counsel. Because such individuals or firms would be directly advising the Board as well as staff, we suggest that an Ad Hoc Committee interview potential candidates or law firms and then make a recommendation to the full Board.

Attached are the materials from two legal firms who have offered their services to the IWVGA. Staff believes both are qualified in the areas of water and groundwater. Both have more than one attorney available to provide counsel. There are also other qualified firms or individuals that might have been included in the agenda packet, but their information was not available at the time of the agenda deadline. We expect that other firms will be included in the interview process based on suggestions from the legal counsel to member agencies in the IWVGA.

Recommendation

Appoint an Ad Hoc Interview Committee to evaluate qualified law firms and make recommendation to Board for one firm to serve as special legal counsel to the IWVGA.



ANTONIO ROSSMANN
*Admitted in California, New York,
and the District of Columbia*
AR@LANDWATER.COM

11 January 2017

via: Alan Christensen, Executive Director

Victor Gleason, Chair, and Members
Board of Directors
Indian Wells Valley Groundwater Authority
100 West California Avenue
Ridgecrest, CA 93555

Re: Offer to serve as Groundwater Law Special Counsel

Dear Chair Gleason and Members of the Board:

Our firm submits the following offer to serve as special counsel to the Authority in its capacity as the groundwater sustainability agency for the Indian Wells Valley. We have reviewed the contract by which the Authority has engaged the Kern County Counsel as its principal counsel, anticipating that the Authority would engage outside legal experts as necessary. We are prepared to render services under contract to the Authority, and to work as directed by the Authority and its principal counsel.

We anticipate that the scope of work would consist of assisting the Authority to prepare and adopt a groundwater sustainability plan consistent with the Sustainable Groundwater Management Act (SGMA); in acting generally in compliance with other constitutional, statutory, and common law principles of water law; and responding to other matters referred by the Authority and its principal counsel. We understand the Authority's goal to complete work on its sustainability plan in year 2019 and are committed to serving through that term.

Our contractual terms would resemble those under which we have served the Kern County Counsel in assisting the Authority to come into existence and otherwise addressing current and anticipated groundwater issues in the Indian Wells Valley. Those terms would include the hourly rates at which we have billed the County of Kern since 2015: Antonio

Rossmann, \$445.00 per hour; Roger Moore, \$375.00 per hour; Tiffany Poovaiah, legal assistant: \$110.00 per hour. As has been our practice with the County, we are sensitive to the costs to public agencies of providing needed services, and frequently adjust our billing when time-intensive work make such adjustments appropriate.

We believe that we are well qualified to serve the Authority as its special counsel in groundwater resources. Our full qualifications and biographies are set forth in our firm brochure concurrently forwarded to Mr. Christensen for distribution to your Board. By way of overview, our firm has contributed in an unmatched degree to the development of California groundwater law, culminating in the enactment of SGMA. We advocated and established the legality of local regulation of groundwater by counties and cities, and have represented many counties in the adoption and improvement of their local ordinances. None of those ordinances has been the subject of litigation, and in one case in which a county's regulation under its ordinance was challenged, we secured a precedential judgment reviewed by the United States Supreme Court, that local regulation of California groundwater did not violate the U.S. Constitution.

Beyond these general qualifications, our firm has long held a special relationship with the governments and people of the Eastern Sierra. Forty years ago we began that relationship in the service of Inyo County, and have maintained it through subsequent engagements by the Counties of Mono and Kern. We have been honored to work and become acquainted with the Authority's founders and staff, and to assist the Authority in reaching its present achievement in a spirit of collaboration and respect for all stakeholders. We trust that our presence and experience with you in the Indian Wells Valley will yield confidence in our ability to continue in your service.

Respectfully,

A handwritten signature in cursive script, appearing to read "Tony Rossmann". The signature is written in dark ink and is positioned to the right of the word "Respectfully,".

ROSSMANN AND MOORE, LLP

ATTORNEYS AT LAW

GROUNDWATER

For four decades, our firm has played a determinative role in the development and enforcement of California groundwater law. Our attorneys have led the statewide defense of county groundwater regulation against constitutional and preemption challenges, and have drafted and maintained California counties' most forward-looking and comprehensive groundwater management ordinances.

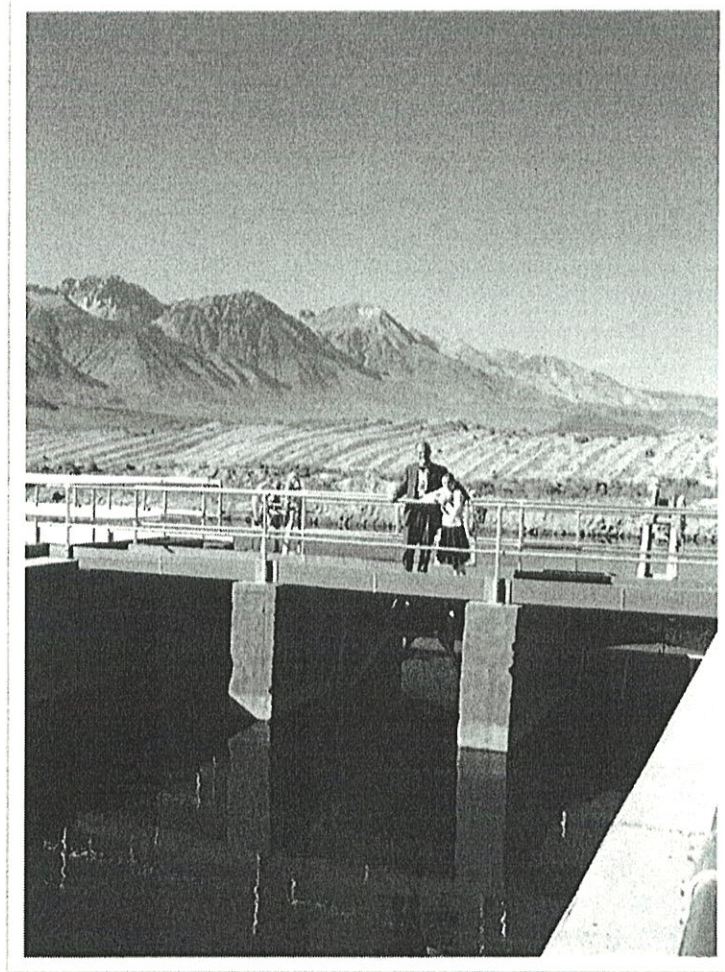
Groundwater Management and Regulation

Rossmann and Moore represented Inyo County for 21 years in litigation and negotiation with the City of Los Angeles to protect Owens Valley groundwater resources. We drafted California's first comprehensive county groundwater ordinance, which was enacted by Inyo County voters in 1980. Two years later Antonio Rossmann drafted and promulgated a statewide initiative to require state-supervised local groundwater regulation. Although not adopted by the voters in 1982, 32 years later the measure became the framework for the California Legislature's landmark 2014 groundwater law -- the first in California history. The firm drafted and helped implement Napa County's comprehensive groundwater ordinance, the first in the state to connect land use changes to groundwater availability. We also have drafted or revised ordinances for Imperial, Siskiyou, Sierra, Modoc, Nevada, and Fresno Counties -- none of which have suffered from legal challenge. When the California Court of Appeal established statewide precedent by approving Tehama County's county groundwater ordinance against a claim of state-law preemption, the court relied on the advocacy of Antonio Rossmann in that case and his 1983 law review article defending the Owens Valley groundwater ordinance. (*Baldwin v. County of Tehama*, 31 Cal.App.4th 166 (1994).) Twelve years later the firm secured an appellate ruling, which the U.S. Supreme Court declined to reverse, that county groundwater regulation does not effect an unconstitutional "taking" of private property. (*Allegretti v. County of Imperial*, 138 Cal. App. 4th 1261 (2006), cert. denied, 127 S. Ct. 960 (2007).)

County of Inyo v. City of Los Angeles II, III, IV, V, VI, VII

Commencing in 1976, Antonio Rossmann represented the County of Inyo in seminal California Environmental Quality Act litigation against the City of Los Angeles, which meets some of its water supply needs by pumping groundwater from the Owens Valley. Los Angeles proposed to increase its pumping, to the observed detriment of environmental and economic values in Inyo County. In a series of four published and two unpublished appellate decisions, Mr. Rossmann and the county were able to secure a thorough and honest environmental review of Los Angeles' proposed groundwater extractions, and adoption of the first water conservation ordinance in LA's history. The litigation ultimately led Los

Angeles to re-think its water supply strategies, to embrace permanent conservation and collaborative Owens Valley environmental restoration, and to enter into a joint groundwater management plan with Inyo County. As a result, the City of Los Angeles in 2006 permanently re-watered the Owens River for the first time in the LA Aqueduct's 93 years of operation.



First water flows to the Lower Owens River, 2006

“[O]nly through the exploitation of modern state and federal law (CEQA and NEPA) has the environmental movement been able to realign the authority relations governing the [Owens] valley. The EIR lawsuit broke the city’s monopoly of power by introducing the appeals court into county policy-making, and the local [groundwater] ordinance broke the city’s monopoly of knowledge by creating expertise in a new county agency, and eventually, in the research of state and federal (USGS) departments.”

—**John Walton**, *Western Times and Water Wars: State, Culture, and Rebellion in California*

Deborah Wordham
Of Counsel



Deborah Wordham's practice areas include water rights, water quality, endangered species, the California Environmental Quality Act, the National Environmental Policy Act and related fields of environmental and natural resources law at both the state and federal levels. As a deputy attorney general with the California Attorney General's office from 2001 through 2011, Deborah represented several state natural resources agencies both as litigation counsel and in-house counsel.

Her representation of state agencies involved the biological opinions for the operation of the Central Valley Project and State Water Project, amendments to State Water Contractors' long-term water contracts, California and federal Endangered Species Act litigation, streambed alteration agreements, cleanup and abatement actions, and Comprehensive Environmental Response, Compensation, and Liability Act (Superfund) cost recovery settlements. She has also advised state boards and commissions as in-house counsel.

Prior to joining Best Best & Krieger LLP, Deborah was in-house at The Nature Conservancy, where she advised on California water rights and water resources. While at The Nature Conservancy, Deborah participated in complex stakeholder negotiations related to the State Water Resources Control Board's update of the Bay-Delta Water Quality Control Plan and Federal Energy Regulatory Commission relicensing, and advised The Nature Conservancy on elements of the Bay-Delta Conservation Plan.

Deborah works with clients on implementing the Sustainable Groundwater Management Act, updating urban water management plans and responding to the State Water Board's drought regulations.

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Education

Whittier College School of Law,
J.D.
University of Western Ontario

Admissions
California



Publications

- "[Alert: 2015 Urban Water Management Plan](#)," Best Best & Krieger LLP Information Sheet, 2015
- "[The Sustainable Groundwater Management Act](#)," Best Best & Krieger LLP Information Sheet, 2015

Paeter E. Garcia
Partner



Paeter E. Garcia's practice areas include water rights, water supply planning, and related fields of environmental and natural resources law. Mr. Garcia represents both public agency and private clients on a broad range of water law and policy matters, such as surface and groundwater right issues, water transactions and conveyance, and groundwater management and storage arrangements. Water supply planning and sufficiency analyses are a significant component of Mr. Garcia's practice. He routinely counsels clients, speaks at conferences, and authors publications regarding the legal requirements of preparing Written Verifications and Water Supply Assessments under SB 221 and SB 610, water supply analyses under the California Environmental Quality Act (CEQA), and Urban Water Management Plans.

In representing the public sector, Mr. Garcia serves in a special counsel role to agencies such as Castaic Lake Water Agency, Western Municipal Water District, Lake Hemet Municipal Water District, Elsinore Valley Municipal Water District, San Geronio Pass Water Agency, and the Hi-Desert Water District on a variety of water rights, water supply planning and resource management issues. Mr. Garcia currently advises the Hi-Desert Water District in its role as the Watermaster of the Warren Valley Basin, as well as the Lake Hemet Municipal Water District as a key participating agency in the development of a stipulated judgment, physical solution and operating rules and regulations for the Hemet/San Jacinto Groundwater Management Area.

Mr. Garcia is vice-chair of the Southern California Water Committee's Urban Water Planning Task Force. He has served as an adjunct professor at California State University, San Bernardino and currently teaches at the University of California, Riverside Extension regarding California water law and policy. Mr. Garcia joined Best Best & Krieger in 2006 from the United States Department of Homeland Security, Customs and Border Protection. Prior to that position, Mr. Garcia worked with an environmental law firm in downtown Los Angeles, where he advised public agency and private clients regarding significant water law, environmental and land use matters.

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Education

Syracuse University, J.D. (1998)
California State Polytechnic
University, San Luis Obispo, B.S.

Admissions

California, 1998
United States District Court,
Central District of California, 1998
United States District Court,
Eastern District of California, 2000
United States Court of
International Trade, 2006
United States Court of Federal
Claims, 2006

Presentations

- "Relationships Between Planning Under the Sustainable Groundwater Management Act and Other Planning," Law Seminar International's "Groundwater Regulation in California," Oct. 29, 2015
- "Today's Water Wars - Water Rights and Water Quality: From East to West Coast," 2015 IMLA Annual Conference, Oct. 4, 2015
- "The Nuts and Bolts of SGMA," ACWA Conference, May 6, 2015
- "CEQA and the Big Drought," Association of Environmental Professionals Conference, March 22-25, 2015
- "Relationship Between AB 3030 Planning and Other Planning Requirements and Processes," Law Seminars International's "Groundwater Regulation and Management in California: Updates on Legal and Policy Developments; Practical Tips and Strategies," March 3, 2015
- "The Perfect Non-Storm: Permitting Development in Drought Conditions," The Seminar Group's "Dealing in Drought: Development, Legislation and Litigation," Oct. 30, 2014 ([presentation available here](#))
- "Urban Water Management Plans: Where Are We and Where Are We Going?" *panelist*, ACWA Fall Conference, Dec. 1, 2010
- "California's Liquid Gold: Water Supply and Conservation Issues," CLE's Municipal Law Conference, June 24, 2010
- "Further Impacts of the New State Water Legislation: Water Supply Management, Conservation and Groundwater Monitoring," Argent Communications' California Water Law & Policy Conference, April, 22, 2010
- "Show Me the Water! Water Supply Analysis in a Water Scarce California," AEP State Conference, March 15, 2010
- "Twenty-First Century Challenges to Supplying Water," BB&K Workshop, Feb. 24, 2010
- "Duck, Duck, Goose: The Empty Chair in California's Water Supply Game," Los Angeles County Bar Association, Dec. 11, 2008
- "Legally Defensible UWMP's and WSA's in the Light of Vineyard and Global Warming Requirements," ACWA Fall Conference, Nov. 27, 2007

Publications

- "[Alert: 2015 Urban Water Management Plan](#)," Best Best & Krieger LLP Information Sheet, 2015
- "[The Sustainable Groundwater Management Act](#)," Best Best & Krieger LLP Information Sheet, 2015
- "[California's State Water Resources Control Board Renews and Imposes Stricter Emergency Water Conservation Regulations](#)," BB&K Legal Alert, March 17, 2015
- "[Swing, Pendulum, Swing: California's Historic Drought and Unprecedented Responses](#)," State Bar of California's *Environmental Law News*, Fall 2014
- "[Swing, Pendulum, Swing: California's Historic Drought and Unprecedented Responses](#)," BB&K Legal Alert, Dec. 1, 2014
- "[Governor Signs New Laws Amending California's Urban Water Management Planning Act](#)," BB&K Legal Alert, Sept. 24, 2014
- "[Legislature Adopts Historic Sustainable Groundwater Management Act](#)," BB&K Legal Alert, Aug. 29, 2014
- "[State Water Resources Control Board to Consider Emergency Water Conservation Regulations in Response to Drought](#)," BB&K Legal Alerts, July 9, 2014
- "[Department of Water Resources Releases Report on State of Groundwater Resources](#)," BB&K Legal Alert, May 6, 2014
- "[CEQA Exemptions Granted for Certain State Agency Actions by Gov. Brown Proclamation](#)," BB&K Legal Alert, May 1, 2014
- "[Governor's Office of Planning & Research Seeks Input to Improve California's Groundwater Management](#)," BB&K Legal Alert, April 9, 2014
- "[Legislature Exempts Certain Renewable Energy Projects From Water Supply Assessment Requirements](#)," BB&K Legal Alerts, Oct. 10, 2011
- "[Court of Appeal Rejects Water Supply Analysis for Proposed Development Project](#)," BB&K Legal Alert, Sept. 14, 2011
- "[Court Upholds Water Supply Assessment and Criticizes Last-Minute CEQA Tactic](#)," BB&K Legal Alert, June 13, 2011
- "[Court Holds That Deference Must Be Given to Water Agency's Preparation of an Urban Water Management Plan](#)," BB&K Legal Alert, Oct. 11, 2010
- "[Department of Water Resources Issues Technical Methodologies for Use by Retail Urban Water Suppliers](#)," BB&K Legal Alert, Oct. 1, 2010
- "[Urban Wholesale Water Suppliers Granted Extension to Prepare 2010 Urban Water Management Plans](#)," BB&K Legal Alert, Sept. 27, 2010
- "[Shawdowing Gives Students a Vision of Legal Jobs](#)," *The Press Enterprise*, Feb. 10, 2010
- "[New Requirements for Urban Water Suppliers Enacted as Part of Comprehensive Water Legislation](#)," BB&K Legal Alert, Nov. 24, 2009

IWVGA ADMINISTRATIVE OFFICE

Staff Report

Agenda Item 7

TO: IWVGA Board Members **DATE:** January 19, 2017

FROM: Alan Christensen, IWVGA Staff *AC*

SUBJECT: Discussion/Action Regarding Financing Strategies for the IWVGA and Appointing an Ad Committee to Consider Options

DISCUSSION

As the Board has discussed before, one of the major challenges of forming a GSA is paying for a Groundwater Sustainability Plan (GSP), along with administrative and monitor costs associated with groundwater management. One-time member contributions and State grant funds are the only sources of revenue at this time, and those sources are insufficient to fully fund GSA activities into the future. More grant funds may be acquired in late 2017, but it is staff's recommendation that eventually fees should be assessed to users of groundwater be assessed.

With regard to user fees, the Board has two major choices. The first is a pump fee, which entails charging a fee to those that pump groundwater. The usage charge is assessed by the amount of groundwater pumped. This option also might include well fees to cover the costs like monitoring wells, collecting data, and reporting to the State. These type of fees are considered "regulatory" by SGMA, and they do not require a Prop 218 vote.

The second option for the Board is to assess a property based fee, which is governed by Proposition 218. Depending upon the type of fee will determine the type of election that is required. The other challenge with a property related fee is that it would be assessed on County property tax rolls, and the deadline for placing fees on the upcoming tax roll is July 2017. Therefore, that time restraint would impact when fees might be actually collected.

Because these decisions are time-sensitive and would impact numerous users of groundwater in the Indian Wells Valley, staff recommends that an Ad Committee be formed to begin working on fee concepts that would be brought back to the Board for consideration.

Recommendation

Appoint an Ad Hoc Committee and direct staff to prepare fee options for the Committee to consider

IWVGA ADMINISTRATIVE OFFICE

MEMORANDUM

Agenda Item 8

TO: IWVGA Board Members **DATE:** January 19, 2017

FROM: Alan Christensen, IWVGA Staff *AC*

SUBJECT: Discussion of a Consulting Services Agreement with Parker Groundwater for Hydrologic and Technical Services
(Fiscal Impact: Unknown)

DISCUSSION

Tim Parker, representing Parker Groundwater, has provided the County of Kern consulting services related to implementing the Sustainability Groundwater Management Act (SMGA) in the Indian Wells Valley Groundwater Basin. Up to now, Mr. Parker's has an agreement with the County of Kern to provide services in support of formation of a Groundwater Sustainability Agency and development of a Groundwater Sustainability Plan. The County has shared Mr. Parker's expertise and services with the IWVGA. Now that formation of the GSA is upon us, staff suggests it is time to consider a new agreement with Parker Groundwater so that all the agencies in the IWVGA can be served.

Attached is a proposed Scope of Work prepared by the staff and Mr. Parker. The document is a job description identifying the tasks that might be expected of Mr. Parker in the near future. The Scope of Work is intended to be a starting point for discussion with Mr. Parker about his business relationship with the IWVGA going forward.

There will be a budgetary impact to the IWVGA if the Board directs us to come back with an agreement. Funding for Mr. Parker's services would be paid from existing contributions from member agencies and DWR grant funds. A more detailed analysis of the budgetary impact to the IWVGA will be provided to the Board along with a new agreement for Mr. Parker's services.

If the Board agrees to move forward, staff recommends a services agreement be prepared and negotiations occur with Parker Groundwater to extend Mr. Parker's work on behalf of the IWVGA through the remainder of 2017.

RECOMMENDATION

Board directs staff to prepare an agreement with Parker Groundwater for consideration at the next IWVGA Board Meeting.

Tim Parker
Proposed Scope of Work for IWVGA

ADMINISTRATIVE

- 1) Participate in staff conference calls, drafting the Board agenda, and preparing staff reports on agenda items. Attend IWVGA meetings in Ridgecrest;
- 2) Assist in the preparation of IWVGA goals, objectives, policies, procedures, and work standards
- 3) Prepare annual and periodic budget summary reports for Board;
- 4) Analyze data and proposals received by the IWVGA for potential significance to the IWV Basin and prepare summaries and responses as requested;
- 5) Make recommendations to IWVGA staff and Board on policy decisions;
- 6) Assist with preparation of Requests for Qualifications (RFQs) and Requests for Proposals (RFPs);
- 7) Identify and meet with local, state and federal government agencies to investigate and evaluate grant funding opportunities and provide recommendations;
- 8) Provide updates and analysis of evolving pertinent state legislation and regulations;
- 9) Represent the IWVGA in outside groups including local and state meetings;
- 10) Receive direction from IWVGA staff on other assignments as needed.

GROUNDWATER SUSTAINABILITY PLAN

- 11) Prepare Work Plan to develop Groundwater Sustainability Plan (GSP);
- 12) Prepare and assist in implementation of stakeholder outreach plan for GSP preparation;
- 13) Work with staff to set up and conduct Advisory Committee(s) meetings to develop GSP;
- 14) Implement Work Plan to prepare GSP, including:
 - a) Introduction, sustainability goal, GSA information and plan organization;
 - b) Plan Area and Basin Setting, including jurisdictional, land use and water management features, noticing and public engagement communications, hydro-geologic conceptual model, current and historical hydrology, water budget, and management areas;
 - c) Sustainable Management Criteria including measurable objectives, minimum thresholds, undesirable results, monitoring network, protocols, and plan to fill data gaps;
 - d) Projects and Management Actions to achieve sustainability goal, including but not limited to conservation, water reuse, storm water capture, groundwater recharge, potential imported water, and demand reductions;
 - e) Plan implementation, including estimated budget, schedule, annual reporting and periodic evaluations;
 - f) Work with Advisory Committee(s) to develop GSA and GSP policy recommendations to the IWVGA Board.

IWVGA ADMINISTRATIVE OFFICE

Staff Report

Agenda Item 9

TO: IWVGA Board Members

DATE: January 19, 2017

FROM: Alan Christensen, IWVGA Staff *AC*

SUBJECT: Report on Actions and Objectives of the IWVGA

DISCUSSION

The following are upcoming actions of the IWVGA that we expect to have on the agenda in the coming months. Our plan is to update this list on a regular basis to help the Board and staff focus on the actions and objectives that should take priority in the coming year.

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|--|----------------------|
| 1. File GSA Application with DWR | Completed |
| 2. Ad Hoc Committee Report on Bylaws with staff and legal | In Progress |
| 3. Strategic Planning-Goalsetting Workshop | February 2017 |
| 4. Ad Hoc Committee Report on Funding Options with staff and legal | February 2017 |
| 5. Board Approval of Bylaws | February 2017 |
| 6. Special Outside Counsel for Groundwater | February 2017 |
| 7. Open Period for Applications PAC | February-March 2017 |
| 8. RFP for Hydrologic Engineer-Consultant for GSP | February 2017 |
| 9. TAC Formation and Structure | February 2017 |
| 10. Appoint PAC Committee Members | March 2017 |
| 11. Prepare Grant Application to DWR | August 2017 |

RECOMMENDATION

Direct staff to prepare a draft Request for Proposal (RFP) for Engineer-Consultant for consideration and comment at an upcoming meeting of the Board.