

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

BOARD OF DIRECTORS MINUTES

Ridgecrest City Hall
100 W California Ave
Ridgecrest, CA 93555

Thursday, June 15, 2017, 10:00 a.m.

CALL TO ORDER:

The meeting was called to order by Chairperson Gleason at 10:01 a.m.

ROLL CALL:

Commander Brian Longbottom, Department of the Navy
Dana Stephenson, Bureau of Land Management
Bob Page, San Bernardino County
Peter Brown, Indian Wells Valley Water District
Chairperson Mick Gleason, Kern County
Mayor Peggy Breeden, City of Ridgecrest
Matt Kingsley, Inyo County

Also Present:

Lauren Duffy, IWVGA Clerk
Alan Christensen, IWVGA Acting General Manager, Kern County
Phill Hall, IWVGA Counsel
Dale Schafer, DWR Facilitator

PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was led by Nick Panzer followed by a moment of silence.

PUBLIC COMMENTS:

None.

SPECIAL PRESENTATIONS:

- a) The Stanford Groundwater Architecture Project
"Utilizing Advanced Geophysical and Computational Methods for the Development of Hydrogeologic Conceptual Models"
Presenters: Jacob Vind, Danish Ministry of Public Affairs-Water Technology Alliance
Max Halkjaer, Ramboll and SkyTEM co-founder

The presentation has been made available to the Indian Wells Valley Groundwater Authority Interested Parties list.

Judie Decker commented that to her understanding, the Danes make all of the data collected available to the public, which the public can acquire and understand what is happening to their groundwater in their country. She applauds that and wishes the public had that here.

Board comments:

Bob Page asked who would be responsible for the “local share” of the remaining balance for the project. Mr. Parker answered the IWVGA would not be asked to fund this project.

Peter Brown asked if the end game is to create a cloud based data system in which everyone can access the information based on their needs. Mr. Parker answered that, assuming this project goes forward, there could be a data system that would be capable to do that.

Matt Kingsley asked if the data would help the IWVGA understand recharge. Mr. Parker answered that another study is currently going on with the USGS under the grant funds awarded to Kern County. This study will look at precipitation and will go back twenty years, also look forward eighty years, which will then be fed in to help the model.

It was clarified that there are no intentions to make this data produced by the project unavailable to the public.

Vice-chair Breeden asked what actions was Denmark able to accomplish with the data they received from the project. Mr. Vind answered that in terms of regulatory complex, Denmark and California are very different, and so the measures taken in Denmark are very different than those in California. Mr. Vind explained that one thing that was done in Denmark was revoking well permits which cannot be done in California.

Chair Gleason asked if the end result of this study would provide information on where the best location to have a water bank would be, if in the future the IWVGA decided to bank water. Mr. Parker answered it would be one result of the study. It would better refine the model and give the basin a better understanding of its aquifer.

b) Brackish Groundwater Feasibility Study – Wade Major, aquilogic

The presentation is available online at: <http://www.co.kern.ca.us/water/Brackish-Groundwater-Feasibility-Study-Overview.pdf>

Public comments:

Don Decker commented that there is an issue with brackish water extraction that has not been on anyone's charts that he has ever seen. The issue being that the brackish water in this valley is associated with aquifer zones with high clay content. If these zones are de-watered you have the potential of subsidence. Mr. Decker stated that there needs to be a careful look at potential subsidence. One area of high total dissolved solids (TDS) is along the north Brown Road access. Mr. Major replied that subsidence is one of the big concerns. While it is not noted explicitly it is considered within the realm of “unknown impacts”. Mr. Major added that they are certainly mindful of subsidence in certain regions.

Bob Page commented that it was agreed at a prior meeting that there would be two representatives for the "Residential Customer of Public Water Agency" as mentioned in the Bylaws. Three applications were submitted for the Residential Customer of Public Water Agency category.

Public comments:

Donna Hocker commented that Rita Read is the alternate realtor for Carol Wilson.

Sophia Merk commented that the alternate for Eastern Kern County Resource Conservation District is Stan Rajtora.

Board comments:

Matt Kingsley asked whether alternates were designated as voting members. Alan Christensen answered that in the bylaws it is silent on the issue of alternates. Phill Hall added that alternates would have to file form 700s if they were ever designated in the bylaws.

Alan Christensen clarified that form 700 requires you report all income and if any gifts are received it could become a conflict.

It was clarified that there should be two seats for "Residential Customer of Public Water Agency". The other two applicants consisted of: Renee Westa-Lusk and Teresa Sizemore.

Vice-chair Breeden recommended Renee Westa-Lusk to be the second representative for a residential customer. Chair Gleason agreed with the recommendation.

Bob Page stated that one of the eleven voting members must be a representative of a Disadvantaged Community.

Phill Hall stated that Searles Valley Minerals would fit within the Disadvantaged Communities because it is a wholesaler providing utilities to disadvantaged communities.

According to the bylaws, the Board has met its requirements to have representation from a disadvantaged community.

Alan Christensen recommends that the Board appoint those members which the ad-hoc committee has recommended and hold off on the appointment of a second representative for Residential Customer of Public Water Agency.

Public comments:

Patricia Farris asked what the advantage of having an alternate for committees if they cannot vote.

Sophia Merk commented that Pearsonville may be considered a disadvantage community for Inyokern. Ms. Merk suggested that perhaps Matt Kingsley could do an outreach to Pearsonville:

Leigh Ann Cook, County of Kern Chief of Staff, volunteered to facilitate the first PAC meeting. The board agreed to have Leigh Ann Cook facilitate the first PAC meeting.

Phill Hall clarified that the Board will set the PAC meeting schedule, due to the fact that every time the PAC meets it costs the IWVGA money. Also, at the first meeting of the PAC the PAC will need to select their chairperson.

d) Applications for Technical Advisory Committee:

Alan Christensen reported that there is not an application for the TAC. It is asked that applicants submit a resume with all qualifications to:

Lauren Duffy	or	Alan Christensen
Clerk of the Board		achristensen@kerncounty.com
500 West Ridgecrest Blvd.		
Ridgecrest, CA 93555		

The number of members that will be on the TAC is unknown at this time.

Vice-chair Breeden feels a timeframe should be set for resumes and nominations to be received.

Public comments:

Derek Hoffman agrees that a timeframe should be set for nominations.

West Katzenstein asked that there be a timeframe for PAC members to nominate a TAC member.

Board comments:

Each PAC member will be contacted to make them aware of the nomination deadline of the TAC members.

The TAC resume and nomination deadline is set to July 10, 2017 at 5:00 p.m.

UPDATE ON REVENUE ISSUES AND CONCERNS FOR THE IWVGA:

Alan Christensen reported that the board is near hiring a special counsel attorney for groundwater as well as a decision on hiring a Water Resource Manager (WRM). In the IWVGA bank account there is a balance of \$75,000, which included five agencies contributing \$15,000. The IWVGA has secured a grant with the state in the amount of \$250,000 and roughly \$90,000 is committed to the USGS Recharge Study. Some funding remains from the grant to be used towards the Groundwater Sustainability Plan (GSP), but there are some restrictions to how the money is used. For example, grant money cannot be used for an attorney to review documents. Up to \$1,000,000 is available from Prop. 1 funding Round Two to critically overdrafted basins. Staff will aggressively pursue Prop. 1 funding. Mr. Christensen stated that the GSP could cost anywhere from \$500,000 to \$1,000,000. Mr. Christensen concluded that other funding options need to be considered, such as a loan from a benefactor agency that is willing to provide the IWVGA the money with the anticipation of being reimbursed at a later time. Staff recommended that a consultant be hired to provide the Board with revenue assessment options available for the IWVGA and the consultant to be paid out of the \$75,000 available in the IWVGA account.

first PAC or TAC meeting. Mr. Rajtora feels the PAC should be deeply involved in the funding issues of the IWVGA.

Mike Neel agrees that funding should come from assessment of the water; whoever pumps the most water pays the most. Mr. Neel agrees that the Finance Committee should not be an ad-hoc, but open to the public. Mr. Neel hopes that staff sit down and take the necessary time to come up with solid numbers with regards to expenses and costs.

Sophia Merk agrees that the PAC should begin meeting as soon as possible. Ms. Merk also feels that the Finance Committee should be open to the public.

Board comments:

Phill Hall commented that four or five months ago when the Board was discussing appointing a PAC it was immediately threatened with litigation. The IWVGA Board needs to have some discussion on what the legal parameters are for putting any sort of pump assessments in closed session. Mr. Hall commented that this most likely won't be a section 4.218 assessment, but rather under Section 6. An option that this Board may use is tax roll, under Section 6 assessment, to collect fees rather than collect it from various agencies.

Chair Gleason commented that he is not comfortable hiring a WRM until the funds are allocated, but understands that the WRM needs to be hired as soon as possible.

It was established that the finance ad-hoc committee will be closely working with the PAC.

After much deliberation the following motion was made:

Motion was made by Peter Brown and seconded by Bob Page to form a temporary Finance Ad-Hoc Committee to consist of Bob Page and Peter Brown. Motion carried unanimously. (Ayes: Breeden, Brown, Gleason, Kingsley, Page Nays: None.)

REPORT ON PLAN OF ACTION AND MILESTONES FOR A GROUNDWATER SUSTAINABILITY PLAN:

Commander Brian Longbottom presented the IWV Groundwater Authority WRM Team Schedule. Commander reported that staff wanted to provide a more detailed list of tasks and timelines. The purpose of this schedule is to map out what needs to be completed for the GSP. This document will be made available online.

This schedule will be the primary tool for the WRM.

GENERAL MANAGER'S REPORT:

Alan Christensen reported that staff is opening a dialogue with the Los Angeles Department of Water and Power (LADWP) in hopes of developing any kind of relationship to allow for positive opportunities. Mr. Christensen reported that Chair Gleason and he will be visiting Sacramento to meet with Department of Water Resources (DWR) within the next thirty days. Also, the JPA

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lauren Duffy', written in a cursive style.

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

Board of Directors and Associate Members of
Indian Wells Valley Groundwater Authority

Re: *Urgent Agenda Item for July 20, 2017, Board Meeting to Timely Secure Millions of Dollars in
Grant Funding for SGMA Implementation in the Indian Wells Valley*

July 11, 2017

Page 2

Specifically, it is requested that the Board include the following as an agenda item for the July 20, 2017, Groundwater Authority meeting:

*ITEM ____: CONSIDER AND APPROVE ASSIGNMENTS TO POLICY
ADVISORY COMMITTEE REGARDING STRATEGY FOR PURSUING GRANT
FUNDING*

a. Authorize the PAC to prepare and submit to the Board at the August Board meeting, or at an earlier special meeting of the Board, a proposal including scope of work, budget, schedule and consultant service contract approvals as necessary to complete a SGWP grant funding application for the Groundwater Authority's GSP deliverable, consistent with Proposition 1 and related regional grant funding programs.

b. Authorize the PAC to prepare grant funding application documents for approval by the Board, and to oversee the grant funding process under the direction of the Board.

c. Authorize the PAC to meet as often as needed specifically regarding grant funding opportunities, in order to accomplish items (a) and (b).

Enclosed with this letter is a proposed grant funding plan schedule designed to meet immediate and long-term grant funding deadlines, consistent with the proposed agenda item above.

As further explanation, there are two fast-approaching DWR Sustainable Groundwater Management Program Proposition 1 grant funding opportunities:

(1) Category 1 holds \$10 million total, statewide, to be allocated in up to \$1 million grants for projects serving Severely Disadvantaged Communities; and

(2) Category 2 holds approximately \$76.3 million statewide, including up to \$1.5 million per basin for those deemed critically overdrafted (such as our Basin) to support activities associated with the planning, development and preparation of GSPs.

The Proposition 1 Guidelines require a 50% cost share, which can include certain in-kind services. DWR also administers grant funding under the Integrated Regional

Board of Directors and Associate Members of
Indian Wells Valley Groundwater Authority

Re: *Urgent Agenda Item for July 20, 2017, Board Meeting to Timely Secure Millions of Dollars in
Grant Funding for SGMA Implementation in the Indian Wells Valley*

July 11, 2017

Page 4

which is of great concern among a majority of the PAC members who wish to ensure that the Groundwater Authority will successfully position itself to secure competitive grant funding under the rapidly-approaching deadlines. In addition to establishing a regular meeting schedule, the PAC needs to meet frequently enough over the next several months to achieve the objectives established by the Board.

Thank you for considering this time-sensitive and important matter. We ask the Board to engage the PAC, consistent with the Groundwater Authority's bylaws and organizational structure and as requested in this letter, to help lead the shared objective of all Basin stakeholders to obtain as much outside funding as possible as an important early step toward improving long-term Basin and regional water sustainability.

Sincerely,



Derek R. Hoffman, Attorney for
GRESHAM SAVAGE
NOLAN & TILDEN,
A Professional Corporation

DRH:dms

Enclosure

cc: L. Duffy, A. Christensen, D. Zdeba, T. Parker, L. Oviatt, K. Lemieux, P. Hall, J.
Worth, M. Ostoich, M. Davis, Client