

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.

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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