

North Fork Kings Groundwater Sustainability Agency
Board Meeting | February 9, 2017 | 20896 Malsbary Street, Riverdale, CA 93656

Minutes of the Regular Meeting of the Board of Directors of the North Fork Kings Groundwater Sustainability Agency held February 9, 2017 at the Riverdale Public Utility District Annex.

1. Call to Order

Interim Chair McKean called the meeting to order at 6:00pm.

Directors Present:

Buddy Mendes, Division 1
Frank Zonneveld, Division 2
Carol Hall, Division 3
Mark McKean, Division 4
Leonard Acquistapace, Division 5
Stephen Maddox Jr., Division 6
Tony Campos, Division 7

Directors Absent:

None

Staff, Consultants, and Others Present:

Paul Peschel, Kings River Conservation District
Randy Shilling, Kings River Conservation District
Cristel Tufenkjian, Kings River Conservation District
Eric Osterling, Kings River Conservation District
Aubrey Mauritsen, Ruddell, Cochran, Stanton, Smith & Bixler, LLP
Amanda Monaco, Leadership Counsel for Justice and Accountability
Scott Sills, Laguna Irrigation District
Isabel Solorio, Lanare Community Services District
Tristan Mauger, Riverdale Public Utility District
Augustine Ramirez, County of Fresno
Jerry Gragnani, Stinson Canal & Irrigation Company
Maria Herrera, Self-Help Enterprises
Don A. Wright

2. Public Comment

None.

3. Consider Actions for Groundwater Sustainability Agency Formation

The NFKGSA conducted a public hearing for the election to be a Groundwater Sustainability Agency (GSA). Staff member Eric Osterling provided a brief background on the formation of the NFKGSA and afterwards Interim Chair McKean opened the floor to public comments. No written or verbal comments were received. It was moved by Director Mendes, seconded by Director Zonneveld and unanimously carried that the Agency adopt Resolution 2017-01 to declare its interest in becoming the GSA for the area. Osterling noted that he will begin preparing the necessary paperwork and file with the Department of Water Resources (DWR) as soon as possible. Once DWR deems the application complete and accepts it

as final, the status of the NFKGSA will be changed to “Exclusive”. As written into SB 564 (Cannella), the Agency does not have a requirement to go through the ninety-day public comment period.

4. Appointment of Officers

Interim Chair McKean directed Attorney Aubrey Mautritson to conduct the nomination of officers to the chair, vice-chair, secretary/treasurer and assistant secretary/treasurer seats.

- It was moved by Director Mendes, seconded by Director Hall and unanimously carried that Director McKean serve as Chair of the Agency.
- It was moved by Director McKean, seconded by Director Acquistapace and unanimously carried that Director Mendes serve as the Vice-Chair of the Agency.
- It was moved by Director Campos, seconded by Director McKean and unanimously carried that Director Maddox Jr. serve as the Secretary/Treasurer of the Agency.
- It was moved by Director Mendes, seconded by Director Zonneveld and unanimously carried that KRCD staff Randy Shilling serve as the Assistant Secretary/Treasurer of the Agency.

5. Consider Approval of Minutes

It was moved by Director Zonneveld, seconded by Secretary/Treasurer Maddox Jr., and unanimously carried that the minutes of the January 11, 2017 meeting of the Board of Directors be approved as presented.

6. Director Reports

Vice-Chair Mendes shared that he provided staff member Randy Shilling with SGMA fee information that can be discussed under agenda item #11, if needed.

Chair McKean commented that he is happy the NFKGSA took the special legislation route because he sees many other GSAs struggling with formation issues, especially with regards to the inclusion of mutual water companies within the structure of a JPA.

7. Sustainable Groundwater Management Act (SGMA) Update

Osterling reported that the North Kings GSA has filed with DWR and is undergoing the ninety day public comment period. Additionally, the North Kings GSA and Central Kings GSA (formerly Consolidated Irrigation District GSA) have encountered minor boundary discrepancies between the mapped boundaries and legal descriptions. Both agencies are working to resolve the discrepancies. Osterling noted that as the Agency begins the budgeting process for fiscal year 2018, the Board should be aware that the budget may require substantial augmentation depending on the need for consultants and how DWR decides to roll out Proposition 1 funding for Groundwater Sustainability Plan development.

Osterling shared information on two upcoming workshops that Members may be interested in attending. On February 14th there will be a 1:00 pm panel presentation at the Tulare World Ag Expo to provide an update on GSA formation in the Tulare Lake hydrologic region. Osterling will participate on the panel to give an update on behalf of the NFKGSA. On February 21st the American Groundwater Trust is hosting a Groundwater Sustainability Plan workshop. Mr. Osterling noted that both events have been posted to the kingsgroundwater.info website calendar.

Osterling reported that on February 8th, DWR issued a press release regarding a subsidence study conducted by the Jet Propulsion Laboratory. The study reported that between May 2015 and September 2016 there was anywhere between 4 - 24 inches of subsidence in the central valley. Osterling stated that KRCD manually monitors for subsidence throughout the Kings River Service Area and will check to see if the numbers in the report correlate.

8. Consider Fiscal and Administrative Agreement with KRCD

Assistant Secretary/Treasurer Shilling presented the Fiscal Agent Agreement between KRCD and the NFKGSA, which will authorize KRCD to provide fiscal management services to fulfill the financial and reporting requirements of the GSA. Shilling noted that KRCD will only bill up to the budgeted \$35,775 for administrative services as approved by the Board in the partial FY 2017 (January 2017 – June 2017) budget. It was moved by Director Zonneveld, seconded by Vice-Chair Mendes, and unanimously carried that the Board approve the Fiscal Agent Agreement with KRCD.

9. Consider Adoption of Resolution 2017-02 Regarding Designation of Depository and Bank Signatories

It was moved by Vice-Chair Mendes, seconded by Secretary/Treasurer Maddox Jr., and unanimously carried that the Board adopt Bank Resolution 2017-02 to bank with JP Morgan Chase and have the Chair, Vice-Chair, Secretary/Treasurer, and Assistant Secretary/Treasurer as signatories on the account.

10. Consider Appointing Ad Hoc Budget Committee

- a. Ad Hoc Budget Committee - The purpose of the Ad Hoc Budget Committee is to develop the fiscal year 2017-18 budget. Chair McKean appointed Vice-Chair Mendes, Director Campos, and Director Zonneveld to the Ad Hoc Budget Committee. The Committee meetings will be held at the KRCD office at 4886 E. Jensen Avenue, Fresno, California.
- b. Update on SGMA fee provisions - At the January 11th Board meeting, Attorney Mauritson and staff member Shilling were tasked with providing more clarity on SGMA fee provisions. Attorney Mauritson referred to a handout she had prepared with a flow chart for assessing groundwater extraction fees through Propositions 218 and 26. Attached to the flow chart was a list of cases that are currently being reviewed by the Supreme Court. Attorney Mauritson commented that more clarity will be provided once some of the key court cases close. Chair McKean asked what could be some of the basis to do assessments on. Attorney Mauritson answered that it would be best to first focus on how much money would be needed, research the characteristics of the voter base such as landownership and acreage, and then formulate how to get the funding needed. To better illustrate the type of data needed, Shilling provided the Board a handout with tables on the number of parcels and acres in the NFKGSA. Shilling noted that the information in the handout is only an initial draft, but is a good starting point.

11. Financial Report

Staff member Shilling referred to the financial report in the agenda packet and reported that invoices were sent to the eleven member agencies on January 31st and that no revenues were received in January.

12. Consider Approval of Kings Basin Coordination Contract with P&P

Chair McKean reported that included in the agenda packet is a proposal prepared by Provost & Pritchard (P&P) to provide engineering and hydrologic services related to evaluation of groundwater conditions in

the Kings Basin. Chair McKean stated that participating in this study with the other Kings Basin GSAs would allow for the collaborative development of a baseline that everyone can agree on. Alternate Director Sills noted that this study by P&P could provide the Agency with half of the data needed to develop their GSP. Fresno County staff member Augustine Ramirez commented that this conceptual model that P&P will develop is not a true groundwater model, but will serve as a useful tool to provide the basin with preliminary numbers. It was moved by Vice-Chair Mendes, seconded by Director Zonneveld and unanimously carried that the Board approve the P&P proposal to provide technical coordination services for the six GSAs in the Kings Basin and to pay one-sixth of the cost of those services.

13. Conflict of Interest Code

Staff member Shilling reported that the Fair Political Practices Commission (FPPC) approved the draft Conflict of Interest Code for the Agency. A copy was included in the agenda packet. Shilling noted a sentence mistype on page one of the document, last sentence in the second paragraph. The sentence should read: "All statements will be retained on the Agency's behalf by the Kings River Conservation District which is located at 4886 E. Jensen Ave, Fresno, California." The draft Conflict of Interest Code is undergoing a 45-day public comment period and has been posted to the Agency's website. Shilling reported that Form 700s were emailed to Directors and Alternates and must be filed with KRCD no later than April 3rd.

14. Proposed Revisions to Special Act Legislation

Staff member Osterling referred to the memo from lobbyist Bob Reeb in the agenda packet and reported that the County of Fresno amendment to the NFKGSA statute may not be necessary, but two other minor proposed amendments were submitted. In the memo, lobbyist Bob Reeb noted he would be given more clarity on the proposed amendments on February 24th when they go in front of the Senate and Finance Committee for consideration.

15. NFKGSA Bylaws

Attorney Mauritson reported that this agenda item will be reoccurring as she continues to draft the bylaws.

16. Stakeholder Outreach and Communications

Staff member Cristel Tufenkjian provided handouts to the Board with screenshots of the new NFKGSA website located at www.northforkkings.org. Tufenkjian provided an overview of the different features of the website, highlighting a widget located on the home page that would allow stakeholders to sign up for more information and updates. It was moved by Vice Chair-Mendes, seconded by Director Acquistapace and unanimously carried that the NFKGSA website be launched.

17. Other Items for Discussion

Staff member Tufenkjian reported that on behalf of the Agency, a press release regarding the Agency's election to file as a GSA with DWR was prepared and will be distributed. Additionally, the press release highlights the launch of the NFKGSA website.

Alternate Director Sills shared that with the recent storms, Laguna Irrigation District was able to begin taking floodwaters to recharge their groundwater basin that was completed last April. Alternate Director Sills also noted that six other ponds within the District have been recharging water. A question was asked if the dirty water from the recent storms will have an adverse effect on recharge efforts. Alternate Director Sills responded that the water coming from Mill and Hughes Creeks were laden with silt, but that most of the recharge ponds were able to get a layer of clean water in them. The recharge basin that was completed last April was designed with a settling channel that will help alleviate that problem.

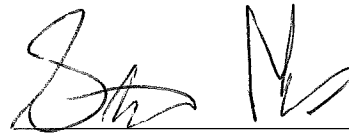
18. Next Meeting Date:

The next regularly scheduled meeting is on April 12 at 5:30 pm at the Riverdale Public Utility District Annex.

Adjournment

There being no further business, Chairman McKean adjourned the meeting at 7:07pm.

Submitted by:



Stephen Maddox Jr.
Secretary/Treasurer


Mark McKean, Chair