



Post Office Box 3544
Ventura, CA 93006-3544
(805) 525-4431
<https://moundbasingsa.org>

**NOTICE IS HEREBY GIVEN that the
Mound Basin Groundwater Sustainability Agency (“Agency”)
Board of Directors (“Directors”) will hold a
REGULAR BOARD MEETING
at 1:00 P.M. on Thursday, February 18, 2021**

In accordance with the **California Governor’s Executive Stay at Home Order** and the **County of Ventura Health Officer Declared Local Health Emergency** and **Be Well at Home Order** resulting from the novel coronavirus (COVID-19), the Ventura City Hall is closed to the public. Therefore, the Mound Basin GSA will hold its Regular Board of Directors meeting virtually using the Zoom video conferencing application.

If you are new to Zoom, please click on this link and watch the short video tutorial:
<https://support.zoom.us/hc/en-us/articles/201362193-How-Do-I-Join-A-Meeting->

To participate in the Board of Directors meeting via Zoom, please access:
<https://us02web.zoom.us/j/82529392240?pwd=eWNzTkdyREdYd2F5WlFtR2x3S05jQT09>

Meeting ID: 825 2939 2240 | Passcode: MBGSA

To call into the meeting (audio only), call: (877) 853-5247 (US Toll-free)

Meeting ID: 825 2939 2240

**MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY
BOARD OF DIRECTORS MEETING AGENDA**

CALL TO ORDER 1:00 P.M.

1. PLEDGE OF ALLEGIANCE

2. ROLL CALL

3. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

The Board will receive public comments on items not appearing on the agenda and within the subject matter jurisdiction of the Agency. The Board will not enter into a detailed discussion or take any action on any items presented during public comments. Such items may only be referred to the Executive Director or other staff for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on specific agenda items should do so at the time specified for those items. In accordance with Government Code §54954.3(b)(1), public comment will be limited to three (3) minutes per speaker.

**4. APPROVAL OF AGENDA
Motion**

5. CONSENT CALENDAR

All matters listed under the Consent Calendar are considered routine by the Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member pulls an item from the Calendar. Pulled items will be discussed and acted on separately by the Board. Members of the public who want to comment on a Consent Calendar item should do so under Public Comments. (ROLL CALL VOTE REQUIRED)

5a Approval of Minutes

Motion

The Board will consider approving the Minutes from the January 21, 2021, Regular Mound Basin GSA Board of Directors meeting.

5b Approval of Warrants

Motion

The Board will consider approving payment of outstanding vendor invoices.

5c Monthly Financial Reports

Information Item

The Board will receive monthly profit and loss statements and balance sheets for the month of January 2021.

6. BOARD MEMBER ANNOUNCEMENTS

6a Directors will provide updates on matters not on the agenda.

6b Directors will provide oral reports of time spent on grant eligible activities since the previous regular Board meeting.

7. EXECUTIVE DIRECTOR UPDATE

Information Item

The Executive Director will provide an informational update on non-GSP activities since the previous Board meeting.

8. MOTION ITEMS

8a Fiscal Year 2020/2021 2nd Quarter Budget Report and Mid-Year Budget Modifications

Motion

The Board will consider receiving and filing the 2nd quarter budget report and approving mid-year budget modifications.

8b Fiscal Year 2019-20 and FY 2020-21 Biennial Audit

Motion

The Board will consider authorizing the Executive Director to execute an engagement letter with Rogers, Anderson, Malody & Scott, LLP to perform the Fiscal Year 2019/2020 and 2020/2021 biennial financial audit and prepare the associated annual State Controller's Reports for an amount not-to-exceed \$9,200.

8c GSP Monthly Update (Grant Category (c), Task 3 and Category (d), Task 4)

Motion

The Board will receive an update from the Executive Director concerning development of the Agency's Groundwater Sustainability Plan and grant status. The Board may provide feedback or direction to staff.

8d Review of Future Groundwater Conditions Modeling Results and Implications for Sustainable Management (Grant Category (c), Task 3 and Category (d), Task 4)

Motion

The Board will receive a presentation from the GSP Development Team concerning modeling results and implications for sustainable management. The Board will consider providing feedback or direction to staff concerning sustainable management criteria.

9. FUTURE AGENDA ITEMS

ADJOURNMENT

The Board will adjourn to the next **Regular Board Meeting** scheduled for **Thursday, March 18, 2021**, or call of the Chair.

Materials, which are non-exempt public records and are provided to the Board of Directors to be used in consideration of the above agenda items, including any documents provided subsequent to the publishing of this agenda, are available for inspection at UWCD's offices at 1701 North Lombard Street in Oxnard during normal business hours.

The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's services, programs, or activities because of any disability. If you need special assistance to participate in this meeting, or if you require agenda materials in an alternative format, please contact the Mound Basin Clerk of the Board at (805) 525-4431 or the City of Ventura at (805) 654-7800. Notification of at least 48 hours prior to the meeting will enable the Agency to make appropriate arrangements.

Posted: (Date) February 12, 2021

(time) 4:00 P.M.

(attest) Jackie Lozano

At: <https://moundbasingsa.org>

Posted: (Date) February 12, 2021

(time) 4:15 P.M.

(attest) Jackie Lozano

At: <https://www.facebook.com/moundbasingsa/>

Posted: (Date) February 12, 2021

(time) 4:30 P.M.

(attest) Jackie Lozano

At: United Water Conservation District, 1701 North Lombard Street, Oxnard CA 93030



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MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY
REGULAR BOARD OF DIRECTORS MEETING

Thursday, January 21, 2021 | 1:00 P.M.
via Zoom, due to COVID-19 Meeting Protocol

DRAFT MINUTES

DIRECTORS IN ATTENDANCE:

Mike Mobley, Chair (joined meeting at 1:27 P.M.)
Susan Rungren, Vice-Chair / Secretary
Glenn Shephard, Treasurer
Jim Chambers
Conner Everts

STAFF IN ATTENDANCE:

Bryan Bondy, Executive Director
Joseph Hughes, Agency Legal Counsel
Jackie Lozano, Clerk of the Board

PUBLIC IN ATTENDANCE:

Dan Detmer, UWCD
Burt Handy
Kathleen Kuepper, UWCD
John Lindquist, UWCD
Eddie Pech, DWR
Steven Slack, CDFW
Dr. Jason Sun, UWCD

CALL TO ORDER 1:06 PM

Vice Chair/Secretary Rungren called the meeting to order at 1:06 P.M.

1. PLEDGE OF ALLEGIANCE

Director Rungren led the participants in reciting the Pledge of Allegiance.

2. ROLL CALL

The Clerk of the Board called the roll. Four Directors were present (Chambers, Everts, Rungren, Shephard) and one Director was absent (Mobley).

3. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Director Rungren asked if there were any public comments. None were offered.

4. APPROVAL OF AGENDA

Motion

Motion to approve the agenda, Director Everts; Second, Director Shephard. Roll call vote: four ayes (Chambers, Everts, Rungren, Shephard), none opposed, one absent (Mobley). Motion carried 4/0/1.

5. CONSENT CALENDAR

5a Approval of Minutes

Motion

The Board will consider approving the Minutes from the December 17, 2020, Regular Mound Basin GSA Board of Directors meeting.

**5b Approval of Warrants
Motion**

The Board will consider approving payment of outstanding vendor invoices.

**5c Monthly Financial Reports
Information Item**

The Board will receive monthly profit and loss statements and balance sheets for the month of December 2020.

Regarding the Approval of Minutes, it was captured on item 8b that Director Rungren would present comments at this meeting after consulting with their hydrologist. The hydrologist had been in communication with Executive Director Bondy and they agreed that the issues raised would be addressed with the next groundwater model update.

No further comments or questions were offered by the Directors.

No public comments were offered.

Motion to approve the Consent Calendar, Director Chambers; Second, Director Shephard. Roll call vote: three ayes (Chambers, Rungren, Shephard), none opposed, one abstained (Everts), one absent (Mobley). Motion carried 3/0/1/1.

6. BOARD MEMBER ANNOUNCEMENTS

6a Director Rungren mentioned that the City of Ventura's Water Commission is meeting on January 26 at 5:30 P.M. to discuss water and wastewater rates.

6b Since the previous Board meeting, the Directors reported no time spent on grant eligible activities.

7. EXECUTIVE DIRECTOR UPDATE

Executive Director Bondy reviewed the staff report with the Board regarding updates on non-GSP items.

Information item. No comments or questions were offered by the Directors.

No public comments were offered.

8. MOTION ITEMS

**8a Agency Officer Appointments and Required Bond
Motion**

Executive Director Bondy explained that the Board needs to appoint officers for 2021. Director Shephard stated that he feels the current appointments operate very well and would motion to keep the current appointments. Director Chambers concurred. The Board asked if action could be taken in Chair Mobley's absence. Agency Counsel Joe Hughes verified that action could be taken.

The Board discussed the Treasurer bond and agreed no change is warranted.

No further comments or questions from the Directors.

No public comments were offered.

Motion to approve the Agency Officer appointments for year 2021 consistent with 2020 appointments (Director Michael Mobley as chair, Director Susan Rungren as vice chair/secretary, and Director Glenn Shephard as treasurer) and maintain the current bond with no modifications, Director Shephard; Second, Director Everts. Roll call vote: four ayes (Chambers, Everts, Rungren, Shephard), none opposed, one absent (Mobley). Motion carried 4/0/1.

8b Request for Waiver of Late Fees and Interest for Operator Ocean Breeze Ag/Totlcom Ocean Breeze

Motion

Executive Director Bondy provided a brief overview of the waiver request to the Board. After Board discussion and consideration, the Board agreed to waive the late fees and interest in the amount totaling \$5,007.38. Chair Mobley joined the meeting during the discussion.

No further comments from the Directors.

No public comments were offered.

Motion to approve the well operator's request to waive late fees and interest, Director Chambers; Second, Director Everts. Roll call vote: five ayes (Chambers, Everts, Mobley, Rungren, Shephard), none opposed. Motion carried 5/0.

8c GSP Monthly Update (Grant Category (c), Task 3 and Category (d), Task 4)

Motion

Executive Director Bondy reviewed the staff report with the Board, as it relates to GSP development and the SGWP grant. Regarding the groundwater model, as of January 20, the baseline runs had been completed by UWCD. Executive Director Bondy and INTERA are working together to review the results/data. An update is planned for the next board meeting and at the upcoming GSP workshop. UWCD staff who were available during the virtual meeting were welcomed to comment. No comments were provided.

Chair Mobley questioned if additional model runs would be needed to complete the GSP. Executive Director Bondy said that additional simulations would be needed to evaluate projects, but that the need for projects seems unlikely based on his preliminary review of the results.

Director Chambers thanked Executive Director Bondy for the progress on the grant funding.

Executive Director Bondy expressed his appreciation to UWCD staff for their hard work.

No further comments or questions from the Directors.

No public comments were offered.

Motion to receive and file the GSP monthly update, Director Everts; Second, Director Chambers. Roll call vote: five ayes (Chambers, Everts, Mobley, Rungren, Shephard), none opposed. Motion carried 5/0.

8d GSP Workshop No. 2

Motion

Executive Director Bondy summarized the purpose and topics of the second GSP public workshop, as provided in the written staff report. The Directors discussed the proposed dates listed in the staff report.

No comments or questions were offered by the public.

Motion to schedule GSP Workshop No. 2 on Thursday, March 4, 2021, at 6:00 p.m., Director Everts; Second, Director Chambers. Roll call vote: five ayes (Chambers, Everts, Mobley, Rungren, Shephard), none opposed. Motion carried 5/0.

8e GSP Newsletter Volume 2, Issue 1

Motion

Executive Director Bondy explained that he recommends issuing another newsletter to update stakeholders on GSP development and to promote GSP Workshop No. 2. Since the workshop date and time had been agreed upon in item 8d, the information would be added to the newsletter prior to finalizing. Chair Mobley recommended that the workshop information be made more visible in the newsletter in hopes of capturing the reader's eye. Executive Director Bondy agreed and added that he would forward the final newsletter to Director Chambers for dissemination to MBAWG members. Director Chambers commented on how great the newsletter looked.

No comments or questions were offered by the public.

Motion to approve the GSP Newsletter Volume 2, Issue 1, with the recommended addition and edits, Director Everts; Second, Director Chambers. Roll call vote: five ayes (Chambers, Everts, Mobley, Rungren, Shephard), none opposed. Motion carried 5/0.

9. FUTURE AGENDA ITEMS

- Mid-year budget updates
- Groundwater modeling results

Chair Mobley thanked Director Rungren for covering for him while he was unavailable.

ADJOURNMENT 1:53 P.M.

Director Rungren adjourned the meeting at 1:53 P.M. to the next **Regular Board Meeting on Thursday, February 18, 2021**, or call of the Chair.

I certify that above is a true and correct copy of the minutes of the Mound Basin Groundwater Sustainability Agency's Board of Directors meeting of January 21, 2021.

ATTEST: _____
Susan Rungren, Board Secretary

ATTEST: _____
Jackie Lozano, Clerk of the Board

Mound Basin Groundwater Sustainability Agency

Check Detail

February 10, 2021

Type	Num	Date	Name	Account	Original Amount
Bill Pmt -Check	DEBIT06	02/10/2021	1099 Online	10000 · Bank of the Sierra	-9.98
Bill Pmt -Check	11380	02/10/2021	Bondy Groundwater Consulting, Inc	10000 · Bank of the Sierra	-10,400.00
Bill Pmt -Check	11381	02/10/2021	INTERA Incorporated	10000 · Bank of the Sierra	-10,493.50
Bill Pmt -Check	11382	02/10/2021	United Water Conservation District	10000 · Bank of the Sierra	-9,210.97
TOTAL					-30,114.45



MoundBasin
GROUNDWATER SUSTAINABILITY AGENCY

Item No. 5(c)

DATE: February 18, 2021
TO: Board of Directors and Executive Director
FROM: Ambry Tibay, UWCD
SUBJECT: Monthly Financial Reports

SUMMARY

The Board will receive the monthly financial reports for the Mound Basin GSA.

INFORMATIONAL ITEM

UWCD accounting staff has prepared financial reports based on the Mound Basin GSA revenue and expenses for the month of January 2021.

BACKGROUND

FISCAL SUMMARY

Not applicable.

ATTACHMENTS

- A. January 2021 Profit/Loss Statement
- B. January 2021 Profit/Loss by Class
- C. January 2021 Balance Sheet

Mound Basin Groundwater Sustainability Agency
Profit & Loss Budget Performance
 July 1 through January 31, 2021

	<u>Jul 1 - Jan 31, 21</u>	<u>Annual Budget</u>	<u>Budget</u>
Income			
40001 · Groundwater Extraction Fees	-0.12	150,000.00	
41000 · Grant revenue			
41001 · State Grants	161,089.84	493,277.00	32.66%
41000 · Grant revenue - Other	0.00		
Total 41000 · Grant revenue	<u>161,089.84</u>	<u>493,277.00</u>	
46000 · In-Kind Services - Revenue	0.00		
47000 · Other Revenue			
47001 · Late Fees	-3,870.90		
47002 · Miscellaneous Revenue	0.00		
47000 · Other Revenue - Other	0.00		
Total 47000 · Other Revenue	<u>-3,870.90</u>		
Total Income	<u>157,218.82</u>	<u>643,277.00</u>	24.44%
Cost of Goods Sold			
50000 · Cost of Goods Sold	0.00		
Total COGS	<u>0.00</u>		
Gross Profit	<u>157,218.82</u>	<u>643,277.00</u>	24.44%
Expense			
52200 · Professional Services			
52230 · Prof Svcs - Grant Solicitation	0.00		
52240 · Prof Svcs - IT Consulting	41.28	494.00	8.36%
52250 · Prof Svcs - Groundwater/GSP Pre			
52251 · Prof Svcs - UWCD GW Services	0.00		
52252 · Prof Svcs - GSP Consultant	205,299.80	469,842.00	43.70%
52250 · Prof Svcs - Groundwater/GSP Pre - Other	0.00		
Total 52250 · Prof Svcs - Groundwater/GSP Pre	<u>205,299.80</u>	<u>469,842.00</u>	43.70%
52270 · Prof Svcs - Accounting	5,331.38	15,000.00	35.54%
52275 · Prof Svcs - Admin/Clerk of Bd	6,198.88	12,500.00	49.59%
52280 · Prof Svcs - Executive Director	13,600.00	45,000.00	30.22%
52290 · Prof Svcs - Other	0.00		
52200 · Professional Services - Other	0.00		
Total 52200 · Professional Services	<u>230,471.34</u>	<u>542,836.00</u>	42.46%
52500 · Legal Fees			
52501 · Legal Counsel	2,330.50	35,000.00	
52500 · Legal Fees - Other	0.00		
Total 52500 · Legal Fees	<u>2,330.50</u>	<u>35,000.00</u>	6.66%
53000 · Office Expenses			
53010 · Public Information	2,417.92	5,000.00	48.36%
53020 · Office Supplies	29.08	7,500.00	0.39%
53026 · Postage & Mailing	227.69	200.00	113.85%
53060 · Computer Software	0.00		
53070 · Licenses, Permits & Fees	3,712.80		
53110 · Travel & Training	204.15	1,000.00	20.42%
53000 · Office Expenses - Other	0.00		
Total 53000 · Office Expenses	<u>6,591.64</u>	<u>13,700.00</u>	48.11%
53500 · Insurance			
53510 · Liability Insurance	1,945.00	3,700.00	
53500 · Insurance - Other	0.00		
Total 53500 · Insurance	<u>1,945.00</u>	<u>3,700.00</u>	52.57%
59000 · In-Kind Services - Expense	0.00		
66000 · Payroll Expenses	0.00		
70000 · Interest & Debt Service			
70120 · Interest Expense	0.00	1,238.00	
70000 · Interest & Debt Service - Other	0.00		
Total 70000 · Interest & Debt Service	<u>0.00</u>	<u>1,238.00</u>	
Total Expense	<u>241,338.48</u>	<u>596,474.00</u>	40.46%
Net Income	<u><u>-84,119.66</u></u>	<u><u>46,803.00</u></u>	<u><u>-179.73%</u></u>

Mound Basin Groundwater Sustainability Agency
Profit & Loss by Class
 July 2020 through January 2021

	A - Grant Administration	Task 03 - Stakeholder Outreach (C - Planning Activities)	Total C - Planning Activities	Task 04 - GSP Development (D - GSP Development)	D - GSP Development - Other (D - GSP Development)	Total D - GSP Development	Unclassified	TOTAL
Income								
40001 - Groundwater Extraction Fees	0.00	0.00	0.00	0.00	0.00	0.00	-0.12	-0.12
41000 - Grant revenue								
41001 - State Grants	8,429.50	0.00	0.00	0.00	152,660.34	152,660.34	0.00	161,089.84
Total 41000 - Grant revenue	8,429.50	0.00	0.00	0.00	152,660.34	152,660.34	0.00	161,089.84
47000 - Other Revenue								
47001 - Late Fees	0.00	0.00	0.00	0.00	0.00	0.00	-3,870.90	-3,870.90
Total 47000 - Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00	-3,870.90	-3,870.90
Total Income	8,429.50	0.00	0.00	0.00	152,660.34	152,660.34	-3,871.02	157,218.82
Gross Profit	8,429.50	0.00	0.00	0.00	152,660.34	152,660.34	-3,871.02	157,218.82
Expense								
52200 - Professional Services								
52240 - Prof Svcs - IT Consulting	0.00	0.00	0.00	0.00	0.00	0.00	41.28	41.28
52250 - Prof Svcs - Groundwater/GSP Pre								
52252 - Prof Svcs - GSP Consultant	8,150.00	5,150.00	5,150.00	182,263.80	0.00	182,263.80	9,736.00	205,299.80
Total 52250 - Prof Svcs - Groundwater/GSP Pre	8,150.00	5,150.00	5,150.00	182,263.80	0.00	182,263.80	9,736.00	205,299.80
52270 - Prof Svcs - Accounting	2,162.62	0.00	0.00	0.00	0.00	0.00	3,168.76	5,331.38
52275 - Prof Svcs - Admin/Clerk of Bd	0.00	170.55	170.55	149.23	0.00	149.23	5,879.10	6,198.88
52280 - Prof Svcs - Executive Director	0.00	0.00	0.00	0.00	0.00	0.00	13,600.00	13,600.00
Total 52200 - Professional Services	10,312.62	5,320.55	5,320.55	182,413.03	0.00	182,413.03	32,425.14	230,471.34
52500 - Legal Fees								
52501 - Legal Counsel	0.00	0.00	0.00	0.00	0.00	0.00	2,330.50	2,330.50
Total 52500 - Legal Fees	0.00	0.00	0.00	0.00	0.00	0.00	2,330.50	2,330.50
53000 - Office Expenses								
53010 - Public Information	0.00	1,775.60	1,775.60	0.00	0.00	0.00	642.32	2,417.92
53020 - Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	29.08	29.08
53026 - Postage & Mailing	0.00	0.00	0.00	0.00	0.00	0.00	227.69	227.69
53070 - Licenses, Permits & Fees	0.00	0.00	0.00	0.00	0.00	0.00	3,712.80	3,712.80
53110 - Travel & Training	0.00	0.00	0.00	0.00	0.00	0.00	204.15	204.15
Total 53000 - Office Expenses	0.00	1,775.60	1,775.60	0.00	0.00	0.00	4,816.04	6,591.64
53500 - Insurance								
53510 - Liability Insurance	0.00	0.00	0.00	0.00	0.00	0.00	1,945.00	1,945.00
Total 53500 - Insurance	0.00	0.00	0.00	0.00	0.00	0.00	1,945.00	1,945.00
Total Expense	10,312.62	7,096.15	7,096.15	182,413.03	0.00	182,413.03	41,516.68	241,338.48
Net Income	-1,883.12	-7,096.15	-7,096.15	-182,413.03	152,660.34	-29,752.69	-45,387.70	-84,119.66

Mound Basin Groundwater Sustainability Agency

Balance Sheet

As of January 31, 2021

	<u>Jan 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
10000 - Bank of the Sierra	129,029.77
Total Checking/Savings	<u>129,029.77</u>
Accounts Receivable	
11000 - Accounts Receivable	174,379.13
Total Accounts Receivable	<u>174,379.13</u>
Total Current Assets	<u>303,408.90</u>
TOTAL ASSETS	<u><u>303,408.90</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 - Accounts Payable	30,114.45
Total Accounts Payable	<u>30,114.45</u>
Other Current Liabilities	
20001 - Advance from City of Ventura	55,000.00
20510 - Interest Payable	1,958.30
Total Other Current Liabilities	<u>56,958.30</u>
Total Current Liabilities	<u>87,072.75</u>
Total Liabilities	87,072.75
Equity	
32000 - Retained Earnings	300,455.81
Net Income	-84,119.66
Total Equity	<u>216,336.15</u>
TOTAL LIABILITIES & EQUITY	<u><u>303,408.90</u></u>



MoundBasin

GROUNDWATER SUSTAINABILITY AGENCY

Item No. 7

DATE: February 18, 2021
TO: Board of Directors
FROM: Executive Director
SUBJECT: Executive Director Update

SUMMARY

The following are updates on non-GSP matters since the last Board meeting.

1. Administrative: No update.
2. Financial: All extraction fees were paid as of December 16, 2020. Invoices for the 2020-2 semi-annual period (July-December 2020) will be issued in March.
3. Legal: No activity.
4. Groundwater Monitoring Well – DWR Technical Support Services (TSS): The TSS application was approved by DWR on January 23, 2021. The Coastal Development Permit application was submitted on January 19, 2021 and is pending review by the City of Ventura Planning Department.
5. Correspondence: Well Operator Ocean Breeze Agriculture/Totlcom Ocean Breeze was notified of the Board-approved waiver of late fees and interest penalties via mail.

INFORMATIONAL ITEM

Receive an update from the Executive Director concerning non-GSP matters since the previous board meeting.

BACKGROUND

Not applicable

FISCAL SUMMARY

Not applicable



Motion Item No. 8(a)

DATE: February 18, 2021
TO: Board of Directors
FROM: Staff
SUBJECT: Fiscal Year 2020/2021 2nd Quarter Budget Report and Mid-Year Budget Modifications

SUMMARY

The 2nd quarter budget report and proposed mid-year budget modifications are enclosed (Attachment A). Highlights of the report are as follows:

- Expenses are under budget primarily because Executive Director, other professional services, and legal services expenses are lower than anticipated because GSP development efforts were less than expected during first and second quarters.
- Income is under budget because: (1) revenue for July-December 2020 extraction fees has not been booked yet and (2) expenses have been lower than anticipated, resulting in smaller grant invoices.

Additional information concerning budget deviations is noted in the “comments” column of the report (Attachment A).

Proposed budget modifications are presented in Attachment A. The dollar amount, percentage change, and justification for each proposed modification are documented in the rightmost three columns of the table. Further explanation can be provided by the Executive Director and UWCD Controller during the Board meeting, if desired.

RECOMMENDED ACTION

Receive and file the 2nd quarter budget report and approve mid-year budget modifications.

BACKGROUND

The Fiscal Year 2020/2021 budget was adopted on May 21, 2020.

FISCAL SUMMARY

Please see summary and Attachment A.

ATTACHMENTS

A: 2nd Quarter Profit & Loss Budget Performance with Proposed Mid-Year Budget Modifications

Mound Basin Groundwater Sustainability Agency
2nd Quarter Profit Loss Budget Performance with Proposed Mid-Year Budget Modifications
July through December 2020

	Q1 & Q2 Jul - Dec 2020	Annual Budget	Budget	Proposed 2Q Budget Update	Budget Change \$	Budget Change %	Comment
Income							
40001 · Groundwater Extraction Fees	\$0	\$150,000	0%	\$150,000	\$0	0%	July-Dec 2020 groundwater extraction fees not invoiced yet. No budget change proposed.
41000 · Grant revenue							
41001 · State Grants	\$161,090	\$493,277	33%	\$493,277	\$0	0%	Effort on GSP was less than expected through Q2, but is anticipated to increase during Q3 and Q4. No budget change proposed.
Total 41000 · Grant revenue	\$161,090	\$493,277	0%	\$493,277	\$0	0%	Please see above
47000 · Other Revenue							
47001 · Late Fees	\$1,136			\$1,136	\$1,136		Agency does not assume late fees in initial budget; update reflects actual late fees paid to Agency since budget was originally adopted
Total 47000 · Other Revenue	\$1,136			\$1,136	\$1,136		Please see above
Total Income	\$162,226	\$643,277	25%	\$644,413	\$1,136	0%	Please see above
Gross Profit	\$162,226	\$643,277	25%	\$644,413	\$1,136	0%	Please see above
Expense							
52200 · Professional Services							
52240 · Prof Svcs - IT Consulting	\$41	\$494	8%	\$494	\$0	0%	No budget change proposed
52250 · Prof Svcs - Groundwater/GSP Pre							
52252 · Prof Svcs - GSP Consultant	\$178,637	\$469,842	38%	\$469,842	\$0	0%	Effort on GSP was less than expected through Q2, but is anticipated to increase during Q3 and Q4. No budget change proposed.
52250 · Prof Svcs - Groundwater/GSP Pre - Other	\$0	\$0	0%	\$0	\$0		
Total 52250 · Prof Svcs - Groundwater/GSP Pre	\$178,637	\$469,842	38%	\$469,842	\$0	0%	Please see above
52270 · Prof Svcs - Accounting	\$4,825	\$15,000	32%	\$15,000	\$0	0%	No budget change proposed
52275 · Prof Svcs - Admin/Clerk of Bd	\$5,602	\$12,500	45%	\$12,500	\$0	0%	Effort on was less than expected through Q2, but is anticipated to increase during Q3 and Q4. No budget change proposed.
52280 · Prof Svcs - Executive Director	\$11,300	\$45,000	25%	\$45,000	\$0	0%	Effort on was less than expected through Q2, but is anticipated to increase during Q3 and Q4. No budget change proposed.
Total 52200 · Professional Services	\$200,405	\$542,836	37%	\$542,836	\$0	0%	Please see above
52500 · Legal Fees							
52501 · Legal Counsel	\$2,331	\$35,000	7%	\$35,000	\$0	0%	No budget change proposed (retain legal budget as contingency for legal issues that could arise during GSP development)
Total 52500 · Legal Fees	\$2,331	\$35,000	7%	\$35,000	\$0	0%	Please see above
53000 · Office Expenses							
53010 · Public Information	\$2,418	\$5,000	0%	\$5,000	\$0	0%	No budget change proposed
53020 · Office Supplies	\$16	\$7,500	0%	\$3,500	-\$4,000	-53%	Expenses have been lower than anticipated.
53070 Licenses, Permits & Fees	\$3,713	\$0	0%	\$4,000	\$4,000	N/A - new item	Increase based on actual costs to date. Expense was for City of Ventura - Coastal Development Permit for proposed monitoring well.
53026 · Postage & Mailing	\$226	\$200	113%	\$700	\$500	250%	Increase based on actual costs to date
53110 · Travel & Training	\$171	\$1,000	0%	\$500	-\$500	-50%	Expenses have been lower than anticipated.
Total 53000 · Office Expenses	\$6,543	\$13,700		\$13,700	\$0	0%	Please see above
53500 · Insurance							
53510 · Liability Insurance	\$1,945	\$3,700	53%	\$3,700	\$0	0%	No budget change proposed
Total 53500 · Insurance	\$1,945	\$3,700		\$3,700	\$0	0%	Please see above
70000 · Interest & Debt Service							
70120 · Interest Expense	\$0	\$1,238	0%	\$1,238	\$0	0%	No budget change proposed. Interest is booked at year end.
Total 70000 · Interest & Debt Service	\$0	\$1,238	0%	\$1,238	\$0	0%	Please see above
Total Expense	\$211,224	\$596,474	35%	\$596,474	\$0	0%	Please see above
Net Income	-\$48,998	\$46,803	-105%	\$47,939	\$1,136	2%	Please see above

Projected Cash Flow

	FY 2020-21
Beginning Cash Balance, July 1	260,997.95
Projected Cash Inflows*	\$376,244.42
Projected Cash Outflows	-\$596,474.00
Projected Ending Cash Balance, June 30	40,768.37
Designated for Reserves	25,000.00
Projected Net Available, June 30	\$65,768.37



Motion Item No. 8(b)

DATE: February 18, 2021
TO: Board of Directors
FROM: Finance Staff
SUBJECT: Fiscal Year 2019-20 and FY 2020-21 Biennial Audit

SUMMARY

In May 2019, the Board approved a contract with Rogers, Anderson, Malody & Scott, LLP (RAMS) to perform an audit of Fiscal Years 2017-2018 and 2018-2019. The Master Services Agreement with RAMS issued in August 2019 included a provision for renewal of the contract for another two-year audit period.

The new total authorization for completing the biennial audit and filing of the State Controller’s reports would have a not-to-exceed cost of \$9,200. Performing a biennial audit will result in a savings in administrative costs over the two-year period compared to performing an annual audit.

RECOMMENDED ACTION

It is recommended that the Board consider approving a new contract amount not to exceed \$9,200.

It is also recommended that the Board authorize the Executive Director an engagement letter with RAMS to audit Fiscal Years 2019-2020 and FY 2020- 2021 and to prepare the associated State Controller’s Reports.

BACKGROUND

Please see summary.

FISCAL SUMMARY

The total cost to for the FY 2019-2020 and FY 2020-2021 biennial audit and prepare the State Controller’s Report is \$9,200. Audit expenses will be included in the FY 2021-2022 budget.

ATTACHMENTS

A. RAMS Engagement Letter

Action: _____
Motion: _____ 2 nd : _____
J.Chambers: _____ C.Everts: _____ M.Mobley: _____ S.Rungren: _____ G.Shephard: _____



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

January 27, 2021

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To the Board of Directors
Mound Basin Groundwater Sustainability Agency
Ventura, California

PARTNERS

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Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
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American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

*Employee Benefit Plan
Audit Quality Center*

California Society of
Certified Public Accountants

The following represents our understanding of the services we will provide the Mound Basin Groundwater Sustainability Agency.

You have requested that we audit the financial statements of the Mound Basin Groundwater Sustainability Agency (the Agency), as of June 30, 2021, and for the two years ending June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit applicable to those basic financial statements.

Accounting principles generally accepted in the United States of America (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that supplementary information, such as management's discussion and analysis (MD&A) and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis (as applicable)



Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, and State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we will request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*.

In making our risk assessments, we consider internal control relevant to the Agency's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the basic financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Agency's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management's Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
3. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the Agency from whom we determine it necessary to obtain audit evidence.
4. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by the Agency's auditor;
5. For identifying and ensuring that the Agency complies with the laws and regulations applicable to its activities;
6. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
7. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit.

Reporting

We will issue a written report upon completion of our audit of the Agency's basic financial statements. Our report will be addressed to the Board of Directors. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

We will assist management with drafting the financial statements based on the Agency's trial balances and preparing the State Controller's Annual Financial Transactions Report. With respect to this or any nonattest services we perform, the Agency's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

If it is determined a Single Audit is needed subsequent to this engagement letter, we will provide the Agency with another engagement letter covering the terms and conditions related to a Single Audit and the Uniform Guidance.

Provisions of Engagement Administration, Timing and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Our firm may transmit confidential information that you provided us to third parties in order to facilitate delivering our services to you. We have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

Scott Manno, CPA, CGMA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Rogers, Anderson, Malody & Scott, LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fee for the audit will be between \$8,500 - \$9,200. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Whenever possible, we will attempt to use the Agency's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

To ensure that Rogers, Anderson, Malody & Scott, LLP's independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report. Upon expiration of this period, we will be free to destroy our records related to the engagement. However, we do not keep original client documents, so we will return those as they are used during each engagement. It is management's responsibility to retain and protect the records for possible future use, including examination by regulators and federal agencies.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the Agency's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management

The audit documentation for this engagement is the property of Rogers, Anderson, Malody & Scott, LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators and federal agencies and to the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Rogers, Anderson, Malody & Scott, LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Board of Directors
Mound Basin Groundwater Sustainability Agency

Please sign and return the attached original of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities. Keep the copy for your records.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,

ROGERS, ANDERSON, MALODY & SCOTT, LLP



Scott Manno, CPA, CGMA
Partner

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Mound Basin Groundwater Sustainability Agency by:

Name: _____

Title: _____

Date: _____

Grant Bennett Associates

A PROFESSIONAL CORPORATION

Report on the Firm's System of Quality Control

May 15, 2018

To the Partners of Rogers, Anderson, Malody & Scott, LLP and the Peer Review Committee of the California Society of CPAs:

We have reviewed the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP (the firm) in effect for the year ended November 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Rogers, Anderson, Malody & Scott, LLP in effect for the year ended November 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Rogers, Anderson, Malody & Scott, LLP has received a peer review rating of *pass*.



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MoundBasin

GROUNDWATER SUSTAINABILITY AGENCY

Motion Item No. 8(c)

DATE: February 18, 2021
TO: Board of Directors
FROM: Executive Director
SUBJECT: GSP Monthly Update (Grant Category (c), Task 3 and (d), Task 4)

SUMMARY

The following is a monthly status update on the Groundwater Sustainability Plan (GSP) and associated grant. An updated GSP development schedule is attached for discussion (Attachment A).

GSP Development:

1. **GSP Status:**
 - a. UWCD completed the model simulations needed to evaluate future baseline conditions in the Basin with varying degrees of climate change impact. UWCD staff also worked on processing model output for the water budgets required in the GSP.
 - b. The Executive Director and Intera reviewed model results and continued evaluating information relevant to developing sustainable management criteria (SMC) for the GSP.
2. **Outreach:**
 - a. GSP Newsletter Volume 2, Issue 1 was finalized, posted on the Agency's website, and distributed to the interested parties list.
 - b. Staff worked on preparations for the second GSP public workshop scheduled for March 4 at 6 pm.
3. **GSP Development Schedule:** The updated GSP Development Schedule is provided in Attachment A.

Sustainable Groundwater Planning (SGWP) Grant:

1. Invoices:

- a. Grant Progress Report and Invoice No. 6 were submitted to DWR on November 5 and approved on December 31. Payment in the amount of \$85,246 is expected soon.
- b. Grant Progress Report and Invoice No. 7 were submitted to DWR on January 18, 2021. Payment in the amount of \$ \$59,735 is expected 1-2 months following approval.

2. Grant Deliverables:

- a. Remaining grant deliverables include quarterly progress reports and invoices, final report, and the GSP. These deliverables will be submitted as they become due.

RECOMMENDED ACTION

Receive an update from the Executive Director concerning Groundwater Sustainability Plan development and associated grant and consider providing feedback or direction to staff.

BACKGROUND

None.

FISCAL SUMMARY

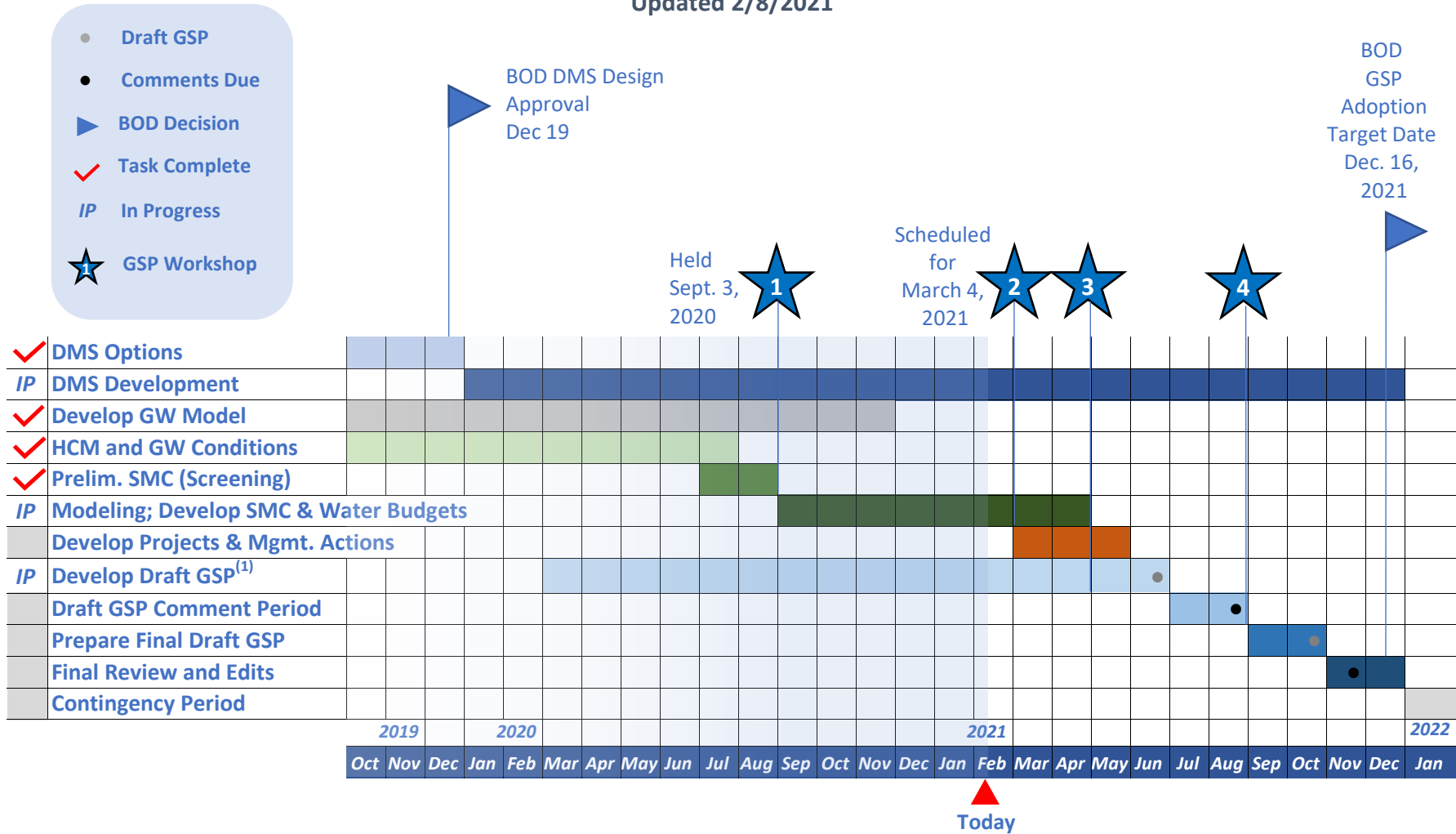
None.

ATTACHMENTS

A. GSP Schedule

Action: _____
Motion: _____ 2 nd : _____
J.Chambers: _____ C.Everts: _____ M.Mobley: _____ S.Rungren: _____ G.Shephard: _____

Mound Basin GSA GSP Development Schedule Updated 2/8/2021



Notes:

(1) GSP topics not listed above generally consist of background or supporting information and will be prepared concurrently with the above-listed tasks.

BOD = Board of Directors; DMS = Data Management System; HCM = Hydrogeologic Conceptual Model; GSA = Groundwater Sustainability Agency;

GSP = Groundwater Sustainability Plan; GW = Groundwater



MoundBasin

GROUNDWATER SUSTAINABILITY AGENCY

Motion Item No. 8(d)

DATE: February 18, 2021
TO: Board of Directors
FROM: Executive Director
SUBJECT: Review of Future Groundwater Conditions Modeling Results and Implications for Sustainable Management (Grant Category (c), Task 3 and Category (d), Task 4)

SUMMARY

The GSP Development team will provide a presentation summarizing key results of the simulations of future groundwater conditions and discuss implications for sustainable management criteria.

Overview of Model Simulations

Four simulations of future groundwater conditions were performed. Key assumptions for the future modeling scenarios were discussed with the Board on September 17, 2020. The assumptions are as follows:

- Hydrologic Conditions: Each simulation uses historical hydrologic conditions from the period 1943 through 2019 as a proxy for future hydrologic conditions.
- Groundwater Extractions: Groundwater extractions are based on input received from the Mound Basin Agricultural Water Group (MBAWG) and the City of Ventura. Assumed future agricultural pumping ranges from 2,873 acre-feet per year (AFY) in wet years to 3,548 AFY in dry years. City of Ventura future pumping is assumed to be 4,000 AFY. Pumping by the two industrial users in the Basin (Saticoy Lemon Association and Ivy Lawn Memorial Park) is assumed to be the same as current.
- Land Use: Future land use is assumed to be static due to the Save Open Space and Agricultural Resources (SOAR) voter initiatives that are currently approved through 2050.
- Adjacent Basins:
 - Santa Paula Basin: Recent pumping rates were carried forward to approximate potential future groundwater conditions in the Santa Paula Basin.

- Oxnard Basin: Based on feedback obtained from Fox Canyon Groundwater Management Agency (FCGMA) staff, the Oxnard Basin GSP's "Reduction with Project Scenario" was used to approximate potential future groundwater conditions in the Oxnard Basin.
- United Water Conservation District (UWCD) Artificial Recharge: The existing Freeman Diversion plus planned expansion project is assumed.

Three model simulations were performed to evaluate climate change effects. A fourth simulation was performed to evaluate the sensitivity of groundwater conditions to United Water Conservation District's planned Freeman Diversion expansion project. The four scenarios are:

1. Baseline: This simulation employs the assumptions described above.
2. 2030 Climate Change: This simulation considers the effects of estimated 2030 climate change conditions. Model inputs impacted by climate change were modified using 2030 "climate change factors" provided by the Department of Water Resources (DWR) for use by groundwater sustainability agencies (GSAs).
3. 2070 Climate Change: This simulation considers the effects of estimated 2070 climate change conditions. Model inputs impacted by climate change were modified using 2070 "climate change factors" provided by DWR for use by GSAs.
4. 2070 Climate Change without Freeman Diversion Expansion Project: Same as "2070 Climate Change" scenario, but without the expansion project. This can be thought of as the most conservative or worst-case scenario.

In addition to the groundwater flow simulations, particle tracking was performed to assess the movement of seawater into the aquifer at its offshore subcrop location and the movement of fresh groundwater near the shoreline.

Summary of Key Results

The following is a summary of the key results from the modeling.

1. Regardless of the scenario, future groundwater levels are predicted to be higher than historical levels due to anticipated increases in groundwater levels in the adjacent Oxnard Basin (Figures 1a-1d).
2. The impact of climate change on groundwater levels is typically less than approximately 5 feet (Figures 1a-1d).
3. The impact of the Freeman Diversion expansion project is almost undetectable.
4. Particle tracking results suggest that groundwater will flow offshore in the Mugu Aquifer.
5. Particle tracking results suggest that groundwater will flow onshore in the Hueneme Aquifer at an average rate of approximately 1/8 of a mile per 20 years (Figures 2a-2b). It should be noted that particle tracking assumes the aquifer is uniform and, therefore, provides an average migration rate. Migration rates in the most permeable zones of the aquifer would be considerably (many times) higher.

Implications and Recommendations for Sustainable Management Criteria

The following are key implications for sustainable management criteria.

1. Seawater intrusion is not anticipated to be an issue for the Mound Basin during the 50-year SGMA planning horizon, but a monitoring and contingency plan is warranted. Onshore migration of seawater is not anticipated during the 50-year SGMA planning horizon. This is due to the large distance between the shoreline and the edge of the continental shelf offshore where the aquifers are hydraulically connected to seawater (Figure 3)¹. The travel time for seawater to reach the coast is estimated to be many centuries or more. This is in contrast with the adjacent Oxnard Plain Basin, where the aquifers are highly vulnerable to lateral seawater intrusion due to the existence of two deep submarine canyons at Port Hueneme and Point Mugu that expose the aquifers to seawater at a very close distance to the shoreline. Although the model suggests onshore flow in the Hueneme Aquifer, it is believed this water will most likely continue to consist of fresh groundwater from the offshore portion of the aquifer. However, the GSP should consider the possibility that a short-circuit pathway for seawater could exist nearshore (for example along the Oak Ridge fault), which could be allowing seawater to enter the aquifer that could migrate onshore during the SGMA planning horizon.

There are no current or anticipated future beneficial uses of groundwater in the “coastal area” located west of Harbor Blvd. Agricultural beneficial uses exist east of Harbor Blvd. Therefore, it is recommended that the sustainable management criteria and a contingency plan be developed to prevent seawater migration east of Harbor Blvd, if seawater is detected at the shoreline. To effectively monitor for seawater intrusion and provide adequate time to react to any landward migration of seawater, a second shoreline monitoring well along Spinnaker Drive is recommended (Figures 2a-2b). The proposed measurable objective (i.e., goal) for seawater intrusion would be lack of seawater detections in the two shoreline monitoring wells. The proposed minimum threshold would be seawater detections at/near Harbor Blvd. The planned monitoring well at the City’s wastewater treatment plan would serve as one monitoring location for application of the minimum threshold. The other monitoring well would be constructed near Harbor Blvd., east of Marina Park (Figures 2a-2b).

If seawater is detected at one or both shoreline monitoring wells, the GSA would need to develop and implement projects and/or management actions to prevent seawater migration east of Harbor Blvd. Migration from the shoreline to Harbor Blvd would take approximately a decade or longer. Nonetheless, it is recommended that a contingency plan be developed and added to the GSP before the first required 5-year GSP update.

2. Inelastic land subsidence is not anticipated to be an issue for the Mound Basin during the 50-year SGMA planning horizon. Inelastic land subsidence is not anticipated because modeling results suggest that future groundwater levels will remain above historical low levels. Nonetheless, sustainable management are required in the GSP.

¹ Available data suggest that the aquifers are protected from vertical migration of seawater into the aquifers by a significant thickness of fine-grained deposits (aquitard) above the aquifers.

Staff suggests the following approach. It is noted that the “coastal area” located west of Harbor Blvd. is susceptible to impacts of land subsidence. Primary sewer lines to the City’s wastewater treatment plant runs along Harbor Blvd. and have a low slope that could be impacted by relatively small amounts of land subsidence. The developed areas located west of Harbor Blvd, particularly the Pierpont community will be impacted by sea level rise. Any subsidence in this area would exacerbate sea level rise effects. For these reasons it is suggested that any amount of inelastic land subsidence in the “coastal area” could potentially result in significant and unreasonable effects and that the sustainable management criteria be designed to prevent land subsidence in this area. Essentially, this means the GSP would seek to maintain groundwater levels in the “coastal area” above historical lows. In theory, the portion of the Basin located east of the “coastal area” could likely withstand some subsidence without significant and unreasonable effects. However, the hydraulics of the basin are such that it is unlikely that groundwater levels below historical low levels could exist east of Harbor Blvd. for an extended period without causing groundwater levels in the “coastal area” to fall below historical low levels. Therefore, it is proposed that the minimum threshold for groundwater levels be the historically observed low level throughout the entire Basin. The proposed measurable objective (i.e., goal) for land subsidence would be groundwater levels during wet periods that prevent drought levels from dropping below the minimum thresholds (Figures 4a-4d). The modeling results suggest that the proposed sustainable management criteria for land subsidence will be attainable without management actions or projects.

3. The chronic groundwater level decline and reduction of groundwater storage sustainability indicators will not be controlling factors for sustainable management. If the Board concurs with the proposed approach for the land subsidence sustainability indicator, it will be the controlling factor on Basin management and further detailed discussion of the groundwater level and storage indicators would not be needed.
4. FCGMA’s progress toward achieving its sustainability goal for the Oxnard Basin will be important to track. MBGSA will need to be prepared to adapt its GSP if FCGMA does not meet its sustainability goal or otherwise dramatically deviates from the plans set forth in its initial GSP.

Recommended Next Steps

Staff recommends presenting the information and recommendations described above during GSP Workshop No 2. It is further recommended that the Board consider stakeholder feedback during its March 18 regular meeting and consider approving the above-described recommendations for write-up in the forthcoming draft GSP.

RECOMMENDED ACTION

Receive a presentation from the GSP Development Team concerning modeling results and implications for sustainable management. Consider providing feedback or direction to staff concerning sustainable management criteria.

BACKGROUND

Staff presented an overview of sustainable management criteria on August 20, 2020. Key assumptions for the future modeling scenarios were discussed with the Board on September 17, 2020.

FISCAL SUMMARY

None.

ATTACHMENTS

A. Figures

Action: _____

Motion: _____ 2nd: _____

J.Chambers: _____ C.Everts: _____ M.Mobley: _____ S.Rungren: _____ G.Shephard: _____

Figure 1a. Historical and Projected Groundwater Levels, Mugu Aquifer at Marina Park

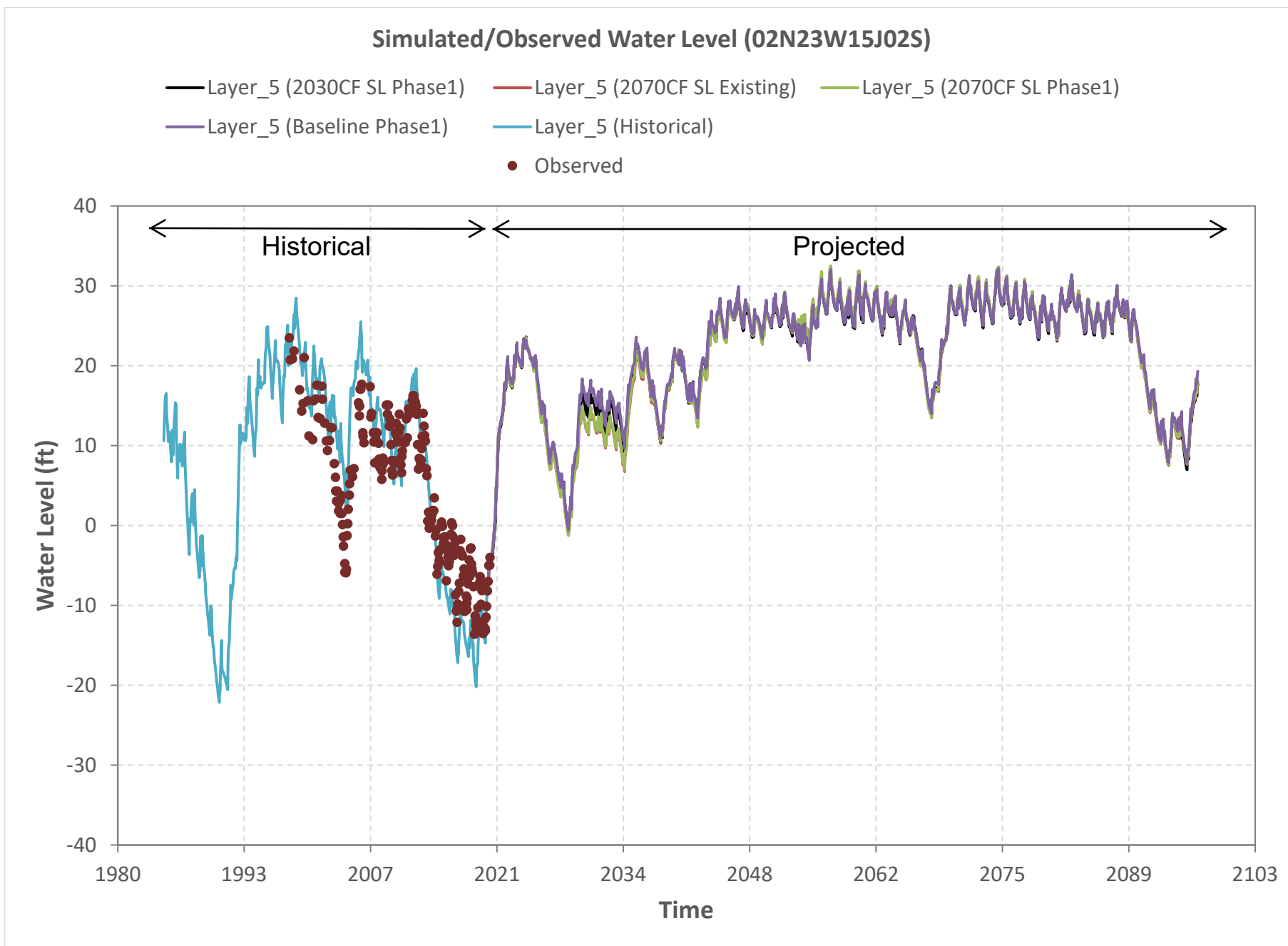


Figure 1b. Historical and Projected Groundwater Levels, Hueneme Aquifer at Marina Park

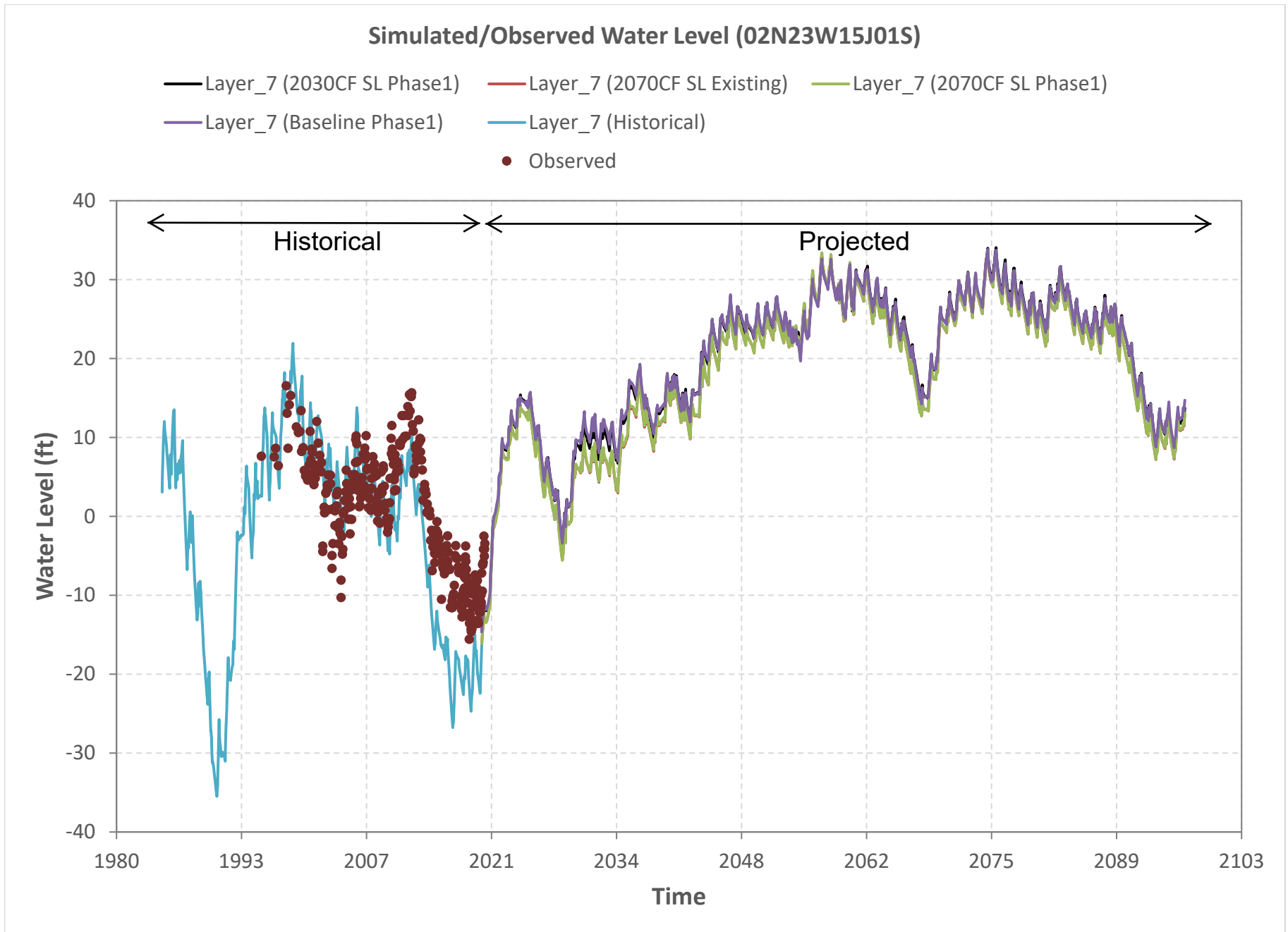


Figure 1c. Historical and Projected Groundwater Levels, Mugu Aquifer at Camino Real Park

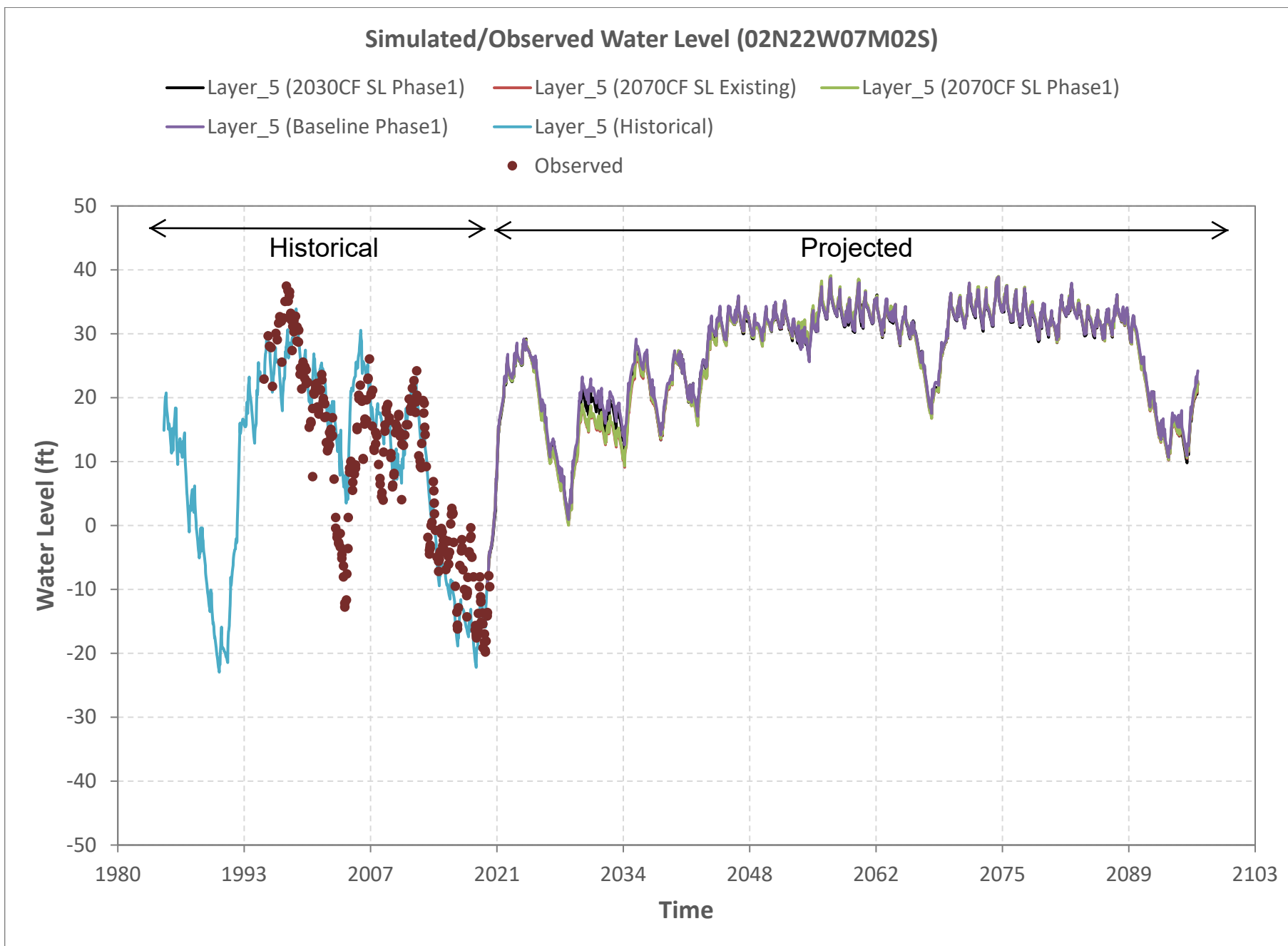
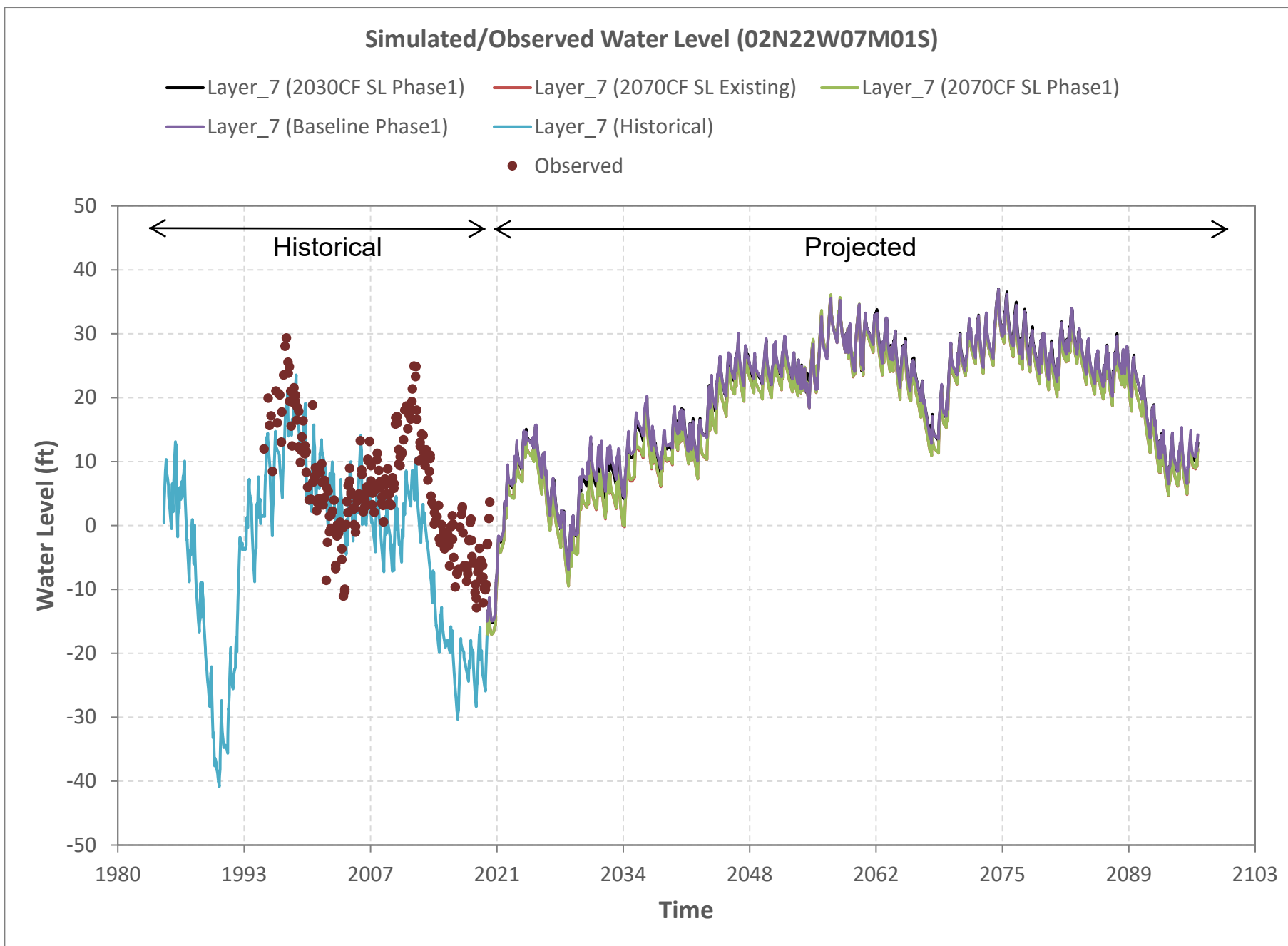


Figure 1d. Historical and Projected Groundwater Levels, Hueneme Aquifer at Camino Real Park



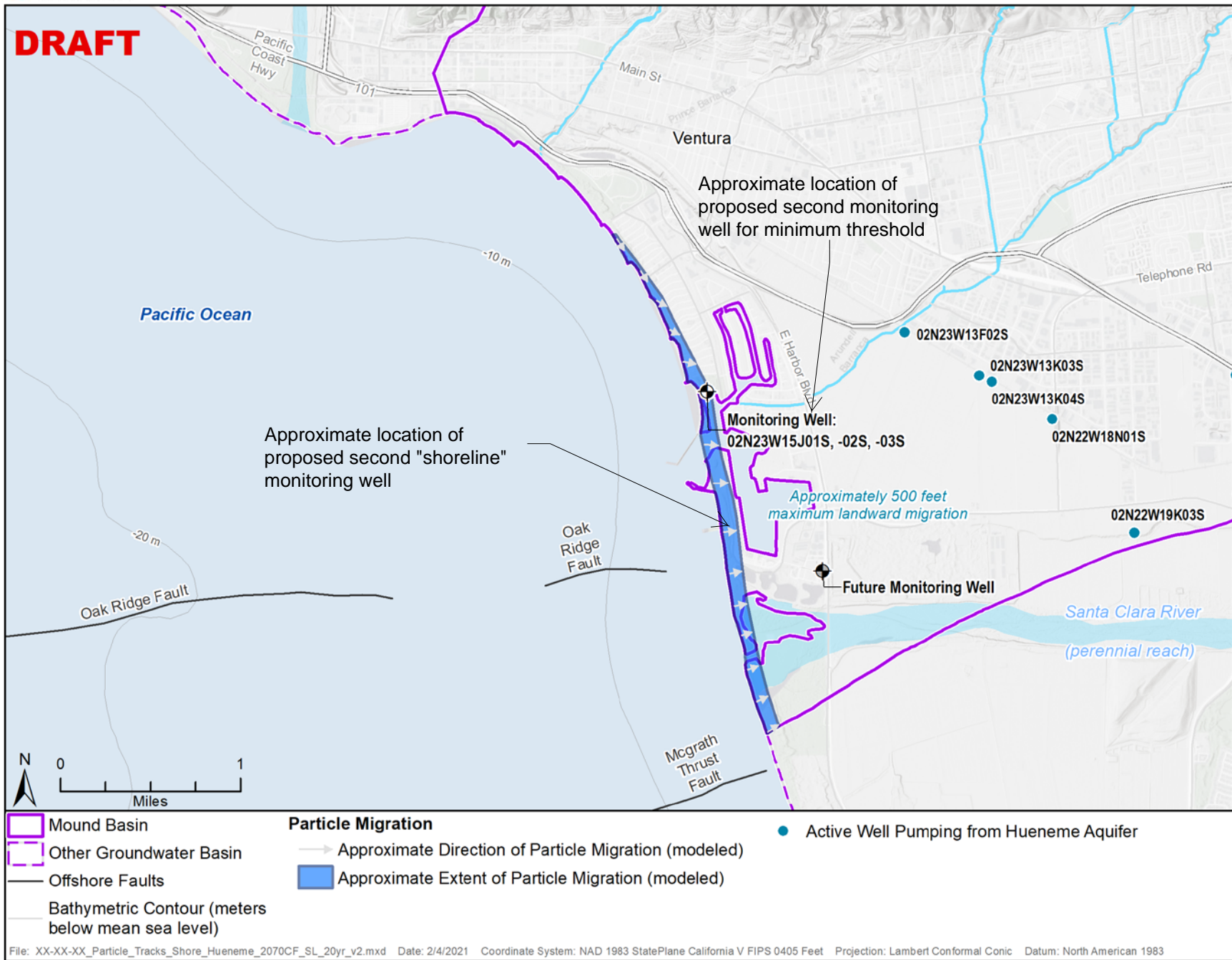


Figure 2a Estimated Landward Movement of Groundwater During 20-Year GSP Implementation Period (with 2070 Climate Change and Sea Level Rise).

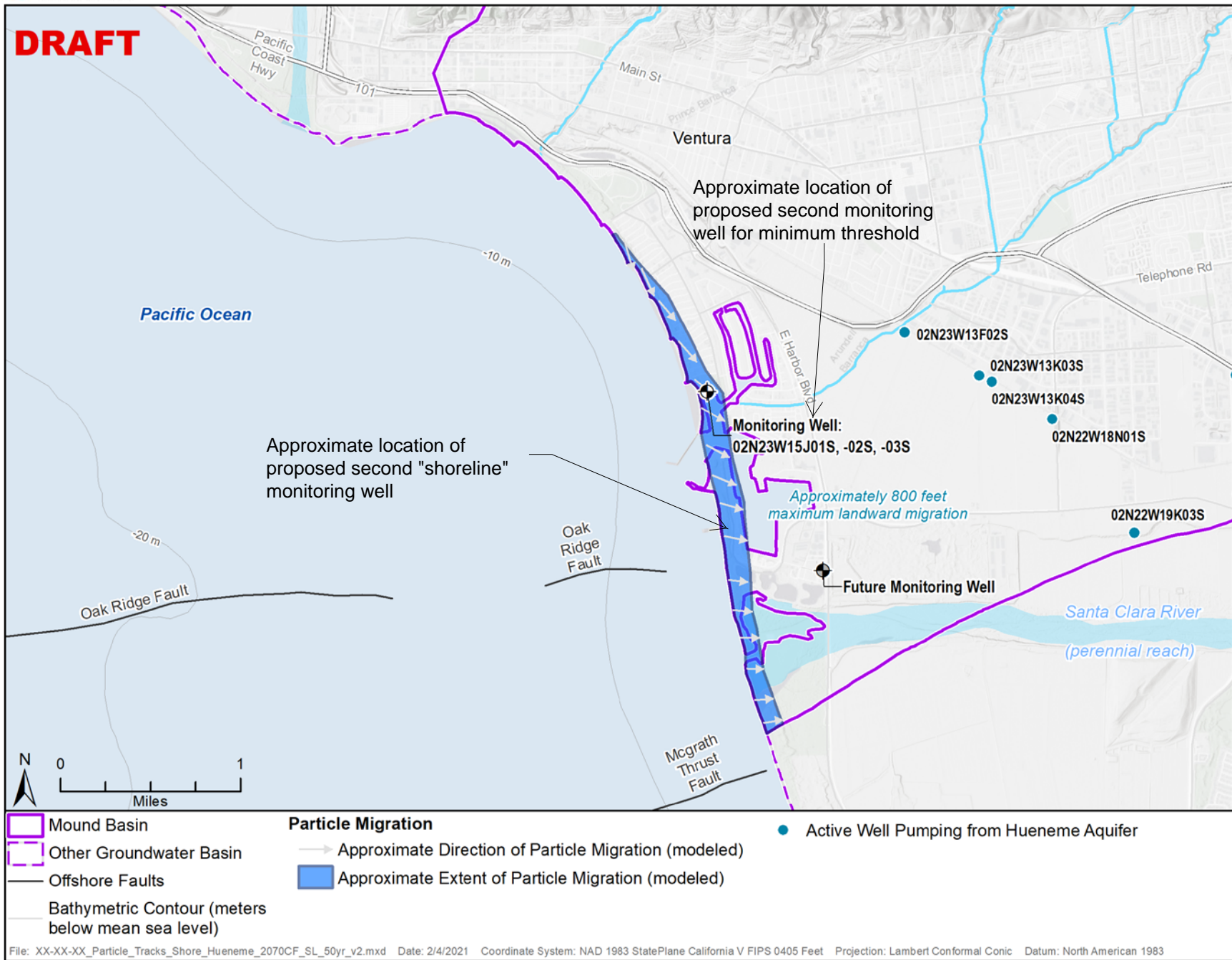


Figure 2b Estimated Landward Movement of Groundwater During 50-Year SGMA Planning Period (with 2070 Climate Change and Sea Level Rise).

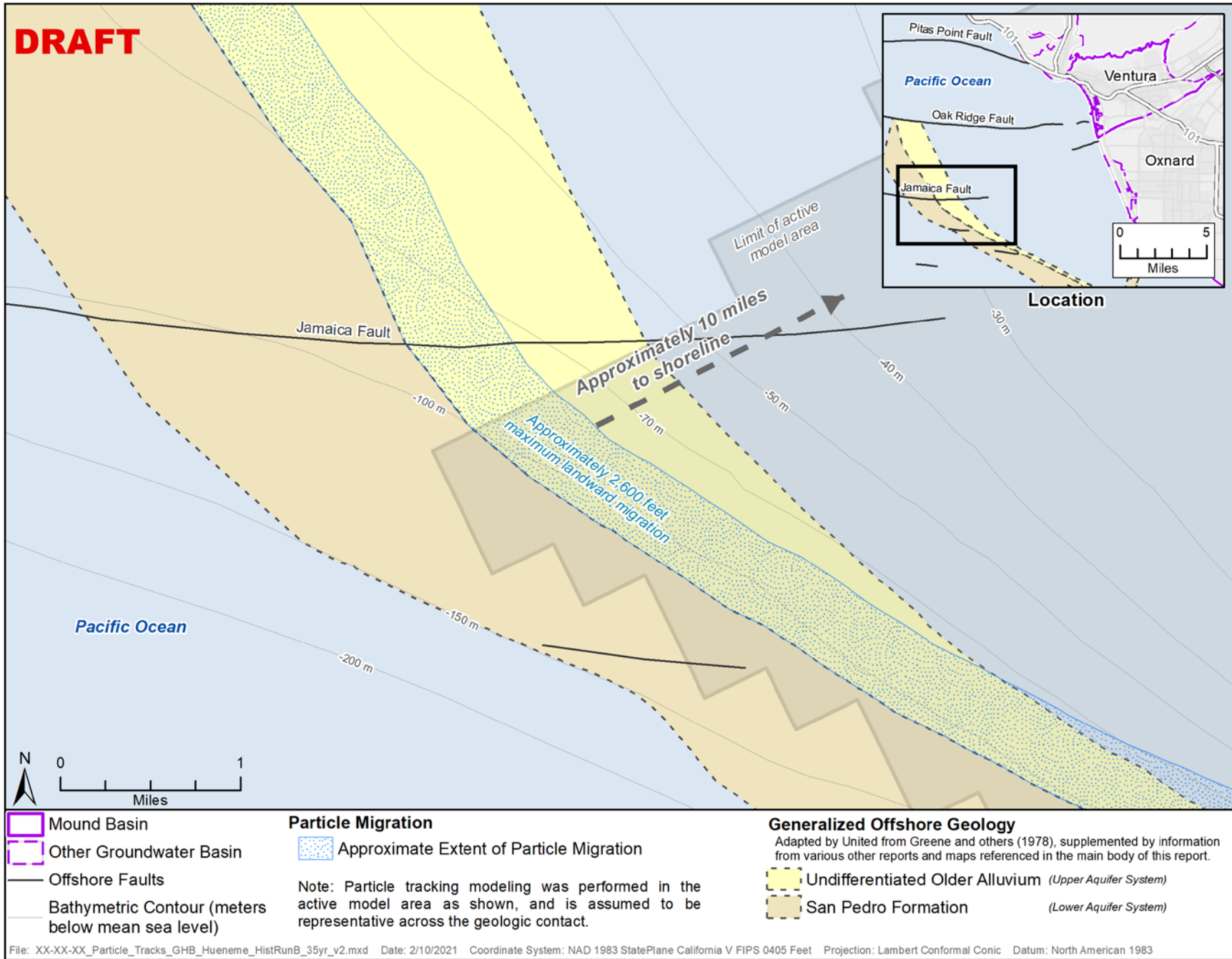


Figure 3 Estimated Historical Extent of Landward Seawater Movement in the Hueneme Aquifer.

Figure 4a. Historical and Projected Groundwater Levels, Mugu Aquifer at Marina Park with Example Measurable Objective and Minimum Threshold

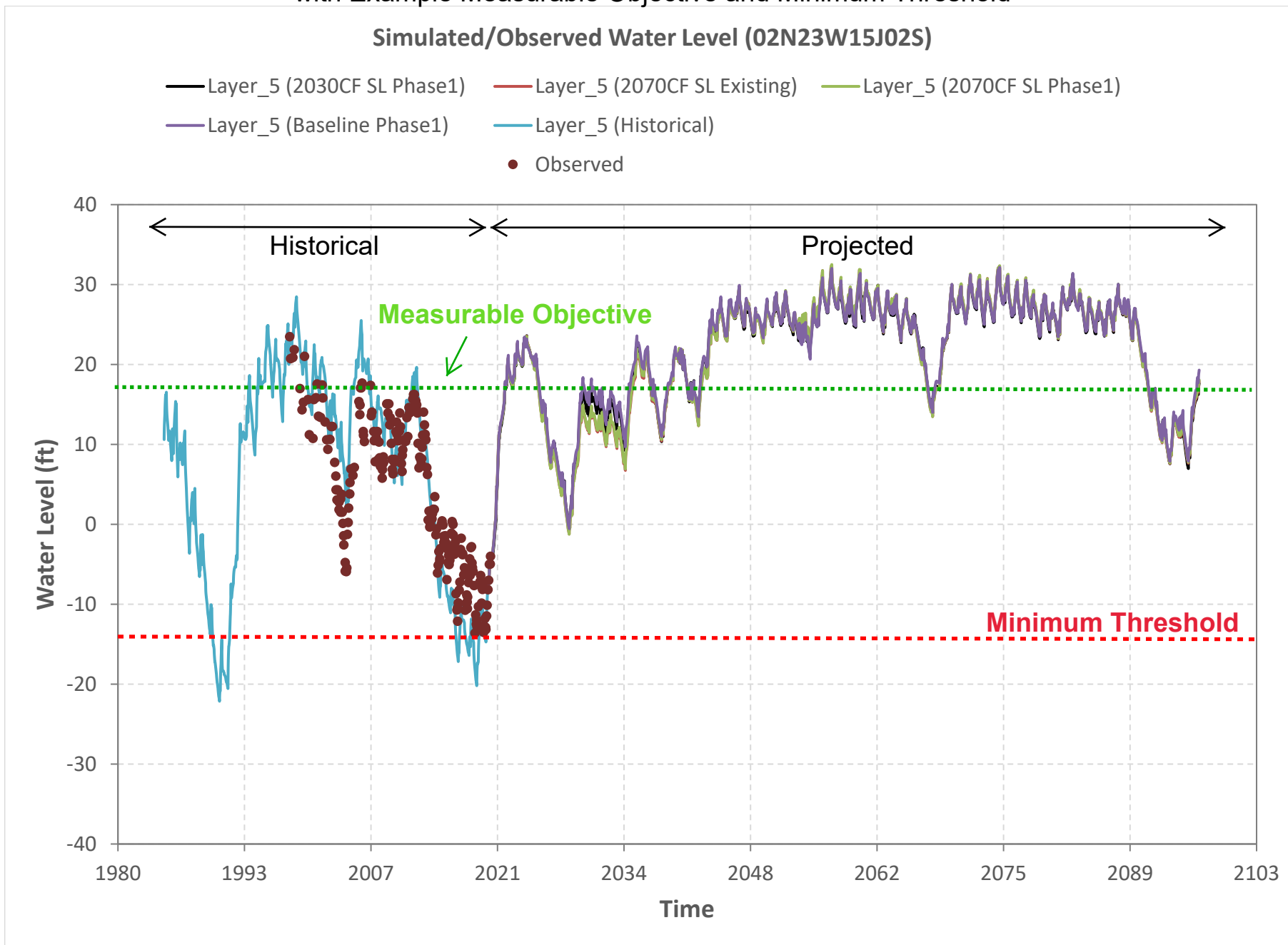


Figure 4b. Historical and Projected Groundwater Levels, Hueneme Aquifer at Marina Park with Example Measurable Objective and Minimum Threshold

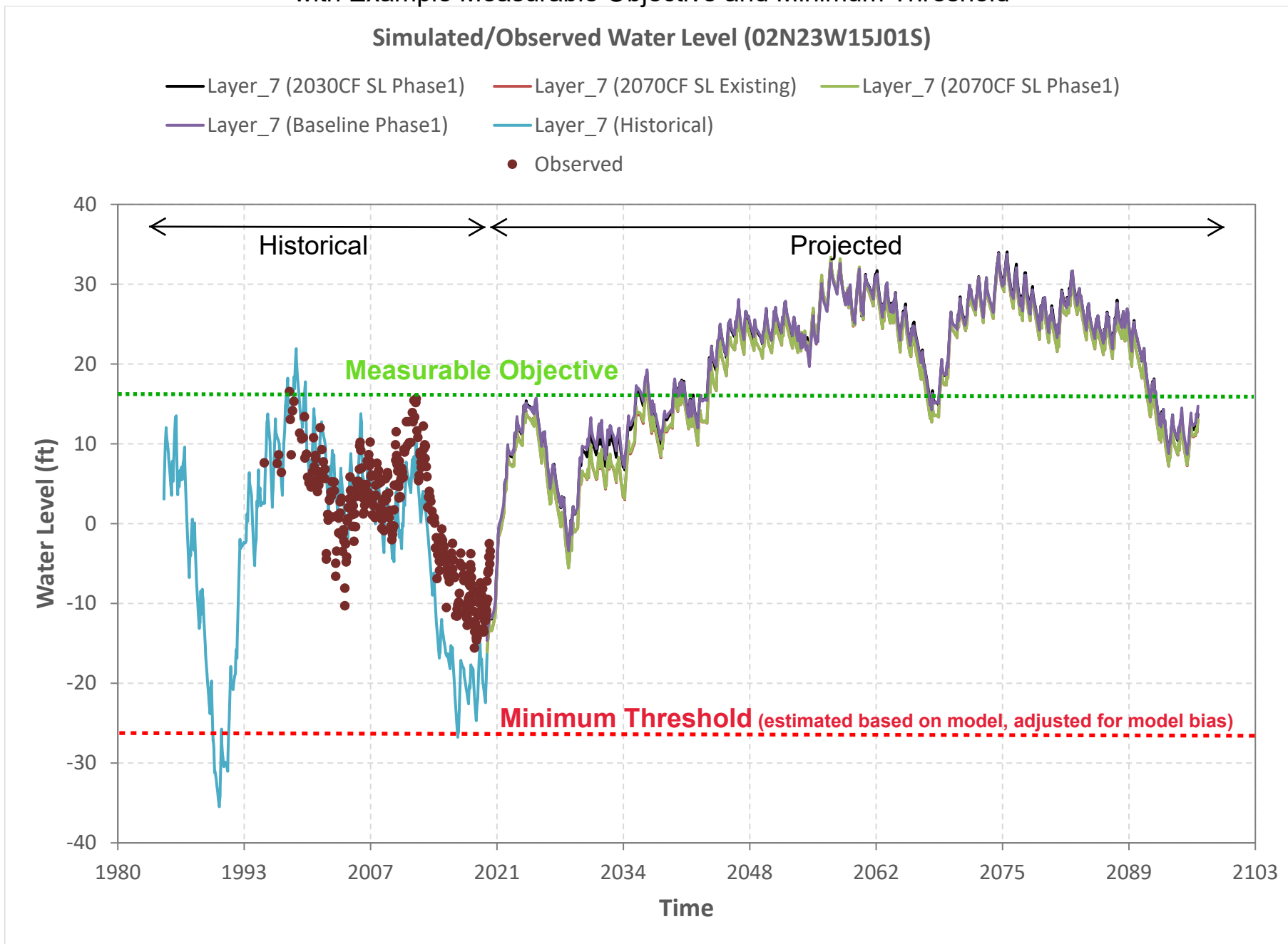


Figure 4c. Historical and Projected Groundwater Levels, Mugu Aquifer at Camino Real Park with Example Measurable Objective and Minimum Threshold

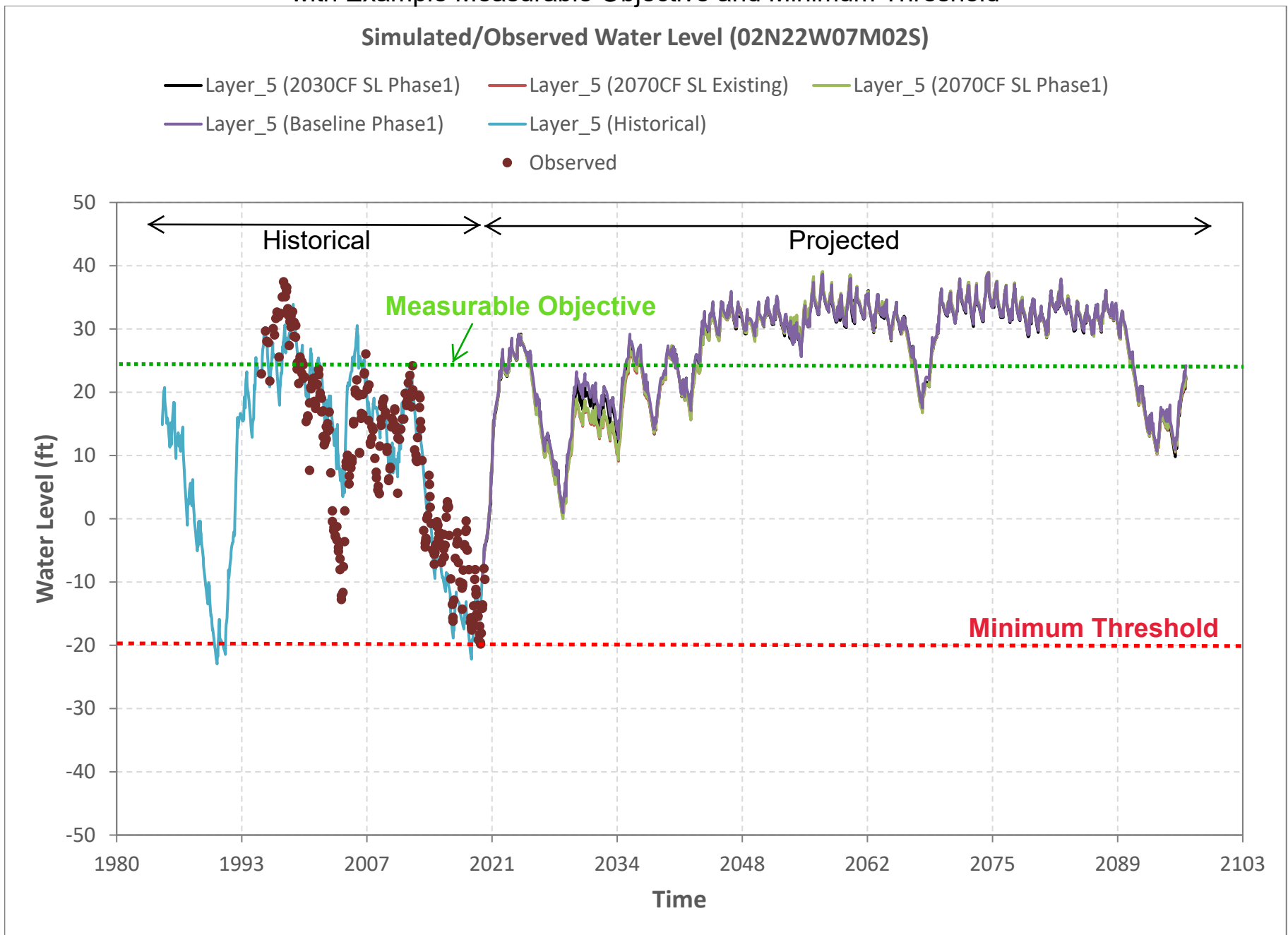


Figure 4d. Historical and Projected Groundwater Levels, Hueneme Aquifer at Camino Real Park with Example Measurable Objective and Minimum Threshold

