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MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY BOARD OF DIRECTORS
REGULAR BOARD MEETING, 1:00 P.M., Thursday, August 16, 2018
Ventura City Hall, Room 223 (Santa Cruz Room)
501 Poli Street, Ventura, California 93001
MINUTES

DIRECTORS IN ATTENDANCE:

Mike Mobley, Chair
Kevin Brown, Vice Chair/Secretary
Glenn Shephard, Treasurer
Jim Chambers

DIRECTORS ABSENT:

Conner Everts

STAFF IN ATTENDANCE:

Kris Sofley, Clerk of the Board

PUBLIC IN ATTENDANCE:

Dan Detmer, UWCD
Ryan Kristensen, GHD
Dante Tello, Bank of Sierra
Jennifer Tribo, Ventura Water

CALL TO ORDER 1:10p.m.

1. PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Chair Mobley asked for public comments. None were offered.

3. ROLL CALL

Chair Mobley, Vice Chair/Secretary Brown, Treasurer Glenn Shephard, Director Jim Chambers all present. Director Everts is absent.

4. APPROVAL OF AGENDA

Motion

Motion to approve the agenda, Director Shephard; Second, Director Brown. Voice vote: four ayes (Brown, Chambers, Mobley, Shephard); none opposed; one absent (Everts). Motion carries unanimously 4/0/1.

5. CONSENT CALENDAR

Director Shephard asked to pull Consent Calendar item 5.b for discussion, then made a motion to approve Consent Calendar item 5.a Minutes; Second, Director Chambers. Roll call vote: four ayes (Brown, Chambers, Mobley, Shephard); none opposed, one absent (Everts). Consent Calendar 5A motion to approve carries unanimously 4/0/1.

5a Approval of Minutes from July 26, 2018 Mound Basin GSA Board meeting

5b Approval of Invoices to County of Ventura and City of Ventura

Ventura County/Watershed Protection District (\$50,000); City of Ventura/Ventura Water (\$55,000)

Director Shephard reported that the County of Ventura was revising documentation for the cash advance (loan) agreement between the County and the Mound Basin GSA. He said that the invoice prepared by the Mound Basin GSA was okay, and that Legal Counsel Joe Hughes was involved, but a letter of intent needed to go before the County Board of Supervisors for its approval. He also requested that the repayment deadline in Article 1 Advance and Repayment, Section B. Repayment be changed to December 31, 2021.

Director Brown reported that the invoice and agreement looked fine and would be sent to the City's attorney Miles Hogan for review.

Motion to approve and submit invoices to the County of Ventura – Watershed Protection District in the amount of \$50,000 and the City of Ventura – Ventura Water in the amount of \$55,000, for authority funding contributions to the Mound Basin GSA activities which will be repaid with accrued interest at the LAIF rate and authorize Board Chair to work with the County and City to finalize the cash advance and repayment agreements' language and invoicing, Director Brown; Second, Director Shephard. Voice vote: four ayes (Brown, Chambers, Mobley, Shephard); none opposed; one absent (Everts). Motion carries unanimously 4/0/1.

6. BOARD MEMBER ANNOUNCEMENTS

No announcements were made.

7. ACTION ITEMS

7a. Nomination and Appointment of Environmental Stakeholder Director

Motion to approve the Santa Clara River Environmental Groundwater Committee's nomination of Connor Everts for a second one-year term as Environmental Stakeholder Director, Director Brown; Second, Director Shephard. Voice vote: four ayes (Brown, Chambers, Mobley, Shephard); none opposed; one absent (Everts). Motion carries unanimously 4/0/1.

7b. Nomination and Appointment of Agricultural Stakeholder Director

Motion to approve the Mound Basin Agricultural Water Group (MBAWG) nomination of Jim Chambers for a second one-year term as Agricultural Stakeholder Director for the Mound Basin GSA, Director Brown; Second, Director Shephard. Voice vote: four ayes (Brown, Chambers, Mobley, Shephard); none opposed; one absent (Everts). Motion carries unanimously 4/0/1.

7c. Review and Planning for Public Hearing on Establishment of the Agency's Groundwater Extraction Fee Assessments and Proposed Mound Basin Boundary Modifications

Chair Mobley reviewed the numbers in the long term and FY 2018-19 budget, including a \$25,000 reserve balance and the removal of the \$50,000 in in-kind services from UWCD as revenue and shown as reduction in labor expenses instead. He reported that the prior version of the Budget had an extra six-month period of revenue that will not be received during the budget period (extractions and extraction fee revenue is shifted in time to reflect the fact that revenue is received during the six-month period after the pumping occurs).

Director Chambers asked about the volume dropping off and Chair Mobley explained that January through June extraction volumes were revised downward based on further review of historical records and input from UWCD's CFO Tina Rivera and Ventura. Director Brown asked if those figures had been confirmed with United Water and Chair Mobley said the numbers would be finalized by the end of the month but that these were good estimates. Chair Mobley, Director Brown and Director Chambers continued to discuss the pumping and extraction estimates. Director Chambers expressed concern over the \$40 per acre foot rate to cover the decrease in estimated usage. Ms. Tribo said she spoke with Bryan Bondy regarding the numbers and, over the next six months, it may be possible to adjust the rate if more extraction occurs. Ms. Tribo reiterated that the pumping reported for the period of January through June of 2018 is billed in July 2018, and Mr. Bondy was looking to secure more revenue upfront. Director Chambers asked how much agriculture was being charged in contrast to M&I. Director Brown said the rate was the same, no differential in rates for each group.

He also said that GSP Chapter 2 expenses of \$52,000 was added to make the budget consistent with the grant schedule after Mr. Bondy's meeting with DWR's Eddie Pech.

Chair Mobley addressed the Basin Boundary Modification, and Mr. Detmer of UWCD added that the latest revision is a more accurate depiction of geologic conditions.

Chair Mobley said minor (non –substantive) edits were made to the proposed Resolution. Including keeping language to indicate that extraction fees should apply to all pumped water whether it is native ground or augmented water. Director Brown took issue with this and asked that the language in the Resolution be changed to omit "or augmented water." He said that what Ventura put into the basin should not be charged to be taken out, and that only an administrative fee should apply not a pump fee.

Director Brown said that Ventura was looking to bring in direct potable reuse (DPR) as part of its aquifer storage and recovery project as well as indirect potable reuse (IPR) from its recycled water project as well as State Water to be stored in the Mound Basin. He said that Ventura would have to negotiate with the Mound Basin GSA before any of this occurs, of course, but adding an extraction fee on top of administrative costs doesn't seem appropriate.

Motion to approve the adjustments made to the proposed groundwater extraction fee assessments in the Agency's Long Term Budget worksheet and FY 2019-19 Budget; and approve the publishing of the DRAFT Resolution adopting the proposed groundwater extraction fee assessment and FY 2018-19 Budget as amended for public review, Director Shephard; Second, Director Brown. Voice vote: four ayes (Brown, Chambers, Mobley, Shephard); none opposed; one absent (Everts). Motion carries unanimously 4/0/1.

7d. Proposed Bylaws

Motion to approve the proposed Bylaws as amended by legal counsel based on Board direction, Director Shephard; Second, Director Chambers. Voice vote: four ayes (Brown, Chambers, Mobley, Shephard); none opposed; one absent (Everts). Motion carries unanimously 4/0/1.

9. FUTURE AGENDA ITEMS

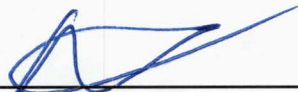
None were offered.

ADJOURNED 2:05pm

The Board adjourned at 2:05p.m. to the next **Regular Board Meeting** on Thursday, **September 20, 2018** or call of the Chair.

I certify that the above is a true and correct copy of the minutes of the Mound Basin Groundwater Sustainability Agency's Board of Directors meeting of August 16, 2018.

ATTEST:



Kevin Brown, Board Secretary

ATTEST:



Kris Sofley, Clerk of the Board