



**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

**Board of Directors Meeting**  
**Thursday**  
**May 16, 2019 – 5:00 p.m.**

**City of Fillmore City Hall, City Council Chambers**  
**250 Central Avenue, Fillmore, CA 93015**

**AGENDA**

**1. Call to Order – First Open Session**

**2. Pledge of Allegiance**

**3. Directors Roll Call**

**4. Public Comments**

Fillmore and Piru Basins Groundwater Sustainability Agency (Agency) will accept public comment concerning agenda items at the time the item is considered and on any non-agenda item within the jurisdiction of the Board during the agendaized Public Comment period. No action will be taken by the Board on any non-agenda item. In accordance with Government Code § 54954.3(b)(1), public comment will be limited to three (3) minutes per speaker per issue.

**5. Approval of Agenda**  
**Motion**

**6. Director Announcements/Board Communications**  
**Information Item**

**7. Executive Director Update**  
**Information Item**

The Executive Director will provide an informational update on Agency activities since the previous Board meeting of April 18, 2019.

**8. Legal Counsel Update**  
**Information Item**

Legal Counsel will provide an informational update on Agency's legal issues and concerns since the previous Board meeting of April 18, 2019.

**9. Groundwater Sustainability Plans Development Update**  
**Information Item**

Representatives from Daniel B. Stephens and Associates and/or United Water Conservation District staff will provide an informational update on Agency's Groundwater Sustainability Plans development activities since the previous Board meeting of April 18, 2019.

**10. CONSENT CALENDAR**

**10A Approval of Minutes**

The Board will consider approving the Minutes from the Board Meeting of April 18, 2019.

**10B Approval of Warrants**

The Board will consider approving the following invoices for payment this month:

OMLO	March 2019 Services	\$440. -less credit of \$206.50 =
		\$233.50

**10C Monthly Financial Report**

The Board will receive a monthly profit and loss statement and balance sheet for the FPB GSA from UWCD's accounting staff.

**11. MOTION ITEMS**

**11A AUDITOR PROPOSAL REVIEW AND SELECTION**

**Motion**

The Board will review proposals from various auditing agencies and consider authorizing the Executive Director to negotiate a service contract on behalf of the Agency with staff's recommended auditing firm.

## 12. INFORMATION ITEMS

None

## FUTURE TOPICS FOR BOARD DISCUSSION

## ADJOURNMENT

The Board will adjourn to the next Regular Board Meeting on Thursday, June 20, 2019 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 106 North 8<sup>th</sup> Street in Santa Paula 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 UWCD Office at (805) 525-4431 or the City of Fillmore at (805) 524-1500. Notification of at least 48 hours prior to the meeting will enable the District to make appropriate arrangements.*

Approved:  \_\_\_\_\_  
Board Chair Kelly Long

Posted: (date) May 13, 2019 (time) 8:00am (attest) Kris Sofley  
At: Fillmore City Hall, 250 Central Avenue, Fillmore, CA

Posted: (date) May 13, 2019 (time) 8:15am (attest) Kris Sofley  
At: <https://www.FPBGSA.org>

Posted: (date) May 13, 2019 (time) 8:20am (attest) Kris Sofley  
At: <https://www.facebook.com/FPBGSA/>

Posted: (date) May 13, 2019 (time) 7:58am (attest) Kris Sofley  
At: United Water Conservation District Headquarters, 106 No. 8<sup>th</sup> St., Santa Paula, CA



**DATE:** May 12, 2019 (May 16, 2019 Meeting)  
**TO:** Anthony Emmert, Executive Director  
**FROM:** Erin Gorospe, Senior Accountant, UWCD  
**SUBJECT:** Update on Issuance of Credit Memos and Invoices

Dear Mr. Emmert:

Just wanted to provide you with an update for the FPB GSA Board regarding the status of the issuance of credit memos and the most recent semi-annual groundwater extraction fee invoices.

#### **BACKGROUND**

At its March 28, 2019 meeting, the Board of Directors approved the issuance of credit memos for groundwater extraction fees for the periods of July 1 to December 31, 2017 and January 1 to March 31, 2018, as well as related late penalties and interest. Agency staff completed the issuance of the credit memos, and on May 13, 2019 completed mailing packets to customers containing the notification letters, statements, credit memos, and invoices for the period of July 1 to December 31, 2018.

The table below summarizes the credit memos and invoices issued to Agency customers:

Billing Period	Amount Billed	Credit Memos Issued
2017-2	287,625.55	287,625.55
2018-1	187,682.97	93,757.59
2018-2	208,097.32	0
Late Penalties & Interest	15,973.23	13,579.41
<b>TOTALS</b>	<b>699,379.07</b>	<b>394,962.55</b>

#### **Notes:**

- The 2018-1 credit memos are slightly less than 50% of the total amount billed. This is because there were two wells on property that sold during the period, and the previous owner reported to United for the period of January through March 2018 and the new owner reported from April through June 2018. The original owner was credited for the January through March 2018 billing, which was slightly less than the April through June billing.
- 100% of the late penalties and interest related to the 2017-2 billing period and 50% of the late penalties and interest related to the 2018-1 billing were credited to customers.

#### **FISCAL IMPACT**

The issuance of the credit memos results in a total reduction of revenue of \$394,963. The current net remaining customer credits total \$95,178, which will reduce cash inflow to the Agency until the credits are applied to future billings. There are 81 customers who, due to non-payment of 2018-1 invoices or 2018-2 invoices exceeding their total credits, currently have a balance due to the Agency. The balance owed by these customers is \$46,539. 345 customers have credit balances which total \$141,683. The

Memo to Anthony Emmert, Executive Director

FPB GSA

May 16, 2019

Page 2

Agency should expect some cash inflow from the payment of invoices by customers who currently have a balance due. If any customers with a credit balance request a refund, warrants for refunds will be presented to the Board at a regularly scheduled Board meeting.

Attachments: Sample credit letter  
Statement  
Credit memos  
Invoices



Post Office Box 1110, Fillmore, CA 93016  
(805) 525-4431 <http://fpbgsa.org>

May 7, 2019

[REDACTED]  
[REDACTED]  
[REDACTED]

RE: Account No. [REDACTED] / Well No. [REDACTED]

Customer:

On March 26, 2018, the Fillmore and Piru Basins Groundwater Sustainability Agency (FPB GSA) adopted a resolution implementing extraction fees for groundwater production beginning July 1, 2017. The Board has reconsidered the effective date of the levy of these fees, and has determined the effective date to be March 26, 2018. Accordingly, the FPB GSA has credited the accounts of those who have paid groundwater extraction fees prior to the effective date of March 26, 2018. The credit is included in the enclosed statement, and any remaining credit will be reflected in future billings.

If you have any questions, please do not hesitate to contact me at (805) 317-8978.

Sincerely,

A handwritten signature in blue ink that reads "Erin Gorospe".

Erin Gorospe  
on behalf of  
Fillmore and Piru Basins Groundwater Sustainability Agency



**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

P.O. Box 1110  
Fillmore, CA 93016  
www.fpbgsa.org

# Statement

Date
5/7/2019

To:
[REDACTED]
[REDACTED]
[REDACTED]

Amount Due	Amount Enc.
-\$206.33	

Date	Transaction	Amount	Balance
03/31/2019	Balance forward		0.00
04/02/2019	CREDMEM #1009. --- Refund of Late Fees \$-3.75	-3.75	-3.75
04/02/2019	CREDMEM #9709. --- Refund of GW Assmt \$-137.57 --- 01/01/18 - 03/31/18	-137.57	-141.32
04/03/2019	CREDMEM #9708. --- Refund of GW Assmt \$-374.68 --- 07/01/17 - 12/31/17	-374.68	-516.00
04/04/2019	CREDMEM #9996. --- Refund of Late Fees \$-37.47	-37.47	-553.47
05/01/2019	INV #10222. Due 05/31/2019. --- 2018-2 Assessment, 40.84 @ \$8.50 = 347.14	347.14	-206.33
For billing questions please call: (805) 317-8978			

CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
-206.33	0.00	0.00	0.00	0.00	-\$206.33





**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

P.O. Box 1110  
Fillmore, CA 93016  
www.fpbgsa.org

## Credit Memo

Date	Credit No.
4/2/2019	1009

Customer
[REDACTED]
FILLMORE, CA 93016-0450

Well #	Account #
[REDACTED]	[REDACTED]

Description	Amount
Refund of late fees charged related to 2017-2 billing and half of 2018-1 billing	-3.75

For billing questions please call: (805) 317-8978

<b>Total</b>	-3.75
<b>Invoices</b>	\$3.75
<b>Balance Credit</b>	\$0.00





**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

P.O. Box 1110  
Fillmore, CA 93016  
www.fpbgsa.org

## Credit Memo

Date	Credit No.
4/2/2019	9709

Customer
[REDACTED]
FILLMORE, CA 93016-0450

Well #	Account #
[REDACTED]	[REDACTED]

Description	Amount
Refund of groundwater assessment fees billed to customers for the period of July 2017 - December 2017 and January - March 2018. 01/01/18 - 03/31/18	-137.57

For billing questions please call: (805) 317-8978

<b>Total</b>	-137.57
<b>Invoices</b>	\$0.00
<b>Balance Credit</b>	-\$137.57



**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

P.O. Box 1110  
Fillmore, CA 93016  
www.fpbgsa.org

## Credit Memo

Date	Credit No.
4/3/2019	9708

Customer
[REDACTED]
FILLMORE, CA 93016-0450

Well #	Account #
[REDACTED]	[REDACTED]

Description	Amount
Refund of groundwater assessment fees billed to customers for the period of July 2017 - December 2017 and January - March 2018. 07/01/17 - 12/31/17	-374.68

For billing questions please call: (805) 317-8978

<b>Total</b>	-\$374.68
<b>Invoices</b>	\$343.39
<b>Balance Credit</b>	-\$31.29



P.O. Box 1110  
Fillmore, CA 93016  
[www.fpbgsa.org](http://www.fpbgsa.org)

## Credit Memo

Date	Credit No.
4/4/2019	9996

Customer

[REDACTED]

[REDACTED]

FILLMORE, CA 93016-0450

Well #	Account #
[REDACTED]	[REDACTED]

Description	Amount
Refund of late fees charged related to 2017-2 billing and half of 2018-1 billing	-37.47

For billing questions please call: (805) 317-8978

<b>Total</b>	-\$37.47
<b>Invoices</b>	\$0.00
<b>Balance Credit</b>	-\$37.47





**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

P.O. Box 1110  
Fillmore, CA 93016  
www.fpbgsa.org

# Invoice

Date	Invoice #
5/1/2019	10222

Bill To
[REDACTED]
[REDACTED]
FILLMORE, CA 93016-0450

**PAYED**

Well #	Account #	Due Date
[REDACTED]	[REDACTED]	5/31/2019

Acre Feet Pumped	Description	Rate	Amount
40.84	Groundwater Assessment - July 1 - December 31, 2018  The Fillmore and Piru Basins Groundwater Sustainability Agency (FPB GSA) was formed in accordance with the Sustainable Groundwater Management Act of 2014. The FPB GSA's mission is to develop and implement a Groundwater Sustainability Plan (GSP) for the Fillmore and Piru basins. Resources necessary to accomplish the agency's mission will be collected via bi-annual assessments on acre feet (a.f.) of water per pumped as reported to United Water Conservation District.  Make checks payable to: Fillmore and Piru Basins GSA P.O. Box 1110 Fillmore, CA 93016  For billing questions please call: (805) 317-8978	8.50	347.14
One percent (1%) interest per month on the delinquent amount and a ten percent (10%) late penalty will be assessed if not paid by the due date.			<b>Total</b> \$347.14



Post Office Box 1110, Fillmore, CA 93016  
(805) 525-4431 <http://fpbgsa.org>

May 7, 2019

CUSTOMER ADDRESS

RE: Account No. \_\_\_\_\_ / Well No. \_\_\_\_\_

Customer:

On March 26, 2018, the Fillmore and Piru Basins Groundwater Sustainability Agency (FPB GSA) adopted a resolution implementing extraction fees for groundwater production beginning July 1, 2017. The Board has reconsidered the effective date of the levy of these fees, and has determined the effective date to be March 26, 2018. Accordingly, the FPB GSA has credited the accounts of those who have paid groundwater extraction fees prior to the effective date of March 26, 2018. The credit is included in the enclosed statement, and any remaining credit will be reflected in future billings.

If you have any questions, please do not hesitate to contact me at (805) 317-8978.

Sincerely,

A handwritten signature in blue ink that reads "Erin Gorospe". The signature is written in a cursive, flowing style.

Erin Gorospe  
on behalf of  
Fillmore and Piru Basins Groundwater Sustainability Agency

**From:** Kate English [<mailto:kate@myonestep.org>]

**Sent:** 13 May, 2019 15:50

**To:** Tony Emmert <[tonye@unitedwater.org](mailto:tonye@unitedwater.org)>

**Subject:** Re: Fillmore and Piru Basins Groundwater Sustainability Agency's Board of Directors Meeting agenda for Thursday, May 16, 2019

Hello Mr. Emmert,

I wanted to update the Fillmore & Piru Basin GSA regarding the exemption requested for the Sespe Aquifer from the protection of the Safe Drinking Water Act. I appreciate the GSA sending a letter of opposition a while back. I wanted the GSA to know that unfortunately in January 2019 the CA State Water Board issued their concurrence with DOGGR's request. The exemption request will now likely be sent by DOGGR to the EPA for final exemption approval.

The EPA will approve or not approve based on only two criteria (that hasn't changed since the 1970s)

- 1) is anyone using it for drinking water right now
- 2) is the water drinkable now

The state water board was in a position to review the project based on 12 additional criteria before issuing their concurrence including wildlife and recreation, but unfortunately they chose to only evaluate based on the same two criteria the EPA uses. Since DOGGR first applied for this exemption during the drought, we have had both the Thomas fire and the recent rains majorly affect this area's resources and wildlife. I don't believe any new studies were done by DOGGR on the quality of the water in the Sespe Aquifer after the rain. I am no expert but I would posit that the potential potability of the water in the Sespe Aquifer might be increased since the water levels in aquifers across southern CA have risen.

The community still feels VERY strongly that this exemption should not be approved. We had a local geologist agree (Allen King) that there was too much risk with the nearby earthquake fault line. Even in the initial DOGGR report they stated that seismic activity posed "minimal" risk to contamination of Fillmore's drinking water. Our ONLY drinking water source is less than half a mile from the Sespe Aquifer. In my opinion even "minimal" risk to our drinking water is an unacceptable risk. Community watch groups also have concerns that this exemption may be just one step in a plan to majorly expand fracking and waste dumping back into the Sespe wilderness.

I am hoping the GSA would consider making one more appeal to DOGGR not to move forward with this exemption request and protect our sole drinking water source.

Kind regards,

Kate English, Executive Director

(805) 625-7067 ofc (805) 207-5013 cell she/her/hers

[www.onestepalavez.org](http://www.onestepalavez.org)







Post Office Box 1110, Fillmore, CA 93016  
(805) 525-4431

February 26, 2018

**BY ELECTRONIC & U.S. MAIL**

Ms. Felicia Marcus, Chair  
State Water Resources Control Board  
P.O. Box 100  
Sacramento, CA 95812-0100

**Re: Seneca Resources Proposal for Aquifer Exemption, Basal Sespe Formation, Sespe Oil Field, Ventura County, California**

To Whom It May Concern:

The Fillmore and Piru Groundwater Basins Sustainability Agency ("GSA") is charged with protecting and promoting the sustainability of two groundwater basins that are an essential source of water for both potable and agricultural use in the Fillmore/Piru region. At its board meetings of January 29, 2018, and February 20, 2018, the GSA board received extensive public comment concerning the above referenced matter. After significant discussion and consideration, the board voted to oppose Seneca's requested exemption based on the information provided in the exemption application. The requested exemption would be inconsistent with the GSA's statutory charge of promoting sustainable practices such as; water quality, agriculture supply, and domestic use.

Thank you for your consideration of this important matter.

Very truly yours,

A handwritten signature in black ink that reads "Kelly Long". The signature is written in a cursive, flowing style.

Kelly Long, Chair  
Fillmore and Piru Basins Groundwater Sustainability Agency Board of Directors

cc: Alexis Strauss, Acting Regional Administrator, Pacific Southwest Region 9, U.S. Environmental Protection Agency

Justin Turner, Assistant General Counsel,  
California Department of Conservation, Division of Oil, Gas & Geothermal



**Board of Directors Meeting**  
**Thursday, April 18, 2019**  
**City Council Chambers, Fillmore City Hall**  
**250 Central Avenue, Fillmore, CA 93015**

**MINUTES**

**Directors Present**

Director Kelly Long, Chair  
Director Ed McFadden, Vice Chair/Secretary/Treasurer  
Director Lynn Edmonds  
Director Gordon Kimball  
Director Glen Pace

**Directors Absent**

Director Candice Meneghin

**Staff Present**

Anthony Emmert, executive director  
Wayne Lemieux, legal counsel  
Kris Sofley, clerk of the board

**Public Present**

Matt Carpenter, FivePoint NLF  
Dave Ceppos, Center for Collaborative Policy/California State University, Sacramento  
Dan Detmer, UWCD  
Tony Morgan, Daniel B. Stephens & Associates (DBS&A)  
George Reid  
Steve Zimmer

1. **Call to Order – First Open Session 5:06p.m.**  
Chair Long called the meeting to order at 5:06p.m.
2. **Pledge of Allegiance**  
Chair Long led the group in reciting the Pledge of Allegiance.
3. **Directors Roll Call**  
Chair Long reported that Director Meneghin was ill and unable to attend tonight's Board Meeting. Directors Pace, Kimball, Edmonds and McFadden were all in attendance.

**4. Public Comments**

Chair Long asked if there were any public comments. None were offered.

**5. Approval of Agenda**  
**Motion**

Chair Long asked if there were any changes to the agenda. Ms. Sofley said there were no changes.

Motion to approve the agenda, Director McFadden; Second, Director Kimball. Voice vote: five ayes (Edmonds, Kimball, Long, McFadden, Pace); none opposed/none abstained; one absent (Meneghin). Motion carries 5/0/1.

**6. Director Announcements/Board Communications**  
**Information Item**

Chair Long reported that she had attended the AWA Symposium that day and that it was a great meeting regarding the future of water and covered all of the complexities of SGMA, which most of the Board understands.

Director Pace said that he wanted to inform the Board that he was beginning the process of selling Waring Water, the company that he owned. He has entered into an agreement to sell, but it will be a year before it takes place. He stated that he will be discussing this with the Piru Pumpers Association at its next meeting. Chair Long said that he was appointed to the Board for a two-year term, so his term is coming up for renewal in the near future. Director Pace reminded her that the terms were staggered, with the Fillmore Pumpers representative appointed for a two-year term and the Piru Pumpers representative appointed for a three-year term, and that his term's expiration will coincide with the same of the water company. Chair Long asked legal counsel to confirm this.

Director Kimball reported that the Fillmore and Piru Pumpers Associations would have their next joint meeting on Tuesday, June 11, at 10am at the Veterans Memorial Hall in Fillmore. He thought that this would be a good opportunity for the consultants to take advantage of the meeting to engage stakeholders, if they wished. Director Edmonds asked if it was appropriate for her to attend the meeting and Director Kimball replied that it was an open public meeting.

**7. Executive Director Update**  
**Information Item**

Mr. Emmert addressed the Board, saying there were a few things to report on. He said that staff was moving forward on the issuance of credits based on the Board's March 28, 2019

approval, and were working through the details to ensure correctness. He thanked Director Kimball for letting staff know about the properties that were recently sold. Mr. Emmert stated that legal counsel had proposed language regarding the credits issuance and that staff is using that language for both phone inquiries and for the cover letter to pumpers. He stated that the package to be mailed to pumpers will include the cover letter, a credit statement for the July 1, 2017 to December 31, 2017 period, a credit statement for January 1, 2018 to March 26, 2018 period, and an invoice for the July 1, 2018 to December 31, 2018 period. Mr. Emmert said that late fees for the second billing period would be pro-rated. He stated that staff should complete the credits issuance within the next week, but the same staff members working on the credit issuance are also working to finalize United Water Conservation District's (District) budget document.

Director McFadden said the Farm Bureau Board of Directors response to the credit was positive – nobody is complaining.

Mr. Emmert continued, stating that District staff was making good progress on the model development for the two basins, and that the effort is on schedule. He also reported that staff had begun work on the first grant report and invoice, which is due to the Department of Water Resources (DWR) in May 2019. He stated that the first report is more difficult to complete, as it must capture Agency activities and expenditures back to the beginning of the period allowable under the grant agreement. Mr. Emmert explained that the report will be detailed enough to capture all allowable Agency expenditures and all allowable in-kind work performed by the District on model development, with the intent to meet matching requirements as early as possible. He stated that Agency staff will work closely with Eduardo Pech, DWR's grant administrator, to minimize agency costs and maximize grant reimbursements. Mr. Emmert stated that Agency staff and DBS&A staff had held a three-hour grant kick-off meeting with DWR staff in late February 2019.

Mr. Emmert stated that staff has begun working on the Agency's draft budget for Fiscal Year 2019-2020.

Chair Long asked about the status of the Basin Boundary Modification. Mr. Emmert said that DWR has recently issued a notification that it had finalized the boundaries modifications for the two basins, with no additional changes. He stated that staff will reach out to the affected well owners, and will include them in the billing for the period ending June 30, 2019. He reminded the Board that the significant change was the extension of the Fillmore basin boundary to the boundary of the Santa Paula basin adjudication, thereby adding significant pumping by the Farmers Irrigation Company to the Fillmore Basin. He stated that the changes to the Piru basin boundaries did not result in the capture of significant additional pumping. Director Edmonds asked if Mr. Emmert foresaw any problems. He replied that the most difficult task will be to communicate with the owners

of the smaller wells in the side canyons of the Piru basin, as none responded to previous letters and several are outside of the District's service area, making information gathering more difficult. He stated that staff has not put too much time into this effort, as it had been working on other priority items.

**8. Legal Counsel Update**  
**Information Item**

Mr. Lemieux said that he had no update for the Board.

**9. Groundwater Sustainability Plans Development Update**  
**Information Item**

Tony Morgan, of Daniel B. Stephens and Associates, provided the Board with a brief background on Dave Ceppos explaining that Mr. Ceppos had a lot of information to present to the Board. He also reported that DBS&A staff was working on identifying and evaluating the data gap portion of the groundwater sustainability plan (GSP), and that it had just recently begun work on developing the stakeholder engagement program.

**10. CONSENT CALENDAR**

Motion to approve the Consent Calendar items, Director McFadden, Second, Director Edmonds. Voice vote: five ayes (Edmonds, Kimball, Pace, Long, McFadden); none opposed/none abstained; one absent (Meneghin). Motion carries 5/0/1.

**10A Approval of Minutes**

The Board will consider approving the Minutes from the Board Meeting of March 21, 2019 and the Special Board Meeting of March 28, 2019.

**10B Approval of Warrants**

The Board has no invoices for payment this month.

**10C Monthly Financial Report**

Staff has prepared an update on the Agency's cash position, as of March 29, 2019, and is currently in the process of issuing credits for groundwater extraction fees. An updated profit and loss statement and balance sheet will be provided once the credits have been completed.

## **11. INFORMATION ITEMS**

### **11A Presentation on Stakeholder Engagement from Daniel B. Stephens & Associates Team** **Informational Item**

Dave Ceppos, Associate Director of the California State University, Sacramento, Center for Collaborative Policy, and member of the Daniel B. Stephens & Associates groundwater sustainability planning team, provided two presentations to the Board, on understanding the roles and responsibilities of the GSA Board members and SGMA requirements regarding Stakeholder Engagement in the groundwater sustainability planning process. (see attached)

## **FUTURE TOPICS FOR BOARD DISCUSSION**

Chair Long asked for an update on the billing and credit issuance for the Agency ratepayers and an update on the progress regarding groundwater model development.

## **ADJOURNMENT**

Chair Long adjourned the meeting at 6:34p.m. to the next Regular Board Meeting on Thursday, May 16, 2019, or the call of the Chair.

ATTEST: \_\_\_\_\_  
Kelly Long, Chair, FPB GSA Board of Directors

I certify that the above is a true and correct copy of the minutes of the Fillmore and Piru Basins Groundwater Sustainability Agency's Board of Directors meeting of April 18, 2019.

ATTEST: \_\_\_\_\_  
Kris Sofley, Clerk of the Board





**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

## **SPECIAL BOARD MEETING**

**April 18, 2019 @ 5:00pm**

**City Council Chambers, Fillmore City Hall**

**250 Central Avenue, Fillmore, CA 93015**

Name: Steve Zimmer

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Organization: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

Name: Math Carpenters

Name: \_\_\_\_\_

Organization: NLF

Organization: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Organization: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Organization: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Organization: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

E-mail: \_\_\_\_\_

## The Sustainable Groundwater Management Act

### SGMA 101 and Groundwater Sustainability Agency Roles and Responsibilities

April 18, 2019  
Fillmore and Piru Basins  
Groundwater Sustainability Agency



Dave Ceppos  
Managing Senior Mediator  
Sacramento State University  
College of Continuing Education  
consensus and Collaboration Program

## Presentation Outline

- Introduction
- SGMA 101
- Background
- Roles and Responsibilities

## SGMA 101

### Groundwater Sustainability Agencies (GSAs)

"Any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin." (Water Code § 10721)

"Local agency" means a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin." (Water Code § 10721)

- e.g. - counties, cities, water agencies, irrigation districts, drainage districts, PUDs, CSDs, or similar

## SGMA 101

### Groundwater Sustainability Agencies (GSAs)

- SB 13 Added - "A water corporation regulated by the Public Utilities Commission or a mutual water company may participate in a groundwater sustainability agency through a memorandum of agreement or other legal agreement. The authority provided by this subdivision does not confer any additional powers to a nongovernmental entity." (Water Code § 10723.6 (b))

## SGMA 101

### Private Pumpers / The Public

- No special authorities are granted. Only references are:
  - 10723.2 - Consideration of interests of all beneficial uses and users of groundwater
  - 10726.5 - In addition to any other authority granted to a GSA by this part or other law, a GSA may enter into written agreements and funding with a private party to assist in, or facilitate the implementation of, a GSP or any elements of the plan.
- De minimis extractor - A person who extracts, for domestic purposes, two acre-feet or less per year. (Water Code § 10721)

## SGMA Foundational Items

- 6 foundational / potential undesirable results
  - Groundwater Elevation
  - Groundwater Storage
  - Seawater Intrusion
  - Degraded Water Quality
  - Land Subsidence
  - Groundwater / Surface Water interconnection
- Local Control Emphasis
- "Few Shalls...Many Mays..."
  - Shall... Create GSA
  - Shall... Prepare GSP
  - Shall... Do Public Engagement
- GSAs are Regulatory Agencies

## Background

- Reference Documents:
  - SGMA (Water Code)
  - Groundwater Sustainability Plan (GSP) Regulations
  - "Designing Effective Groundwater Sustainability Agencies: Criteria for Evaluation of Local Governance Options" (UC Water/ Berkeley Law)
  - Joint Exercise of Powers Act (CA Code 6500)

## GSA Roles and Responsibilities

- Governance
- Outreach/Engagement (Transparency)
- Compliance
- Funding
- Authorities
  - General
  - Information Gathering
  - Groundwater Extraction
  - Property Acquisition and Management
  - Enforcement
- Coordination
- Technical



### Governance

- Create an Agency through legal agreement or MOU
- Establish Membership including potential membership levels / roles
- Determine Member durations, replacement procedures, removal procedures, etc.
- Create a decision-making process
- Create a dispute resolution process

### Outreach / Engagement (Transparency)

#### Beneficial Users (Water Code §16723.2)

- All Groundwater Users
- Holders of Overlying Rights (agriculture and domestic)
- Municipal Well Operators
- Public Water Systems
- Tribes
- Local Land Use Planning Agencies
- Counties
- Local Landowners
- Disadvantaged Communities
- Business
- Federal Government
- Environmental Users
- Surface Water Users (if connection between surface and ground water)

### Outreach/Engagement (Transparency)

- Consider all interests of all beneficial users and users of groundwater
- Maintain interested persons list
- Document a decision-making process and how stakeholder input and public response will be used.
- Encourage the active involvement of diverse social, cultural, and economic elements of the population within the basin.
- Operate under the Brown Act
- Provide access to information consistent with the California Public Records Act

### Compliance

- Comply with local ordinances and similar
  - (e.g. land use ordinance, etc.)
- Comply with all State regulations, laws, and similar
  - (e.g. CEQA, California ESA, Porter-Cologne, etc.)
- Comply with all Federal regulations, laws and similar
  - (e.g. Federal ESA, Clean Water Act, etc.)

### Funding

- Establish / obtain one or more of the following:
  - Regulatory fees
  - Property-related fees or assessments
  - Local taxes
  - Local general obligation bonds
  - Contributions from member agencies
  - Grants from other State and federal agencies

### Authorities

#### General

- Do anything "necessary and proper" to carry out SGMA's purposes
- Adopt rules, regulations, ordinances, and resolutions
- Use any other authority allowed to the GSA to apply and enforce SGMA requirements

### Authorities

#### Information Gathering

- Require registration of groundwater extraction facilities
- Require measurement and annual reporting of groundwater extractions\*
- Defer all costs associated with the purchase and installation of the water-measuring device to the owner operator of said groundwater extraction facility\*
- Require that the owner or operator of a groundwater extraction facility to file an annual statement describing annual water use\*

\*Does not apply to de minimis extractors

### Authorities

#### Information Gathering

- Conduct investigations of surface or ground water rights and related rights
- Monitor the diversion of surface water to underground storage
- Inspect property and facilities to determine compliance, upon obtaining any necessary consent or obtaining an inspection warrant

## Authorities

### Groundwater Extraction

- Minimize well interference by imposing well-spacing requirements on new wells and reasonable operating regulations on existing wells including requiring extractors to operate on a rotation basis.
- Control groundwater extractions by regulating, limiting, or suspending extractions from individual groundwater wells or extractions from groundwater wells in the aggregate, construction of new groundwater wells, enlargement of existing groundwater wells, or reactivation of abandoned groundwater wells, or otherwise establishing groundwater extraction allocations

## Authorities

### Groundwater Extraction (cont.)

- Establish groundwater extraction allocations
- Authorize within-GSA transfers of groundwater extraction allocations
- Impose regulatory fees on groundwater extraction or other regulated activity or property-related fees on groundwater extraction

## Authorities

### Property Acquisition and Management

- Acquire property, including groundwater and surface water rights
- Make physical improvements to real property
- Acquire, transfer, or exchange groundwater water and surface water

## Authorities

### Property Acquisition and Management (cont.)

- Manage wastewater, stormwater, and seawater for subsequent use
- Transport, reclaim, purify, desalinate, treat, or otherwise manage and control polluted water, wastewater, or other waters for subsequent use
- Provide for a program of voluntary fallowing of agricultural lands or validate an existing program



### Authorities

#### Property Acquisition and Management (cont.)

- Import surface water or groundwater into the Agency, and conserve and store water within or outside the Agency including, but not limited to, the spreading, storing, retaining, or percolating into the soil
- Purchase, transfer, deliver, or exchange water or water rights to provide surface water in exchange for a groundwater extractor's agreement to reduce or cease extractions.

### Authorities

#### Enforcement

- Sue to collect delinquent fees, interest, or penalties or order extraction stopped until delinquent fees are paid
- Pursue civil penalties for extraction exceedances
- Pursue civil penalties for violations of SGMA-related rules, regulations, ordinances, or resolutions\*
- \*Does not apply to de minimis extractors

### Coordination

- Coordination with adjacent subbasins (Santa Paula, Santa Clara East)
- Coordination between Management Areas (if applicable)

### Technical

- Access appropriate technical expertise, either in-house, through consultants, or via technical assistance from other agencies.
- Conduct and/or oversee monitoring, data collection, and reporting
- Develop a water budget and identify sustainable yield.
- Assess basin history and potential paths to sustainable management
- Remediate / oversee remediation of polluted groundwater

Discussion / Q&A

**THANK YOU**

Dave Ceppos  
Sacramento State University  
College of Continuing Education  
Consensus and Collaboration Program

916-539-0350  
[dceppos@csus.edu](mailto:dceppos@csus.edu)

## SGMA Requirements for Stakeholder Engagement

### *Applying Regulation into Practice*

April 18, 2019  
Fillmore and Piru Basins  
Groundwater Sustainability Agency



Dave Ceppos  
Managing Senior Mediator  
Sacramento State University  
College of Continuing Education  
Consensus and Collaboration Program

## Presentation Outline

- Regulatory Context
- Framing Questions about Regulations
- Practical Responses
- Practical Applications

## Regulatory Context



## Regulatory Requirements

CALIFORNIA CODE OF REGULATIONS, TITLE 23, DIVISION 2, CHAPTER 1.5, SUBCHAPTER 2.  
GROUNDWATER SUSTAINABILITY PLANS

### § 354.10. Notice and Communication

Each Plan shall include a summary of information relating to notification and communication by the Agency with other agencies and interested parties including the following:

- (a) A description of the beneficial uses and users of groundwater in the basin, including the land uses and property interests potentially affected by the use of groundwater in the basin, the types of parties representing those interests, and the nature of consultation with those parties.
- (b) A list of public meetings at which the Plan was discussed or considered by the Agency.
- (c) Comments regarding the Plan received by the Agency and a summary of any responses by the Agency.



## Regulatory Requirements

### § 354.10. Notice and Communication (continued)

(d) A communication section of the Plan that includes the following:

- (1) An explanation of the Agency's decision-making process.
- (2) Identification of opportunities for public engagement and a discussion of how public input and response will be used.
- (3) A description of how the Agency encourages the active involvement of diverse social, cultural, and economic elements of the population within the basin.
- (4) The method the Agency shall follow to inform the public about progress implementing the Plan, including the status of projects and actions.

## Regulatory Requirements

- What are you doing to pass the higher bar?
- This is:
  - Not NEPA/CEQA
  - Complicated (but doesn't have to be hard)
  - New
  - Serious
  - Mutually Beneficial
    - GSA benefits from you doing this
    - Stakeholders benefit from you doing this

## Regulatory Questions

- How will you describe "interests"
- Do you know what that means and what DWR is looking for?
- Do you know who represents those interests?
  - Are you sure?
- Do you know what "the nature of consultation" means and how to describe it?
- How will you describe your decision-making process?

## Regulatory Questions

- How will public input and response be used?
  - What happens if the public input is poorly informed? How do you use it?
  - What happens if responses are inconsistent with GSA member interests?
- What is your plan to "encourage the active involvement of diverse elements in the basin"?

### Beneficial Users / Uses

- Holders of Overlying Rights (agriculture and domestic)
- Municipal Well Operators
- Public Water Systems
- Tribes
- Local Land Use Planning Agencies
- Disadvantaged Communities
- Federal Government
- Environmental Users
- Surface Water Users

### Practical Responses

*How will you describe "interests"*  
*What does that mean and what is DWR looking for?*  
*Do you know who represents those interests?*

- Interests = Needs / Motivators
  - Hierarchy of Needs
  - Needs ≠ Wants
    - I NEED water for my family>
    - I WANT to use as much water as I feel like.

### Practical Responses

*How will you describe "interests"*  
*What does that mean and what is DWR looking for?*  
*Do you know who represents those interests?*

- Representation
  - Do your due diligence / "Walk the Beat"
  - Convene stakeholders to ground truth things
  - Understand the difference between defining representatives and defining interests
  - Prepare a Communications and Engagement Plan

### Practical Responses

*Do you know who represents the interests?*  
*What is your "nature of consultation"?*  
*What are your decision-making protocols?*

- Representation (cont.)
  - Advisory Committees and Seated Board Members
  - Define "rules of engagement"
  - Define Shared Expectations - VERY IMPORTANT
  - Document expectations and rules
  - Repeatedly restate expectations and rules in public

### Practical Responses

*What are your decision-making protocols?  
How will public input be used?*

- Decision-Making
  - Charters, By-Laws, or similar
  - Transparency
  - Authenticity
  - Consistency

### Practical Questions

*What are your decision-making protocols?  
How will public input be used?  
Consistency with GSA interests?*

- Decision-Making and Public Input
  - Memorialize Guiding Principles / Interests
  - Keep you Eyes on the Prize
    - SUSTAINABILITY Not Special Interest
    - Define Goals and Objectives
      - Qualitatively (principles / interests)
      - Quantitatively (Undesirable Results)

### Practical Responses

*What are your decision-making protocols?  
How will public input be used?  
Consistency with GSA interests?*

- GSA is NOT obligated to agree with beneficial users
- GSA IS obligated to make hard and informed decisions
- Robustly Document the Process
  - Avoid arbitrary and capricious decisions
  - Avoid "smoke filled rooms"
  - Be above reproach
  - Create an administrative record (i.e. like CEQA)

### Practical Applications





[http://www.water.ca.gov/groundwater/sgm/digital\\_toolkit.cfm](http://www.water.ca.gov/groundwater/sgm/digital_toolkit.cfm)

[illegible][illegible]

916-539-0350  
dceppos@csus.edu

**Check Detail**

May 13, 2019

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Original Amount</u>
11038	05/13/2019	Olivarez Madruga Lemeiux O'Neill LLP	10000 - Bank of the Sierra	-233.50
<u>TOTAL CHECKS</u>				<u>-233.50</u>





**Fillmore and Piru Basins**  
Groundwater Sustainability Agency

## GROUNDWATER SUSTAINABILITY AGENCY

P O Box 1110, Fillmore, CA 93016

(805) 525-4431

<https://fpbgsa.org>

### CHECK REQUEST

Date required: \_\_\_\_\_ Date Requested: May 16, 2019

Pay to: Olivarez Madruga Lemieux O'Neill, LLP

Address: 4165 E. Thousand Oaks Blvd., Suite #350

City, State, Zip: Westlake Village, CA 91362-3852

Amount \$ \$440. -less credit of \$206.50 = \$233.50

Charge to Account(s) legal services for March 2019

Reason for Check/Petty Cash Request: payment of Agency Legal Counsel for March 2019

Requested by: Kris Sofley, clerk of the board

Approved by: \_\_\_\_\_  
Board Secretary/Treasurer

Authorized by: \_\_\_\_\_  
Board Chair

(Attach invoices/receipts/documentation for costs verification)



Olivarez Madruga Lemieux O'Neill, LLP.  
4165 E. Thousand Oaks Blvd. Suite #350  
Westlake Village, CA 91362-3852  
**Tel:** (805) 495-4770 **Fax:** 805.495.2787  
www.omlolaw.com

Fillmore and Piru Basins GSA  
Attn: Kelly Long  
P.O. Box 1110  
Fillmore, CA 93016

Page: 1  
March 31, 2019  
Client/Matter No. 76.001  
Statement No: 6633

Fillmore and Piru Basins GSA

For Professional Services Thru 03/31/2019

FEE TRANSACTIONS

			Rate	Hours	
03/15/2019	SON	Closed session	200.00	0.20	N/C
03/20/2019	SON	Telephone conference with Tony E regarding agenda and closed session	200.00	0.50	N/C
03/21/2019	SON	Attend Board meeting	200.00	2.20	440.00
03/24/2019	SON	Review agenda; correspondence regarding notice	200.00	0.20	N/C
03/25/2019	SON	Review notice requirements, agenda; draft resolution; correspondence with staff	200.00	1.00	N/C
03/28/2019	SON	Review correspondence regarding Mound Basin issue re retroactive fees; prepare for meeting; Telephone conference with Tony	200.00	1.00	N/C
03/28/2019	SON	Attend special meeting	200.00	0.80	N/C
Total Fee Charges:				5.90	440.00

Timekeeper Summary

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Total</u>
Steve O'Neill	Partners	2.20	\$440.00
Steve O'Neill	Partners	3.70	\$0.00

Credit for MDS time fee entry on 2/27/19	-37.00
--	--------

Total Current Charges	403.00
-----------------------	--------

Previous Balance	\$1,094.50
------------------	------------

## PAYMENT TRANSACTIONS

03/29/2019	02/28/2019 Payment - Thank you, Check # 11036	-1,094.50
------------	---	-----------

Balance Due	<u>\$403.00</u>
-------------	-----------------



## Kris Sofley

---

**From:** Angelica A. Ortiz <aortiz@omlolaw.com>  
**Sent:** Tuesday, April 9, 2019 5:03 PM  
**To:** Kris Sofley  
**Cc:** Steve O'Neill; Erin Gorospe; Tony Emmert  
**Subject:** RE: Invoice from OMLO for February services  
**Attachments:** FPGSA.2.28.19 Invoice.pdf

Good Afternoon Ms. Sofley,

The check has been processed. Please note, that there was a credit of \$37 on your March bill for Manuel Serpa's time entry dated 2/27/19. You will also see a credit of \$206.50 on your April invoice for time entries in February. I've attached a copy of your 2/28/19 invoice for your review of time entries being credited.

Let me know if you have any questions.

Thank you,

Angelica A. Ortiz

OLIVAREZ MADRUGA LEMIEUX O'NEILL, LLP  
4165 E THOUSAND OAKS BLVD, SUITE 350  
WESTLAKE VILLAGE, CA 91362  
TEL: 805.495.4770 • FAX: 805.495.2787  
[WWW.OMLOLAW.COM](http://WWW.OMLOLAW.COM)

**Privileged and Confidential Communication**

This e-mail message is intended only for the personal and confidential use of the designated recipients. This message may be an attorney-client communication, and as such is privileged and confidential. If the reader of this message is not an intended recipient, you are hereby notified that any review, use, dissemination, forwarding or copying of this message is strictly prohibited. Please notify us immediately by reply e-mail or telephone, and delete the original message and all attachments from your system.

**From:** Kris Sofley <[kriss@unitedwater.org](mailto:kriss@unitedwater.org)>  
**Sent:** Tuesday, April 9, 2019 11:51 AM  
**To:** Steve O'Neill <[soneill@omlolaw.com](mailto:soneill@omlolaw.com)>  
**Cc:** Erin Gorospe <[ErinG@unitedwater.org](mailto:ErinG@unitedwater.org)>; Tony Emmert <[tonye@unitedwater.org](mailto:tonye@unitedwater.org)>  
**Subject:** Invoice from OMLO for February services

Hi Steven:

In preparing invoices for the next FPB GSA Board meeting, I recall that you said you would credit the FPB GSA for the February invoice from OMLO due to the errors that were experienced of late. I am wondering if that is still the case and, if so, would you please confirm if you intend to process the check for payment and issue a credit by reply email. Just trying to keep the books straight.

Thanks,



Olivarez Madruga Lemieux O'Neill, LLP,  
 4165 E. Thousand Oaks Blvd. Suite #350  
 Westlake Village, CA 91362-3852  
 Tel: (805) 495-4770 Fax: 805.495.2787  
 www.omlolaw.com

Fillmore and Piru Basins GSA  
 Attn: Kelly Long  
 P.O. Box 1110  
 Fillmore, CA 93016

Page: 1  
 February 28, 2019  
 Client/Matter No. 76.001  
 Statement No: 6309

Fillmore and Piru Basins GSA

For Professional Services Thru 02/28/2019

FEE TRANSACTIONS

			Rate	Hours	
02/01/2019	MDS	Emails with Fish and Wildlife counsel regarding assessments	185.00	0.10	18.50
02/07/2019	MDS	Prepare for conference call with Fish and Wildlife and call with SON regarding same	185.00	0.30	55.50
02/08/2019	MDS	Conference call with Fish and Wildlife counsel regarding assessment issue (.4); emails with SON regarding same (.1)	185.00	0.50	92.50
02/19/2019	SON	Telephone conference with WL regarding Board meeting and closed session	200.00	0.20	40.00
02/19/2019	WL	Telephone conference with SON regarding meeting agenda	185.00	0.20	37.00
02/21/2019	WL	Attend regular meeting	185.00	4.20	777.00
02/22/2019	WL	Email SON report on meeting	185.00	0.20	37.00
02/27/2019	MDS	Review of letter agreement and amendment with AMJ	185.00	0.20	37.00
Total Fee Charges:				5.90	1,094.50

Timekeeper Summary

Timekeeper	Title	Hours	Total
Steve O'Neill	Partners	0.20	\$40.00
Manuel Serpa	Associates	1.10	\$203.50
Wayne Lemieux	Associates	4.60	\$851.00



Fillmore and Piru Basins GSA

Page: 2

February 28, 2019

Client/Matter No. 76.001

Fillmore and Piru Basins GSA

Statement No: 6309

Total Current Charges	1,094.50
-----------------------	----------

Previous Balance	\$2,186.00
------------------	------------

PAYMENT TRANSACTIONS

02/28/2019	12/31/2018 Payment - Thank you, Check # 11031	-760.00
------------	---	---------

02/28/2019	01/31/2019 Payment - Thank you, Check # 11034	-1,426.00
------------	---	-----------

Balance Due	<u>\$1,094.50</u>
-------------	-------------------

**FILLMORE AND PIRU BASINS GROUNDWATER  
SUSTAINABILITY AGENCY**

250 CENTRAL AVE  
FILLMORE, CA 93015

BANK OF THE SIERRA  
527 SESPE AVE.  
FILLMORE, CA 93015

11037

90-3702/1211

CHECK ARMOR  
MICROFILM EDITION

3/31/2019

PAY TO THE  
ORDER OF Olivarez Madruga Lemeiux O'Neill LLP

\$ \*\*233.50

Two Hundred Thirty-Three and 50/100 \*\*\*\*\* DOLLARS

Olivarez Madruga Lemeiux O'Neill LLP  
4165 E. Thousand Oaks Blvd, Suite 350  
Westlake Village, CA 91362-3852

MEMO

Inv #6633; March 2019 General Counsel

AUTHORIZED SIGNATURE

⑈011037⑈ ⑆121137027⑆

2801395870⑈

FILLMORE AND PIRU BASINS GROUNDWATER

SUSTAINABILITY AGENCY

11037

Olivarez Madruga Lemeiux O'Neill LLP

Date	Type	Reference	Original Amt.	Balance Due	3/31/2019 Discount	Payment
3/31/2019	Bill		233.50	233.50		233.50
				Check Amount		233.50

Bank of the Sierra      Inv #6633; March 2019 General Counsel      233.50

FILLMORE AND PIRU BASINS GROUNDWATER

SUSTAINABILITY AGENCY

11037

Olivarez Madruga Lemeiux O'Neill LLP

Date	Type	Reference	Original Amt.	Balance Due	3/31/2019 Discount	Payment
3/31/2019	Bill		233.50	233.50		233.50
				Check Amount		233.50

Bank of the Sierra      Inv #6633; March 2019 General Counsel      233.50



**FILLMORE AND PIRU BASINS GROUNDWATER  
SUSTAINABILITY AGENCY**  
250 CENTRAL AVE  
FILLMORE, CA 93015

**BANK OF THE SIERRA**  
527 SESPE AVE.  
FILLMORE, CA 93015

**11038**  
90-3702/1211  


5/13/2019

PAY TO THE  
ORDER OF Olivarez Madruga Lemeiux O'Neill LLP

\$ \*\*233.50

Two Hundred Thirty-Three and 50/100\*\*\*\*\* DOLLARS

Olivarez Madruga Lemeiux O'Neill LLP  
4165 E. Thousand Oaks Blvd, Suite 350  
Westlake Village, CA 91362-3852

MEMO

Inv #6633; March 2019 General Counsel

AUTHORIZED SIGNATURE

⑈011038⑈ ⑆121137027⑆ 2801395870⑈

**FILLMORE AND PIRU BASINS GROUNDWATER**

**SUSTAINABILITY AGENCY**

**11038**

Olivarez Madruga Lemeiux O'Neill LLP

Date	Type	Reference	Original Amt.	Balance Due	5/13/2019 Discount	Payment
3/31/2019	Bill		233.50	233.50		233.50
				Check Amount		233.50

Bank of the Sierra      Inv #6633; March 2019 General Counsel      233.50

**FILLMORE AND PIRU BASINS GROUNDWATER**

**SUSTAINABILITY AGENCY**

**11038**

Olivarez Madruga Lemeiux O'Neill LLP

Date	Type	Reference	Original Amt.	Balance Due	5/13/2019 Discount	Payment
3/31/2019	Bill		233.50	233.50		233.50
				Check Amount		233.50

Bank of the Sierra      Inv #6633; March 2019 General Counsel      233.50



**Fillmore and Piru Basins**  
*Groundwater Sustainability Agency*

**Item No.**            **10C Consent Calendar**

**DATE:**            **May 13, 2019 (May 16, 2019 Meeting)**

**TO:**                **Board of Directors**

**SUBJECT:**        **Monthly Financial Report**

**SUMMARY**

The Board will receive the monthly financial report for the Fillmore and Piru Basins GSA.

**BACKGROUND**

UWCD accounting staff has prepared financial reports based on the Fillmore and Piru Basins GSA revenue and expenses for the month of April, 2019.

**FISCAL IMPACT**

None

Attachments:    April 30, 2019 P/L Budget Performance  
                      April 30, 2019 Balance Sheet

# Fillmore and Piru Basins GSA

## Profit and Loss Budget Performance

July 2018 through April 2019

	Jul '18 - Apr 19	Annual Budget	% of Budget
<b>Income</b>			
40001 · Groundwater Extraction Charge	367.41	473,850.00	0.08%
41000 · Grant Revenue			
41001 · State Grants	0.00	101,808.00	0.0%
Total 41000 · Grant Revenue	0.00	101,808.00	0.0%
47000 · Other Revenue			
47001 · Late Fees	2,432.39		
47012 · Returned Check Charges	5.00		
Total 47000 · Other Revenue	2,437.39		
Total Income	2,804.80	575,658.00	0.49%
Gross Profit	2,804.80	575,658.00	0.49%
<b>Expense</b>			
52200 · Professional Services			
52230 · Prof Svcs - Grant Solicitation	0.00	0.00	0.0%
52240 · Prof Svcs - IT Consulting	0.00	500.00	0.0%
52250 · Prof Svcs - Groundwtr/GSP Prep			
52251 · Prof Svcs - UWCD GW Services	15,087.00		
52252 · Prof Svcs - GSP Consultant	2,658.50		
52250 · Prof Svcs - Groundwtr/GSP Prep - Other	0.00	160,609.00	0.0%
Total 52250 · Prof Svcs - Groundwtr/GSP Prep	17,745.50	160,609.00	11.05%
52270 · Prof Svcs - Accounting	4,444.52	34,000.00	13.07%
52275 · Prof Svcs - Admin/Clerk of Bd	3,478.91	30,000.00	11.6%
52280 · Prof Svcs - Executive Director	20,239.38	30,000.00	67.46%
52290 · Prof Svcs - Other	0.00	0.00	
Total 52200 · Professional Services	45,908.31	255,109.00	18.0%
52500 · Legal Fees			
52501 · Legal Counsel	7,091.00	67,600.00	10.49%
Total 52500 · Legal Fees	7,091.00	67,600.00	10.49%
53000 · Office Expenses			
53010 · Public Information	216.00	17,521.00	1.23%
53020 · Office Supplies	154.58	10,000.00	1.55%
53026 · Postage & Mailing	401.02	4,000.00	10.03%
53040 · Membership Dues	0.00		
53110 · Travel & Training	2,568.55		
Total 53000 · Office Expenses	3,340.15	31,521.00	10.6%
53500 · Insurance			
53510 · Liability Insurance	2,077.67	2,500.00	83.11%
Total 53500 · Insurance	2,077.67	2,500.00	83.11%
70000 · Interest & Debt Service			
70120 · Interest Expense	0.00	0.00	0.0%
Total 70000 · Interest & Debt Service	0.00	0.00	0.0%
70130 · Bank Service Charges	5.00		
80000 · AR Write-Offs - Bad Debt Exp.	0.05		
Total Expense	58,422.18	356,730.00	16.38%
Net Income	-55,617.38	218,928.00	-25.4%



**Fillmore and Piru Basins GSA**  
**Balance Sheet**  
As of April 30, 2019

Apr 30, 2019

**ASSETS**

**Current Assets**

**Checking/Savings**

10000 - Bank of the Sierra 252,929.84

**Total Checking/Savings** 252,929.84

**Accounts Receivable**

11000 - Accounts Receivable\* -303,251.09

**Total Accounts Receivable** -303,251.09

**Total Current Assets** -50,321.25

**TOTAL ASSETS** -50,321.25

**LIABILITIES & EQUITY**

**Equity**

32000 - Retained Earnings 5,296.13

**Net Income** -55,617.38

**Total Equity** -50,321.25

**TOTAL LIABILITIES & EQUITY** -50,321.25

\* The negative Accounts Receivable balance includes the credit memos that were issued to customers for the periods prior to March 2018. The billing for July - December 2018 will be reflected on the May 2019 report.



**Item No.**        **11A Motion Item**

**DATE:**         **May 13, 2019 (May 16, 2019 Meeting)**

**TO:**             **Board of Directors**

**SUBJECT:**      Auditor Proposal Review and Selection

#### **SUMMARY**

The Board will review proposals from various auditing firms and consider staff recommendations regarding the selection of an auditing firm for the Agency.

#### **RECOMMENDED ACTION**

It is recommended that the Board authorize the Executive Director to negotiate and finalize a service agreement with Rogers, Anderson, Malody & Scott (RAMS) as the Agency's auditors to audit Fiscal Years 2017-18 and 2018-19 and to prepare the State Controller's Report.

#### **BACKGROUND**

Fillmore and Piru Basins Groundwater Sustainability Agency (Agency) issued a joint request for proposals (RFP) with the Mound Basin Groundwater Sustainability Agency (MB GSA) for auditing services in March 2019. Four firms responded. The proposals were reviewed by the Executive Director of the Agency, and the Chief Financial Officer and Senior Accountant of United Water Conservation District. The proposals were scored on five criteria: 1) proposed cost for the Agency audit, 2) proposed cost of the MB GSA audit, 3) proposed cost for preparation of the State Controller's report, 4) relevant governmental audit experience, and 5) proposed cost of a Single Audit (a single audit is not currently needed by the Agency, as the Agency does not receive more than \$750,000 in Federal funds). Scoring was done on a scale of 1 – 4, with 4 being the highest.

RAMS received the highest total score based on the above criteria. RAMS' cost was the second lowest overall, but its costs were competitive on the other criteria, and RAMS had the lowest cost for preparation of the State Controller's Report.

In keeping with full transparency, RAMS is also currently under contract to audit United Water Conservation District; its contract expires after the completion of the FY 2018-19 audit. RAMS is proposing using a different team for their groundwater sustainability agencies engagements, which will provide separation. Per its auditor rotation policy, United Water Conservation District will be securing the services of another auditing services firm for the next three to five year period.

#### **FISCAL IMPACT**

Entering into a contract for auditing services and preparation of the State Controller's Report with RAMS would have a not-to-exceed cost of \$5,755 for the FY 2017-18 audit. The cost would be the same for the FY 2018-19 audit.

Item No: 11A Auditor Proposal Review and Selection

May 16, 2019

Page 2

**ATTACHMENTS**

- A. Auditor Proposal Scoring for Fillmore and Piru Basins and Mound Basin GSAs

Auditor Proposals for Fillmore Piru and Mound Basin GSAs

	<b>Bartlett Pringle Wolf</b>	<b>R a n k</b>	<b>Vasquez &amp; Co.</b>	<b>R a n k</b>	<b>Moss Levy &amp; Hartzheim</b>	<b>R a n k</b>	<b>Rogers Anderson Malody &amp; Scottt</b>	<b>R a n k</b>
FY 17-18 Price - FPB	8,500	2	4,200	4	12,250	1	5,195	3
FY 18-19 Price - Mound	7,500	2	3,000	4	12,250	1	5,195	3
Proposal for State Controller's Report	1,500 (FPB), 1,000 (MB)	2	1,770	1	850	3	560	4
Experience	Upper Ventura River GSA, Motecito Sanitary Dist, Santa Ynez WD, Goleta West San Dist, Ventura River WD	4	> 50 gov't entities listed incl: Met Water, MWD of Orange Cnty, Upper San Gabirel Valley MWD, Walnut Valley WD, City of Agoura Hills, City of Westlake Village	3	> 50 gov't entities incl: County San Dist of LA Cnty, LA Cnty Flood Ctrl Dist, Trinfuo San Dist, Foothill MWD, City of Westlake Village	3	> 50 gov't entities incl: Mojave Water Agency, Elsinore Valley MWD, Western MWD, Crestline-Lake Arrowhead WA, San Bernardino Valley MWD	3
Cost of Single Audit (not currently needed)*	9,000	2	listed in RFP as \$0 but that is unlikely; left voicemail with firm to follow up but have not returned call	2	3,000 minimum + \$2,500 per add'l program/grant	4	4,150	3
Years Experience of Senior Staff	> 25		> 20 years		40		24	
Years Firm in Business	> 60		> 50 years		62		70	
Information on Staff Provided	Y		Y		Y		Y	
Location	Santa Barbara		Glendale		Culver City		San Bernardino	
Peer Reviews	Yes. No issues noted.		Yes. No issues noted.		Yes. No issues noted.		Yes. No issues noted.	
Other Notes	Left voicemail with questions; have not heard back as of end of day on 5/8/19		Left voicemail with questions; have not heard back as of end of day on 5/8/19		Could do both 17-18 and 18-19 audits at same time or separate		Could do both FY at same time or different. Recommend doing 17- 18 in July-Aug to get it done ASAP before they get busy with other audits	
					Pricing would be cheaper for Mound if they are both selected, around \$9,000		UWCD has used this firm for the past 4 years but they propose a different audit team for for these GSAs. FY 18- 19 will be UWCD's last year with them per auditor rotation policy	
<b>Total Score</b>		<b>12</b>		<b>14</b>		<b>12</b>		<b>16</b>

\* Single audits are required when an entity receives more than \$750,00 in Federal funding per year