

GLENN GROUNDWATER AUTHORITY
 720 N. Colusa Street, Willows, CA 95988
 Telephone: 530-934-6501

MINUTES

GLENN GROUNDWATER AUTHORITY BOARD OF DIRECTORS

May 14, 2018

1:30 P.M.

720 NORTH COLUSA STREET, WILLOWS, CA 95988

| Director Members Present: | | Agency Representing: | |
|--|-------------------------|----------------------|--|
| X | John Viegas (1:38) | | County of Glenn |
| X | Bruce Roundy | | City of Orland |
| X | Gary Hansen | | City of Willows |
| | George Nerli | | Glide Water District |
| X | John Amaro | | Glenn-Colusa Irrigation District |
| X | Charles Schonauer | | Orland-Artois Water District |
| X | Randy Hansen | | Kanawha Water District |
| X | Gary Enos | | Princeton-Codora-Glenn Irrigation District/ Provident Irrigation District |
| Alternate Members Present: | | | |
| | Vince Minto | | County of Glenn |
| | Pete Carr | | City of Orland |
| X | Evan Markey | | City of Willows |
| X | Leslie Nerli | | Glide Water District |
| X | Thaddeus Bettner (2:17) | | Glenn-Colusa Irrigation District |
| X | Emil Cavagnolo | | Orland-Artois Water District |
| | Wade Danley | | Kanawha Water District |
| | Lance Boyd | | Princeton-Codora-Glenn Irrigation District/ Provident Irrigation District |
| 2 nd Alternate Members Present: | | | |
| | Ed Vonasek | | City of Orland |
| X | Andrea Jones | | Orland-Artois Water District |
| X | Michael Alves | | Kanawha Water District |

Others in attendance:

Lisa Hunter, Glenn County; Sharla Stockton, Glenn County; Erin Smith, Department of Water Resources;
 Valerie Kincaid, O’Laughlin & Paris

1. CALL TO ORDER

- a. Pledge of Allegiance
- b. Roll Call
- c. Introductions

John Amaro called the meeting to order at 1:30 P.M. The pledge of allegiance was recited, roll call was taken as indicated above, and those in attendance were invited to introduce themselves.

2. APPROVAL OF AGENDA AND MINUTES

- a. Approval of meeting minutes from April 9, 2018.

The April 9, 2018 minutes were approved as presented.

Motion: Gary Hansen, Second: Randy Hansen, Vote: Unanimous

- b. Review and approve agenda

There were no objections to the agenda as prepared.

3. PERIOD OF PUBLIC COMMENT

None

4. FINANCIAL REPORT

- a. Review and accept Monthly Activities Report
- b. Review and consider approval of claims

John Amaro introduced the item. Lisa Hunter stated a monthly activities report is included in the packet on pages 10 and 11. Page 12 in the packet are claims to be paid. All member agencies have made their first, second, and third payments to the Glenn Groundwater Authority (GGA). Andrea Jones noticed an error in the beginning and/or ending balance for the March or April monthly activities report. Ms. Hunter stated she will bring a corrected report to the next meeting. There was a motion to approve the expense of \$3,440 for attorney fees presented in claims to be paid.

Motion: Leslie Nerli, Second: Bruce Roundy, Vote: Unanimous

5. FISCAL YEAR 2018/2019 BUDGET

- a. Hold discussion on the draft budget. Provide direction to Program Manager and Budget Ad Hoc Committee as necessary.

John Amaro stated this item is continuing from previous meetings. The Budget Ad Hoc Committee has prepared a draft budget and is looking for feedback. The Budget Ad Hoc

Committee will be meeting prior to the next GGA meeting and finalizing edits and comments. The Final Draft Budget will be brought to the Board in June for review and consideration of approval.

Leslie Nerli stated one reason this item was postponed is to allow for more direction from the Board with the consideration of long-term funding options and coordination of a joint technical committee with the Colusa Groundwater Authority (CGA). Lisa Hunter stated she is working with the County's Finance Department to reorganize the GGA accounts which she would like to have finalized prior to finalizing the budget.

6. LONG-TERM FUNDING

- a. Valerie Kincaid, Legal Counsel, will provide a presentation of long-term funding options.

Valerie Kincaid gave a presentation on Groundwater Sustainability Agency (GSA) funding options. GSAs will likely need long term funding in order to be compliant with the Sustainable Groundwater Management Act (SGMA) and to support implementation of a Groundwater Sustainability Plan (GSP). There are five funding options which include regulatory fees, property related fees, property related fees for water service, special assessments, and special taxes.

She reviewed each of the five funding options individually. Regulatory Fees are subject to Proposition 26 which would require the GGA to pass a resolution with approval from 2/3 of present and voting directors. Property-related fees are subject to Proposition 218 and is based on a property related service. One of the first steps for fees of this nature is parcel identification and fee calculation. There is also notification and hearing requirements as well as an opportunity for majority protest and voter approval. The third option is a property related fee for water service which is similar to the property related fee, but is limited to water service and does not require voter approval. However, there is still an opportunity for majority protest.

Gary Enos asked if the GGA outreach program that is currently being developed would start before or after the selection of a long-term funding option. Ms. Kincaid stated often outreach occurs during the development of these funding options and the execution of securing funding.

Option 4, special assessments are subject to Proposition 218 with discrete rules and restrictions specifically for special assessments. These assessments are based on special benefits received by the property. Special assessments require an assessment calculation, and engineer's report, notice, ballots, public hearings, and voting/opportunity for majority protest.

Special Taxes, Option 5, are not considered a fee and do not require a benefit. This option requires approval from 2/3 of voters within the district. A very common form is a "parcel tax". It is doubtful that this option could be pursued by the GGA in its capacity as a joint

powers authority because a JPA can only exercise powers common to all of its members. California Water Districts may not have the power to levy special taxes.

In conclusion, the GGA has numerous options for funding its SGMA activities. Additionally, topics to consider with regards to the selection of a funding option include what the GGA is funding exactly (GSP implementation and special projects). There is a likelihood that multiple or subsequent funding efforts may need to take place.

- b. Hold discussion and provide direction to Program Manager, Legal Counsel, and/or committees as needed.

The Directors asked Ms. Kincaid if she could provide a one-page summary of the presentation for distribution. Directors will bring the information to their individual agency boards and the item will be brought back for further discussion. Gary Hansen would like to keep this as a standing agenda item.

7. POTENTIAL DEVELOPMENT OF AN AGREEMENT WITH COLUSA GROUNDWATER AUTHORITY TO DESCRIBE COOPERATION BETWEEN THE AGENCIES

- a. Discuss potential development of an Agreement with Colusa Groundwater Authority describing cooperation.
- b. Authorize Executive Committee, Program Manager, and Legal Counsel to coordinate with Colusa Groundwater Authority and/or its designees to develop a draft Agreement for the GGA Board's consideration.

There was a motion to approve the item as submitted.

Motion: Charles Schonauer, Second: Bruce Roundy, Vote: Unanimous

8. WATER SUPPLY AND WATER QUALITY ACT OF 2018.

- a. Consider approving support for the Water Supply and Water Quality Act of 2018.

Mr. Amaro stated John Viegas gave the group an update at the last meeting on this item. Gary Hansen asked other water managers to weigh in on the pros and cons of supporting the Water Quality Act of 2018. Most managers stated their individual boards have not taken a position regarding support or non-support; GCID and CGA have supported the Act. Mr. Viegas stated that RCRC supported the act as well. Bruce Roundy mentioned that the League of Cities is also supporting the bond. There are some focused dollars which will contribute to drinking water, groundwater, and delta restoration projects. A motion was made support the Water Supply and Water Quality Act of 2018.

Motion: Charles Schonauer, Second: Leslie Nerli, Vote: Unanimous

- b. Authorize Program Manager to send a Letter of Support or an email indicating GGA support of the Water Supply and Water Quality Act of 2018 to the campaign manager.

There was a motion to approve the item as submitted. It was clarified the Chairman would sign the letter.

Motion: Gary Hansen, Second: John Viegas, Vote: Unanimous

9. CONSIDER REVISING MEETING SCHEUDLE APPROVED AT THE APRIL 9, 2018 MEETING TO CORRECT ERRORS.

Lisa Hunter indicated there were mistakes on the meeting schedule presented in April. The schedule presented in the agenda packet is revised to correct those errors. The major changes include the July 9 meeting will replace the July 16 meeting and the October 8 meeting will replace with October 15. The group may want to consider moving or canceling the meeting currently scheduled on Thanksgiving (November). The group decided to cancel the November meeting and select a replacement date if needed. A motion was made to approve the schedule as presented with the changes noted in the discussion.

Motion: Gary Enos, Second: Gary Hansen, Vote: Unanimous

10. PROGRAM MANAGER UPDATES

Lisa Hunter reviewed the program manager update that was provided at the meeting. She highlighted that fourth quarter invoicing was mailed out, county staff has been working on budget reorganization item, there is ongoing coordination with the CGA Program Manager on joint activities, and there have been website updates, as well as meeting preparation and follow-up.

11. COMMITTEE UPDATES

John Amaro, Lisa Hunter, and committee members provided updates for each committee. Activity summaries are also included in the meeting packet.

- a. Executive Committee
 - i. CGA/GGA Joint Executive Committee

The Executive Committee met for the first time as a Brown Act compliant standing committee. There were discussions regarding long-term funding options, bylaws, and agenda items related to this meeting. The Joint Executive Committee did not meet and has nothing to report.

- b. CGA/GGA Technical Ad Hoc Committee

The Joint Technical Ad Hoc Committee did not meet and has nothing to report.

- c. HCM/Water Budget Selection Committee

The HCM/Water Budget Selection Committee did not meet and has nothing to report.

d. Stakeholder Engagement Committee

The Stakeholder Engagement Committee has not met and has nothing to report. Ms. Hunter stated she is coordinating with the facilitator to select an appropriate time for the committee to meet.

e. Budget Ad Hoc Committee

The Budget Ad Hoc Committee did not meet. The draft budget was discussed under Item 5 and the committee has nothing further to report.

f. Basin Boundary Modification Ad Hoc Committee

The Basin Boundary Modification Ad Hoc Committee has not met and there is nothing to report. The committee plans to bring updates and recommendations to the June GGA meeting.

12. MEMBER REPORTS AND COMMENTS

None

13. NEXT MEETING

The next meeting is scheduled for June 11, 2018 at 1:30 P.M.

14. ADJOURN

The meeting was adjourned 3:22 P.M.