

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

BOARD OF DIRECTORS AGENDA BACKUP MATERIALS

MEETING DATE: AUGUST 1, 2019

AGENDA ITEM 1: CALL TO ORDER

The Chairperson will call the meeting to order. Introductions may also be made.

AGENDA ITEM 2: ROLL CALL

Roll call will be conducted.

AGENDA ITEM 3: APPROVAL OF MINUTES

- a. *Approval of meeting minutes from June 10, 2019.
- b. *Approval of special meeting minutes from July 8, 2019.

Draft meeting minutes will be reviewed and considered for approval.

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

MEETING MINUTES

GLENN GROUNDWATER AUTHORITY BOARD OF DIRECTORS

JUNE 10, 2019

1:30 PM

720 NORTH COLUSA STREET, WILLOWS, CA 95988

Director Members Present:		Agency Representing:	
X	John Viegas		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
	Gary Enos		Princeton-Codora-Glenn Irrigation District/ Provident Irrigation District
Alternate Members Present:			
	Vince Minto		County of Glenn
	Pete Carr		City of Orland
	Evan Markey		City of Willows
X	Leslie Nerli		Glide Water District
	Thaddeus Bettner		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
	Michael Alves		Kanawha Water District

Others in attendance:

Lisa Hunter, GGA/Glenn County; Linda Sloan (via phone-in), Provost & Pritchard; Mark Lohse, Glenn Ground Water District; Brandon Davison, Department of Water Resources; Sharla Stockton, GGA/Glenn County; Byron Clark, Davids Engineering; David Kehn, Cal Water; Del Reimers

1. CALL TO ORDER

John Amaro called the meeting to order at 1:30 PM.

2. ROLL CALL

Roll was taken and is indicated above.

3. APPROVAL OF MINUTES

- a. Approval of meeting minutes from April 8, 2019.
- b. Approval of special meeting minutes from May 8, 2019.
- c. Approval of meeting minutes from May 13, 2019.

The meeting minutes for April 8, 2019 were approved as submitted.

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

The meeting minutes for May 8, 2019 were approved as submitted.

Motion: Gary Hansen, Second: Bruce Roundy Vote: Unanimous

The meeting minutes for May 13, 2019 were approved as submitted.

Motion: John Viegas, Second: Leslie Nerli Vote: Unanimous

4. PERIOD OF PUBLIC COMMENT

Del Reimers commented on the notice sent out by the Glenn Groundwater Authority (GGA). He explained that his land does not have groundwater, the proposed fee would double the taxes for the property, and he does not see the benefit of this fee. He feels that if the fee is approved, he would have no choice but to legally fight it.

The discussion was continued under *Item 7: Long-Term Funding*.

No other public comments were received.

5. STAFF UPDATES

Lisa Hunter provided a Program Manager Report and stated most tasks have been related to long term funding items. Other highlighted items include:

- Continued coordination with the Colusa Groundwater Authority
- Continued distribution of SGMA Fact Sheets and email distribution list sign-up sheets
- Updates provided at all Northern Sacramento Valley Integrated Regional Water Management Group meetings and SGMA outreach at the County Fair booth
- Staff presented at the Groundwater Resources Association GSA Summit and will be speaking at the upcoming Olive Day

6. FINANCIAL REPORT

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

A motion was made to accept the Monthly Activities Report as presented.

Motion: Chuck Schonauer, Second: Randy Hansen, Vote: Unanimous

A motion was made to approve claims as presented.

Motion: Bruce Roundy, Second: Gary Hansen, Vote: Unanimous

7. LONG-TERM FUNDING

- a. Update on Long-Term Funding activities and provide direction as needed.
- b. Provide direction on per acre fee to charge for Fiscal Year 19/20 if the fee is adopted.

Lisa Hunter encouraged Del Reimers to call the consultant phone number to correct any acreage discrepancies and asked Mr. Reimer if he had a suggestion for a reasonable solution from a rangeland perspective. Mr. Reimer stated the land cannot be irrigated on the west side and did not believe rangeland owners should be included in the subbasin or fee assessment.

Further discussion included description of how the basin boundaries were developed, potential basin boundary modifications, scientific justification for basin boundary modifications and schedule, the GGA fee process and State Water Resources Control Board fee schedule and management, potential benefits of local management, potential for management areas, fee mechanism options, and related topics.

Ms. Hunter provided an update on the long-term funding process. The Colusa Groundwater Authority (CGA) had their public hearing on June 5, 2019 with a 2% protest rate. The fee passed at \$1.21 per acre. The GGA proposed \$1.93 fee is the maximum fee and cannot exceed the cost of service. Ms. Hunter suggested that perhaps some of the questions being posed could be answered in the basin settings portion of GSP development. The scope of work and budget could be expanded to include this additional task. This may provide the technical basis for a future basin boundary modification, management areas, or fee structures.

John Viegas suggested sending a letter to the DWR requesting a basin boundary modification change. Brandon Davison offered to provide a query of groundwater well information for the rangeland areas.

It was requested that the board provide direction on the fee for the upcoming fiscal year if the fee is approved after the public hearing. The budget included in the fee study for fiscal year 2019-2020 is \$1.61, but the GGA could charge the maximum \$1.93 per acre. Gary Hansen suggested keeping the fee as low as possible and to start with the minimum fee of \$1.61 if it passes on July 8, 2019. Others agreed with the suggested approach.

There was a motion to set the rate at \$1.61 per acre if the Proposition 218 passes.

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

8. GLENN GROUNDWATER DISTRICT UPDATE

- a. Consider recommendation from the GGA Executive Committee regarding confirming new membership of the Glenn Ground Water District to the Glenn Groundwater Authority JPA including reasonable reimbursement for costs incurred in the formation and early implementation of the Authority.
- b. Authorize Chairman to develop and sign a letter in response to the Glenn Ground Water District request for a seat on the GGA Board by June 30 as required by the JPA.

John Amaro stated the background for this item is included in the meeting packet. The Executive Committee recommended the Glenn Groundwater District be required to pay a \$10,000 fixed fee for the 2018/2019 fiscal year to be consistent with all other member agencies. The Executive Committee requested the county to decide what a reasonable reimbursement for the acreage fee would be for the acreage fees paid by the

County. John Viegas indicated the County would not require reimbursement because the County represented those areas during the time in which the expense was incurred.

A motion was made to approve the Executive Committee's recommendation that the Glenn Ground Water District be required to pay the \$10,000 fixed fee and receive a seat on the GGA Board.

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

There was a motion to authorize the Chairman to develop and sign a letter in response to the Glenn Groundwater District request for a seat on the GGA Board.

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

9. CONSIDER RECOMMENDATIONS FROM THE JOINT COLUSA GROUNDWATER AUTHORITY/GLENN GROUNDWATER AUTHORITY TECHNICAL ADVISORY COMMITTEES (CGA/GGA TAC) REGARDING DEVELOPMENT OF THE COLUSA SUBBASIN GROUNDWATER SUSTAINABILITY PLAN (GSP)
- a. Consider recommended process for consultant selection to complete the GSP for the Colusa Subbasin.
 - b. Review and discuss DRAFT Request for Proposals (RFP) for Colusa Subbasin GSP development.
 - c. Consider authorizing the Joint CGA/GGA TAC to finalize and issue the RFP, review proposals, and complete all tasks necessary to bring a recommendation to the Board at a future meeting.
 - d. Consider recommendation to utilize California Central Valley Groundwater-Surface Water Simulation Model, Fine Grid (C2VSim FG) as the Integrated Hydrologic Model (IHM) for GSP development in the Colusa Subbasin.

Lisa Hunter stated the recommendation from the joint CGA/GGA TAC is to release a Request for Proposals (RFP) for a single Consultant or Consultant team to complete the remaining components of the GSP for the Colusa Subbasin. The Davids Engineering team was hired to do the HCM and water budget portion which includes most of the basin settings portion of the GSP, but the remainder of the GSP needs to be developed. Some TAC members were available for clarifications. Discussion took place on the RFP process including advertising the RFP through the interested consultants list and posting to websites and consultant coordination expectations.

A motion was made to approve the recommendation from the joint CGA/GGA TAC to release a RFP for a single Consultant or Consultant team to complete the remaining components of the GSP for the Colusa Subbasin as recommended.

Motion: Gary Hansen, Second: Bruce Roundy, Vote: Unanimous

There were no further suggestions on the content of the draft RFP.

Leslie Nerli asked if the western boundary issue could be woven into the RFP for the GSP. Ms. Hunter mentioned the work could fit into several areas of the GSP and the budget would also need to account for that specific work. Several options were discussed.

A motion was made to authorize the Joint CGA/GGA TAC to finalize and issue the RFP, review proposals, and complete all tasks necessary to bring a recommendation to the Board at a future meeting.

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

A motion was made to approve Item 9(d) to utilize California Central Valley Groundwater-Surface Water Simulation Model, Fine Grid (C2VSim FG) as the Integrated Hydrologic Model (IHM) for GSP development in the Colusa Subbasin as recommended.

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

10. DEPARTMENT OF WATER RESOURCES (DWR) 2019 DRAFT BASIN PRIORITIZATION RESULTS

a. Update on DWR 2019 Draft Basin Prioritization Results

The Colusa Subbasin is listed as a high priority basin in the draft Basin Prioritization results.

11. COMMITTEE UPDATES

No further updates.

12. MEMBER REPORTS AND COMMENTS

None.

13. NEXT MEETING

The next meeting is scheduled for July 8, 2019 at 5:30 PM at the Willows City Council Chambers.

14. ADJOURN

The meeting was adjourned 2:50 PM.

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

MEETING MINUTES

GLENN GROUNDWATER AUTHORITY BOARD OF DIRECTORS

JULY 08, 2019

5:30 PM

201 NORTH LASSEN STREET, WILLOWS, CA 95988

Director Members Present:		Agency Representing:	
X	John Viegas		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
	Gary Enos		Princeton-Codora-Glenn Irrigation District/ Provident Irrigation District
Alternate Members Present:			
X	Vince Minto		County of Glenn
	Pete Carr		City of Orland
X	Evan Markey		City of Willows
X	Leslie Nerli		Glide Water District
	Thaddeus Bettner		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
	Michael Alves		Kanawha Water District

Others in attendance:

Sign In Sheets attached.

1. CALL TO ORDER

John Amaro called the meeting to order at 5:30 PM.

2. ROLL CALL

Roll was taken and is indicated above.

3. PERIOD OF PUBLIC COMMENT

None

4. FINANCIAL REPORT

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

The Monthly Activities Report and Claims Summary were included in the meeting packet materials. A motion was made to accept the Monthly Activities Report as presented.

Motion: Bruce Roundy, Second: Gary Hansen, Vote: Unanimous

A motion was made to approve claims as presented.

Motion: John Viegas, Second: Leslie Nerli, Vote: Unanimous

5. PUBLIC HEARING: GLENN GROUNDWATER AUTHORITY PROPERTY-RELATED FEE

John Amaro opened the Public Hearing to provide an opportunity for the public to comment and protest on the Authority's proposed property related fee. He stated the fee is intended to cover everyday operations of the Authority. These operations include administration, legal services, insurance, office and outreach materials, accounting, monitoring and reporting to the Department of Water Resources, and potentially some special studies. Mr. Amaro reviewed the hearing procedures.

Valerie Kincaid, the GGA's legal counsel, reviewed the Authority's compliance with the requirements of the Proposition 218 process. Dave Ceppos, a neutral facilitator from Sacramento State University Consensus and Collaboration Program provided background information on the Sustainable Groundwater Management Act (SGMA), the Glenn Groundwater Authority, and financing SGMA implementation.

Bruce Roundy commented the importance of keeping the state out, the benefits of local management, and the Board's desire to keep the fees as low as possible.

John Amaro commented on the benefits of local control and local representation.

Gary Hansen stated the all are affected and while nobody wants increased fees, we must comply with state law and keep the State Water Resources Control Board out of our business. The Board has worked hard to keep the fees as low as possible. The cities will pay the same per acre rate on behalf of the land owners within the city boundaries in order to save money in administrative costs and control costs.

John Viegas noted the collaboration between all the agencies to try to provide unity and protect our local groundwater.

Leslie Nerli stated she appreciates the involvement and commitment of the Board to keep it local and the importance of protecting the ability to manage locally.

Mr. Amaro reviewed the procedures for providing comments and notes there were approximately 43 individuals present. Mr. Amaro opened the Public Comment portion of the Hearing.

Gwynn Turnbull-Weaver stated her comments are specific to the western boundary including the foothill areas that are non-irrigated. She feels the fee proposal incentivized non-irrigated lands to want the State to intervene as the fee would be lower under State control and the proposed structure subsidizes heavy groundwater users. She suggested a provision be made or a waiver process for those who do not irrigate lands to maintain the foothill areas. She also commented the foothill areas generally have a minimum parcel size of 160 acres which unfairly distributes votes when using a one vote per parcel structure.

Frances Lepp asked if the acreage has to have a well on it to be assessed.

Luke Reimers stated the fee is irresponsible and the cities are subsidized by rangeland. He supports the idea of a waiver process for the rangeland and cattle producers on the west side of the Colusa Subbasin.

Valerie Kincaid responded one consideration is that the State Water Board has the authority to implement an "interim plan" which is essentially the State's version of a GSP. Local control (GGA) has the ability to work with stakeholders to define local management areas, for instance for non-groundwater users. The State Water Board does not have that ability. It is a possibility that the State Water Board would cut historic non-groundwater users to zero allocations. Local management areas written into the plan would recognize this special circumstance, which would provide a specialized part of the plan, and potentially recognition in future fee constructs.

Luke Reimers responded that there is a significant cost associated with this and it will affect operations and the value of the land and the Board is capable of providing a waiver system and should be willing to do so.

Chris Souza stated they have a domestic well with 111 acres, and they irrigate about 25 acres of pasture with water from their pond. He asked why they are being charged for more than what they actually irrigate.

Holly Reimers stated she is representing several rangeland landowners. She stated as stipulated in Proposition 218 Section 6, it states fees are charged by an agency per parcel in exchange for providing a property related service. She believes they are not being provided a service or benefit in return for the fee as stipulated in the Proposition 218 process. She also asked why the Orland Unit Water Users are not here or represented. She also believes some landowners were not properly notified of the protest hearing.

Gladys Bettencourt stated she has about 60 acres with only a domestic well supply. She stated she cannot afford any increases in taxes on her limited income.

Rhonda Perkins stated water is a property right and that is why she is opposed to the fee.

Maryann Edmonson stated she only has one acre and the fee is not that significant for her but she questions the legality of the situation, not necessarily the Board, but regarding the law that was passed to enable the people to vote before a new tax is implemented. She asked if anyone challenged the State for saying there must be a board and implementing new property taxes on the landowners.

Jim Hughes stated we do have to fulfill the law but the options forced upon people are without exception and there is no negotiating. It is a blanket law. He represents three parcels. One is a church with a well that is not used for irrigation. The other two parcels have pasture irrigated with water from Glenn Colusa Irrigation District. There should be fairness in deciding who should pay. He does not believe parcels with only residential wells should have to pay this fee.

Shaun Beckett stated his fee is about \$4 and he is not worried about his personal cost. However, he is also concerned about the rangeland. His wife owns about 800 acres that is essentially dryland/rangeland, fed by a natural spring. They already pay other water fees. He questions the mentality of the process; people are paying as a collective and not receiving a service that other people are benefitting from more than the west side people.

Gwynn Turnbull-Weaver stated the rangeland people cannot wait five years because once the plan is in place and compliance is reached, they will lose their leverage to have the fee removed. She stated the Proposition 218 process will not hold up because the votes should be based on a per acre basis, not per parcel. There are minimum parcel sizes and it is not a fair way of measuring. She believes the waiver process would not impact on the overall fee significantly, but would streamline the legal processes. She does not want the State to step in, but it is currently to rangeland peoples' financial benefit to let the State have control.

Val Shaw from Hamilton City is concerned about groundwater extraction and groundwater exportation out of the county for money.

Luke Reimers an audience member responded stating there is an ordinance against the exportation of groundwater out of the county.

Billy (last name not provided) stated he only has 13 acres and the fee is not significant for him; however, he feels that the fees will continue to go up and he only has dry ground.

Darla Nonella stated she believes there should be another proposal that is a usage-based fee rather than an acreage-based fee.

Seeing no further comments, Mr. Amaro closed the Public Comment portion of the Hearing. Valerie Kincaid explained the protest process. Mr. Amaro called for members of the public wishing to file a protest, to do so at this time. Members of the public were given time to submit written protests or remove any prior written protests.

Mr. Amaro closed the end of the Public Comment and protest portion of the Hearing. He instructed Provost & Prichard Consulting staff to unseal protests and begin the counting process. Mr. Amaro explained the counting process and invited the public to observe. Provost & Pritchard staff conducted the tabulation of protest ballots, which was projected on the screen for the public to view as each parcel was entered and counted.

6. CONSIDER ADOPTION OF RESOLUTION CERTIFYING THE RESULTS OF A PROPOSITION 218 MAJORITY PROTEST PROCEEDING AND SETTING THE AUTHORITY'S OPERATIONS FEE

The Board Meeting reconvened following the tabulation of protests. Provost & Pritchard staff stated there were 259 written protests submitted out of a possible 5,661. There was a motion that Resolution 2019-01 titled "A Resolution Certifying the Results of a Proposition 218 Majority Protest Proceeding and Setting the Authority's Operations Fee" be adopted.

Motion: Gary Hansen, Second: Bruce Roundy

AYES: John Viegas, Bruce Roundy, Gary Hansen, John Amaro, Chuck Schonauer, Randy Hansen, Leslie Nerli

NOES: None

ABSENT: Gary Enos

ABSTAINS: None

7. MEMBER REPORTS AND COMMENTS

None

8. NEXT MEETING

The next meeting is scheduled for August 12, 2019 at 1:30 PM.

9. ADJOURN

The meeting was adjourned 9:09 PM.

DRAFT

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

AGENDA ITEM 4: PERIOD OF PUBLIC COMMENT

Members of the public are encouraged to address the GGA Board of Directors. Public comment will be limited to 5 minutes.

AGENDA ITEM 5: STAFF UPDATES

The program manager will provide a brief status updates. Reminders and/or clarifications may also be made at this time.

AGENDA ITEM 6: FINANCIAL REPORT

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

Monthly Activities Report and Claims Summary are attached.

May 2019

GGA Board of Directors
Special Meeting Date: August 1, 2019

Glenn Groundwater Authority
Monthly Activities Report
June 2019 DRAFT

Description	Amount
Beginning Balance	\$ 527,784.91
Revenue	
Total Revenue	\$ -
Expenses	
Provost & Pritchard Inv # 73422	\$ 10,044.57
O'Laughlin & LLP Inv # 9081	\$ 10,610.00
Davids Engineering Inc Inv 1178.01-3513	\$ 2,175.75
Provost & Pritchard Inv # 73954	\$ 16,817.32
O'Laughlin & LLP Inv # 9117	\$ 5,440.00
Provost & Pritchard Inv # 74109	\$ 1,616.30
Davids Engineering Inc Inv 1178.01-3528	\$ 5,898.00
WATER RESOURCE HRS REIMBURS INV 19-WR-03	\$ 28,302.57
Sac Valley Mirror - Legal Advertising	\$ 73.20
Total Expenses	\$ 80,977.71
Ending Balance	\$ 446,807.20

Glenn Groundwater Authority

Invoices to be paid

Meeting Date: August 1, 2019

Invoice Date	Invoice Number	Description	Amount
6/30/2019	9117	O'Laughlin & Paris LLP	\$ 5,440.00
7/11/2019	19-WR-03	Glenn County- Admin Support	\$ 28,302.57
Total			\$ 33,742.57

Glenn Groundwater Authority Budget

FY 2018/2019 FINAL APPROVED

Actuals through June 30, 2019- DRAFT

	FY 2018/2019			
	Current Approved	Actual through 2019Jun30	Remaining Budget	% Budget Remaining
Balance (Carryover)	\$ 273,902.55	\$ 326,864.81	(52,962)	-19%
REVENUES				
Grant Revenue				
State Funding- Prop 1 Grant, Colusa Subbasin GSP				
Development- Administered by Colusa County	\$ -	\$ -	\$ -	
Other	\$ -	\$ -	\$ -	
Total Grants	\$ -	\$ -	\$ -	
Agency Contributions				
Agency Contributions, Fixed Fee				
City of Orland	\$ 10,000.00	\$ 10,000.00	\$ -	0%
City of Willows	\$ 10,000.00	\$ 10,000.00	\$ -	0%
County of Glenn	\$ 10,000.00	\$ 10,000.00	\$ -	0%
Glenn-Colusa Irrigation District	\$ 10,000.00	\$ 10,000.00	\$ -	0%
Glide Water District	\$ 10,000.00	\$ 10,000.00	\$ -	0%
Kanawha Water District	\$ 10,000.00	\$ 10,000.00	\$ -	0%
Orland-Artois Water District	\$ 10,000.00	\$ 10,000.00	\$ -	0%
Princeton-Codora-Glenn/Provident Irrigation	\$ 10,000.00	\$ 10,000.00	\$ -	0%
Glenn Groundwater District	\$ 10,000.00	\$ -	\$ 10,000.00	100%
Agency Contributions (Remaining costs divided by weighted factor FY17/18=\$1.08 FY 18/19=\$1.05)				
City of Orland	\$ 8,203.00	\$ 8,203.00	\$ -	0%
City of Willows	\$ 6,496.00	\$ 6,496.00	\$ -	0%
County of Glenn	\$ 117,923.00	\$ 117,923.00	\$ -	0%
Glenn-Colusa Irrigation District	\$ 67,169.00	\$ 67,169.00	\$ -	0%
Glide Water District	\$ 9,892.00	\$ 9,892.00	\$ -	0%
Kanawha Water District	\$ 15,356.00	\$ 15,356.00	\$ -	0%
Orland-Artois Water District	\$ 30,385.00	\$ 30,385.00	\$ -	0%
Princeton-Codora-Glenn/Provident Irrigation	\$ 21,856.00	\$ 21,856.00	\$ -	0%
Glenn Groundwater District*	\$ 29,269.00	\$ 29,269.00	\$ -	0%
Other			\$ -	
Total Acres/Population				
Total Agency Contributions	\$ 396,549.00	\$ 386,549.00	\$ 10,000.00	3%
Assessments				
Per Acre Land Assessment	\$ -	\$ -	\$ -	
Well Head Fee	\$ -	\$ -	\$ -	
Extraction Fee	\$ -	\$ -	\$ -	
Other	\$ -	\$ -	\$ -	
Total Assessments	\$ -	\$ -	\$ -	
Other				
Interest	\$ 600.00	\$ 4,584.28	\$ (3,984.28)	-664%
Total Other	\$ 600.00	\$ 4,584.28	\$ (3,984.28)	-664%

	Current Approved	Actual through 2019Jun30	Remaining Budget	% Budget Remaining
TOTAL REVENUES	\$ 397,149.00	\$ 391,133.28	\$ 6,015.72	2%
EXPENSES				
Administration- Contracted County Services	\$ 150,000.00	\$ 104,715.54	\$ 45,284.46	30%
Program Administration Support	\$ -	\$ -	\$ -	
Legal Services	\$ 70,000.00	\$ 68,465.00	\$ 1,535.00	2%
Certified Public Accountant (Yearly Audits)	\$ 12,000.00	\$ 9,500.00	\$ 2,500.00	21%
JPA Insurance	\$ 1,800.00	\$ 1,800.00	\$ -	0%
County Bookkeeper	\$ -	\$ -	\$ -	
GSP Development/Projects	\$ 80,000.00	\$ 26,595.25	\$ 53,404.75	67%
Long Term Funding Options	\$ 80,000.00	\$ 60,029.03	\$ 19,970.97	25%
Professional Services	\$ 15,000.00	\$ -	\$ 15,000.00	100%
Board Expenses	\$ 2,000.00	\$ -	\$ 2,000.00	100%
Special Department Expenses	\$ 25,000.00	\$ 86.07	\$ 24,913.93	100%
TOTAL EXPENSES	\$ 435,800.00	\$ 271,190.89	\$ 164,609.11	38%
ESTIMATED CARRYOVER	\$ 235,251.55	\$ 446,807.20	\$(211,555.65)	-90%

Notes:

*County will be responsible for the weighted fee until the Glenn Ground Water District is formally a GGA member
 Incorporated Cities populations derived from State Department of Finance 1/1/17 population- Downloaded 5/26/17
<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>

Long Term Funding options includes investigation of options including Prop 218 and implementing selected option
 County Bookkeeper is included in Administration- Contracted County Services line item

Glenn Groundwater Authority

Groundwater Sustainability Agency

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AGENDA ITEM 7: PRESENTATION ON DEPARTMENT OF WATER RESOURCES GROUNDWATER PROGRAMS AND SGMA UPDATES (DWR)

The Board will receive an informational presentation.

AGENDA ITEM 8: LONG-TERM FUNDING

- a. Update on Long-Term Funding activities and provide direction as needed.
- b. *Adopt Resolution 2019-02 Requesting the County Collect Property-Related Fees on the County Tax Roll and Indemnification of the Collecting Agency.
- c. *Authorize Program Manager to complete or direct the completion of all tasks necessary for the completion of the submittal packet to the Glenn County Department of Finance.

The Board will receive an update on Long-Term Funding Activities.

The Board held a Public Hearing on July 8, 2019 to consider a new property related fee. The fee is intended to cover everyday operations of the GGA in order to maintain compliance with SGMA. 259 parcels out of a possible 5,661 parcels protested the proposed fee (4.58%). The Board adopted Resolution 2019-01 titled "Resolution Certifying the Results of a Proposition 218 Majority Protest Proceeding and Setting the Authority's Operations Fee". The maximum operations fee is set at \$1.93 per acre. The Board chose to keep the fee at \$1.61 for fiscal year 2019/2020.

The GGA must complete and provide a submittal packet to the Glenn County Department of Finance in order to include the new property related fee on the tax roll. A Resolution requesting the County collect the property-related fee and indemnification of the collecting agency is also required. The instruction packet and draft resolution are included as attachments.

**GLENN GROUNDWATER AUTHORITY
RESOLUTION NO. 2019-002**

RESOLUTION REQUESTING THE COUNTY COLLECT PROPERTY-RELATED FEES ON THE ON TAX ROLL AND INDEMNIFICATION OF THE COLLECTING AGENCY

WHEREAS, the Glenn Groundwater Authority (the “Authority”) requests the County of Glenn (the “County”) to collect on the County tax rolls certain fees which the Authority has adopted pursuant to section 10730 of the California Water Code; and

WHEREAS, the County has required as a condition of the collection of said charges that the Authority warrant the legality of said fees and defend and indemnify the County from any challenge to the legality thereof;

NOW THEREFORE BE IT RESOLVED by the Authority’s Board of Directors that:

1. The Authority requests the Auditor-Controller of the County collect the property-related fees listed in Exhibit 1, attached hereto and incorporated herein, on the County tax rolls.
2. The Authority warrants and certifies the fees imposed by the Authority, which are requested to be collected by the County on the 2019/20 Secured Property Tax bill, comply with all requirements of state law, including but not limited to the requirements of Proposition 218 including Articles XIIC and XIID of the California Constitution.
3. The Authority agrees to defend, indemnify, and hold harmless the County, the Board of Supervisors, the Director of Finance, its officers, agents and employees (the “Indemnified Parties”) from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out whether the requirements of Proposition 218 and other state laws were met with respect to the imposition of fees by the Authority.. The Authority agrees, in the event a judgment is entered in a court of law against any of the Indemnified Parties as a result of not meeting the requirements of any state law, including Proposition 218, for the collection of the Authority’s fees, the County may offset the amount of the judgment paid by an Indemnified Party from any monies collected by County on behalf of Authority, including property taxes, fees, or assessments.
4. The Authority authorizes its agent to attest to the direct charge levies after verification and approval. The Authority agrees to the cost of direct charges and to the statutory and procedural terms for collection on the tax

roll.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the **GLENN GROUNDWATER AUTHORITY** this ___ day of _____, 2019.

AYES:

NOES:

ABSENT:

ABSTAIN:

CERTIFICATE OF RESOLUTION

We, the undersigned, hereby certify as follows:

1. That we are the Chair and Secretary of the GLENN GROUNDWATER AUTHORITY; and

2. That the foregoing resolution, consisting of 3 pages, including this page, is a true and correct copy of a resolution of the Board of Directors of the Glenn Groundwater Authority, passed at the meeting of the Board of Directors held on _____, 2019, at the Glenn County Department of Agriculture, 720 N. Colusa Street, Willows, CA 95988.

IN WITNESS WHEREOF, we have signed this certificate this _____ day of _____, 2019, at Willows, California.

John Amaro
Chair of the Board of Directors

Lisa Hunter
Secretary



Edward J. Lamb
Director of Finance

GLENN COUNTY
DEPARTMENT OF FINANCE
516 West Sycamore Street
Willows, California 95988
Auditor-Controller: (530) 934-6476
Treasurer-Tax Collector: (530) 934-6410
FAX (530) 934-6421



Humberto Medina, CPA
Assistant Director of Finance

Parker R. Hunt
Assistant Director of Finance - Treasury

May 17, 2019

Glenn Ground Water Authority
TAX CODE 50972
Glenn Count Ag Department
C/O Lisa Hunter

RE: Annual Letter for Special Assessments-Williamson Act AB1265

We are requesting your information regarding your district's special assessments for the 2019-20 tax bills. Govt. Code 26911 states that the districts have through August 10th to deliver their assessment information. Earlier submission is highly suggested, to allow us time to validate the file and correct errors. Otherwise, your assessment will NOT be on the 2019-20 tax bills.

Like last year, the following tools can be used to help determine who is eligible for your assessment:

- We can provide a list of current changes to the tax roll up through the end of April. This does not include any changes made after that date. Please contact me if you need this list e-mailed to you.
- Your prior year file that we uploaded into Megabyte. This will not include any mid-year corrections made after the upload. Please contact me if you need your prior year file sent to you.
- The Assessor has made ParcelQuest available for districts use in their office.
- The Assessor's Roll can be purchased from the Assessor's Office once it is complete.

In order to create your 2019-20 file, our recommendation is to look at your prior year file (which you either provided us, or we can send you a copy), and any requests for corrections that you made during the year. Once those are added/removed/corrected, look at the Assessor's change list, to see what is changing for 2019-20 and remove and/or add any Assessment Numbers that affect your district.

In order to find parcels that you may be missing, many districts have started to use ParcelQuest-the Assessor's staff can help you with that in their office. You are also able to get a copy of the entire roll from the Assessor's office-please contact their office for pricing at 934-6402.

Once you have compiled your information and are ready to submit your file, we still need it in the format required by our system in order to upload it. We have included the options for the different format types the system will accept, but the easiest for all is the "tab delimited" file, in a text file. We will also accept an Excel file that can be saved to a text file.

One change for this year is that we combined the Prop 218 form and the Direct Assessment form. You still need to sign each section, but now there is just one form to return.

If you need any assistance with this process, please contact me at the number and or e-mail below.

Sincerely,

Susan Storz
Account Clerk Supervisor
530-934-6084/sstorz@countyofglenn.net

Glenn County Department of Finance
516 W Sycamore Street, Willows, CA 95988 (530)934-6476
Prop 218 Certification Form/ Direct Charge Submission Form

Direct Charge Tax Code/Description: **50972 Glenn Ground Water Authority**

District Contact: Glenn County Ag Dept

Attn: Lisa Hunter

Willows, CA 95988 preferred e-mail _____

Proposition 2018 Certification

The **Glenn Ground Water Authority** hereby certifies that the **drainage charges** to be placed on the 2019/20 Secured Property Tax bill is in compliance with all requirements of state law, including but not limited to the requirements of Proposition 218 that added Articles XIII C and XIII D to the State Constitution. The District agrees to defend, indemnify and hold harmless the County of Glenn, the Board of Supervisors, the Director of Finance, and its officers and employees, from litigation over whether the requirements of Proposition 218 and other State laws were met with respect to such assessment. If any judgement is entered against any indemnified party as a result of not meeting the requirements of any State Law including Proposition 218 for such assessment, the District agrees that the County may offset the amount of any judgement paid by an indemnified party from any monies collected by the County on the District's behalf, including property taxes, special taxes, fees, or assessments.

Approval of this Certification-Resolution # _____ Date of Original Resolution _____ Copy of Original Resolution on File at Auditor's Office Y / N
(If no, please provide a copy with this certification)

Print Name _____ Signature _____ Date _____

Annual Certification of Direct Charges and Data Submission Form

The information on this form is used to ensure accuracy related to the submission of the direct charge levy data file submitted by August 10. Submit this form each time a data file is submitted. Any file format errors or invalid ASMT numbers will cause the file to fail.

Instructions

- Review Contact Information (above) and correct or provide any missing information
- Sign and date the form related to the specific districts direct charges.
- Retain a copy for your records
- Submit the completed form and the data file to the Department of Finance by August 10th. Submissions of the data file may be made via e-mail to:
sstorz@countyofglenn.net

The Undersigned hereby: attests that the direct charge levies have been verified for accuracy and approved by the district; agrees to the cost direct charges enrolled; and agrees to the statutory and procedural terms for collection on the tax roll.

Date Submitted Number of Records \$ _____
Total Amount

Title of Authorized Person Certifying this Form

Print Name of Authorized Person Certifying this form

Signature of Authorized Person Certifying this form

Phone Number to Appear on Tax Bill: _____ (Must have number on bill)

Dept of Finance use Only

Date Received Date Loaded Loaded by

☐ Successfully Processed

☐ # Records Rejected Date Sent Confirm-Reject Memo

May 17, 2019

To: County Taxing Entities
Subject: Direct Charge File Format

Direct assessment charges may be submitted via e-mail, CD, or USB drive. The file formatting is extremely important, as is the integrity of the data within the file. Please double check formatting, Assessment numbers, dollar amounts, and tax codes before sending your file. See the attached pages for details on the various acceptable formats. Files with formatting errors will be rejected by our property tax system and will be returned to you for correction.

The file needs to be submitted with the entity name, filename, description, tax code and number of records. If this is your first time submitting information, please send a test file with ten records at least 30 days prior to the preparation of your data.

Please make sure you retain a copy of your file in your office as we don't archive direct charge import files from year to year.

The last page has an example of how your file would look, using the preferred Tab Delimited format.

If you have any questions regarding this process, please contact:

Susan Storz
(530)934-6084
ssorz@countyofglenn.net

or

Cathy Ehorn
(530)934-6076
cehorn@countyofglenn.net

DIRECT CHARGE LAYOUT

MEDIA:

TXT, XLS, XLSX, or CSV files can be sent via e-mail, CD, or USB drive.

FORMAT:

LAYOUT: (see attached sheet).

1. **Quote/Comma Delimited** – Fields are enclosed by quotation marks and separated by commas.
2. **Comma Delimited** – Fields are separated by commas.
3. **Fixed-length Format** – Fields are run together without separation. All fields, except the description field must be "left zero filled".
4. **Tab Delimited Format** – Fields are separated by tabs.

FIELDS:

Field 1. (APN) The Assessor's Parcel Number – 12 digits.

Field 2. (Amount) The amount to be billed to the tax payer. It must be an even amount (divisible by 2). If it's negative, put the minus (-) sign in front of the amount (i.e. -110.00). Use the decimal point on all amounts EXCEPT fixed length.

Field 3. (Tax Code) 5 digit tax code. Obtain your tax code from the Auditor's Office. It is also on the letter you received in this packet.

Field 4. (Desc.) An optional field of ten digits is provided for your district or agency identification.

For "Quote/Comma" and "Comma" dashes will not be allowed in the APN number. Signs must be separate (do not sign positive numbers). If the format is "Quote/Comma" ("Quote/Comma" in this context means that ALL fields must be quoted), a dollar sign (\$) is permitted.

For "Fixed Length" formats, a negative sign must be a trailing over-punch, no decimal points. The decimal position is assumed to be two positions from the end of the dollar amount.

RECORD LAYOUT SAMPLES

```
|...+....1....+....2....+....3....+....4....+....5....+....6....+....7
      APN          AMT      TAX      DESC
... Quote/Comma Delimited Format ...
"012010012000","114.00","61500","TEST TESTS"
"012010013000","-114.00","61500","TEST TESTS"
"012010014000","114.00","61500","TEST TESTS"
"012010015000","114.00","61500","TEST TESTS"
"012010016000","114.00","61500","TEST TESTS"
```

```
|...+....1....+....2....+....3....+....4....+....5....+....6....+....7
      APN          AMT      TAX      DESC
... Comma Delimited Format ...
012010012000,114.00,61500,TEST TESTS
012010013000,114.00,61500,TEST TESTS
012010014000,114.00,61500,TEST TESTS
012010015000,114.00,61500,TEST TESTS
012010016000,114.00,61500,TEST TESTS
```

```
|...+....1....+....2....+....3....+....4....+....5....+....6....+....7
      APN          AMT      TAX      DESC
... Fixed length Format ...
012010012000000000001140061500TEST TESTS
012010013000000000001140061500TEST TESTS
012010014000000000001140061500TEST TESTS
012010015000000000001140061500TEST TESTS
012010016000000000001140061500TEST TESTS
```

```
|...+....1....+....2....+....3....+....4....+....5....+....6....+....7
      APN          AMT      TAX      DESC
... Tab Delimited Format ...
012010012000 (Tab) 114.00 (Tab) 61500 (Tab) TEST TESTS
012010013000 (Tab) 114.00 (Tab) 61500 (Tab) TEST TESTS
012010014000 (Tab) 114.00 (Tab) 61500 (Tab) TEST TESTS
012010015000 (Tab) 114.00 (Tab) 61500 (Tab) TEST TESTS
012010016000 (Tab) 114.00 (Tab) 61500 (Tab) TEST TESTS
```

```

      APN# = Columns 01-12 (12 Characters)
      Amount = Columns 13-23 (11 Characters)
      Tax Code = Columns 24-28 (05 Characters)
      (Optional) Agency ID = Columns 29-38 (10 Characters)
```

CONVENTIONS

- Do NOT use (-) in the APN # (i.e. 012-001-013-000 is NOT acceptable; 012001013000 is acceptable.) You must submit it with all zero's.
- The APN # is 12 digits. LEADING ZEROS MUST BE SUPPLIED IF NEEDED.
- If the dollar (\$) amount is negative, use a leading minus (-) sign (i.e. -114.00).
- Use a decimal point in the dollar (\$) amount, EXCEPT if fixed length.

We prefer TAB delimited files. It makes it much easier to find any extra spaces or digits on a file that may be failing.

An example of a TAB delimited file in a TXT document would look like this:

```
019140001000 53.48 50925 Artois Fire
019200001000 68.30 50925 Artois Fire
019200008000 26.66 50925 Artois Fire
019200015000 27.74 50925 Artois Fire
019200016000 33.50 50925 Artois Fire
```

If you do not have access to a TXT file, you can use Excel, with each cell being a different field. We can then convert it into a TXT file for you. See the example below:

019140001000	53.48	50925	Artois Fire
019200001000	68.30	50925	Artois Fire
019200008000	26.66	50925	Artois Fire
019200015000	27.74	50925	Artois Fire
019200016000	33.50	50925	Artois Fire

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

AGENDA ITEM 9: *CONSIDER FORMATION OF A WESTSIDE AD HOC COMMITTEE

Discuss and provide direction on purpose and composition of a Westside Ad Hoc Committee and consider formation of such committee.

The GGA has heard some opposition regarding the fee assessment and inclusion in SGMA (the Colusa Subbasin) from landowners, particularly those in the western portion of the Colusa Subbasin, where the majority of land is non-irrigated rangeland. It may be beneficial to select an ad hoc committee to further explore the landowner concerns and potential solutions.

The Colusa Groundwater Authority has formed and selected members to serve on a Westside Ad Hoc Committee and is willing to coordinate efforts basin-wide.

AGENDA ITEM 10: *2018/2019 ANNUAL AUDIT

Consider Executive Committee recommendation to approve the CliftonLarsonAllen LLP Engagement Letter upon approval from Counsel.

CliftonLarsonAllen LLP (CLA) conducted the GGA annual audit for Fiscal Year 2017/2018. The 2018 request for proposals, CLA's proposal, and the minutes approving the selection of CLA to provide these services all note the audit services would be needed for Fiscal Year 2017/2018 with the option of extending the contract for 3 (three) fiscal years thereafter.

CLA has provided an Engagement Letter for audit services for the 2018/2019 Fiscal Year.

The Executive Committee reviewed the Engagement Letter and recommends the Board approve the CLA Engagement Letter upon approval from Counsel. Valerie Kincaid suggested changes to the 2018 Engagement Letter prior to engaging CLA services, which were accepted. CLA staff indicate a willingness to accept the recommendations again this year if desired.

Attachments:

- CLA Cover Letter from Proposal
- September 10, 2018 GGA Board Meeting Minutes
- CLA Engagement Letter (2018)- major differences compared to 2019 letter highlighted
- CLA Engagement Letter (proposed 2019)

1. COVER LETTER

August 17, 2018

Lisa Hunter, Program Manager
Glenn Groundwater Authority Groundwater Sustainability Agency
720 North Colusa Street
Willows, CA 95988

Dear Ms. Hunter:

Thank you for inviting us to propose our services to you. CliftonLarsonAllen LLP (CLA) gladly welcomes the opportunity to share our approach to helping Glenn Groundwater Authority Groundwater Sustainability Agency (GGA) meet its need for professional auditing services. The enclosed proposal responds to your request for audit services for the fiscal year ending June 30, 2018, with the option of extending the contract for three fiscal years thereafter.

CliftonLarsonAllen LLP (CLA) is a limited liability partnership and is duly licensed to practice public accountancy in the state of California and other states. CLA delivers integrated wealth advisory, outsourcing, audit, tax, and consulting services to help clients succeed professionally and personally. Our broad professional services allow us to serve clients more completely – from startup to succession and beyond.

Our professionals are immersed in the industries they serve and have specialized knowledge of the operating and regulatory environments of the industries they serve. With more than 5,400 people, more than 110 U.S. locations, and a global affiliation, CLA brings a wide array of strategies to help clients in all markets, foreign and domestic.

We are confident that our extensive experience serving similar governmental entities, bolstered by our client-oriented philosophy and depth of resources, will make CLA a top qualified candidate to fulfill the scope of your engagement. Our mission: *We Promise to Know You and to Help You*, guides our efforts to help you achieve your goals and our approach to serving you is always shaped by this aspiration. The following differentiators are offered for GGA's consideration:

- **Specialized Government Insight and Resources.** As the one of the nation's leading professional services firms, and one of the largest firms who specialize in the public sector, CLA has the experience and resources to assist GGA with its audit needs. In addition to your experienced local engagement team, GGA will have access to one of the country's largest and most knowledgeable pools of public sector resources.
- **Strong Methodology and Responsive Timeline.** In forming our overall audit approach, we have carefully reviewed the RFP and other information made available and considered our past experience performing similar work for other governmental agencies. In addition to our local government clients, we currently serve more than 2,100 governmental organizations nationally. Our staff understands your complexities not just from a compliance standpoint, but also from an operational point of view. We have developed a work plan that takes into consideration your unique needs as a governmental entity in California. The work plan also minimizes the disruption of your staff and operations, and provides a blueprint for timely delivery of your required reports.

- **Communication and Proactive Leadership.** GGA will benefit from a high level of hands-on service from our team's senior professionals. We can provide this level of service because, unlike other national firms, our principal-to-staff ratio is similar to smaller firms – allowing our senior level professionals to be involved and immediately available throughout the entire engagement process. Our approach helps members of the engagement team to stay abreast of key issues at GGA, and take an active role in addressing them.
- **A Focus on Providing Consistent, Dependable Service.** We differ from other national firms in that our corporate practice focuses on the needs of non-SEC clients, thus allowing us to avoid the workload compression typically experienced by firms that must meet public companies' SEC filing deadlines. CLA is organized into industry teams, affording our clients with specialized industry-specific knowledge supplemented by valuable local service and insight. Therefore, GGA will enjoy the service of members of our state and local government services team who understand the issues and environment critical to governmental entities.
- **Familiarity with Glenn County.** Because we are currently engaged to audit the County of Glenn who is the Depository and Treasurer for the GGA, we have access to the County of Glenn's financial data and are familiar with the County's financial and reporting systems.

Our understanding and commitment

You are seeking a fully qualified certified public accounting firm to perform financial auditing and consulting services and we are committed to performing these services in the time period specified in the RFP.

This proposal is effective for 90 days.

We are confident that our technical approach, insight, and resources will result in excellent client service for GGA. If you have any questions about our offerings, please do not hesitate to call me at 916-677-5760 or email rich.gonzalez@CLAconnect.com.

Sincerely,

CliftonLarsonAllen LLP



Richard Gonzalez, CPA
Principal

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

MINUTES

GLENN GROUNDWATER AUTHORITY BOARD OF DIRECTORS

SEPTEMBER 10, 2018

1:30 P.M.

720 NORTH COLUSA STREET, WILLOWS, CA 95988

Director Members Present:	Agency Representing:
X John Viegas	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
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
Thaddeus Bettner	Glenn-Colusa Irrigation District
X Emil Cavagnolo (1:35)	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 (1:35)	Orland-Artois Water District
Michael Alves	Kanawha Water District

Others in attendance:

Lisa Hunter, GGA/Glenn County; Hilary Reinhard, Provost & Pritchard; Sharla Stockton, Glenn County; Mark Lohse, Glenn Ground Water District

1. CALL TO ORDER

- Pledge of Allegiance
- Roll Call
- 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 MINUTES

- a. Approval of meeting minutes from August 13, 2018.

The August 13, 2018 minutes were approved as presented.

Motion: John Viegas, Second: Leslie Nerli, Vote: Unanimous

3. PERIOD OF PUBLIC COMMENT

None

4. FINANCIAL REPORT

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

A motion was made to approve and accept the monthly activities report. John Viegas requested clarification on the billing process to member agencies. Lisa Hunter stated the annual member contributions are divided into quarterly billings. The first \$10,000 received are applied to the fixed fee with the remaining portions applied to the weighted fee. Additionally, the budget account numbers have been corrected at the Department of Finance.

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

There was brief discussion on the tracking of attorney fees to ensure the agency remains within the budgeted amount. Ms. Hunter will provide a quarterly budget update including actuals and remaining budget. A motion was made to approved claims as presented.

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

5. LONG-TERM FUNDING

- a. Receive update from the Executive Committee on long-term funding discussions.
- b. Authorize the Executive Committee to request a quote from Provost & Pritchard to complete all necessary tasks to prepare for and implement a Property-Related Fees Assessment for Water Service consistent with the process of Colusa Groundwater Authority.
- c. Provide additional direction to Program Manager, Legal Counsel, and/or Executive Committee as needed.

John Amaro summarized the Executive Committee's recommendation to conduct a fee study. The recommendation included hiring one firm or team of consultants complete all tasks for the Proposition 218 process including public outreach, GIS work, and tax related items.

Ms. Hunter stated there are options for hiring a firm to assist in the Proposition 218 process. The Board could release a Request for Proposals (RFP) for a competitive process or request a quote from the same firm that the Colusa Groundwater Authority (CGA) has hired to achieve consistent messaging in the basin and potential cost savings. Leslie Nerli stated at the Joint Executive Committee meeting Provost & Pritchard quoted the CGA a cost of approximately \$100,000, or \$70,000 for the majority protest option. Hilary Reinhard, Provost & Pritchard, clarified the \$100,000 quote was for the entire process including

ballots. Ms. Reinhard stated she does believe there could be some economies of scale achieved by selecting the same firm as the CGA. Gary Hansen asked if the Board needs to seek counsel's advice for sole-sourcing a firm to complete the work. Ms. Hunter mentioned counsel has advised the Executive Committee could work with Provost & Pritchard to develop an estimate and bring it to the Board for consideration. She added benefits include consistent messaging and potential cost savings. Draw backs include potentially missing new ideas from other consultants.

A motion was made to authorize the Executive Committee to request a quote from Provost & Pritchard to complete all necessary tasks to prepare for and implement a Property-Related Fees Assessment for Water Service consistent with the process of CGA.

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

A question was asked if there is a budgeted amount for this process. Ms. Hunter indicated there is a line item dedicated to this process. She can provide the figure at a later date if desired. Ms. Hunter stated it is her understanding that she will work with Provost & Pritchard to develop a quote for the Executive Committee to review. The Executive Committee will bring a recommendation to the Board.

6. REQUEST FOR PROPOSALS TO PROVIDE ANNUAL AUDIT SERVICES FOR FISCAL YEAR 2017/2018

- a. Receive update from Audit Services RFP Selection Committee.
- b. Approve recommendation of the Audit Services RFP Selection Committee to select CliftonLarsonAllen LLP to provide annual audit services for Fiscal Year 2017/2018 with the option of extending the contract for 3 (three) fiscal years thereafter.
- c. Authorize the Executive Committee to negotiate a contract with the selected firm.
- d. Authorize Chairman to execute the negotiated contract with the selected firm.
- e. Provide direction as needed.

At a previous GGA Board meeting, the Executive Committee was authorized to serve as the Audit Services RFP Selection Committee. Mr. Amaro stated the Executive Committee reviewed RFPs for audit services and selected CliftonLarsonAllen LLP as a recommendation to provide these services. John Viegas stated using the same audit service as the county would help to keep funding transparent and easily distinguish Glenn County and the GGA as separate entities. The firm is also familiar with the county's financial accounting systems. Mr. Amaro stated the audit service could be re-evaluated for year two if desired. Ms. Hunter made hard copies of the submitted proposals from the four firms available for Board members' review. Ms. Hunter indicated the associated costs for each firm are:

- CliftonLarsonAllen LLP: \$9,500
- Matthews, Hutton & Warren, CPAs: \$4,900
- James Marta & Company LLP: \$12,000
- Roy Seiler: \$4,850

Additional discussion took place relating to details of the proposals and the Selection Committee recommendation. A motion was made to approve the recommendation from the Audit Services RFP Selection Committee to select CliftonLarsonAllen LLP to provide annual audit services for Fiscal Year 2017/2018 with the option of extending the contract for 3 (three) fiscal years thereafter.

Motion: Bruce Roundy, Second: Randy Hansen, Vote: Unanimous

There was a motion made to authorize the Executive Committee to negotiate a contract with the selected firm.

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

There was a motion made to authorize Chairman to execute the negotiated contract with the selected firm.

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

It was clarified that there is \$12,000 budgeted for the audit services.

7. BYLAWS

- a. Review, hold discussion, and provide comments on the draft Bylaws.
- b. Consider approval of the draft Bylaws.
- c. Provide direction as needed.

The Executive Committee reviewed several iterations of the draft bylaws. Gary Hansen stated there are a few areas that could use clarification and some grammatical edits. Mr. Hansen listed his suggested changes as follows:

Page 1 Article 1. The Authority:

1.2 OFFICE OF AUTHORITY. The principal physical office of the Authority shall be at ~~the~~ 720 NORTH COLUSA STREET, WILLOWS, CA 95988, and the principal mailing address shall be P.O. BOX 351, WILLOWS, CA 95988, or at such other location as the Board may designate by resolution.

Mr. Hansen noted he was in favor of using Rosenberg's Rules of Order.

Page 5 Article 4. Officers:

4.6.2 If the Chair and Vice-Chair, and their respective Alternates, are absent from a Board Meeting, then the Authority's Program Manager shall ~~run~~ chair the Board Meeting.

Page 7

Mr. Hansen stated administrator and Program Manager is used interchangeably in Article 6.2. Lisa Hunter stated she would work with counsel to clarify the difference between "administrator" and "Program Manager" throughout the document.

Page 8

6.3.1 The Board has appointed a ~~a~~ the Glenn County Treasurer as the acting Treasurer of the Authority and will reimburse the County for the staff's services for the Authority.

There was a motion to approve the bylaws with the noted corrections.

Motion: Gary Hansen, Second: Charles Schonauer, Vote: Unanimous

8. HCM/WATER BUDGET PROJECT UPDATE

- a. Receive update on HCM/Water Budget Project.
- b. Provide direction as needed.

Lisa Hunter reviewed the summary that was included in the meeting packet. Byron Clark (Davids Engineering), Mary Fahey (CGA), and Lisa Hunter (GGA) held a kickoff meeting and decided to hold bi-weekly phone meetings to discuss status updates and provide guidance to the consulting team. There was some discussion on holding a public outreach meeting potentially in November consisting of general informational SGMA components, introducing the HCM/Water Budget project, and long-term funding mechanisms. It was clarified that Dave Ceppos would be assisting in the outreach process and other outreach efforts for the Colusa Subbasin. The outreach meetings will be coordinated with the CGA. There were no objections to moving forward with the public outreach meeting idea. More information will be brought to the Board at future meetings.

Ms. Hunter requested clarification on payment of consultant invoices. This is an approved project with an approved contract with a “not to exceed” amount. Does the Board feel comfortable with GGA Chair approving the consultant invoices up to \$5,000, which is currently the policy, or does the Board expect to approve invoices at Board meetings? John Amaro, current Chair, stated since it is already an approved project, he feels comfortable approving invoices up to \$5,000 and the Board will see the activities at the Board meetings. It was the consensus of the Board that the Chair can authorize payment of the invoices up to \$5,000 consistent with the policy. The payments will be included in the Monthly Activities Reports.

Ms. Hunter also advised the consultant work will be covered through the Proposition 1 grant and a funding agreement between the GGA and CGA will be brought before the Board for review in the future. CGA is the grant administrator for this grant and the invoices are submitted quarterly. There will be significant lag time between payment to consultants and reimbursement from CGA.

Ms. Hunter added Reclamation District 108, member of the CGA, is considering conducting a complete water budget for their area, which is partly in the Yolo County. Conversations are ongoing regarding the proposal and cost estimate for the additional work. If the scope changes to include this additional work, the revision will be brought to the GGA Board for consideration.

9. PROGRAM MANAGER UPDATES

Lisa Hunter provided a Program Manager Updates handout and highlighted the Glenn Ground Water District formation process update, the Form 700 and ethics training for GGA members, and the final scope of work, schedule, and budget for the Colusa Subbasin Groundwater Sustainability Plan grant.

10. COMMITTEE UPDATES

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

John Amaro, Lisa Hunter, and committee members provided updates from the committee, which were generally covered in previous items. An activity summary is also included in the meeting packet.

b. CGA/GGA Technical Ad Hoc Committee

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

c. Stakeholder Engagement Committee

The Stakeholder Engagement Committee has not meet and has nothing to report.

d. Basin Boundary Modification Ad Hoc Committee

The Basin Boundary Modification Ad Hoc Committee has not met and has nothing new to report.

11. MEMBER REPORTS AND COMMENTS

John Viegas wanted to thank Lisa Hunter and Matteo Crow for presenting at the Glenn County Board of Supervisors meeting regarding Proposition 3, the water bond. The Board of Supervisors provided a letter supporting Proposition 3, which will be placed on the November ballot.

Mr. Viegas also reported that west of Orland there are concerns regarding domestic wells going dry and lowering groundwater levels perceived to be due to agricultural well production. Constituents asked Mr. Viegas to bring these concerns to the GGAs attention. It was also mentioned that many of these wells are within the Orland Project, but do not utilize surface water.

Hilary Reinhard mentioned that public outreach will be difficult, but a very important process.

Gary Hansen noted that he appreciates the new header.

12. NEXT MEETING

The next meeting is scheduled for October 8, 2018 at 1:30 P.M.

13. ADJOURN

The meeting was adjourned 2:41 P.M.

September 14, 2018

Ms. Lisa Hunter, Program Manager
Glenn Groundwater Authority
720 North Colusa Street
Willows, CA 95988

Dear Ms. Hunter:

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the audit and nonaudit services CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") will provide for the Glenn Groundwater Authority ("you," "your," or "the entity") for the year ended June 30, 2018.

Rich Gonzalez is responsible for the performance of the audit engagement.

Audit services

We will audit the financial statements of the governmental activities, and the major funds, which collectively comprise the basic financial statements of the Glenn Groundwater Authority, as of and for the year ended June 30, 2018, and the related notes to the financial statements.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements. The following RSI will be subjected to certain limited procedures, but will not be audited.

1. Management's discussion and analysis.
2. Budgetary comparison schedule

Nonaudit services

We will also provide the following nonaudit service:

- Preparation of your financial statements and related notes.

Audit objectives

The objective of our audit is the expression of opinions about whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

We will issue a written report upon completion of our audit of your financial statements. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to

modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*. The report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error. An audit involves performing procedures to obtain sufficient appropriate audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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.

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform

the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention.

In making our risk assessments, we consider internal control relevant to the entity'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 entity's internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we identify during the audit that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and compliance relevant information about any fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that may have occurred that are required to be communicated under *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements and RSI in accordance with U.S. GAAP. Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the 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 latest

period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design, implementation, and maintenance of effective internal control, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered. You are responsible for taking timely and appropriate steps to remedy any fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that we may report.

You are responsible for ensuring that management is reliable and for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters, and for the accuracy and completeness of that information, and for ensuring the information is reliable and properly reported; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for the preparation of the supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the

foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

The responsibilities and limitations related to the nonaudit services performed as part of this engagement are as follows:

- We will prepare a draft of your financial statements and related notes. Since the preparation and fair presentation of the financial statements is your responsibility, you will be required to acknowledge in the representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for those financial statements. You have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Use of financial statements

The financial statements and our report thereon are for management's use. If you intend to reproduce and publish the financial statements and our report thereon, they must be reproduced in their entirety. Inclusion of the audited financial statements in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements

addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

We are available to perform additional procedures with regard to fraud detection and prevention, at your request, as a separate engagement, subject to completion of our normal engagement acceptance procedures. The terms and fees of such an engagement would be documented in a separate engagement letter.

The audit documentation for this engagement is the sole and exclusive property of CLA and constitutes confidential and proprietary information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State Controller, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CLA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State Controller. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide

services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Our engagement and responsibility end on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Mediation

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you, including this engagement, shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Any Dispute will be governed by the laws of the state of California, without giving effect to choice of law principles.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute that may arise between the parties. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a Dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months ("Limitation Period") after the date when we deliver our final audit report under this agreement to you, regardless of whether we do other services for you relating to the audit report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

Fees

Our fees for these services will be **\$9,500**. The fee is based on anticipated cooperation from your personnel and their assistance with preparing confirmations and requested schedules. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Unanticipated services

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are listings of services considered to be outside the scope of our engagement. If any such service needs to be completed before the audit can proceed in an efficient manner, we will determine whether we can provide the service and maintain our independence. If appropriate, we will notify you and provide a fair and reasonable price for providing the service. We will bill you for the service at periodic dates after the additional service has been performed.

Changes in engagement timing and assistance by your personnel

The fee estimate is based on anticipated cooperation from your personnel and their assistance with timely preparation of confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, we will advise management. Additional time and costs may be necessary because of such unanticipated delays. Examples of situations that may cause our estimated fee to increase include:

- Significant delays in responding to our requests for information such as reconciling variances or providing requested supporting documentation (e.g., invoices, contracts, and other documents)
- Rescheduling our fieldwork
- Schedule disruption caused by litigation, financial challenges (going concern), loan covenants (waivers), etc.
- Identifying a significant number of proposed audit adjustments
- Schedules prepared by your personnel that do not reconcile to the general ledger
- Numerous revisions to information and schedules provided by your personnel
- Restating financial statements for accounting errors in the prior year
- Lack of availability of entity personnel during audit fieldwork

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the letter increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

Removed section titled "Subcontractors"

Additional Language

Termination

You have the right to terminate this Agreement, at any time, upon fifteen (15) days written notice to CLA. In event of such termination, CLA shall be entitled to compensation for services rendered through and including the date of giving of notice of termination. CLA shall provide GGA with its usable work product in a form that GGA may use. Should this information be in electronic format, CLA shall cooperate in providing access to such software and files as are reasonably necessary to transfer the information.

Indemnity

CLA shall defend, indemnify and save harmless GGA, its elected and appointed officials, officers, agents and employees from all liability from loss damage or injury to persons or property, including the payment by CLA of any and all legal costs and attorney's fees, in any manner arising out of any negligent or intentional or willful acts or omissions of CLA in performance of this Agreement, including but not limited to, all consequential damages to the maximum extent permitted by law.

Agreement

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. Please sign, date, and return a copy of this letter to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP


A handwritten signature in blue ink, appearing to read "Rich Gonzalez".


Rich Gonzalez, CPA
Principal
916-784-7800
Rich.Gonzalez@CLAconnect.com

Enclosure

Response:

This letter correctly sets forth the understanding of the Glenn Groundwater Authority.

Authorized governance signature: 
Title: Chairman
Date: 10-24-18

Authorized management signature: 
Title: Program Manager
Date: 10-24-18



CLA (CliftonLarsonAllen LLP)
925 Highland Pointe Drive, Suite 450
Roseville, CA 95678-5423
916-784-7800 | fax 916-784-7850
CLAconnect.com

June 11, 2019

Ms. Lisa Hunter, Program Manager
Glenn Groundwater Authority
720 North Colusa Street
Willows, CA 95988

Dear Ms. Hunter:

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the audit and nonaudit services CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") will provide for Glenn Groundwater Authority ("you," "your," or "the entity") for the year ended June 30, 2019.

Rich Gonzalez is responsible for the performance of the audit engagement.

Audit services

We will audit the financial statements of the governmental activities and each major fund, which collectively comprise the basic financial statements of Glenn Groundwater Authority, as of and for the year ended June 30, 2019 and the related notes to the financial statements.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements. The RSI will be subjected to certain limited procedures, but will not be audited. The following RSI will be subjected to certain limited procedures, but will not be audited.

1. Management's discussion and analysis.
2. Budgetary comparison schedules.

Nonaudit services

We will also provide the following nonaudit services:

- Preparation of your financial statements and related notes.

Audit objectives

The objective of our audit is the expression of opinions about whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an

opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

We will issue a written report upon completion of our audit of your financial statements. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*. The report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

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There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the

entity, may not be detected. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention.

In making our risk assessments, we consider internal control relevant to the entity'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 entity's internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we identify during the audit that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

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We will include in our report on internal control over financial reporting and compliance relevant information about any fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that may have occurred that are required to be communicated under *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

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Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements and RSI in accordance with U.S. GAAP. Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the 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 latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design, implementation, and maintenance of effective internal control, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered. You are responsible for taking timely and appropriate steps to remedy any fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that we may report.

You are responsible for ensuring that management is reliable and for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters, and for the accuracy and completeness of that information, and for ensuring the information is reliable and properly reported; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the “Audit objectives” section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management’s views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

The responsibilities and limitations related to the nonaudit services performed as part of this engagement are as follows:

- We will prepare a draft of your financial statements and related notes. Since the preparation and fair presentation of the financial statements is your responsibility, you will be required to acknowledge in the representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for those financial statements. You have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Use of financial statements

The financial statements and our report thereon are for management’s use. If you intend to reproduce and publish the financial statements and our report thereon, they must be reproduced in their entirety. Inclusion of the audited financial statements in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

We are available to perform additional procedures with regard to fraud detection and prevention, at your request, as a separate engagement, subject to completion of our normal engagement acceptance procedures. The terms and fees of such an engagement would be documented in a separate engagement letter.

The audit documentation for this engagement is the sole and exclusive property of CLA and constitutes confidential and proprietary information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to State Controller, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CLA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State Controller. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Our engagement and responsibility end on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Mediation

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you, including this engagement, shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Any Dispute will be governed by the laws of the state of California, without giving effect to choice of law principles.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute that may arise between the parties. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a Dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months ("Limitation Period") after the date when we deliver our final audit report under this agreement to you, regardless of whether we do other services for you relating to the audit report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery.

The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

Fees

Our fees for these services will be \$ 9,750. The fee is based on anticipated cooperation from your personnel and their assistance with preparing confirmations and requested schedules. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our reports.

You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Unanticipated services

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are listings of services considered to be outside the scope of our engagement. If any such service needs to be completed before the audit can proceed in an efficient manner, we will determine whether we can provide the service and maintain our independence. If appropriate, we will notify you and provide a fair and reasonable price for providing the service. We will bill you for the service at periodic dates after the additional service has been performed.

Changes in engagement timing and assistance by your personnel

The fee estimate is based on anticipated cooperation from your personnel and their assistance with timely preparation of confirmations and requested schedules. If the requested items are not available on the dates required or are not accurate, we will advise management. Additional time and costs may be necessary because of such unanticipated delays. Examples of situations that may cause our estimated fee to increase include:

- Significant delays in responding to our requests for information such as reconciling variances or providing requested supporting documentation (e.g., invoices, contracts, and other documents)
- Rescheduling our fieldwork
- Schedule disruption caused by litigation, financial challenges (going concern), loan covenants (waivers), etc.
- Identifying a significant number of proposed audit adjustments
- Schedules prepared by your personnel that do not reconcile to the general ledger
- Numerous revisions to information and schedules provided by your personnel
- Restating financial statements for accounting errors in the prior year
- Lack of availability of entity personnel during audit fieldwork

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the letter increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

Subcontractors

CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

Agreement

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. Please sign, date, and return a copy of this letter to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP



Rich Gonzalez, CPA
Principal
916-784-7800
Rich.Gonzalez@CLAconnect.com

Response:

This letter correctly sets forth the understanding of Glenn Groundwater Authority.

Authorized management signature: _____

Title: _____

Date: _____

Authorized governance signature: _____

Title: _____

Date: _____

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

AGENDA ITEM 11: RECEIVE UPDATE ON GLENN GROUND WATER DISTRICT

The Board will receive an update on the Glenn Ground Water District activities.

AGENDA ITEM 12: COMMITTEE UPDATES

a. Executive Committee

i. CGA/GGA Joint Executive Committee

The GGA Executive Committee met June 26, 2019. The Committee's discussion focused on long-term funding process and planning for the July 8, 2019 Public Hearing and the audit services engagement letter. Both items were discussed in previous agenda items. The next meeting is scheduled for August 28, 2019.

The CGA/GGA Joint Executive Committee has not met and has nothing further to report. GGA staff will communicate with CGA staff to determine a suitable meeting date.

b. Funding Ad Hoc Committee

The Funding Ad Hoc Committee has not met and has nothing new to report.

c. Stakeholder Engagement Committee

The Stakeholder Engagement Committee has not met and has nothing to report. A meeting will likely take place in August to discuss the Facilitation Support Services being received from the Department of Water Resources. An extension through October 31, 2019 was requested and a new work order is being developed.

d. Technical Advisory Committee

The Technical Advisory Committee met June 21, 2019 in conjunction with the CGA TAC. Major topics of discussion included the Request for Proposals (RFP) for services to develop the Colusa Subbasin Groundwater Sustainability Plan and discussion on the Colusa Subbasin western boundary. The TAC also received brief updates on the Hydrogeologic Conceptual Model and Water Budget project and the Technical Support Services Monitoring Well Installation project. The next meeting will be scheduled to coincide with the review and recommendation of responses received relating to the RFP.

Glenn Groundwater Authority

Groundwater Sustainability Agency

PO Box 351, Willows, CA 95988 | 530.934.6501

AGENDA ITEM 13: MEMBER REPORTS AND COMMENTS

Members of the GGA Board are encouraged to share information, reports, comments, and suggest future agenda items. Action cannot be taken on items brought up under this item.

AGENDA ITEM 14: NEXT MEETING

The next regular meeting is scheduled for August 12, 2019 at 1:30 PM.

AGENDA ITEM 15: ADJOURN
