

**MINUTES OF THE
SPECIAL MEETING OF THE
BEDFORD-COLDWATER
GROUNDWATER SUSTAINABILITY AUTHORITY**

May 18, 2017

PRESENT

Randy Fox, City of
Corona
Phil Williams, EVMWD
Paul Rodriguez, TVWD

STAFF- CORONA

Tom Moody
Jamie Raymond
Katie Hockett

STAFF - EVMWD

Parag Kalaria
Jesus Gastelum
Margie Armstrong
Terese Quintanar
John Vega
Steve Anderson

STAFF - TVWD

Jeff Pape
Jeremy Jungreis

1. CALL TO ORDER.

The Special meeting of the Bedford-Coldwater Groundwater Sustainability Authority was held at its principal offices located at 22646 Temescal Canyon Road, Temescal Valley, California. The meeting was called to order by Chairman Rodriguez at 4:02 p.m.

2. PUBLIC COMMENT – None.

3. CONSENT CALENDAR

A. Approval of Minutes of the First Board Meeting of March 29, 2017

ACTION: Vice- Chairman Williams made a motion, Chairman Rodriguez seconded and the motion carried unanimously to approve the Minutes of the First Board Meeting of March 29, 2017.

4. BUSINESS CALENDAR

A. Approval of FY 2017-2018 Budget (MO# 4)

Margie Armstrong explained that the Joint Powers Agreement creating the Bedford-Coldwater Groundwater Sustainability Authority requires that the Board adopt an Operating and Non-Operating budget within ninety days following the first meeting of the Board. In accordance, staff prepared a five-year budget, incorporating the costs of the creation of the Groundwater Sustainability Plan (GSP).

The draft Operating Budget includes \$100,000 for the Administrator, \$30,000 for legal counsel, \$9,000 for audit work and \$30,000 for insurance, for a total of \$169,000. The draft Non-Operating Budget includes \$200,000, intended for starting activities

including data collection, review of completed studies and other associated consultant work related to groundwater basin characterization. Total cost for 2017-18 is \$369,000, which can be split equally between the three participating agencies. Answering a question posed by Vice-Chair Williams, Ms. Armstrong explained that the amounts estimated for consulting costs in subsequent years are estimates, and the amounts are subject to change following distribution of Requests for Proposals. The estimated costs provide a general idea of what each agency should initially budget for, until a clearer work scope and specific expenses are identified in more detail.

In regard to estimated Insurance costs, with no assets to insure, it is uncertain what exact policy will be needed at this point. The estimated costs are for general liability insurance. Workers Compensation Insurance may be needed as well. Chairman Rodriguez stated that TVWD's total costs are \$50,000, so \$30,000 is perhaps high. Vice-Chair Williams suggested obtaining a quote from ACWA-JPIA, who now covers GSAs. Mr. Jungreis added that ACWA-JPIA is addressing coverage of certain risks regarding groundwater management, and that there is minimal risk associated with business operations of GSAs. Steve Anderson advised that insurance coverage would be primary to the JPA, as the liabilities of the JPA do not fall back on the respective agencies. Mr. Jungreis will keep the Board apprised of developments concerning ACWA-JPIA's insurance coverages.

Regarding accounting, Chairman Rodriguez, posed several questions as to the timing of agency contributions, methods, for payments of invoices, approval of expenses and the account mechanism. Ms. Armstrong suggested estimating the contribution so no one agency would front the costs. The process for making payments and other important details can be addressed in the By-laws. Mr. Moody advised that once an Administrator is engaged, there will be assistance with the plan and there will be a better understanding of the flow of funds. If the Budget is exceeded, the participating agencies will consider additional funding. The JPA can establish how the money will be spent. Several suggestions were made in regard to items which need to be addressed in detail early on, and the need to establish efficient payment methods for vendors. There are options which can be discussed, including a JPA account or invoicing of the participating agencies. Another item for further discussion are PERS requirements or restrictions or agency in-kind needs. The Agreement calls for an Operating Fund, which will have to be funded and replenished with an established and agreed upon protocol.

Chairman Rodriguez suggested that each agency track all expenses relating to the operation of the JPA. Support staff and other expenses of the Administrator should be included in the fee proposals.

Ms. Armstrong stated that once a Treasurer is determined, bank account details can be established. The Treasurer is the "point person" for an account set up specifically for the JPA and transactions would have to be done by one of the member agencies. Ms. Armstrong recommended approval of contribution of the Operating

Budget funds, to assist in start-up expenses. The Non-Operating Budget can be approved later.

ACTION: Vice-Chair Williams motioned and Director Fox seconded, to adopt the Operating Budget and to approve the initial contribution of \$369,000, split in equal thirds, with \$123,000 to be contributed by each member agency. The motion carried unanimously.

B. Establish Regular Meetings (MO# 5)

Ms. Armstrong explained that meetings should be held quarterly. After short discussion, a 4:00 p.m. start time and the quarters were determined to be February, May, August, and November. The meetings could be scheduled on the third Thursdays of those months. Special meetings would be called as needed. The next meeting date was set for August 17th, 2017.

ACTION: Vice-Chair Williams motioned and Director Fox seconded, to establish regular meeting dates as quarterly, in the months of February, May, August, and November, at 4:00 p.m., on the third Thursdays of the month. The motion carried unanimously.

C. Appointment for Secretary (MO# 6)

Ms. Armstrong recommended the appointment of a Secretary, to assist in the preparation of meeting minutes and associated support.

ACTION: Chairman Rodriguez motioned and Director Fox seconded, to appoint Terese Quintanar as the Secretary to the Bedford-Coldwater Groundwater Sustainability Authority. The motion carried unanimously.

D. Appointment for Treasurer (Reso No. 17-02)

A revised staff report and resolution was distributed prior to the meeting. The amendment was the establishment of an officer of the JPA as Treasurer. Discussion included items which would need to be determined, such as signing authority, multiple signatures, ratification of invoices, timing of payments and a purchasing policy. The suggestion was made that an approval threshold could be determined ahead of time. Chairman Rodriguez recommended approving contracts and contract amounts at the Board level and stressed clarification of the process in detail to avoid ambiguity. Any funding overages should be addressed by the Board.

ACTION: Director Fox motioned and Chairman Rodriguez seconded, to adopt the resolution appointing Phil Williams as the Treasurer to the Bedford-Coldwater Groundwater Sustainability Authority. The motion carried unanimously. (*Resolution No. 17-02*)

D. Update on Legal Counsel and Administrator RFP's

Ms. Armstrong reported that Requests for Proposals (RFPs) were distributed five weeks ago. Nine were sent for legal counsel services and seven firms were sent requests for the Administrator services. Submittal deadline is tomorrow for both. Four proposals for legal services and one proposal for Administrator have been received. We have also received one decline from an Administrator firm and a question from another potential Administrator regarding the level of activity. We have not yet determined the level of activity. Recipients for the RFPs were suggested by all three participating agencies. In regard to the selection process, staff was asked to select the top firms, make a recommendation and relay any concerns concerning proposals. Chairman Rodriguez expressed concern for the lack of submittals from potential Administrators. Mr. Pape suggested interviewing the candidates for Administrator.

5. COMMENTS BY THE BOARD OF DIRECTORS

None

6. ADJOURN

There being no further business, the May 18, 2017 Special meeting of the Bedford-Coldwater Groundwater Sustainability Authority was adjourned at 4:44 p.m.

ATTEST:**APPROVED:**

Phil Williams, Vice-Chairperson

Paul Rodriguez, Chairperson

Date: _____

Date: _____

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ATTEST:



Phil Williams, Vice-Chairperson

APPROVED:



Paul Rodriguez, Chairperson

Date: 8-30-17

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