

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

**August 30, 2017**

**DIRECTORS PRESENT**

Randy Fox, City of  
Corona

\*Phil Williams, EVMWD

(\*Entered at 4:15 p.m.)

Paul Rodriguez, TVWD

**STAFF- CORONA**

Tom Moody

Jamie Raymond

**STAFF - EVMWD**

Parag Kalaria

Jesus Gastelum

Margie Armstrong

Terese Quintanar

John Vega

Steve Anderson

**STAFF - TVWD**

Jeff Pape

Jeremy Jungreis

**OTHERS PRESENT**

Keith Lemieux and

Stephen O'Neill, Olivarez

Madruga Lemieux

O'Neill entered at 4:45

**1. CALL TO ORDER**

The 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 4:05 p.m.

**2. PUBLIC COMMENT – None.**

**3. CLOSED SESSION**

The Board and staff adjourned to Closed Session at 4:21 p.m.

**A. Personnel Matter –Consider Appointment of Legal Counsel  
(Government Code, Section 54957(b))**

At 4:32 p.m., the Board adjourned from Closed Session with no action having been taken.

**4. CONSENT CALENDAR**

**A. Approval of Minutes of the May 18, 2017 Meeting**

**B. Approval of Re-Appointment of Board Secretary (MO# 7)**

**C. Adoption of Resolution Establishing Regular Board Meeting Dates  
and Times (Resolution No. 17-03)**

**D. Adoption of Resolution Establishing Authorized Signatories to the Bedford-Coldwater Groundwater Sustainability Authority Bank Account (*Resolution No. 17-05*)**

In regard to Consent Calendar Item 4.D., Director Rodriguez commented that, at some point, we should develop policies regarding check signers and other related procedures.

**ACTION:** Director Fox made a motion, Chairman Rodriguez seconded and the motion carried by majority vote, with Vice-Chairman Williams absent to approve the Consent Calendar.

**5. BUSINESS CALENDAR**

**A. Appointment of Legal Counsel and Approval of Contract (*MO# 8*)**

A Request for Proposals (RFP) for general counsel services was issued on April 20, 2017, directly mailed to nine regional firms known to have experience with water agencies. Four firms responded to the RFP, with all firms meeting minimum qualifications.

Staff from all three-member agencies reviewed the proposals, considering experience, quality and thoroughness, cost, and references. The firm of Olivarez Madruga Lemieux O'Neill (OMLO) scored the highest among all four agencies. Keith Lemieux and Assistant General Counsel Stephen O'Neill have significant recent experience in water related matters, environmental law, as well a municipal law.

Chairman Rodriguez explained that the recruitment process had been thoroughly discussed and the firm of Olivarez Madruga Lemieux O'Neill was asked to provide a vision regarding this role.

**ACTION:** Vice- Chairman Williams made a motion, Director Fox seconded and the motion carried unanimously to:

1. Appoint Olivarez Madruga Lemieux O'Neill as General Counsel of the Bedford Coldwater Groundwater Sustainability Authority; and
2. Approve the contract with Olivarez Madruga Lemieux O'Neill for General Counsel Legal Services.

Keith Lemieux Stephen O'Neill entered the meeting at 4:45 p.m. and explained that the law firm was formed in two parts. The first, Lemieux and O'Neill had been representing water districts for many years; a number of them in the Los Angeles area, as well as the City of Oxnard, specializing in water law. A merge was done in May with new partners Thomas Madruga and Rick Olivarez, who also represented public agencies. He continued that GSA's include a new area of law, and the firm represents a GSA in the Indian Wells Valley, which is complicated and contentious, including and

five different agencies and three counties that make that up and that basin, which is also three times over-drafted. The firm also helped form the Bear Valley GSA and are special counsel for the City of Oxnard, which has been managed by Fox Canyon Groundwater Management Authority since the 1980s and the basin is not in the balance. They also explained that they have worked with several Watermasters, which are similar to GSAs and have assisted with several adjudications, including Antelope Valley.

Mr. Lemieux opined that the Bedford Coldwater Groundwater Basin appears to be in better shape than others in his experience and that the parties are cooperative and have common interests, which will make things simpler. There are no big, private producers being severely impacted. Chairman Fox confirmed that members are working in unison to make sure we are protected and to reduce reliance on external sources, and to work efficiently.

**B. Adoption of Resolution Adopting the Conflict of Interest Code (Reso No. 17-04)**

Terese Quintanar explained that the draft Conflict of Interest Code was reviewed by Dianna Valdez of Best Best and Krieger. Disclosure categories and reason for designation was explained in the meeting packet. Once adopted, the Conflict of Interest Code will be forwarded to the Riverside County Board of Supervisors. Once approved by the Board of Supervisors, the Code would become effective 30 days later.

Chairman Rodriguez confirmed that the Board Members have completed 700 Forms (Statements of Economic Interests) on file.

**ACTION:** Director Fox made a motion, Chairman Rodriguez seconded and the motion carried with a majority vote, with Vice Chairman Williams absent to:

1. Adopt the Resolution Adopting a Conflict of Interest Code for the Bedford-Coldwater Groundwater Sustainability Authority
2. Authorize staff to execute the appropriate documents' and submit the adopted Code to the Board of Supervisors of Riverside County as the Authority's code-reviewing body (Gov. Code § 82011) requesting approval of the Code as required under Government Code section 87303.

**C. Update on Request for Proposals for Administrator**

Margie Armstrong explained that only one proposal was received previously, and since then, the scope of work was revised to include possibility of doing other work related to the implementation of SGMA on an "on-call" and not to exceed \$200,000 basis. The revised RFP and was sent today, utilizing EVMWD's bid software called PlanetBids. This software is widely used and should cast a wider net for proposals. We also have a list of firms notified who we'd like to submit proposals. The proposals are

due back September 21 and selected top firms will be notified by the first week of October. Staff feels comfortable with the level of outreach and thousands of firms use this software as well.

Chairman Rodriguez commented that it would be important to retain someone who has ample time to dedicate to the work. Mr. Pape added that we are looking for a well-rounded and sufficiently staffed firm. Chairman Rodriguez commented that he would like a wide variety of interested firms to choose from.

#### **D. Adoption of ByLaws (MO# 9)**

Ms. Armstrong referenced Page 2, Article 3 and 4 of the draft Bylaws, establishment of purpose and office locations. Directors of the Governing Board of the JPA is comprised of one Director from each agency with the ability for alternate directors if the individual agency should choose to do so. A list of policies that the Board needs to adopt is in the Bylaws also. The Conflict of Interest Code was adopted at today's meeting, and staff expects to have drafts of the code of ethics, purchasing and investment, reimbursement, and retention policies in the near future meetings. Each new fiscal year a new chair and vice chair are elected and the term of office for the officers is one year. Officers can also resign or be removed and the duties of the Treasurer and the Secretary are also described. The Bylaws also specify that if staff of the member agencies does any work, it will be done according to contract. All meetings will be posted in accordance with the Brown Act. Voting rights are explained and all actions shall be recorded in writing. Article 7 describes staffing and the duties of the administrator and general counsel, followed by establishment of fiscal year end and operating budget approval and guidelines for expenditures. Debts and liabilities and records locations are also established in Article 12. She continued that the Bylaws can be changed or repealed by the Board.

Chairman Rodriguez, stated that Corona and TVWD had not yet selected alternate directors. Also, in response to the question about the BCGSA bank account, Ms. Armstrong answered that we will open an account through the Bank of America.

In regard to the PERS issue, Ms. Armstrong continued that PERS does not account for time staff spent on the JPA Work and this is why we made the switch in Secretary appointment and will have an agreement between the JPA and EVMWD. This agreement has been drafted by Best Best and Krieger and will be forwarded to respective. Legal counsels for review.

Chairman Rodriguez asked for confirmation that debts are the responsibility of the JPA and that the member agencies are protected in this regard. Steve Anderson answered that Joint Powers Authority Law includes such language.

**ACTION:** Director Fox made a motion, Vice-Chairman Williams seconded and the motion carried unanimously to:

1. Adopt the Resolution Adopting a Conflict of Interest Code for the Bedford-Coldwater Groundwater Sustainability Authority
2. Authorize staff to execute the appropriate documents and submit the adopted Code to the Board of Supervisors of Riverside County as the Authority's code-reviewing body (Gov. Code § 82011) requesting approval of the Code as required under Government Code section 87303.

## 6. LEGAL COUNSEL REPORT

Jeremy Jungreis announced that the Department of Water Resources issued a Notice to Accept Proposals to change boundaries and advised that the Board should consider submitting a proposal in case there are areas we can clean up. We also need to review fringe areas to see if they contain groundwater. We can do a scientific boundary change if we find that areas can be removed by DWR. Mr. Pape explained there are some very shallow wells in the canyon but he did not believe they are in the alluvial that the basin is in. We'll need to notify DWR of intent to change the boundary by December 1. We can evaluate the situation in the meantime. Steve Anderson explained that under SGMA law, the JPA only has authority to impose restrictions within the boundaries of the member agencies. He suggested cutting out portions that don't matter now, to make things easier in the future. Mr. Jungreis continued that if DWR agrees that it is not groundwater, it should not change the scope of the administrator. If the consultants say there is groundwater, we would separate from the Coldwater Basin, which may raise issues about who will manage that basin. Mr. Pape suggested staff research this prior to the November meeting, to determine whether or not that area is connected to the Alluvium and the Coldwater Basin.

Chairman Rodriguez asked if we can make changes after December 1 has passed. Mr. Anderson answered that DWR does allow the opportunity from time to time. Director Fox asked if an area is physically outside of the member agencies' if the sphere can be expanded. In response, Mr. Anderson stated that DWR will allow formation of a GSA to cover areas outside of the sphere and if there are problems in those areas, those downstream will have to resolve them. We would have no jurisdiction in those areas. Mr. Jungreis agreed and added that we would have responsibility but no authority. Mr. Pape informed the Board that the canyon is a long area, with a running stream on top, and there are very shallow wells in that area. It may be a small source of water. Mr. Jungreis concluded by stating that 99% of the basins are covered by SGMA and the State Water Board is pleased. DWR issued a manual on how to do outreach and websites and when they evaluate the Groundwater Sustainability Plan, a chapter explaining public outreach will have to be included.

Mr. Jungreis commented that ACWA is looking into providing insurance to JPAs. Risks associated are not within the scope of coverage so they are looking at non-traditional types of risks. To indemnify members, we may want to purchase that insurance and that may be something that can be covered by the administrator. He offered to provide an update on what products are available.

Chairman Rodriguez requested a list of obligations we have met thus far and what we have left to do as a Groundwater Sustainability Agency. The water tax should be included and he asked an update about that. Mr. Anderson reported that it will have to pass through Committee next week or become a two year bill. ACWA is taking measures to oppose it.

**7. COMMENTS OF BOARD**

There were none.

**8. ADJOURN**

There being no further business, the August 30, 2017 meeting of the Bedford-Coldwater Groundwater Sustainability Authority was adjourned at 5:00 p.m.

**ATTEST:**

Phil Williams  
Phil Williams, Vice-Chairperson

Date: 11-21-17

**APPROVED:**

Paul Rodriguez  
Paul Rodriguez, Chairperson

Date: NOVEMBER 16, 2017