

MID-KAWEAH GROUNDWATER SUSTAINABILITY AGENCY BOARD

SUMMARY MINUTES

December 18, 2019 – 3:00 p.m.

Tulare Public Library & Council Chambers
491 North M Street – Tulare, CA 93274

MEMBERS PRESENT: Dennis Mederos, David Martin, Steve Nelsen, David Bixler, Howard Stroman, Greg Collins

STAFF PRESENT: Paul Hendrix, Valerie Kincaid, Aaron Fukuda, Leslie Caviglia^{3:24 p.m.}, Rob Hunt, Kathy Artis, Trisha Whitfield, Roxanne Yoder

OTHERS PRESENT: Chris Petersen (GEI), Blake Wilbur (Chair, Advisory Committee)

1. CALL TO ORDER

Chair Mederos opened the meeting at 3:03 p.m.

- 2. PUBLIC COMMENT** – The public may comment on any subject within the jurisdiction of the Board, including items on the agenda. Speakers will be allowed three minutes unless otherwise extended by the Board Chair. The Board cannot legally discuss or take official action on items presented under public comment.

Chair Mederos called for comments from any members of the public present at the meeting. None were forthcoming.

3. GENERAL BUSINESS

- a. Approval of Minutes of Regular Meeting on November 12, 2019
Chair Mederos requested an amendment to the minutes to reflect the attendance of Kathy Artis at the meeting of November 12, 2019. It was moved by D. Martin, seconded by S. Nelsen, and unanimously carried to approve the minutes as amended.
- b. Financial Report
 - i. Financial Statements – Year-to-Date
K. Artis provided a report for the Board's review and consideration. She pointed out highlights in the balance sheet, profit and loss statement, and list of recent transactions. It was moved by G. Collins, seconded by D. Bixler, and unanimously carried to accept the report as presented.
 - ii. FY 2019-20 Financial Statements – Auditor Report
K. Artis advised the Board that the Auditor Report will be tabled until the January 14, 2020, Board meeting and noted a correction to the fiscal year from 2019-20 to 2018-19.

iii. Call for Funds

P. Hendrix referred to a staff report indicating the need for another call for funds while we await the receipt of the next Prop 1 grant reimbursement. An amount of \$250,000 was recommended, one-third of which from each of the Members. It was moved by D. Martin, seconded by D. Bixler and unanimously carried to approve a call for funds in the amount of \$250,000.

c. Legal Counsel Report

i. Subbasin Coordination Agreement – Review of Final Draft

V. Kincaid provided an overview of the near-final draft of the Agreement. She pointed out those sections that are required by DWR and the recent alterations to the text since the prior review before the Board. She also summarized the seven appendices as part of the Agreement, several of which are being prepared by GEI. Ms. Kincaid stated that the Agreement is to be considered for approval by the Board at its January GSA meeting. Director Collins inquired as to what happens if the Subbasin GSAs fall behind with respect to sustainability targets, to which Ms. Kincaid cited the corrective measures/management actions which would be activated in that event.

d. Groundwater Sustainability Plan

i. Overview of Responses to Comments

C. Petersen of GEI provided a PowerPoint presentation containing an overview of the responses to public comments related to the GSP. He first reiterated the comment themes and their prioritization, and then the GSP sections which were changed to address the comments. Director Stroman asked if larger maps with better clarity would be accessible as compared to the digital version of the GSP, to which Mr. Petersen replied, yes, these are available. Director Collins asked for confirmation that the indicated glide path towards the measurable objective in 2040 is downward, to which Mr. Petersen replied in the affirmative; however, he noted that an optimal objective is also described should hydrology prove favorable in the future.

ii. Public Hearing re Plan Adoption

Chair Mederos opened the public hearing at 4:14 p.m. Jessie Snyder addressed the Board on behalf of Self-Help Enterprises and the GSA's Advisory Committee. Amanda Monaco addressed the Board on behalf of Leadership Council for Justice & Accountability. Jeff Vanden Heuvel addressed the board on behalf of the Milk Producers Council. Blake Wilbur addressed the Board on behalf of the Advisory Committee. Tom Barcellos addressed the Board on behalf of the Poplar-Pleasant View School Board and Lower Tule River Irrigation District. With no further statements by members of the public, Chair Mederos closed the hearing. Members of the Board and staff also made closing remarks regarding the GSP.

iii. Resolution No. 2019-01 – Adoption of Final Plan and Submittal to DWR
[The GSP (Plan) will be hosted on the Mid-Kaweah GSA website and not

distributed with this packet due to its size: www.midkaweah.org]

V. Kincaid provided an overview of the Resolution for consideration by the Board. Following comments it was moved by D. Bixler, seconded by S. Nelsen, and unanimously carried to adopt Resolution No. 2019-03, as amended, to the numbering of same.

e. Kaweah Subbasin Coordination

P. Hendrix provided a report for the Board's review and consideration. He indicated that most of the focus during the last month has been on finalizing GSPs.

4. BOARD/STAFF UPDATES, FUTURE AGENDA ITEMS OR OTHER TOPICS OF INTEREST

P. Hendrix indicated that a staff recommendation regarding reappointments to the Advisory Committee will be up for discussion at the January 2020 board meeting.

5. CLOSED SESSION

Chair Mederos advised that the closed session item had been pulled.

a. Gov't Code §54956.9 – Anticipated Litigation

6. ADJOURNMENT Next Regular Meeting – January 14, 2020

Chair Mederos adjourned the meeting at 4:41 p.m.

Groundwater Sustainability Agency
Board Chair

Attest:

Groundwater Sustainability Agency
Board Secretary

Mid-Kaweah GSA

Agenda Item Report

January 14, 2020

Agenda Item Wording: Fiscal – Financial Statements Year To Date

Report Author: Kathi Artis – Tulare ID

Background Discussion:

The GSA's financial policies require a financial overview and Profit & Loss Statement through the end of the previous month are to be provided to the Board of Directors at each Board meeting.

Attachments:

Balance Sheet as of December 31, 2019

Profit & Loss Statement for period July 1, 2019 through December 31, 2019

Transaction Detail by Account for checking and money market accounts for period December 1, 2019 through December 31, 2019

Mid-Kaweah Groundwater Sustainability Agency

01/08/20

Balance Sheet

Cash Basis

As of December 31, 2019

	Dec 31, 19
ASSETS	
Current Assets	
Checking/Savings	
Checking	4,121.91
Money Market	4,342.22
Total Checking/Savings	8,464.13
Total Current Assets	8,464.13
TOTAL ASSETS	8,464.13
LIABILITIES & EQUITY	
Equity	
Retained Earnings	60,101.58
Net Income	-51,637.45
Total Equity	8,464.13
TOTAL LIABILITIES & EQUITY	8,464.13

Mid-Kaweah Groundwater Sustainability Agency

Profit & Loss

July 1, 2019 through December 31, 2019

	July 1, 2019 - December 31, 2019	2019-2020 Budget	Variance
Ordinary Income/Expense			
Income			
Call For Funds			
Administration	0.00	TBD	
GEI Planning	0.00		-
Total Call For Funds	0.00	-	-
Prop 1 GSP Grant	839,231.84	607,600	231,632
Prop 1 GSP Grant Disbursements	-217,418.00		(217,418)
Reimbursed Expenses			
Aqua Geo Frameworks - SkyTEM	0.00		-
Kaweah Sub Basin Expenses	0.00		-
DWR Tech Services Application	0.00		-
Total Reimbursed Expenses	621,813.84	607,600.00	14,213.84
Total Income	621,813.84	607,600	14,214
Expense			
Audit Expense	0.00	3,900	(3,900)
Conference & Meetings	0.00		-
Consulting Fees			
Consulting Fees-GEI	0.00		-
GEI Fees - Grant Applic 01-201	0.00		-
GEI Fees - MKGSA - 02.2017			
GSP	76,178.54	187,400	(111,221)
Sub-Basin Coordination	462,254.82	575,800	(113,545)
Total GEI Fees - MKGSA - 02.2017	538,433.36	763,200	(224,767)
Total Consulting Fees	538,433.36	763,200	(224,767)
Flight Lines	0.00	-	-
Insurance	876.70	2,250	(1,373)
Legal	32,950.00	50,000	(17,050)
Membership Dues	4,140.00		4,140
Office Expense	1,633.76	2,600	(966)
Payroll, Benefits and Travel Expenses	94,209.80	246,000	(151,790)
Rent	1,500.00	3,000	(1,500)
Total Expense	673,743.62	1,070,950	(397,206)
Net Ordinary Loss	-51,929.78	(463,350)	411,420
Other Income/Expense			
Other Income			
Interest Income	292.33	200	92
Total Other Income	292.33	200	92
Net Other Income	292.33	200	92
Net Loss	-51,637.45	(463,150)	411,513

Mid-Kaweah Groundwater Sustainability Agency
Transactions by Account

As of December 31, 2019

Type	Date	Num	Name	Description	Account	Receipts	Disbursements
Checking							
Check	12/18/2019	1157	Capital One	Office supplies	Office Expense		(56.60)
Check	12/18/2019	1158	AT&T	Cellphone	Office Expense		(45.16)
Total Checking						-	(101.76)
Money Market							
Check	11/29/2019			Service Charge	Office Expense	0.38	(15.00)
Deposit	11/29/2019			Interest	Interest Income	0.38	(15.00)
Total Money Market					Total	0.38	(116.76)
					Net Cash		(116.38)



CUTTONE & MASTRO

CERTIFIED PUBLIC ACCOUNTANTS

January 10, 2020

Mid-Kaweah Groundwater Subbasin Joint Powers Authority
6826 Avenue 240
Tulare, CA 93274

We have audited the financial statements of the governmental activities of Mid-Kaweah Groundwater Subbasin Joint Powers Authority for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 19, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies adopted and used by Mid-Kaweah Groundwater Subbasin Joint Powers Authority are described in Note 1 to the financial statements. We noted no transactions entered into by Mid-Kaweah Groundwater Subbasin Joint Powers Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 10, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Mid-Kaweah Groundwater Subbasin Joint Powers Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Matters

We applied certain limited procedures to Schedule of Revenues and Expenditures – Budget and Actual, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Mid-Kaweah Groundwater Subbasin Joint Powers Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Cuttone & Mastro CPA's

**MID-KAWEAH GROUNDWATER
SUSTAINABILITY AGENCY**

FINANCIAL STATEMENTS

June 30, 2019

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CUTTONE & MASTRO
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Mid-Kaweah Groundwater Sustainability Agency
Tulare, California

We have audited the accompanying statement of net position and governmental fund balance sheet of Mid-Kaweah Groundwater Sustainability Agency (the Authority) as of June 30, 2019, and the related statement of activities and governmental fund statement of revenue, expenditures and changes in fund balances and changes in net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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. Accordingly, we express no such opinion. 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's office and State regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on page 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information, budgetary comparison information on page 7, in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. Management has omitted management's discussion and analysis. Our opinion on the basic financial statements is not affected by this missing information.

A handwritten signature in cursive script that reads "Cuttone & Mastro".

Fresno, California
January 10, 2020

MID-KAWEAH GROUNDWATER SUSTAINABILITY AGENCY

**Statement of Net Position and
Governmental Fund Balance Sheet
June 30, 2019**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 60,101		\$ 60,101
Receivables	<u>839,232</u>		<u>839,232</u>
Total assets	\$ <u>899,333</u>		\$ <u>899,333</u>
<u>LIABILITIES</u>			
Accounts payables	586,183		586,183
GSP Participants Payable	\$ <u>217,418</u>		\$ <u>217,418</u>
Total liabilities	<u>803,601</u>		<u>803,601</u>
<u>FUND BALANCES/NET POSITION</u>			
Fund balance:			
Unreserved fund balance	<u>95,732</u>		
Total fund balance	\$ <u>95,732</u>		
Net position:			
Unrestricted			<u>95,732</u>
Total net position			\$ <u>95,732</u>

The accompanying notes are an integral part of the financial statements.

MID-KAWEAH GROUNDWATER SUSTAINABILITY AGENCY
Statement of Activities and Governmental Fund Statement of
Revenues, Expenditures and Changes in Fund Balances and Changes in Net Position
for the year June 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Contributions	\$ 735,000		\$ 735,000
Prop 1 Grant	839,232		839,232
Reimbursed Expenses	49,063		49,063
Interest	<u>112</u>		<u>112</u>
Total Revenue	<u>1,623,407</u>		<u>1,623,407</u>
Expenditures:			
Audit fees	3,900		3,900
Conference & Meetings	695		695
Consulting fees	1,110,951		1,110,951
Flight Lines	160,050		160,050
Insurance	972		972
Legal fees	38,845		38,845
Membership Dues	562		562
Office expense	2,898		2,898
Payroll expense	244,002		244,002
Rent	2,750		2,750
Travel expense	<u>2,094</u>		<u>2,094</u>
Total Expenditures	<u>1,567,719</u>		<u>1,567,719</u>
Excess revenue over expenditures	55,688		55,688
Change in net position			
Fund balance /net position:			
Beginning of year	<u>40,044</u>		<u>40,044</u>
End of year	\$ <u><u>95,732</u></u>		\$ <u><u>95,732</u></u>

The accompanying notes are an integral part of the financial statements.

MID-KAWEAH GROUNDWATER SUSTAINABILITY AGENCY

Notes to Financial Statements

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Mid-Kaweah Groundwater Subbasin Joint Powers Authority (the Authority) is a joint powers authority formed in 2015. The Authority is formed with the purpose and intent of jointly forming a separate entity to fulfill the role of a Groundwater Sustainability Agency (GSA) consisting of the Members, so that the Members may collectively develop, adopt, and implement a Groundwater Sustainability Plan (GSP) for the sustainable management of groundwater for that portion of the Subbasin underlying the jurisdictional boundaries of the Members, as those boundaries may be amended from time to time. The Authority is to provide for the conjunctive use of groundwater and surface water within its represented groundwater basin to ensure the reliability of a long-term water supply to meet current and future beneficial uses.

Member Agencies

The Joint Powers Agreement was entered into as of September 14, 2015, and between the City of Visalia, the City of Tulare and the Tulare Irrigation District.

The more significant accounting policies of the Authority are summarized as follows:

A. Government-wide and fund financial statements:

The District is a special-purpose government agency engaged in a single governmental program; the fund financial statements and the government-wide statements are combined. The government-wide financial statements include the statement of net position and the statement of activities and report information on all of the nonfiduciary activities of the government.

B. Measurement focus, basis of accounting, and financial statement presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

MID-KAWEAH GROUNDWATER SUSTAINABILITY AGENCY

Notes to Financial Statements

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

C. Description of Funds:

The accounts of the Authority are organized by using a General Fund, which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. It is the general operating fund of the Authority and is used to account for all financial resources.

D. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

E. Cash and cash equivalents:

The Authority considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

F. Income Taxes

The Authority is a governmental agency and is not subject to federal or state income taxes.

G. Subsequent Events

Management has evaluated subsequent events through January 10, 2020, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

2. RECEIVABLES

The Agency has a receivable from the State of California in the amount of \$839,232 for grant related expenditures incurred by the Agency.

3. RELATED PARTY TRANSACTIONS

The members perform certain administrative services for the Agency including accounting services, at no charge to the Agency.

REQUIRED SUPPLEMENTARY INFORMATION

MID-KAWEAH GROUNDWATER SUSTAINABILITY AGENCY
Schedule of Revenue and Expenditures
– Budget and Actual
for the year ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions	\$ 505,000	\$ 328,216	\$ 735,000	\$ 406,784
Proposition 1 Grant	245,000	699,600	839,232	139,632
Reimbursed Expenses	110,000	-	49,063	49,063
Interest	<u>-</u>	<u>-</u>	<u>112</u>	<u>112</u>
Total Revenue	<u>860,000</u>	<u>1,027,816</u>	<u>1,623,407</u>	<u>595,591</u>
Expenditures				
Audit fees	3,400	3,200	3,900	(700)
Conference & Meetings	-	-	695	(695)
Consulting fees	449,000	704,400	1,110,951	(406,551)
Flight Lines	-	-	160,050	(160,050)
Insurance	2,500	1,500	972	528
Legal fees	25,000	50,000	38,845	11,155
Membership Dues	-	750	562	188
Office expense	-	-	2,898	(2,898)
Payroll expense	226,000	254,800	244,002	10,798
Rent	-	4,200	2,750	1,450
Travel expense	-	-	2,094	(2,094)
Special Projects	<u>-</u>	<u>175,000</u>	<u>-</u>	<u>175,000</u>
Total Expenditures	<u>705,900</u>	<u>1,193,850</u>	<u>1,567,719</u>	<u>(373,869)</u>
Revenue over/(under) expenditures	\$ <u>154,100</u>	\$ <u>(166,034)</u>	\$ <u>55,688</u>	\$ <u>221,722</u>

Budgets and Budgetary Accounting

An annual budget is adopted for the General Fund on a modified accrual basis consistent with Generally Accepted Accounting Principles (GAAP). The Budgetary Comparison Schedule for the General Fund is included in the required supplementary information above.

Mid-Kaweah GSA
Agenda Item Report

January 16, 2020

Agenda Item 3.c.i: Approval of Coordination Agreement

Report Author: Paul Hendrix

Staff Recommendations:

It is recommended that the Board approve execution of the Kaweah Subbasin Coordination Agreement.

Background Discussion:

The Subbasin Coordination Agreement has been a working draft document among the three GSAs for over a year and has been presented to the Board several times, most recently at last year's December 18th special meeting. DWR requires receipt of an executed version of the Agreement before the Subbasin GSPs will be evaluated, and the Agreement as well as the three GSPs must be submitted no later than January 31st. The Agreement serves as the means by which DWR concludes that the three Subbasin GSPs, implemented collectively, will achieve groundwater sustainability by 2040.

The Agreement and its seven appendices are now in final form and have been recommended for GSA approval and execution by action of the Subbasin Management Team Committee at its January 15th meeting. East Kaweah GSA is considering approval of the Agreement at its January 17th meeting; Greater Kaweah GSA will be considering approval at a board meeting to be scheduled the week of January 20th.

Recommended Motion:

I move to approve and authorize execution by the Board Chair of the Kaweah Subbasin Coordination Agreement.

Attachment:

Kaweah Subbasin Coordination Agreement



KAWEAH SUBBASIN COORDINATION AGREEMENT

GREATER KAWEAH GROUNDWATER SUSTAINABILITY AGENCY
MID-KAWEAH GROUNDWATER SUSTAINABILITY AGENCY
EAST KAWEAH GROUNDWATER SUSTAINABILITY AGENCY

Plan Manager: Eric Osterling
eosterling@greaterkawahgsa.org

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DEFINITIONS

1. “Agency” or “GSA”: refers to a groundwater sustainability agency as defined in SGMA.
2. “Agreement”: refers to this Coordination Agreement, unless indicated otherwise.
3. “Annual Report”: refers to the report required by California Water Code Section 10728.
4. “Basin”: means the Kaweah Subbasin within the Tulare Lake Hydrologic Region, San Joaquin Valley Groundwater Basin, defined in DWR’s 2016 Bulletin 118 Interim Update as Basin 5-22.11, as same may be amended from time to time.
5. “Basin setting”: refers to the information about the physical setting, characteristics, and current conditions of the Basin as described by the Agency in the hydrogeologic conceptual model, the groundwater conditions, and water budget, and Management Areas (if applicable) pursuant to California Code of Regulations, title 23, sections 354.12-354.20.
6. “Confidential Information”: as discussed in Section 3.3 of this Agreement, refers to data, information, modeling, projections, estimates, plans, and other information that are not public and in which the Party has a reasonable expectation of confidentiality, regardless of whether such information is designated as “Confidential Information” at the time of its disclosure. Confidential Information also includes information which is, at the time provided, (a) disclosed as such in writing and marked as confidential (or with other similar designation) at the time of disclosure and/or (b) disclosed in any other manner and identified as confidential at the time of disclosure and is also summarized and designated as confidential in a written memorandum delivered within thirty (30) days of disclosure.
7. “DWR”: refers to the California Department of Water Resources.
8. “Groundwater”: means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water, but does not include water that flows in known and definite channels.
9. “Groundwater flow”: refers to the volume and direction of groundwater movement into, out of, or throughout a basin.
10. “Management Team Committee”: refers to the governing body originally established in the Parties’ MOU that is charged with making recommendations regarding this Agreement and other Kaweah Subbasin related compliance issues to each GSA.
11. “Measurable objectives”: refers to specific, quantifiable goals for the maintenance or improvement of specified groundwater conditions that have been included in an adopted GSP to achieve the sustainability goal for the Basin.

12. “Memorandum of Understanding” or “MOU”: refers to the November 1, 2017 Memorandum of Understanding signed by the Parties concerning GSP-related cooperation and coordination in the Kaweah Subbasin.
13. “Minimum Thresholds”: refers to a numeric value for each sustainability indicator used to define undesirable results.
14. “Plan” or “GSP”: refers to a groundwater sustainability plan as defined by SGMA.
15. “Plan Manager”: refers to an employee or authorized representative of the Parties appointed by the Coordination Committee to perform the role of the Plan Manager set forth in Section 1.3 of this Agreement.
16. “Principal aquifers”: refers to aquifers or aquifer systems that store, transmit, and yield significant or economic quantities of groundwater to wells, springs, or surface water systems.
17. “Representative monitoring”: refers to a monitoring site within a broader network of sites that typifies one or more conditions within the Basin or an area of the Basin.
18. “Sustainability indicator”: refers to any of the effects caused by groundwater conditions occurring throughout the Basin that, when significant and unreasonable, cause undesirable results, as described in Water Code Section 10721(x). Sustainability indicators include 1) chronic lowering of groundwater levels, 2) reduction of groundwater storage, 3) seawater intrusion [not applicable], 4) degraded groundwater quality, 5) land subsidence, and 6) depletions of interconnected surface water.
19. “Water source type”: represents the source from which water is derived to meet the applied beneficial uses, including groundwater, recycled water, reused water, and surface water sources identified as Central Valley Project, local supplies, and local imported supplies.
20. “Water use sector”: refers to categories of water demand based on the general land uses to which the water is applied, including urban, industrial, agricultural, managed wetlands, managed recharge, and native vegetation.
21. “Water year”: refers to the period from October 1 through the following September 30, inclusive, and is labeled by the ending year (e.g. the last day of Water Year 2019 is September 30, 2019).
22. “Water year type”: refers to the classification provided by DWR for the San Joaquin Valley, based on unimpaired runoff. The water year type is based on a numerical index and includes five (5) classifications: Wet, Above Normal, Below Normal, Dry, and Critical.

1. INTRODUCTION

1.1. PURPOSE.

The purpose of this Agreement is to comply with SGMA's coordination agreement requirements and ensure that the multiple GSPs within the Basin are developed and implemented utilizing the same methodologies and assumptions as required under SGMA and Title 23 of the California Code of Regulations, and that the elements of the GSPs are appropriately coordinated to support sustainable management.

The Parties intend that this Agreement describe how the multiple GSPs, developed by the individual GSAs, are implemented together to satisfy the requirements of SGMA. The Parties intend this Agreement will be incorporated as part of each individual GSP developed by the Parties.

1.2. ADJUDICATION OR ALTERNATIVE PLANS IN THE BASIN. (§357.4(f).)

As of the date of this Agreement, there are no portions of the Basin that have been adjudicated or have submitted for DWR approval an alternative to a GSP pursuant to Water Code Section 10733.6.

1.3. PLAN MANAGER. (§357.4(b)(1).)

In accordance with the Title 23, California Code of Regulations Section 357.4(b)(1), the Parties hereby agree on a point of contact with DWR. The Plan Manager shall be the General Manager for the Greater Kaweah GSA. The Parties may agree to amend the appointed Plan Manager upon unanimous consent of the GSAs and written notification to DWR. The Plan Manager shall serve as the point of contact for DWR as specified in California Code of Regulations, section 357.4, subd. (b)(1). The Plan Manager's role as the point of contact between the Management Team Committee and DWR. In this role, the Plan Manager shall, at the direction of the Management Team Committee, submit all GSPs, plan amendments, supporting information, monitoring data and other pertinent information, Annual Reports, and periodic evaluations to DWR when required. The Plan Manager may communicate other information to DWR at the request of the Management Team only. The Plan Manager has no authority to take any action or represent the Management Team Committee or a particular GSA without the specific direction and authority of the Management Team Committee or the particular GSA. The Plan Manager is obligated to disclose all communications he/she receives in his/her capacity as Plan Manager to the Management Team Committee, either in open or closed session meetings, or as otherwise appropriate.

2. BASIN SETTING

2.1. INTRODUCTION (§354.12)

The detailed basin setting for the Kaweah Subbasin, as required for GSPs prepared in accordance with Title 23, California Code of Regulations Section 354.12, is provided in Appendix 1 of this Agreement. The attached Basin Setting includes the physical setting, the Hydrogeologic Conceptual Model, groundwater conditions and water budget pursuant to Title 12, CCR Sections 354.12-354.18.

3. EXCHANGE OF DATA AND INFORMATION (§357.4(b)(2))

3.1. EXCHANGE OF INFORMATION.

In accordance with Title 23, California Code of Regulations Section 357.4(b)(2) of the GSP Regulations, the GSA Parties acknowledge and recognize that for this Coordination Agreement to be effective in the enhancement of the goals of basin-wide groundwater sustainability and compliance with the SGMA and the basin level coordinating and reporting regulations, the GSA Parties will have an affirmative obligation to exchange certain minimally necessary information among and between the other GSA Parties. Likewise, the GSA Parties acknowledge and recognize that individual GSA Parties, in providing certain information, and in particular certain raw data, may contend that limitations apply in the sharing and other dissemination of certain types of said information which may subject the individual GSA Party to certain duties regarding non-disclosure and privacy restrictions and protections.

3.2. PROCEDURE GOVERNING THE EXCHANGE OF INFORMATION.

The Parties may exchange information through collaboration and/or informal requests made at the Management Team Committee level. To the extent it is necessary to make a written request for information to another Party, each Party shall designate a representative to respond to information requests and provide the name and contact information of the designee to the Management Team Committee. Requests may be communicated in writing and transmitted in person or by mail, facsimile machine or other electronic means to the appropriate representative as named in this Agreement.

Nothing in this Agreement shall be construed to prohibit any Party from voluntarily exchanging information with any other Party by any other mechanism separate from the Management Team Committee.

3.3. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION.

It is understood and agreed to that, pursuant to Section 3.1 of this Agreement, a Party to this Agreement may provide one or more of the other Parties with confidential information. To ensure the protection of such confidential information and in consideration of the agreement to exchange said information, the Parties agree as follows:

3.3.1. The confidential information to be disclosed under this Agreement (“Confidential Information”) includes data, information, modeling, projections, estimates, plans, and other information that are not public and in which the Party has a reasonable expectation of confidentiality, regardless of whether such information is designated as “Confidential Information” at the time of its disclosure.

3.3.2. In addition to the above, Confidential Information shall also include, and the Parties shall have a reasonable duty to protect, other confidential and/or sensitive information which is, at the time provided (a) disclosed as such in writing and marked as confidential (or with other similar designation) at the time of disclosure; and/or (b) disclosed in any other manner and identified as confidential at the time of disclosure and is also summarized and designated as confidential in a written memorandum delivered within thirty (30) days of the disclosure.

3.3.3. The Parties shall use the Confidential Information only for the purposes set forth in this Agreement.

3.3.4. The Parties shall limit disclosure of Confidential Information within its own organization to its directors, officers, partners, attorneys, consultants, members and/or employees having a need to know and shall not disclose Confidential Information to any third party (whether an individual, corporation, or other entity) without prior written consent. A Party shall satisfy its obligations under this paragraph if it takes affirmative measures to ensure compliance with these confidentiality obligations by its employees, agents, consultants and others who are permitted access to or use of the Confidential Information.

3.3.5. This Agreement imposes no obligation upon the Parties with respect to any Confidential Information that (a) was possessed before receipt; (b) is or becomes a matter of public knowledge through no fault of the receiving Party; (c) is rightfully received from a third party not owing a duty of confidentiality; (d) is disclosed without a duty of confidentiality to a third party by, or with the authorization of, the disclosing Party; or (e) is independently developed.

3.3.6. If there is a breach or threatened breach of any provision of this section, it is agreed and understood that the non-breaching Party shall have no adequate remedy in money or other damages and accordingly shall be entitled to injunctive relief; provided however, no specification in this Agreement of any particular remedy shall be construed as a waiver or prohibition of any other remedies in the event of a breach or threatened breach of any provision of this Agreement.

3.3.7. If and to the extent the information covered by this provision is requested pursuant to the California Public Records Act (PRA), the Party subject to the PRA shall coordinate with the other Parties regarding its disclosure and obtain approval from a Party prior to disclosing information that the Party has disclosed pursuant to this provision in response to the PRA. To the extent the Party responding to the PRA is sued or otherwise challenged for withholding confidential information at the request of another Party, the Party requesting the non-disclosure shall indemnify the Party subject to the PRA for any costs and fees related to litigation or other such challenge.

4. METHODOLOGIES & ASSUMPTIONS (§357.4(b)(3))

In accordance with the Title 23, California Code of Regulations Section 357.4(b)(3) and California Water Code section 10727.6 the Parties have entered into this Agreement to ensure that the individual GSPs in the Basin utilize the same data and methodologies for the following assumptions: 1) groundwater elevation data, 2) groundwater extraction data; 3) surface water supply; 4) total water use; 5) change in groundwater storage; 6) water budget; and 7) sustainable yield, and that such methodologies and assumptions will continue to be used in the future development and implementation of such GSPs.

The methodologies and assumptions were developed based on existing data/information, best management practices, and/or best modeled or projected data available.

Information regarding the agreed upon methodologies and assumptions, is attached as Appendix 1 to this Agreement.

5. MONITORING NETWORK (§§354.32-354.40)

5.1. The Parties developed a monitoring network and monitoring network objectives for the Basin in accordance with California Code of Regulations, Title 23, sections 354.32 – 354.40. Each network facilitates the collection of data in order to characterize groundwater and related surface water conditions in the Basin and evaluate changing conditions that occur from implementation of the individual GSPs. The individual GSPs include monitoring objectives, protocols, and data reporting requirements as necessary under SGMA and SGMA Regulations.

5.2. The monitoring network(s) demonstrate short-term, seasonal, and long-term trends in groundwater and related surface water conditions. Each Party's GSP will include the monitoring network objectives for the Basin, including an explanation of how the network develops and implements to monitor groundwater and related surface water conditions, and the interconnection of surface water and groundwater, with sufficient temporal frequency and spatial density to evaluate the effectiveness of GSP implementation. The monitoring network(s) accomplish the following: a) demonstrate progress toward achieving measurable objectives described in the GSPs; b) monitor impacts to the beneficial uses or users of groundwater; c) monitor changes in groundwater conditions relative to applicable measurable objectives and minimum thresholds; and d) assist with quantifying annual changes in water budget components.

5.3. The Parties hereby agree, consistent with Section 3 of this Agreement, to share information necessary to create a Basin map displaying the location and type of each monitoring site within the Basin, and a report in tabular format, including information regarding the monitoring site type, frequency of measurement, and purpose for which the monitoring site is being used.

5.4. Information regarding the agreed upon monitoring networks, which is subject to future review and modification, is attached as Appendix 2 to this Agreement.

6. COORDINATED WATER BUDGET (§357.4(b)(3)(B))

6.1 In accordance with the California Code of Regulations, Title 23, section 357.4 (b)(3)(B), the Parties have prepared a coordinated water budget for the Basin as described herein and required by California Code of Regulations, Title 23, section 354.18. The water budget provides an accounting and assessment of the total volume of groundwater and surface water entering and leaving the Basin, including historical, current, and projected water budget conditions, and the change in the volume of water stored. Said water budget is included as part of Appendix 1 to this Agreement.

6.2 All aspects of the coordinated water budget as described herein are addressed in the Basin Setting. In addition, the current water budget for the period 1997-2017 has been apportioned under a water accounting framework among each of the Parties as set forth in Appendix 3 to this Agreement. This water budget is preliminary and based on best available data. Further discussions among the Parties must occur after adoption of GSPs concerning mutual responsibilities in achieving the Subbasin's Sustainable Yield by 2040, or as may be otherwise extended by DWR per Water Code §10727.2 (b) (3) once further data is obtained. The Parties acknowledge that significant data gaps exist within the existing Basin Setting as further described in Section 8 below. The Parties explicitly acknowledge to use good faith efforts to obtain data necessary and to reevaluate the water budget as needed. The Parties agree to use scientifically approved methods of data collection of such data relative to the development or understanding of groundwater extractions, groundwater inflow, and groundwater storage/levels.

6.3 With improved data collection and basin understanding, the water budget will be modified to reflect the updated understanding. The Subbasin GSAs will meet at least annually to review Subbasin data relative to the water budget. Revisions to the water budget will occur no less than every two years. Attached hereto and incorporated by reference is Appendix 3, the Water Accounting Framework.

7. SUSTAINABLE YIELD AND UNDESIRABLE RESULTS (§357.4(b)(3)(C))

In accordance with Title 23, California Code of Regulations Section 357.4(b)(3)(C), the Parties hereby agree to a sustainable yield for the basin, which is supported by a description of the undesirable results for the basin, and an explanation of how the minimum thresholds and measurable objectives defined by each Plan relate to those undesirable results, based on information described in the basin setting as described in Appendix 1 attached hereto and incorporated by reference. The sustainable yield is further defined in Appendix 3.

8. COORDINATED DATA MANAGEMENT SYSTEM (§357.4(e))

In accordance with the Title 23, California Code of Regulations Section 357.4(e), the Parties hereby describe a coordinated data management system for the Basin. As required by SGMA and accompanying Regulations, the Parties will coordinate to maintain a data management system that is capable of storing and reporting information relevant to the development and/or implementation of the GSPs and monitoring network of the Basin.

Information regarding the agreed upon coordinated data management system, which is subject to future review and modification, shall be attached as Appendix 4 to this Agreement.

9. IDENTIFICATION OF DATA GAPS (§354.38)

The Parties will periodically evaluate the monitoring network in Appendix 2 to determine if there are data gaps that could affect the ability of the Subbasin to meet the sustainability goal of the subbasin. Current data gaps are identified in Appendix 5. At minimum, every five years, the Parties will provide an evaluation of data gaps in the five-year assessment, including steps to be taken to address data gaps before the next five-year assessment. The Parties agree to use good faith efforts to obtain data needed to fill all data gaps and to reevaluate both this Coordination Agreement and the GSPs as necessary once data gaps have been filled.

10. ADOPTION AND USE OF THE COORDINATION AGREEMENT

10.1. COOPERATIVE IMPLEMENTATION OF GSPS. (§357.4(C))

In accordance with the Title 23, California Code of Regulations Section 357.4(c), the Parties hereby explain how the Plans implemented together, satisfy the requirements of the Act and are in substantial compliance with SGMA and SGMA regulations. Each Party will ensure their GSP complies with the statutory requirements of SGMA. The Parties to this Agreement intend that their individual GSPs will be implemented together in order to satisfy the requirements of SGMA. In a coordinated manner, the collective GSPs have satisfied the requirements of sections 10727.2 and 10727.4 of the California Water Code by providing a description of the physical setting and characteristics of the separate aquifer systems within the Basin, the methodologies and assumptions specified in Water Code section 10727.6, both as referenced in Section 2.1 herein. They have further developed a common sustainability goal and description of the Subbasin's undesirable results, both as set forth in Appendix 6. The Parties' minimum thresholds, measurable objectives, and monitoring protocols together provide a description of how the Subbasin will be sustainably managed during the GSP implementation phase. Furthermore, the Parties have developed a coordinated water budget and monitoring

network, in addition to their individual GSPs, which, when implemented together, suffice to provide the mandated data and fulfill the requirements set out in SGMA and its accompanying regulations.

The Parties have developed and calibrated a Subbasin numerical groundwater and surface water model that has been applied to simulate the operation of their combined projects and management actions and thereby demonstrate how their GSPs conform to measurable objectives and achieve sustainable yield by 2040. A description of the relevant model simulations and results are as described in Appendix 7 to this Agreement. Through the five-year GSP assessment process and continued dialogue with neighboring subbasins as to their role in influencing the changes in storage within the Kaweah Subbasin, residual storage reductions remaining from the modeling scenarios analyzed thus far will be addressed with implementation of additional projects and/or accelerated implementation of management actions designed to reduce groundwater extractions.

10.2. GSP AND COORDINATION AGREEMENT SUBMISSION (§357.4(D).)

In accordance with the Title 23, California Code of Regulations Section 357.4(d), the Parties hereby agree to the following process for submitting all Plans, Plan amendments, supporting information, all monitoring data and other pertinent information, along with annual reports and periodic evaluations. The Parties agree to submit their respective GSPs to DWR through the Management Team Committee and Plan Manager in accordance with SGMA and its accompanying regulations. The Plan Manager will be responsible for submittal of GSPs to DWR in accordance with California Water Code section 10733.4, subdivision (b)(1)-(c). However, prior to this submittal, the Management Team Committee shall vote to approve submittal. The approval shall consist of the review of the multiple GSPs in the Subbasin by the Management Team Committee for coordination and consistency. If the Management Team Committee identifies incomplete coordination or inconsistencies that amount to a concern regarding compliance with sections of SGMA, the Management Team Committee will work with the Parties to resolve these issues prior to submittal. Parties intend that this Agreement suffice to fulfill the requirements of providing an explanation of how the GSPs implemented together satisfy Water Code sections 10727.2, 10727.4 and 10727.6 for the entire Basin.

11. KAWEAH SUBBASIN ORGANIZATIONAL STRUCTURE AND OTHER MISCELLANEOUS PROVISIONS

11.1. GOVERNANCE. (§357.4(b)(2))

In accordance with the Title 23, California Code of Regulations Section 357.4(b)(2), the Parties hereby agree on the following responsibilities for meeting the terms of the agreement and the procedures for resolving conflicts.

11.1.1. Management Team Committee.

The Parties intend for the Management Team Committee as previously established in the Parties' MOU agreed upon until the effective date of this Coordination Agreement. The Management Team Committee will consist of three (3) representatives appointed by each Party to this Agreement.

- Compensation. Each Management Team Committee member's compensation for service on the Management Team Committee, if any, is the responsibility of the appointing Party.
- Term. Each Management Team Committee member shall serve at the pleasure of the appointing Party and may be removed from the Management Team Committee by the appointing Party at any time.
- Meetings. The Management Team Committee will meet at least monthly, or more frequently as needed, to carry out the activities described in this Agreement. The Management Team Committee will prepare and maintain minutes of its meetings.

11.1.2. Quorum for Management Team Committee Meetings.

In order to take action at a meeting of the Management Team Committee, a majority of the Management Team Committee members must be present at the meeting, with at least one representative from each Party.

11.1.3. Compliance with Open Meetings Laws.

The Management Team Committee shall meet on a regular basis for the purposes described in this Agreement. The Management Team Committee shall comply with the Ralph M. Brown Act (Government Code section 54950 et seq.) as applicable and shall post agendas as required.

11.1.4. Management Team Committee Officers.

The Management Team Committee may, from time to time, select from amongst its members a Chairman, who shall act as presiding officer, a Vice Chairman, to serve in the absence of the Chairman, and any other officers as determined by the Management Team Committee. There also shall be selected a Secretary, who may, but not need be, a member of the Management Team Committee. All officers shall remain in office for two years, unless removed pursuant to a majority vote of the Management Team Committee.

11.1.5. Management Team Committee Meeting Voting Provisions.

Each GSA will be entitled to one (1) vote on the Management Team Committee. The process for declaring such vote must be determined by each respective GSA. Recommendations from the Management Team Committee shall be made to the Parties' respective GSAs only upon the unanimous vote of the Management Team Committee. Should

unanimity not be reached, the votes shall be reported to each GSA's Board of Directors for further direction.

11.1.6. Adoption of Management Team Committee Recommendations.

Recommendations approved by unanimous consent of the Management Team Committee shall be reported to each GSA Board, with the process and manner for GSA approval left to the discretion of each GSA. If a GSA fails to approve a recommendation of the Management Team Committee, the Management Team Committee shall reconvene and endeavor to develop an alternative recommendation that may resolve any issues which resulted in the failure to approve. If the Management Team Committee is unable to develop an alternative recommendation, or if a GSA fails to approve the Management Committee's alternative recommendation, the Parties shall evaluate whether to enter into the dispute resolution process outlined in Section 9.3 of this Agreement.

11.1.7. Failure of Management Team Committee to Reach Consensus.

The Parties acknowledge that at all times consensus may not be reached amongst the Management Team Committee. All matters in which consensus of the Management Team Committee cannot be reached shall be reported to the GSA Boards of Directors. The Management Team Committee shall reconvene after the unresolved issue has been reported to the GSA Boards of Directors. If the Management Team Committee is still unable to reach consensus, the Parties shall evaluate whether to enter into the dispute resolution process outlined in Section 9.3 of this Agreement.

11.2. RESPONSIBILITIES OF THE PARTIES.

The Parties to this Agreement agree to work collaboratively to comply with SGMA and this Agreement. Each Party to this Agreement is a GSA and acknowledges it is bound by the terms of the Agreement. This Agreement does not otherwise affect each Party's responsibility to implement the terms of their respective GSP. Rather, this Agreement is the mechanism through which the Parties will coordinate portions of the multiple GSPs to ensure such GSP coordination complies with SGMA.

11.3. DISPUTE RESOLUTION.

Any GSA may choose to initiate the following dispute resolution process by serving written notice to the remaining GSAs of the following: (1) identification of the conflict; (2) description of how the conflict may negatively impact the sustainability of the Kaweah Subbasin; and (3) a proposal for one or more resolutions. The Parties agree to designate representatives to meet and confer with each other within thirty (30) days of the date such notice is given and said representatives shall then meet within a reasonable time to address all issues identified in the notice. Should the representatives be unable to reach a resolution within ninety (90) days of the written notice, the Parties shall enter informal mediation in front of a mutually agreeable mediator.

11.4. MODIFICATION.

The Parties hereby agree that this Agreement shall be reviewed as part of each five-year assessment and may be supplemented, amended, or modified only by the mutual agreement of all the Parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by all Parties.

11.5. WITHDRAWAL, TERMINATION, ADDING PARTIES.

11.5.1. A Party may withdraw from this Agreement without causing or requiring termination of this Agreement effective upon six months' notice to the Management Team Committee. Any Party who withdraws shall remain obligated to pay its share of all debts, liabilities, and obligations the Party incurred, accrued, or approved pursuant to this Agreement prior to the effective date of such withdrawal.

11.5.2. A new Party may be added to this Agreement if such entity is an exclusive GSA that has developed and will implement its own separate and complete GSP.

11.5.3. This Agreement may be rescinded by unanimous written consent of all the Parties. Nothing in this Agreement shall prevent the Parties from entering into another coordination agreement.

11.6. MISCELLANEOUS.

11.6.1. Severability.

If any provision of this Agreement is for any reason held to be invalid, unenforceable, or contrary to any public policy, law, statute and/or ordinance, then the remainder of this Agreement shall not be affected thereby and shall remain valid and fully enforceable.

11.6.2. Third Party Beneficiaries.

This Agreement shall not create any right of interest in any non-Party or in any member of the public as a third-party beneficiary.

11.6.3. Construction and Interpretation.

This Agreement was finalized through negotiations of the Parties. Each Party has had a full and fair opportunity to review and revise the terms herein. As a result, the normal rules of construction that any ambiguities are to be interpreted against the drafting Party shall not apply in the construction or interpretation of this Agreement.

11.6.4. Good Faith.

Each Party shall use its best efforts and work in good faith for the expeditious completion of the purposes and goals of this Agreement and the satisfactory performance of its terms.

11.6.5. Execution.

This Agreement may be executed in counterparts and the signed counterparts shall constitute a single instrument. The signatories to this Agreement represent that they have the authority to sign this Agreement and to bind the Party for whom they are signing.

11.6.6. Notices.

All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing unless provided otherwise in this Agreement, and shall be deemed to have been duly given and received on: (i) the date of service if personally served or served by electronic mail or facsimile transmission on the Party to whom notice is to be given at the address(es) below; (ii) on the first day after mailing, if mailed by Federal Express, U.S. Express Mail, or other similar overnight courier service; or (iii) on the third day after mailing if mailed to the Party to whom notice is to be given by first class mail, registered certified to the official addresses for each Party according to DWR.

11.6.7. No Admission or Waiver

Nothing in this Coordination Agreement is intended to modify the water rights of any Party or of any Person (as that term is defined under Section 19 of the Water Code). Nothing in this Coordination Agreement shall be construed as an admission by any Party regarding any subject matter of this Coordination Agreement, including without limitation any water right or priority of any water right that is claimed by a Party or any Person. Nor shall this Coordination Agreement in any way be construed to represent an admission by a Party with respect to the subject or sufficiency of another Party's claim to any water or water right or priority or defenses thereto, or to establish a standard for the purposes of the determining the respective liability of any Party or Person, except to the extent otherwise specified by law. Nothing in this Coordination Agreement shall be construed as a waiver by any Party of its election to at any time assert a legal claim or argument as to water, water right or any subject matter of this Coordination Agreement or defenses thereto. The Parties hereby agree that this Coordination Agreement, to the fullest extent permitted by law, preserves the water rights of each of the Parties as they may exist as of the effective date of this Coordination Agreement or at any time thereafter. Any dispute or claim arising out of or in any way related to a water right alleged by a Party may be separately resolved before the appropriate judicial, administrative or enforcement body with proper jurisdiction and is specifically excluded from the dispute resolution procedures set forth under this Coordination Agreement.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date executed below:

GREATER KAWEAH GROUNDWATER
SUSTAINABILITY AGENCY

By: _____

Date: _____

MID KAWEAH GROUNDWATER
SUSTAINABILITY AGENCY

By: _____

Date: _____

EAST KAWEAH GROUNDWATER
SUSTAINABILITY AGENCY

By: _____

Date: _____

Mid-Kaweah GSA
Agenda Item Report

January 9, 2020

Agenda Item 3.f: Advisory Committee Appointments and Policy

Report Author: Paul Hendrix

Staff Recommendations:

It is recommended that the Board reappoint the existing members of the Advisory Committee subject to staggered terms as herein specified in the amended Committee Policy. It is further recommended that the Committee Chair and Vice Chair serve two-year terms.

Background Discussion:

The Advisory Committee is a body created per the Joint Powers Agreement for the purpose of “soliciting information from the other Kaweah agencies and potentially affected stakeholders utilizing groundwater within the jurisdictional boundaries of the Members and potentially subject to the GSP to be developed by the Authority (GSA).” Committee appointments have occurred over time with the first of these by Board action in March 2016 when nine individuals were so appointed. Of those, six continue to serve on the Committee. By policy, service on the Committee is for a three-year term, limited to a total of three. The current board policy regarding GSA committees is as attached. Following is a listing of the current members, sorted chronologically based on appointment dates, of the Committee:

- Mark Boyes – March 8, 2016
- Richard Garcia – March 8, 2016
- Soapy Mulholland – March 8, 2016
- James Nichols – March 8, 2016
- Jessi Snyder – March 8, 2016
- Blake Wilbur – March 8, 2016
- Eric Furtado – November 9, 2017
- Mike Lane – November 9, 2017
- Ed Henry – February 13, 2018
- Lee Johnson – June 12, 2018

Board guidance at its August 2019 meeting was to consider a reappointment of all existing Committee members, subject to staggered terms, said terms to commence in January 2020. The Board further directed staff to propose a means by which staggered terms for the members be established over time.

Alternative A to achieve staggered terms is to establish the following three groups based on tenure on the Committee:

- I. Four members reappointed for a one-year term among those with the oldest initial appointments;

- II. Three members reappointed for a two-year term among those with the next-oldest initial appointments;
- III. Three members reappointed for a three-year term among those with the most recent initial appointments, and one future appointee to also serve for a three-year term.

The suggested arrangement of members to fit within these guidelines is:

- I. M. Boyes, R. Garcia, B. Wilbur, J. Nichols
- II. S. Mulholland, E. Furtado, J. Snyder
- III. E. Henry, L. Johnson, M. Lane, future appointee

Alternative B to achieve staggered terms is to have the Committee members draw lots to determine which group they fall within, said lots being either group I, II or III, irrespective of their tenure on the Committee.

Upon completion of the above-listed terms for these members, any further reappointments or new appointments would then revert back to three years as per the original policy.

Lastly, consistent with the practice of the GSA Board for its officer positions, it is recommended that the Committee Chair and Vice Chair each serve two-year terms and be subject to reappointment by action of the Committee.

Recommended Motions:

- (1) I move to reappoint the existing ten members to the Advisory Committee via Alternative ____ (A or B), subject to the terms as specified for categories I, II and III, and to amend the Committee policy accordingly.
- (2) I move to stipulate that the Advisory Committee Chair and Vice Chair each serve two-year terms and to amend the Committee policy accordingly.

Attachment:

Current GSA Committee Policy