

**MID-KINGS RIVER GROUNDWATER SUSTAINABILITY AGENCY
JOINT POWERS AUTHORITY
REGULAR MEETING MINUTES
TUESDAY, MAY 12, 2020**

This meeting was held by conference call due to local Covid-19 requirements. Chair McCutcheon called the regular meeting to order at approximately 1:00 p.m.

DIRECTORS PRESENT: Art Brieno; Barry McCutcheon, Chair; Michael Murray, Vice-Chair

DIRECTORS ABSENT: Steven P. Dias

OTHERS PRESENT: Dennis Mills, GM and Board Secretary
Ray Carlson, Legal Counsel Steve Jackson, SWK GSA
Mark Grewall, TCWA GSA Johnny Gailey, Delta View WA
Sebastian Silveira Dennis Tristao, J.G. Boswell
Geoff Vanden Heuvel, Milk Producers Council
John Doyel, Hanford Shawn Corely, Lakeside IWD

ESTABLISH QUORUM

It was determined that a quorum was present at the meeting.

CONFLICT OF INTEREST

None.

PUBLIC COMMENT PERIOD

None.

APPROVAL OF MINUTES OF MARCH 10, 2020 MEETING

Chair McCutcheon asked if there was a motion regarding the draft March 10, 2020 meeting minutes. It was noted that Attorney Carlson had provided a few minor corrections to the draft minutes. Director Brieno made a motion to approve the draft March 10, 2020 meeting minutes with the noted corrections. Vice-Chair Murray seconded the motion and the Board unanimously approved the meeting minutes of March 10, 2020 with the noted corrections. The vote for all of the Directors was as follows:

AYES: Art Brieno, Barry McCutcheon, Michael Murray

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias

COMMUNICATIONS

Manager Mills relayed that Geosyntec had recently become the consultant to both the SFK and the TCWA GSAs.

Manager Mills reported on recent communication with the Kings County CAO related to their MKR GSA 2020 Budget Contribution.

Manager Mills reported on communications received through DWR's First GSP Comment Period which will June 3, 2020.

Manager Mills reported on DWR Translation Service that were recently made available.

Manager Mills reported on Environmental Defense Fund's new guide on building multi-benefit groundwater recharge basins.

Manager Mills reported on SFK GSA questions on schedule for receipt of Round 3 grant funding.

Manager Mills reported on communication from Ben Gooding at DWR related to what he called the Tulare Lake Basin MNM Verification. Mr. Gooding had questions regarding several monitoring sites in the MKR GSA to clarify minor discrepancies in the Final GSP.

Manager Mills reported on a data request from the SFK GSA that was originally described as relating to the Subbasin's Data Management System (DMS), but was eventually understood to be information well beyond what had been organized for the Subbasin's DMS.

MANAGER'S REPORT

Financial Update

Manager Mills reported that on February 14th the GSA received an invoice from Wood, the Tulare Lake Subbasin GSP consultant, through December 2019 of roughly \$84,000. At the March Board meeting a payment of \$20,000 had been approved to Wood on the \$84,000 invoice, leaving roughly \$40,000 in MKR GSA reserves. The April Board meeting was canceled due to lack of quorum and no additional funds were sent to Wood. Manager Mills asked the Board whether they wished him to hold additional payments to Wood until additional DWR reimbursement funding arrives, or rather solicit additional funding from the Tulare Lake Subbasin GSA parties. After some discussion about the impact of further depleting available reserves and about the potential disposition of the other Tulare Lake Subbasin GSA parties, the Board directed Manager Mills to contact the Tulare Lake Subbasin GSA parties about the need for an appropriate amount of bridge funding to address outstanding invoices.

Update on Round 2 SGM Grant and Round 3 SGM Grant

Manager Mills reported that in recent months the MKR GSA was assigned a new grant administrator named Bryant Platt. Reimbursement Request #6 was submitted to DWR for roughly \$45,000 at the beginning of March 2020. The final reimbursement request for 10% retention (\$150,000) was submitted to DWR at the beginning of April 2020. In April the Round 3 SGM Grant contract was developed and towards the end of the month Manager Mills learned that DWR planned to hold the 10% retention from the Round 2 grant until the Round 3 effort was completed in 2022. Manager Mills worked with DWR staff to revise the Round 3 contract so that this hold on retention could be avoided. At the beginning of May, Manager Mills learned that DWR had not yet processed Reimbursement Request #6. They seem to be focused on

markups to supplies or subcontractors that “were not allowed” and began mentioning “claw back reviews”. However, they said these reviews would be completely very quickly. Manager Mills recently emailed Mr. Platt for a status update. He says DWR’s review yielded \$550 of markups that are being refused, but since we applied for more funds than were available, the entire request is being authorized.

Mr. Platt was conveying, that the Reimbursement Request #6 payment (roughly \$45,000) may be 20-55 days out. And for the \$150,000 retention, probably 30-55 days out. However a few days prior to the meeting, Manager Mills had been contacted and told that none of these funds would now be reimbursed until after the State’s Fiscal Year, in mid-August at the earliest. This was extremely frustrating and Manager Mills contacted DWR’s Grant Program staff in Sacramento for clarification. The information they provided back was that DWR’s Fresno staff had mishandled the critical internal DWR deadlines badly, and that only the Reimbursement Request #6 payment could be made prior to the Fiscal Year end. This was discussed by the Board and all parties expressed their frustration.

Manager Mills reported that the Round 3 SGM Contract Amendment agreement with the MKR GSA on behalf of the Tulare Lake Subbasin GSAs is fashioned as Amendment #2 to the Round 2 Contract signed in October 2018. However, DWR staff seems to view this contract as the entire agreement for both the Round 2 and Round 3 grants. Important details in the document are that the agreement shifts reporting dates to a quarterly system, the sections on Advanced Payments have been removed, Component Completion Reports were added so as to make the Phase 2 close-out effort possible, Brian Ehlers is now listed as the Project Manager rather than Bill Pipes (Mr. Pipes retired), DWR’s contact is now Bryant Platt, and the “Exhibit A, Work Plan – Scope” items were rearranged. Nothing was added or deleted from the Scope as far as staff could tell. The document “Exhibit B, Budget” shows \$450,000 in funding from the Round 3 grant, which is \$50,000 short of the total awarded \$500,000. This is planned to be amended after July 2021 when the funds are appropriated by DWR in the ’21-’22 Fiscal Year. “Exhibit C, Schedule” shows start dates of July 2020, consistent with Round 2 grant schedule, and end dates of 5/30/22 consistent with new quarterly reporting requirement. Manager Mills also reviewed a few portions of the “Exhibit D, Standard Conditions”, the modified language on Grant Retention, and the modified language on Competitive Bidding and Procurements. The Board discussed this report with Manager Mills and asked questions related to various portions. After discussion had ceased, Manager Mills recommended that the Board consider and approve MKR GSA Resolution 2020-02, Adopting State Contract Guidelines. The Board reviewed Resolution 2020-02 and Director Brieno made a motion to approve Resolution 2020-02. Vice-Chair Murray seconded the motion and Chair McCutcheon called for a vote. The vote for all of the Directors was as follows:

AYES: Art Brieno, Barry McCutcheon, Michael Murray

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias

Manager Mills recommended that the Board consider and approve MKR GSA Resolution 2020-03, Round 3 SGM Contract Amendment. The Board reviewed Resolution 2020-03 and Vice-Chair Murray made a motion to approve Resolution 2020-02. Director Brieno seconded the motion and Chair McCutcheon called for a vote. The vote for all of the Directors was as follows:

AYES: Art Brieno, Barry McCutcheon, Michael Murray

NOES: None

ABSTAINED: None

ABSENT: Steven P. Dias

2020 Annual Report Update

Manager Mills provided an update on the development and submittal of Tulare Lake Subbasin's 2020 Annual Report to DWR.

Well Flow Meter and Well Registration Policy Discussion

Manager Mills reported on research with Madera County related to their Well Registration policy and SWK GSA's groundwater flow meter policy. This information was discussed by the Board and a few of the public participants gave their views as well.

In previous discussions the Board had inquired about services from a firm like Land IQ in comparison to, or in conjunction with, requiring groundwater well meters in the area. Manager Mills reported on discussions with the consulting firm Land IQ on developing consumptive use estimates for the GSA for Crop Year '19-'20 and '20-'21. Manager Mills relayed that Land IQ is currently working for Semitropic WSD, all the GSAs in the Tule Subbasin, and the East Kaweah GSA. Their services include monthly deliverables per field for crop consumptive use. They have a local person who is doing a lot of field verification of crop types from public roads. If Land IQ were retained for a three-year period they would install six to seven weather/Crop E(t) stations in fields throughout the GSAs service area to calibrate estimates. General costs have previously been estimated to be \$0.76 per acre, or roughly \$75,000/year for MKR GSA area. The Board discussed the information with Manager Mills and asked that he have further conversation with the consultant about the details of their potential services.

SWK GSA Letter to DWR on Tulare Lake Subbasin GSP

Manager Mills reported on a letter that SWK GSA had sent to DWR on the Tulare Lake Subbasin GSP that was critical of certain GSP components. The Board asked questions related to the letter for understanding.

UPDATE ON ONGOING EFFORTS

Draft Kings County Water Policy

Manager Mills reported that Kings County had relayed that further efforts on their proposed Water Policy would be deferred to a later time because of the need to focus on Covid-19 matters.

Response letter to DWR on NGOs' Characterization of Inadequate SGMA Implementation

Manager Mills reported that he had not made any progress on this effort yet.

SWK GSA recommended Interim Operating Agreement Revisions

Manager Mills reported that he had evaluated the SWK GSA proposal and would provide suggestions for the Board to discuss at their next meeting.

SET NEXT MEETING DATE

The regular June Board of Directors meeting was tentatively set for June 9, 2020 at 1 p.m.

ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 3:30 p.m.
Respectfully submitted,

Dennis Mills
MKR MIN 200512