

Cuyama Basin Groundwater Sustainability Agency Board of Directors

Agenda
August 2, 2017

Agenda for a meeting of the Cuyama Basin Groundwater Sustainability Agency Board of Directors to be held on Wednesday, August 2, 2017 at 4:00 PM, at the Cuyama Valley Family Resource Center, 4689 CA-166, New Cuyama, CA 93254

In compliance with the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services, to participate in this meeting, please contact Matt Young at (805) 568-3546 by 4:00 p.m. on the Friday prior to this meeting. Agenda backup information and any public records provided to the Board after the posting of the agenda for this meeting will be available for public review at 4885 Primero Street New Cuyama, California.

- 1. Call to order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Approval of Minutes of the June 30, 2017 Meeting**
- 5. Receive and discuss report from ad-hoc committee for budget and funding**
- 6. Consider staff review of responses to RFQ for Grant Assistance and select consultant**
- 7. Consider responses to RFQ for Executive Director Position**
- 8. Consider responses to RFQ for GSP Preparation Consultant**
- 9. Consider responses to RFQ for Legal Services**
- 10. Consider GSA insurance options**
- 11. Receive and discuss report from ad-hoc committee for advisory committee**
- 12. Public Comment for Items not on the Agenda**

At this time, the public may address the Board on any item not appearing on the agenda that is within the subject matter jurisdiction of the Board. Persons wishing to address the

board should fill out a comment card and submit it to the board chair prior to the meeting. Unscheduled comments will be limited to three minutes.

13. Adjourn

Cuyama Basin Groundwater Sustainability Agency (GSA)

DRAFT Board of Directors Meetings Minutes

June 30, 2017

Cuyama Elementary School, 2300 CA-166, New Cuyama, CA 93254

The Cuyama Basin GSA Board of Directors met in regular session at approx. 10:20 AM.

PRESENT: Directors: Paul Chounet, Tom Bracken, Jane Wooster, Derek Yurosek, George Capello, Byron Albano, Lynn Compton, Das Williams, Cory Bantilan, Glenn Shephard

Alt. Directors: Ryan Schultz

ABSENT: Directors: David Couch (Alternate appeared as substitute for a Director due to absence)

1. Call to order

Chair Pro Tem Director Williams calls the meeting to order at approx. 10:30 AM.

2. Roll call

Chair Pro Tem Director Williams calls roll of the Board (shown above).

3. Pledge of allegiance

The pledge of allegiance is led by Chair Pro Tem Director Williams.

4. Election of officers

a. Chair

Chair Pro Tem Director Williams: opens the floor to nominations.

Directors: Director Chounet moves to nominate Director Williams as Chair, with a second from Director Shephard. Discussion ensues about potential for Director Yurosek to take position of Chair, and Director Williams defers to Director Yurosek's willingness to serve in that capacity. Director Yurosek is willing to take on role. Initial motion to nominate Director Williams as Chair is withdrawn.

Motion by: Director Compton moves to nominate Director Yurosek as Chair.

Second by: Director Capello.

Motion passes unanimously.

b. Vice-Chair

Chair Yurosek: opens the floor to nominations.

Directors: Two motions were made, with a vote in favor of both nominations after:

1st Motion by: Director Chounet moves to nominate Director Williams as Vice-Chair.

Second by: Director Shephard.

2nd Motion by: Director Capello moves to nominate Director Compton as Vice-Chair.

Second by: Director Yurosek.

Directors Chounet, Williams, and Shephard in favor of Williams as Vice-Chair, and Directors Yurosek, Compton, Bracken, Wooster, Capello, Albano, Bantilan, and Alternate Director Schultz in favor of Compton as Vice-Chair. Motion passes to appoint Director as Vice-Chair.

5. Appointment of other officers**a. Secretary**

Chair Yurosek: opens the floor to nominations and/or volunteers.

Directors: No Directors volunteer to take on role. Discussion of future staffing and interim temporary staffing needs.

Motion by: Director Compton moves to nominate County of SLO Staff Carolyn Berg as Secretary.

Second by: Director Williams.

Motion passes unanimously.

6. Public comment

Chair Yurosek: opens the floor to public comment without response.

7. Consider a proposed conflict of interest code and starting a 45-day comment period

Ernest Conant (Cuyama Basin Water District Staff): Provides an overview of the Conflict of Interest Code. The staff recommendation is to state the intention to adopt the Conflict of Interest Code in 45 days, then it returns for final approval of the GSA Board and later send to the Fair Political Practices Commission (FPPC).

Directors: Director Williams reminds all Directors and Alternates to file Form 700 within 30 days of initial meeting (by July 30th) for this first year. Staff notes that permanent Secretary is hired, forms will be submitted to the FPPC.

Motion by: Director Capello moves to adopt the Conflict of Interest Code.

Second by: Director Compton.

Motion passes unanimously.

8. Adopt a regular meeting schedule by resolution and schedule next meeting

Chair Yurosek: opens the floor to discussion.

Directors: Director Chounet notes that the elementary school may not be the best location for regular meetings during the school year. Discussion ensues about other possible locations, dates, and times. Director Williams suggests that controversial items be scheduled at the end, and that public comment be held at the end.

Public Comment – Lynn Carlisle: speaks.

Motion by: Director Capello moves to adopt Resolution No. 2017-01, establishing that regular meetings will occur on the 1st Wednesday of each month, will start at 4:00 PM, and will be held at the Cuyama Valley Family Resource Center, 4689 CA-166, New Cuyama, CA 93254.

Second by: Director Chounet.

Motion passes unanimously.

9. Discuss the process for retaining the following and consider approval of a request for qualifications/proposal for some:

- a. Executive Director/ staffing
- b. Groundwater Sustainability Plan (GSP) consultant
- c. Legal services
- d. Consultant to prepare application for grant application(s)

Ernest Conant (Cuyama Basin Water District Staff) & Matt Young (Santa Barbara County Water Agency Staff): Mr. Conant provides an overview of the Request for Qualifications (RFQs) developed collectively by staff, and notes that this will take lead time to bring back results of solicitations for Statements of Qualifications (SOQs). Mr. Young offers for the Santa Barbara County Water Agency to serve as the lead, and work with staff of partner agencies. Staff will provide for Board input on all SOQs prior to proceeding to a Request for Proposals process if necessary. Staff noted that the grant application solicitation could be expedited, as this work is time-sensitive.

Directors: Director Williams notes how critical the grant application services are, with Proposition 1 allowing the basin to compete for up to \$1.5-million. Director Albano notes that the proposed schedule may be too fast for soliciting services for Executive Director/ staffing, legal services, and GSP consultant.

Motion by: Director Chounet moves to approve RFQs as recommended, prioritizing the consulting services to prepare grant applications.

Second by: Director Williams.

Motion passes unanimously.

10. Consider temporary staffing needs

Chair Yurosek: opens the floor to discussion.

Directors: Director Shephard notes that the Executive Director role is key and needs to be filled as soon as possible.

Motion by: Director Williams moves to use a blend of staff, continuing to leverage existing staff of member agencies as temporary staff until the Executive Director/staffing roles are filled, unless efforts become too much.

Second by: Director Compton.

Motion passes unanimously.

11. Consider process for establishing an Advisory Committee

Chair Yurosek: opens the floor to discussion.

Directors: Director Williams discusses GSA Board and procedures associated with the Brown Act.

Public Comment – Brenton Kelley, Lynn Carlisle, Roberta Jackie: speaks.

Matt Young (Santa Barbara County Water Agency Staff): Briefly overviews the JPA and advisory committee(s). The Board needs to decide the advisory committee composition and number of seats, how appointments will be made, and how GSA staff will interact/ support advisory committee(s). He notes that under the Brown Act, the committee meetings will be noticed, open and discussions between committee members will be constrained outside of the agenda meetings. The advisory committee(s) will serve to help meet the DWR guidelines for stakeholder outreach and engagement during GSP development. Mr. Young offers to return with a discussion on the rules of the Brown Act/advisory committee rules at the next meeting.

Directors: Discussion ensues regarding full time and part time residents, economics of the valley, "broad" representation, and whether seats should be limited and specifically appointed, or open like Kern GSA. Discussion ensues regarding openness/ transparency of committees. Discussion ensues regarding a potential for aiming to have at least a majority of the committee(s) comprised of part- or full-time residents, recognizing that a majority of the GSA Directors are not; however, other opinions are stated regarding leaving out non-resident stakeholders with significant interest in the basin. Questions

arise regarding definition of part-time/ full-time residents, and stakeholder. Discussion ensues about technical basis of the GSP when considering the water balance (water in versus water out), requirements of the GSP Regulations, and consideration of the stakeholders/ those impacted. One Board member questions what advice the GSA Board will be asking of the committee(s). Reference is made to past outreach efforts conducted by Dudek, and letter/survey provided by Cuyama Valley Community Association.

Motion by: Director Williams moves to establish an ad hoc committee of the GSA Board, consisting of Director William, Director Chounet, and Director Capello, to consider the make-up of the advisory committee and report back for the GSA Board's consideration.

Second by: Director Chounet.

Motion passes unanimously.

12. Consider preparation of a budget and funding

Matt Young (Santa Barbara County Water Agency Staff): He notes the importance of developing a budget, and considering various options for funding.

Directors: Director Williams encourages voluntary contributions by members. Chair Yurosek suggests formation of an ad hoc committee.

Motion by: Director Compton moves to establish an ad hoc committee of the GSA Board, consisting of Director Compton, Director Bracken, Director Chounet, and Director Bantilan, to prepare a recommended budget and funding plan, and return for the GSA Board's consideration.

Second by: Director Bracken.

Motion passes unanimously.

13. Consider and provide direction on future agenda items

a. Bylaws

b. Insurance

Ernest Conant (Cuyama Basin Water District Staff): Notes that the JPA allows for adoption of Bylaws, but that the JPA as written is already quite specific.

Directors: Director Compton notes that it is critical to procure insurance right away. Discussion ensues regarding options. Cuyama Basin Water District staff offers to return with an analysis of options.

Public Comment – Alternate Director Debbie Arnold: speaks.

14. Adjourn

Chair Yurosek adjourns the Cuyama Basin GSA Board of Directors meeting at approximately 12:00.

I, Carolyn Berg, temporary Secretary to the Cuyama Basin Groundwater Sustainability Agency Board of Directors, do hereby certify that the foregoing is a fair statement of the proceedings of the meeting held on Friday, June 30, 2017, by the Cuyama Basin Groundwater Sustainability Agency Board of Directors.

CAROLYN BERG

Dated: August 2, 2017

TO: Cuyama Basin Groundwater Sustainability Agency Board of Directors

DATE: August 2, 2017

SUBJECT: Agenda Item #6-9: Consider Responses to Request for Qualifications for Various Efforts

Recommendation

Consider responses to request for qualifications for:

- Agenda Item # 6: Grant assistance, and select consultant
- Agenda Item #7: Executive Director position
- Agenda Item #8: GSP preparation consultant
- Agenda Item #9: Legal services

Discussion

On June 30, 2017, the Board of Directors approved staff moving forward with request for qualification (RFQ) processes for various services needed for GSA administration and GSP development. The Board of Directors clarified that priority should be placed on the RFQ for retaining grant assistance, in order to be prepared to submit a grant proposal under the current Proposition 1 Sustainable Groundwater Planning solicitation (due in October 2017).

Santa Barbara County Water Agency staff took the lead on conducting RFQ/ solicitation procedures for all of the various services needed. The following table summarizes each RFQ focus, deadline for proposals, and number of proposals submitted by the RFQ deadline:

Services	RFQ Deadline	Number of Proposals Submitted
Grant assistance, and select consultant	7/24/2017	Three (3)
Executive Director/staffing	7/31/2017	TBD ¹
GSP preparation consultant	7/31/2017	TBD ¹
Legal services	7/31/2017	TBD ¹

¹ RFQ deadline had not passed at time of staff report development. Verbal update to be provided at the Board meeting.

Recommendation for Grant Assistance Services:

Pursuant to Board direction, staff solicited Statements of Qualifications (SOQ) for assistance in preparing an application for grant funding from the California Department of Water Resources.

Three firms submitted SOQs: Dudek, RMC Woodard & Curran (RMC), and Provost & Pritchard. Staff from three GSA member agencies (Santa Barbara County Water Agency, County of San Luis Obispo, and the Cuyama Basin Water District) reviewed SOQs for demonstration of firm qualifications, understanding of and experience with California Department of Resources (DWR) grant applications, experience with the Sustainable Groundwater Management Act, approach to the grant process, and cost.

Staff from all three agencies independently gave the highest marks to the submittal from RMC, followed by Dudek and Provost & Pritchard. RMC’s SOQ demonstrated extensive experience with obtaining DWR grants and strong knowledge of the SGMA process. RMC’s technical approach was well thought out and clearly communicated. In addition, their estimated costs were substantially less than those proposed by Dudek, who submitted an SOQ that was comparable on a technical basis.

RMC estimated costs of roughly \$30,000 to \$40,000, depending on the quantity and type of grant applications to be submitted. Staff has contacted RMC and asked for a more detailed cost proposal. Grant applications are expected to be due to DWR in September. Given a very short timeline to prepare a grant application, staff recommends that your Board authorize execution of a contract with RMC with a not-to-exceed amount of \$40,000 at this meeting.

Other Services:

Given the short timeframe, staff will provide verbal updates on the other RFQ processes, but will not provide recommendations on selection.

TO: Cuyama Basin Groundwater Sustainability Agency Board of Directors

DATE: August 2, 2017

SUBJECT: Agenda Item #10: Consider GSA Insurance Options

Recommendation

Consider current insurance options available for the Cuyama Basin GSA

Discussion

On June 30, 2017, the Board of Directors directed Matt Klinchuch, General Manager of the Cuyama Basin Water District, to review insurance options and quotes needed for the GSA. The following is a summary of the potential insurance options currently available to the GSA. At the time of writing this summary, there are three options available, two with the California Association of Mutual Water Companies (**Cal Mutuals**) and one with the Special District Management Authority (**SDRMA**). Other agencies have been requested for quotes, but have not yet responded. Discussion for the different options is provided below along with a summary comparison table included as Attachment 1 for side-by-side comparison,

Cal Mutuals

The first two options are provided through the Joint Powers Risk and Insurance Management Authority (**JPRIMA**) through Cal Mutuals. The difference between the two JPRIMA options is one option (1a) does not include Commercial Excess Liability, where the second option (1b) includes \$1,000,000 (occurrence & aggregate) Commercial Excess Liability. The other offerings for General Liability and Public Officials & Management Liability are identical with \$1,000,000 per occurrence and \$10,000,000 aggregates. The annual period for coverage runs from April 1 to March 31 and annual premiums are \$7,489 (Option 1a) and \$8,192 (Option 1b), but are prorated for this first year to \$4,732 and \$5,172, respectively. These options through JPRIMA are fully insured and not assessable.

To bind coverage, the GSA must provide a 'No Loss' letter confirming no known losses or concern for loss since formation, a copy of this year's budget, a copy of the GSA's bylaws, and a signed member agreement to join JPRIMA. There is also an initial three (3) year commitment to stay with the program.

SDRMA

The final option is through the Property/Liability Program through SDRMA. This option includes General, Public Officials & Management, and Commercial Excess coverages along with Property and Crime coverage. These latter two cannot be removed from the coverage and aren't likely necessary at this time since the GSA does not own property or have employees. All coverages are combined into three (3) limit levels of \$2,500,000, \$5,000,000, and \$10,000,000 and associated annual premiums of \$7,881.17, \$9,613.67, and \$13,947.67, respectively. The annual period for this program is July 1 to June 30. These premiums would also be prorated in the first year, but the rate would not be provided until all necessary binding documentation is completed. Additionally, this program is a partially self-funded pool that can be assessed in the future. To date there has not been an assessment to program members.

Two additional components associated with this program are: 1) this program does not pay commissions so the broker would need to add commission to these premiums, which in this case would be 6.5%, and 2) these quoted premiums include a 15% credit. The 15% credit must

be earned, and if not earned fees will be charged at the end of each year when audited. Credits can be earned through online trainings by Directors, attendance at functions, and possibly through the affiliations with the broker.

To bind coverage, the GSA must provide a 'No Loss' letter confirming no known losses or concern for loss since formation, a resolution by the Board authorizing execution of the JPA agreement, a signed member agreement to join SDRMA, and membership to the California Special Districts Association (adds estimated \$1,231 to annual cost). This option also requires an initial three (3) year commitment to stay with the program.

Recommendation

Based on the current options available, the recommendation would be to go with the JPRIMA option including Commercial Excess Liability coverage (Option 1b). This option is believed to provide the appropriate level of coverage at a cost-effective price.

Attachments

Attachment 1: Summary Comparison Table

	Option #1a	Option #1b	Option #2
	JPRIMA	JPRIMA	Property/Liability Program
Vendor	CalMutuals	CalMutuals	SDRMA
Term Year	Annually 04/01 - 03/31	Annually 04/01 - 03/31	Annually 07/01 - 06/30
Coverage Provided	General Liability; Public Officials & Management	General Liability; Public Officials & Management; Commercial Excess	General Liability; Public Officials & Management; Commercial Excess; Property; and Crime
General Liability	\$1 M Per Occurance; \$10 M Aggregate; Deductible = \$5,000	\$1 M Per Occurance; \$10 M Aggregate; Deductible = \$5,000	Limits all combined to totals shown below
Public Officials & Management	\$1 M Per Wrongful Act; \$10 M Aggregate; Deductible = \$5,000	\$1 M Per Wrongful Act; \$10 M Aggregate; Deductible = \$5,000	
	Excludes Inverse Condemnation & Injunctive Relief	Excludes Inverse Condemnation & Injunctive Relief	
Excess Liability	Not Included	\$1 M Per Occurance; \$1 M Aggregate	
Total Annual Premium	\$7,489	\$8,192	\$2.5M Limit - \$7,881.17 \$5M Limit - \$9,613.67 \$10 M Excess - \$13,947.67
Prorated in First Year?	Yes	Yes	Yes
Prorated Premiums	\$4,732	\$5,172	Determined once final application and binding items are submitted
Items Need to Bind Coverage	No Loss Letter confirming no known losses or concern for loss since time of formation	No Loss Letter confirming no known losses or concern for loss since time of formation	No Loss Letter confirming no known losses or concern for loss since time of formation
	Copy of Budget and Bylaws	Copy of Budget and Bylaws	Resolution by Board authorizing execution of JPA Agreement
	Signed member agreement and contract to join JPRIMA	Signed member agreement and contract to join JPRIMA	Signed member agreement and contract to join SDRMA
	Requires 3 year commitment (through 2021)	Requires 3 year commitment (through 2021)	Annual membership to California Special Districts Association and pay annual dues (\$1,231 based on estimated budget)
			Requires 3 year commitment (through 2021)

	Option #1a	Option #1b	Option #2
	JPRIMA	JPRIMA	Property/Liability Program
Other Features/Notes			
	Hired and Non Owned Auto Coverage' is option to include in the General Liability	Hired and Non Owned Auto Coverage' is option to include in the General Liability	Includes Crime, coverage cannot be removed from package
	Included in premium are JPRIMA Admin Fees: \$520 in prorated; \$772 in full year	Included in premium are JPRIMA Admin Fees: \$560 in prorated; \$836 in full year	Premiums include 15% credit, 15% must be earned, if not earned then fees will be charged at annual audit
	Fully insured, not assessable	Fully insured, not assessable	SDRMA does not pay commission, Broker would add 6.5% on top of these premiums
			Partially self-funded pool that can be assessed (to date no assessment on members)
Broker Contact Information			
	Lloyd Turner INSURICA	Lloyd Turner INSURICA	Lloyd Turner INSURICA
	246 E. Honolulu St. Lindsay, CA 93247 (559) 562-2527 lloyd.turner@insurica.com	246 E. Honolulu St. Lindsay, CA 93247 (559) 562-2527 lloyd.turner@insurica.com	246 E. Honolulu St. Lindsay, CA 93247 (559) 562-2527 lloyd.turner@insurica.com