

**Paso Basin Cooperative Committee  
Minutes (APPROVED)  
February 14, 2018**

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**The following members or alternates were present:**

**John Hamon**, Chair, Member, City of Paso Robles  
**John Peschong**, Vice Chair, Member, County of San Luis Obispo  
**Willy Cunha**, Secretary, Member, Shandon-San Juan WD  
**Reginald Cousineau**, Member, Heritage Ranch CSD  
**Joe Parent**, Member, San Miguel CSD

<p><b>1. Call to Order</b></p>	<p>Member Hamon, acting as Chair, calls the meeting to order at 4:00PM</p>
<p><b>2. Roll Call</b></p>	<p>County staff, Angela Ruberto, calls roll.</p>
<p><b>3. Pledge of Allegiance</b></p>	<p>Chairperson Hamon leads the Pledge of Allegiance.</p>
<p><b>4. Public Comment – Items not on the Agenda</b></p>	<p>Chairperson Hamon opens the floor for public comment on items not on the Agenda.</p> <p>The following members of the public speak:</p> <p>Dana Merrill: provides an update on Estrella-El Pomar-Creston Water District’s (EPCWD’s) status on GSA formation and funding.</p> <p>Greg Grewal: comments regarding LAFCO’s approval of EPCWD as a district; EPCWD’s GSA formation.</p> <p>Cody Ferguson: comments regarding the Brown Act, Agenda Item 5 and requests amendments to the meeting minutes.</p> <p>Peter Burns: comments regarding EPCWD’s GSA formation</p> <p>Chairperson Hamon closes public comment.</p>
<p><b>5. Approval of Meeting Minutes</b></p>	<p>Committee members discuss process and roles associated with developing minutes, request that meeting minutes and agendas be posted seven days before next meeting, with supporting documentation, and propose that sign-in sheets be published as records of meeting attendees.</p> <p><b>No motion is made; Committee directs staff to amend meeting minutes and bring back for approval at next meeting.</b></p>
<p><b>6. Consider Adopting Proposed Paso Basin Cooperative Committee Conflict of Interest Code</b></p>	<p>County Staff, Angela Ruberto: recommends adoption of a Conflict of Interest Code for the Paso Basin Cooperative Committee based on requirements from the Fair Political Practices Commission in compliance with the California Political Reform Act.</p> <p>Secretary Cunha: comments that the proposed Code looks standard.</p>

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	<p>Greg Grewal: speaks.</p> <p><b>Motion By:</b> Secretary Cunha  <b>Second By:</b> Vice Chairperson Peschong  <b>Motion:</b> The Committee Adopts the Resolution of the Paso Basin Cooperative Committee Adopting a Conflict of Interest Code and request that the County of San Luis Obispo Office of the Clerk-Recorder be designated as the Committee’s filing official.</p> <table border="1" data-bbox="586 562 1482 789"> <thead> <tr> <th>Members</th> <th>Ayes</th> <th>Noes</th> <th>Abstain</th> <th>Recuse</th> </tr> </thead> <tbody> <tr> <td>John Hamon (Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>John Peschong (Vice Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Willy Cunha (Secretary)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Joe Parent (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Reginald Cousineau (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Members	Ayes	Noes	Abstain	Recuse	John Hamon (Chairperson)	X				John Peschong (Vice Chairperson)	X				Willy Cunha (Secretary)	X				Joe Parent (Member)	X				Reginald Cousineau (Member)	X			
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<p><b>7. Update on Coordination with Salinas Valley Basin Groundwater Sustainability Agency</b></p>	<p>City Staff, Dick McKinley: reports that coordination is required with the GSA overlying the portion of the Paso Basin in Monterey County, and that current discussions indicate possible willingness to work together to develop a single GSP with the Committee. No agreement is ready for the Committee’s consideration at this time.</p> <p><b>Chairperson Hamon: receives and files the update.</b></p>																														
<p><b>8. Consider recommended GSP Consultant and related contract</b></p>	<p>City Staff, Dick McKinley: reports that a request for proposal to develop the Groundwater Sustainability Plan was published and four proposals were received back. A staff working group, at the direction of the Committee, reviewed and ranked the proposals before interviewing the top candidates. HydroMetrics is found to have a solid knowledge of the basin, a solid technical team, the staff capacity to support development of the GSP, and an understanding of what the DWR is looking for in an “approvable GSP”. The staff working group recommends the Committee recommend that the Paso Robles City Council approve the HydroMetrics contract to be the GSP consultant.</p> <p>Chairperson Hamon: clarified that the Committee is comprised of separate GSAs working together in partnership and that, per the MOA, the City of Paso Robles is the lead agency charged with contracting with the GSP consultant.</p> <p>City Staff, Dick McKinley: further explains that the City of Paso, as a government agency, is suited and eligible to act as the contracting agency; the City will enter the contract(s) and invoice each GSA.</p>																														

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Chairperson Hamon: reiterated GSP Consultant selection process and opens item for questions from the Committee.

Vice Chairperson Peschong: asks if HydroMetrics has a contract with DWR and whether a conflict exists.

City Staff, Dick McKinley: states that HydroMetrics has work(ed) with DWR on developing best management practices in an advisory role and is not writing “the rules”; he does not believe a conflict exists.

Secretary Cunha: states his understanding that the other GSP consultant candidates have also worked with DWR/the State.

Vice Chairperson Peschong: asks if any of the candidates do work for the Kern Water Bank.

City Staff, Dick McKinley: states that the recommended consultant does not.

Chairperson Hamon opens the floor for public comment.

Greg Grewal, Dennis Loucks, Ann Myre and Cody Ferguson: speak

City Staff, Dick McKinley: clarified that the Committee approved the GSP Consultant selection process that staff followed at the last Cooperative Committee meeting; the working group “staff” referenced included: Dick McKinley (Director of Public Works - City of Paso Robles), Angela Ruberto (Water Resources Engineer - County of SLO), Scott Duffield (General Manager - Heritage Ranch CSD), Blaine Reeley (District Engineer - San Miguel CSD), Randy Diffenbaugh (Representative for Shandon-San Juan Water District); speaks to coordination with SVBGSA

Chairperson Hamon: closes public comment and opens Committee deliberation.

Committee clarifies that the City will be the contracting agency who will award contract, pending the Committee’s approval; discusses conflicts of interest, public trust, transparency and steps required to make Committee comfortable moving forward with GSP consultant selection.

**No motion is made; Committee directs staff to follow-up with the State and with legal counsel regarding the question of GSP consultant conflicts of interest and to bring back GSP**

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	<p><b>Consultant Selection item at next meeting; notes that the Committee has until July 2019 to develop a draft GSP and start public process.</b></p> <p>City Staff, Dick McKinley: comments that Agenda Items 8, 9 and 10 are linked and will be brought back at next meeting.</p> <p>Committee: Agrees to continue items at next meeting and opens Agenda Item 9 for discussion.</p>
<p><b>9. Department of Water Resources Grant Funding Award Update</b></p>	<p>City Staff, Dick McKinley: overviews the past efforts associated with a State Proposition 1 Grant opportunity, related timeline, and decision to hire consultant to write grant application; the draft State Grant funding award is for \$1.5M with a required \$1.5M local cost match to access grant funds; the Grant is for \$1.5M from the State with a \$1.5M local cost match; local cost match includes local funding spent on establishing governance and forming GSAs, and SGMA compliance dating back to January 1, 2015 (if approved by the State); the State is aware of Estrella-El Pomar-Creston Water District's (EPCWD) status; any proposed cost match deemed ineligible by the State will be removed by the City before finalizing the Grant Agreement; Paso Basin has received a draft grant award for the full \$1.5M requested.</p> <p>Chairperson Hamon: clarifies that DWR is aware of EPCWD's status pending County Board action.</p> <p>City Staff, Dick McKinley: confirms DWR's awareness of EPCWD's status; confirms that the draft grant award has been released but the grant agreement has not yet been entered; City will be the contracting agency and grant administrator who will receive invoices from consultant for GSP development, send invoices to partner GSAs based on MOA percentages, and will invoice the State for reimbursement consistent with the grant. Local cost match is not reimbursable with grant funding, but rather makes basin eligible to access grant funds.</p> <p>Chairperson Hamon: confirmed that next steps will be accepting grant after reconciling final amount with the State; requests clarification on payment process.</p> <p>City Staff, Dick McKinley: reiterates that the City will be the administrator for both the GSP Consultant and for the State Grant; states Grant money is reimbursement-based; City will receive consultant invoice, invoice and receive payment from the GSA</p>

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	<p>partners per the MOA, pay invoice from Consultant and invoice the State for reimbursement consistent with the grant; there will be a lag time between when the GSA partners pay invoices and when the State provides reimbursement.</p> <p>Greg Grewal, Jerry Reaugh and Cody Ferguson: speak.</p> <p>Committee and staff: discuss correspondence with DWR regarding Grant Application; reiterate that the State’s direction is followed in pursuit of the grant funding; confirm that the State is aware of the source for dollars of proposed cost match and, prior to entering the grant agreement, will require supporting documentation; confirm that all of the Grant money will be received by the City, as the contracting agency, and applied toward GSP preparation and related tasks at the direction of the Committee; recommend that all items be reviewed and approved by the Committee prior to submission moving forward; speak to timing, logistics, operation and structure of Committee operation.</p> <p><b>Motion By:</b> Vice Chairperson Peschong  <b>Second By:</b> Member Parent  <b>Motion:</b> The Committee moves to continue Agenda Item 8, 9 and 10 at next meeting.</p> <table border="1" data-bbox="578 1073 1489 1297"> <thead> <tr> <th>Members</th> <th>Ayes</th> <th>Noes</th> <th>Abstain</th> <th>Recuse</th> </tr> </thead> <tbody> <tr> <td>John Hamon (Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>John Peschong (Vice Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Willy Cunha (Secretary)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Joe Parent (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Reginald Cousineau (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Members	Ayes	Noes	Abstain	Recuse	John Hamon (Chairperson)	X				John Peschong (Vice Chairperson)	X				Willy Cunha (Secretary)	X				Joe Parent (Member)	X				Reginald Cousineau (Member)	X			
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<p><b>10. Consider Approval of Recommended FY 2017-2018 Annual Budget, for Consideration and Approval by Each of the Parties</b></p>	<p>Per previous motion, Agenda Item 10 continued to next meeting.</p>																														
<p><b>11. Future Items</b></p>	<p>Chairperson Hamon: reiterates that Agenda Item 8, 9 and 10 will be brought back; directs staff to seek input and legal counsel on question regarding conflicts of interest and to bring back an opinion as an Agenda item; discusses need for management and operational structure for the Cooperative Committee and directs staff to bring back a “plan”.</p> <p>County Staff, Carolyn Berg: suggests Cooperative Committee receive information at a future meeting regarding previous/current efforts in the basin that may be leveraged in GSP development.</p>																														

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	Other action items: correct December 6, 2017 meeting minutes				
	Next meeting set for March 7, 2018 at 4:00PM.				
	<b>Motion By:</b> Chairperson Hamon				
	<b>Second By:</b> Secretary Cunha				
	<b>Motion:</b> The Committee moves to adjourn the meeting at 5:10 PM.				
	Members	Ayes	Noes	Abstain	Recuse
	John Hamon (Chairperson)	X			
	John Peschong (Vice Chairperson)	X			
Willy Cunha (Secretary)	X				
Joe Parent (Member)	X				
Reginald Cousineau (Member)	X				

I, Willy Cunha, Secretary to the Paso Basin Cooperative Committee, do hereby certify that the foregoing is a fair statement of the proceedings of the meeting held on February 14, 2018, by the Paso Basin Cooperative Committee.

Willy Cunha, Secretary of the Paso Basin Cooperative Committee.

Drafted by: Diane V. Strange, City of Paso Robles and  
Angela Ruberto, County of San Luis Obispo