



SPECIAL Board of Directors Meeting

Thursday, April 19, 2018

6:30 p.m.

**Fillmore City Council Chambers
250 Central Avenue, Fillmore, CA 93015**

MINUTES

Directors Present

Director Kelly Long, Chair
Director Ed McFadden, Vice Chair/Secretary/Treasurer
Director Carrie Broggie
Director Gordon Kimball
Director Glen Pace

Directors Absent

Director Candice Meneghin

Staff Present

Steve O'Neill, Legal Counsel
Kris Sofley, interim executive director

Public Present

Erin Gorospe, Senior Accountant, UWCD
John Lindquist, Senior Hydrogeologist, UWCD
Tim Moore, Hydrogeologist, UWCD
Tony Morgan, Consultant
Tina Rivera, CFO, UWCD

1. Call to Order

Chair Long called the meeting of the FPB GSA Board of Directors to order at 6:30p.m.

2. Pledge of Allegiance

Chair Long led the group in the Pledge of Allegiance

3. Public Comments

Chair Long recognized a public comment/speaker card from Tony Morgan, now working as a consultant. He addressed the Board regarding his desire to serve as Executive Director for the FPB GSA and provided copies of his resume to the Board.

Chair Long then said, as suggested by Director Broggie, the Board should move to approve the agenda. Motion to approve the agenda as amended with the addition of a motion item to approve the agenda, Director McFadden; Second, Director Broggie. Voice vote, five ayes (Long, McFadden, Broggie, Kimball, Pace); none opposed; one absent (Meneghin). Motion carries 5/0/1.

4. Approval of Consulting Agreement with United Water Conservation District

Motion

Chair Long invited Tim Moore of UWCD to provide highlights of the Consulting Agreement with United Water Conservation District, encompassing the District's provision of administrative and financial services and assistance in preparation of the GSA's Groundwater Sustainability Plan.

Mr. Moore said that the District would provide consulting services for the GSA, including providing accounting and billing services as well as technical assistance for the GSP and preparation.

Director McFadden asked for clarification of Item 1 on Attachment A, Invoices. UWCD's Tina Rivera stated that, to clarify, invoices would be submitted once a month and will be due 15 days after presented for signature at Board meetings. For further clarification, Ms. Rivera stated that there will be a one-time set up fee plus additional hours for accounting staff to set up the billing system.

Chair Long said that she had met with UWCD's GM, Mauricio Guardado, about the accounting system and asked Ms. Rivera about the software program she was recommending. Ms. Rivera said QuickBooks was preferred as licensing could be done in two different ways, either with an annual subscription of \$300 approximately for a cloud based system or, the software could be hosted on the District's server with three licensed users for a one-time fee of about \$900. She said she thought it was in the GSA's best interest to purchase the license and software so that, when the times comes, the system could be transferred in-house to the GSA. Ms. Rivera continued stating that she thought a 60 day provision to bill once the contract was executed would cover setting up some 200 plus groundwater customers for billing. She said it may take less time but the 60 days was based on a worst case scenario.

Chair Long said she had asked for an example of what the billing statement would look like, just to confirm that we are all in agreement, but that clearly Ms. Rivera had not received that request. She also asked that the billing statement design clearly convey to customers that the fees are from the FPB GSA and the terms of payment, late fees, etc. and tasked the Clerk of the Board with providing Ms. Rivera with a FPB GSA logo for use in designing the billing statement. She also stressed the urgency to get billing out as soon as possible.

Chair Long also asked about jobs not filled by UWCD and if the contract can accommodate changes. She added that the Board was grateful to UWCD for its help and was very appreciative of all the support UWCD had provided to date.

Ms. Rivera responded by stating that she wanted to provide the Board with peace of mind that District management was very much committed to cross training, ensuring staff could perform multiple functions, and that cross training had been completed successfully with District finance staff and that Administrative staff, including HR and Clerk of the Board, would also begin cross training shortly.

Chair Long asked who the contact would be at UWCD now that Tony Morgan wasn't with the District and thanked Kris for keeping the Board on track. Ms. Rivera said that Tim Moore and Kris would continue to be the Board's contacts and that for financial reporting, Erin or she could be contacted. Chair Long asked if profits and loss reports, monthly aging reports regarding invoices would be included and if Tim was the contact for administration. Ms. Rivera said she was confident that those reports were within the terms of the contract but wanted to clarify that the District would *not* be providing collection services. Chair Long asked

if aging list for payments could be provided so the GSA could follow-up with customers, and Ms. Rivera said yes.

Director Kimball asked if the monthly budgeted hours had been compared to the GSA's approved budget, and Ms. Rivera said that depending how close payments to receipts were, it may not generate costs every month. Chair Long said that monthly services by six months, could be \$42,000 under for GSP prep and administration.

Director Pace added that the figure was for all support services, that there wasn't any separation of costs for technical support for the GSP. Chair Long asked how technical support for the GSP would be determined, based on an hourly fee?

Mr. Moore said that the GSP wasn't included. Chair Long said that line 18 of the budget, the monthly rate of \$46,971 for GW modeling/GSP support but line 20 showed nothing. Mr. Moore said that the model isn't complete and that United won't bill for model build out. Chair Long said it was hard to see estimated budget. Director Pace added that fees or revenue was dependent on how people pay, send a bill and customers have different payment histories. Ms. Rivera said that based on receipts from Groundwater reporting, if the GSA is using the same July through December and January through June reporting periods, then the District would be sending out reporting statements, not billing invoices after the fact. Director Broggie asked about the percentage of customers who are late payers. Ms. Rivera said that about 10 percent square up within the first month and that customers within the Fox Canyon GMA are more reliable because the GMA has more teeth in impounding and collecting fees.

Chair Long asked if there were a change in administrative support, such as the clerk of the board, would the Board need to provide a 30 day termination notice? Ms. Rivera said they could amend the contract if services were no long included, and that the District wanted to be flexible in meeting the needs of the GSA while allowing the Board to run its organization as it wants, adding that the District had more than enough work for its staff.

Chair Long asked if the ad hoc Budget committee could do a comparison of estimated costs versus the budget based on the categories of service. Then Director Broggie asked Ms. Rivera if she would provide an email report on the payment history of those UWCD clients who are within the Piru and Fillmore basins. Ms. Rivera said that she would do that, without the names of customers, of course. Director Pace said he had concerns about UWCD staff, since they have plenty to do and one staff member is no longer here, and said the Board needed to pencil out how to get the GSP done without burning out employees. Director McFadden said that Mauricio Guardado has assured him that the GSA had the District's full support. Director Kimball said that while he appreciates the assurances, with less staff and more work, he had concerns.

Ms. Rivera said the District was reorganizing and that Mr. Morgan's position had not been eliminated but rather reorganized as Chief Engineer, who would be taking on many of Tony Morgan's functions. Ms. Rivera said that finance had not filled two positions but was functioning more efficiently due to cross training and new software systems. Then the District's John Lindquist said that United was very involved in the Oxnard Plain and PV GSAs and those projects were winding down so staff would have more time to guide the GSP despite Tony Morgan's departure.

Chair Long asked Ms. Rivera if she could provide a sample statement for the Board's April 30 meeting. Ms. Rivera said that the District would do its best to meet that deadline. Director Kimball stressed that the statement needed to look different to help eliminate confusion with United's statements.

Motion to approve the UWCD Consulting Agreement as amended (page D3 – Staff title change from Deputy GM- GS Resources to Chief Engineer), Director McFadden; Second, Director Broggie. Voice vote: five ayes (Broggie, Kimball, Long, McFadden, Pace); none opposed; one absent (Meneghin). Motion carries 5/0/1.

5. Discussion and Direction regarding FPB GSA billing system, billing periods and frequency, and collection policy regarding groundwater extraction fees.

Motion

Motion to task UWCD finance staff with establishing FPB GSA billing system using QuickBooks; establish two billing periods of January to June and July to December per year; and tasking Legal Counsel with establishing a separate collection policy for groundwater extraction fees, Director McFadden; Second, Director Broggie. Voice vote: five ayes (Broggie, Kimball, Long, McFadden, Pace); none opposed; one absent (Meneghin). Motion carries 5/0/1.

With that, Chair Long called the meeting adjourned at 7:35p.m.

ATTEST: 
Kelly Long, Chair, FPB GSA Board of Directors

I certify that the above is a true and correct copy of the minutes of the Fillmore and Piru Basins Groundwater Sustainability Agency's Special Board of Directors meeting of April 19, 2018.

ATTEST: 
Kris Sofley, Clerk of the Board