



Fillmore and Piru Basins
Groundwater Sustainability Agency

Public Outreach Meeting - Budget Workshop

July 16, 2018
Veteran's Memorial Building

1. Welcome

- Thank you for attending this workshop
- Your input is very important to our collective success in building a framework for groundwater resource sustainability

2. Introductions

- Director - Edwin T. McFadden III, Vice Chair, Secy/Treas
- Director - Carrie Broggie
- Director - Gordon Kimball
- Director - Candice Meneghin
- Director - Glen Pace

(Chair Kelly Long is out of town and unable to participate)

3. Sustainable Groundwater Management Act (SGMA)



- SGMA signed by Gov - effective Jan 2015
- **GW basins must be managed in “sustainable” manner**
- **GW basins have 20 years to become “sustainable”**
- Management delegated to locals - best understand conditions
 - ✓ CA Dept of Water Resources is backstop - DWR will manage basins if local stakeholders do not (likely without local input and stakeholders would have to reimburse DWR for their efforts)
- Groundwater Sustainability Agency (GSA) formed from local entities
 - ✓ JPA formed to administer Fillmore and Piru basins
- GSA prepares Groundwater Sustainability Plan (GSP)
 - ✓ GSP provides framework for ensuring basins are managed sustainably and in accordance with SGMA
 - ✓ GSPs (one each for Fillmore Basin and Piru Basins) due Jan 2022

4. Joint Powers of Authority (JPA)



- New Public Agency (JPA) to respond to SGMA - responsible for managing GW supplies in sustainable manner and in accordance with SGMA
- Must be formed prior to June 30, 2017 - Public Hearing on June 26, 2017
- **JPA document available for review on Agency's website**
- Member organizations
 - County of Ventura - **Agency's Chair Supervisor Kelly Long**
 - City of Fillmore - City Council Member Carrie Broggie
 - United Water Conservation District - **Agency's Vice Chair Director Edwin T. McFadden III**
- Stakeholder representation
 - Fillmore Basin Pumpers - Gordon Kimball
 - Piru Basin Pumpers - Glenn Pace
 - Environmental Organizations - Candice Meneghin

5. Agency Activities to Date

Board of Directors:

- Adopted Resolution 2017-01 electing to form the Fillmore and Piru Basins GSA
- Appointment of three stakeholder representatives to Board of Directors
- **Established Calendar for Monthly Board of Directors' Meetings**
(held monthly since June 2017 with the exception of period during Thomas Fire)
- Adopted Resolution 2017-02 Conflict of Interest Code Approved by County of Ventura Board of Supervisors
- Adopted Resolution 2017-03 Authorizing preparation of Application for Prop 1 Grant funding
- Acquired Annual Liability Insurance Policy for Agency
- Established Agency bank account
- Created Agency Facebook page (<https://www.facebook.com/FPBGSA/>) in support of stakeholder and public engagement
- **Created Agency website (fpbgsa.org) providing access to Agency's meeting calendar and agendas; updates on Agency's activities and access to Agency's public documents**

5. Agency Activities to Date, continued



Board of Directors:

- Developed Cash Flow Estimates as foundation for FY Budgets for FY2018-2022 (6 years)
- Appointed Olivarez Madruga **Lemieux O'Neill, LLP as Agency's legal counsel (Steven O'Neill as General Counsel to Agency)**
- Adopted Resolution 2018-01 Establishing CY Budget for Jul-Dec 2017 and CY Budget for Jan-June 2018
- Adopted Resolution-2018-02 **establishing Agency's groundwater extraction fee**
- Adopted Resolution 2018-03 Initiating Basin Boundary Modification process
- Preparation and submittal of potential Basin Boundary Modification application to DWR
- Invoiced Stakeholders for July - Dec 2017 water extractions, generating \$213,694.21 in revenue to date (total extraction fees billed: \$287,113)
- Adopted FPBGSA Bylaws
- **Submitted Agency comments in response to DWR's** Draft 2018 SGMA Basin Prioritization
- Preparation of proposed FY 2018-19 Budget for period of July 2018 through June 2019

6. Prop 1 Grant

- Prop 1 grant funds (\$86.3 million) are available to assist GSAs in creation of GSPs and projects to implement the GSPs
- DWR received 78 applications requesting \$86.4 million
- High or medium priority basins allowed to submit applications
 - **DWR's May 2018 Draft prioritization notice reclassified Fillmore Subbasin as "High Priority" (previously designated as a "Medium" priority basin). Piru Subbasin remains unchanged as "High Priority"**
- Agency engaged services of professional grant writer
- Agency awarded \$1.5 million
 - Requested reduction to 27% cost share - \$1.125 million reimbursed by DWR/\$375K from GSA based on % of households meeting Disadvantaged Community (DAC) or Severely Disadvantaged Community (SDAC) guidelines
- **Agency submitted minor changes to Grant Application's work plan and schedule following a May 2018 conference call with DWR**

7. Budget and Assessments

- Budget required by JPA within 90 days of 1st Board of Directors meeting
- Agency adopted initial CY budget for Jul-Dec 2017 (\$128,035)
- Ventura County provided \$51,300 in short-term funding which was repaid in full prior to June 30, 2018 deadline
- Agency signed consulting agreement with United Water Conservation District providing for technical, administrative, and accounting personnel to serve as **Agency's Clerk of Board, Billing and Accounts Payable and Professional** Technical support on a cost reimbursable basis
- 6-Year forecast of estimated budget prepared for stakeholder Budget Workshops
- Major expenses - legal counsel, preparation of GSP (grant), installation of specialized monitoring wells at basin boundaries (grant), liability insurance, staff

7. Budget and Assessments, continued



Draft - do not cite or reference

Mar 12, 2018

for discussion purposes

| Fillmore & Piru Basins GSA Estimated Budget | | | | | | | | | | | | | | |
|---|-------------------|-------------------|----------------|-------------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| | FY 2017-18 | | FY2018-19 | | FY2019-20 | | FY2020-21 | | FY2021-22 | | FY2022-23 | | FY2023-24 | |
| | CY2017 Jul-Dec | CY2018 Jan-Jun | Jul-Dec | CY2019 Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | |
| Revenue | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | |
| 7 GW Extractions, AF/6 months (a)(b) | 30,128 | 25,619 | 30,128 | 25,619 | 30,128 | 25,619 | 30,128 | 25,619 | 30,128 | 25,619 | 30,128 | 25,619 | 30,128 | |
| 8 GW extraction fee, \$/AF | \$ - | \$ 8.50 | 8.50 | \$ 8.50 | 8.50 | \$ 8.50 | \$ 8.50 | \$ 4.00 | \$ 4.00 | \$ 4.00 | \$ 4.00 | \$ 4.00 | \$ 4.00 | |
| 9 Revenue | \$ - | \$ 256,091 | 217,759 | \$ 256,091 | 217,759 | \$ 256,091 | \$ 217,759 | \$ 120,513 | \$ 102,475 | \$ 120,513 | \$ 102,475 | \$ 120,513 | \$ 102,475 | \$ 2,090,511 |
| 10 Ventura County | \$ 51,300 | | | | | | | | | | | | | |
| 11 Grant Reimbursements (c) (d) | | | 61,124 | \$ 40,684 | 89,351 | \$ 125,851 | \$ 381,351 | \$ 344,851 | \$ 51,788 | \$ - | \$ - | \$ - | \$ - | \$ 1,095,000 |
| 14 Total Revenue | \$ 51,300 | \$ 256,091 | 278,883 | \$ 296,775 | 307,109 | \$ 381,941 | \$ 599,109 | \$ 465,364 | \$ 154,263 | \$ 120,513 | \$ 102,475 | \$ 120,513 | \$ 102,475 | \$ 3,185,511 |
| Expenses | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | Jan-Jun | Jul-Dec | |
| 17 GSA Administration (i), (k) | \$ 26,026 | \$ 74,300 | 74,300 | \$ 74,300 | 74,300 | \$ 74,300 | \$ 74,300 | \$ 74,300 | \$ 74,300 | \$ 74,300 | \$ 74,300 | \$ 74,300 | \$ 74,300 | \$ 917,626 |
| 18 GSP Preparation + Grant Admin (e) + (f) | \$ - | \$ 46,971 | 46,971 | \$ 46,971 | 46,971 | \$ 46,971 | \$ 46,971 | \$ 46,971 | \$ 46,971 | \$ - | \$ - | \$ - | \$ - | \$ 375,770 |
| 19 GSP Outreach & Stakeholder Engagement (h) | \$ - | \$ 8,761 | 8,761 | \$ 8,761 | 8,761 | \$ 8,761 | \$ 8,761 | \$ 8,761 | \$ 8,761 | \$ - | \$ - | \$ - | \$ - | \$ 70,084 |
| 20 GW Modeling GSP support by UWCD (j) | \$ - | \$ - | - | \$ 66,667 | 66,667 | \$ 66,667 | \$ 66,667 | \$ 66,667 | \$ 66,667 | \$ - | \$ - | \$ - | \$ - | \$ 400,000 |
| 21 Monitoring Well #1 (g) | | | - | \$ - | 50,000 | \$ 350,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 400,000 |
| 22 Monitoring Well #2 (g) | | | - | \$ - | - | \$ 50,000 | \$ 350,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 400,000 |
| 23 Grant Writer & Application (DWR GSP Preparation) | \$ 18,032 | \$ 9,968 | | | | | | | | | | | | \$ 28,000 |
| 24 Ventura County | | \$ 51,300 | | | | | | | | | | | | \$ 51,300 |
| 25 Budget Contingency/Reserve | | \$ 25,000 | 25,000 | \$ 25,000 | 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 300,000 |
| 26 Total Expenses | \$ 44,058 | \$ 216,300 | 155,032 | \$ 221,698 | 271,698 | \$ 621,698 | \$ 571,698 | \$ 221,698 | \$ 221,698 | \$ 99,300 | \$ 99,300 | \$ 99,300 | \$ 99,300 | \$ 2,942,780 |
| 27 6 Month Balance | \$ 7,242 | \$ 39,790 | 123,851 | \$ 75,076 | 35,411 | \$ (239,757) | \$ 27,411 | \$ 243,666 | \$ (67,436) | \$ 21,213 | \$ 3,175 | \$ 21,213 | \$ 3,175 | |
| 28 Running Balance | \$ 7,242 | \$ 47,033 | 170,884 | \$ 245,960 | 281,371 | \$ 41,614 | \$ 69,025 | \$ 312,691 | \$ 245,255 | \$ 266,468 | \$ 269,643 | \$ 290,856 | \$ 294,031 | |

| | AF | | 95% | |
|-------------------------------------|---------------|-----|---------------|--|
| (a) Fillmore + Piru Period 1 avg. = | 26,967 | 46% | 25,619 | |
| (b) Fillmore + Piru Period 2 avg. = | 31,714 | 54% | 30,128 | |
| Total | 58,681 | | 55,747 | |

| | | |
|--|---------------------------|--------------|
| (c) Grant reimbursable eligible costs: | (d) Grant reimbursement % | 73% |
| GSP prep + Model+MW 1 & 2+Grant applic | Grant request | \$ 1,500,000 |
| 6 month lag time for reimbursements | | |

Grant Application

| | |
|--------------------------------|---------------------|
| GSP proj admin (e) | \$ 30,228 |
| MWs (g) | \$ 800,000 |
| GW model | \$ 799,576 |
| GSP prep (f) | \$ 345,542 |
| outreach (h) | \$ 70,084 |
| Sum | \$ 2,045,430 |
| Grant application total | \$ 2,045,430 |

| | |
|---|------------|
| GSA Admin (i) inc UWCD labor + expenses for Jul-Dec CY17 | \$ 26,026 |
| GW modeling support of GSP (j) | \$ 400,000 |
| GSA Admin (k) inc COC, acct, staff, legal, outreach, etc. | \$ 74,300 |
| Clerk of Board - UWCD | \$ 15,000 |
| Staff support - UWCD | \$ 17,000 |
| Legal / Ins / Website / Copies / misc | \$ 42,300 |

7. Budget and Assessments, continued

**Fillmore and Piru Basins GSA
Proposed Budget
FY 2018-19**

| | <u>Annual Budget - No Executive Director</u> | <u>Annual Budget - With Executive Director</u> |
|--|--|--|
| Income | | |
| 40001 · Groundwater Extraction Charge | 473,850.00 | 473,850.00 |
| 41000 · Grant Revenue | | |
| 41001 · State Grants | 101,808.00 | 101,808.00 |
| Total 41000 · Grant Revenue | <u>101,808.00</u> | <u>101,808.00</u> |
| Total Income | <u>575,658.00</u> | <u>575,658.00</u> |
| Gross Profit | <u>575,658.00</u> | <u>575,658.00</u> |
| Expense | | |
| 52200 · Professional Services | | |
| 52230 · Prof Svcs - Grant Solicitation | 0.00 | 0.00 |
| 52240 · Prof Svcs - IT Consulting | 500.00 | 500.00 |
| 52250 · Prof Svcs - Groundwtr/GSP Prep | 160,609.00 | 160,609.00 |
| 52251 · Prof Svcs - UWCD GW Staff | | |
| 52252 · Prof Svcs - GSP Consultant | | |
| 52260 · Prof Svcs - Admin/Clerk of Bd | 30,000.00 | 30,000.00 |
| 52270 · Prof Svcs - Accounting | 34,000.00 | 34,000.00 |
| 52280 · Prof Svcs - Executive Director | | 30,000.00 |
| 52290 · Prof Svcs - Other | 0.00 | 0.00 |
| Total 52200 · Professional Services | <u>225,109.00</u> | <u>255,109.00</u> |
| 52500 · Legal Fees | | |
| 52501 · Legal Counsel | 67,600.00 | 67,600.00 |
| Total 52500 · Legal Fees | <u>67,600.00</u> | <u>67,600.00</u> |
| 53000 · Office Expenses | | |
| 53010 · Public Information | 17,521.00 | 17,521.00 |
| 53020 · Office Supplies | 10,000.00 | 10,000.00 |
| 53026 · Postage & Mailing | 4,000.00 | 4,000.00 |
| Total 53000 · Office Expenses | <u>31,521.00</u> | <u>31,521.00</u> |
| 53500 · Insurance | | |
| 53310 · Liability Insurance | 2,500.00 | 2,500.00 |
| Total 53500 · Insurance | <u>2,500.00</u> | <u>2,500.00</u> |
| 70000 · Interest & Debt Service | | |
| 70120 · Interest Expense | 0.00 | 0.00 |
| Total 70000 · Interest & Debt Service | <u>0.00</u> | <u>0.00</u> |
| Total Expense | <u>326,730.00</u> | <u>356,730.00</u> |
| Net Income | <u>248,928.00</u> | <u>218,928.00</u> |

8. Discussion

- Agency must be fiscally viable
- Stakeholder assessments and engagement are needed
- Goal is to keep costs reasonable while ensuring GSPs serve **stakeholders' long**-term water resource reliability concerns

9. What's Next?

- FPBGSA Board of Directors meeting - July 17, 2018

City of Fillmore Council Chambers / 6:00pm

- Adoption of Resolution 2018-04 approving FY 2018-19 Budget
- Amendment to Bylaws (Article 10) regarding collection practices
- **Amendment to UWCD Service Contract (Agency's Executive Director)**
- Clarification of duties and responsibilities regarding GSP development

Agenda and Supporting Documents available at fpbgsa.org