

MINUTES

Owens Valley Groundwater Authority

Board Members:

SIERRA HIGHLANDS	John Camphouse	COUNTY OF MONO	Fred Stump
EASTERN SIERRA CSD	Ron Stone	CITY OF BISHOP	Chris Costello
INDIAN CREEK-WESTRIDGE CSD	Luis Elias	COUNTY OF INYO	Dan Totheroh
WHEELER CREST CSD	Glenn Inouye	BIG PINE CSD	BryAnna Vaughan
TRI VALLEY GWMD	Dave Doonan	KEELER CSD	

August 8, 2019

The Owens Valley Groundwater Authority meeting was called to order at 2:01 p.m. at the Bishop City Council Chambers, Bishop, CA.

1. Pledge of allegiance

The Chairman led the pledge of allegiance.

2. Public Comment

The Chairperson opened the public comment period and there was no one wishing to address the Board.

3. Introductions

The Board introduced themselves with one absence, Keeler CSD.

4. Approval of minutes from the June 13, 2019 OVGA Board meeting

The Chairperson requested a motion to approve the minutes of the July 11, 2019 meeting as corrected. Motion to approve the corrected minutes by Ron Stone, second by Chris Costello. Motion passed 7 yes (30.36 votes) 2 abstentions (7.64 votes), 1 absent (2 votes).

5. Board Member Reports

The Chairman wished to note that in addition to pump back projects, Mono County has also been advised of two mining proposals and are accessing what can be done.

6. OVGA staff reports

- a. Financial Report
- b. Report on Indian Wells Valley Groundwater Authority activities
- c. OVGA Fiscal Audit Contract for 2018-2019

Laura Piper, Inyo County Water Department, provided the financial report and stated the OVGA cash balance is \$138,287.06. She stated transactions since last meeting were facility rental costs and consultant fees. Dr. Aaron Steinwand stated Indian Wells Valley continues to work with LADWP to strike a deal; their GSP is still not completed; and a contract has been completed for Fechter & Company.

7. Status of Keeler CSD participation in the OVGA

Dr. Aaron Steinwand stated there was a draft letter sent out approved by the Board last month regarding their participation on the OVGA Board. He stated they have discussed it with their Board and we should receive an official letter in the near future.

8. Workshop on the implications of DWR reprioritization of the Owens Valley Groundwater Basin

Dr. Aaron Steinwand provided a PowerPoint presentation on the various options available to the Board based on the upcoming final basin priority rating from Department of Water Resources (DWR). He provided five options to the Board reviewing the advantages and disadvantages of each possible scenario. The Board expressed a concern with meeting the state deadline for the GSP with current delays; cost justification for the plan; not making a final decision regarding the future of the Board without the final basin priority rating; and discussion with their individual Boards regarding the options. The Board and staff discussed this item in detail. Mary Roper stated she is puzzled why the LADWP lands are classified as adjudicated, and is pumping around Owens Lake regulated by SGMA or the Water Agreement; Philip Anaya and Earl Wilson stated they support moving forward with the GSP. Malcolm Clark stated his support for continuance of the authority, and the development and implementation of the GSP.

Chris Costello left the meeting at 3:00pm.

The Chairperson called a break at 3:28 pm and reconvened the meeting at 3:43 pm.

9. Report on Ad Hoc Stakeholder Engagement Plan Development Working Group.

Dr. Aaron Steinwand stated the working group is on hold until DWR provides the final basin priority rating.

10. Discussion regarding future agenda items.

The Board requested that if available, have staff bring final determination from DWR; a non-binding poll on if Board remains or disbands; and Keeler CSD's official letter regarding OVGA participation.

11. Set next meeting

The next OVGA meeting was tentatively scheduled for September 12, 2019.

12. Adjourn

The Chairperson adjourned the meeting at 4:02 pm.

SORT ORDER: OBJECT within BUDUNIT

SELECT FUND: 6272

Lg BUDGET UNIT	Primary Ref	Transaction Description	SS Ref	Date	Job No	Debit	Credit	NET
GL 621601-1000	YEAREND	3. Balance Forward 2018/2019	JE	07/01/19	02539788	165,458.89	0.00	165,458.89
GL 621601-1000	TTLOH	AutoID:WD18628A Job:2483097	OH	07/18/19	02483097	0.00	450.00	165,008.89
GL 621601-1000	TTLOH	AutoID:WD19715A Job:2484520	OH	07/19/19	02484520	0.00	4,450.97	160,557.92
GL 621601-1000	TTLOH	AutoID:OW19723C Job:2487316	OH	07/24/19	02487316	0.00	23,467.45	137,090.47
GL 621601-1000	INTRCBL	AutoID:JAI9802E Job: 2496015	JE	08/02/19	02496015	1,196.59	0.00	138,287.06
GL 621601-1000	JE35066	AutoID: JH19C07J Job: 2540790	JE	10/07/19	02540790	0.00	13,714.77	124,572.29
*****Total *OBJT 1000		CLAIM ON CASH			DR	166,655.48	42,083.19	124,572.29
GL 621601-1160	YEAREND	3. Balance Forward 2018/2019	JE	07/01/19	02539788	1,196.59	0.00	1,196.59
GL 621601-1160	INTRCBL	4th QTR INTEREST RVRS	JE	08/02/19	02496015	0.00	1,196.59	0.00
*****Total *OBJT 1160		INTEREST RECEIVABLE			DR	1,196.59	1,196.59	0.00
GL 621601-1200	YEAREND	3. Balance Forward 2018/2019	JE	07/01/19	02539788	2,500.00	0.00	2,500.00
GL 621601-1200	JE34537	UA386949:GOLDEN STATE RISK MAN	JE	07/09/19	02475759	0.00	2,500.00	0.00
*****Total *OBJT 1200		PREPAID EXPENSES			DR	2,500.00	2,500.00	0.00
GL 621601-2000	YEAREND	4. Balance forward 2018/2019	JE	07/01/19	02539788	0.00	27,918.42	27,918.42
GL 621601-2000	TTLOH	AutoID:WD18628A Job:2481900	OH	07/16/19	02481900	0.00	450.00	28,368.42
GL 621601-2000	TTLOH	AutoID:WD18628A Job:2483097	OH	07/18/19	02483097	450.00	0.00	27,918.42
GL 621601-2000	TTLOH	AutoID:WD19715A Job:2484520	OH	07/19/19	02484520	4,450.97	0.00	23,467.45
GL 621601-2000	TTLOH	AutoID:OW19723C Job:2487316	OH	07/24/19	02487316	23,467.45	0.00	0.00
*****Total *OBJT 2000		ACCOUNTS PAYABLE			CR	28,368.42	28,368.42	0.00
GL 621601-2200	YEAREND	4. Balance forward 2018/2019	JE	07/01/19	02539788	0.00	52,859.66	52,859.66
GL 621601-2200	JE34553	CR113320:CITY OF BISHOP	JE	07/09/19	02475759	52,859.66	0.00	0.00
*****Total *OBJT 2200		DEFERRED REVENUE			CR	52,859.66	52,859.66	0.00
GL 621601-3000	YEAREND	1. Balance Forward 2018/2019	JE	07/01/19	02539788	0.00	235,193.56	235,193.56
GL 621601-3000	YEAREND	2. Balance Forward 2018/2019	JE	07/01/19	02539788	146,816.16	0.00	88,377.40
*****Total *OBJT 3000		FUND BALANCE AVAILABLE			CR	146,816.16	235,193.56	88,377.40
GL 621601-4599	JE34553	CR113320:CITY OF BISHOP	JE	07/09/19	02475759	0.00	52,859.66	52,859.66
*****Total *OBJT 4599		OTHER AGENCIES			CR	0.00	52,859.66	52,859.66
GL 621601-5155	JE34537	UA386949:GOLDEN STATE RISK MAN	JE	07/09/19	02475759	2,500.00	0.00	2,500.00
*****Total *OBJT 5155		PUBLIC LIABILITY INSURANCE			DR	2,500.00	0.00	2,500.00
GL 621601-5265	JE35066	UA390613:DANIEL B. STEPHENS	JE	10/07/19	02540790	13,714.77	0.00	13,714.77
*****Total *OBJT 5265		PROFESSIONAL & SPECIAL SERVICE			DR	13,714.77	0.00	13,714.77
GL 621601-5291	10117	WHISKEY CREEK R 7/11/19 OVGA M	OH	07/16/19	02481900	450.00	0.00	450.00
*****Total *OBJT 5291		OFFICE, SPACE & SITE RENTAL			DR	450.00	0.00	450.00
*****Total *BUDG 621601		OVGA-OWENS VALLEY GROUNDWATER			DR-CR	415,061.08	415,061.08	0.00
		** G R A N D T O T A L **			DR-CR	415,061.08	415,061.08	0.00

COUNTY OF INYO
Budget to Actuals with Encumbrances by Key/Obj

Ledger: GL

As Of 10/7/2019

Object	Description	Budget	Actual	Encumbrance	Balance	
Key: 621601 - OVGA-OWENS VALLEY GROUNDWATER						
Revenue						
4301	INTEREST FROM TREASURY	4,000.00	0.00	0.00	4,000.00	0.00
4498	STATE GRANTS	261,551.00	0.00	0.00	261,551.00	0.00
4599	OTHER AGENCIES	249,195.00	52,859.66	0.00	196,335.34	21.21
Revenue Total:		514,746.00	52,859.66	0.00	461,886.34	
Expenditure						
5129	INTERNAL COPY CHARGES	1,500.00	0.00	0.00	1,500.00	0.00
5155	PUBLIC LIABILITY INSURANCE	2,500.00	2,500.00	0.00	0.00	100.00
5263	ADVERTISING	2,000.00	0.00	0.00	2,000.00	0.00
5265	PROFESSIONAL & SPECIAL	309,771.00	13,714.77	18,414.77	277,641.46	4.42
5291	OFFICE, SPACE & SITE RENTAL	1,500.00	450.00	0.00	1,050.00	30.00
5311	GENERAL OPERATING EXPENSE	500.00	0.00	0.00	500.00	0.00
5539	OTHER AGENCY	97,500.00	0.00	0.00	97,500.00	0.00
5901	CONTINGENCIES	13,290.00	0.00	0.00	13,290.00	0.00
Expenditure Total:		428,561.00	16,664.77	18,414.77	393,481.46	
621601	Key Total:	86,185.00	36,194.89	(18,414.77)	68,404.88	

**COUNTY OF INYO
UNDESIGNATED FUND BALANCES**

AS OF 06/30/2020

		Claim on	Accounts	Loans	Prepaid	Accounts	Loans	Deferred	Computed	Fund	
		Cash	Receivable	Receivable	Expenses	Payable	Payable	Revenue	Fund	Encumbrances	Balance
		1000	1100,1105,1160	1140	1200	2000	2140	2200	Balance		Undesignated
WDIR - WATER											
6272	OVGA-OWENS VALLEY	124,572							124,572	18,415	106,157
WDIR	Totals	124,572							124,572	18,415	106,157
Grand Totals		124,572							124,572	18,415	106,157

OWENS VALLEY GROUNDWATER AUTHORITY

Big Pine CSD — City of Bishop — County of Inyo — County of Mono — Eastern Sierra CSD — Indian Creek-Westridge CSD — Keeler CSD —
Sierra Highlands CSD — Tri Valley Groundwater Management District — Wheeler Crest CSD

P.O. Box 337
135 Jackson Street
Independence, CA 93526

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Staff Report

Date: October 10, 2019

Subject: Item 7: Removal of Keeler CSD from the OVGA

At our last meeting your Board authorized the Executive Manager to send correspondence to the Keeler CSD to determine if it intended to continue participating as a (non-funding) Member of the OVGA. Keeler CSD responded to that letter indicating that they requested to be removed from the OVGA at this time. Their correspondence is attached. As previously discussed when your Board voted to remove Starlite CSD from the OVGA, removal of a Member will have a slight effect on vote shares by reducing the number of Members from 10 to 9.

The OVGA can accomplish this removal via Article VI Section 1.5.

Staff recommends your Board take this action today.

Keeler Community Service Dist.
P.O. Box 107
Keeler, Ca. 93530

RECEIVED

SEP - 6 2019

08/30/2019

Inyo County Water Dept.

Owens Valley Groundwater Authority
P.O. Box 337
Independence, Ca. 93526

Dear Aaron,

Keeler Community Service Dist. must discontinue our affiliation with the OVGA. This board is committed to affairs of its water district. We have just gone through a restructuring of our water rates as begun by the previous board. When John represented us, he was a board member, but he has since resigned due to personal issues. No-one has been found to fill his shoes.

On behalf of the Board and Keeler citizens, we must decline participation in OVGA at this time. Perhaps in the future, when our affairs are in order and find a willing soul to represent us, we will reconsider.

Thank you for the opportunity to be a part of your group and wish you well in the foreseeable future.

Sincerely,



Theona D. Wasson
Board Secretary
Keeler Community Service Dist.

Owens Valley Groundwater Authority

Big Pine CSD — City of Bishop — County of Inyo — County of Mono — Eastern Sierra CSD — Indian Creek-Westridge CSD — Keeler CSD —
Sierra Highlands CSD— Tri Valley Groundwater Management District — Wheeler Crest CSD

STAFF REPORT

Date: October 10, 2019

Subject: **Item 8 Implications of DWR reprioritization of the Owens Valley Groundwater Basin**

BACKGROUND

The Sustainable Groundwater Management Act (SGMA) requires all high- and medium-priority basins be managed according to a groundwater sustainability plan (GSP), or an alternative, by a groundwater sustainability agency (GSA) formed by local governments and local public agencies overlying such basins. SGMA encourages and authorizes, but does not require, low- and very low-priority basins to be managed by a GSA under a GSP or an alternative (see Water Code §10720.7).

According to DWR, basin priorities do not provide an assessment of local groundwater management practices or basin sustainability as defined in SGMA and does not necessarily capture the local importance of groundwater resources within the smaller-size or lower-use groundwater basins. Thus, the basin priorities are not intended to characterize groundwater management practices or diminish the local importance of the smaller-size or lower-use groundwater basins; rather, the results are presented as a statewide assessment of the overall importance of groundwater resources in meeting beneficial uses.

DISCUSSION

Under a medium-priority basin ranking, local governments and local public agencies in the Basin are required to form a GSA and prepare and adopt a GSP, or risk the state stepping in to prepare the plan. Thus, Members chose to form GSA's and join the Owens Valley Groundwater Authority (OVGA) to meet SGMA requirements, avoid state intervention, and ultimately manage the Basin's groundwater resources. However, without the need to comply with SGMA requirements and the threat of state intervention, the voluntary formation of a GSA to prepare a GSP may not have occurred.

If the Basin is reprioritized to low, then the local governments and local public agencies in the Basin do not have to form a GSA (i.e., no OVGA required), do not have to prepare and adopt a GSP, and the risk of state intervention no longer exists (unless the Basin is reprioritized in the future). Given that the OVGA may not have voluntarily formed to address groundwater management needs without the medium priority basin rating in the first place, the issue becomes whether OVGA members want to continue their participation in the OVGA and, if so, what do OVGA members want its purpose to be?

In the absence of being required to form a GSA and prepare a GSP for the Owens Valley Groundwater Basin (Basin), OVGA members might want the agency to continue to address

groundwater management issues within the Basin. These issues are varied and complex and may include but are not limited to: (1) the extraction/use of groundwater by the Los Angeles Department of Water and Power (LADWP) at the Owens Dry Lake; (2) groundwater extraction/use in the Tri-Valley area of Mono County and the incomplete hydrologic characterization of the area between Tri Valley and Fish Slough; (3) the sale of surface water and/or groundwater to the Indian Wells Valley Groundwater Authority by LADWP or other potential groundwater extraction projects and their impact in Inyo and Mono Counties; and (4) water management for the Fish Slough Ecological Reserve managed by the California Department of Fish and Wildlife.

This is not a complete list of the potential groundwater management issues in the Owens Valley groundwater basin nor is developing a list the purpose of this agenda item. The purpose of this item is to provide OVGA members an opportunity to discuss their understanding and interest in continuing the OVGA (and their respective continued participation) to address these and related issues despite SGMA's general mandates to form a GSA and prepare a GSP no longer applying. Staff recommends that the OVGA Board of Directors discuss the questions above to inform a draft statement of the OVGA's primary purpose and goals under a low priority ranking in order to assist member agencies in determining whether to: (1) remain in the OVGA or request their membership be terminated and/or (2) proceed with the GSP. If a clear statement can be formulated, then the benefit and value of participating in the OVGA and completing a GSP could be better evaluated by each member agency to inform membership decisions and whether to proceed with the plan.

RECOMMENDATION

Based on consensus points, direct staff to prepare a draft mission statement and purpose for the OVGA to consider should the Owens Valley Groundwater Basin be designated a low priority basin.

OWENS VALLEY GROUNDWATER AUTHORITY

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Staff Report

Date: October 7, 2019

Subject: Item 10: Members' annual financial contribution and continued progress on the GSP

The Department of Water Resources (DWR) has not released its final 2019 SGMA Basin Prioritization Process and Results. Until the OVGA is certain it will complete the GSP, the DWR has advised to not expend the Proposition 1 advance payment funds received in June, and all expenses have been paid from Member contributions. This agenda item will review the OVGA financial situation, provide an update on progress on the GSP, and request direction to staff how to proceed if the uncertainty over the basin status continues.

The fund balance and anticipated expenses are presented in the table below.

OVGA balance as of 9/3/19	\$138,287
Known expenses	
Fechter and Associates	\$4,700
DBSA: thru 8/25/19	\$13,715
DBSA: thru 9/8/19	\$845
DBSA: thru 9/30/19	\$4,662
Reserve fund contribution	\$13,290
Anticipated expenses	See explanation below
DBSA: recharge model for water balance	
Stillwater: GDE map for basin setting	
Staff services	
Mono: April 1- present	
Inyo: July 1 – present	
Bishop: July 1 – present	

Known expenses are those yet to be paid or transferred to the reserve. After the known expenses are subtracted, the balance at the end of October will be approximately \$101,075 which includes the annual contribution (\$52,859) from the City of Bishop for 2019-20. Funds for Fechter and Company to perform the OVGA audit have been encumbered. Values for anticipated expenses are those that cannot be quantified yet and include work completed by DBSA on the

groundwater basin recharge model and by their subcontractor on the groundwater dependent ecosystem (GDE) map for the basin. Progress on those tasks reached a reasonable stopping point in September, but invoices for those efforts have not been prepared. Invoices for staff services provided since April or July also have not been submitted.

Staff Recommendation

Preparation of the GSP has continued through the summer despite the uncertainty over the basin status, but some tasks were postponed and work on others was curtailed. Work continued on certain tasks upon which future tasks are dependent to mitigate delays that could cause difficulty meeting SGMA deadlines should the basin be designated as medium priority. Ironically, the OVGA is faced with the cash flow problem that obtaining the grant advance was to avoid.

Staff requests the Board provide direction on whether to stop work on the GSP to preserve the funds on hand while the uncertainty over the basin status continues. Alternatively, work on the GSP could proceed if the annual Member contributions are forthcoming.

Understandably, given the uncertainty on the basin status, most members have delayed providing their annual member contributions that were invoiced in May. In October, staff will prepare and issue revised invoices to the Members in compliance with Article VII, Section 4 of the OVGA Bylaws. Article VII requires that any fund balance at the end of the fiscal year shall be credited to the Members' annual contribution. The amount of the credit is pro-rated based on the Member's funding commitment. When the invoices were issued in May, the fund balance at the end of the fiscal year was not known to calculate the amount of the credit; the revised invoices will account for the credit.