

being spent on projects that could limit access to that water. Chair Neves suggested that the item could be added to the agenda for the next regularly scheduled meeting after conducting some research to formulate an official stance.

Director Brown congratulated Ms. Phillips on her new position as Water Resources Division Manager of the County of Kings.

Actions:

None.

Item 6: SUSTAINABLE GROUNDWATER MANAGEMENT ACT **Presenter:** Eric Osterling
 (SGMA) UPDATE

Discussion:

Staff Eric Osterling reported that 99.9% of lands within Medium and High Priority basins in the state met the California of Department of Water Resources' (DWR) June 30th deadline to file as a Groundwater Sustainability Agency (GSA). DWR continues to create and update tools and resources that will help GSAs develop their Groundwater Sustainability Plans (GSPs). This includes Best Management Practices (BMP) documents, guidance documents and technical tools. Included in the BMP and guidance documents are instructions to develop monitoring protocols, design of monitoring networks, models and water budgets. For tools, they will provide land use maps online including an initial statewide map for 2014, which should be released in the next couple of weeks. DWR plans on updating the statewide land use map every other year until 2018. DWR also continues to work with NASA's Jet Propulsion Laboratory (JPL) and other researchers to use satellite remote sensing to develop statewide subsidence maps. Lastly, DWR and the United States Geological Survey are updating two primary hydrologic models (C2VSim and the Central Valley Hydrologic Model) to be used in GSPs development.

GSAs are focusing energy on Proposition 1 Sustainable Groundwater Planning grant efforts. Critically over-drafted Basins (such as SFKGSA's Tulare Lake Basin) can apply for up to \$1.5 million in funding to fund the development of a GSP or GSPs, with only one application accepted per Basin. The application for the Tulare Lake Subbasin will likely come from the Mid-Kings River GSA (MKRGSA). Osterling is working with the MKRGSA's staff (Kings County Water District) to coordinate efforts. As a reminder, the current interim coordination agreement among the Tulare Lake Basin GSAs only covers applying for the grant; a new or amended agreement will need to be prepared if and when funds are awarded. Osterling summarized the twelve tasks involved in the grant application, as detailed in the agenda packet.

Osterling explained that the State understands the difficulty getting accurate data on subbasin activity for the GSP and thus, encourage GSAs to not spend too much time and money chasing down the perfect plan. Instead, they encourage the development of a GSP that includes Plan B corrective actions should initial estimates and corrective actions prove inaccurate and/or ineffective.

The SFKGSA's technical group is meeting regularly to inform the development of the Tulare Lake Subbasin hydrologic model. The group is recommending the consultant to use data from 1995-2015 that cover the subbasin area and buffer areas in the county. The group is also in discussing and comparing models with Westlands Water District, members of the Tule, Kaweah, and Kern Subbasins. Given that water is not bound by geographic boundaries, the group feels it is important to know about sustainability efforts of neighbors of SFKGSA and other GSAs in the Tulare Lake Subbasin.

Given that the Tulare Lake Subbasin is "data poor" when compared with other basins, staff are requesting an extension with DWR to grant an additional three months to provide information. It was clarified by staff and the Board that SFKGSA does not have any position on metering wells and will not consider a position until the development of the GSP is "fleshed out" and even if SFKGSA approves metering wells, it would be a phased approach. Staff explained that metering wells in the region would be difficult due to logistical, legal and expense issues to name a few, that while meters on newly built wells is required for cities of a certain size, this is not the case for farmers. Metering is difficult and expensive. The more accurate the available information is regarding surface water (farm gate deliveries), the more feasible it is for SFKGSA to instead calculate accurate pumping estimates using remote sensing options.

Actions:

No action.

Item 7: CONSIDER APPROVING FINANCIAL STRATEGY

Presenter: Jerome Keen

Discussion:

Jerome Keen, QK, Inc. presented to the Board the Financial Strategy, as detailed in the agenda packet under Task Order item #3. The strategy was developed in consultation with SFKGSA staff members and the Board's Technical Consultant, Geosyntec Consultants. The purpose of the Financial Strategy is to propose the Prop 218 process and outcomes of the process. The included task order presents a conservative cost estimate based on an assumed number of ballots for an acreage-based assessment and anticipates that Lemoore will not participate in the Prop 218 election. As a reminder, a successful Prop 218 election would seek to reimburse participants for costs-to-date and cover expenses until completion of a GSP.

Keen summarized the various Prop 218 requirements for agencies that want to levy a tax assessment or impose fees in a service area, which must be approved by voters via a mailed ballot election. Despite the voting requirements, the ballot and voting process is similar. It was mentioned that there is pending case law at the California Supreme Court regarding the applicability of an agency's ability to levy these types of funding mechanisms on land owners. Staff members are currently monitoring this piece of legislation. Keen conservatively advised planning on a two-thirds voting requirement, given pending case law, but is reviewing this requirement with staff and legal counsel in the engineering survey. The deadline to put a Prop 218 on the county's tax roll is May 2018.

Staff explained that ballots will be mailed to landowners and votes will be based on amount of acreage. The assessment would be tied to the property, not to the owner. Keen highlighted that Kings County voting history was included in the report, as presented in the agenda packet, and noted that the failed Kings county Prop 218 elections since 2008 were by a small margin; as small as 0.05%.

Should Prop 218 fail and the GSA does not hold another Prop 218 election, other funding options are available. These include pursuing grant opportunities and continuing the practice of individual members contributing to the fund via their own property tax assessment (which would require Prop 218 elections of their own) or other means. An extensive list was provided in the agenda packet as an appendix to the report, with specific earmarked purposes, but could provide some release for contributing agencies in the short-term.

Staff responded to questions regarding the expenses included in the Task Order and clarified that legal and expenses are covered in a separate line item in the approved budget. Staff explained that in some other GSAs individual members have conducted (or are conducting) Prop 218 elections within their districts and cities. This is different than SFKGSA's approach, which is the SFKGSA itself conducting the Prop 218 election. The Board should expect to have to conduct at least one more Prop 218 election after the GSP is developed and the Board understands the costs associated with the projects they will need to implement.

Public commented that ample time be spent preparing for the Prop 218 election to avoid errors or missing information.

Actions:

Vice Chair Howe motioned, Director Brown seconded, and it was carried to approve the Financial Strategy task order, as presented, to fund GSP development.

(AYES: President Neves, Vice-President Howe, Directors Brown, Meyer; NOES: None; ABSTAIN: None; ABSENT: Stratford Public Utility District)

Item 8: CONSIDER APPROVING TASK ORDER FOR DATA AND PLANNING SERVICES **Presenter:** Eric Osterling

Discussion:

Osterling explained Task Order #4 for data and planning services, as detailed in the agenda packet. Approving this task order would provide a budget for Geosyntec Consultants, Aegis Groundwater Consulting Services and sub-consultants that would cover expenses through January 31, 2018.

Staff responded to questions regarding the expenses included in the Task Order and clarified that \$18,000 of the expenses are covered in the separate engineering line item in the approved budget. Staff members do not anticipate that any budget adjustments will need to be made.

Actions:

Approved: Motioned by Director Brown, seconded by Vice Chair Howe to approve Task Order #4 with Geosyntec Consultants for data and modeling review and coordinated Groundwater Sustainability Plan scoping.

(AYES: President Neves, Vice-President Howe, Directors Brown, Meyer; NOES: None; ABSTAIN: None; ABSENT: Stratford Public Utility District)

Item 9: FINANCIAL REPORT **Presenter:** Randy Shilling

Discussion:

Staff Randy Shilling summarized income and expenses for the Financial Report for the period ending August 31, 2017, as detailed in the agenda packet. After initial contributions paid to KRCD, SFKGSA has \$29,600 in the bank and spent 38 percent of what was budgeted for the period. One reimbursement check was issued to KRCD for admin support services, legal fees, insurance costs and office supplies provided up until the SFKGSA had opened its own bank account. KRCD has not billed SFKGSA for administrative services since June 30, 2017.

Shilling handed bills for each agency to the Directors, as part of the agreed upon interim funding mechanism for the SFKGSA. Shilling also stated he expects an invoice from Geosyntec Consultants soon. Should a Prop 218 election prove successful, the intent is for the contributing agencies to receive a reimbursement check for their initial contributions.

Actions:

Approved: Vice Chair Howe motioned, Director Meyers seconded and it was unanimously carried to approve the financial report.

(AYES: President Neves, Vice-President Howe, Directors Brown, Meyer; NOES: None; ABSTAIN: None; ABSENT: Stratford Public Utility District)

Item 10: STAKEHOLDER OUTREACH AND COMMUNICATIONS **Presenter:** Cristel Tufenkjian

Discussion:

Staff Cristel Tufenkjian reported to the Board on current plans for stakeholder outreach and communications strategies, including a focused outreach effort for the Prop 218 election after receiving information from the engineering report. These efforts include direct communication with landowners in one-on-one meetings and in group community outreach events. Tufenkjian recommended that the Board reach out to constituents prior to asking for their participation in the Prop 218 election. Tufenkjian plans on submitting a communication piece in November 2017 via direct mail introducing the SFKGSA to landowners.

Actions: None.

Item 11: OTHER ITEMS FOR DISCUSSION

Presenter: Chair Neves

Discussion:

One attendee in the audience thanked the SFKGSA for representing the community and providing clear, transparent information in lieu of the "messiness" of SGMA.

Ms. Phillips mentioned to the Board that she is happy to help coordinate outreach efforts and is tasked with creating a website for the entire Tulare Lake Subbasin that will allow parcel owners to know what GSA is assigned to their property.

Chair Neves announced the South Valley SGMA Practitioners Roundtable on October 20, 2017 at the Agricultural Heritage Center in Tulare, coordinated by KRCD.

Actions: None.

Item 12: NEXT MEETING DATE

Presenter: Chair Neves

Discussion:

The Board discussed January 2018 availability for a Special Meeting of the Board.

Actions:

Canceled the Regular Meeting of the Board scheduled for December 21, 2017.

Next Regular Meeting of the Board is scheduled for March 15, 2018 at 5:30 p.m.

Item 13: ADJOURNMENT

Adjourned: 6:50 p.m.

Respectfully submitted,

Troy Young, Board Secretary

_____ approved
Joe Neves, Board Chair