

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



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Minutes of the Fox Canyon Groundwater Management Agency's (FCGMA) Operations Committee Special meeting held **Monday, November 7, 2022, at 1:30 p.m.** in the Multi-Purpose Room at the Ventura County Government Center, Hall of Justice, 800 South Victoria Avenue, Ventura California.

Members: Chair Lynn Maulhardt
Vice Chair Kelly Long

A. Call to Order / Introductions

Chair Maulhardt called the meeting to order at 2:01 p.m.

B. Introductions:

In attendance were: (1) Lynn Maulhardt, FCGMA Operations Committee Chair; (2) Kelly Long, FCGMA Operations Committee Vice Chair; (3) Arne Anselm, WPD, Deputy Director; (4) Kim Loeb, FCGMA, Groundwater Manager; (5) Jamie Malos-Norton, Acting Assistant FCGMA Clerk of the Board; (6) Jason Canger, Assistant County Counsel; (7) Dennis McNulty, Pleasant Valley Water District (PVWD); (8) John Lindquist, United Water Conservation District (UWCD); (9) Greg Lewis, Duda Farms; (10) Joseph Marcinko, City of Oxnard; (11) Jared Bouchard, Pleasant Valley Water District; (12) Shiri Klima, City of Oxnard; (13) Sam Collie, OPV Coalition.

C. Public Comments

There were no public comments.

D. Approval of Minutes – October 6, 2022

Vice Chair Long voted to approve the minutes. Chair Maulhardt seconded the motion, and the motion was approved.

E. Water Supply and Infrastructure Projects

Kim Loeb introduced the item and summarized the discussion from the Operations Committee meeting for October 6, 2022. He said that project ranking criteria (criteria) comments were submitted from many people. He added Ms. Klima's comments as a packet for the meeting. Chair Maulhardt confirmed with Joseph Marcinko to discuss the criteria and the City of Oxnard's comments. Mr. Loeb introduced the meeting topic to identify criteria, group them, how to weight them, address all comments, and to walk through the criteria on an example project that was already approved.

Chair Maulhardt expressed his concern to address Oxnard's ideas and finish the criteria today. Mr. Lindquist commented that long-term projects may get ranked lower than short-term projects. Chair Maulhardt added that supporting documentation must be provided for each project. Jared Bouchard commented on Ms. Klima's email to review each project's criteria annually, and he suggested that annual ranking would incentivize people to complete projects faster. Mr. Loeb replied that annual prioritization is on page 2 of the policies and procedures, and long-range projects should score high on provided water, but with high uncertainty for lead time.

Chair Maulhardt reviewed all the documents for each project and asked for a guide sheet to clarify the process for the applicant for each year. Mr. Marcinko asked if the applicant can appeal criteria. Mr. Loeb replied that the process would be interactive, and they planned to create a master list of projects to rank for funding priority from grants and FCGMA's money.

The committee discussed if applicants should do initial scoring of their own projects and save staff time, but the scoring would be biased.

Chair Maulhardt summarized and repeated that applicants needed a guide sheet. Mr. Canger disagreed that all documents needed to be listed, and the applicant needs to provide what they think they need. Chair Maulhardt clarified the applicant would give a project overview for the criteria and support documents if they appealed the criteria results. Mr. Loeb said that staff used this process in past grant ranking process.

Chair Maulhardt asked if the committee needed to draft a guide sheet that included the appeal to criteria results. Vice Chair Long responded that the information was already provided in the policies and procedures. Ms. Klima agreed that a half page cover sheet might be helpful.

Ms. Klima addressed Mr. Lindquist's comment that long-term projects are deprioritized. She said that Agenda Item E1 and E2's #1 and #2 questions didn't add up to the same amount. Mr. Loeb replied that she was correct, the committee would review the criteria weighting, and long-term projects were not supposed to be deprioritized, but to show that they have more uncertainty due to how long they take. Ms. Klima responded that the criteria's categories of water supply, timing/feasibility, and cost & funding should add up to the same or different values depending on their importance. She stated that Item E2 made the totals equal, and she believed they should be.

Vice Chair Long indicated that Item E2's #4, #11, and #12 mistakenly did not match to Item E1. Mr. Bouchard agreed with Ms. Klima that those same categories should have equal weight. Vice Chair Long asked that the categories should add up to the same weight on Item E1. Ms. Klima added that the categories were roughly equal on Item E1. Chair Maulhardt discussed the importance of the categories and difficulty to score high on all three. He addressed Mr. Lindquist's comment on long-term projects and that maybe the categories should not be equally weighted.

Ms. Klima clarified that the three categories should be equal weight so any or all low scores would deprioritize the project. Chair Maulhardt asked if the category detail questions would skew the criteria score. Ms. Klima said the criteria should be used as a guide but give staff flexibility to analyze a project.

Mr. Bouchard agreed that the weighting of categories should be equal. He suggested that Item E1's Cost & Funding weighting questions were more appropriate than Item E2's because small projects might not have high match funding. Vice Chair Long discussed the weighting differences between the items. Mr. Loeb added that funding match might be less important, and FCGMA wanted to find small or big projects that can bring sustainability to the basin. Mr. Bouchard replied that small projects should not be penalized for large ongoing costs.

Ms. Klima asked if the questions be yes or no if the project can pay. Vice Chair Long said that the questions determine if upfront funding is provided. Mr. Loeb responded project funding demonstrates that the project may succeed in the long-term, proposition 1 grant funding is 50% match, and where else would funding come from? Mr. Bouchard asked if the FCGMA could fund the project through replenishment fees and is FCGMA the actual applicant if it gets grant funding?

Mr. Loeb and Ms. Klima said that the FCGMA and project applicants were both applicants. He added that projects might get funding from FCGMA or the grant. Ms. Klima asked if the FCGMA would pass on the fees to ratepayers, but isn't it covered in water cost? Mr. Loeb replied that maybe the criteria needed two water cost categories: one for ratepayer water cost and one for FCGMA to fund. Mr. Bouchard hypothesized an example of a project that gives incremental benefit to the entire basin. He argued that the whole region or FCGMA should pay rather than a small local funding source, or why would the project want to help the whole basin?

Ms. Klima asked if the FCGMA should always pay match funding. Mr. Bouchard responded that maybe the criteria weight for match funding needed to change. Vice Chair Long said that the least amount to the ratepayers should be scored highest.

Mr. Loeb introduced the Item E1 walkthrough to test if the criteria was correct. The committee chose to analyze United's project on Ferro Road, as Mr. Lindquist was present.

On question 1, the committee said the project provided up to 2500-acre feet (AF) a year of water, so it scored 15 points. On question 2, Mr. Lindquist said the project had modeling and preliminary design, so it scored 20 points. On question 3, Mr. Lindquist said the project should finish by March 2025, so it scored 25 points. On question 4, Mr. Lindquist said the project had 60% development, and Mr. Loeb said that Items E1 and E2 had discrepancy on this question, so they would review it again.

On question 5, Mr. Lindquist said that some permits were underway, so it scored 4 points. On question 6, the committee said it used existing construction, so it scored 5 points. On question 7, Mr. Lindquist said that United needed an easement from Caltrans, so it scored 3 points. On question 8, Mr. Lindquist said the project wasn't dependent on other projects, and the committee discussed if the project depended on rain. Question 8 scored 5 points.

On question 9, Mr. Loeb said that Oxnard suggested that project lifespan should be in the additional benefit category instead of timing & feasibility category because lifespan is how long it lasts. The committee decided to move the question to the water supply category. Mr. Loeb said he could move the question after the meeting. Question 9 scored 5 points.

On question 10, Mr. Loeb calculated the water cost to be \$135/AF, but Mr. Lindquist calculated \$170/AF, so they resolved the discrepancy. Question 10 scored 25 points. On question 11, the committee said the project had 5% funding match, so it scored 2 points. On question 12, they discussed if the project had operations and maintenance (O&M) support. Mr. Lindquist asked what "commitment" meant; Mr. Loeb answered to support the project. Question 10 scored 15 points.

On question 13, Mr. Loeb and Mr. Lindquist discussed that the project mitigated groundwater quality, water levels, subsidence, and seawater intrusion. The committee discussed that although the question broke up into many sub-points, the mitigation of the six Sustainability Groundwater Management Areas (SGMA) undesirable results was important. Mr. Loeb stated that the project should bring in additional water to the basin or reduce pumping, or it would not be a project to fund. Vice Chair Long suggested to remove the question.

Mr. Lindquist disagreed; he wanted and to keep language to improve water quality. The committee discussed the importance of mitigating seawater intrusion, but the criteria should apply to the whole basin, whereas some areas do not have that problem. Vice Chair Long suggested to reword the question as does the project address SGMA undesirable results as a yes or no. Sam Collie spoke that the question should call out the results to inform the reader. The committee discussed the scoring for question 13 as 0 for no and 5 for yes or to remove the question. They decided to remove question 13.

On question 14, the committee discussed if the leverage question was already covered in question 8, the difference of meaning between “leverage” and “dependency on.” Mr. Anselm spoke that he liked the idea of a project regionally supporting others, but what if a place like the Epworth Gravels can only help its own area? They decided to remove question 14. On question 15, the committee discussed that the project adds to the basin recharge, so it scored 15 points.

The committee kept questions 11 and 12 with Item E2 scores and removed questions 13 and 14. Mr. Anselm asked to add sub-totals to the criteria. Mr. Loeb asked if the committee is satisfied with the question and category weighting? The committee decided that the categories should be 55 points for water supply, 50 points for timing/feasibility, 50 points for cost/funding, and 5 points for added benefit. Mr. Loeb said that question 11 had a lot of discussion and may need to be further discussed. The committee discussed how to reword question 11 if the project requires funding matching. Mr. Loeb stated that the project lifespan might be more important than the capital funding.

The committee discussed the O&M, State, and FCGMA funding sources. Chair Maulhardt reiterated Mr. Bouchard’s point that some projects are localized, and Ms. Klima dissented because everyone benefits from a healthy basin. Vice Chair Long suggested that question 10 be scored from 0 to 50. Mr. Anselm suggested that O&M funding was important because FCGMA wants to know the project will be maintained. Ms. Klima asked if the main issue was funding or reticence to invest if the project is short-lived. Mr. Loeb said the funding focus was overall cost to ratepayers.

Chair Maulhardt reiterated that the procedure and policy paragraph needed to be explained in a guide sheet with explanation of scoring, annual reviews, and reconsideration. He asked for staff to create an Item E2 matrix. Mr. Canger reiterated to create a project submittal form for documentation to verify answers. Chair Maulhardt repeated Mr. Lindquist’s concern that some projects may take many years. Ms. Klima suggested that the annual review of projects would address his concern and give continuous review. Mr. Anselm reminded that the criteria needs a formula for water cost.

The committee expressed their appreciation of the project example, scoring criteria, and progress.

Vice Chair Long stated that the committee should share their notes with the Board. The committee agreed that they will provide criteria corrections and drafts at the Board. Mr. Loeb said that the scoring criteria will probably be on the Board’s January agenda. Chair Maulhardt asked if another Operations Committee meeting could happen before then. Mr. Loeb said it could be announced at the December Board meeting.

E. Adjourn Operations Committee Meeting

Chair Maulhardt adjourned the Operations Committee meeting at 4:03 p.m.