

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
David Borchard, Vice Chair, Farmer, Agricultural Representative
Steve Bennett, Supervisor, County of Ventura
Charlotte Craven, Councilperson, City of Camarillo
Robert Eranio, Director, United Water Conservation District

EXECUTIVE OFFICER
Jeff Pratt, P.E.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Fox Canyon Groundwater Management Agency (FCGMA) will hold a **Fiscal Committee Meeting** at **9:00 a.m. on Tuesday, June 05, 2018** in **Conference Room 346**, at the Ventura County Government Center, Hall of Administration, Third Floor at **800 South Victoria Avenue, Ventura, California**.

FCGMA FISCAL COMMITTEE MEETING AGENDA

June 05, 2018

Members: Chair Eugene West
Vice Chair Charlotte Craven

- A. Call to Order**
- B. Introductions**
- C. Public Comments** – Audience members may speak about FCGMA-related matters not on today's Agenda.
- D. Minutes** – Approve the minutes from the May 21, 2018 Fiscal Committee meeting.
- E. Fiscal Year 2018-19 Budget Development (continued)** – Follow-up to the May 21, 2018, Fiscal Committee Meeting Fiscal Year 2018-19 Budget Study Session focused on forecast of GSP development costs.
- F. Adjourn the Fiscal Committee Meeting**

NOTICES

The FCGMA Board strives to conduct accessible, orderly, and fair meetings where everyone can be heard on the issues. The Board Chair will conduct the meeting and establish appropriate rules and time limitations for each item. The Board can only act on items designated as Action Items. Action items on the agenda are staff proposals and may be modified by the Board as a result of public comment or Board member input. Additional information about Board meeting procedures is included after the last agenda item.

Administrative Record: Material presented as part of testimony will be made part of the Agency's record, and 10 copies should be left with the Board Clerk. This includes any photographs, slides, charts, diagrams, etc.

ADA Accommodations: Persons who require accommodation for any audio, visual, or other disability in order to review an agenda or to participate in the Board of Directors meeting per the Americans with Disabilities Act (ADA), may request such accommodation in writing addressed to the Clerk of the FCGMA Board, 800 South Victoria Avenue, Location

#1610, Ventura, CA 93009-1610, or via telephone by calling (805) 654-2014. Any such request should be made at least 48 hours prior to the meeting so staff can make the necessary arrangements.

Availability of Complete Agenda Package: A copy of the complete agenda package is available for examination at the FCGMA office during regular working hours (8:00 a.m. to 5:00 p.m. Monday through Friday) beginning five days before the Board meeting. Agenda packet contents are also posted on the FCGMA website as soon as possible, and left there for archival retrieval in case reference is needed on previously considered matters. Questions about specific items on the agenda should be directed to the Agency's Executive Officer.

Continuance of Items: The Board will endeavor to consider all matters listed on this agenda. However, time may not allow the Board to hear all matters listed. Matters not heard at this meeting may be carried over to the next Board meeting or to a future Board meeting. Participating individuals or parties will be notified of the rescheduling of their item prior to the meeting. Please contact the FCGMA staff to find out about rescheduled items.

Electronic Information and Updates: Visit <http://www.fcgma.org> (for home page information) or Facebook (for meeting updates). Information available online includes the Board's meeting schedule, a list of the Board members and staff, weather station data, general information, and various Agency forms. If you would like to speak to a staff member, please contact the Clerk of the Board at (805) 654-2014.

FCGMA FY 18-19 DRAFT BUDGET

				16-17 Year End Actuals	17-18 Adopted Budget	17-18 Year End (Based on AP#03.e. 3/30/18)	18-19 Draft Budget	19-20 PLANNING- LEVEL Budget PROJECTION	20-21 PLANNING- LEVEL Budget PROJECTION
AGENCY FISCAL RESOURCES								2.5%	3.00%
PUMPING FEES - \$ Per Acre-Foot (Note 1)				\$10.00	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50
BYFB				\$4,452,475	\$5,291,432	\$5,291,432	\$5,190,840	\$5,140,822	\$6,166,660
DESIGNATED ACCOUNTS									
BEGINNING BALANCE				\$1,524,604	\$1,536,829	\$1,536,829	\$1,546,829	\$1,556,829	\$1,566,829
INTEREST EARNINGS (Note 2)				\$12,225	\$15,000	\$10,000	\$10,000	\$10,000	\$10,000
TRF ADDITIONAL FUNDS FOR GEMES									
DESIGNATED GEMES ENDING BALANCE				\$1,536,829	\$1,551,829	\$1,546,829	\$1,556,829	\$1,566,829	\$1,576,829
BEGINNING BALANCE				\$725,825.00	\$2,015,952	\$2,015,952	\$2,424,952	\$3,224,952	\$4,224,952
SURCHARGE (Note 3)				\$1,290,127	\$800,000	\$950,000	\$800,000	\$1,000,000	\$1,000,000
AMI INSTALLATION (Note 4)					(\$185,000)	(\$541,000)			
DESIGNATED SURCHARGES BALANCE				\$2,015,952	\$2,630,952	\$2,424,952	\$3,224,952	\$4,224,952	\$5,224,952
BEGINNING BALANCE						\$1,000,000	\$0	\$1,000,000	\$1,000,000
OPERATING RESERVES				1,000,000	1,000,000		\$1,000,000		
DESIGNATED RESERVE BALANCE				\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
OPERATING ACCOUNTS									
BEGINNING BALANCE				\$1,195,504	\$738,651	\$738,651	\$219,059	-\$640,959	-\$625,122
REVENUE									
PUMP CHARGES (Note 5)				\$695,675	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
GROUNDWATER SUSTAINABILITY FEE (Note 6)				\$680,091	\$812,500	\$812,500	\$812,500	\$812,500	\$812,500
GSP GRANT				\$172,292	\$77,708	\$65,208	\$12,500		
WATER MARKET / AMI GRANT					\$290,000	\$0	\$799,000		
TFR FROM SURCHARGE ACCOUNT (Note 4)					\$185,000	\$541,000			
INTEREST EARNINGS (Note 2)				\$27,722	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
PENALTIES/INTEREST				\$33,647	\$75,000	\$50,000	\$50,000	\$50,000	\$50,000
MISCELLANEOUS REVENUES						\$6,000			
TOTAL OPERATING REVENUE				\$1,609,427	\$2,220,208	\$2,254,708	\$2,454,000	\$1,642,500	\$1,642,500
EXPENDITURES									
Board Member Insurance				\$3,819	\$4,500	\$3,844	\$4,000	\$4,100	\$4,223
AWA Dues / Symposium/Conference				\$300	\$1,000	\$1,000	\$1,000	\$1,025	\$1,056
LAFCO Funding (Note 7)				\$806	\$1,000	\$744	\$1,000	\$1,025	\$1,056
Office Equipment/Supplies/Printing				\$767	\$2,000	\$1,000	\$10,000	\$10,250	\$10,558
GSA Charges / ISF				\$5,447	\$8,500	\$8,500	\$8,500	\$8,713	\$8,974
Legal (Note 8)				\$136,291	\$150,000	\$150,000	\$150,000	\$150,000	\$100,000
Biennial Audit				\$8,800			\$9,000		\$9,000
Public Notices				\$289	\$1,000	\$3,500	\$2,000	\$2,050	\$2,112
Computer Equipment, Software & Website					\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
FCGMA Online Support/GIS (Note 9)				\$77,983	\$68,000	\$68,000	\$68,000	\$68,000	\$68,000
Et Weather Station Contract					\$30,000			\$300	\$300
Et Weather Station Contract				\$264		\$300	\$300	\$300	\$300
LPUG Feasibility Study				\$104,747	\$5,865	\$5,855			
Groundwater Sustainability Plan Development (Note 10)				\$795,566	\$702,756	\$708,239	\$702,136	\$21,000	
Public Outreach				\$16,882	\$13,118	\$13,118			
AMI Implementation					\$475,000	\$550,000	\$840,000		
Watershed Contributions /Match (Note 11)				\$2,600	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700
Misc Expense / Misc Payment				\$2,386	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
SERVICES AND SUPPLY SUB-TOTAL				\$1,156,947	\$1,472,939	\$1,524,300	\$1,806,136	\$276,663	\$215,477
Public Works Agency Charges (Note 12)				\$909,333	\$1,461,117	\$1,150,000	\$1,407,882	\$1,250,000	\$1,250,000
OPERATING EXPENSES SUB-TOTAL				\$2,066,280	\$2,934,056	\$2,674,300	\$3,214,018	\$1,526,663	\$1,465,477
CONTINGENCY				\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
TOTAL OPERATING EXPENDITURES				\$2,066,280	\$3,034,056	\$2,774,300	\$3,314,018	\$1,626,663	\$1,565,477
ENDING OPERATING FUND BALANCE				\$738,651	-\$75,197	\$219,059	-\$640,959	-\$625,122	-\$548,099
GRAND TOTAL FUND BALANCE				\$5,291,432	\$5,107,584	\$5,190,840	\$5,140,822	\$6,166,660	\$7,253,682

FOOTNOTES:

- (1) FY 18-19 Pump Fees: = \$6.00 per Acre-Foot (AF) & Groundwater Sustainability Fee \$6.50.
- (2) FY 18-19 YE Interest Earnings Apportionments projected to be received from the County Pooled Investment Fund total \$40,000 or approximately .80% quarterly earnings rate.
- (3) FY 18-19 estimated Surcharge revenue projections are \$800,000 from overpumpers.
- (4) Designated Surcharge Fund for AMI installation grant match transfer to Revenue in FY 17-18.
- (5) FY 18-19 Projected pump charge revenues by 6/30/19 are estimated assuming 125,000 acre-feet of self-reported groundwater times \$6.00 per AF.
- (6) FY 18-19 Projected groundwater sustainability fee revenues by 6/30/19 are estimated assuming 125,000 acre-feet of self-reported groundwater times \$6.50 per AF.
- (7) FY 18-19 Projected payment of \$1,000 to LAFCO Per Govt. Code Sect. 56381 (b) (1), est. 0.442% share of combined FY 11-12 VC special district revenues.
- (8) FY 18-19 Legal counsel fees projected at \$150,000 (\$130,000 for County Counsel and \$20,000 for outside special counsel if needed).
- (9) FY 18-19 Estimate of \$68,000 from ITSD, includes \$12,000 Annual License Maintenance Agreement for website & GIS; and \$58,000 for specific special data queries, data fixes and changes to online system web pages and minor software enhancements.
- (10) Projected GSP expenditures based on May 31, 2018, Dudek memo - \$572,020 additional scope not yet approved by Board.
- (11) Includes contributions to Watershed Coalition of Ventura County (\$2,200) and Santa Clara Watershed Committee (\$1,500)
- (12) FY 2018-19 Annual Workplan Tasks: \$1,407,882 in PWAC costs; Projection for FY 18-19 includes AMI and GSP implementation task; Projection for FY 19-20 includes GSA operators tasks.

MEMORANDUM

To: Kim Loeb
From: Ron Schnabel, Jill Weinberger
Subject: GSP Budget and Schedule June 2018 through July 2019
Date: May 31, 2018

This memo presents the revised schedule and budget for completing the Groundwater Sustainability Plans (GSPs) for the Oxnard, Pleasant Valley, and Las Posas Valley Basins. The schedule and budget were prepared at this time for several reasons. First, the existing budget for meetings and project management for this effort ends in June 2018. Second, the Fox Canyon Groundwater Management Agency (FCGMA) Board has requested a budget for additional scope for completing a second draft of the GSPs, groundwater model scenario iterations not included in the current scope, and peer review of the numerical groundwater models prepared by United Water Conservation District (UWCD) and Calleguas Municipal Water District (CMWD). Third, several stakeholders requested that a revised schedule and budget be prepared once the stakeholder review of the preliminary draft GSPs was completed. The details of the assumptions used to create this schedule and budget are described below.

SCHEDULE

The revised schedule is based on the assumption that groundwater modeling efforts to establish the future water budget, sustainable yield under future baseline conditions, and future sustainable yield with projects will occur between July 2018 and November 2018. Numerical models have been prepared by UWCD and CMWD using historical data and UWCD is hosting a modeling workshop on June 19, 2018 to discuss their model and peer review process. After this date, Dudek assumes that the UWCD model will be ready for use in developing the future water budget and sustainable yield in the Oxnard, Pleasant Valley, and West Las Posas Valley Basins. Dudek has also assumed that an FCGMA specific peer review of the UWCD and CMWD models will occur concurrently with the development of the future baseline condition modeling.

The Technical Advisory Group (TAG) has requested that three future climate conditions, a wet period, an average period, and a dry period, be run to establish the range of future baseline conditions. The schedule proposed in this memo assumes that two iterations of each of these climate scenarios will be run and analyzed during the months of July and August 2018. By the end

Memorandum

Subject: GSP Budget and Schedule June 2018 through July 2019

of August 2018, Dudek assumes that the iterations of the climate scenarios will be complete and that the FCGMA Board of Directors will have approved the projects that will be included in the modeling of the future sustainable yield with projects. During September, October, and November Dudek assumes four project scenarios will be run, with input and discussion with the FCGMA Board and TAG. Three of these scenarios will be run in September and October with the possibility of one final scenario run in November.

During the modeling analysis and interaction with the FCGMA Board and TAG, Dudek will revise and re-write parts of the GSP based on stakeholder feedback and the modeling results. After the modeling is complete, Dudek will finish writing the revised draft GSP, including the revised discussion of sustainable yield, minimum thresholds, and measurable objectives. As long as the final modeling is completed by early November, Dudek will provide the revised draft GSP to FCGMA staff on February 4, 2019. Dudek assumes that the revised draft GSP will be released for public review at the February 27, 2019 FCGMA Board meeting, and that the Board will allow a 60 day comment period that would close on April 28, 2019.

After the close of the comment period, Dudek would require 2 to 3 weeks to read, categorize and summarize the comments received, assuming that the number of comment letters and individual comments are similar to those received during the review of the preliminary draft GSPs. Dudek would then finalize the GSP and provide the final GSP to FCGMA staff on July 1, 2019. Dudek assumes that the FCGMA Board will approve submitting the final GSP to DWR at the July 24, 2019 board meeting.

BUDGET

The budget for the schedule of work described above is based on the requests for additional scope and the ongoing meetings and project management required to complete the GSPs as requested by the FCGMA Board. The budget and assumptions for each task are discussed below.

Independent Peer Review of the CMWD and UWCD Numerical Groundwater Models

FCGMA is relying on numerical groundwater models prepared by third parties for the Oxnard Plain and Pleasant Valley Basins, and the west Las Posas Sub-basin. An independent peer review of these models will evaluate model uncertainty associated with the predictions of basin responses to future conditions and the sustainable yield, as required by the Sustainable Groundwater Management Acts (SGMA). This review will entail reviewing documentation of model development, evaluating the consistency of the final model with the hydrogeologic conceptual model, reviewing the sensitivity analyses, and assessing uncertainty. The review will be most effective if the input files for the models are provided in order for the review to undertake

uncertainty assessment following the process described by USGS in *Approaches to Highly Parameterized Inversion: A Guide to Using PEST for Model-Parameter and Predictive-Uncertainty Analysis*, By John E. Doherty, Randall J. Hunt, and Matthew J. Tonkin, 2014. The quantified uncertainty will provide ranges of values bracketing the probably sustainable yield for each basin. The review will also identify work that can be done during the next 5 to 10 years to reduce the uncertainty in model predictions.

This peer review will be led by Professor Daniel Tartakovsky of Stanford University and supported by Dudek staff.

The cost for the level of effort described above is \$44,800.

Model Scenario Analysis

Although analysis of the results of the UWCD and CMWD numerical groundwater modeling efforts was not included in the initial scope of work, Dudek estimates that review of four model scenarios could be accommodated under our current budget. These scenarios are:

- Future Baseline - first run – future average climate conditions
- Future Baseline - second run – future average climate - adjusted pumping to assess sustainable yield
- Future Baseline - third run – future average climate - adjust pumping based on 2nd run to assess sustainable yield
- Future baseline with projects - uses 3rd run results and include projects

These runs are required under SGMA. Additional model scenarios, however, are anticipated to better establish the appropriate measureable objectives, minimum thresholds, and projects' effects as they relate to the basins future sustainable yield. Additionally, TAG has expressed an interest in running future climate scenarios that are both wetter and drier than average in order to assess some of the potential uncertainty in the estimate of the future sustainable yield. In order to accommodate the anticipated feedback from the FCGMA Board and stakeholders and to ensure that the minimum thresholds and measureable objectives are set at appropriate levels in the basins, Dudek assumes that a total of 10 modeling scenarios will be needed.

The cost for preparation and analysis of the additional 6 modeling scenarios for the two numerical groundwater models is \$70,320.

Preparation of a Revised Draft GSP

Dudek's initial scope of work included producing a single draft GSP, for each basin, for public comment and review. Dudek prepared a preliminary draft GSP for public review in November 2018. Several stakeholders requested that an additional draft be made available for review after the future sustainable yield and numerical groundwater modeling work was completed.

The cost to prepare an additional draft GSP for the Oxnard, Pleasant Valley and Las Posas Valley Basins, including incorporating comments from a second round of public review is \$195,000.

Ongoing Meetings and Project Management

As the schedule for completing the GSPs has extended, additional budget is required for ongoing meetings, project management, and preparation of the monthly stakeholder newsletter.

TAG Meetings

The budget for additional TAG meetings from July 2018 through February 2019 includes time for up to three Dudek personnel to attend the meeting as well as time to prepare for and lead the TAG discussions. This budget assumes that there will be eight monthly TAG meetings from July 2018 through February 2019, when the revised draft GSP is submitted to the FCGMA. Dudek assumes that the TAG meetings will end in February 2019, once the revised draft has been released for public comment.

The cost for each TAG meeting is \$8,000. The total cost of this task is \$64,000.

FCGMA Board Meetings

The budget for additional FCGMA board meetings from July 2018 through July 2019 includes time for up to two Dudek personnel to attend nine monthly FCGMA Board meetings. Dudek assumes we will not attend Board meetings in March and April of 2019 when the revised draft GSP is out for public review.

The cost to attend each FCGMA board meeting is \$3,500. The total cost of this task is \$31,500.

Stakeholder Newsletter Preparation

Dudek will continue to prepare monthly stakeholder newsletters from July 2018 to July 2019 to keep stakeholder informed on the GSP development process.

The cost for each stakeholder newsletter is \$2,000. The total cost of this task is \$26,000.

Project Management

Dudek will continue to have weekly calls with FCGMA staff and provide project oversight and management for the ongoing development of the GSPs.

The monthly project management cost is \$10,400. The total cost of this task is \$140,400.

BUDGET SUMMARY

The total anticipated budget to complete the GSPs, including the additional scope discussed above, is summarized by task in Table 1.

TABLE 1. GSP Completion Budget

TASK	COST
Independent Peer Review of the Numerical Groundwater Models	\$44,800
Additional Model Scenario Analysis	\$70,320
Preparation of a Second Draft GSP for the Oxnard, Pleasant Valley and Las Posas Valley Basins	\$195,000
TAG Meetings	\$64,000
FCGMA Board Meetings	\$31,500
Stakeholder Newsletters	\$26,000
Project Management	\$140,400
TOTAL	\$572,020

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
David Borchard, Vice, Farmer, Agricultural Representative
Steve Bennett, Supervisor, County of Ventura
Charlotte Craven, Councilperson, City of Camarillo
Robert Eranio, Director, United Water Conservation District

EXECUTIVE OFFICER

Jeff Pratt, P.E.

MINUTES

Minutes of the Fox Canyon Groundwater Management Agency's (FCGMA) Fiscal Committee meeting held **Tuesday, June 5, 2018** in Conference Room 346 at the Ventura County Government Center, Hall of Administration, 800 South Victoria Avenue, Ventura, California.

A. Call to Order

Fiscal Committee Chair Gene West called the meeting to order at 9:02 a.m.

B. Introductions

In attendance were: (1) Gene West, FCGMA Fiscal Committee Chair; (2) Charlotte Craven, FCGMA Fiscal Committee Vice Chair; (3) Kim Loeb, Groundwater Manager; (4) Keely Royas, FCGMA Clerk of the Board; (5) Kathleen Riedel, Groundwater Specialist, and (6) Lucy Taylor, PWA, Fiscal, Central Services Division (CSD); (7) Ron Schnabel, Dudek.

C. Public Comments

No public comments were made.

D. Approval of Minutes

Vice Chair Craven made a motion to approve the minutes of the May 21, 2018 Fiscal Committee meeting. Chair West seconded the motion, and the motion passed.

E. Fiscal Year 2018-19 Budget Development (continued)

Mr. Loeb stated that at the May 21, 2018 Fiscal Committee meeting there was a concern that the Agency did not have the remaining dollar amount needed to complete development of the Groundwater Sustainability Plans (GSPs). He said that at the May 23, 2018 Board meeting the Board gave some feedback and direction on some things that may need to be considered on moving forward with additional scope for the GSPs. Dudek prepared a memorandum that includes the additional scope and budget that will go to the Board at the June 20, 2018 meeting for approval. He said that should the Board choose to approve the additional scope and budget of \$572,000 it would be included in the 2018-19 budget.

Chair West had a question regarding the total fund balance. He pointed out that the total fund balance only decreased by \$50,000 between the 2017-18 year-end balance and the 2018-19 draft budget. Mr. Loeb stated that it is correct.

Chai West suggesting added a line for Total Revenue under the Total Operating Revenue line.

Chair West and Vice Chair Craven agreed that the negative operating expense does not concern them as the total fund balance is positive.

Chair West suggested showing what the increase in pumping charges would need to be to zero out the negative operating fund balance in the staff report at the June 20, 2018 Board meeting.

Chair West and Vice Chair Craven directed staff to bring the Draft Work Plan and 2018-19 Budget to the full FCGMA Board at the June 20, 2018 meeting.

F. Adjourn the Fiscal Committee Meeting

Chair West adjourned the meeting at 9:18 a.m.

Submitted by:

Keely Royas
Clerk of the Board

DRAFT