

Fox Canyon Groundwater Management Agency

**POST-MEETING PACKET:
UPDATED WITH HANDOUTS, PRESENTATIONS,
ADOPTED RESOLUTION 2024-05, AND CORRECTED
EXHIBIT 21B.**

**Board Regular Meeting
of
September 25, 2024**



FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
Kelly Long, Vice Chair, Supervisor, County of Ventura
Michael Craviotto, Farmer, Agricultural Representative
Lynn Maulhardt, Director, United Water Conservation District
Tony Trembley, Mayor, City of Camarillo

INTERIM EXECUTIVE OFFICER
Arne Anselm

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Fox Canyon Groundwater Management Agency (FCGMA) Board of Directors will hold a **Board Hybrid Meeting at 12:30 P.M. on Wednesday, September 25, 2024**, in the **Board of Supervisor's Hearing Room and via Zoom**, at the Ventura County Government Center, Hall of Administration, Main Plaza Level at **800 South Victoria Avenue, Ventura, California**.

FCGMA BOARD REGULAR MEETING AGENDA

**September 25, 2024
12:30 P.M.**

Welcome to the Meeting of the Fox Canyon Groundwater Management Agency Board of Directors, also sitting as watermaster for the Las Posas Valley Basin and the groundwater sustainability agency for the Las Posas Valley Basin, the Pleasant Valley Basin, and the Oxnard Subbasin. For more information, full agenda packets, or past meeting information, visit www.fcgma.org.

In compliance with the Americans with Disabilities Act, all possible accommodations will be made for individuals with disabilities so they may attend and participate in meetings. If special assistance is needed, please call Agency staff at (805) 654-2014 at least 24 hours prior to the meeting so proper arrangements may be made. If requested, and as possible, agendas will be provided in alternative formats.

Agenda items are numbered for identification purposes only and may not necessarily be considered in this order. The Board reserves the right to limit each speaker to five (5) minutes per subject or topic if necessary. The audio/video portion of every public meeting of the Board of Directors is recorded. Please see the "STANDING NOTICES" section at the end of this Agenda for more information, including options for hybrid attendance and public participation.

OPENING

1. **Call to Order** – The Board Chair will call the meeting to order.
2. **Pledge of Allegiance** – A Board member will lead the Pledge of Allegiance.
3. **Roll Call** – Attending Board members, alternates, and staff will be recorded by the Board Clerk.
4. **Agenda Review** – Consider and approve by majority vote, any minor revisions to Board Agenda items and/or attachments and any item(s) added or removed from this Agenda.

5. **Public Comments** – Audience members may speak about FCGMA-related matters not on today's Agenda. California State law does not allow any response or action from the Board concerning non-agenda topics at this time; however, topics can be placed on future agendas or referred to staff. Please come to the podium and state your name and affiliation for the record before commenting on any particular subject.
6. **Executive Officer's Comments** – Brief announcements and report on Agency workforce activities.
7. **Board Member Comments** – An opportunity for Board Members to make comments or to communicate with other directors, staff, and/or the public regarding non-agenda topics.

CONSENT AGENDA

Routine items are placed under the Consent portion of this Agenda and need only be reviewed and approved by one single motion. Consent items generally require no discussion; however, they may be debated, or voted on by moving them to the "Regular Agenda" portion at the Board's discretion.

8. **Approval of Minutes** – *(New Item)* **RECOMMENDATION:** Approve minutes of the July 24, 2024, Board Regular meeting.
9. **Approval of Minutes** – *(New Item)* **RECOMMENDATION:** Approve minutes of the September 13, 2024, Board special meeting.
10. **FCGMA 2021-2022 Biennial Financial Audit Report - (New Item)** **RECOMMENDATION:** Receive and file the Fox Canyon Groundwater Management Annual Financial Report and Management Report for the Fiscal Years Ended June 30, 2021, and 2022.
11. **Approve and Authorize the Executive Officer to Execute a Services Contract with Daniel B. Stephens & Associates to Provide Policy Advisory Committee Administrator Services – (New Item)** **RECOMMENDATIONS:** (1) Receive a Presentation from Agency Staff; and (2) Approve and authorize the Executive Officer to Execute a Services Contract with Daniel B. Stephens & Associates (DBSA) to Provide Watermaster Policy Advisory Committee Services.

Correspondence Items

Correspondence Agenda items are presented to the Board for information under the Consent Agenda. These items require no action or are not ready for Board consideration.

12. **Correspondence** from Laurel Servin of Berylwood Heights Mutual Water Company regarding the LPV Watermaster Budget, dated August 9, 2024.
13. **Correspondence** from Jackson Tidus regarding Allowance for Court Corrections to Allocations in Considering the Groundwater Schedule for Water Year 2024, dated September 13, 2024.

14. **Correspondence** from the Farm Bureau of Ventura County and the Ventura County Agricultural Association regarding representative appointments to the FCGMA Board of Directors, dated September 16, 2024.
15. **Correspondence** from Dr. Raul Ramirez of Mesa Union School District regarding Allocation under the LPV Adjudication Judgment and Del Norte Mutual Water Company, dated September 18, 2024.

REGULAR AGENDA

Regular Agenda items are heard at the Board's discretion and may be heard at any time during the meeting.

Fox Canyon Groundwater Management Agency Items

16. **Update to Groundwater Sustainability Plan Five-Year Evaluations, Workshops, and Timeline – (Returning Item) RECOMMENDATION:** Receive an Update from Agency Staff and a Presentation from Dudek staff on Groundwater Sustainability Plan (GSP) Five-Year Evaluations, and Provide Direction as Needed.
17. **Adoption of the 2024 FCGMA Conflict of Interest Code – (New Item) RECOMMENDATIONS:** (1) Adopt the 2024 Conflict of Interest Code (COIC) for the Fox Canyon Groundwater Management Agency; and (2) Approve the Chair to Sign the Revised 2024 FCGMA COIC Documents.
18. **Public Hearing on and Adoption of Resolution 2024-05 Extending a Groundwater Extraction Fee at the Current Rate of \$20 per Acre-Foot to Maintain a Reserve Fund to be Used to Pay the Cost and Expenses of Actions and Proceedings Related to the Agency's Groundwater Sustainability Program – (Returning Item) RECOMMENDATION:** Adopt Resolution 2024-05 Extending a Fee of \$20.00 per acre-foot on Groundwater Extractions To Maintain A Reserve Fund to be Used to Pay the Cost and Expenses of Legal Actions and Proceedings Related to the Implementation of the Agency's Groundwater Sustainability Program.
19. **Fiscal Year 2024-2025 FCGMA Work Plan and Budget – (New Item) RECOMMENDATIONS:** (1) Receive a Presentation on the Proposed Work Plan and Budget for Fiscal Year 2024-25; and (2) Adopt the Fiscal Year 2024-2025 Work Plan and Budget.

Las Posas Valley Watermaster Items

20. **Approve and Authorize the Executive Officer to Execute a Professional Services Contract with Regional Government Services to Provide Groundwater Extraction and Use Reporting Services – (New Item) RECOMMENDATIONS:** (1) Receive a Presentation from Watermaster Staff; and (2) Approve and Authorize the Interim Executive Officer to Execute a Professional Services Contract with Regional Government Services (RGS) to Administer the Las Posas Valley (LPV) Adjudication Groundwater Extraction and Use Reporting Requirements and Related Administrative Services.

21. **Las Posas Valley Watermaster Fiscal Year 2024-2025 Budget and Basin Assessment for Water Year 2024 – (New Item) RECOMMENDATIONS:** (1) Approve Fiscal Year (FY) 2024-2025 Las Posas Valley (LPV) Watermaster Budget; and (2) Approve an Annual Basin Assessment of \$64.58 for Water Year 2024 to be Invoiced Quarterly.
22. **Review and Approval of Requested Corrections or Changes to the Las Posas Valley Adjudication Judgment Groundwater Allocation Schedule – (New Item) RECOMMENDATIONS:** (1) Receive a Presentation from Watermaster Staff on Requested Changes to the Las Posas Valley (LPV) Adjudication Judgment’s Groundwater Allocation Schedule; (2) Approve Staff Recommendations to Approve or Deny Requested Changes to the Groundwater Allocation Schedule.
23. **Approval of Las Posas Valley Basin Annual Water Right Allocations for Water Year 2024 (October 1, 2024 – September 30, 2025) – (New Item) RECOMMENDATIONS:** (1) Receive a Presentation from Watermaster staff on the calculation of Water Right Allocations under the Las Posas Valley (LPV) Adjudication Judgment for Water Year 2024, and (2) Adopt Water Right Allocations Calculations for the LPV Basin for Water Year 2024.
24. **Presentation on Las Posas Valley Adjudication Technical Advisory Committee Recommendation Report and Watermaster’s Response Report on Projects to be Considered in the Basin Optimization Yield Plan and Study – (New Item) RECOMMENDATIONS:** (1) Receive and File a Presentation from Watermaster Staff on the Las Posas Valley Adjudication Technical Advisory Committee (TAC) Recommendation Report and Watermaster’s Response Report; and (2) Provide Direction to Watermaster Staff.
25. **Presentation on Las Posas Valley Adjudication Technical Advisory Committee Recommendation Report and Watermaster’s Response Report on Draft Scope of Work to Prepare the Las Posas Valley 2025 Basin Optimization Yield Study – (New Item) RECOMMENDATIONS:** (1) Receive and File a Presentation from Watermaster Staff on the Las Posas Valley Adjudication Technical Advisory Committee (TAC) Recommendation Report and Watermaster’s Response Report; and (2) Provide Direction to Watermaster Staff.
26. **Adjourn Board Meeting**

STANDING NOTICES

The next Regular Meeting of the Fox Canyon Groundwater Management Agency Board of Directors will be held Wednesday, October 23, 2024.

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.

Public Comments – Public comment is the opportunity for members of the public to participate in meetings by addressing the Fox Canyon Board of Directors in connection with one or more agenda or non-agenda items.

The following options allow for public participation:

1. Join the Zoom Meeting as an Attendee:

<https://us02web.zoom.us/j/87876669046?pwd=Z4Lu0aYboa9KUaiAfETa1nJRNa3wof.1>

Webinar ID: 878 7666 9046

Passcode: 783025

With this option you will be able to raise your hand, and the Clerk of the Board will give you speaking abilities to make a public comment. If you experience technical difficulties that impact your ability to hear or see meeting proceedings, please contact the host via chat, or raise your hand for Q&A inside the Zoom Client. If you are unable to contact the host via the Zoom Client's chat or Q&A features, please call (805) 654-2014 and report the issue. Should the issue persist, please consider option 2, below.

2. Observe the Board of Directors meeting streaming live by scrolling to the "Current and Upcoming Meetings" section of our website and clicking on the video button next to the meeting listing at: <https://fcgma.org/board-agendas-broadcasts-minutes/>

3. Call in to listen to the meeting:

+1 669 900 6833 US (San Jose)

+1 408 638 0968 US (San Jose)

+1 669 444 9171 US

+1 346 248 7799 US (Houston)

+1 719 359 4580 US

+1 253 205 0468 US

+1 253 215 8782 US (Tacoma)

+1 689 278 1000 US

+1 301 715 8592 US (Washington DC)

Webinar ID: 878 7666 9046

Passcode: 783025

Options 2 and 3 will not allow you to make direct speaking comments. If you wish to make written comment, please follow the steps below.

4. If you wish to make a written comment on a specific agenda item, please submit your comment via email by 5:00 p.m. on the Tuesday prior to the Board meeting. Please submit your comment to the Clerk of the Board at FCGMA@ventura.org. Please indicate in the subject line of your email the agenda item number (e.g., Item No. 9). Your email will be read by the Board of Directors and placed into the record.
5. If you are watching the live stream of the Board meeting and would like to make either a general public comment (Item 5) for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment via email, limited to 250 words or less, to the Clerk of the Board at FCGMA@ventura.org. Please indicate in the email subject line, the agenda item number (e.g., Item No. 9). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

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 So. Victoria Avenue, Location #1610, Ventura, CA 93009-1610, via emailing FCGMA@ventura.org 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: Our website address is <https://fcgma.org/>. Information available online includes the Board's meeting schedule, a list of the Board members and staff, general information, and various Agency forms. If you would like to speak to a staff member, please contact the FCGMA Clerk of the Board at (805) 654-2014 or via email at FCGMA@ventura.org.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

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INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Executive Officer's Report – (Returning Item)

RECOMMENDATION: Receive and file this informational report.

SEMI ANNUAL EXTRACTION STATEMENT REMINDERS

Following a recommendation from the Operations Committee, postcards were sent to all operators to remind them to take meter readings and photos on Monday, September 30, 2024 for the 2024-02 reporting period.

REMINDER
FCGMA 2024-2 SAES coming soon!

- Gather meter readings and photos on **Monday, September 30, 2024**, for the 2024-2 reporting period
- Label each photo with date, CombCode, state well number, & serial number

Note: Photos must contain legible image of totalizer reading, units, and multiplier. Digital models with multiple displays may require more than one photo per meter to satisfy the photo requirement. See manufacturer specifications for details.

For additional information visit www.fcgma.org or email FCGMA.Report@ventura.org

Postcard sent 9/20/24

MONTHLY REPORTING OF EXPENDITURES BY ACCOUNTING PERIOD - AUGUST 2024

The "Monthly Reporting of Expenditures by Accounting Period" report is attached in its inaugural form as Exhibit 6A. The Fiscal Committee has approved of the format and has requested that this information be added to the Executive Officer's administrative report as a monthly exhibit.

BIANNUAL AUDIT

The next Biannual Audit is scheduled to occur this fall, to cover Fiscal Years 2022-2023 and 2023-2024. Solicitation letters requesting formal proposal submittals have been sent to independent

auditors. We have yet to receive a response indicating interest in pursuing this Biannual Audit, but several firms' responses are still pending. Due to the challenge of contracting an auditor there will likely be a delay in the start of the audit process.

The Audit Report for Biannual Audit covering Fiscal Years 2021-2022 and 2022-2023 has been delivered to the Agency and is discussed further in a later Item on today's Board's Agenda.

STAFFING NEEDS ANALYSIS UPDATE

Staff continue to work closely with Hallmark Group to analyze the Agency's staffing needs to accomplish its work, tasks, and responsibilities. The final report will include a comprehensive analysis of all efforts needed to meet the Agency's mission including hiring, fiscal services, IT services and other efforts not traditionally thought of as Agency staff.

The draft report will be presented at the October 14, 2024, Executive Committee Meeting, to receive feedback before the report is brought to your Board.

SGM GRANT – OPV MONITORING WELLS

Installation of the multi-depth and shallow monitoring wells to fill monitoring network data gaps identified in the Oxnard Subbasin and Pleasant Valley Basin Groundwater Sustainability Plans (GSPs) is underway. Development and above ground construction has been completed at all shallow single completion well locations, along with Monitoring Wells PNW-6&1, PNW-7S and PNW-7D. As of September 19, 2024, drilling and development at PNW-17 has been completed, however to bedrock at 500 feet below ground surface the deep well is not justified and only the shallow boring was developed. The contractor has moved to PNW-19 and has completed drilling the shallow boring. Similar to PNW-17, they found bedrock at 330 feet below the surface, thus only the shallow boring will be developed. Not drilling the deeper wells will result in cost savings for the Agency. Funding for this \$5 million effort is supported by approximately \$2,577,800 of the \$15.2 million from Department of Water Resources as part of the Sustainable Groundwater Management Round 1 Grants managed by the Agency.

NORTH PLEASANT VALLEY DESALTER

Resolution 2016-4 and the March 14, 2017 revised version detail the conditions which must be met for the additional allocation granted the city of Camarillo to extract the degraded water mounded in the north eastern portion of the Pleasant Valley Basin. The city provided a Monitoring and Contingency Plan with operational triggers to protect the basin from impacts from project extractions. Groundwater level contingencies identified for seawater intrusion were exceeded prior to operation of the project. Staff are working with the city to identify a path for them to develop the new CEQA documents and reports needed to amend the Monitoring and Contingency Plan.

LPV WATERMASTER

LPV WATERMASTER COMMITTEE INSURANCE UPDATE

The Watermaster Rules allow Watermaster "to obtain and maintain such insurance policies as Watermaster deems appropriate. Watermaster may obtain and maintain directors' liability insurance that includes coverage for PAC and TAC members." (Judgment, Exh. A, § 2.7.7.)

A line item for Committee insurance is included in the draft LPV Watermaster Fiscal Year 2024-2025 Budget, which is brought as Item 18 on your Board's Agenda.

LPV GROUNDWATER EXTRACTION AND USE REPORTING TOOL

The due date for Groundwater Extraction and Use reporting for the LPV Basin for the period between October 1, 2023, and March 31, 2024, was extended by two weeks to July 19, 2024.

Agency staff and its consultant (Regional Government Services) have been providing support to water right holders during this initial effort to collect reporting on groundwater extraction and use entry of the LPV Adjudication Judgment. The Extraction and Use Reporting Tool tutorial and instructional video, available on the Agency's LPV Watermaster website and via <https://www.youtube.com/watch?v=PW8GpPj-NCg>, has been viewed 149 times. As of September 19, 2024, 108 WMIDs have completed the reporting survey, 3 WMIDs have partially completed it, and 29 WMIDs have not started.

MEETINGS

FISCAL COMMITTEE RECOMMENDATIONS ON FY 24/25 BUDGET

On August 9, 2024, the Fiscal Committee met to review the FCGMA draft Work Plan, the draft Fiscal Year 24/25 Budget, and the Draft Proposed FCGMA Budget Report, a new initiative included with budget discussions as of this Fiscal Year; the new report format is intended to increase transparency and context behind our funding. These fiscal documents are discussed with the FCGMA Draft Budget, this Board's Agenda.

The Fiscal Committee provided Agency staff with recommendations to assist the Board in their discussion and adoption of the draft Las Posas Valley (LPV) Watermaster and FCGMA budgets during September Board meetings many were incorporated into the draft budget, some decided at the September 13, 2024, Special Meeting, and the recommendation to reauthorize the GEMES Fee to extend past its current sunset date on this agenda along with both budgets.

OPERATIONS COMMITTEE DISCUSSION ON ONLINE REPORTING AND DATABASE NEEDS

The Operations Committee met on August 28th to review the status of FCGMAonline.org, the Agency's online reporting database. Agency staff provided a presentation on the database, operational changes and challenges, and proposed options for a path going forward including suggested recommendations for Committee consideration. Staff shared examples of reporting errors and omissions highlighting that the challenge remains in getting accurate reports from pumpers. The backlog of statements is due to outstanding reporting issues, e.g., missed reporting periods, meter photos, variances etc., not delay in staff processing. Upgrades to the current data management system are being implemented and are improving the process however incomplete and inaccurate data reported to the Agency remains the greatest immediate impact to resolving outstanding reporting matters impacting data quality. These improvements to FCGMAOnline and the newly hired staff (four positions filled in the last two months) will help with getting statements finalized by the pumpers.

UPCOMING MEETINGS AND THEIR LOGISTICS

Due to construction in the Board of Supervisors Hearing Room during the months of November and December, the November 8th Board Special meeting, if confirmed and noticed, will be held in the Multi-Purpose Room (MPR); the December 4th Board Regular meeting will be held in the Atlantic Conference Room (ACR).

For more information, please see attached Exhibit 6B, Scheduled Meetings for Calendar Year 2024.

The room change and directions to scheduled conference rooms will accompany the agenda notifications for said meetings. This information item will remain part of the Executive Officer's administrative report for meetings held prior to the referenced dates.

Technical Difficulties During the September 13, 2024, Board Special Meeting

Agency staff are aware of and apologize for technical difficulties Zoom attendees may have experienced during the September 13, 2024, Board special meeting. We have reviewed the equipment used to provide hybrid attendance and identified mitigating measures should technical these issues arise again. Public should contact the host inside the Zoom Client via chat, or raise your hand for Q&A if experiencing problems hearing or seeing meeting proceedings. If you are unable to contact the host via the Zoom Client's communication features, please call (805) 654-2014 to report the issue.

As a reminder, for all Board Regular and special meetings that occur in the Board of Supervisors' Boardroom, attendees may also observe the board of directors meeting streaming live by scrolling to the "current and upcoming meetings" section of our website and clicking on the video button next to the meeting listing at: <https://fcgma.org/board-agendas-broadcasts-minutes/>.

CONCLUSION:

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3942.

Sincerely,



Arne Anselm
Interim Executive Officer

Attachments:

- Exhibit 6A – Monthly Reporting of Expenditures by Accounting Period, August 2024
- Exhibit 6B – Scheduled Meetings for Calendar Year 2024

Item 6 - Exhibit 6A – Monthly Reporting of Expenditures by Accounting Period, August 2024

EXPENDITURES BY ACCOUNTING PERIOD - AUGUST 2024																	
FUND: 0170 UNIT: 5795		OBJ	PROGRAM	TOTAL	AP 01/ July	AP 02/ August	AP 03/ September	AP 04/ October	AP 05/ November	AP 06/ December	AP 07/ January	AP 08/ February	AP 09/ March	AP 10/ April	AP 11/ May	AP 12/ June	AP 13
1	CASH BALANCE 07-01-24			6,988,697.31	6,988,697.31	7,779,349.81	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02
2	REVENUE:																
3	PUMPING CHARGES	9790	P6020901	139,722.36	123,574.42	16,147.94											
4	PUMPING SURCHARGES	9790	P6020903	34,464.25	34,464.25												
5	FOX CYN GMA INTEREST/ PENALTIES	9790	P6020904	6,775.45	2,624.31	4,151.14											
6	GEMES	9790	P6020907	378,244.58	359,428.58	18,816.00											
7	GRDWTR SUSTAINABILITY ACT FEE	9790	P6020908	520,078.46	492,364.19	27,714.27											
8	FCGMA TECH SERVICES - GRANT	9708	P6020852	0.00													
9	INTEREST EARNINGS	8911	-	(88,564.50)	(88,564.50)												
10	OTHER REV	9790	-	0.00													
11	TOTAL REVENUE			990,720.60	923,891.25	66,829.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	TOTAL FUNDS AVAILABLE			7,979,417.91	7,912,588.56	7,846,179.16	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02
13	EXPENDITURES:																
14	SUPPORT																
15	PUBLIC WORKS CHARGES	2205	-	326,522.88	121,253.89	205,268.99											
16	MANAGEMENT AND ADMIN SURVEY ISF	2199	P6020901	0.00													
17	FCGMA ONLINE SUPPORT	2202	P6020850	11,666.00		11,666.00											
18	BOARD MEMBERS INSURANCE	2072	P6020850	4,085.00	4,085.00												
19	BI-ANNUAL AUDIT	2199	P6020850	0.00													
20	WPD -SCR Coordinator	2199	P6020850	0.00													
21	CONTRACT																
22	CONSULTANT CONTRACT (DUDEK) - Implementation	2183	P6020858	0.00													
23	CONSULTANT CONTRACT (DUDEK) - Annual reports	2183	P6020858	0.00													
24	CONSULTING CONTRACT (UNITED WATER)-GSP modeling	2183	P6020858	0.00													
25	CONSULTING CONTRACT (RINCON CONSULTANT)- AMI Data support	2199	P6020852	10,276.00	4,355.21	5,920.79											
26	CONSULTING CONTRACT (HALLMARK)	2199	P6020850	0.00													
27	LEGAL																
28	COUNTY COUNSEL	2185	P6020850	0.00													
29	COUNTY COUNSEL	2185	P6020853	0.00													
30	COUNTY COUNSEL (GEMES) - LPV Basin Adjudication	2185	P6020864	0.00													
31	COUNTY COUNSEL (GEMES) - City of Oxnard v FCGMA	2185	P6020866	0.00													
32	COUNTY COUNSEL (GEMES) - OPV Coalition v FCGMA	2185	P6020867	0.00													
33	OTHER LEGAL FEES(Jarvis Fay)	2185	P6020850	0.00													
34	OTHER LEGAL FEES(Rutan & Tucker LLP)	2185	P6020853	11,573.50		11,573.50											
35	OTHER LEGAL FEES(Stoel)(GEMES) - LPV Basin Adjudication	2185	P6020864	8,134.20		8,134.20											
36	OTHER LEGAL FEES(Stoel)(GEMES) - City of Oxnard v FCGMA	2185	P6020866	44,163.52		44,163.52											
37	OTHER LEGAL FEES(Stoel)(GEMES) - OPV Coalition v FCGMA	2185	P6020867	0.00													
38	OTHER LEGAL FEES(Stoel)(GEMES)	2185	P6020864	0.00													
39	OTHER LEGAL FEES(Stute Mihaly)(GEMES) - OPV Coalition v FCGMA	2185	P6020867	104,254.96		104,254.96											
40	GRANT																
41	KENNEDY JENKS	2199	P6020852	6,492.50		6,492.50											
42	WILDHERON DRILLING - FOX24-01 OXNARD BASIN MONIT WELLS	4114	P6020872	401,925.86		401,925.86											
43	WILDHERON DRILLING - FOX24-01 PV BASIN MONIT WELLS	4114	P6020874	401,925.85		401,925.85											
44	GSA CHARGES																
45	PURCHASING CHARGES ISF	2165	P6020850	0.00													
46	MAIL CENTER ISF	2164	P6020850	0.00													
47	GRAPHICS CHARGES ISF	2166	P6020850	0.00													
48	GIS - ISF	2203	-	300.96		300.96											
49	SPECIAL SERVCES ISF	2206	P6020850	0.00													
50	OTHER MAINTENANCE ISF	2116	P6020850	0.00													
51	SPECIAL																
52	LAFCO FUNDING	2159	P6020850	3,510.00	3,510.00												
53	OXNARD WELL DESTRUCTION	2199	P6020854	0.00													
54	FRUIT GROWERS LAB - Annual GW Monit - PV Basin Monit Wells	2199	P6020874	0.00													
55	OTHER																
56	PUBLIC NOTICE	2221	various	0.00													
57	CONFERENCES / SEMINARS	2273	P6020850	0.00													

Item 6A – Monthly Reporting of Expenditures by Accounting Period, August 2024

EXPENDITURES BY ACCOUNTING PERIOD - AUGUST 2024																	
FUND: 0170 UNIT: 5795		OBJ	PROGRAM	TOTAL	AP 01/ July	AP 02/ August	AP 03/ September	AP 04/ October	AP 05/ November	AP 06/ December	AP 07/ January	AP 08/ February	AP 09/ March	AP 10/ April	AP 11/ May	AP 12/ June	AP 13
58	PRINTING AND BINDING NON ISF	2162	P6020872/74	0.00													
59	HYDROLOGY SUPPLIES	2103	P6020852	0.00													
60	MAINTENANCE SUPPLIES AND PARTS	2104	P6020872	0.00													
61	SOFTWARE SUBSCRIPTIONS NON ISF (ZOOM)	2236	P6020850	163.01		163.01											
62	MISC OFFICE EXPENSE	2179	P6020850	90.65	34.65	56.00											
63	ASSN OF WATER AGENCIES	2159	P6020850	0.00													
64	TOTAL EXPENDITURES			1,335,084.89	133,238.75	1,201,846.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
65																	
66																	
67	TOTAL REVENUE			990,720.60	923,891.25	66,829.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
68	CONTINGENCY			-													
69	ENDING CASH BALANCE			6,644,333.02	7,779,349.81	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02	6,644,333.02
<p>NOTES: Revenue decreased by (\$857,061.90) (-93%) in AP02 (August) from AP01 (July), due to significant decreases in Pumping Charges, Surcharges, GEMES Reserves fees and Sustainability fees collected. Expenses increased by \$1,068,607.39 (802%) in AP02 (August) due to Wildherron Drilling, LLC work on Oxnard Basin and PV Basin Monitoring Wells. Public Works Charges increased by \$84,015.10 (69%) due to Monitoring Wells project and admin service labor costs. No other significant variances noted.</p>																	

Fox Canyon Groundwater Management Agency (FCGMA) Scheduled Meetings for Calendar Year 2024



Board Regular Meetings

Fourth Wednesday, monthly

January 24 th	1:30 pm	BOS
February 28 th	1:30 pm	BOS
March 27 th	12:30 pm	BOS
April 24 th	12:30 pm	BOS
May 22 nd	12:30 pm	BOS
June 26 th	12:30 pm	BOS
July 24 th	12:30 pm	BOS
August 28th	12:30 pm	LPAR
September 25 th	12:30 pm	BOS
October 23 rd	12:30 pm	BOS
November	N/A	N/A
December 4th	12:30 pm	ACR

*Board Special Meetings

Second Friday, monthly

January 12 th	1:30 pm	BOS
February 9th	1:30 pm	BOS
March 8 th	1:30 pm	BOS
April 12th	1:30 pm	BOS
May 10th	1:30 pm	BOS
June 13 th	3:00 pm	BOS
July 9 th	11:00 am	BOS
August 9th	1:30 pm	LPAR
September 13 th	1:30 pm	BOS
October 11 th	1:30 pm	BOS
November 8th	1:30 pm	MPR
December 13 th	1:30 pm	BOS

*Executive Committee Meetings

March 21 st	2:00 pm	ACR
June 20 th	9:00 am	LPAR
October 14 th	1:00 pm	LPAR
December 19 th	9:00 am	MPR

*Operations Committee Meetings

February 5 th	2:00 pm	MPR
April 1 st	2:00 pm	MPR
June 3 rd	2:00 pm	MPR
August 28 th	2:00 pm	LPAR
October 7 th	2:00 pm	MPR
December 2 nd	2:00 pm	MPR

*Fiscal Committee Meetings

LPV Watermaster	May 14 th	2:00 pm	ACR
LPV Watermaster	June 10 th	2:00 pm	ACR
FCGMA	June 11 th	2:00 pm	LPAR
FCGMA	July 9 th	8:30 am	MPR
FCGMA	August 9 th	1:30 pm	MPR

Key

All meetings listed with an asterisk () are subject to necessity.

	Already Occurred
Meeting Date & Time	Did Not Hold Meeting

^^All Regular and Special Board meetings will be held in the Board of Supervisors Hearing Room (BOS) unless noted.

- ACR = Atlantic Conference Room
- LPAR = Lower Plaza Assembly Room
- MPR = Multi-Purpose Room

This brochure may help with locating conference rooms in the Hall of Administration:

<https://docs.vcrma.org/images/pdf/planning/brochures/HOA-Brochure-Map.pdf>

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
Kelly Long, Vice Chair, Supervisor, County of Ventura
David Borchard, Farmer, Agricultural Representative
Lynn Maulhardt, Director, United Water Conservation District
Tony Trembley, Mayor, City of Camarillo

INTERIM EXECUTIVE OFFICER

Arne Anselm

MINUTES

Minutes of the Fox Canyon Groundwater Management Agency's (FCGMA) **Board Regular Hybrid Meeting** held **Wednesday, July 24, 2024, at 12:30 P.M.**, in the **Board of Supervisor's Hearing Room and via Zoom.**

1. Call to Order

Chair Eugene F. West called the meeting to order at 12:32 P.M.

2. Pledge of Allegiance

Director Trembley led the Pledge of Allegiance.

3. Directors Present

Chair Eugene F. West
Director Kelly Long
Alternate Director Sheldon Berger (attending for Director Lynn Maulhardt)
Director Tony Trembley
Director Borchard (recused during closed session)
Alternate Director Michael Craviotto (attendance during closed session)

Agency Staff Present

Alberto Boada, County Counsel
Jason Canger, Assistant County Counsel
Arne Anselm, Interim Executive Officer
Farai Kaseke, Assistant Groundwater Manager
Elka Weber, Management Assistant/Clerk of the Board
Robert Hampson, Groundwater Specialist

4. Agenda Review

12:32 P.M.

No agenda revisions were made.

5. Public Comments

12:34 P.M.

No public comments were made.

6. Executive Officer's Comments

12:34 P.M.

7. Board Member Comments

12:34 P.M.

No Board comments were made.

CORRESPONDENCE AGENDA:

8. **Correspondence** from Michele Staples of Jackson Tidus dated June 24, 2024, to the LPV Watermaster, regarding a notice and litigation hold.
9. **Correspondence** from Michele Staples of Jackson Tidus dated June 24, 2024, to the LPV Watermaster, regarding a Public Records Act request.

Director Long made a motion to approve the Correspondence Agenda as presented. Director Trembley seconded the motion. The motion passed unanimously.

CONSENT AGENDA:

12:35 P.M.

10. **Approval of Minutes** of the June 26, 2024, Board Regular meeting.
11. **Approval of Minutes** of the July 9, 2024, Board Special meeting.

Director Trembley made a motion to approve the Consent Agenda as presented. Director Borchard seconded the motion. The motion passed unanimously.

REGULAR AGENDA:

Fox Canyon Groundwater Management Agency Items

12. **Update to Groundwater Sustainability Plan Five-Year Evaluations, Workshops, and Timeline** 12:35 P.M.

Robert Hampson, Hydrologist, presented an update on the ongoing GSP evaluation and amendments work, reminding the Board that the intent of the 5-Year GSP Evaluations project is to review the ongoing implementation of the GSP plans, in context with updated basin conditions and challenges since their inception five years ago, and, per the California Department of Water Resources (DWR) to provide amendments to the GSPs if this evaluation leads to changes to projects or overall management of the basins. Mr. Hampson reminded the Board that the GSP plans will not become obsolete or replaced, but rather amended and updated so they will remain the authoritative plans for the Agency's sustainable management of the basins under its purview. There are two different action items, he continued, the first being the January 2025 submittal of the evaluation to DWR, and the updates to the GSPs.

As of the last project update delivered to the Board, key work completed includes report preparation and initial staff review of the Oxnard 5-Year Evaluation Draft, as well as the Pleasant Valley 5-Year Evaluation Draft. Mr. Hampson noted that the Las Posas Valley (LPV) 5-Year Evaluation Draft delivery to staff for initial review is pending.

Next steps for the project include public engagement, request for comments, and Committee review. Mr. Hampson anticipates delivering the LPV 5-Year Evaluation Draft to the LPV

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Watermaster Technical Advisory Committee (TAC) in advance of the upcoming public workshops scheduled for September 9 and 10, 2024, to provide a venue for stakeholders to discuss, review, and deliver comments on the draft evaluation documents.

The next workshop to be scheduled for public engagement will occur in November 2024, following implementation of feedback received via public comment, and reviewing how it has been implemented into the Final Draft 5-Year Evaluation GSP Amendment documents. The Agency's timeline includes Board adoption in December 2024.

With regards to changing conditions in the basins that may impact the GSPs, Mr. Hampson used a timely example of two FCGMA drilling projects, both of which are designed to comply with DWR-requested corrective actions to install additional monitoring wells in the Oxnard and Pleasant Valley Basins. Mr. Hampson applauded County Groundwater Specialist John Gauthier, who is serving as project manager for both projects; in doing so Mr. Gauthier is saving the Agency a significant amount of money on consultant costs, in addition to providing closer oversight to the project to also meet Agency and stakeholder requirements.

During Board comments, Director Trembley asked why DWR guidelines recommend a twenty-year implementation period and a thirty-year sustainability period; Mr. Hampson stated that it is his understanding that this recommendation was structured to give the groundwater management agency (GMA) time to develop and implement long-term projects; for the GSA to essentially work its way into sustainability with management decisions and new projects. Following that, the DWR would like to see implementation sustained for thirty years to have a "test period" for measuring long-term impact post-implementation. Mr. Hampson clarified that he is unsure why a fifty-year time frame has been specified. He stated that this implementation and sustainability period would effectively occur between 2020 and 2070 for FCGMA.

Director Long asked if DWR feedback to date has included any recommendations regarding groundwater dependent ecosystems (GDEs). Mr. Hampson stated that there has been and noted that some of the monitoring wells currently under construction are shallow completion, so they begin to address these issues. He continued that the DWR has not made specific project recommendations to the Agency regarding GDEs, but rather would like FCGMA to refine our understanding of GDEs so that our basin management decisions include GDE considerations on a foundational level moving forward, so we can identify how our actions would impact those ecosystems. Director Long asked if this topic has been addressed in recent stakeholder engagement events. Mr. Hampson noted that GDEs are certainly a topic of sustainable groundwater management, and Interim Executive Officer Arne Anselm added that the topic of GDEs hasn't come up directly as an undesirable result needing to be addressed during the multiple 5-Year Evaluations workshops held over the year, but that addressing seawater intrusion has been shown to effectively address all DWR undesirable results. The progression towards solving seawater intrusion will address GDEs overall.

Public comment was given by:

Terry Foreman, Camrosa Water District and engaged stakeholder, and
Bert Perello, City of Oxnard Councilmember and FCGMA Alternate Director.

Interim Executive Officer Arne Anselm noted that DWR requirements regarding modeling solutions for GSPs are restricted to projects where enough detail is known, for example on who and how they are going to be built and funded. Those that are feasible for future evaluation and possible implementation are included, but not modeled. The Agency is aware of this constraint and is keeping its eyes open for future solutions. Mr. Anselm added that the Agency is

coordinating separate modeling for the EBB project, which is \$400 million away from becoming a reality.

Director Long noted that a number of projects have been evaluated by the Operations Committee in years past and asked after their inclusion in the GSPs. Mr. Anselm said that the list of evaluated and approved projects is in the GSPs, but all of them cannot be included in the modeling unless they are significantly planned with a project proponent committed to funding in place, according to a DWR threshold for project inclusion in future GSP updates¹.

Alternate Director Berger noted that the Extraction Barrier and Brackish (EBB) Water Treatment Project has funding in place for its first phase, which will be discussed in depth later in this meeting's agenda. He then suggested that the City of Oxnard's Groundwater Recovery Enhancement and Treatment (GREAT) program be evaluated for compliance as the program has a lot of potential and would be a tremendous asset in the future.

As this Item was presented for information only, no Board action was taken.

Note: At 2:32 P.M., via Zoom, additional public comment on this item was given by Michael Wolfe, Director of Public Works for the City of Oxnard. Mr. Wolfe suggested, and Mr. Anselm agreed, that a presentation on the GREAT Program and its current status be added to a future Board Agenda.

13. Presentation on United Water Conservation District's Extraction Barrier and Brackish (EBB) Water Treatment Project

1:03 P.M.

Mr. Robert Hampson introduced presenter John Lindquist, Water Resources Supervisor of United Water Conservation District (United), and noted that fundamentally, the way that the Agency has been arriving at sustainable yield, the amount of water that is available to pump in the basins, is based on two main factors: how high we need groundwater levels to be to push seawater intrusion away, and drought conditions. Regarding EBB, Mr. Hampson reiterated Mr. Anselm's earlier statement that EBB is included in the 5-Year Evaluations as separate modeling to forecast what basin conditions might look like under a project like this that is underway. He noted that this inclusion is preliminary as the project is still in its very early stages, and reminded the Board that the timeline to greater implementation is long. Mr. Hampson said that there are a lot of factors to consider, including regulatory compliance, that the project will need to address in phases before it will be determined feasible.

Before beginning, Mr. Lindquist directed the Board's attention to the handouts provided by Director Berger before the meeting was called to order today: two letters of support from the FCGMA Board on the EBB, both addressed to the State Water Resources Control Board, the first dated February 15, 2019 in support of United's application for a Proposition 1 Groundwater Planning Grant for the project, and the second dated August 25, 2021 in support of their Round 3 application for same.

In its current form, the EBB Project consists of two phases. EBB Phase 1 includes monitoring and testing pumping for potential adverse results including intake of fresh groundwater and the migration of contaminated groundwater in the project area. The EBB Project is intended to create a seawater intrusion barrier in the Oxnard Subbasin by extracting saline-impacted (brackish)

¹ More information about DWR GSP guidance can be found at <https://water.ca.gov/Programs/Groundwater-Management/SGMA-Groundwater-Management/Best-Management-Practices-and-Guidance-Documents>.

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groundwater at NBVC-Point Mugu from the Oxnard and Mugu Aquifers. This would maintain a pumping trough that helps prevent landward migration of seawater, which may increase the sustainable yield of the Oxnard Subbasin and may influence water levels in the adjacent Pleasant Valley Basin. Given the corrosive nature of saline intrusion on the impacted environment, Phase 1 will allow for evaluation and quality assurance testing of tools used in implementing one part of the EBB Project before investing in a whole solution. Phase 1 is designed to test and study the creation of this seawater intrusion barrier, to collect data that will inform the design of Phase 2. If observed conditions match forecasted conditions, United's conceptual model is on target and their design is likely sound. If they do not match, further adjustment will be undertaken during the development of Phase 2, which will be outlined in their contingency planning.

United is currently preparing an Initial Study, Mitigated Negative Declaration (ISMND) for EBB Phase 1 in compliance with the California Environmental Quality Act (CEQA), which is expected to be completed in December 2024, and the U.S. Navy is developing an Environmental Assessment (EA) for Phase 1 under the National Environmental Policy Act (NEPA), which is scheduled to be completed in March 2025.

Mr. Lindquist noted that he would appreciate the Board's discussion of the process by which United can receive permission and permits to acquire the extraction wells and to proceed with a temporary variance allowing additional pumping allocation to remove brackish water, which is required for EBB Phase 1. Mr. Lindquist noted that United will ultimately be asking for authorization to extract an agreed-upon amount of additional AFY for operation of EBB Phase 1, akin to what was authorized by the Board to the City of Camarillo for the North Pleasant Valley Desalter project (NPV Desalter) in Resolution 2016-04.

The EBB Water Treatment Project requires significant State Agency permitting, including by the California Coastal Commission, the State Water Resources Control Board and its Division of Drinking Water, and the Regional Water Quality Control Board. The EBB Project is designed in phases to comply with longer-term review and required evaluations necessary to obtain proper permitting.

Mr. Lindquist noted that the building of Phase 1 has already begun, and Phase 1 operation is expected to commence in December 2026. At this time, United is proposing to operate Phase 1 until Phase 2 is designed, permitted, constructed, and operational, which it projects will take approximately five years. United has recently estimated the capital costs for Phase 2 to be approximately \$400 million; no funding has been secured for the EBB Project Phase 2.

In Phase 2 of the EBB Project, United is proposing to treat extracted water used to create the seawater intrusion barrier and deliver it to the Navy and other customers for their municipal, industrial, and/or agricultural use, or for recharge in the Oxnard Forebay. Project components include construction of extraction barrier wells near Mugu Lagoon on NBVC, a reverse-osmosis treatment plant, and a conveyance system for distribution of treated water.

During his presentation, Mr. Lindquist touched on the Agency's requested Monitoring and Contingency Plan and noted that a revised draft is currently in development. Agency staff have informed United that a Monitoring and Contingency Plan is required for review prior to Board consideration of a special extraction allocation for the project.

Alternate Director Berger applauded the unique partnership developed between the Naval Base and United during the development of the EBB project.

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Director Long asked after the maximum capacity of brackish water pumping the project will be capable of once it is built to completion. United's Chief Engineer, Dr. Maryam Bral, explained that their current goal is to extract 10,000 AFY when they reach Phase 2, which would then provide 5,000 AFY in desalinated recharge. Saline water has a much lower recovery compared to brackish water when run through desalination, she clarified.

Alternate Director Berger asked Dr. Bral to provide a brief overview of funding to date for EBB Phase 1. United has been able to secure the first round of \$123,000 in State funding which went towards groundwater modeling, and recently United has worked with the State Water Resources Control Board to secure \$8.4 million for Phase 1 and has other grant applications currently in development to secure further State and Federal funding.

Director Long asked whether 5,000 AFY is the maximum United believes we'd need to replenish every year. Mr. Lindquist responded that this would depend on the needs of the region and noted that the model runs done for inclusion in the GSP 5-Year Evaluations projects show that, with EBB running, there is no more seawater intrusion, and pumpers would be allowed to pump that which is close to their current allocations. Mr. Lindquist noted that the EBB project is going to be expensive, and that United would not like to scale it up; they would like to keep it focused for maximum effectiveness and oversight, so it meets local needs.

Director Trembley asked whether the Coastal Development Commission will require a coastal development permit for EBB Phase 1. Water Program Manager with Naval Base Ventura County, Nathan Jacobsen, responded that the Navy is working very closely with United on this project and has jointly developed a memorandum of agreement (MOA) that covers Phase One only; part of the MOA includes information on how the Navy interacts with the Coastal Commission, as opposed to how a private or public entity would interact with the Coastal Commission. The process with which the Navy and the Coastal Commission interact is very specific and is associated with a number of Federal requirements. He continued that a coastal development permit will be evaluated with Coastal Commission staff prior to inclusion on any Commission Agenda. Mr. Jacobsen noted that the Navy briefs Coastal Commission staff monthly, which includes an update on the EBB Project, and these briefings help inform the project's momentum with regards to such development permits and will substantially help build a foundation of understanding for permitting Phase 2 in the future. Mr. Jacobsen clarified that EBB Phase 2 will require additional consultations, permitting and additional compliance with the National Environmental Policy Act (NEPA) and CEQA; these additional considerations should not be evaluated during Phase 1.

Director Trembley asked after the level of involvement from the Division of Drinking Water (DDW) in EBB Phase 1. Dr. Bral noted that the DDW's involvement started during the first phase of the grant agreement between United and the State Water Resources Control Board (SWRCB), as the agreement required a technical advisory committee that had to consist of stakeholders from DDW, FCGMA, the Naval Base Ventura County, SWRCB, and United. DDW's concern focuses on the vertical movement of the potential contaminants into the semi-perch zones or the production aquifers. Dr. Bral clarified that United is not seeing any permit from DDW for EBB Phase 1, but the information compiled and reviewed during Phase 1 will be helpful for DDW to consider during the permitting process for EBB Phase 2.

Regarding potential funding sources for EBB Phase 2, Director Trembley asked where United anticipates the bulk of those funds originating from. Dr. Bral responded that United is considering all funding sources at this point and is analyzing different financial models to inform their research in identifying additional funding sources for Phase 2. She continued that United will be considering an Environmental Protection Agency (EPA) low interest loan and tapping into additional Federal

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funding. For Phase 1, which is projected to cost \$51 million, and United is anticipating funding approximately 40% of Phase 1 via State grant awards.

Director Trembley expressed concern about the potential impact on ratepayers. Dr. Bral noted that United is working internally on modeling that can inform a strategic funding plan to address such concerns and transparently communicate United's funding intentions and their analysis on what the impact would be on rate payers. Director Trembley expressed support in a strategic plan, and Director Borchard agreed that it would be very beneficial to the EBB Project to figure out funding now, as rate increases are hard on farmers. Dr. Bral noted that United's ultimate goal is to fund the majority of this project through State and Federal funding instead of passing the cost onto pumpers, and Alternate Director Berger agreed that United's Board is keeping this goal top of mind. Mr. Lindquist added that United's intent is to build something that is scalable for the region; nobody is proposing building something that the region doesn't need or can't afford.

Public comment was given by:

Nathan Jacobsen, NBVC Water Program Manager,
Terry Foreman, Camrosa Water District,
Jurgen Gramckow, Marathon Land
Bert Perello, City of Oxnard Councilmember and FCGMA Alternate Director, and
Michael Wolfe, Director, City of Oxnard Public Works Agency.

Chair West noted that while this item does not currently require Board action, he encourages Agency staff to work with United to bring a resolution to the Board in an expedited manner.

Agency Counsel Jason Canger reminded the Board that FCGMA is a public agency that does have environmental reviews as required by the California Environmental Quality Act (CEQA). The approval of an extra allocation for the testing of this project would be a project under CEQA. Normally, Mr. Canger continued, CEQA applies to lead agencies, which would apply to approval of the entirety of a project. In this particular case, United is the lead agency of the EBB project. However, Mr. Canger clarified, FCGMA has responsibilities under CEQA as a responsible agency. This extends to approving the part of the project within FCGMA jurisdiction. In order to evaluate the environmental circumstances or consequences of approving a project, even a test project such as EBB Phase 1, there should be an environmental review completed and in front of the Board to consider the impacts and consequences of approving this particular project to ensure compliance.

With respect to the developing monitoring and contingency plan, Mr. Canger assumes it is likely to be incorporated into United's current process of pursuing an initial study and mitigated negative declaration (INSMND) for CEQA review; the mitigation that will be included in any environmental review that United prepares will ultimately become the conditions that are included in the Agency's monitoring and contingency plan. In summary, Mr. Canger noted that such documentation is needed before a resolution can be considered for EBB Phase 1. Mr. Canger stated that the Agency will rely on United's environmental review. He noted that the same process occurred during the development of the NPV Desalter Project; the Agency developed a monitoring and contingency plan for the NPV Desalter Project based on the mitigation measures that were featured in the CEQA document.

Director Berger asked if a resolution brought before the Board could arrive with a contingency on it that would further the approval subject to the approval of the environmental review. Mr. Canger responded that he would caution the Board against such an action because it does not follow the

intention of CEQA. CEQA is intended to result in the preparation of environmental documents for the legislative body to consider when discussing approval of such a project.

John Lindquist stated that United is planning on having CEQA finalized in December 2024 or January 2025, and noted that this timeline still works with United's overall timeline for permit approvals to complete by summer 2025. Mr. Lindquist agreed with Chair West on working with the Agency to develop a resolution, once environmental review documents are prepared and finalized, and noted that United expects to receive several rounds of feedback from the Agency during the resolution development process.

Director Long asked for an estimate of additional allocation that would be requested, and Mr. Lindquist responded that United estimates requesting permission for pumping up to an additional 3500 acre-feet. Director Long then encouraged Agency staff to work with United on the environmental review documents to expedite the resolution process and thanked all parties for collaborating with the Board and Agency to receive feedback during the process.

Mr. Lindquist noted that United will develop the INSMND, and Agency staff will develop the monitoring and contingency report based on that CEQA document.

Director Trembley agreed with Director Long regarding encouraging staff and noted that such a resolution would also need to go before the United Board as the lead agency after it is drafted and revised in collaboration with Agency staff. He estimated that a resolution on this matter would then reach the FCGMA Board in the first quarter of next year.

As this Item was presented for information only, no Board action was taken.

14. Approve and Authorize the Executive Officer to Execute a Professional Services Contract with Rincon Consultants Inc., to Provide Advanced Metering Infrastructure (AMI) Data Management Services 2:43 P.M.

Assistant Groundwater Manager Dr. Farai Kaseke presented the Item and provided background on the AMI Ordinance to remind the Board of the intent of the Ordinance, noting that AMI data has become an integral part of the Agency's functions, such as analyzing estimates, or meter changes, and verifying AMI data against self-reported extraction reporting data, or collecting monthly data used for modeling. Dr. Kaseke noted that AMI data is usually under the purview of Agency staff, but that the Water Resources Specialist position that typically manages this program is currently vacant.

Dr. Kaseke noted that the earlier contract with Rincon Consultants, Inc., was entered into by the Executive Officer under the authority of Resolution 2018-2², with a "not to exceed limit" of \$25,000. Funding for the Rincon AMI work order executed via the above action will run out by the end of the month if another contract is not put into place.

Dr. Kaseke continued that AMI support is estimated to be required through the end of December 2024 at a cost of up to \$53,977.88, or until the Agency has hired a new Water Resources Specialist that has been onboarded and may take over this work. The proposed scope of work of the new contract includes monitoring and tracking data deliverables, managing monthly AMI data via maintaining an up-to-date database, quality control (QC), identifying and documenting unreported meter changes, conducting vendor follow-up on reported QC or reporting issues, and onboarding new AMI vendors.

² Resolution 2018-2: <https://s42135.pcdn.co/wp-content/uploads/2022/07/Resolution-2018-02.pdf>

Director Long moved to approve and authorize the Interim Executive Officer to execute a professional services contract with Rincon Consultants Inc., to provide AMI data management services and support, in the amount of \$53,977.88, effective through December 31, 2024. Chair West seconded the motion. Via roll call vote at 2:58 P.M., the motion passed unanimously.

15. Authorize the Interim Executive Officer to Sign Contract Modification with Special Counsel 2:58 P.M.

Agency Counsel Alberto Boada presented the item and asked the Board to authorize the Interim Executive Officer to execute a contract modification with Shute, Mihaly & Weinberger, LLP (SMW) to increase the not-to-exceed amount of the contract from \$450,000 to \$1,650,000, to continue defending lawsuits challenging Fox Canyon Groundwater Management Agency's groundwater sustainability plans and allocation ordinance for the Oxnard and Pleasant Valley groundwater basins, and representing the Agency in comprehensive groundwater adjudication of those basins, including the required discovery phase, expert phase, pretrial briefing, and the trial itself. Mr. Boada noted that the OPV adjudication is currently in active mode, and it is anticipated that a phase one trial will occur in April, May, or June of next year. Mr. Boada stated that the cost estimate included in the proposed contract modification is in line with, and is somewhat below, what was expended on the Las Posas Valley Basin adjudication.

Public comment was given by:

Russell McLaughlin, OPV Coalition, on behalf of the plaintiffs in the adjudication.

Director Long made the motion as recommended by Agency staff, and Director Trembley seconded the motion. Via roll call vote at 3:04 P.M., the motion passed unanimously.

CLOSED SESSION AGENDA

Chair West asked for public comment with respect to the closed session agenda. Hearing none, the Chair recessed the Board into closed session at 3:05 P.M.

Director Borchard recused himself from closed session at: 3:05 P.M.

Alternate Director Craviotto took his seat on the Board at: 3:05 P.M.

16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, §54956.9) PURSUANT TO GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (d), PARAGRAPH (1): NAME OF CASE: Las Posas Valley Water Rights Coalition v. Fox Canyon Groundwater Management Agency, Santa Barbara County Superior Court Case No. VENCI0059700

17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, §54956.9) PURSUANT TO GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (d), PARAGRAPH (1): NAME OF CASE: OPV Coalition et al v. Fox Canyon Groundwater Management Agency, Santa Barbara County Superior Court Case No. VENCI00555357

18. Adjournment

3:05 P.M.

FCGMA Board Meeting Minutes
July 24, 2024

As he recessed the Board into closed session, Chair West announced that the Board would adjourn the July 24, 2024, Regular meeting from closed session.

Submitted by:

Elka Weber
Clerk of the Board

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
Kelly Long, Vice Chair, Supervisor, County of Ventura
Michael Craviotto, Farmer, Agricultural Representative
Lynn Maulhardt, Director, United Water Conservation District
Tony Trembley, Mayor, City of Camarillo

INTERIM EXECUTIVE OFFICER

Arne Anselm

MINUTES

Minutes of the Fox Canyon Groundwater Management Agency's (FCGMA) **Board Special Hybrid Meeting** held **Friday, September 13, 2024, at 1:30 P.M.**, in the **Board of Supervisor's Hearing Room and via Zoom.**

1. Call to Order

Chair Eugene F. West called the meeting to order at 1:30 P.M.

2. Pledge of Allegiance

Chair West led the Pledge of Allegiance.

3. Directors Present

Chair Eugene F. West
Director Kelly Long
Director Lynn Maulhardt
Alternate Director Bert Perello (for Director Tony Trembley)
Director Borchard

Agency Staff Present

Alberto Boada, County Counsel
Jason Canger, Assistant County Counsel
Arne Anselm, Interim Executive Officer
Elka Weber, Clerk of the Board
Robert Hampson, Groundwater Specialist
Kathy Jones, Staff Services Specialist
Raya Nour, Engineer
Cynthia Rodriguez, Administrative Assistant
Erin Ware, Administrative Assistant

4. Executive Officer's Comments

1:31 P.M.

Interim Executive Officer Arne Anselm introduced three new staff members and asked that they be welcomed to the Agency: Erin Ware and Cynthia Rodriguez, Administrative Assistants, and Raya Nour, Engineer.

5. Closed Session

1:33 P.M.

Chair West recessed the Board to closed session at 1:33 P.M.

CLOSED SESSION AGENDA

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Gov. Code, §54956.9) INITIATION OF LITIGATION PURSUANT TO PARAGRAPH (4) OF SUBDIVISION (d) OF SECTION 54956.9: NUMBER OF CASES: One

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, §54956.9) PURSUANT TO GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (d), PARAGRAPH (1): NAME OF CASE: **Las Posas Valley Water Rights Coalition v. Fox Canyon Groundwater Management Agency**, Santa Barbara County Superior Court Case No. VENCI0059700

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, §54956.9) PURSUANT TO GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (d), PARAGRAPH (1): NAME OF CASE: **OPV Coalition et al v. Fox Canyon Groundwater Management Agency**, Santa Barbara County Superior Court Case No. VENCI00555357

Chair West resumed the Board meeting at 2:48 P.M.

6. **Agenda Review** 2:49 P.M.

No agenda revisions were made.

7. **Public Comments** 2:50 P.M.

No public comments were made.

8. **Board Member Comments** 2:50 P.M.

Director Borchard announced that he is stepping down as the Agricultural Representative, as appointed by the Farm Bureau of Ventura County and the Ventura County Agricultural Association. As of the end of today's Board meeting, Alternate Director Michael Craviotto will assume the Director's role for the Agricultural Representative, and Director Borchard will become the Alternate.

The Board thanked Director Borchard for his years of service. Director Long inquired after a letter from his appointing organizations confirming these updated appointments. Director Borchard responded that it is in development and will be presented to the Agency shortly.

REGULAR AGENDA:

Fox Canyon Groundwater Management Agency and Las Posas Valley Watermaster Items

9. **Reimbursement of Legal Expenses Incurred by the Agency for Las Posas Valley Watermaster Rules Appeal** 2:57 P.M.

Interim Executive Officer Arne Anselm presented the Item to the Board, including several reimbursement scenarios to the Agency for funding of legal expenses incurred while advising staff and the Board, implementing the Watermaster rules, and representing the Agency as

FCGMA Board Meeting Minutes
September 13, 2024

Watermaster in the LPV Watermaster Rules Appeal, estimated at \$400,000, prior to the establishment of a designated, separate accounting of LPV Watermaster funds in April 2024. An exact accounting is unavailable as there was no system in place at the time, prior to April 2024, when the separate LPV Watermaster Fund was created for the deposit of Basin Assessments and the funding of ongoing LPV Watermaster activities.

The Fiscal Committee’s recommendation from the June 10, 2024, meeting was to evenly split the costs of the LPV Watermaster Rules Appeal, after first providing the Board with a presentation on how the split will affect the two budgets.

	No Reimbursement	Split Reimbursement	Full Reimbursement
FY 24-25 FCGMA Budget: Net Operating Results	(\$1, 607,067)	(\$1,407,067)	(\$1,207,067)
LPV Watermaster Budget: Grand Total	\$2,363,095	\$2,583,095	\$2,803,095
LPV Watermaster Basin Assessment (per Acre-Foot)	\$59.08	\$64.58	\$70.08
LPV Watermaster Quarterly Basin Assessment (per AF)	\$14.77	\$16.14	\$17.52

At 3:03 P.M., Director Maulhardt moved that the LPV Watermaster Appeal funding reimbursement for expenses incurred prior to April 2024 be shared equally between the Agency and the LPV Watermaster, resulting in an allocation of \$200,000 to the FCGMA FY 2024-2025 budget, and \$200,000 to the LPV Watermaster budget, resulting for the LPV Watermaster in an LPV Watermaster Basin Assessment of \$64.58 per Acre-Foot in the Water Year starting October 1, 2024, and a Quarterly Basin Assessment of \$16.14 per AF.

Public comment was given by:

Robert Grether, Vice-Chair of LPV Policy Advisory Committee (PAC).

Director Long agreed with Mr. Grether’s comment that a breakdown of the estimated \$400,000 would be helpful to understand how much of the estimate pertained to implementing the judgment, and how much pertained to the LPV Watermaster Rules appeal; Director Long questioned how an actual accounting has not been included because she is aware that Counsel reports time down to the quarter hour.

Agency Counsel Alberto Boada responded that the amount is an approximation of the total fees paid for the fiscal year to outside counsel, and no analysis has been done to segregate costs attributable to the appeal versus other costs for time spent on non-appeal matters. It was Mr. Boada’s understanding that the 50/50 split recommendation was, in part, to avoid the time and cost of a line-by-line audit of a year’s worth of invoices from multiple parties to determine which costs are attributable and which are not.

Director Long asked how the estimate was arrived at. Mr. Boada responded that the estimate was of fees incurred after entry of judgment and while appeals were being filed, and further post-judgment actions were being taken by outside counsel. The estimate was based on expenses incurred post-judgment to the end the Fiscal Year, ending June 30, 2024.

Mr. Boada noted that the Agency dismissed their appeal in early July, so at that point, no further costs were being expended on that appeal.

Chair West repeated the pending motion and asked for a second.

Board member comment was given Alternate Director Perello, who stated that it is common sense to want an exact accounting versus an estimate, and the validity of this request deserves an answer. Alternate Director Perello continued that the decision for the appeal was reported out to the public, and three Directors voted in favor of the appeal. Alternate Director Perello continued that the reason for the appeal was to help the Agency acting as Watermaster, and this information should be repeated on public record.

Alternate Director Perello seconded the motion at 3:13 P.M.

Alternate Director Perello noted that he attended all fiscal committee meetings where this topic was discussed extensively. His understanding of the 50/50 split was that it would be the least expensive option, as this could also potentially end up in litigation which could incur significant costs in future.

Via roll call vote at 3:15 P.M., four (4) of the Directors present voted in favor, with the exception being Director Borchard, who recused himself. The motion passed.

Technical Issues

Agency staff are aware of and apologize for technical difficulties any Zoom attendees experienced during the September 13, 2024, Board special meeting. The difficulties began when Regular Agenda Items were being presented, and they caused issues for remote attendees that wished to participate in the meeting.

The Agency has reviewed the equipment used to provide hybrid attendance in the Boardroom and has identified mitigating measures should technical issues arise again. Equipment varies according to conference room setup, and staff cannot guarantee meetings free from technical difficulties.

If experiencing problems hearing or seeing meeting proceedings, members of the public attending Board Regular or special meetings remotely should contact the host inside the Zoom Client via chat or raise your hand for Q&A. If you are unable to contact the host via the Zoom Client's communication features, please call (805) 654-2014 to report the issue to staff.

Las Posas Valley Watermaster Items

10. Appointment of Ventura Water Works Nos. 1 & 19 Representative to the Las Posas Valley Basin Policy Advisory Committee

3:15 P.M.

Agency Staff Services Specialist Kathy Jones presented the Item to the Board. She noted that LPV Watermaster was notified in writing on August 16, 2024, that Ventura County Waterworks Districts Nos. 1 & 19 (WWD) notified Watermaster of a replacement nominee to the Las Posas Valley Policy Advisory Committee, Mr. David Fleisch, pursuant to the WWD's internal governance process, in accordance with the judgment (Exhibit A, § 3.1.6).

Director Long moved to appoint the replacement nominee for Ventura Water Works Districts 1 & 19 (WMIDs 2011, 2191 and 2192) to the LPV Watermaster PAC. Director Maulhardt seconded the motion. Via roll call vote at 3:20 P.M., the motion passed unanimously.

11. Consideration of the Las Posas Valley Policy Advisory Committee (PAC) Recommendation to Appoint Tony Morgan to Serve as PAC Administrator

3:21 P.M.

Interim Executive Officer Arne Anselm presented the Item to the Board and asked that they consider and provide direction regarding the recommendations of the LPV PAC to appoint Tony Morgan and a separate administrative assistant to serve as the PAC Administrator and include \$170,000 annually in the Watermaster budget for this expense.

During Board member comments, Director Maulhardt asked what the effective date would be for this action. Mr. Anselm responded that Watermaster will need a contract with the Board-approved entity, which staff would bring to the Board at the September 25, 2024, regular meeting.

Chair West wished to clarify several topics as the Board considered this Item: in the PAC recommendation report signed by Ian Prichard included as an exhibit to this Item, a few of the duties listed in this letter were inappropriate in the Chair's view. As an example, one is that the PAC Administrator described to address technical issues or questions from the PAC. Chair West continued that the judgment makes very clear that the TAC receives its assignments and is tasked exclusively by the Watermaster. This is the only work that the Watermaster will pay for. The terms were negotiated and specific so that PAC is not free to assign tasks to TAC.

Mr. Anselm noted that the PAC Administrator should be limited to just the policy issues the PAC is focused on.

Director Borchard noted that the PAC letter calculates the \$170,000 line item based on the billing rate of \$317 hourly for the Administrator and \$125 hourly for the administrative assistant; he asked who is paying the administrative assistant? Would there be one contract and the Administrator would then handle the paying of the administrative assistant? Mr. Grether of the PAC gave an affirmative signal from the audience, and Director Borchard acknowledged his affirmation, and stated that response was satisfactory for his needs.

Director Long confirmed with the Board and staff that the combined costs of Caroline Wesley as the administrative assistant, and Tony Morgan as the PAC Administrator, summed up would fall under and equal the \$170,000 line item.

Alternate Director Perello asked for Counsel clarification regarding payment of the administrative assistant and Administrator. Everything would be paid out of the \$170,000? Agency Counsel stated that this is his understanding, yes, and it could be done under a single contract with an hourly agreement that is invoiced against on a monthly basis. The Administrator would be compensating his administrative assistant.

Alternate Director Perello noted that Tony Morgan is a member of the LPV Technical Advisory Committee (TAC). He asked if there is a requirement that Mr. Morgan recuse himself from the TAC when he takes the position as PAC Administrator. Mr. Anselm responded that this is not required by the judgment. Alternate Director Perello responded that he cannot support this appointment given the intent of the judgment to separate the PAC and TAC.

Public comment was given by:

Robert Grether, Vice-Chair of LPV Policy Advisory Committee (PAC).

Mr. Grether called the Board's attention to section 6.10.3 of the judgment regarding the PAC appointing an administrator and noted that the judgment clarifies that the PAC Administrator should not be the same as the TAC Administrator. Tony Morgan is not serving as the TAC Administrator.

Alternate Director Perello asked Mr. Grether about the PAC letter listed as an exhibit to the item, and noted how the letter includes a chart of tasks that lists technical duties for the PAC Administrator. Mr. Grether apologized for the misleading use of the term in the letter, and noted that the term "technical" in this chart was likely used only to draw distinction from responsibilities that are of a nature that fall under an administrative assistant, not an administrator. With regard to the language in the PAC letter that referred to "addressing technical issues and questions," is in reference to technical interpretation of the judgment or rules that flow from the judgment.

At 3:39 P.M., Chair West asked for a motion to approve the appointment of Tony Morgan as PAC Administrator subject to the execution of a contract. Director Maulhardt so moved. Director Long seconded the motion.

Via roll call vote, four (4) directors voted in favor, and Alternate Director voted no. The motion passed.

Fox Canyon Groundwater Management Agency Items

12. Approve \$1,000,000 Loan from Surcharges Account to Operating Account

3:40 P.M

Interim Executive Officer Arne Anselm presented the Item to the Board and noted that the money from this loan was originally earmarked for drilling monitoring wells, a project phase that did not start until this Fiscal Year. The original loan was not formally approved by the Board, but it was stipulated during budget adoption discussions in 2022. Mr. Anselm presented the Fiscal Committee recommended the Board formally approve the Fiscal Year 2022-2023 loan of \$1,000,000 from the Designated Surcharges Account to the Operating Account and defer planned repayment of that loan until FY 2025-2026.

Director Maulhardt asked Mr. Anselm to confirm that this request is to essentially move an approved budget expense that was not spent and giving it a new approval for a different time. Mr. Anselm confirmed.

Director Maulhardt made a motion to approve as requested. Director Borchard seconded the motion.

Chair West asked for public and Board member comments on the Item. Alternate Director Perello asked if interest is being assessed to the loan. Mr. Anselm responded that he believes interest is being applied so it will be repaid with interest. If the loan is not repaid or the interest not addressed satisfactorily, it would be up to the Board to determine next steps.

Chair West asked for a roll call vote on the pending motion. The motion passed unanimously.

13. Hearing on Adoption of Resolution 2024-05 Extending a Groundwater Extraction fee at the Current Rate of \$20 per Acre-Foot to Maintain a Reserve Fund to be Used to Pay the Cost and Expenses of Actions and Proceedings Related to the Agency's Groundwater Sustainability Program

3:43 P.M.

Chair West opened the public hearing and asked for public comment. Hearing none, the Chair asked for a motion continue the hearing to the September 25, 2024, Board regular meeting. Alternate Director Perello so moved, and the motion was seconded by Director Borchard. With all Directors voting in favor, the motion passed at 3:44 P.M.

14. Closed Session

3:44 P.M.

CLOSED SESSION AGENDA

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Gov. Code, §54956.9) INITIATION OF LITIGATION PURSUANT TO PARAGRAPH (4) OF SUBDIVISION (d) OF SECTION 54956.9: NUMBER OF CASES: One

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, §54956.9) PURSUANT TO GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (d), PARAGRAPH (1): NAME OF CASE: **Las Posas Valley Water Rights Coalition v. Fox Canyon Groundwater Management Agency**, Santa Barbara County Superior Court Case No. VENCI0059700

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov. Code, §54956.9) PURSUANT TO GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (d), PARAGRAPH (1): NAME OF CASE: **OPV Coalition et al v. Fox Canyon Groundwater Management Agency**, Santa Barbara County Superior Court Case No. VENCI00555357

Chair West asked for public comment with respect to the closed session agenda. Hearing none, the Chair recessed the Board back into closed session at 3:44 P.M.

The Chair resumed the Board meeting at 4:23 P.M. with action to report from closed session:

The Board in closed session voted unanimously to authorize special counsel to enter as an amicus curiae in the ongoing adjudication of the Indian Wells Valley groundwater basin, Orange County Superior Court Case No. 30-2021-01187275-CU-OR-CJC, case title "Mojave Pistachios, LLC vs. Indian Wells Valley Water District."

15. Adjournment

4:24 P.M.

Submitted by:

Elka Weber
Clerk of the Board

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A State of California Water Agency



BOARD OF DIRECTORS

Eugene F. West, Chair, *Director, Camrosa Water District*
Kelly Long, Vice Chair, *Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1610

SUBJECT: FCGMA 2021-2022 Biennial Financial Audit Report - (New Item)

RECOMMENDATION: Receive and file the Fox Canyon Groundwater Management Annual Financial Report and Management Report for the Fiscal Years Ended June 30, 2021, and 2022.

BACKGROUND:

California Government Code Section 26909 requires the County Auditor-Controller to perform an annual audit of the financial accounts and records of every special district within the County for which an audit by a certified public accountant or public accountant is not otherwise provided. The County Auditor-Controller has discretion as to whether or not to perform that annual audit using in-house audit staff or by contracting with a certified public accountant or public accountant. In addition, the Agency's audit reports shall be filed with both the County Auditor-Controller of the county in which the special district is located, along with the State Controller, within 12 months of the end of the fiscal year(s) under examination.

Sub-Section 26909 (b) provides for an exception to the annual audit schedule period. That sub-section allows a governing body of a special district, by unanimous vote, to request their Board of Supervisors to replace the annual audit schedule found in Section 26909 with a different period. Specifically, Subsection 26909 (b) (1) allows the governing body of a special district to request a biennial (i.e. covering two years) audit period. Your Board established a biennial audit schedule at the September 25, 2013, meeting¹.

DISCUSSION:

Ventura County Public Works Agency – Central Services (PWA-CS), on behalf of FCGMA, issued a request for proposal (RFP) to 26 certified public accounting firms to conduct a biennial audit for Fiscal Years 2020-21 and 2021-22. As reported to your Board at the October 26, 2022, meeting, Vasquez & Company, LLP, of Glendale, California, was the only firm to respond. Vasquez & Company's proposal to complete the work was time-and-materials not-to-exceed \$47,250. Past audits of the Agency were no more than \$10,000. After continued discussions, Vasquez & Associates submitted a revised proposal to provide professional audit services for a not-to-exceed amount of \$20,000. Despite FCGMA paying the entire not-to-exceed amount, Vasquez refused to issue final audit reports, claiming it was owed an additional \$12,438.00 for time incurred due to the delay of production of financial materials and documents needed to prepare the audits. Staff negotiated with Vasquez for a reduced amount. On June 26, 2024, your Board authorized the Executive Officer to pay a final invoice from Vasquez & Company LLP for professional biennial audit services in the

¹ Item 7 at the FCGMA Board meeting held September 25, 2013: <https://ventura.primegov.com/Portal/Meeting?meetingTemplateId=4487>

amount of \$4,950 in the amount of \$4,950 (for a total amount of \$24,950). The final Independent Auditor's Report was received August 22, 2024; it is attached as Exhibit 15A.

Audit Findings

The independent auditors found that the Agency's financial statements presented fairly, in all material respects, the financial position of the FCGMA and is compliance with applicable laws and regulations:

"As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. ... The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards."

The independent auditor identified a control deficiency which they consider to be a material weakness:

"We experienced a significant delay in completing the June 30, 2022, and 2021 audits of the Agency's financial statements mainly because of management's difficulty in providing a timely general ledger, including the supporting schedules, documents, and other required audit-related financial information."

Staff are confident the proper infrastructure and operating framework to implement the needed financial accounting and reporting are in place. During the period this audit was conducted (which included significant time during the pandemic), PWA-CS staff were not always immediately available to respond to the auditors meeting and records requests. This was primarily due to extraordinary staffing circumstances that occurred during the pandemic, retirements, and turnover, and importantly the most knowledgeable fiscal staff being unavailable for several months due to a medical leave of absence. Despite the temporary staffing circumstances, PWA-CS staff were able to provide the needed reports and information necessary for Vasquez to complete the draft audit report by September 18, 2023.

CONCLUSION:

The Agency's Audited Financial Reports June 30, 2021, and 2022 issued by Vasquez and Company LLP, the Agency's independent contract auditor, is submitted to your Board to receive and file. The auditor found that the financial statements for the audited fiscal years were in conformity with generally accepted accounting principles. One recommendation was identified in the audit report to have the proper infrastructure and operating framework to implement the needed financial accounting and reporting as identified above.

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3942.

Sincerely,


Arne Anselm
Interim Executive officer

Attachment:

Exhibit 10A - FCGMA Audited Financial Reports June 30, 2021, and 2022



Fox Canyon Groundwater Management Agency
Audited Financial Statements
As of and for the Years Ended June 30, 2022 and 2021
with Independent Auditor's Report

ITEM 10A - FCGMA Audited Financial Reports June 30, 2021, and 2022

**Fox Canyon Groundwater Management Agency
Audited Financial Statements
*As of and for the Years Ended June 30, 2022 and 2021
with Independent Auditor's Report***

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INTRODUCTORY SECTION

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
Kelly Long, Vice Chair, Supervisor, County of Ventura
David Borchard, Farmer, Agricultural Representative
Lynn Maulhardt, Director, United Water Conservation District
Tony Trembley, Mayor, City of Camarillo

INTERIM EXECUTIVE OFFICER

Arne Anselm

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Letter of Transmittal, Annual Financial Report

Introduction

It is our pleasure to submit the Annual Financial Report for the Fox Canyon Groundwater Management Agency for the fiscal years ended June 30, 2022, and 2021, following guidelines set forth by the Governmental Accounting Standards Board. Agency staff prepared this financial report. The Agency is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the Agency's financial position and activities.

This report is organized into two sections: (1) Introductory and (2) Financial. The Introductory section offers general information about the Agency's organization and current Agency activities, and reports on a summary of significant financial results. The Financial section includes the Independent Auditor's Report, Management's Discussion and Analysis of the Agency's basic financial statements, and the Agency's audited basic financial statements with accompanying notes.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Agency's MD&A can be found immediately after the Independent Auditor's Report.

District Structure and Leadership

The Fox Canyon Groundwater Management Agency was created by the State of California on September 13, 1982, under Assembly Bill No. 2995 Chapter 1023. The Agency was created to manage the groundwater in overdraft and potentially seawater intruded areas in Ventura County. The prime agency objective is to preserve groundwater resources for agricultural, municipal, and industrial uses in the best interest of the public and for the common benefit of all water users.

The Agency is governed by a five-member Board of Directors. The Agency has no employees but contracts with the County of Ventura for staff services to provide professional and technical expertise, legal, administrative, and fiscal services needed to run the day-to-day operations of the organization. The Agency's Board of Directors meets each month. Meetings are publicly noticed, and citizens are encouraged to attend.

Agency Services

The Fox Canyon Groundwater Management Agency (Agency), established by the State Legislature in 1982, is charged with the preservation and management of groundwater resources within the areas or lands overlying the Fox Canyon aquifer for the common benefit of the public and all agricultural, domestic, and municipal and industrial users.

Internal Control Structure

Agency management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the Agency are protected from loss, theft, or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Agency's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits require estimates and judgments by management.

Budgetary Control

The Agency Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the Agency's enterprise operations and capital projects. The budget and reporting treatment applied to the Agency is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law, Agency ordinance and resolutions, prudent money management, and the "prudent person" standards. The objective of the Investment Policy is safety, liquidity, and yield. All cash and investments of the Agency are held in the investment pool managed by the Ventura County Treasurer.

Agency Revenues – Extraction Charges and Surcharges

The primary revenue source for the Agency is extraction charges that are assessed at \$6.00 per acre-foot, and a sustainability fee assessed at \$14.00 per acre-foot against all well owners within the geographic boundaries of the Agency. In addition, the Agency places a surcharge for extraction of groundwater in excess of the approved allocation when that extraction will adversely affect achieving safe yield of any basin within the Agency. Surcharges are assessed using a tiered structure with a base of \$1,549 for 25 acre-feet or less; an additional \$250 per acre-foot over 25 but less than 100 acre-feet and an additional \$500 per acre-foot over 100 acre-feet.

Surcharges are not used to support Agency operations but rather are kept in an account designated by the Board to be used for supplement water purchases or other expenses that increase the water resources within the Agency. Expenses against surcharges must be approved by the Board.

Audit and Financial Reporting

State Law requires the Agency to obtain a biennial audit of its financial statements by an independent certified public accountant. The accounting firm of Vasquez & Company, LLP has conducted an audit of the Agency's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

Other References

More information is contained in the Management's Discussion and Analysis and the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgements

Preparation of this report was accomplished by the combined efforts of Agency staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the Agency. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of Fox Canyon Groundwater Management Agency's fiscal policies.

Respectfully submitted,



Arne Anselm
Interim Executive Officer

ITEM 10A - FCGMA Audited Financial Reports June 30, 2021, and 2022

Fox Canyon Groundwater Management Agency
Official Roster
June 30, 2022

<u>Name</u>	<u>Title</u>	<u>Elected/Appointed</u>	<u>Current Term</u>
Eugene F. West	Chair	Appointed	02/2021 - 02/2023
David Borchard	Vice Chair	Appointed	02/2022 - 02/2024
Bert Perello	Director	Appointed	02/2022 - 02/2024
Lynn Maulhardt	Director	Appointed	02/2022 - 02/2024
Kelly Long	Director	Appointed	02/2021 - 02/2023

FINANCIAL SECTION



Independent Auditor's Report

**To the Board of Directors
Fox Canyon Groundwater Management Agency**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fox Canyon Groundwater Management Agency (the Agency), which comprise the statements of net position as of June 30, 2022 and 2021, the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2022 and 2021, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



Responsibilities of Management for the Financial Statements (Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 8 through 12, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information and we do not express an opinion on any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or if the other information otherwise appears to be materially misstated. If based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 14, 2024 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Vaquero & Company LLP". The signature is written in a cursive, flowing style.

Glendale, California
August 14, 2024

**Fox Canyon Groundwater Management Agency
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years ended June 30, 2022 and 2021**

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of Fox Canyon Groundwater Management Agency (the "Agency") provides an introduction to the financial statements of the Agency for the fiscal years ended June 30, 2022 and 2021. We encourage readers to consider the information presented herein in conjunction with the transmittal letter in the Introductory Section and with the basic financial statements and related notes, which follow this section.

Financial Highlights

- In fiscal year 2022, the Agency's net position increased by 8.63% or \$281,880 to \$3,548,355. In comparison, the Agency's net position increased by 10.28% or \$304,461 to \$3,266,475 during fiscal year 2021.
- In fiscal year 2022, the Agency's total operating revenues increased by 5.35% or \$227,707 to \$4,485,358. In fiscal year 2021, the Agency's total operating revenues increased by 44.59% or \$1,313,017 to \$4,257,651.
- In fiscal year 2022, the Agency's total non-operating revenues decreased by 2883% or (\$44,254) to (\$45,789). In fiscal year 2021, the Agency's total non-operating revenues decreased by 103.40% or (\$46,745) to (\$1,535).
- In fiscal year 2022, the Agency's total expenses increased by 5.21% or \$206,034 to \$4,157,689. In fiscal year 2021, the Agency's total expenses decreased by 38.21% or (\$2,443,599) to \$3,951,655.

Required Financial Statements

This annual report consists of a series of financial statements. The Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows provide information about the activities and performance of the Agency.

The Statements of Net Position includes all of the Agency's investments in resources (assets) and deferred outflows of resources, the obligations to creditors (liabilities) and deferred inflows of resources. They also provide the basis for computing a rate of return, evaluating the capital structure of the Agency, and assessing the liquidity and financial flexibility of the Agency. All of the years' revenue and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the Agency's operations over the past year and can be used to determine if the Agency has successfully recovered all of its costs through its rates and other charges. These statements can also be used to evaluate profitability and credit worthiness.

The final required financial statement is the Statements of Cash Flows, which provide information about the Agency's cash receipts and cash payments during the reporting period. The Statement of Cash Flows report cash receipts, cash payments, and net changes in cash resulting from operations, investing, noncapital financing, and capital and related financing activities, and providing answers to such questions as where cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 16 through 24.

**Fox Canyon Groundwater Management Agency
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years ended June 30, 2022 and 2021**

Financial Analysis of the Agency

One of the most important questions asked about the Agency's finances is, "Is the Agency better off or worse off as a result of this year's activities?" The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position report information about the Agency in a way that helps answer this question. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the Agency's net position and changes in them. One can think of the Agency's net position (the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources), as one way to measure the Agency's financial health, or financial position. Over time, increases or decreases in the Agency's net position is one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality standards.

Revenues Extraction Charges

The primary revenue source for the Agency is the extraction charges that are assessed at \$6.00 per acre-foot against all well owners within the geographic boundaries of the Agency. In addition, the Agency places a surcharge for extraction in excess of the baseline allowance. The intent of the surcharge is to discourage extraction of groundwater in excess of the approved allocation when that extraction adversely affects achieving a safe yield of any basin within the Agency. Surcharges are assessed using a tiered structure with a base of \$1,549 for 25 acre-feet or less; an additional \$250 per acre-foot over 25 but less than 100 acre-feet and an additional \$500 per acre-foot over 100 acre-feet. Surcharges are not used to support the Agency's operations but rather are kept in an account designated by the Board to supplement water purchases or other expenses that increase the water resources within the Agency. Disbursements from surcharges must be approved by the Board.

The following summarizes extraction and surcharge revenues for the years ended June 30, 2022, 2021 and 2020:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Fees per acre foot	\$ 6	\$ 6	\$ 6	\$ 6
Acre feet pumped	107,757	105,575	118,472	114,115
Extraction revenue	\$ 638,416	\$ 775,988	\$ 677,486	\$ 744,548
Surcharge revenue	\$ 1,361,456	\$ 628,410	\$ 1,286,778	\$ 680,562

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 16 through 24.

**Fox Canyon Groundwater Management Agency
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years ended June 30, 2022 and 2021**

Statements of Net Position

	<u>Statements of Net Position</u>				
	June 30, 2022	June 30, 2021	Change	June 30, 2020	Change
Assets:					
Current assets	\$ 4,333,498	\$ 4,068,688	\$ 264,810	\$ 3,312,404	\$ 756,284
Capital assets, net	<u>563</u>	<u>1,349</u>	<u>(786)</u>	<u>4,207</u>	<u>(2,858)</u>
Total assets	<u>4,334,061</u>	<u>4,070,037</u>	<u>264,024</u>	<u>3,316,611</u>	<u>753,426</u>
Liabilities:					
Current liabilities	<u>785,706</u>	<u>803,562</u>	<u>(17,856)</u>	<u>354,597</u>	<u>448,965</u>
Total liabilities	<u>785,706</u>	<u>803,562</u>	<u>(17,856)</u>	<u>354,597</u>	<u>448,965</u>
Net position:					
Net investment in capital assets	563	1,349	(786)	4,207	(2,858)
Unrestricted	<u>3,547,792</u>	<u>3,265,126</u>	<u>282,666</u>	<u>2,957,807</u>	<u>307,319</u>
Total net position	<u>\$ 3,548,355</u>	<u>\$ 3,266,475</u>	<u>\$ 281,880</u>	<u>\$ 2,962,014</u>	<u>\$ 304,461</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets of the Agency exceeded liabilities by \$3,548,355 as of June 30, 2022 and \$3,266,475 as of June 30, 2021.

By far the largest portion of the Agency's net position 99.98% as of June 30, 2022 and 99.96% as of June 30, 2021 reflects the Agency's unrestricted component (net amount of the assets and liabilities), that are not included in the determination of the net investment in capital assets or restricted component of net position. The Agency uses these unrestricted assets to provide funding for future Agency operations.

At the end of fiscal year 2022 and 2021, the Agency showed a positive balance in its unrestricted net position of \$3,547,792 and \$3,265,126, respectively.

ITEM 10A - FCGMA Audited Financial Reports June 30, 2021, and 2022

**Fox Canyon Groundwater Management Agency
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years ended June 30, 2022 and 2021**

Statements of Revenues, Expenses, and Changes in Net Position

	Years Ended June 30		Change	Year Ended	
	2022	2021		2020	Change
Revenues:					
Operating revenues	\$ 4,485,358	\$ 4,257,651	\$ 227,707	\$ 2,944,634	\$ 1,313,017
Non-operating revenues	(45,789)	(1,535)	(44,254)	45,210	(46,745)
Total revenues	<u>4,439,569</u>	<u>4,256,116</u>	<u>183,453</u>	<u>2,989,844</u>	<u>1,266,272</u>
Expenses:					
Operating expenses	4,156,903	3,948,797	208,106	6,385,981	(2,437,184)
Depreciation	786	2,858	(2,072)	9,273	(6,415)
Total expenses	<u>4,157,689</u>	<u>3,951,655</u>	<u>206,034</u>	<u>6,395,254</u>	<u>(2,443,599)</u>
Change in net position	281,880	304,461	(22,581)	(3,405,410)	3,709,871
Net position, beginning of year	<u>3,266,475</u>	<u>2,962,014</u>	<u>304,461</u>	<u>6,367,424</u>	<u>(3,405,410)</u>
Net position, end of year	<u>\$ 3,548,355</u>	<u>\$ 3,266,475</u>	<u>\$ 281,880</u>	<u>\$ 2,962,014</u>	<u>\$ 304,461</u>

The statements of revenues, expenses, and changes in net position show how the Agency's net position changed during the fiscal year.

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2022, the Agency's net position increased by 8.63% or \$281,880 to \$3,548,355 mainly due to increase of Sustainability Fee and implementation of Reserve Fee. In fiscal year 2021, the Agency's net position increased by 10.28% or \$304,461 to \$3,266,475 as a result of ongoing operations.

In fiscal year 2022, the Agency's total operating revenues increased by 5.35% or \$227,707, primarily due to the increase of \$228,702 in extraction charges revenue which was offset by a decrease of \$995 in other income. In 2021, total operating revenues increased by 44.59% or \$1,313,017, primarily due to an increase of \$1,316,369 in extraction charges revenue which was offset by a decrease of \$3,352 in other income.

In fiscal year 2022, the Agency's total non-operating revenues decreased by 2883% or (\$44,254), primarily due to a loss in fair value change in its investments. In fiscal year 2021, the Agency's total non-operating revenues decreased by 103.40% or (\$46,745), primarily due to a decrease in interest earnings.

In fiscal year 2022, the Agency's total expenses increased by 5.21% or \$206,034, primarily due to \$362,928 increase in legal and professional services, \$32,456 increase in office expenses, \$2,306 increase in maintenance buildings and improvements, \$1,169 increase in special department expenses; which were offset by a \$4,583 decrease in Ventura County public works charges, \$2,874 decrease in publication and legal notices, \$183,350 decrease in miscellaneous expenses and \$2,072 decrease in depreciation expense.

**Fox Canyon Groundwater Management Agency
Management's Discussion and Analysis (Unaudited)
For the Fiscal Years ended June 30, 2022 and 2021**

In fiscal year 2021, the Agency's total expenses decreased by 38.21% or \$2,443,599, primarily due to \$3,000,000 decrease in utilities, \$8,044 decrease in office expenses, \$2,449 decrease in maintenance buildings & improvements, \$3,480 decrease in communication expense, \$2,768 decrease in transportation and travel, \$6,415 decrease in depreciation expense; which were offset by a \$78,496 increase in Ventura County public works charges, \$326,952 increase in professional fees, \$243 increase in special department expenses, \$1,687 increase in publication and legal notices, and \$172,159 increase in miscellaneous expenses.

Capital Asset Administration

Changes in capital assets for 2022 were as follows:

	June 30, 2021	Additions/ Transfers	Deletions/ Transfers	June 30, 2022
Capital assets:				
Depreciable assets	\$ 542,915	\$ -	\$ -	\$ 542,915
Accumulated depreciation	(541,566)	(786)	-	(542,352)
Total capital assets, net	<u>\$ 1,349</u>	<u>\$ (786)</u>	<u>\$ -</u>	<u>\$ 563</u>

Changes in capital assets for 2021 were as follows:

	June 30, 2020	Additions/ Transfers	Deletions/ Transfers	June 30, 2021
Capital assets:				
Depreciable assets	\$ 542,915	\$ -	\$ -	\$ 542,915
Accumulated depreciation	(538,708)	(2,858)	-	(541,566)
Total capital assets, net	<u>\$ 4,207</u>	<u>\$ (2,858)</u>	<u>\$ -</u>	<u>\$ 1,349</u>

At the end of fiscal year 2022 and 2021, the Agency's investment in capital assets amounted to \$563 and \$1,349 (net of accumulated depreciation), respectively. This investment in capital assets includes equipment and software.

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the Agency's current financial position, net position, or operating results in terms of past, present, and future.

Requests for Information

This financial report is designed to provide the Agency's funding sources, customers, stakeholders, and other interested parties with an overview of the Agency's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Fox Canyon Groundwater Management Agency at 800 South Victoria Avenue, Ventura, CA 93009-1600.

BASIC FINANCIAL STATEMENTS

**Fox Canyon Groundwater Management Agency
Statements of Net Position
June 30, 2022 and 2021**

	2022	2021
ASSETS		
Current assets		
Cash and investments	\$ 3,983,909	\$ 2,835,984
Due from County of Ventura	4,741	95,045
Accounts receivable	343,824	1,136,755
Interest receivable	1,024	904
Total current assets	4,333,498	4,068,688
Noncurrent assets		
Capital assets, net of accumulated depreciation	563	1,349
Total noncurrent asset	563	1,349
Total assets	\$ 4,334,061	\$ 4,070,037
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	\$ 761,850	\$ 800,636
Due to County of Ventura	23,856	2,926
Total current liabilities	785,706	803,562
Total liabilities	785,706	803,562
NET POSITION		
Net investment in capital assets	563	1,349
Unrestricted	3,547,792	3,265,126
Total net position	3,548,355	3,266,475
Total liabilities and net position	\$ 4,334,061	\$ 4,070,037

The accompanying notes are an integral part of these financial statements.

ITEM 10A - FCGMA Audited Financial Reports June 30, 2021, and 2022

**Fox Canyon Groundwater Management Agency
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years ended June 30, 2022 and 2021**

	2022	2021
Operating revenues		
Extraction charges and surcharges	\$ 4,485,358	\$ 4,256,656
Other income	-	995
Total operating revenues	4,485,358	4,257,651
Operating expenses		
Ventura County public works charges	1,556,926	1,561,509
Professional services	2,540,170	2,177,242
Office expenses	38,910	6,454
Maintenance buildings and improvements	10,874	8,568
Insurance	3,796	3,753
Special department expenses	2,444	1,275
Publication and legal notices	1,202	4,076
Communications	11	-
Miscellaneous expenses	2,570	185,920
Total operating expenses	4,156,903	3,948,797
Operating income before depreciation	328,455	308,854
Depreciation	786	2,858
Operating income	327,669	305,996
Nonoperating revenues		
Interest income	12,892	12,236
Loss in fair value change	(58,681)	(13,771)
Total nonoperating revenues	(45,789)	(1,535)
Change in net position	281,880	304,461
Net position - beginning	3,266,475	2,962,014
Net position - ending	\$ 3,548,355	\$ 3,266,475

The accompanying notes are an integral part of these financial statements.

ITEM 10A - FCGMA Audited Financial Reports June 30, 2021, and 2022

Fox Canyon Groundwater Management Agency
Statements of Cash Flows
For the Fiscal Years ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Cash receipts from extraction fees	\$ 5,368,593	\$ 3,939,134
Cash paid to vendors and suppliers for materials and services	<u>(4,174,759)</u>	<u>(3,499,832)</u>
Net cash provided by operating activities	<u>1,193,834</u>	<u>439,302</u>
Cash flow from investing activity		
Investment income and interest earnings	<u>(45,909)</u>	<u>6,323</u>
Net cash (used in) provided by investing activity	<u>(45,909)</u>	<u>6,323</u>
Net increase in cash and investment	1,147,925	445,625
Cash and investment - beginning	<u>2,835,984</u>	<u>2,390,359</u>
Cash and investment - ending	<u>\$ 3,983,909</u>	<u>\$ 2,835,984</u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ <u>327,669</u>	\$ <u>305,996</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	786	2,858
Change in operating assets and liabilities:		
Accounts receivable	792,931	(229,342)
Due from County of Ventura	90,304	(89,175)
Accounts payable and accrued expenses	(38,786)	448,138
Due to County of Ventura	<u>20,930</u>	<u>827</u>
Total adjustments	<u>866,165</u>	<u>133,306</u>
Net cash provided by operating activities	<u>\$ 1,193,834</u>	<u>\$ 439,302</u>

The accompanying notes are an integral part of these financial statements.

NOTE 1 REPORTING ENTITY

Organization and Operations of the Reporting Entity

The Fox Canyon Groundwater Management Agency (the Agency) was formed on September 13, 1982, for the preservation of groundwater resources within the territory of the Agency for agricultural, municipal, and industrial uses. The Agency is governed by a five-member Board of Directors. The Board of Directors are appointed by their respective organizations or groups from the United Water Conservation District, which is comprised of seven (7) water districts within the Agency.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Financial Statement Presentation follows the standards the standards promulgated by the Governmental Accounting Standards Board (GASB) commonly referred to as U.S. GAAP. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

Basis of Accounting and Measurement Focus

The Agency reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Agency is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water extraction fees), capital grants, and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as extraction fees and purchase of professional services, result from exchange transactions associated with the principal activity of the Agency. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

**Fox Canyon Groundwater Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022 and 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Reporting

The Agency implemented the following new standards during the fiscal year ended June 30, 2022 and 2021:

- GASB Statement No. 95 – Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The implementation of this new accounting standard has no significant impact to the Agency’s financial statements.

- GASB Statement No. 87 – *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The implementation of this new accounting standard has no significant impact to the Agency’s financial statements.

- GASB Statement No. 91 – In May 2019, the Governmental Accounting Standards Board issued Statement No. 91, “Conduit Debt Obligations.” The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The implementation of this new accounting standard has no significant impact to the Agency’s financial statements.

**Fox Canyon Groundwater Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022 and 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Basic Financial Statements**

The basic financial statements are comprised of the statements of net position, the statements of revenues, expenses, and changes in net position, the statements of cash flows, and the related notes to the financial statements.

Cash and Cash Equivalents

Substantially all the Agency's cash is invested in interest-bearing accounts. The Agency considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Investments

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

Accounts Receivable and Allowance for Uncollectible Accounts

The Agency extends credit to customers in the normal course of operations. When management deems customer accounts uncollectible, the Agency uses the allowance method for the reservation and write-off of those accounts. The Agency considers such factors as historical trends for collections and knowledge of financial stability of debtors to establish the allowance for doubtful accounts. Receivables are written off when management determines that the amount will not be collectible. As of June 30, 2022 and 2021, no allowance for uncollectible accounts receivable was considered necessary as all accounts receivable were deemed fully collectable.

Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. Agency policy has set the capitalization threshold for reporting capital assets at \$5,000 for equipment and purchased software. Internally generated software threshold is set at \$50,000. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

<u>Depreciable Assets</u>	<u>Estimated useful lives</u>
Equipment	2 to 30 years
Purchased software	2 to 10 years
Internally-generated software	2 to 10 years

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

The Agency follows the financial reporting requirements of the GASB and reports net position under the following classifications:

- Net investment in capital assets – this component of net position consists of capital assets, net of accumulated depreciation, and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted – this component of net position consists of constraints placed on net position the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted – this component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted component of net position.

Net Position Flow Assumption

When an Agency fund outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position is available, it is considered that restricted resources are used first, followed by the unrestricted resources.

Extraction Charges and Surcharge Fees

Extraction charges are recognized in the period the water is extracted based on reports received from well operators. The Agency considers unreported extraction charge revenue to be immeasurable and does not recognize it until it becomes measurable in the form of a report from the operator. The Agency imposes a \$500 civil penalty for operators who fail to report timely.

Surcharge fees are assessed annually as of December 31 and payable by February 1, revenue is recognized in the period when received, as amounts are not considered reasonably estimable and are therefore not considered susceptible to accrual.

**Fox Canyon Groundwater Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022 and 2021**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Policies

The Agency adopts an annual non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparisons of actual revenues and expenses with planned revenues and expenses for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

NOTE 3 CASH AND INVESTMENTS

Cash and investments at June 30, 2022 and 2021, are classified in the accompanying financial statements as follows:

	<u>2022</u>	<u>2021</u>
Cash and investments	\$ <u>3,983,909</u>	\$ <u>2,835,984</u>

The Agency's Joint Powers Agreement designates its treasurer to be the Treasurer of Ventura County (a member agency), pursuant to Section 6505.5 of the California Government Code. Therefore, all cash and investments of the Agency as of June 30, 2022 and 2021 are held in the investment pool managed by the Ventura County Treasurer.

As provided for by California Government Code Section 53635, the cash balances are invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. The County Treasurer invests the Agency's funds in accordance with State statutes and the County's Investment Policy Statement (IPS), as approved by the Treasury Oversight Committee and the County Board of Supervisors.

Fox Canyon Groundwater Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022 and 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

The policy, drafted in accordance with state law, emphasizes safety, liquidity and yield and follows the “prudent investor rule.” Investments permitted by the IPS include obligations of the U.S. Treasury, agencies and instrumentalities, or commercial paper rated A-1 or better by Standard and Poor’s Ratings Services (S & P) or P-1 by Moody’s Commercial Paper Record, bankers’ acceptances, repurchase agreements, corporate notes, negotiable certificates of deposit, obligations of the State of California and obligations of any local agency within California. Investment earnings are allocated based on average daily balance in the Treasurer’s pool for the calendar quarter. The earnings are distributed to participants twice per quarter as cash is received and accrued at year-end. The investment pool includes both voluntary and involuntary participants for whom cash and investments are held by the County Treasurer.

The total percentage share of the investment pool related to involuntary participants is estimated at 0.33%. All investments are reported at fair value, which is either the market price or amortized cost.

The Agency’s total cash and investments of \$3,983,909 and \$2,835,984 at June 30, 2022 and 2021 respectively, consist of a ratable portion of the total investment pool of the County of Ventura.

NOTE 4 CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2022 was as follows:

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
Capital assets being depreciated:				
Equipment	\$ 185,063	\$ -	\$ -	\$ 185,063
Software	357,852	-	-	357,852
Total assets being depreciated	<u>542,915</u>	<u>-</u>	<u>-</u>	<u>542,915</u>
Less: Accumulated depreciation:				
Equipment	(183,713)	(786)	-	(184,499)
Software	(357,853)	-	-	(357,853)
Total accumulated depreciation	<u>(541,566)</u>	<u>(786)</u>	<u>-</u>	<u>(542,352)</u>
Total capital assets being depreciated, net	1,349	(786)	-	563
Capital assets, net	<u>\$ 1,349</u>	<u>\$ (786)</u>	<u>\$ -</u>	<u>\$ 563</u>

**Fox Canyon Groundwater Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022 and 2021**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Capital assets activity for the fiscal year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets being depreciated:				
Equipment	\$ 185,063	\$ -	\$ -	\$ 185,063
Software	357,852	-	-	357,852
Total assets being depreciated	<u>542,915</u>	<u>-</u>	<u>-</u>	<u>542,915</u>
Less: Accumulated depreciation:				
Equipment	(182,927)	(786)	-	(183,713)
Software	(355,781)	(2,072)	-	(357,853)
Total accumulated depreciation	<u>(538,708)</u>	<u>(2,858)</u>	<u>-</u>	<u>(541,566)</u>
Total capital assets being depreciated, net	<u>4,207</u>	<u>(2,858)</u>	<u>-</u>	<u>1,349</u>
Capital assets, net	<u>\$ 4,207</u>	<u>\$ (2,858)</u>	<u>\$ -</u>	<u>\$ 1,349</u>

Depreciation expense of \$786 and \$2,858 were charged to operations during fiscal years 2022 and 2021, respectively.

NOTE 5 RISK MANAGEMENT

The Agency is primarily exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. To protect itself, the Agency contract with the County of Ventura for legal services and maintains an errors and omissions policy of \$1,000,000 through the County of Ventura.

NOTE 6 CONCENTRATION RISK

The Agency has the following major customers: Houweling Nurseries Oxnard Inc., United Water Conversation District, City of Ventura, Boskovich Farms Inc., Pleasant Valley County Water District, Leavens Ranches LLC, etc.

COVID-19 Pandemic

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2021.

The operations and business results of the Agency could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The Agency has not included any contingencies in the financial statements specific to this issue.

**Fox Canyon Groundwater Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022 and 2021**

NOTE 7 RELATED PARTY TRANSACTIONS

The Agency contracts with the County for professional specialty services. The employees of the County provide professional, technical, financial, billing, administrative, clerical, and computer information services to the Agency. The Agency compensates the County for time spent by County employees on the Agency's business and for the services provided to the Agency by the County. The Agency's total expense paid to the County for Public Works Agency charges other than administrative services for the years ended June 30, 2022 and 2021 are shown as the Ventura County public works agency charges in the Statement of Revenues. As of June 30, 2022 and 2021, due from County of Ventura amounted to \$4,741 and 95,045, respectively.

As of June 30, 2022 and 2021, Due to County of Ventura amounted to \$23,856 and 2,926, respectively.

The Agency recognized revenue of \$385,739 in 2022 and \$497,621 in 2021 from the United Water Conservation District for groundwater extraction fees. The Agency also recognized revenue of \$401,841 in 2022 and \$113,018 in 2021, from other entities sharing a Board member with the Agency including the City of Camarillo, and Camrosa Water District.

Receivables from United Water Conservation District and other entities sharing a board member with the Agency are displayed separately on the Statements of Net Position.

NOTE 8 SUBSEQUENT EVENTS

Management has evaluated events subsequent to June 30, 2022 and 2021 through August 14, 2024, the date at which the financial statements were available to be issued and have determined that no adjustments were necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

**Fox Canyon Groundwater Management Agency
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022 and 2021**

**NOTE 9 GOVERNMENTAL ACCOUNTING STANDARDS BOARDS STATEMENT ISSUED,
NOT YET EFFECTIVE**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements, that have effective dates that may impact future financial presentations. Management has not yet determined any impact the implementation of the following statements may have on the financial statements of the Agency.

GASB No. 94

In May 2020, the Governmental Accounting Standards Board issued Statement No. 94, *“Public-Private and Public-Public Partnerships and Availability Payment Arrangements.”* The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 96

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *“Subscription-Based Information Technology Arrangements.”* The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 99

In May 2022, the Governmental Accounting Standards Board issued Statement No. 99, “Omnibus” providing clarification guidance on several of its recent statements, including GASB Statement No. 87 Leases and GASB Statement No. 96 Subscription-Based Information Technology Arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 100

In May 2022, the Governmental Accounting Standards Board issued Statement No. 100, *“Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62.”* The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

GASB No. 101

In May 2022, the Governmental Accounting Standards Board issued Statement No. 101, *“Compensated Absences.”* The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

COMPLIANCE SECTION



**Independent Auditor's Report an Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

**To the Board of Directors
Fox Canyon Groundwater Management Agency**

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the State Controller's minimum audit requirements for California Special Disclosures, the financial statements of Fox Canyon Groundwater Management Agency, (the Agency) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated August 14, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a control deficiency in internal control, described in the accompanying schedule of findings and responses as item FS 2022-001 that we consider to be a material weakness.



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Agency's Response to The Finding

Governmental Auditing Standards require the auditors to perform limited procedures on the Agency's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Agency's response was not subsisted to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance *with Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Glendale, California
August 14, 2024**

Finding FS 2022-001 Significant Delay in Completing the 2022 and 2021 Audits

Condition

We experienced a significant delay in completing the June 30, 2022 and 2021 audits of the Agency's financial statements mainly because of management's difficulty in providing a timely general ledger, including the supporting schedules, documents, and other required audit-related financial information.

Cause / Effect

This indicates a lack of periodic review and reconciliation and an ineffective closing process in the Agency's accounting operations.

The lack of proper infrastructure and operating frameworks in implementing its financial accounting and reporting process at all times will prevent management from producing reliable and timely financial data for its stakeholders. Accordingly, the Agency is exposed to the risk of misappropriation of assets, financial reporting misstatements, and/or negative impact on its operations due to non-compliance with its regulatory reporting requirements.

Recommendation

We recommend that management establish proper infrastructure and operating frameworks in implementing its financial accounting and reporting process at all times to guide its accounting personnel in ensuring the generation of timely financial reports and information necessary for internal and external users. We also recommend that management ensure that compliance with its regulatory reporting requirements is strictly adhered to and given the utmost priority by its designated personnel responsible for the Organization's financial accounting and reporting process.

Management's Response and Action Plan

We believe we have the proper infrastructure and operating framework to implement the needed financial accounting and reporting. However, during the period this audit was conducted we experienced extraordinary staffing circumstances due to turnover and medical reasons, including the most knowledgeable fiscal staff being unavailable for several months due to medical reasons.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Approve and Authorize the Executive Officer to Execute a Services Contract with Daniel B. Stephens & Associates to Provide Policy Advisory Committee Administrator Services – (New Item)

RECOMMENDATIONS: (1) Receive a presentation from Agency Staff; and (2) Approve and authorize the Executive Officer to execute a services contract with Daniel B. Stephens & Associates (DBSA) to provide Watermaster Policy Advisory Committee Services.

BACKGROUND:

The judgment entered in Las Posas Valley Water Rights Coalition, et al. v. Fox Canyon Groundwater Management Agency, Santa Barbara Sup. Ct. Case No. VENC100509700 (LPV Judgment) new stakeholder committees. The Policy Advisory Committee (PAC) is “the primary advisory body to Watermaster on policy-related matters of a non-technical nature[.]” (LPV Judgment, § 6.10.1.) The LPV Judgment provides that PAC will appoint a PAC Administrator (and Watermaster must consent in the absence of cause) with the “responsibility for organizing meetings of the PAC; preparing agendas for the PAC; taking and producing minutes of PAC meetings; drafting PAC Recommendation Reports; circulating those Recommendation Reports for comment within the PAC; integrating comments and producing final Recommendation Reports to be provided to Watermaster; and presenting Recommendations Reports to the Watermaster Board upon PAC request (LPV Judgment, § 6.10.3.1, 6.10.3.2.).

The PAC has selected Tony Morgan of Daniel B. Stephens & Associates to serve as PAC Administrator and Caroline Wesley of Berylwood Mutual Water Company to serve as PAC Administrative Assistant (PAC letter dated May 3, 2024, attached as Exhibit 19A). At the September 13, 2024, meeting, your Board consented to the PAC’s selection of Tony Morgan as the PAC Administrator¹.

DISCUSSION:

Staff prepared the attached PAC Administrator services contract consistent with the provisions of the LPV Judgment (attached as Exhibit 19B). The contract includes a \$170,000 per Fiscal Year limit (for both PAC

¹ See draft minutes of the September 13, 2024, Board special meeting, a document included under the Consent portion of this meeting’s Agenda.

Administrator and PAC Administrative Assistant services). The contract would be effective for three years, October 1, 2024, to June 30, 2027.

CONCLUSION:

Staff recommends that your Board approve the agreement with Daniel B. Stephens & Associates for LPV Watermaster PAC Administrator services.

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3942.

Sincerely,


Arne Anselm
Interim Executive Officer

Attachments:

- Exhibit 11A – LPV PAC Letter_5-3-24_RE PAC Administrator Appointment and Budget Request
- Exhibit 11B – Draft PAC Administrative Services Contract and Exhibits

Item 11 - Exhibit 11A – LPV PAC Letter, dated May 3, 2024, RE: PAC Administrator Appointment and Budget Request

Eugene West, Chair
Las Posas Basin Watermaster
800 S. Victoria Ave.
Ventura, CA 93009

May 3, 2024

Re: PAC Administrator Appointment and Budget Request

Chair West:

At its April 4, 2024 meeting, the Las Posas PAC determined to appoint Tony Morgan, of Daniel B. Stephens & Associates, as the PAC Administrator. Mr. Morgan's role as a Technical Advisory Committee member, his knowledge of the basin and its stakeholders, and his exceptional interpersonal skills make him an ideal candidate to carry the PAC's message to the Watermaster board and the community.

The Watermaster budget does not currently include funding for a PAC Administrator. At its December 15, 2023 meeting, the Watermaster Board requested that the PAC develop a work plan and budget and submit them along with the nomination for PAC Administrator. The attached table categorizes the main functions of the PAC Administrator. In the interest of efficiencies, the PAC determined to name a "PAC Administrative Assistant" in addition to the PAC Administrator. At its April 4 meeting, the PAC appointed Caroline Wesley to this role. Ms. Wesley has been serving as the de facto clerk of the PAC since our establishment last fall, and the PAC hopes to continue availing itself of her organizational prowess and clear communication. It is anticipated she will subcontract to Mr. Morgan/DBS&A.

To establish a budget for the PAC Administrator and Administrative Assistant, the PAC reviewed the duties listed in Section 6.10.3.2 of the Judgment and, based on our collective experience of PAC activities to date and similar efforts elsewhere, estimated work hours required to fulfill them. Assuming no more than **four days a month** for each position, and using \$317 for the PAC Administrator, based on our understanding of Mr. Morgan's rate, and \$125 for the PAC Administrative Assistant, the PAC requests a line item for PAC Administration in the Watermaster budget of **\$170,000 per year**.

Section 6.10.3.1 of the Judgment requires that the Watermaster, absent a demonstration of cause not to, consent to this appointment. I will be available for consultation before the Watermaster board when you agendaize this item, hopefully May 22, 2024.

Thank you for your consideration,

Item 11A

Ian Prichard, Chair

LAS POSAS WATERMASTER POLICY ADVISORY COMMITTEE ADMINISTRATOR DUTIES		
DUTIES	TECHNICAL RESPONSIBILITIES	ADMINISTRATIVE RESPONSIBILITIES
<u>PAC Administrator</u>		
Determine, in consultation with PAC Chair, agenda for PAC meetings	X	
Prepare draft and final PAC Recommendation Reports	X	
Present Recommendation Reports to the WM Board during WM meetings	X	
Provide reports to PAC on TAC's findings/recommendations	X	
Address technical issues/questions from the PAC	X	
Other duties as assigned by PAC or as defined in WM Rules	X	
<u>PAC Administrative Assistant</u>		
Organize PAC meeting materials, coordinate with host venue as necessary		X
Prepare and distribute meeting agendas		X
Take and produce meeting minutes		X
Circulate draft reports and other data for PAC approval		X
Coordinate and liaise with PAC and constituents as required		X
Other duties as assigned by PAC or as defined in WM Rules		X

SERVICES CONTRACT
with Daniel B. Stephens & Associates

Las Posas Valley Watermaster Technical Advisory Committee Services

This CONTRACT is made and entered into as of the 1st day of October, 2024, by and between the Fox Canyon Groundwater Management Agency, acting as the watermaster for the Las Posas Valley Groundwater Basin (AGENCY), and Daniel B. Stephens & Associates, a subsidiary of Geologic Associates, Inc. (CONSULTANT), regarding CONSULTANT's performance of the work and services described in Exhibit A (the "Work"), attached hereto. Hereinafter, AGENCY and CONSULTANT may be referred to individually as a PARTY or collectively as the PARTIES.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the PARTIES agree as follows:

1. Scope of Work; Standard of Performance

AGENCY hereby retains CONSULTANT to perform, on a time and materials basis, the Work described in Exhibit A, attached hereto. Notwithstanding anything in this CONTRACT to the contrary, AGENCY reserves the right to deny payment for any services outside the scope of Work described in Exhibit A. The Work shall be performed in accordance with the terms and conditions of this CONTRACT (including all exhibits hereto). In performing the Work, CONSULTANT shall exercise the degree of skill and care customarily exercised by persons in the State of California when providing similar services with respect to similarly complex work and projects.

2. Schedule

All Work and any portion thereof separately identified shall be completed within any applicable time schedule provided in Exhibit A. AGENCY may suspend a time schedule if CONSULTANT is delayed by a public agency reviewing documents produced by CONSULTANT pursuant this CONTRACT or solely due to acts or omissions of AGENCY, provided CONSULTANT promptly notifies AGENCY in writing of any such delay.

3. Compensation, Invoicing, and Payment

A. Compensation, invoicing, and payment for CONSULTANT's performance and provision of the Work shall be made in accordance with Exhibit B, attached hereto.

B. Notwithstanding anything in this CONTRACT to the contrary, the total sum of all payments made by AGENCY to CONSULTANT for the performance or provision of the Work pursuant to this CONTRACT shall not exceed the "Not To Exceed Limit" specified in Exhibit B, attached hereto. AGENCY expressly reserves the right to deny any payment or reimbursement requested by CONSULTANT in excess of the Not To Exceed Limit.

4. Term; Termination

A. The term of this CONTRACT shall be from October 1, 2024, to June 30, 2027, unless sooner terminated as provided in this CONTRACT. Notwithstanding anything herein to the contrary, this CONTRACT shall terminate automatically if CONSULTANT is removed from the Las Posas Valley Watermaster Policy Advisory Committee Administrator position pursuant to the judgment in *Las Posas Valley Water Rights Coalition et al. v Fox Canyon Groundwater Management Agency et al*, Santa Barbara County Superior Court Case No. VENC100509700 (LPV ADJUDICATION).

SERVICES CONTRACT

B. Upon receiving any notice of termination from AGENCY, CONSULTANT shall stop performing and providing all Work and cooperate with AGENCY to close out CONSULTANT's obligations under this CONTRACT. AGENCY shall pay CONSULTANT for all Work satisfactorily performed prior to CONSULTANT receiving notice of termination; provided, however, that such payments shall not exceed the "Not To Exceed Limit" specified in Exhibit B for completion of any separately identified task or phase of the Work which, at the time AGENCY received notice of termination, has been started by request of AGENCY.

5. Right to Review

AGENCY shall have the right to review the Work at any time during AGENCY's usual working hours. Review, checking, approval, or other action by the AGENCY shall not relieve CONSULTANT of CONSULTANT's responsibility for the accuracy and completeness of the Work.

6. Work Product

On completion or any termination of this CONTRACT, AGENCY shall be entitled to immediate possession of, and CONSULTANT shall promptly furnish, on request, all reports, drawings, designs, computations, plans, specifications, correspondence, data and other work product prepared or gathered by CONSULTANT arising out of or related to the Work (collectively, "Work Product"). AGENCY has a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and authorize others to use, Work Product for government purposes. CONSULTANT may retain copies of the Work Product for its files. Work Product prepared by CONSULTANT pursuant to this CONTRACT shall not be modified by AGENCY unless CONSULTANT's name and signatures are completely deleted. CONSULTANT shall not be responsible for any liabilities to AGENCY for the use of such Work Product that is modified by persons other than CONSULTANT.

7. Subconsulting

CONSULTANT may subcontract with Caroline Wesley for assistance performing administrative services related to the Work. Except as provided in this Section 7, CONSULTANT may engage the services of subconsultants for the performance of a portion of the Work ("Subconsultants") only with the prior written consent of AGENCY. CONSULTANT shall be fully responsible for all Work performed by Subconsultants which shall be performed in accordance with all terms and conditions of this CONTRACT. All insurance requirements set forth in Section 11 below, "Insurance Requirements," shall apply to each Subconsultant, except to the extent such requirements are modified or waived in writing by AGENCY. CONSULTANT shall ensure that each Subconsultant obtains and keeps in force and effect during the term of this CONTRACT the required insurance.

8. Independent Contractor

A. No Employment Relationship. CONSULTANT is an independent contractor, and no relationship of employer and employee is created by this CONTRACT. Neither CONSULTANT nor any of the persons performing services for CONSULTANT pursuant to this CONTRACT, whether said person be a principal, member, partner, officer, employee, agent, volunteer, associate, Subconsultant, or otherwise of CONSULTANT, will have any claim under this CONTRACT or otherwise against AGENCY for any salary, wages, sick leave, vacation pay, retirement, social security, workers' compensation, disability, unemployment insurance, federal, state or local taxes, or other compensation, benefits or taxes of any kind. AGENCY is not required to make any deductions from the compensation payable to CONSULTANT under the provisions of this CONTRACT. CONSULTANT shall be solely responsible for self-employment Social Security taxes, income taxes and any other taxes levied against self-employed persons. CONSULTANT does not assign such obligation to AGENCY for collection or administration except as may be required by federal and state law.

SERVICES CONTRACT

B. No AGENCY Control of Means and Methods of Performance. Except as otherwise provided in this CONTRACT, AGENCY will have no control over the means or methods by which CONSULTANT will perform services under this CONTRACT, provided, however, that CONSULTANT will perform the Work and related services hereunder and function at all times in accordance with approved methods of practice for the position CONSULTANT will serve under this CONTRACT.

C. Third Parties Employed by CONSULTANT. If, in the performance of this CONTRACT, any third parties (including, without limitation, Subconsultants) are employed by CONSULTANT, such third parties will be entirely and exclusively under the direction, supervision, and control of CONSULTANT. All terms of employment, including hours, wages, working conditions, discipline, hiring and discharging, and other applicable requirements of law will be the responsibility of and determined by CONSULTANT, and AGENCY will have no right or authority over such third parties or the terms of such employment, except as may be provided in this CONTRACT.

D. Compliance with Workers' Compensation Laws. CONSULTANT will comply with all applicable provisions of the Workers Compensation Insurance and Safety Act of the State of California (codified as amended commencing at Labor Code section 3200), including, without limitation, divisions 4 and 5 of the California Labor Code, and all amendments thereto, and all applicable similar state and federal acts or laws, and will indemnify and hold harmless AGENCY and the County of Ventura from and against all Third-Party Claims (defined in Section 10 hereof) presented, brought, or recovered against AGENCY or the County of Ventura, for or on account of any liability under any of said laws which may be incurred by reason of any services to be performed under this CONTRACT.

E. Indemnity for Claims of Employer-Employee Relationship. Notwithstanding anything herein to the contrary, CONSULTANT agrees to defend (with counsel acceptable to AGENCY), indemnify, and hold harmless AGENCY and the County of Ventura and their respective boards, agencies, departments, officers, employees, agents and volunteers from and against any and all Third-Party Claims (defined in Section 10 hereof) made against AGENCY and the County of Ventura based upon any contention by any third-party that an employer-employee relationship exists by reason of this CONTRACT. CONSULTANT further agrees to hold AGENCY and the County of Ventura harmless from and to compensate AGENCY and the County of Ventura for any Third-Party Claims against AGENCY or the County of Ventura for payment of state or federal income or other tax obligations relating to CONSULTANT's compensation under the terms of this CONTRACT. CONSULTANT will not settle or otherwise compromise a Third-Party Claim covered by this Section 8(E) without AGENCY's advance written approval. This Section 8(E) does not apply to any penalty imposed by any governmental agency that is not caused by or the fault of CONSULTANT.

9. Conflicts of Interest

A. During the term of this CONTRACT, CONSULTANT shall not have or obtain economic interests, or participate in activities, that conflict with AGENCY's interests with respect to this CONTRACT and the Work. CONSULTANT shall take reasonable measures to ensure that CONSULTANT and its principals, officers, employees, agents, and Subconsultants do not possess or obtain a financial conflict of interest, and do not participate in activities that conflict with the AGENCY's interests, with respect to this CONTRACT and the Work. CONSULTANT shall promptly inform AGENCY of any matter that could reasonably be interpreted as creating a conflict of interest for CONSULTANT with respect to this CONTRACT or the Work. This Section 9(A) is not intended to modify the standard of performance as set forth in this CONTRACT.

B. CONSULTANT acknowledges that the California Political Reform Act ("Act"), Government Code section 81000 et seq., provides that principals, officers, employees and agents of consultants

SERVICES CONTRACT

retained by a public agency may be deemed “public officials” subject to the Act if they make or advise AGENCY on decisions or actions to be taken by AGENCY. To the extent AGENCY determines that the Act applies to CONSULTANT or its principals, officers, employees or agents, each designated person shall abide by the Act, including the requirement for public officials to prepare and file statements disclosing specified economic interests, as directed by AGENCY. In addition, CONSULTANT acknowledges and shall abide by the contractual conflict of interest restrictions imposed on public officials by Government Code section 1090 et seq.

C. During the term of this CONTRACT, CONSULTANT shall not employ or compensate AGENCY’s current employees.

10. Defense and Indemnification

A. CONSULTANT shall defend (with attorneys acceptable to AGENCY), indemnify, and hold harmless AGENCY and the County of Ventura, their respective boards, agencies, departments, officers, employees, agents and volunteers (collectively, “Indemnitees”) from and against any and all third-party claims, lawsuits, judgments, debts, demands, and liability (including attorney fees and costs) (collectively, “Third-Party Claims”), including, without limitation, those arising from injuries or death of persons and/or damage to property, arising directly or indirectly out of, resulting from, or in connection with, the performance of this CONTRACT and/or the Work by CONSULTANT or CONTRACTOR’s officers, directors, employees, agents, representatives, Subconsultants, and anyone directly or indirectly employed by them. CONSULTANT shall not settle or otherwise compromise a Third-Party Claim covered by this Section 10 without AGENCY’s advance written approval. Notwithstanding the foregoing, CONSULTANT’s obligation to defend, indemnify, and hold harmless under this Section 10 shall not extend to Third Party Claims resulting from the gross negligence or willful misconduct of Indemnitees.

B. CONSULTANT’s obligation to defend, indemnify, and hold Indemnitees harmless under this Section 11 is not limited to, or restricted by, any requirement in this CONTRACT for CONSULTANT to procure and maintain a policy of insurance and shall survive any termination or expiration of this CONTRACT.

C. This Section 10 shall control and govern the PARTIES’ obligations over any contrary provision or language in the Exhibits, including any fee schedules attached thereto.

11. Insurance Requirements

A. Without limiting CONSULTANT’s duty to defend and indemnify AGENCY as required herein, CONSULTANT shall, at CONSULTANT’s sole cost and expense and throughout the term of this CONTRACT and any extensions hereof, carry one or more insurance policies that provide at least the following minimum coverage:

i. Commercial general liability insurance shall provide a minimum of \$1,000,000.00 coverage for each occurrence and \$2,000,000.00 in general aggregate coverage.

ii. Automobile liability insurance shall provide a minimum of either a combined single limit (CSL) of \$1,000,000.00 for each accident or all of the following: \$250,000.00 bodily injury (BI) per person, and \$500,000.00 bodily injury per accident, and \$100,000.00 property damage (PD). Automobile liability insurance is not required if CONSULTANT does no traveling in performing the Work.

iii. Workers’ compensation insurance in full compliance with California statutory requirements for all employees of CONSULTANT in the minimum amount of \$1,000,000.00. This

SERVICES CONTRACT

workers' compensation insurance requirement may only be waived by AGENCY in writing if CONSULTANT is a sole proprietor with no employees and CONSULTANT provides AGENCY with evidence of such before commencing any work under the CONTRACT.

B. If CONSULTANT maintains higher limits than the minimums shown above, AGENCY requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to AGENCY.

C. With respect to any coverage written on a "claims made" basis, CONSULTANT shall, for three years after the date when this CONTRACT is terminated or completed, maintain such policy with a retroactive date that is on or before the start date of contract services or purchase an extended reporting period endorsement (tail coverage). AGENCY may withhold final payments due until satisfactory evidence of the continued maintenance of such policy or the tail coverage is provided by CONSULTANT to AGENCY. Such policy shall allow for reporting of circumstances or incidents that may give rise to future claims.

D. CONSULTANT shall notify AGENCY immediately if CONSULTANT's general aggregate of insurance is exceeded by valid litigated claims in which case additional levels of insurance must be obtained to maintain the above-stated requirements. All required insurance shall be written by a financially responsible company or companies authorized to do business in the State of California. CONSULTANT shall notify AGENCY of any and all policy cancellations within three working days of the cancellation.

E. The commercial general liability policy shall name "Fox Canyon Groundwater Management Agency" and the "County of Ventura" as additional insureds ("Additional Insureds"). All required insurance shall be primary coverage as respects the Additional Insureds, and any insurance or self-insurance maintained by Additional Insureds shall be in excess of CONSULTANT's insurance coverage and shall not contribute to it. Coverage shall apply separately to each insured, except with respect to the limits of liability, and an act or omission by one of the named insureds shall not reduce or avoid coverage to the other named insureds. Additional Insured coverage shall include both ongoing and completed operations. In the case of policy cancellation, AGENCY shall be notified by the insurance company or companies as provided for in the policy.

F. CONSULTANT hereby waives all rights of subrogation against AGENCY, the County of Ventura, all special districts governed by the Ventura County Board of Supervisors, and each of their boards, directors, employees, agents, and representatives for losses arising directly or indirectly from the activities or Work under this CONTRACT. The commercial general liability, automobile liability, and workers' compensation policies shall contain a provision or endorsement needed to implement CONSULTANT's waiver of these rights of subrogation.

G. Prior to commencement of the Work, CONSULTANT shall furnish AGENCY with certificates of insurance and endorsements effecting all coverage required hereunder. Copies of renewal certificates and endorsements shall be furnished to AGENCY within 30 days of the expiration of the term of any required policy. CONSULTANT shall permit AGENCY at all reasonable times to inspect any policies of insurance required hereunder.

H. Each insurance policy required above shall state that coverage shall not be canceled except with notice to AGENCY.

SERVICES CONTRACT

12. Claims and Disputes

A. Administrative Review. Prior to filing a complaint in arbitration against AGENCY seeking payment of money or damages regarding the Work, an extension of contract time, or an interpretation or adjustment of the terms of this CONTRACT, including “pass-through” claims asserted by CONSULTANT on behalf of a Subconsultant (collectively referred to hereinafter as “claim”), CONSULTANT shall first exhaust its administrative remedies by attempting to resolve the claim with AGENCY’s staff. CONSULTANT shall initiate the administrative review process no later than 60 calendar days after the claim has arisen by submitting to the ‘AGENCY’S project manager a written statement describing each claim and explaining why CONSULTANT believes AGENCY is at fault, as well as all correspondence and evidence regarding each claim. CONSULTANT may appeal the decision made by the AGENCY’s project manager to the AGENCY’s executive officer, provided that AGENCY receives such appeal in writing no later than 30 calendar days after the date of the decision being appealed. If CONSULTANT does not appeal a decision to the next level of administrative review within this 30 calendar day period, the decision shall become final and binding and not subject to appeal or challenge.

B. Arbitration. All CONSULTANT claims not resolved through the administrative review process stated above shall be resolved by arbitration unless AGENCY and CONSULTANT agree in writing, after the claim has arisen, to waive arbitration and to have the dispute litigated in a court of competent jurisdiction. Arbitration shall be pursuant to article 7.1 (commencing with section 10240) of chapter 1 of part 2 of the Public Contract Code and the regulations promulgated thereto, chapter 4 (commencing with section 1300) of division 2 of title 1 of the California Code of Regulations (collectively, “Rules for Public Works Contract Arbitrations”). Arbitration shall be initiated by a complaint in arbitration prepared, filed and served in full compliance with all requirements of the Rules for Public Works Contract Arbitrations. CONSULTANT consents and agrees that AGENCY may join it as a party to any arbitration involving third-party claims asserted against AGENCY and the County of Ventura arising from or relating to any Work performed by CONSULTANT hereunder.

13. Compliance with Laws and Regulations; Permits and Licenses

CONSULTANT shall perform its obligations hereunder in compliance with all applicable federal, state, and local laws and regulations. CONSULTANT certifies that it possesses and shall continue to maintain or shall cause to be obtained and maintained, at no cost to AGENCY, all approvals, permissions, permits, licenses, and other forms of documentation required for it and its principals, officers, employees, agents and Subconsultants to comply with all applicable statutes, ordinances, regulations, and/or other laws, that apply to performance of this CONTRACT and the Work. AGENCY is entitled to review and copy all such applications, permits, and licenses which CONSULTANT shall promptly make available upon AGENCY’s request.

14. Miscellaneous

A. Exhibits. The following exhibits are attached to, incorporated into, and a part of this CONTRACT:

- Exhibit A (Scope of Work)
- Exhibit B (Compensation, Invoicing and Payment)
- Exhibit B-1 (Tony Morgan Fee Schedule)
- Exhibit B-2 (Caroline Wesley Fee Schedule)

In the event of a conflict between the terms of this CONTRACT and any exhibits, the terms of this CONTRACT shall govern unless otherwise expressly provided or complying with the CONTRACT would frustrate the purpose of the CONTRACT. Specifically, in the event of a conflict, the order of

SERVICES CONTRACT

precedence among this CONTRACT and exhibits hereto shall be: (1) this CONTRACT; (2) Exhibits A and B; (3) Exhibit B-1; and (4) Exhibit B-4.

B. Entire Understanding. This CONTRACT is an integrated agreement and constitutes the final expression, and the complete and exclusive statement of the terms of, the PARTIES' agreement with respect to the subject matter hereof, including but not limited to the Work. This CONTRACT supersedes all contemporaneous oral and prior oral and written agreements, understandings, representations, inducements, promises, communications or warranties of any nature whatsoever, by either PARTY or any agent, principal, officer, partner, employee or representative of either PARTY, with respect to the subject matter hereof. Without limiting the foregoing, CONSULTANT acknowledges that no representation, inducement, promise or warranty not contained in this CONTRACT will be valid or binding against AGENCY.

C. Amendment and Modification. No modification, waiver, amendment or discharge of this CONTRACT shall be valid unless the same is in writing and signed by duly authorized representatives of both PARTIES.

D. Assignment. CONSULTANT will not assign this CONTRACT or any portion thereof to a third-party without the prior written consent of AGENCY, and any attempted assignment without such prior written consent will be null and void and will be cause, at AGENCY's sole and absolute discretion, for immediate termination of this CONTRACT. AGENCY may withhold its consent to assignment at its discretion. In the event AGENCY consents to assignment, the obligations of CONSULTANT hereunder shall be binding on CONSULTANT's assigns.

E. Third-Party Beneficiaries. Except for the Indemnitees specified in Sections 8 and 10, this CONTRACT does not, and the PARTIES do not intend to, confer a third-party beneficiary right of action on any third-party whatsoever, and nothing set forth in this CONTRACT will be construed so as to confer on any third-party a right of action under this CONTRACT or in any manner whatsoever.

F. Time of Essence. Time limits stated in this CONTRACT, including all exhibits hereto, are of the essence.

G. Governing Law; Venue. This CONTRACT is made and entered into in the State of California and shall, in all respects, be interpreted, governed and enforced in accordance with the laws of the State of California applicable to contracts entered into and fully to be performed therein. The venue for any action, suit, arbitration, judicial reference, or other proceeding concerning this CONTRACT shall be in Ventura County, California.

H. Notices. All notices, requests, claims, and other official communications under the CONTRACT shall be in writing and transmitted by one of the following methods: (i) personal delivery; (ii) courier where receipt is confirmed; or (iii) registered or certified mail, postage prepaid, return receipt requested. Such notices and communications shall be deemed given and received upon actual receipt in the case of all except registered or certified mail; and in the case of registered or certified mail, on the date shown on the return receipt or the date delivery during normal business hours was attempted. All notices and communications shall be sent to CONSULTANT at the current address on file with AGENCY for contract payment purposes, and shall be sent to AGENCY as follows:

Las Posas Valley Watermaster
c/o Fox Canyon Groundwater Management Agency
800 South Victoria Avenue, #1610
Ventura, CA 93009-1610

SERVICES CONTRACT

Either PARTY may change its contact information by providing written notice of the change to the other PARTY in accordance herewith.

I. Further Actions. The PARTIES agree that they will execute any and all documents and take any and all other actions as may be reasonably necessary to carry out the terms and conditions of this CONTRACT.

J. Legal Representation. Each PARTY warrants and represents that in executing this CONTRACT, the PARTY has relied upon legal advice from attorneys of the PARTY's choice (or had a reasonable opportunity to do so); that the PARTY has read the terms of this CONTRACT and had their consequences (including risks, complications and costs) completely explained to the PARTY by the PARTY's attorneys (or had a reasonable opportunity to do so); and that the PARTY fully understands the terms of this CONTRACT. Each PARTY further acknowledges and represents that it has executed this CONTRACT freely and voluntarily without the undue influence of any person, and the PARTY has not relied on any inducements, promises or representations made by any person not expressly set forth in this CONTRACT.

K. No Waiver. Failure by a PARTY to insist upon strict performance of each and every term, condition, and covenant of this CONTRACT shall not be deemed a waiver or relinquishment of the PARTY's rights to enforce any term, condition, or covenant.

L. Partial Invalidity. If any provision of this CONTRACT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the PARTIES intend, and it shall be so deemed, that the remaining provisions of this CONTRACT shall continue in full force without being impaired or invalidated in any way. If such provision is held to be invalid, void or unenforceable due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

M. Interpretation of Contract. For purposes of interpretation, this CONTRACT shall be deemed to have been drafted by both PARTIES, and no ambiguity shall be resolved against any PARTY by virtue of the PARTY's participation in the drafting of the CONTRACT. Accordingly, Civil Code section 1654 shall not apply to the interpretation of this CONTRACT. Where appropriate in the context of this CONTRACT, the use of the singular shall be deemed to include the plural, and the use of the masculine shall be deemed to include the feminine and/or neuter. Section and paragraph headings in this CONTRACT are included for ease of reference only and shall not affect its construction or interpretation.

N. Counterparts. This CONTRACT may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same contract.

[SIGNATURES ON FOLLOWING PAGE]

SERVICES CONTRACT

IN WITNESS WHEREOF, the PARTIES have executed this CONTRACT through their duly authorized representatives as of the last date written below.

DANIEL B. STEPHENS & ASSOCIATES

**FOX CANYON GROUNDWATER
MANAGEMENT AGENCY**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

DRAFT

***Las Posas Valley Watermaster
PAC Administrator Services***

**EXHIBIT A
SCOPE OF WORK**

Work and Services.

- A. Subject to the judgment entered in *Los Posas Valley Water Rights Coalition et al. v Fox Canyon Groundwater Management Agency et al*, Santa Barbara County Superior Court Case No. VENC100509700 (LPV Judgment), CONSULTANT shall serve as the Las Posas Valley Watermaster Policy Advisory Committee (PAC) Administrator.
- B. As PAC Administrator, CONSULTANT shall perform the follow services and work upon request of the PAC:
1. Organizing meetings of the PAC;
 2. Preparing agendas for the PAC;
 3. Taking and producing minutes of PAC meetings;
 4. Drafting PAC recommendations reports
 5. Circulating PAC recommendations reports for comment within the PAC;
 6. Integrating comments and producing final recommendations reports to be provided to the Watermaster; and
 7. Presenting PAC recommendation reports to the Watermaster Board during Watermaster meeting upon request of PAC; and
 8. Any other policy-related matters or responsibilities of a non-technical nature assigned by the PAC.

Performance Standards.

All services and work performed or prepared by CONSULTANT under the CONTRACT shall be independent and unbiased.

**Las Posas Valley Watermaster
PAC Administrator Services**

**EXHIBIT B
COMPENSATION, INVOICING, AND PAYMENT**

Compensation Summary.

- A. Except as expressly provided in the CONTRACT, the total sum of all payments made by AGENCY to CONSULTANT for all services and work performed under this CONTRACT shall not exceed **\$170,000** in any fiscal year (July 1-June 30) (“Not To Exceed Limit”). AGENCY expressly reserves the right to deny any payment or reimbursement requested by CONSULTANT for services or work performed in excess of this Not To Exceed Limit.
- B. Subject to the Not To Exceed Limit set forth in subsection (A) above, AGENCY agrees to pay CONSULTANT, on a time and materials basis, (i) an hourly rate of **\$317 per hour** for PAC Administrator work and services satisfactorily performed; and (ii) an hourly rate of **\$125 per hour** for PAC Administrative Assistant work and services satisfactorily performed. Rates for PAC Administrator work and services and PAC Administrator Assistant work and services shall remain fixed for the duration of the CONTRACT.
- C. Except as expressly provided in the CONTRACT, CONSULTANT shall not be entitled to, nor receive, from AGENCY, any additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under the CONTRACT. Specifically, Consultant shall not be entitled, by virtue of the CONTRACT, to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever. CONSULTANT will not be paid or reimbursed for travel expenses or per diem that CONSULTANT incurs in providing services and work requested by County under the CONTRACT, unless AGENCY approves such costs and expenses in writing in advance of them being incurred by CONSULTANT.
- D. Notwithstanding anything in the CONTRACT, including any exhibits attached thereto, Watermaster reserves the right to deny payment for the performance of any work or services outside the scope of work set forth in Exhibit A.

Invoicing and Payment.

- A. CONSULTANT invoicing and requests for payment shall be made on a monthly basis on an AGENCY-approved claim form and include the following:
 1. Personnel time records for work and services actually performed at the rates specified in this Exhibits B; and

Item 11B – DRAFT PAC Administrative Services Contract and Exhibits
Las Posas Valley Watermaster
PAC Administrator Services

2. Receipts for all authorized reimbursable expenses, along with the written AGENCY authorization for any specific reimbursable expenses requested for payment if required above.
- B. Timely Invoicing Required.
1. Timely invoicing by CONSULTANT is required. Delays in invoicing for services and work performed increases the management effort required by AGENCY to ensure accurate payments to CONSULTANT and manage project budgets. Accordingly, CONSULTANT shall invoice the AGENCY for the performance or provision of Work no later than 30 calendar days after the close of the month in which the Work was performed or provided.
 2. CONSULTANT shall submit a final invoice within 30 days of the earliest of the following events: (i) completion and acceptance by AGENCY of all Work required by the CONTRACT; or (ii) any expiration or termination of the CONTRACT.
- C. CONSULTANT shall submit invoices and/or requests for payment to:
- Las Posas Valley Watermaster
c/o Fox Canyon Groundwater Management Agency
800 South Victoria Avenue, #1610
Ventura, CA 93009-1610
- D. Payments shall be made by AGENCY upon presentation of a properly completed AGENCY claim form and determination by AGENCY that all work and services described in the claim form were satisfactorily performed or provided according to the CONTRACT.

Item 12 - Correspondence from Laurel Servin of Berylwood Heights Mutual Water Company regarding the LPV Watermaster Budget, dated August 9, 2024.

From: General Manager <general@berylwoodwater.com>

Sent: Friday, August 9, 2024 1:35 PM

To: LPV Watermaster <LPV.Watermaster@ventura.org>

Subject: Notes from Laurel Servin re: Legal Fees on Proposed Watermaster Budget

I would like to discuss some information with regard to the pending \$248,640 legal fee expenses on the Watermaster's proposed budget for fiscal year 2024/2025, and I am requesting that the Watermaster take these points to their board for consideration before the 24/25 budget is presented and finalized:

1. The Legal Services category includes \$99,456 for Judicial Review (challenges to court), and \$149,184 in Advisory Services; I would like to review a detailed listing of all Legal Services costs.
2. After conferring with Attorney Keith Lemieux, Berylwood was reminded of the following:
 - a. WMID holders are already paying legal fees as part of their semi-annual extraction fees - \$20 per acre foot is charged to all users. The legal fees on the proposed budget appear to be duplicative.
 - b. The FCGMA agreed to serve as Watermaster for the Las Posas Basin and to perform the duties assigned to it under the Phase 3 Settlement and Judgment, consistent with the Judgment's terms and the Watermaster Rules and Regulations. This includes establishment of the Physical Solution, establishment of the PAC and TAC, and the Basin Optimization Plan.
 - c. Any refusal on the part of the FCGMA to proceed with these items as described in the Judgment represents a breach of the Settlement.
 - d. The Judgment allows for certain legal fees to be borne by the Watermaster, but these are for implementation of the Judgment and **NOT** for contesting the Judgment (it is FCGMA's duty to protect and implement the terms of the Judgment). We have been advised that the legal fees incurred between July 10, 2023, and today are mostly related to the appeal, and therefore should not be borne by the Watermaster.
 - e. From the Final Judgment, Section 12.4:
 - i. **Costs.** Except subject to any existing Court orders and stipulation or separate agreement of one or more Parties, each Party shall bear its own costs and attorneys' fees arising from the Comprehensive Adjudication.

Item 13 - Correspondence from Jackson Tidus regarding Allowance for Court Corrections to Allocations in Considering the Groundwater Schedule for Water Year 2024, dated September 13, 2024.

From: [Michele Staples](#)
To: [LPV Watermaster](#)
Subject: COMMENTS ON WATERMASTER TENTATIVE DECISIONS ON REQUESTS FOR CORRECTION TO GROUNDWATER SCHEDULE FOR WY2024
Date: Friday, September 13, 2024 6:17:08 PM
Attachments: [image002.png](#)

WARNING: If you believe this message may be malicious use the Phish Alert Button to report it or forward the message to Email.Security@ventura.org.

We represent the following landowners overlying the Las Posas Valley Groundwater Basin (“Basin”) who have historically used groundwater from the Basin for agricultural and/or domestic use on their overlying land, have regularly reported their groundwater extractions to Fox Canyon Groundwater Management Agency, but are omitted from the parties receiving Allocations under the Judgment as a result of the violations of the Streamlined Groundwater Adjudication Act and irregularities in the Court proceedings. The omitted overlying landowners would suffer significant damage such as loss of productive use of their land and their livelihood without that water source. Their extractions during 2013-2019 (the period used to calculate Allocations under the Judgment) are on the order of 1,200 AFY.

We understand that it is the Court and not the Watermaster that has authority to correct the Allocations, and we will move the Court accordingly. We ask the Watermaster to make allowance for Court corrections to Allocations in considering the Groundwater Schedule for WY2024. Thank you

1. Marvin Franklin
2. Adan Chairez, Successor Trustee of the Jose I. Chairez and Rosa D. Chairez Revocable Trust
3. Richard F. Rhoads and Brenda Rhoads, as Trustees of the Rhoads 1987 Family Trust dated February 25, 1987
4. Terry Phillips, Trustee of the Phillips Trust dated January 22, 1997
5. Harold Douglas Sulser
6. Brian Williams and Caran Williams
7. Daryl E. Smith and Susan L. Smith trustees of the Daryl and Susan Smith Family Trust dated November 30, 2015
8. Joe Gillaspy and Cheryl Gillaspy, Trustees, Gillaspy Family 2004 Revocable Trust dated June 8, 2004
9. Gary G. Cervený and Diane Cervený, Trustees of the Cervený Family Trust dated 11/8/1992 as restated on April 3, 2017

Item 13 - Correspondence from Jackson Tidus regarding Allowance for Court Corrections to Allocations in Considering the Groundwater Schedule for Water Year 2024, dated September 13, 2024.

10. Laureate Farm Trust dated October 8, 2012, Richard W. Gray and Laura C. Gray, trustees
11. Mina Laya Haddadzadeh, Trustee of the Mina Laya Haddadzadeh Trust dated October 9, 2017
12. SSL Management LLC
13. Sunil Kumar Sreerama
14. Ventavo Farms LLC, a California limited liability company
15. Douglas J. Homze and Sharon M. Homze as Trustees of the Homze Family Living Trust, dated 9/22/23
16. Robert J. Perry
17. Mohammad Riaz and Parveen Akhtar Riaz, Trustees of the Riaz Family Trust, dated February 26, 2009
18. Jacob Dakessian, Trustee of the Survivor's Trust established under the Dakessian Family Trusts, and Jacob Dakessian, Trustee of the Unified Credit Trust established under the Dakessian Family Trusts
19. Ashish Shah and Payal Kamdar
20. Beardsley Associates, a California General Partnership
21. Debra B. Tash, as Trustee of the George Tash Administrative Trust created under the George Tash and Debra B. Tash Inter Vivos Trust agreement dated November 25, 1985, as amended and fully restated on July 18, 2022

Thank you

Michele A. Staples
Shareholder

mstaples@jacksontidus.law

D: 949.851.7409

C: 949.233.5039



2030 Main Street, Suite 1500
Irvine, CA 92614

Item 13 - Correspondence from Jackson Tidus regarding Allowance for Court Corrections to Allocations in Considering the Groundwater Schedule for Water Year 2024, dated September 13, 2024.

O: 949.752.8585

F: 949.752.0597

www.jacksontidus.law

[Click here to share files larger than 25 MB](#)



**** Please note effective March 1, 2024, Jackson Tidus' new address is 2030 Main Street, Suite 1500, Irvine CA 92614. Our office phone numbers will remain the same ****

Disclaimer

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Jackson Tidus is a recognized Partner in ABA-EPA's Law Office Climate Challenge

**VENTURA COUNTY
AGRICULTURAL ASSOCIATION**



CAMARILLO, CA 93011

PHONE (805) 388-2727



**FARM
BUREAU
OF
VENTURA
COUNTY**

*THE INDEPENDENT
VOICE FOR
AGRICULTURE*

Established in 1914

September 16th, 2024

Fox Canyon Groundwater Management Agency

800 South Victoria Avenue, #1200

Ventura, CA 93009

Dear Members of the Board,

On behalf of the Farm Bureau of Ventura County and the Ventura County Agricultural Association, we are pleased to affirm the appointment of Mr. Michael Craviotto to serve as the representative to the Fox Canyon Groundwater Management Agency. We believe that Mr. Craviotto's extensive experience in agriculture, his deep understanding of water management issues, and his dedication to ensuring sustainable water resources make him an ideal appointee for this critical role.

Additionally, we are appointing Mr. Dave Borchard to serve as the alternate representative. Mr. Borchard's expertise in the agricultural community, along with his knowledge of groundwater policies, will ensure strong continuity and representation should the need for an alternate arise.

Both Mr. Craviotto and Mr. Borchard are highly respected within the Ventura County agricultural community, and we are confident they will provide valuable input and leadership in managing groundwater resources responsibly.

Thank you for your attention to this matter. We look forward to their contributions in supporting the agency's mission and objectives.

Sincerely,

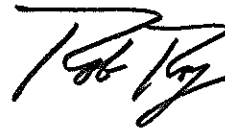


Maureen McGuire

CEO

Farm Bureau of Ventura County

Rob Roy



President and General Council

Ventura County Agricultural Association

Item 15 - Correspondence from Dr. Raul Ramirez of Mesa Union School District regarding Allocation under the LPV Adjudication Judgment and Del Norte Mutual Water Company, dated September 18, 2024

Exhibits attached

From: [Raul Ramirez](#)
To: [LPV Watermaster](#); [FCGMA](#); [Anselm, Arne](#); [Kaseke, Farai](#)
Subject: Del Norte Mutual Water Company Correspondence
Date: Wednesday, September 18, 2024 9:37:04 PM
Attachments: [Del Norte Water Company Letter 05.07.2024.pdf](#)
[Del Norte Water Company Letter 09.06.2024 \(1\).pdf](#)
[Mesa School Contract \(1\).pdf](#)
[Exhibit C - Groundwater Allocation Schedule - Dec19.21 \(1\).pdf](#)

Good evening all,

I hope this message finds you well. I am writing with the twofold purpose of both bringing your attention to an important matter and seeking your support and guidance in its successful resolution. Mesa Union School District has received two letters from Del Norte Mutual Water Company seeking a portion of the water allocation to which Mesa Union School District was entitled based upon the Las Posas adjudication. For your reference, I have included in this message a copy of a letter dated May 7, 2024 and a more recent correspondence dated September 6, 2024. In this most recent letter, Del Norte Mutual Water Company President, John Orr, threatens to shut off access to domestic water which Mesa Union School District has relied upon for decades. A copy of the contracts between the two entities has also been included in this message for your review and reference.

In bringing this matter to your attention, I bring not only my deep concern for the demands Del Norte MWC posits, but that of the entire Mesa Union School District Board of Trustees. Mesa Union has purchased domestic water from Del Norte for decades and seeks to continue that arrangement not only as a practical matter, but also as what appears to be a right based on the disclosure Del Norte MWC put forth to the court. As mentioned previously, I am seeking your support and guidance in this matter. I would also like to request clarification as it pertains to some important questions for Mesa Union School District.

- The adjudication lists Mesa Union School District as a shareholder in Del Norte Mutual Water Company. Does DNMWC maintain the right to deny domestic water to Mesa Union School District?
- Mesa Union would like further clarification on the "Hybrid" status detailed in the settlement.
- Based on the Master Disclosure Statement (Exhibit B) of the settlement, Del Norte declares the historical water usage by Mesa Union School District. Is Mesa Union School District correct in assuming this usage factored into the 41.63 AFY allocation to which Del Norte MWC is entitled?

To conclude, Mesa Union School District only seeks to continue the partnership with Del Norte MWC which extends over many decades. Your attention to this matter is of critical importance to the ongoing operations of the district as a public entity serving an entire school community. I look forward to hearing from you at your earliest convenience. Please feel free to contact me via my cell number if it is more convenient (213) 700-3128.

Respectfully,

Item 15 - Correspondence



Dr. Raul C. Ramirez
Superintendent
Mesa Union School District
rramirez@mesaschool.org
(805) 485-1411

Attachments:

Exhibit 15A - Del Norte Water Company Letter 05.07.2024

Exhibit 15B - Del Norte Water Company Letter 09.06.2024

Exhibit 15C - Mesa School Contract

Judgment Exh C - Groundwater Allocation

Schedule can be found online at:

<https://s42135.pcdn.co/wp-content/uploads/2023/08/Exh-C-Groundwater-Allocation-Schedule.cleaned.pdf>

Del Norte Water Company

Post Office Box 4065
Ventura, California 93007
Phone (805) 647-1092 Fax (805) 647-2805

May 7, 2024

Mesa Union School District
3901 Mesa School Road
Somis, California 93066

Dear Sir or Madam:

Del Norte Water Company (“DNWC”) has served in Mesa Union School (“Mesa”) water for more than half a century. The Trial Court Judgment in the Las Posas Valley Adjudication raises issues as to what the DNWC – Mesa School relationship should be going forward.

DNWC serves agricultural water to its Shareholders in the West Las Posas area for both agricultural use and domestic (household) use. Mesa has no Shares of DNWC; and, in fact, is not located in its service area. The domestic allocation DNWC received was, to DNWC’s knowledge, in no way based on water it had historically served to Mesa. Mesa Union School District, on the other hand, received its own commercial allocation and DNWC understands Mesa’s annual allocation for 2023 is 16.28 ac/ft.

DNWC has long served Mesa, and for many years was its sole source of water. In the last two decades or so, Mesa has drilled its own wells and, as far as DNWC is aware, most of Mesa’s water is supplied from those wells. DNWC’s records reflect that in the past several years Mesa’s annual use from DNWC was between 1.5 ac/ft and 2 ac/ft per annum.

To the extent Mesa calls on deliveries from DNWC, in the coming years, DNWC will continue to serve domestic Mesa, so long as Mesa and Del Norte agree:

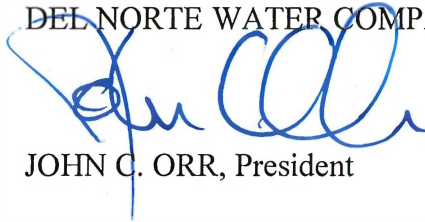
- (1) Mesa timely pays to DNWC the invoices presented to Mesa (i) for delivery of such water and (ii) any assessments made to DNWC for such water.
- (2) Mesa agrees to transfer to DNWC a portion of its commercial allocation equal to the water delivered by DNWC to Mesa.
- (3) Mesa obtains the prior approval of the Watermaster for the transfer of a portion of its commercial allocation to DNWC.

Mesa Union School
May 7, 2024
Page 2

I expect a formal agreement between the parties will be necessary. Please advise the persons or counsel to contact to move this forward.

Very Truly Yours,

DEL NORTE WATER COMPANY



JOHN C. ORR, President

JCO:mjr

cc: David Vanoni
Barbara Brenner, Esq.

Del Norte Water Company

Post Office Box 4065
Ventura, California 93007
Phone (805) 647-1092 Fax (805) 647-2805

September 6, 2024

Mesa Union School District
3901 Mesa School Road
Somis, California 93066

Re: Service of Domestic Water

Dear Sir or Madam:

This follows my letter of May 7, 2024. I have received no response from Mesa School or anyone on its behalf. Del Norte Water Company will have no choice but to disconnect water service to Mesa School if you do not respond.

The Trial Court Judgment in the Las Posas Valley Adjudication raises issues concerning what the Del Norte Water Company – Mesa School relationship should be going forward.

Del Norte Water Company is a mutual water company serving its shareholders. Although Mesa School owns no shares, and, in fact, is not even within Del Norte Water Company's service area, Del Norte Water Company has historically served it domestic water. In the Adjudication, Del Norte Water Company's domestic allocation was not based on any water served to Mesa School. Mesa School, on the other hand, received its own commercial allocation, which for the 2023-24 water year is 16.28 acre feet.

Del Norte Water Company is aware Mesa School has its own well. Despite this, in the past several years it has used 1.5 to 2 acre feet per year of domestic water from Del Norte Water Company.

To the extent Mesa School calls for deliveries from Del Norte Water Company in the coming years, Del Norte Water Company will continue to serve domestic water to Mesa School so long as Mesa School and Del Norte Water Company agree:

(1) Mesa School timely pays to Del Norte Water Company the invoices presented to Mesa School for (i) delivery of such water and (ii) any assessments made on such water by the Watermaster or United Water Conservation District for such water;

Item 15B - Del Norte Water Company Letter 09.06.2024

Mesa Union School
September 6, 2024
Page 2

(2) Mesa School agrees to transfer to Del Norte Water Company a portion of its commercial allocation equal to the water delivered by Del Norte Water Company to Mesa School; and

(3) Mesa School obtains prior approval from the Watermaster for the transfer of a portion of its commercial allocation to Del Norte Water Company.

I expect a formal agreement between the parties will be necessary. Please advise the person or counsel to contact to move this forward.

Very Truly Yours,

DEL NORTE WATER COMPANY


JOHN C. ORR, President

JCO:mjr

cc: David Vanoni
Barbara Brenner, Esq.

FERGUSON, CASE, ORR, PATERSON
& CUNNINGHAM

ATTORNEYS AT LAW
5450 TELEGRAPH ROAD, SUITE 101
VENTURA, CALIFORNIA 93003
(805) 654-1666
(805) 656-3817
TELECOPIER: (805) 654-0874

OXNARD OFFICE
315 NORTH A STREET
OXNARD, CALIFORNIA 93030
(805) 486-4511
TELECOPIER (805) 487-4693

THOMAS R. FERGUSON
MICHAEL W. CASE
JOHN C. ORR
WILLIAM E. PATERSON
DAVID L. CUNNINGHAM
LOU CARPIAC
JOSEPH L. STROHMAN, JR.
ROBERT L. GALLAWAY
SANDRA M. ROBERTSON
CHRIS CAROL HAMER
MARIAN KENT ORTIZ
ANNETTE M. LERCEL
WILLIAM B. SMITH
BRIAN M. CARTER

September 10, 1990

Mr. David Vanoni, President
Del Norte Water Company
P. O. Box 4065
Ventura, California 93007

Re: Mesa School Contract for Water

Dear David:

Enclosed please find contract between Del Norte Water Company and Mesa Union Elementary School District dated December 12, 1979, which Ann Beers tells me is the latest agreement pertaining to serving Mesa. Please note that in paragraph 4., Mesa agrees to pay for the water delivered to it at the meter rates from time to time established "providing for and governing all consumers of domestic water." I believe this language would prevent a special rate to Mesa to adjust for capital expenditures.

Under paragraph 5., the agreement can be terminated on one year notice. It may be wise to consider visiting Dennis Convery and explaining the financial situation and then giving Mesa notice that Del Norte wishes to renegotiate the rate aspect, only, of this contract.

Let's plan on discussing this at the next special meeting of the Board of Directors.

Very truly yours,

FERGUSON, CASE, ORR, PATERSON
& CUNNINGHAM

By: 

John C. Orr

JCO:bc

AGREEMENT .

THIS AGREEMENT, made and entered into on December 12, 1979 by and between DEL NORTE WATER COMPANY, a California corporation, the first party, and MESA UNION ELEMENTARY SCHOOL DISTRICT, of Ventura County, California, the second party.

W I T N E S S E T H

WHEREAS, the first party is a mutual water company operating in the vicinity of the Mesa School in Ventura County; and

WHEREAS, the first party and the second party entered into an agreement on June 18, 1957, by which the first party would provide continuous water services to the second party under the terms and conditions set forth in that agreement; and

WHEREAS, the agreement entered into on June 18, 1957 will terminate on February 15, 1980, pursuant to notice given by first party; and

WHEREAS, the first party and the second party wish to replace the agreement entered into on June 18, 1957, with a new agreement with different terms;

NOW THEREFORE, the parties hereto agree as follows:

1. The agreement between the first party and the second party entered into on June 18, 1957, is hereby terminated and is replaced by this agreement.

2. First party agrees to deliver water to the second party for use on the school premises for all school purposes,

including irrigation of approximately one (1) acre of lawn; provided that the use of water for lawn irrigation shall be arranged in such a manner between the water superintendent and the principal of said school district that it will not interfere with the services of domestic or irrigation water to the shareholders of said water company.

3. Second party agrees to pay first party the sum of Seven Thousand Dollars (\$7,000.00) on or before December 1, 1979, or upon the execution of this agreement, whichever last occurs.

4. Second party agrees to pay for the water delivered to it through the existing pipeline at the meter rates as now or hereafter established, and under the rules and regulations at the time in effect, providing for and governing all consumers of domestic water.

5. This contract shall be continuous until terminated at the will of the second party or by written notice from the first party to the second party of not less than one (1) year. In the event of failure of the wells or water system of the water company, it shall not be liable for damages to the second party, which may at any time elect to secure water from another source and to terminate this agreement, disconnecting from the company source of supply. The second party promises and agrees to pay the rates in accordance herewith before delinquency under the rules of the company, and for any failure to make such payment or to comply with reasonable rules of the company, the water may be shut off as in the case of shareholders of the company.

6. It is understood that first party owns, and will maintain, the meter and the pipeline up to the location of the meter as now or hereafter established. If it should at any time or times be necessary to replace or relocate the meter or any part of the pipeline between the meter and the northerly side of Los Angeles Avenue, which is used exclusively for delivering water to second party and for no other purpose, second party agrees to pay one-half of the reasonable costs thereof.

7. The first party shall be required to deliver water hereunder only from its available supply, but will use its best endeavor to give the second party continuous service.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed as of the day and year first hereinabove written.

DEL NORTE WATER COMPANY

By *McBoni*
President, and

By *Vera M. Thompson*
Secretary,

FIRST PARTY.

MESA UNION ELEMENTARY SCHOOL DISTRICT

By *Gail Beltramo*
President, Board of Trustees, and

By *Betty B Nailor*
Clerk of the Board,
Vice-Pres.

SECOND PARTY.

Item 15C - Mesa School Contract, p. 5 of 6

EDWIN DUVAL
 DONALD L. BENTON
 HENRY P. BUCKINGHAM
 LEONARD H. SMITH
 JAMES T. SHERREN, JR.
 RONALD L. COLTON
 DAVID L. CUNNINGHAM
 JOHN C. ORR
 ROBERT A. DAVIDSON
 THOMAS E. OLSON
 MICHAEL W. CASE
 GARY P. JACOBS

LAW OFFICES OF
 BENTON, ORR, DUVAL & BUCKINGHAM
 A PROFESSIONAL CORPORATION
 39 NORTH CALIFORNIA STREET
 VENTURA, CALIFORNIA 93001

MAIL ADDRESS
 P. O. Box 1178
 TELEPHONE
 AREA CODE 805
 646-5111

OF COUNSEL
 ALBERT D. BARNES
 FRANK E. ORR
 H. FRANK ORR
 (1888-1969)

November 14, 1979

Dr. Earl Tuthill, Superintendent
 Mesa Union Elementary School District
 3901 North Mesa School Road
 Camarillo, California 93010

RE: Del Norte Water Company

Dear Dr. Tuthill:

Enclosed, for your consideration, are three copies of a further revision of the proposed new agreement between Mesa Union Elementary School District and Del Norte Water Company. An agreement in this form will be acceptable to the company. Please let us know if it will be acceptable to the district.

Very truly yours,

BENTON, ORR, DUVAL & BUCKINGHAM

684196 B

CLASSIFICATION	VENDORS IDENTIFICATION DATE INVOICE NO.	P.O. NUMBER	SUB-CLASSIFICATION NO. AMOUNT	CLASSIFICATION TOTAL	TOTAL OF WARRANT
2657 SPECIAL RESERVE	DEL NORTE WATER CO	003822		\$7,000.00	\$ 7,000.00
<i>Deposited 1-11-80</i>					

DEL NORTE WATER COMPANY
31 Copland Circle
Ventura, California 93003

November 2, 1979

Mr. Edwin Duval
P. O. Box 1178
Ventura, California 93001

Dear Mr. Duval:

Re: Agreement with
Mesa Union Elementary School

The agreement between Del Norte Water Company and the Mesa Union Elementary School dated October 18, 1979 was reviewed by the directors of the Del Norte Water Company at a special meeting held November 2, 1979.

Director Ives Vanoni moved that this agreement will be signed by the Company President and Secretary after the following proposed changes are made in the agreement.

PARAGRAPH 3 - to be completed "on or before December 1, 1979; or when agreement is signed by both parties.

PARAGRAPH 5 - "not less than one (1) year," instead of two years. Also add "second party agrees to pay first party one-half of any future capital costs where the pipeline leaves the stockholders property (north side of Los Angeles Avenue to Mesa School.) This motion was seconded by Director Grether and unanimously carried.

I am returning all three copies of the agreement and when changes are completed, if approved, please return either to Tad DeBoni or myself.

Very truly yours,
DEL NORTE WATER COMPANY

VMT/Encl. 3

By

Secretary

Handout 2024.09.10_Email RE Requested Corrections of Groundwater Schedule for WY2024

From: [Neal P. Maguire](#)
To: [LPV Watermaster](#)
Subject: Requested Corrections of Groundwater Schedule for WY2024
Date: Tuesday, September 10, 2024 4:43:09 PM

WARNING: If you believe this message may be malicious use the Phish Alert Button to report it or forward the message to Email.Security@ventura.org.

On behalf of parties in the Las Posas Basin, we write to thank the Watermaster for declining to make any adjustments to the Judgment's specified allocations on the basis that it lacks authority to consider or grant any allocation-related requests.

Neal Maguire
Ferguson Case Orr Paterson LLP
1050 S. Kimball Road
Ventura, CA 93004
nmaguire@fcoplaw.com
805.659.6800 ext. 217

From: [Ojeda, Nancy@DWR](mailto:Ojeda,Nancy@DWR)
To: [Anselm, Arne](mailto:Anselm,Arne)
Cc: [FCGMA](#);
Subject: RE: New DWR SGMA Point of Contact - Oxnard, Pleasant Valley, and Las Posas
Date: Tuesday, September 10, 2024 2:59:14 PM

Good afternoon,

I am writing to inform you that I have recently updated my contact information to better reflect my role as DWR's local point of contact for the Oxnard, Pleasant Valley, and Las Posas Groundwater Basins.

Please update your records with my new phone number:

Phone: (818)237-6625

Feel free to reach out to me at this number for any inquiries or assistance you may need.

Best Regards,

Nancy Ojeda
Water Resources Engineer
California Department of Water Resources
770 Fairmont Ave, Suite 200
Glendale, CA 91203-1035
Cell: (818)237-6625
Email: nancy.ojeda@water.ca.gov



CALIFORNIA DEPARTMENT OF
WATER RESOURCES

From: Regmi, Anita@DWR (she/her) <Anita.Regmi@water.ca.gov>
Sent: Wednesday, September 4, 2024 8:56 AM

Subject: New DWR SGMA Point of Contact - Oxnard, Pleasant Valley, and Las Posas

Good morning,

I hope this email finds you well. I wanted to inform you that we have a new DWR SGMA Point of Contact for the

Oxnard, Pleasant Valley, and Las Posas Groundwater Basins. Below is her contact information.

Name: Nancy Ojeda

Email: nancy.ojeda@water.ca.gov

Phone: (916) 707-1158

Please include Nancy in the list of interested parties and email distribution list so that she can receive updates from the GSA and also information about board meetings. I have included Nancy in this email.

Feel free to reach out if you have any questions.

Thank you.

Anita

Anita Regmi, P.G. (she/her)

Senior Engineering Geologist

California Department of Water Resources

770 Fairmont Ave, Suite 200

Glendale, CA 91203-1035

Cell: (818) 429-2414

FAX: (818) 543-4604

Email: anita.regmi@water.ca.gov





September 24, 2024

Direct Dial: 949.851.7409
Email: mstaples@jacksontidus.law
Reply to: Irvine Office
File No: 10547-128970

VIA EMAIL (FCGMA@ventura.org; LPV.Watermaster@ventura.org)

Board of Directors
Las Posas Valley Watermaster
800 South Victoria Avenue
Ventura, CA. 93009-1610

Re: September 25, 2024 Agenda Item Nos. 13 (September 13, 2024 Jackson Tidus Correspondence), 22 (Corrections or Changes to Las Posas Valley Adjudication Judgment Groundwater Allocation Schedule), and 23 (Approval of Las Posas Valley Basin Annual Water Right Allocations for Water Year 2024)

Dear Honorable Board Members:

Our correspondence dated September 13, 2024 is mistakenly included as Fox Canyon Groundwater Management Agency Agenda Item No. 13 in the September 25 Board meeting agenda, under "Correspondence Items". Page 2 of the September 25 agenda explains that Correspondence Agenda Items are presented for information, require no action, or are not ready for Board consideration. However, our September 13 correspondence comments on the Las Posas Valley Watermaster's tentative decisions on requests for correction to the groundwater schedule for Water Year 2024 (which is Agenda Item No. 22), and asks the Watermaster to make allowance for additional Court corrections to assign Allocations to our clients in approving the 2024 annual Allocations (which is Agenda Item No. 23).

By this letter, we reiterate our request that Watermaster make allowance for Court corrections to Allocations in considering the Groundwater Schedule for WY2024 under Agenda Item Nos. 22 and 23. We expect Allocations for our clients to be on the order of about 1,200 AFY based on our clients' historic groundwater extractions. Attachment 1 to this letter is an updated list of our clients and their Assessor's Parcel Numbers.

We have informed plaintiffs' counsel in the adjudication of their failure to serve our clients in violation of the Streamlined Groundwater Adjudication Act, and pointed out inauthentic proofs of service evidencing that failure. As a result of the violations of the Streamlined Groundwater Adjudication Act and irregularities in the Court proceedings, our clients were wrongly omitted from participating in the adjudication. Their historic, exercised overlying groundwater rights that were regularly reported to Fox Canyon Groundwater

Irvine Office
2030 Main Street, Suite 1500
Irvine, California 92614
t 949.752.8585 f 949.752.0597

Westlake Village Office
2815 Townsgate Road, Suite 200
Westlake Village, California 91361
t 805.230.0023 f 805.230.0087

www.jacksontidus.law

Management Agency were omitted from the Allocations under the Judgment. We expect the Court will correct these omissions. Therefore, we ask the Watermaster to make allowance for Court corrections in considering Water Year 2024 Allocations under Agenda Item Nos. 22 and 23.

Sincerely,

A handwritten signature in blue ink that reads "Michele A. Staples". The signature is fluid and cursive, with a long horizontal flourish at the beginning.

Michele A. Staples

Cc: Arne Anselm, Interim Executive Officer (Arne.Anselm@ventura.org)

ATTACHMENT 1
Omitted Rights Holders

- 1) Marvin Franklin APN 108-0-180-105;
- 2) Adan Chairez, Successor Trustee of the Jose I. Chairez and Rosa D. Chairez Revocable Trust APN 108-0-180-025;
- 3) Richard F. Rhoads and Brenda Rhoads, as Trustees of the Rhoads 1987 Family Trust dated February 25, 1987 APN 108-0-180-125;
- 4) Terry Phillips, Trustee of the Phillips Trust dated January 22, 1997 APN 110-0-230-385;
- 5) Harold Douglas Sulser APN 110-0-230-395;
- 6) Zeferino Garcia and Maria Francisco APN 110-0-230-035;
- 7) Brian Williams and Caran Williams APN 108-0-180-115;
- 8) Daryl E. Smith and Susan L. Smith, trustees of the Daryl and Susan Smith Family Trust dated November 30, 2015 APN: 500-0-200-025;
- 9) Joe Gillaspy and Cheryl Gillaspy, Trustees, Gillaspy Family 2004 Revocable Trust dated June 8, 2004 APN: 110-0-040-350;
- 10) Gary G. Cerveny and Diane Cerveny, Trustees of the Cerveny Family Trust dated 11/8/1992 as restated on April 3, 2017. APN: 110-0-040-370;
- 11) Laureate Farm Trust dated October 8, 2012, Richard W. Gray and Laura C. Gray, trustees APN: 503-0-010-230;
- 12) Mina Laya Haddadzadeh, Trustee of the Mina Laya Haddadzadeh Trust dated October 9, 2017 APN:500-0-200-015;
- 13) SSL Management LLC, a California limited liability company APN: 503-0-010-015;
- 14) Sunil Kumar Sreerama APN:503-0-020-380 and 503-0-020-390;
- 15) Ventavo Farms LLC, a California limited liability company APN: 163-0-031-185;
- 16) Douglas J. Homze and Sharon M. Homze as Trustees of the Homze Family Living Trust, dated 9/22/23 APN: 502-0-020-045;

- 17) Robert J. Perry and Alda L. Perry, Trustees of the Perry Family Trust dated September 24, 2015, and Robert J. Perry II APN: 156-0-180-045, -065, -075
- 18) Mohammad Riaz and Parveen Akhtar Riaz, Trustees of the Riaz Family Trust, dated February 26, 2009; APN: 500-0-210-175;
- 19) Jacob Dakessian, Trustee of the Survivor's Trust established under the Dakessian Family Trusts, and Jacob Dakessian, Trustee of the Unified Credit Trust established under the Dakessian Family Trusts APN: 503-0-050-350;
- 20) Ashish Shas and Payal Kamdar APN: 163-0-200-010;
- 21) Beardsley Associates, a California General Partnership APN: 152-0-120-155;
- 22) Debra B. Tash, as Trustee of the George Tash Administrative Trust created under the George Tash and Debra B. Tash Inter Vivos Trust agreement dated November 25, 1985, as amended and fully restated on July 18, 2022 APN: 504-0-021-245.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, *Director, Camrosa Water District*
Kelly Long, Vice Chair, *Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER
Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1610

SUBJECT: Update on Groundwater Sustainability Plan Five-Year Evaluations, Workshops, and Timeline – (Returning Item)

RECOMMENDATION: Receive an update from Agency staff and a presentation from Dudek staff on Groundwater Sustainability Plan (GSP) five-year evaluations, and provide direction as needed.

BACKGROUND:

On March 27, 2024, the Board requested frequent updates on the Groundwater Sustainability Plan Five-Year Evaluations development. The Sustainable Groundwater Management Act (SGMA) requires that Groundwater Sustainability Agencies (GSAs) periodically evaluate their GSP(s) to “assess changing conditions in the basin that may warrant modification of the plan or management objectives and may adjust components in the plan.” The GSP Emergency Regulations require that GSAs evaluate their GSPs at least every five years and whenever the GSP is amended. The GSP evaluations are due to the Department of Water Resources (DWR) no later than January 13, 2025. GSP evaluations for the Oxnard Subbasin and Pleasant Valley Basin (collectively, the OPV Basin) and the Las Posas Valley Basin (LPV Basin) are being prepared by Dudek, which prepared the original GSPs for the OPV Basin and the LPV Basin.

KEY WORK COMPLETED

During the months of July and August, draft reports were prepared by Dudek and delivered to Agency staff for review. After drafts were reviewed, revised draft reports were released to the public on the FCGMA website for review on August 22. We are currently in a 45-day public review period, with written comments from stakeholders due to the Agency no later than October 7. Written comments received on or before October 7 will be considered for inclusion in the final draft evaluations. Access the draft documents on our website at <https://fcgma.org/groundwater-sustainability-plans-gsps/> and submit written comments to FCGMA@ventura.org.

September Public Workshops

On September 9 and 10, 2024, The Agency held additional LPV and OPV Workshops to provide information and receive input from members of the public and stakeholders. The workshops were led by Agency and Dudek staff. Presentations included information on the state of the basin, updated sustainable yield calculations and recommendations for target water level goals for the basins. The additional workshop gave stakeholders an opportunity to ask questions and have a productive discussion with Agency staff and Dudek.

DEVELOPMENT TIMELINE:

1. Stakeholder Engagement / Outreach – ongoing through January 2025
 - a. Workshop No. 1 (LPV & OPV): August 30, 2023 – Kick-off
 - b. Workshop No. 2: April 2024 – Modeling
 - i. LPV April 25, 2024
 - ii. OPV April 24, 2024
 - c. OPV Technical Workshop – April 30, 2024, 8:00 - 12:00
 - d. Workshop No. 3: September 2024 – 5-year Evaluation Review and Feedback
 - i. LPV September 2024
 - ii. OPV September 2024
 - e. Workshop No. 4 – November 2024 – GSP Amendment Review and Feedback
 - i. LPV November 2024
 - ii. OPV November 2024
2. Modeling and Data Analysis – July 2023 through June 2024
3. Board Meeting Discussions on Minimum Thresholds and Minimum Objectives - August 2024
4. Report Preparation – November 2023 through August 2024
 - a. Monitoring Network Review
 - b. New Information
 - c. Projects and Management Actions
 - d. Current Groundwater Conditions
 - e. Plan Element Review
 - f. Agency Action and Coordination
5. Report Review – August 2024 through November 2024
 - a. Public Review – August 2024
 - b. Final Draft Report– November 2024
 - c. Board and public discussions on Final Draft – September, and October 2024
 - d. FCGMA Board Adoption of Evaluation – December 2024
 - e. Reports Submitted to DWR – January 2024
 - f. GSP amendment – tentatively scheduled for January – 2025

CONCLUSION:

Staff recommends that your Board receive and file this report, receive a presentation from Dudek accompanying this report (attached as Exhibit 17A) and provide feedback as appropriate.

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3952.

Sincerely,



Robert Hampson
FCGMA Hydrologist

Attachment:

Exhibit 16A - GSP Evaluation Summary Presentation

Item 16 - Exhibit 16A: GSP EVALUATION SUMMARY PRESENTATION

Groundwater Sustainability Plan Five-Year Evaluations Development Timelines and Workshops

Item No. 16 – September 25, 2024



Robert Hampson
Hydrologist



Fox Canyon Groundwater Management Agency

First Periodic GSP Evaluation for the Oxnard, Pleasant Valley, and Las Posas Valley Basins



TREVOR JONES
DUDEK

SEPTEMBER 2024

Table of Contents

01 Timeline

02 Background / Evaluation Contents

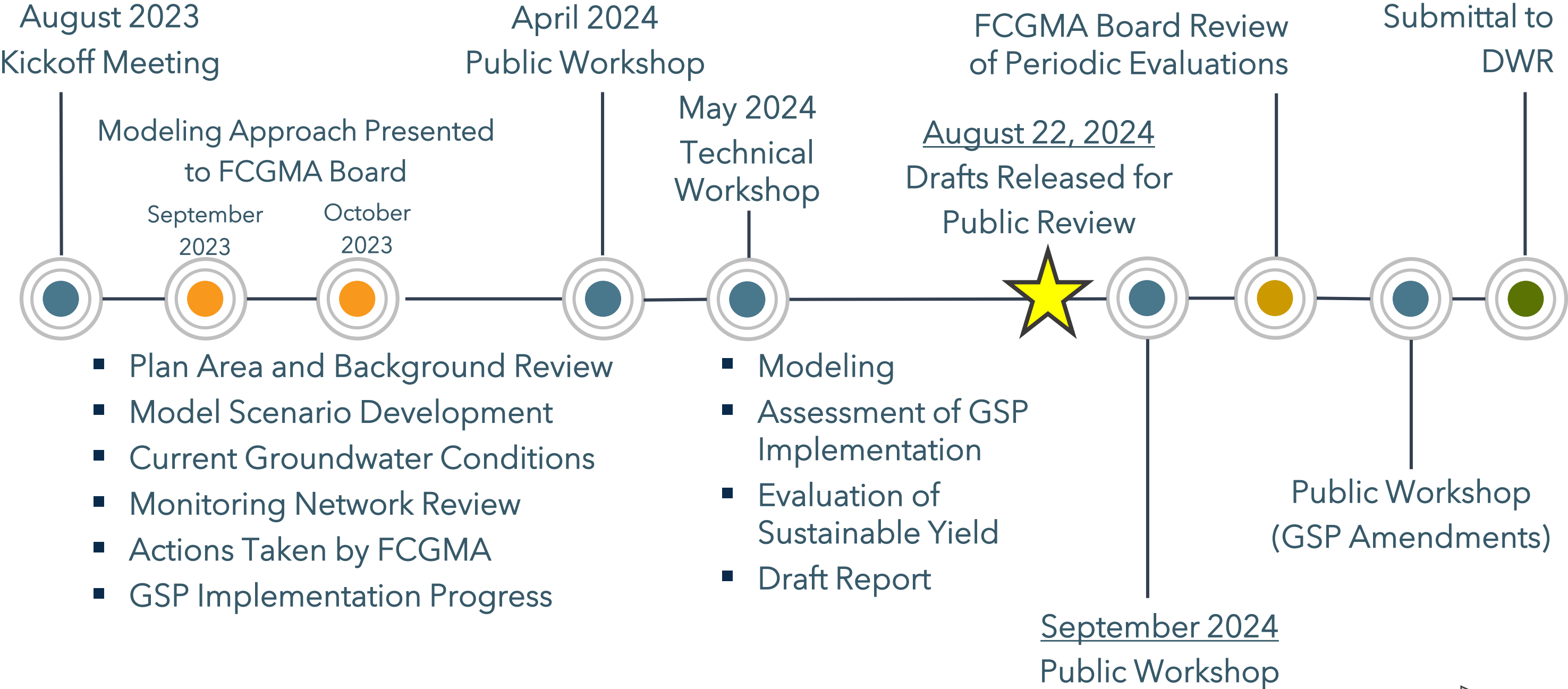
03 Summary of OPV GSP Evaluations

04 Summary of LPV GSP Evaluation

05 Upcoming Important Dates

Stakeholder Involvement

Periodic Evaluation Timeline



Evaluation Content

Technical Components

- 1) Significant New Information
- 2) Current Groundwater Conditions
- 3) Status of Projects and Management Actions
- 4) Basin Setting Review
- 5) Updated Numerical Modeling
- 6) Revisions to the Sustainable Management Criteria*
- 7) Monitoring Network

Policy and Engagement

- 8) Agency Actions
- 9) Outreach, Engagement, and Coordination
- 10) Other Information (Legal Challenges, Consideration of Adjacent Basins)
- 11) Summary of Proposed GSP Revisions or Amendments

*Only applicable to Oxnard and Pleasant Valley


Summary of Oxnard and Pleasant Valley GSP Evaluations


Current Conditions – Undesirable Results

SUSTAINABILITY INDICATORS

 Groundwater Elevation

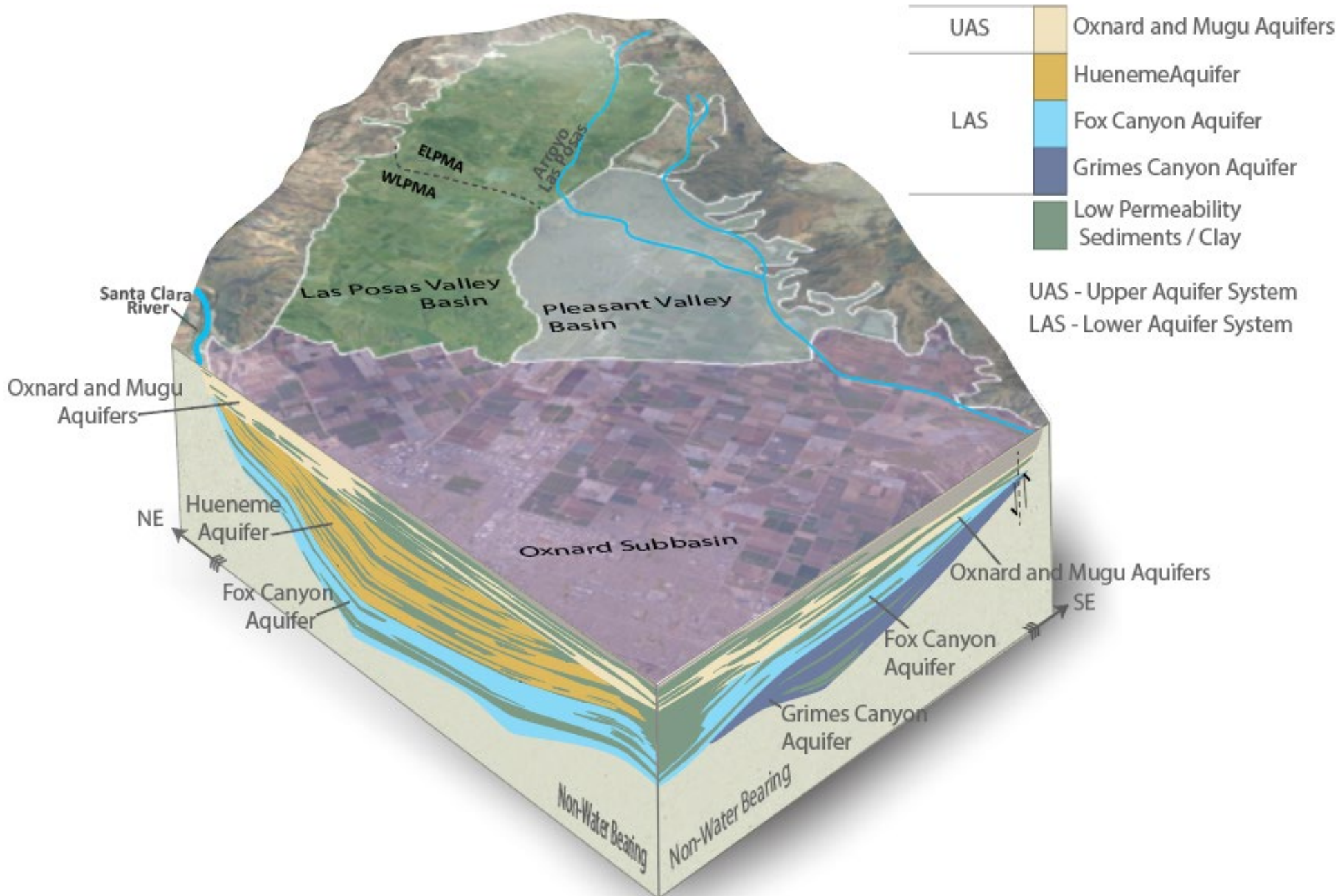
 Groundwater in Storage

 Seawater Intrusion

 Groundwater Quality

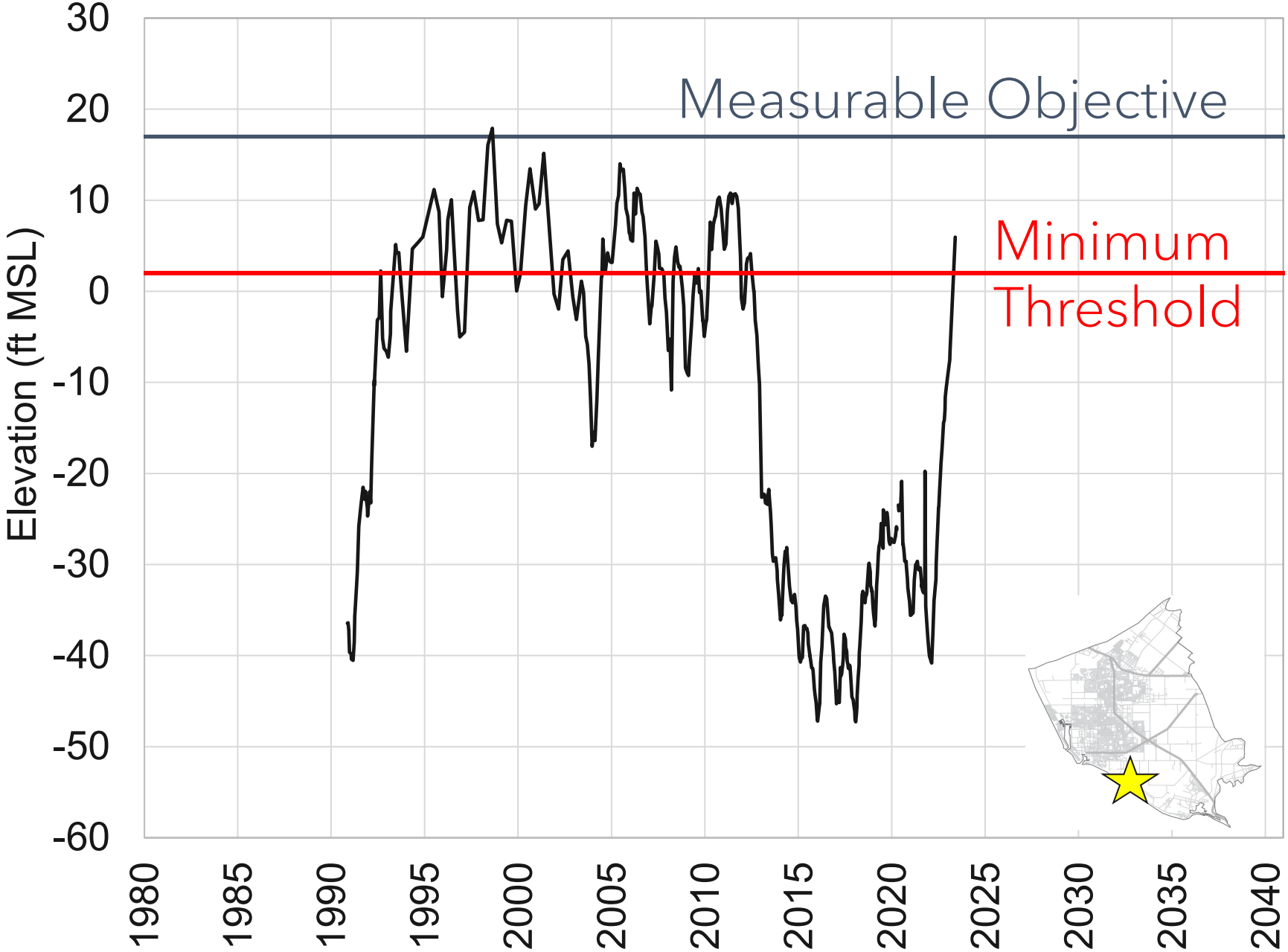
 Land Subsidence

 Interconnected Surface Water and Groundwater



Sustainable Management Criteria

Well 01N22W20J04S



Measurable Objectives

- Groundwater elevation that prevents net seawater intrusion after 2040

Minimum Thresholds

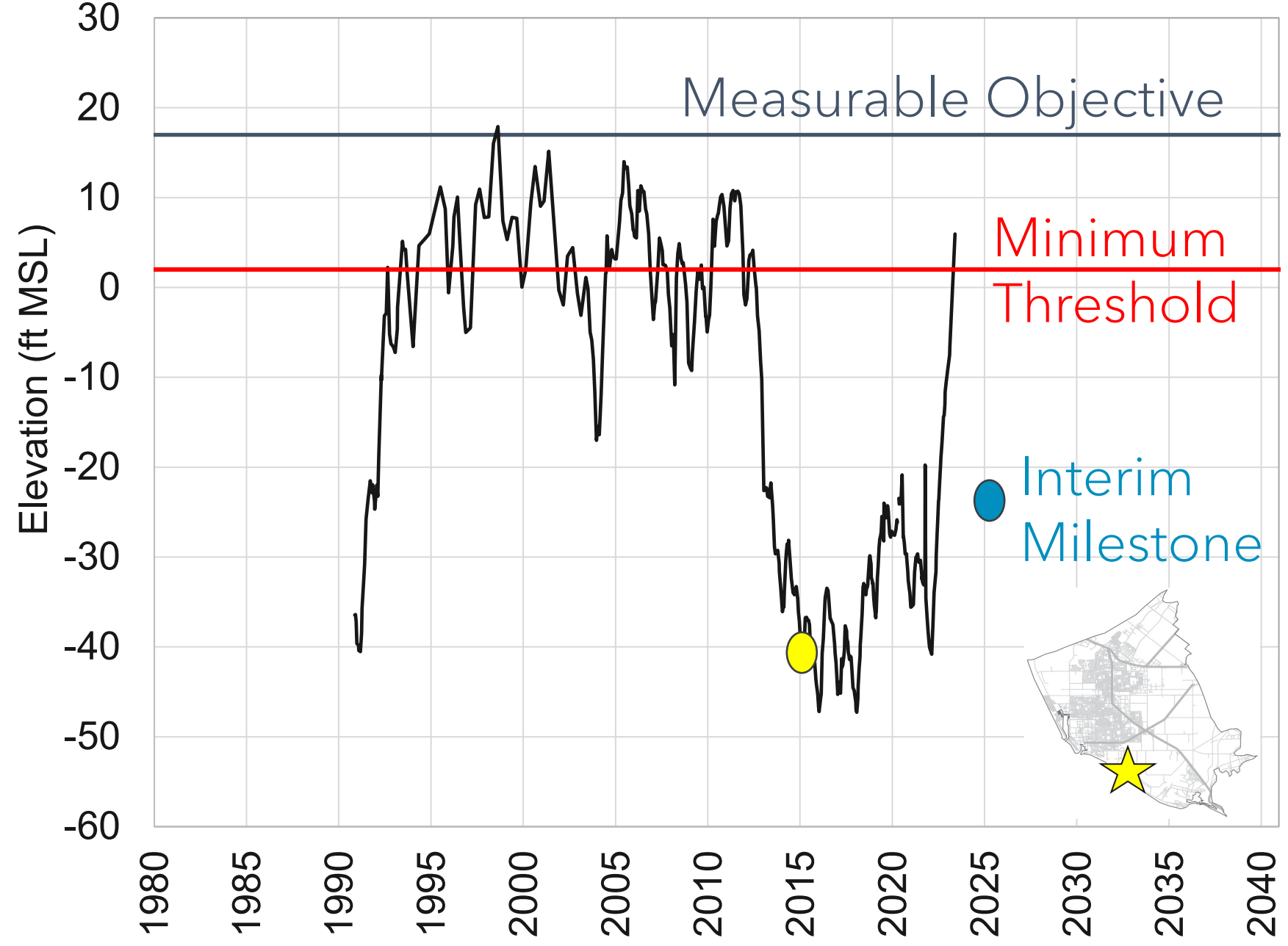
- Lowest groundwater elevation that will prevent net seawater intrusion after 2040

Monitoring Network

- Approximately 230 wells in the OPV
- 34 key wells in Oxnard
- 9 key wells in PV

Sustainable Management Criteria

Well 01N22W20J04S



Measurable Objectives

- Groundwater elevation that prevents net seawater intrusion after 2040

Minimum Thresholds

- Lowest groundwater elevation that will prevent net seawater intrusion after 2040

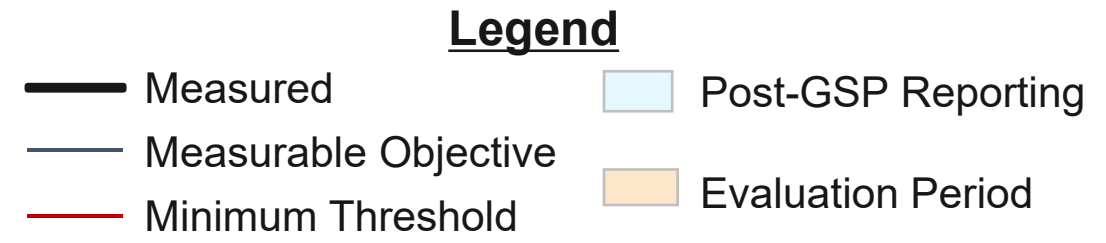
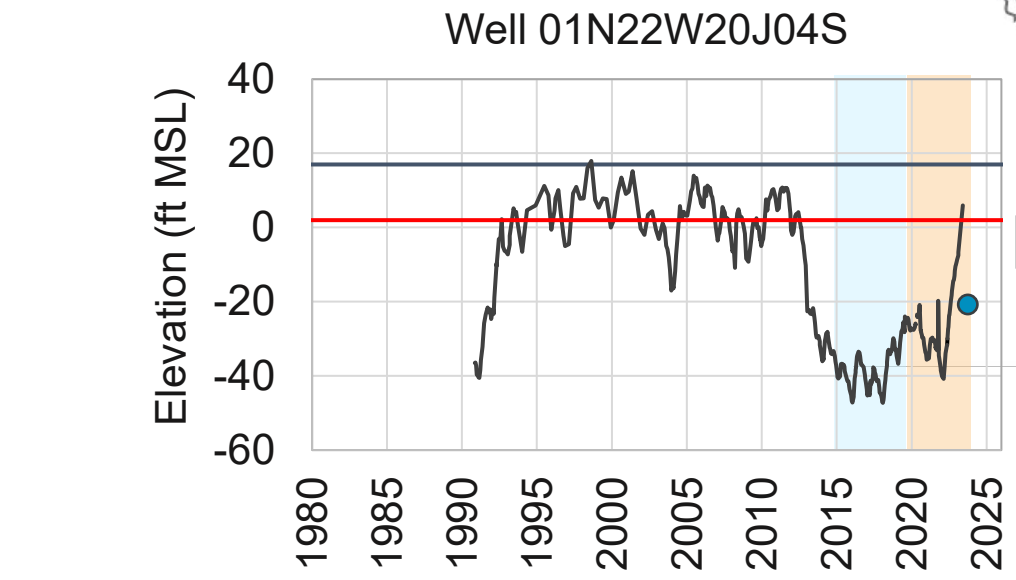
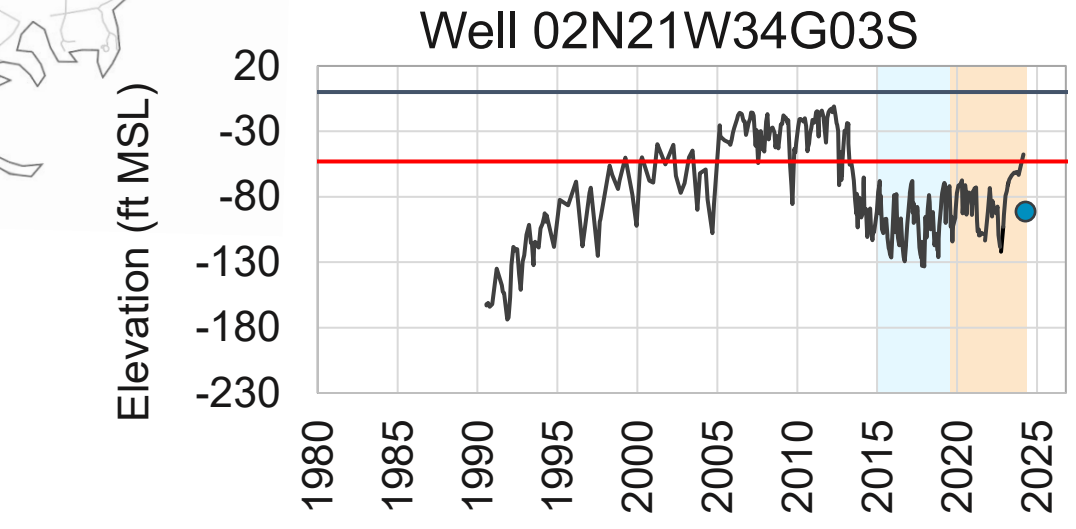
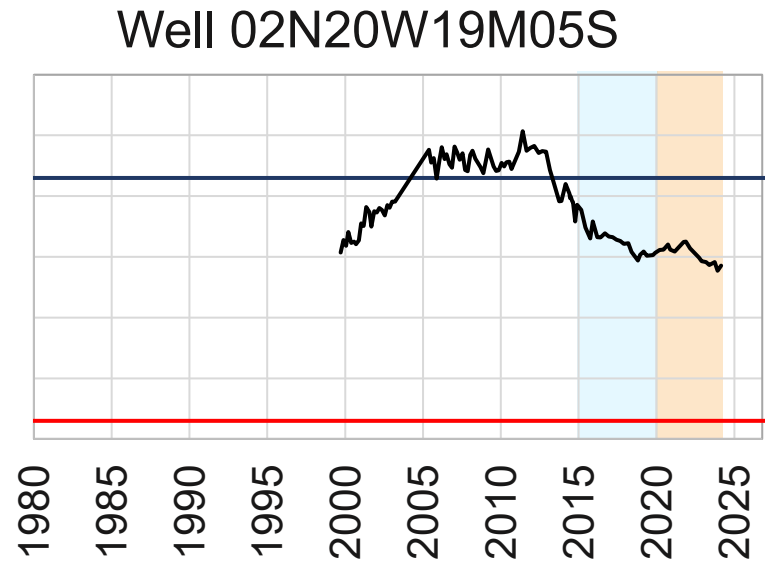
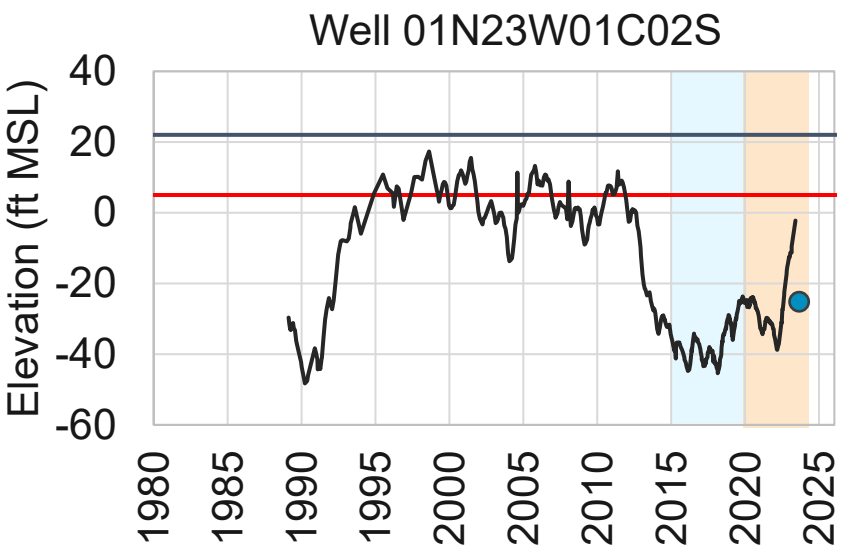
Monitoring Network

- Approximately 230 wells in the OPV
- 34 key wells in Oxnard
- 9 key wells in PV

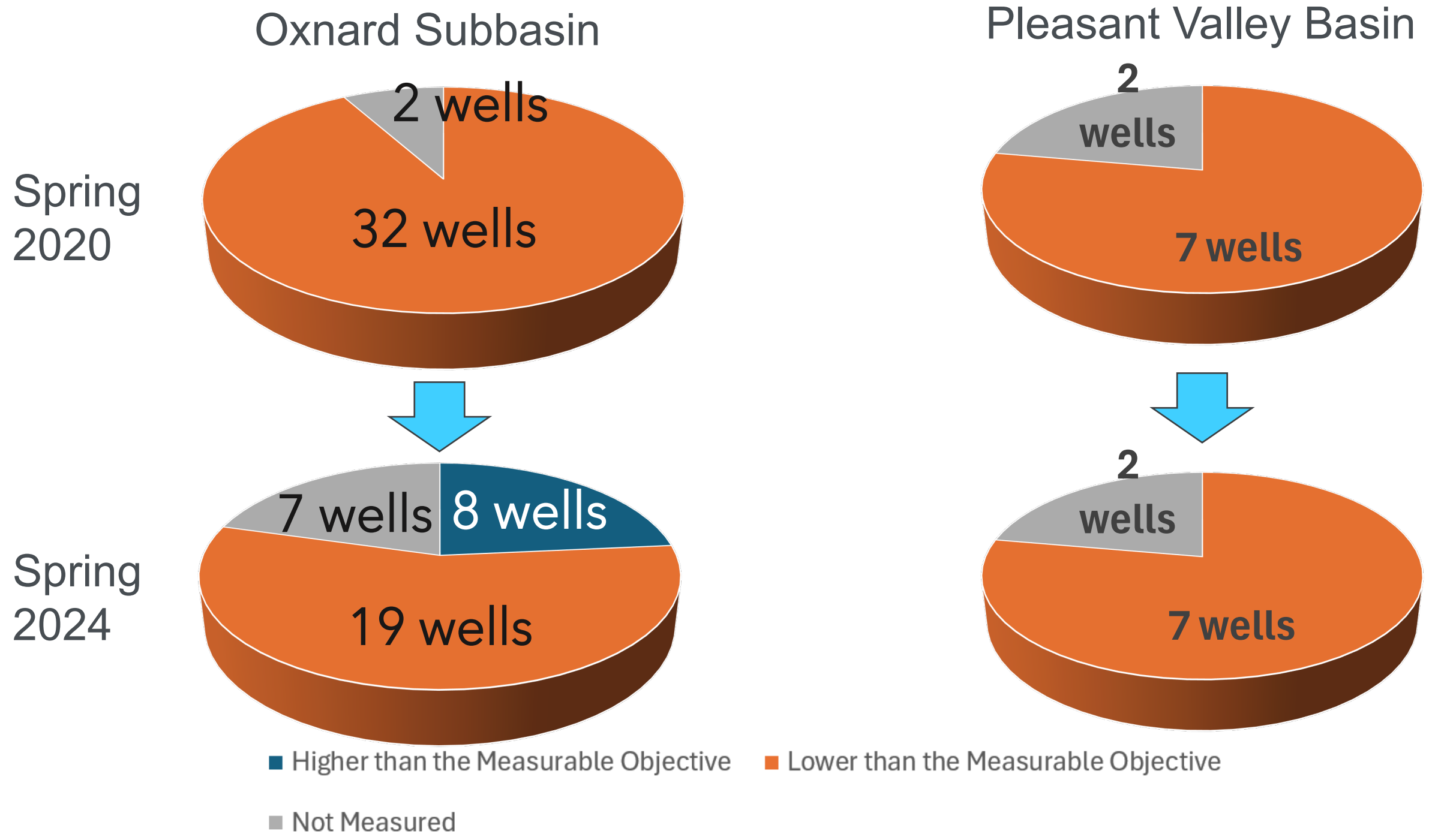
Interim Milestone

- Groundwater elevation recovery target for 2025

Oxnard and Pleasant Valley Groundwater Levels



Comparison between Water Year 2020 and 2024



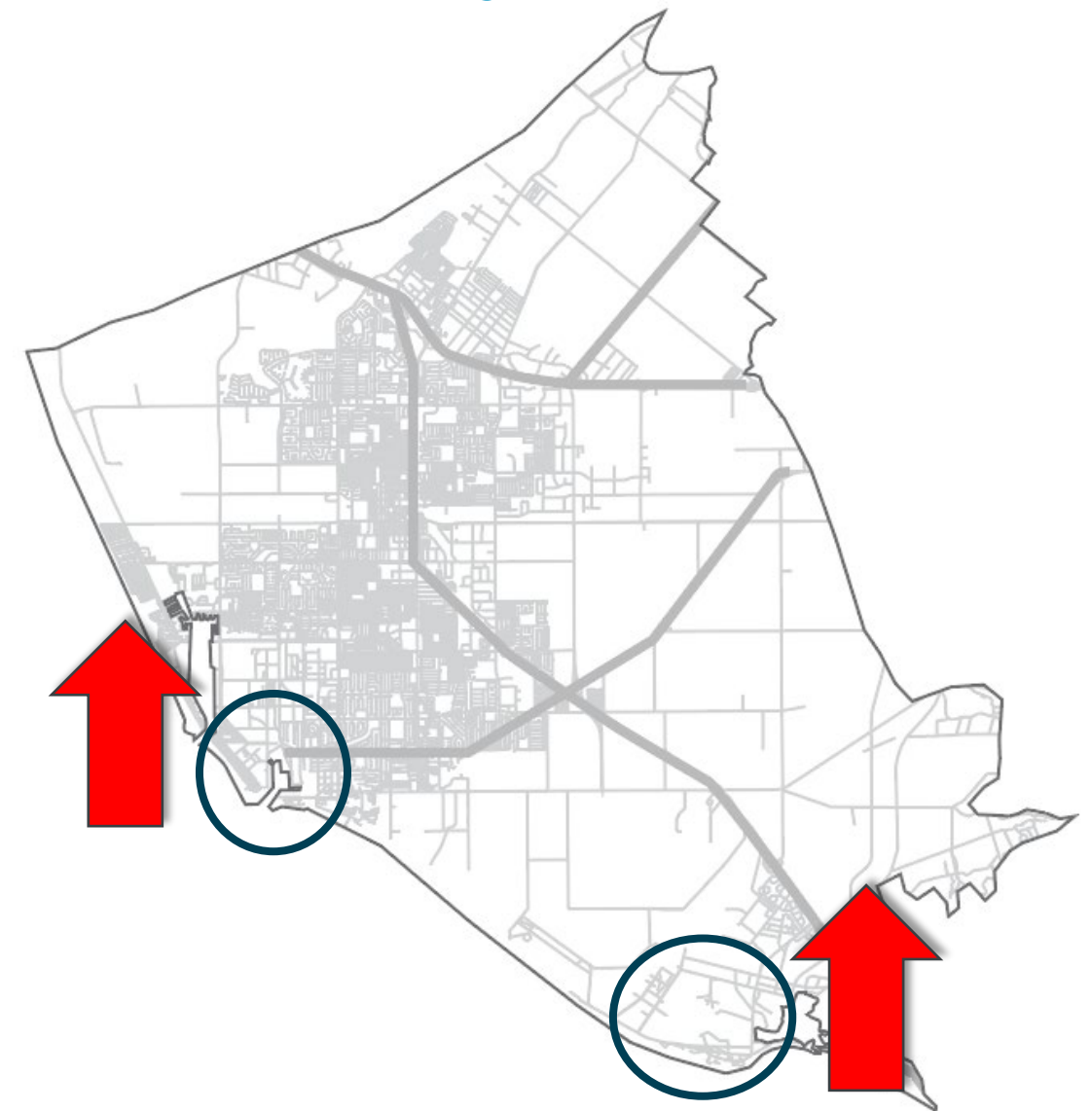
Data Source: Section 2.2 (Draft Oxnard and Pleasant Valley GSP Evaluations)

Undesirable Results

Seawater Intrusion

- Chloride concentrations are higher along the coastline than they were in 2015
- Model estimates of seawater intrusion:
 - 113,000 AF of intrusion since 2015
 - 66,800 AF of intrusion since 2020
- These conditions were anticipated in the GSP

Chloride Concentrations Increased in both Aquifer Systems



Data Source: Section 2

(Draft Oxnard Subbasin and Pleasant Valley Basin GSP Evaluations)

Updated Sustainable Yield



Future Baseline

Updated
pumping and
expanded suite of
projects

No New Projects

Direct simulation
of Sustainable
pumping rate

Basin Optimization

Evaluates the
benefits of
redistributing
groundwater
pumping across
the Oxnard
Subbasin

Projects

Integrates
Management
Actions and New
Projects

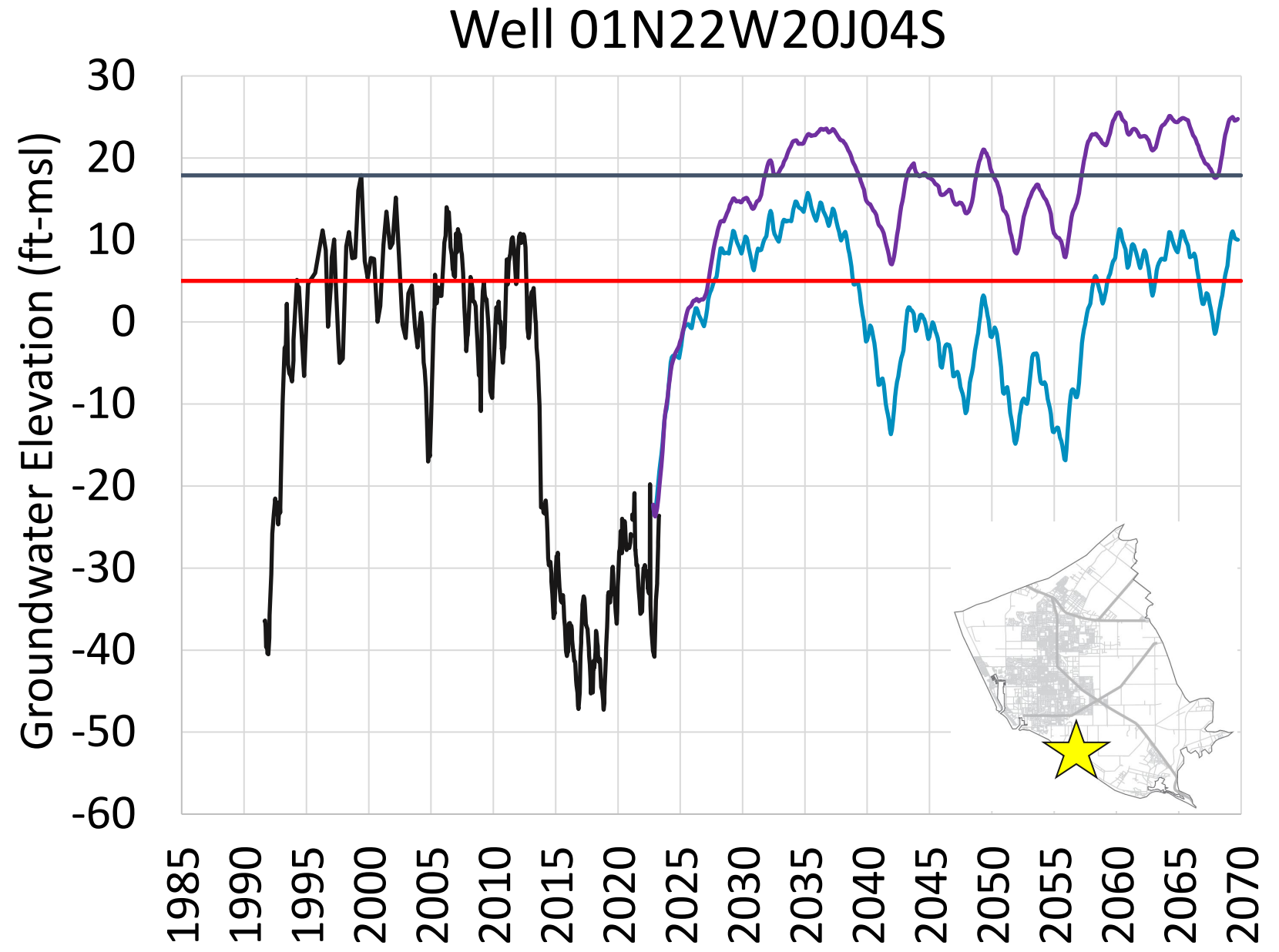
Projects with EBB

Evaluates the
effects of United
Water
Conservation
District's
Extraction Barrier
and Brackish
Water Treatment
Project (EBB)

Updated Sustainable Yield

Sustainable yield metrics

- No net seawater intrusion into Oxnard (2040 - 2070)
- Avoid chronic lowering of groundwater levels
- Provide flexibility for operation of the North Pleasant Valley Groundwater Desalter Project



Legend

- Measured
- Future Baseline
- No New Projects
- Measurable Objective
- Minimum Threshold

Data Source: Section 2.2
 (Draft Oxnard and Pleasant Valley GSP Evaluations)

Updated Sustainable Yield

Basin	Aquifer System	2016 - 2022 Average (AFY)	Estimated Sustainable Yield (Acre-Feet Per Year)			
			No New Projects	Basin Optimization	Projects	With EBB
Oxnard	Upper Aquifer System	41,700	34,100	35,200	36,100	40,000
	Lower Aquifer System	33,900	10,600	17,100	13,300	28,200
Pleasant Valley Basin	Older Alluvium	7,050	3,300	3,600	3,600	4,700
	Lower Aquifer System	7,400	10,100	10,200	10,200	9,100*

*Reduction in pumping reflects an increase in availability of surface water supplies in the PVB as a result of UWCD's EBB project.

- Oxnard Subbasin

- Sustainable Yield of the Upper Aquifer System is approximately 2,100 AFY higher than the estimate in the GSP
- Sustainable Yield of the Lower Aquifer System is approximately 3,600 AFY higher than the estimate in the GSP

- Pleasant Valley Basin

- Sustainable Yield of the Older Alluvium is approximately 1,100 AFY lower than the estimate in the GSP
- Sustainable Yield of the Lower Aquifer System is approximately 2,900 AFY higher than the estimate in the GSP

Progress Towards Sustainability

- Groundwater elevations are higher than they were in 2015 and 2020
 - Reflects the influence of projects, management actions, and the wet 2023 and 2024 water years
- Groundwater elevations are lower than the measurable objectives, except in the Oxnard Forebay Management Area
 - The GSP evaluations include recommended revisions to the sustainable management criteria
- Groundwater extractions from the Oxnard Subbasin and Pleasant Valley Basin exceed the sustainable yield

Data Source: Executive Summary, Section 2.2

(Draft Oxnard Subbasin and Pleasant Valley Basin GSP Evaluations)

Summary of the Las Posas Valley Basin GSP Evaluation

Current Conditions – Undesirable Results

SUSTAINABILITY INDICATORS

 Groundwater Elevation

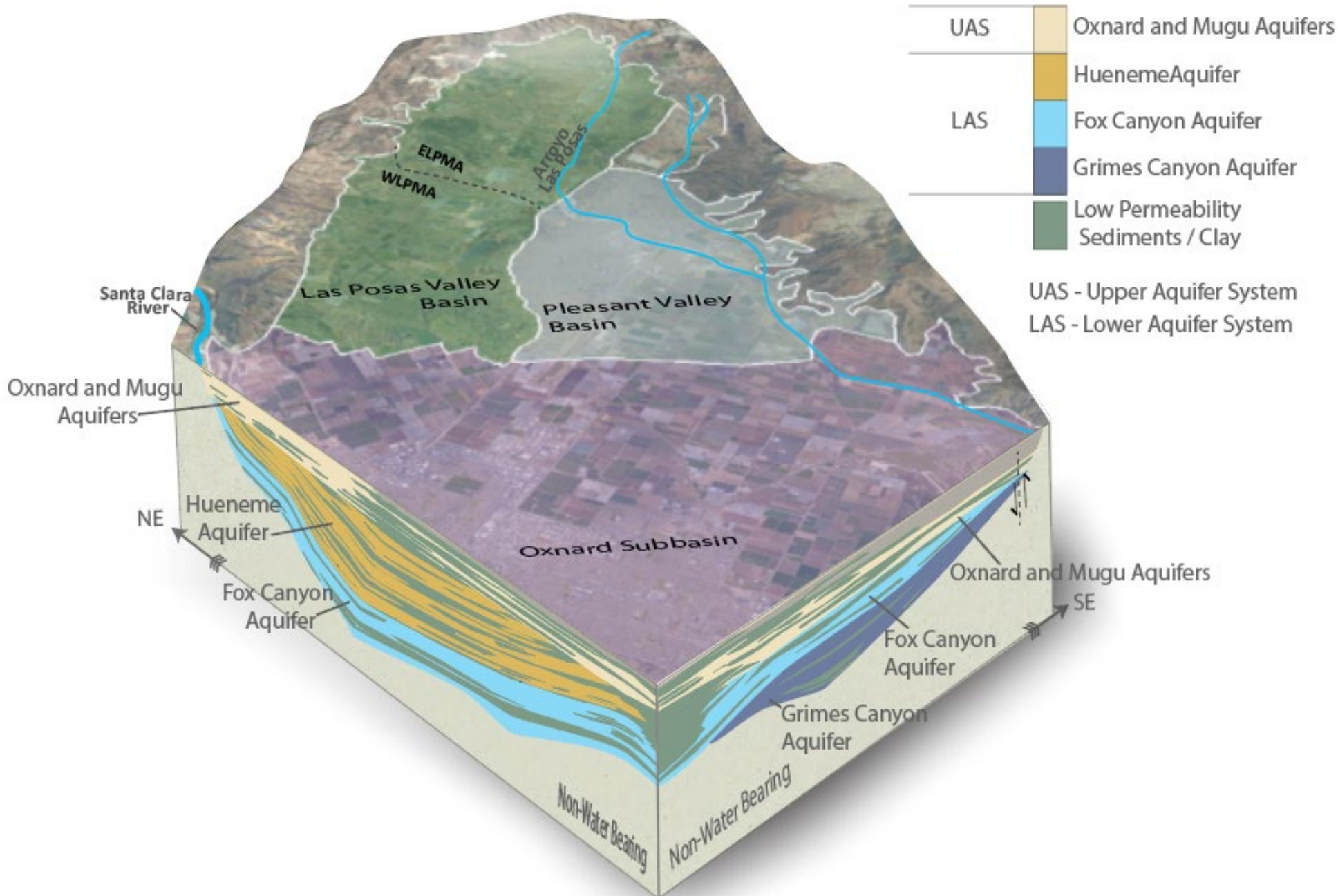
 Groundwater in Storage

 Seawater Intrusion

 Groundwater Quality

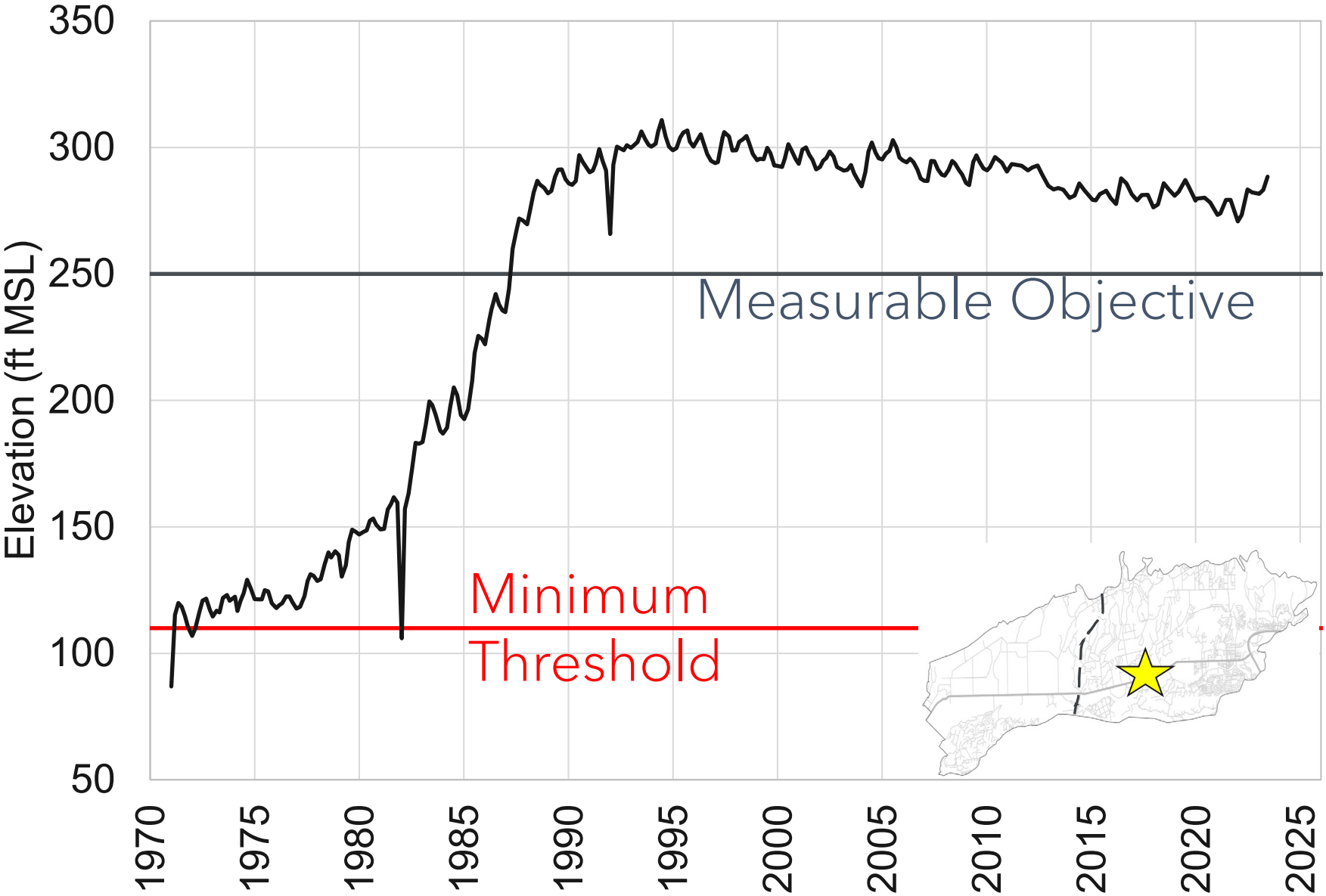
 Land Subsidence

 Interconnected Surface Water and Groundwater



Sustainable Management Criteria: East Las Posas

Well 02N20W10J01S



Measurable Objectives

- Groundwater elevations that correspond to pumping at the sustainable yield

Minimum Thresholds

- Protects portions of the Fox Canyon aquifer susceptible to dewatering
- Ensures groundwater levels remain above historical lows

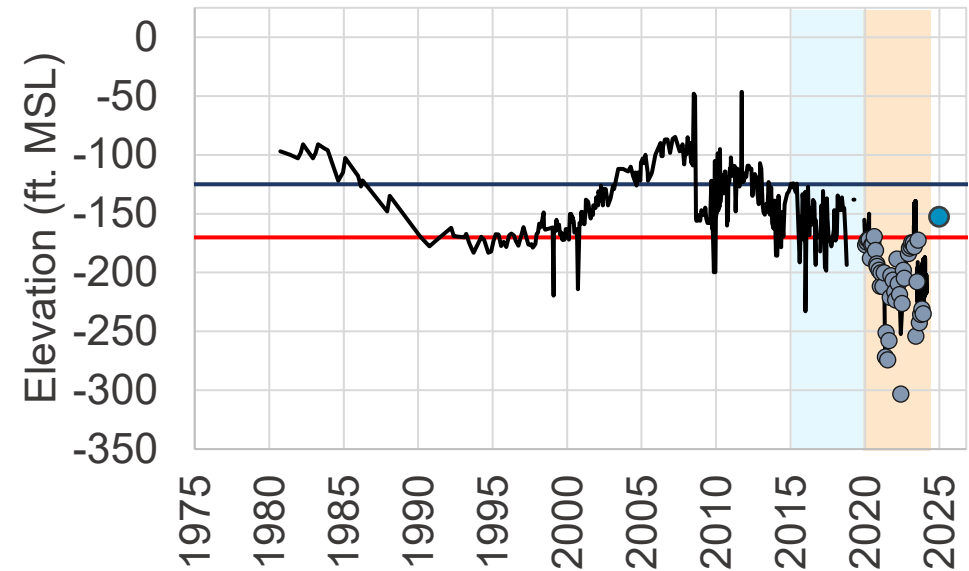
Monitoring Network

- Approximately 200 wells in the LPVB
- 16 key wells in ELPMA
- 5 key wells in WLPMA

Data Source: Section 2.2 (Draft Oxnard and Pleasant Valley GSP Evaluations)

Las Posas Valley Basin: Current Groundwater Levels

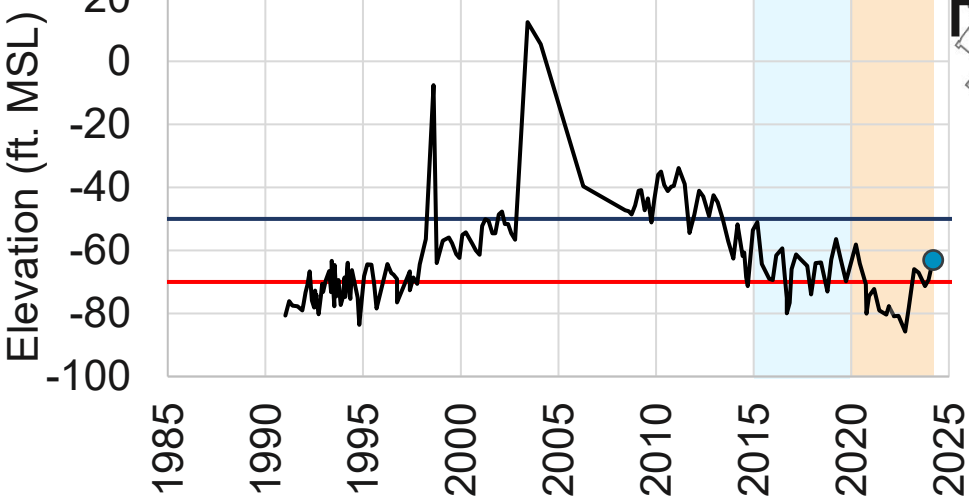
Well 02N20W06R01S



Well 03N19W19J01S



Well 02N21W11J03S



Well 02N20W10J01S

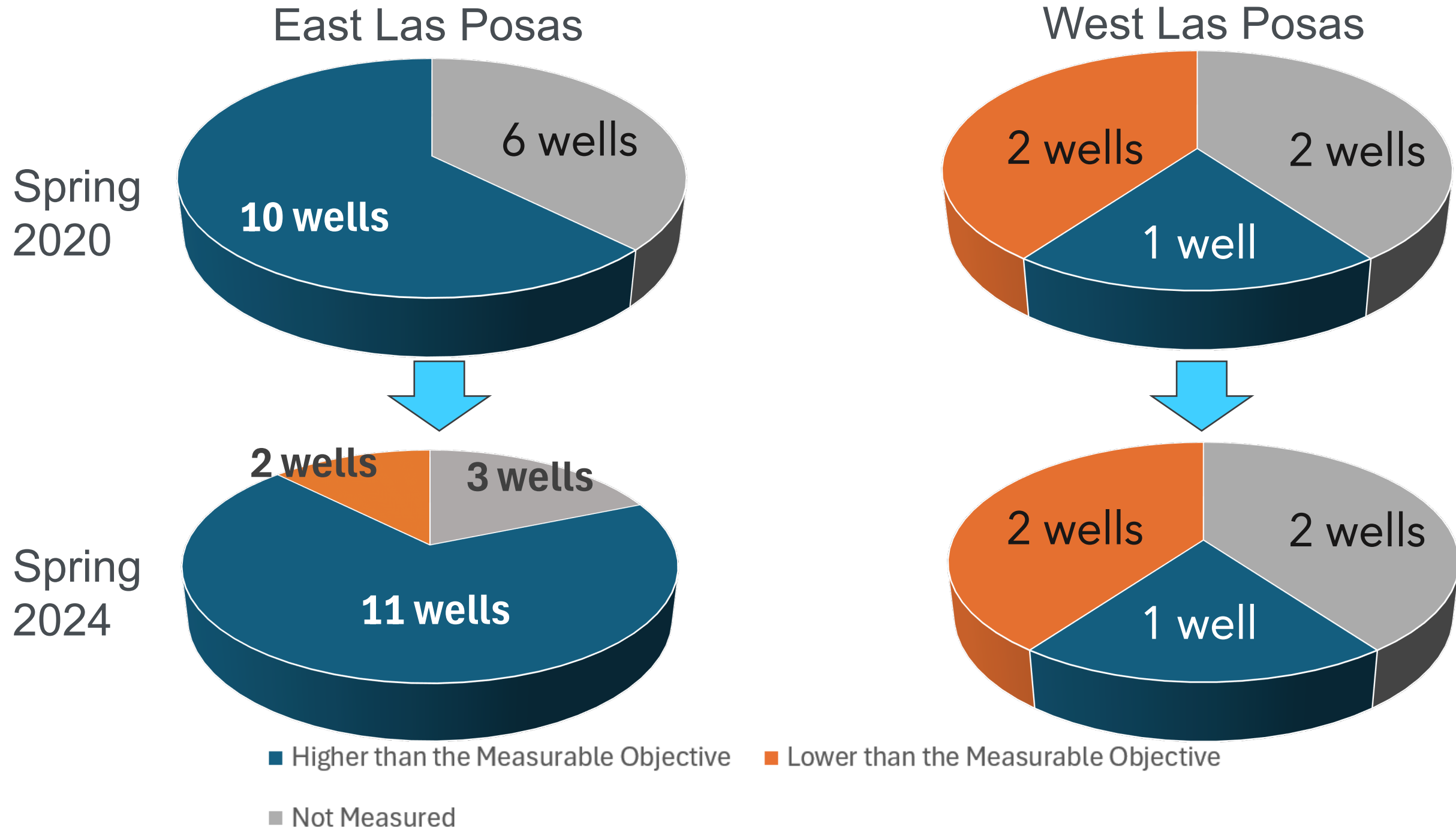


Legend

- Measured
- Measurable Objective
- Minimum Threshold
- Post-GSP Reporting
- Evaluation Period

Data Source: Section 2.2; Table 2-2
(Draft LPVB GSP Evaluation)

Comparison between Water Year 2020 and 2024



Data Source: Section 2.2 (Draft Oxnard and Pleasant Valley GSP Evaluations)

Undesirable Results

East Las Posas Management Area

- Undesirable results did not occur during the evaluation period (2020 - 2024)

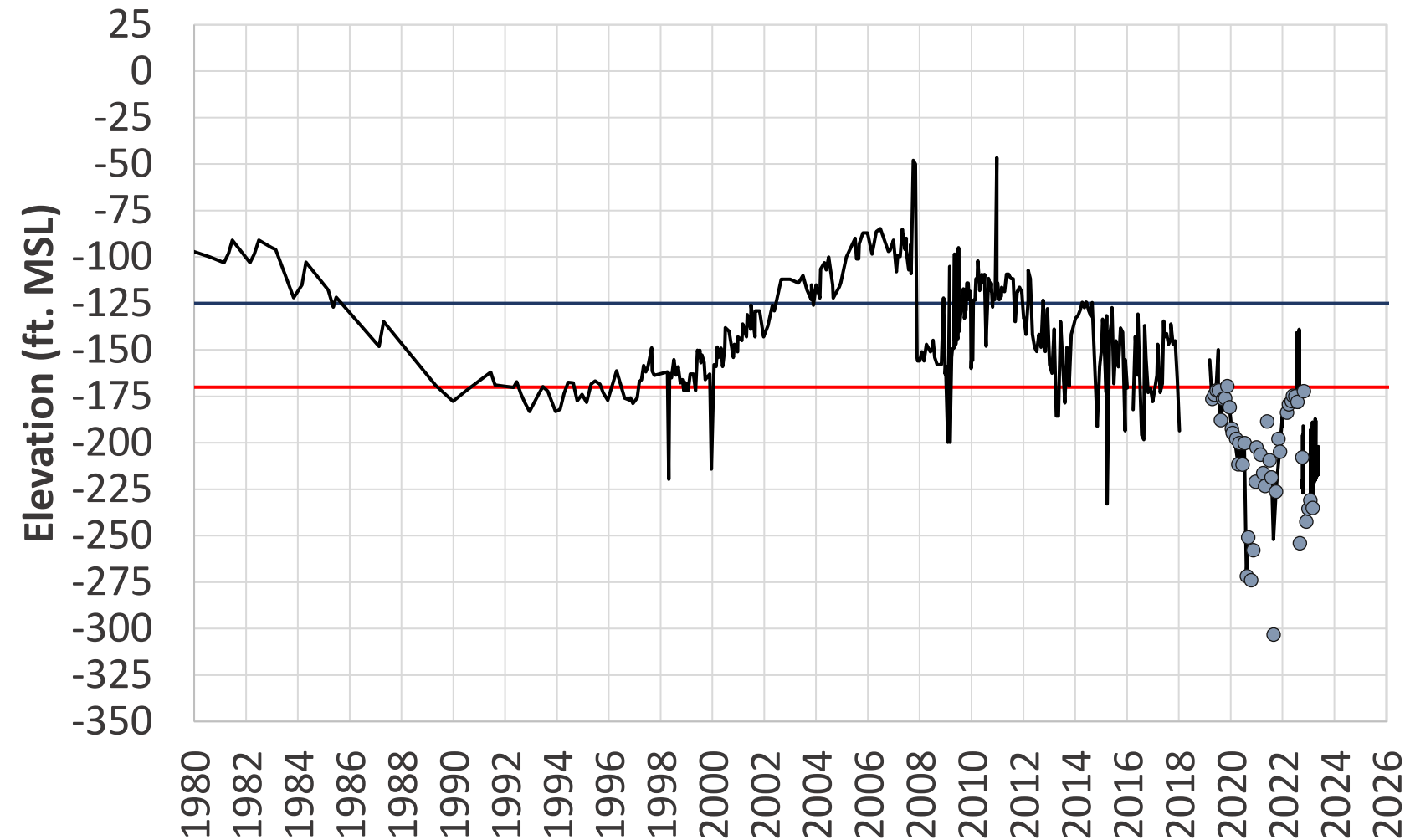
Epworth Gravels Management Area

- Undesirable results did not occur during the evaluation period (2020 - 2024)

West Las Posas Management Area

- Undesirable results occurred during the evaluation period (2020 - 2024)
- SGMA provides flexibility over the 2020 - 2040 period as the GSP is implemented

Well 02N20W06R01S

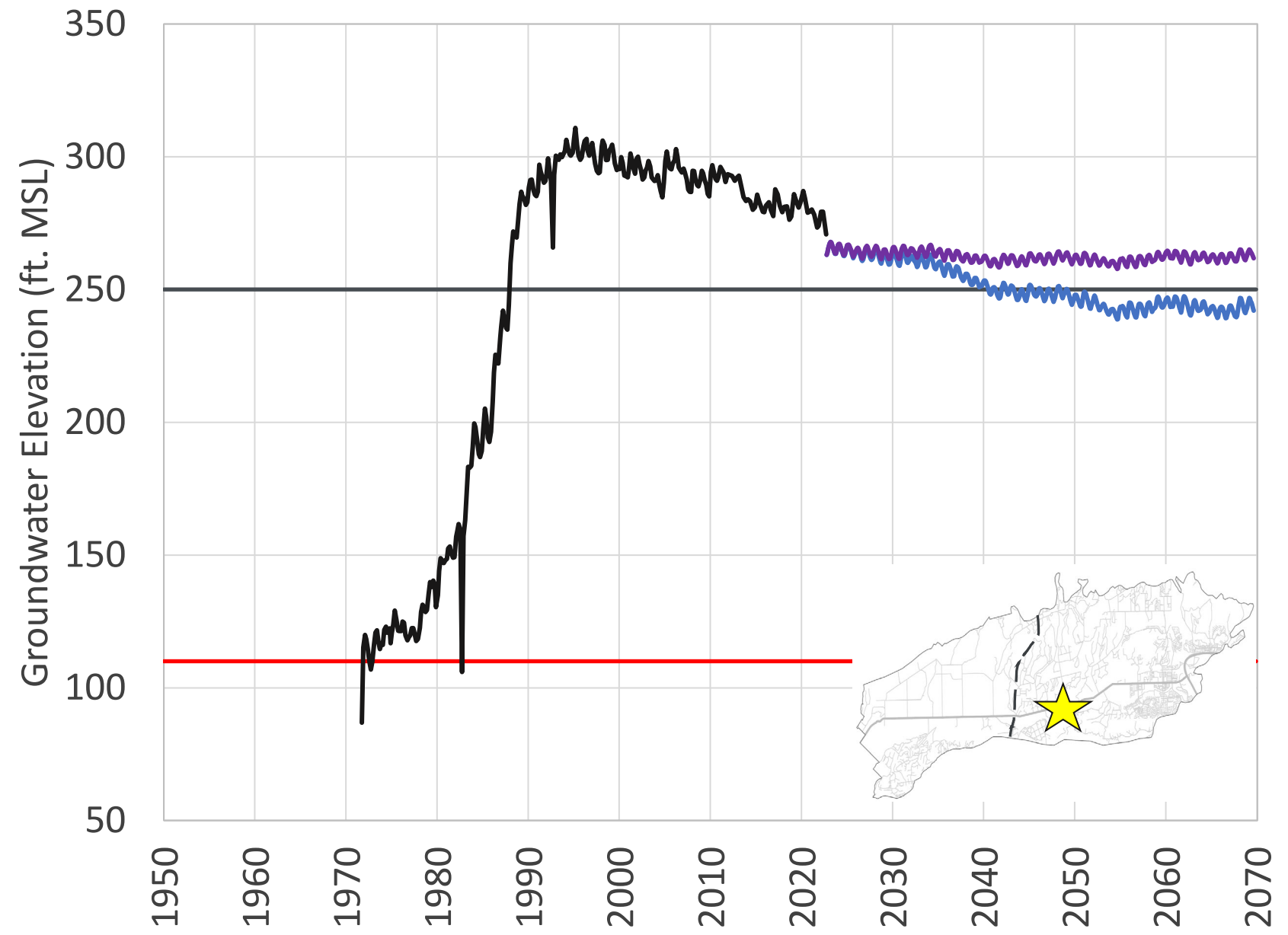


Updated Sustainable Yield

Sustainable yield metrics

- Avoids chronic lowering of groundwater levels across the LPVB
- Protects portions of the ELPMA where the Fox Canyon aquifer is susceptible to dewatering
- Supports sustainability in the adjacent Oxnard Subbasin

Well 02N20W10J02S



Legend

- Measured
- Future Baseline
- No New Projects
- Measurable Objective
- Minimum Threshold

Data Source: Section 5
(Draft LPVB GSP Evaluation)

Updated Sustainable Yield

Scenario	2016 - 2022 Average (AFY)	Estimated Sustainable Yield (Acre-Feet Per Year)		
		No New Projects	Projects	Projects with EBB
East Las Posas Management Area	21,200	19,200 (±2,300)	19,200 (±2,300)	N/A
<i>Epworth Gravels Management Area*</i>	<i>700</i>	<i>1,330</i>	<i>1,330</i>	<i>N/A</i>
West Las Posas Management Area	15,700	11,400 (±1,200)	11,740 (±1,200)	13,500
Total	36,900	27,100 - 34,100	27,440 - 34,440	-

* Included in the pumping values and sustainable yield for the East Las Posas Management Area

- East Las Posas Management Area
 - Sustainable Yield estimate is approximately 2,300 AFY higher than estimated in the GSP
- Epworth Gravels Management Area
 - Sustainable Yield estimate is approximately equal to estimate in the GSP
- West Las Posas Management Area
 - Sustainable Yield estimate is approximately 1,100 AFY lower than estimated in the GSP

Progress Towards Sustainability

- The LPVB is not currently experiencing undesirable results
 - West Las Posas Management Area experienced undesirable results during the evaluation period
- Groundwater extractions from the LPVB exceed the sustainable yield
- Uncertainty remains related to how the LPVB Judgment will impact FCGMA's ability to implement the GSP

Stakeholder Involvement

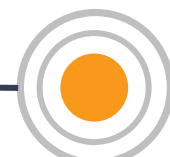
August 22, 2024

Public Draft Released on FCGMA Website



September 2024
Public Workshop

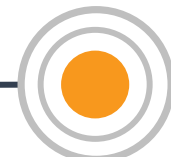
Board Meeting
September 2024



October 7, 2024

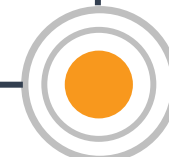
Written comments must be submitted to FCGMA for inclusion in the Final Periodic Evaluation

Board Meeting
October 2024



FCGMA Board Review of 5-Year Evaluations

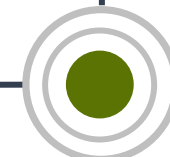
Board Meeting
December 2024



Public Workshops (GSP Amendments)



Submittal to DWR



FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
Kelly Long, Vice Chair, Supervisor, County of Ventura
Michael Craviotto, Farmer, Agricultural Representative
Lynn Maulhardt, Director, United Water Conservation District
Tony Trembley, Mayor, City of Camarillo

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Adoption of the 2024 FCGMA Conflict of Interest Code – (New Item)

RECOMMENDATIONS: (1) Adopt the 2024 Conflict of Interest Code (COIC) for the Fox Canyon Groundwater Management Agency; and (2) Approve the Chair to Sign the Revised 2024 FCGMA COIC Documents.

BACKGROUND:

The Political Reform Act (Government Code 87300 et. seq.) requires every agency to adopt a Conflict of Interest Code and review and amend as needed every even-numbered year. The Ventura County Board of Supervisors is the code reviewing body for the Agency's Conflict of Interest Code and is required to review and approve the Agency's code this year.

DISCUSSION:

Exhibits following this letter clarify the revisions to the Agency Conflict of Interest Code for your Board's approval and adoption. The proposed revisions include updating the number of Alternate Members of the Board of Directors, and the number of consultants listed as "Designated Positions and Filing Officers" in the COIC. Attached as Exhibit 17A is the 2024 Local Agency Biennial Notice, which officially identifies these amendments as those which appear in the revised COIC. The revised Conflict of Interest Code is attached as both a red-line version (Exhibit 17B) and a clean copy (Exhibit 17C). For reference, the previous COIC, last adopted by your Board on September 30, 2022, and subsequently edited with the addition of Form 805s for additional consultants, which merit the COIC amendments brought forth today, is attached as Exhibit 17D.

The main intent of the COIC remains unchanged. Government Code section 87200 et seq. requires all "officials who manage public investments" to disclose, in a Form 700, all their economic interests pursuant to the Political Reform; historically, FCGMA Conflict of Interest Code designates all stated positions to disclose Category 1, the broadest disclosure category.

Continued selection of the Ventura County Board of Supervisors Clerk of the Board's Office as the Filing Officer (Form 700 Clerk) will provide time and cost savings to the Agency by making each designated Form 700 filer eligible to use the electronic filing application e-Disclosure utilized by the County Clerk of the Board's Office. In addition, the Clerk of the Board's Office would continue to be responsible for providing all notifications to the Agency's filers and performing all other duties associated with the Filing Officer pursuant to 2 Cal. Code Regs. § 18115. The FCGMA Clerk of the Board, known in this regard as the Local Agency's Clerk, acts as Agency

contact for the Form 700 Clerk, coordinates Biennial amendment documents, and pulls reports from e-Disclosure as needed for review; the Local Agency Clerk also provides follow-up with late filers and initial notification to the Form 700 Clerk of new filers.

Should the COIC be approved and adopted by your Board during today's meeting, Agency staff requests the Chair of the Board's signature on both versions of the 2024 Revised Proposed COIC: both the redline (Exhibit 17B) and the clean copy (Exhibit 17C), for the Board of Supervisors to consider when they review the Agency's amended documents. The Clerk of the Board's Office will present the Agency's submission to the Board of Supervisors for final approval.

Once adopted by your Board, the COIC and signed 2024 Local Agency Biennial Notice will be submitted to the Board of Supervisors Clerk of the Board no later than Tuesday, October 1, 2024.

For further information regarding the Conflict of Interest Code, please visit the Fair Political Practices Commission (FPPC) website at www.fppc.ca.gov or the Board of Supervisors Clerk of the Board's website at www.ventura.org/cob/form700.

CONCLUSION:

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3952.

Sincerely,

Arne Erik Anselm
Arne Anselm
Interim Executive Officer

Attachment: Exhibit 17A – 2024 Local Agency Biennial Notice Identifying FCGMA Amendments
Exhibit 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code
Exhibit 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code
Exhibit 17D – 2022 FCGMA COIC with 805s, as of April 2, 2024

2024 Local Agency Biennial Notice

Name of Agency: Fox Canyon Groundwater Management Agency
 Mailing Address: 800 S. Victoria Avenue, Ventura, CA 93003-1610
 Contact Person: Arne Anselm Phone No. 805-654-3942
 Email: arne.anselm@ventura.org Alternate Email: fcgma@ventura.org

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency’s code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that *(check one BOX)*:

An amendment is required. The following amendments are necessary:

(Check all that apply.)

- Include new positions
- Revise disclosure categories
- Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- Other *(describe)* Addition of Consultants

The code is currently under review by the code reviewing body.

No amendment is required. (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency’s code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2024**, or by the date specified by your agency, if earlier, to: **E-Mail to: form700clerk@ventura.org**

or
Mail to: Clerk of the Board of Supervisors
800 S. Victoria Avenue, L# 1920
Ventura, CA 93009-1920

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

2024 **Redline**

CONFLICT OF INTEREST CODE
Fox Canyon Groundwater Management Agency

The Political Reform Act, Government Code section 81000 et seq., requires local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs., § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the *Fox Canyon Groundwater Management Agency*, and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the *Fox Canyon Groundwater Management Agency*. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the Filing Officer specified for that position in Exhibit A.

IN PREPARING THE FORM 700, DESIGNATED FILERS NEED ONLY DISCLOSE THOSE FINANCIAL INTERESTS FALLING WITHIN THE DISCLOSURE CATEGORIES DESIGNATED FOR THAT FILER'S POSITION AS STATED IN EXHIBITS A AND B.

APPROVED AND ADOPTED this 25th day of **September**, 2024:

By: _____
Print Name: Eugene F. West
Title: Chair, Board of Directors

EXHIBIT A – DESIGNATED POSITIONS AND FILING OFFICERS

# of POSITIONS	POSITION TITLE	DISCLOSURE CATEGORIES (From Exhibit B)	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
5	Members of the Board of Directors	1	COB
4 5	Alternate Members of the Board of Directors	1	COB
1	Agency Executive Officer	1	COB
2	Agency Counsel	1	COB
Consultants ¹			
2 3	Dudek	1	COB
2	Kennedy Jenks Consultants	1	COB
1	Todd Groundwater	1	COB
1	Aquilogic	1	COB
1	Daniel B. Stephens & Associates, Inc.	1	COB

¹ The disclosure, if any, required of a consultant will be determined on a case-by-case basis by the head of the agency or designee. The determination of whether a consultant has disclosure requirements should be made in writing on a Fair Political Practices Commission Form 805. The determination should include a description of the consultant’s duties and based upon that description, a statement of the extent, if any, of the disclosure requirements. Each Form 805 is a public record and should be retained for public inspection either in the same manner and location as the Conflict of Interest Code, or with appropriate documentation at the location where the Conflict of Interest Code is maintained, cross-referencing to the Form 805.

Item 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code

EXHIBIT B – DISCLOSURE CATEGORIES

The terms *italicized* below have specific meaning under the Political Reform Act. In addition, the financial interests of a spouse, domestic partner and dependent children of the public official holding the designated position may require reporting. Consult the instructions and reference pamphlet of the Form 700 for explanation.

Category 1 – BROADEST DISCLOSURE

[SEE FORM 700 SCHEDULES A-1, A-2, B, C, D and E]

- (1) All sources of *income, gifts, loans and travel payments*;
- (2) All *interests in real property*; and
- (3) All *investments and business positions in business entities*.

Category 2 – REAL PROPERTY

[SEE FORM 700 SCHEDULE B]

All interests in real property, including interests in real property held by business entities and trusts in which the public official holds a business position or has an investment or other financial interest.

Category 3 – LAND DEVELOPMENT, CONSTRUCTION AND TRANSACTION

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which engage in land development, construction, or real property acquisition or sale.

Category 4 – PROCUREMENT

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which provide services, supplies, materials, machinery or equipment which the designated position procures or assists in procuring on behalf of their agency or department.

Category 5 – REGULATION AND PERMITTING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before, the designated position's agency or department.

Category 6 – FUNDING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which receive grants or other funding from or through the designated position's agency or department.

Item 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code

APPENDIX - DESIGNATING OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Pursuant to Government Code section 87200 et seq., certain city and county officials, as well as all “other officials who manage public investments,” are required to disclose their economic interests in accordance with the Political Reform Act. This Appendix provides the relevant definitions for determining which public officials qualify as “other officials who manage public investments,” designates the agency’s positions which qualify as such, and states the Filing Officer for each designated position.

APPLICABLE DEFINITIONS

As set forth in 2 California Code of Regulations section 18701, the following definitions apply for the purposes of Government Code section 87200:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (1)(B) above.

(2) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(3) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(4) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

Item 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code

DESIGNATED POSITIONS AND FILING OFFICERS

Based on the foregoing, the following agency positions and/or consultants qualify as “other officials who manage public investments” and shall file Statements of Economic Interests (Form 700) pursuant to Government Code section 87200 et seq. with the below-designated Filing Officers:

# of POSITIONS	POSITION TITLE/CONSULTANT	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
	None	

Item 17 - Exhibit 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

2024

CONFLICT OF INTEREST CODE
Fox Canyon Groundwater Management Agency

The Political Reform Act, Government Code section 81000 et seq., requires local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs., § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the ***Fox Canyon Groundwater Management Agency***, and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the ***Fox Canyon Groundwater Management Agency***. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the Filing Officer specified for that position in Exhibit A.

IN PREPARING THE FORM 700, DESIGNATED FILERS NEED ONLY DISCLOSE THOSE FINANCIAL INTERESTS FALLING WITHIN THE DISCLOSURE CATEGORIES DESIGNATED FOR THAT FILER'S POSITION AS STATED IN EXHIBITS A AND B.

APPROVED AND ADOPTED this **25th** day of **September**, 2024:

By: _____
Print Name: **Eugene F. West**
Title: **Chair, Board of Directors**

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

EXHIBIT A – DESIGNATED POSITIONS AND FILING OFFICERS

# of POSITIONS	POSITION TITLE	DISCLOSURE CATEGORIES (From Exhibit B)	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency's Clerk [AC])
5	Members of the Board of Directors	1	COB
5	Alternate Members of the Board of Directors	1	COB
1	Agency Executive Officer	1	COB
2	Agency Counsel	1	COB
Consultants ¹			
3	Dudek	1	COB
2	Kennedy Jenks Consultants	1	COB
1	Todd Groundwater	1	COB
1	Aquilogic	1	COB
1	Daniel B. Stephens & Associates, Inc.	1	COB

¹ The disclosure, if any, required of a consultant will be determined on a case-by-case basis by the head of the agency or designee. The determination of whether a consultant has disclosure requirements should be made in writing on a Fair Political Practices Commission Form 805. The determination should include a description of the consultant's duties and based upon that description, a statement of the extent, if any, of the disclosure requirements. Each Form 805 is a public record and should be retained for public inspection either in the same manner and location as the Conflict of Interest Code, or with appropriate documentation at the location where the Conflict of Interest Code is maintained, cross-referencing to the Form 805.

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

EXHIBIT B – DISCLOSURE CATEGORIES

The terms *italicized* below have specific meaning under the Political Reform Act. In addition, the financial interests of a spouse, domestic partner and dependent children of the public official holding the designated position may require reporting. Consult the instructions and reference pamphlet of the Form 700 for explanation.

Category 1 – BROADEST DISCLOSURE

[SEE FORM 700 SCHEDULES A-1, A-2, B, C, D and E]

- (1) All sources of *income, gifts, loans and travel payments*;
- (2) All *interests in real property*; and
- (3) All *investments and business positions in business entities*.

Category 2 – REAL PROPERTY

[SEE FORM 700 SCHEDULE B]

All interests in real property, including interests in real property held by business entities and trusts in which the public official holds a business position or has an investment or other financial interest.

Category 3 – LAND DEVELOPMENT, CONSTRUCTION AND TRANSACTION

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which engage in land development, construction, or real property acquisition or sale.

Category 4 – PROCUREMENT

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which provide services, supplies, materials, machinery or equipment which the designated position procures or assists in procuring on behalf of their agency or department.

Category 5 – REGULATION AND PERMITTING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before, the designated position's agency or department.

Category 6 – FUNDING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which receive grants or other funding from or through the designated position's agency or department.

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

APPENDIX - DESIGNATING OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Pursuant to Government Code section 87200 et seq., certain city and county officials, as well as all “other officials who manage public investments,” are required to disclose their economic interests in accordance with the Political Reform Act. This Appendix provides the relevant definitions for determining which public officials qualify as “other officials who manage public investments,” designates the agency’s positions which qualify as such, and states the Filing Officer for each designated position.

APPLICABLE DEFINITIONS

As set forth in 2 California Code of Regulations section 18701, the following definitions apply for the purposes of Government Code section 87200:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (1)(B) above.

(2) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(3) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(4) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

DESIGNATED POSITIONS AND FILING OFFICERS

Based on the foregoing, the following agency positions and/or consultants qualify as “other officials who manage public investments” and shall file Statements of Economic Interests (Form 700) pursuant to Government Code section 87200 et seq. with the below-designated Filing Officers:

# of POSITIONS	POSITION TITLE/CONSULTANT	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
	None	

2022 Local Agency Biennial Notice

SEP 30 2022

Name of Agency: Fox Canyon Groundwater Management Agency Clerk of the Board

Mailing Address: 800 S. Victoria Avenue, Ventura, CA 93003-1610

Contact Person: Jeff Pratt Phone No. 805-654-2073

Email: jeff.pratt@ventura.org Alternate Email: deborah.cisneros@ventura.org

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency’s code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (check one BOX):

- An amendment is required. The following amendments are necessary:**
(Check all that apply.)
 - Include new positions
 - Revise disclosure categories
 - Revise the titles of existing positions
 - Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
 - Other (*describe*) Addition of Consultants
- The code is currently under review by the code reviewing body.**
- No amendment is required.** (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency’s code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.



 Signature of Chief Executive Officer

9/30/22

 Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 3, 2022**, or by the date specified by your agency, if earlier, to: **E-Mail to: form700clerk@ventura.org**

or
Mail to: Clerk of the Board of Supervisors
800 S. Victoria Avenue, L# 1920
Ventura, CA 93009-1920

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

County of Ventura

SEP 30 2022

CONFLICT OF INTEREST CODE
Fox Canyon Groundwater Management Agency

Clerk of the Board

The Political Reform Act, Government Code section 81000 et seq., requires local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs., § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the [*Fox Canyon Groundwater Management Agency*], and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the *Fox Canyon Groundwater Management Agency*. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the Filing Officer specified for that position in Exhibit A.

IN PREPARING THE FORM 700, DESIGNATED FILERS NEED ONLY DISCLOSE THOSE FINANCIAL INTERESTS FALLING WITHIN THE DISCLOSURE CATEGORIES DESIGNATED FOR THAT FILER'S POSITION AS STATED IN EXHIBITS A AND B.

APPROVED AND ADOPTED this 30th day of September, 2022:


By: 
Print Name: Eugene F. West
Title: Chair, Board of Directors

EXHIBIT A – DESIGNATED POSITIONS AND FILING OFFICERS

# of POSITIONS	POSITION TITLE	DISCLOSURE CATEGORIES (From Exhibit B)	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency's Clerk [AC])
5	Members of the Board of Directors	1	COB
4	Alternate Members of the Board of Directors	1	COB
1	Agency Executive Officer	1	COB
2	Agency Counsel	1	COB
Consultants ¹			
2	Dudek	1	COB
2	Kennedy Jenks Consultants	1	COB

¹ The disclosure, if any, required of a consultant will be determined on a case-by-case basis by the head of the agency or designee. The determination of whether a consultant has disclosure requirements should be made in writing on a Fair Political Practices Commission Form 805. The determination should include a description of the consultant's duties and based upon that description, a statement of the extent, if any, of the disclosure requirements. Each Form 805 is a public record and should be retained for public inspection either in the same manner and location as the Conflict of Interest Code, or with appropriate documentation at the location where the Conflict of Interest Code is maintained, cross-referencing to the Form 805.

EXHIBIT B – DISCLOSURE CATEGORIES

The terms *italicized* below have specific meaning under the Political Reform Act. In addition, the financial interests of a spouse, domestic partner and dependent children of the public official holding the designated position may require reporting. Consult the instructions and reference pamphlet of the Form 700 for explanation.

Category 1 – BROADEST DISCLOSURE

[SEE FORM 700 SCHEDULES A-1, A-2, B, C, D and E]

- (1) All sources of *income, gifts, loans and travel payments*;
- (2) All *interests in real property*; and
- (3) All *investments and business positions in business entities*.

Category 2 – REAL PROPERTY

[SEE FORM 700 SCHEDULE B]

All interests in real property, including interests in real property held by business entities and trusts in which the public official holds a business position or has an investment or other financial interest.

Category 3 – LAND DEVELOPMENT, CONSTRUCTION AND TRANSACTION

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which engage in land development, construction, or real property acquisition or sale.

Category 4 – PROCUREMENT

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which provide services, supplies, materials, machinery or equipment which the designated position procures or assists in procuring on behalf of their agency or department.

Category 5 – REGULATION AND PERMITTING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before, the designated position's agency or department.

Category 6 – FUNDING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which receive grants or other funding from or through the designated position's agency or department.

**APPENDIX - DESIGNATING OFFICIALS WHO
MANAGE PUBLIC INVESTMENTS**

Pursuant to Government Code section 87200 et seq., certain city and county officials, as well as all “other officials who manage public investments,” are required to disclose their economic interests in accordance with the Political Reform Act. This Appendix provides the relevant definitions for determining which public officials qualify as “other officials who manage public investments,” designates the agency’s positions which qualify as such, and states the Filing Officer for each designated position.

APPLICABLE DEFINITIONS

As set forth in 2 California Code of Regulations section 18701, the following definitions apply for the purposes of Government Code section 87200:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (1)(B) above.

(2) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(3) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(4) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

Item 17D – 2022 FCGMA COIC with 805s, as of April 2, 2024

DESIGNATED POSITIONS AND FILING OFFICERS

Based on the foregoing, the following agency positions and/or consultants qualify as “other officials who manage public investments” and shall file Statements of Economic Interests (Form 700) pursuant to Government Code section 87200 et seq. with the below-designated Filing Officers:

# of POSITIONS	POSITION TITLE/CONSULTANT	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
	None	

Item 17D – 2022 FCGMA COIC with 805s, as of April 2, 2024



BOARD MINUTES
BOARD OF SUPERVISORS, COUNTY OF VENTURA, STATE OF CALIFORNIA

SUPERVISORS MATT LAVERE, LINDA PARKS,
KELLY LONG, ROBERT O. HUBER AND VIANEY LOPEZ
November 1, 2022 at 8:30 a.m.

CONSENT – COUNTY EXECUTIVE OFFICE – Approval of the 2022 Biennial Notices for the Board of Supervisors-District Office Staff and the Ventura County Public Financing Authority; Adoption of Conflict of Interest Codes for 127 Local Agencies; and Receive and File the 2022 Biennial Notices.

(X) All Board members are present.

(X) Upon motion of Supervisor Parks, seconded by Supervisor Huber, and duly carried, the Board hereby approves the recommendations as stated in the respective Board letters for Consent Items 12 – 44 and 46 – 62, with a revised Exhibit 2 for Item 24 and a revised Board letter and revised Exhibit 1 for Item 37.

By: 
Lori Key
Deputy Clerk of the Board

**Agency Report of:
Consultants**

June 25, 2024

Clerk of the Board

A Public Document

California Form **805**

1. Agency Name (Also include, Division, Department, or Region (if applicable)) Fox Canyon Goundwater Management Agency		<input checked="" type="checkbox"/> Amendment Date of Original Filing: <u>11/1/22</u> <small>(month, day, year)</small>
Agency Contact Elka Weber		
Phone Number 805 654 2014	Email FCGMA@ventura.org	

2. Firm Information

Firm Name
Daniel B. Stephens & Associates, Inc., A Geologic Company

Firm Address 3916 State Street, Garden Suite Santa Barbara, CA 93105	Email (optional) TMorgan@Geo-Logic.com	Email (optional)
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Describe General Purpose of Contract
Las Posas Valley Technical Advisory - Consultant will serve as the East Las Posas Technical Advisory Committee representative for the for the LPV Watermaster TAC.

3. Consultant Information

Consultant Name	Assigned Category	OR	Disclosure Requirement	Assuming/Start Date Leaving/End Date (if known)
William Tony Morgan	1			Start <u>5/1/24</u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>

4. Verification

I have read and understand FPPC Regulations 18700.3 and 18734. I have verified that the disclosure assignment(s) set forth above, is in accordance with its provisions.

 _____ <small>Signature</small>	Elka Weber _____ <small>Name</small>	Management Assistant _____ <small>Title</small>	May 1, 2024 _____ <small>(month, day, year)</small>
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Comment: (Use this space or an attachment for any additional information.)

Agency Report of: **June 25, 2024**

Consultants

Clerk of the Board **A Public Document**

California Form **805**

1. Agency Name (Also include, Division, Department, or Region (if applicable)) Fox Canyon Goundwater Management Agency		<input checked="" type="checkbox"/> Amendment Date of Original Filing: <u>11/1/22</u> <small>(month, day, year)</small>
Agency Contact Elka Weber		
Phone Number 805 654 2014	Email FCGMA@ventura.org	

2. Firm Information

Firm Name
Todd Groundwater

Firm Address 1301 Marina Village Parkway, STE 320, Alameda, CA 94501	Email (optional) CTaylor@ToddGroundwater.com	Email (optional)
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Describe General Purpose of Contract
 Las Posas Valley Technical Advisory - Consultant will serve as the administrator for the for the LPV Watermaster TAC.

3. Consultant Information

Consultant Name	Assigned Category	OR	Disclosure Requirement	Assuming/Start Date Leaving/End Date (if known)
Chad Nicolas Taylor	1			Start <u>5/1/24</u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>

4. Verification

I have read and understand FPPC Regulations 18700.3 and 18734. I have verified that the disclosure assignment(s) set forth above, is in accordance with its provisions.



Elka Weber

Management Assistant

May 1, 2024

Signature

Name

Title

(month, day, year)

Comment: (Use this space or an attachment for any additional information.)

Print

Clear

Agency Report of:
Consultants

June 25, 2024

Clerk of the Board

A Public Document

California Form **805**

1. Agency Name (Also include, Division, Department, or Region (if applicable)) Fox Canyon Goundwater Management Agency		<input checked="" type="checkbox"/> Amendment Date of Original Filing: <u>11/1/22</u> <small>(month, day, year)</small>
Agency Contact Elka Weber		
Phone Number 805 654 2014	Email FCGMA@ventura.org	

2. Firm Information

Firm Name
Aquilogic

Firm Address 245 Fischer Ave, STE D-2, Costa Mesa, CA 92626	Email (optional) Bob.Abrams@Aquilogic.com	Email (optional)
--	--	------------------


Describe General Purpose of Contract
Las Posas Valley Technical Advisory - Consultant will serve as the West Las Posas representative for the for the LPV Watermaster TAC.

3. Consultant Information

Consultant Name	Assigned Category	OR	Disclosure Requirement	Assuming/Start Date Leaving/End Date (if known)
Robert Henry Abrams	1			Start <u>5/1/24</u> / m / d / yr End ___ / ___ / ___ m / d / yr
				Start ___ / ___ / ___ m / d / yr End ___ / ___ / ___ m / d / yr
				Start ___ / ___ / ___ m / d / yr End ___ / ___ / ___ m / d / yr

4. Verification

I have read and understand FPPC Regulations 18700.3 and 18734. I have verified that the disclosure assignment(s) set forth above, is in accordance with its provisions.

 _____ Signature	Elka Weber _____ Name	Management Assistant _____ Title	May 1, 2024 _____ (month, day, year)
---	-----------------------------	--	--

Comment: (Use this space or an attachment for any additional information.)

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Adoption of the 2024 FCGMA Conflict of Interest Code – (New Item)

RECOMMENDATIONS: (1) Adopt the 2024 Conflict of Interest Code (COIC) for the Fox Canyon Groundwater Management Agency; and (2) Approve the Chair to Sign the Revised 2024 FCGMA COIC Documents.

BACKGROUND:

The Political Reform Act (Government Code 87300 et. seq.) requires every agency to adopt a Conflict of Interest Code and review and amend as needed every even-numbered year. The Ventura County Board of Supervisors is the code reviewing body for the Agency's Conflict of Interest Code and is required to review and approve the Agency's code this year.

DISCUSSION:

Exhibits following this letter clarify the revisions to the Agency Conflict of Interest Code for your Board's approval and adoption. The proposed revisions include updating the number of Alternate Members of the Board of Directors, and the number of consultants listed as "Designated Positions and Filing Officers" in the COIC. Attached as Exhibit 17A is the 2024 Local Agency Biennial Notice, which officially identifies these amendments as those which appear in the revised COIC. The revised Conflict of Interest Code is attached as both a red-line version (Exhibit 17B) and a clean copy (Exhibit 17C). For reference, the previous COIC, last adopted by your Board on September 30, 2022, and subsequently edited with the addition of Form 805s for additional consultants, which merit the COIC amendments brought forth today, is attached as Exhibit 17D.

The main intent of the COIC remains unchanged. Government Code section 87200 et seq. requires all "officials who manage public investments" to disclose, in a Form 700, all their economic interests pursuant to the Political Reform; historically, FCGMA Conflict of Interest Code designates all stated positions to disclose Category 1, the broadest disclosure category.

Continued selection of the Ventura County Board of Supervisors Clerk of the Board's Office as the Filing Officer (Form 700 Clerk) will provide time and cost savings to the Agency by making each designated Form 700 filer eligible to use the electronic filing application e-Disclosure utilized by the County Clerk of the Board's Office. In addition, the Clerk of the Board's Office would continue to be responsible for providing all notifications to the Agency's filers and performing all other duties associated with the Filing Officer pursuant to 2 Cal. Code Regs. § 18115. The FCGMA Clerk of the Board, known in this regard as the Local Agency's Clerk, acts as Agency

contact for the Form 700 Clerk, coordinates Biennial amendment documents, and pulls reports from e-Disclosure as needed for review; the Local Agency Clerk also provides follow-up with late filers and initial notification to the Form 700 Clerk of new filers.

Should the COIC be approved and adopted by your Board during today's meeting, Agency staff requests the Chair of the Board's signature on both versions of the 2024 Revised Proposed COIC: both the redline (Exhibit 17B) and the clean copy (Exhibit 17C), for the Board of Supervisors to consider when they review the Agency's amended documents. The Clerk of the Board's Office will present the Agency's submission to the Board of Supervisors for final approval.

Once adopted by your Board, the COIC and signed 2024 Local Agency Biennial Notice will be submitted to the Board of Supervisors Clerk of the Board no later than Tuesday, October 1, 2024.

For further information regarding the Conflict of Interest Code, please visit the Fair Political Practices Commission (FPPC) website at www.fppc.ca.gov or the Board of Supervisors Clerk of the Board's website at www.ventura.org/cob/form700.

CONCLUSION:

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3952.

Sincerely,

Arne Erik Anselm
Arne Anselm
Interim Executive Officer

Attachment: Exhibit 17A – 2024 Local Agency Biennial Notice Identifying FCGMA Amendments
Exhibit 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code
Exhibit 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code
Exhibit 17D – 2022 FCGMA COIC with 805s, as of April 2, 2024

2024 Local Agency Biennial Notice

Name of Agency: Fox Canyon Groundwater Management Agency

Mailing Address: 800 S. Victoria Avenue, Ventura, CA 93003-1610

Contact Person: Arne Anselm Phone No. 805-654-3942

Email: arne.anselm@ventura.org Alternate Email: fcgma@ventura.org

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency’s code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that *(check one BOX)*:

An amendment is required. The following amendments are necessary:

(Check all that apply.)

- Include new positions
- Revise disclosure categories
- Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- Other *(describe)* Addition of Consultants

The code is currently under review by the code reviewing body.

No amendment is required. (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency’s code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2024**, or by the date specified by your agency, if earlier, to: **E-Mail to: form700clerk@ventura.org**

or
**Mail to: Clerk of the Board of Supervisors
800 S. Victoria Avenue, L# 1920
Ventura, CA 93009-1920**

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

2024 **Redline**

CONFLICT OF INTEREST CODE
Fox Canyon Groundwater Management Agency

The Political Reform Act, Government Code section 81000 et seq., requires local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs., § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the *Fox Canyon Groundwater Management Agency*, and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the *Fox Canyon Groundwater Management Agency*. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the Filing Officer specified for that position in Exhibit A.

IN PREPARING THE FORM 700, DESIGNATED FILERS NEED ONLY DISCLOSE THOSE FINANCIAL INTERESTS FALLING WITHIN THE DISCLOSURE CATEGORIES DESIGNATED FOR THAT FILER'S POSITION AS STATED IN EXHIBITS A AND B.

APPROVED AND ADOPTED this 25th day of **September**, 2024:

By: _____
Print Name: **Eugene F. West**
Title: **Chair, Board of Directors**

EXHIBIT A – DESIGNATED POSITIONS AND FILING OFFICERS

# of POSITIONS	POSITION TITLE	DISCLOSURE CATEGORIES (From Exhibit B)	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
5	Members of the Board of Directors	1	COB
4 5	Alternate Members of the Board of Directors	1	COB
1	Agency Executive Officer	1	COB
2	Agency Counsel	1	COB
Consultants ¹			
2 3	Dudek	1	COB
2	Kennedy Jenks Consultants	1	COB
1	Todd Groundwater	1	COB
1	Aquilogic	1	COB
1	Daniel B. Stephens & Associates, Inc.	1	COB

¹ The disclosure, if any, required of a consultant will be determined on a case-by-case basis by the head of the agency or designee. The determination of whether a consultant has disclosure requirements should be made in writing on a Fair Political Practices Commission Form 805. The determination should include a description of the consultant’s duties and based upon that description, a statement of the extent, if any, of the disclosure requirements. Each Form 805 is a public record and should be retained for public inspection either in the same manner and location as the Conflict of Interest Code, or with appropriate documentation at the location where the Conflict of Interest Code is maintained, cross-referencing to the Form 805.

Item 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code

EXHIBIT B – DISCLOSURE CATEGORIES

The terms *italicized* below have specific meaning under the Political Reform Act. In addition, the financial interests of a spouse, domestic partner and dependent children of the public official holding the designated position may require reporting. Consult the instructions and reference pamphlet of the Form 700 for explanation.

Category 1 – BROADEST DISCLOSURE

[SEE FORM 700 SCHEDULES A-1, A-2, B, C, D and E]

- (1) All sources of *income, gifts, loans and travel payments*;
- (2) All *interests in real property*; and
- (3) All *investments and business positions in business entities*.

Category 2 – REAL PROPERTY

[SEE FORM 700 SCHEDULE B]

All interests in real property, including interests in real property held by business entities and trusts in which the public official holds a business position or has an investment or other financial interest.

Category 3 – LAND DEVELOPMENT, CONSTRUCTION AND TRANSACTION

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which engage in land development, construction, or real property acquisition or sale.

Category 4 – PROCUREMENT

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which provide services, supplies, materials, machinery or equipment which the designated position procures or assists in procuring on behalf of their agency or department.

Category 5 – REGULATION AND PERMITTING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before, the designated position's agency or department.

Category 6 – FUNDING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which receive grants or other funding from or through the designated position's agency or department.

Item 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code

APPENDIX - DESIGNATING OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Pursuant to Government Code section 87200 et seq., certain city and county officials, as well as all “other officials who manage public investments,” are required to disclose their economic interests in accordance with the Political Reform Act. This Appendix provides the relevant definitions for determining which public officials qualify as “other officials who manage public investments,” designates the agency’s positions which qualify as such, and states the Filing Officer for each designated position.

APPLICABLE DEFINITIONS

As set forth in 2 California Code of Regulations section 18701, the following definitions apply for the purposes of Government Code section 87200:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (1)(B) above.

(2) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(3) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(4) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

Item 17B – Red-Line Version of 2024 FCGMA Revised Conflict of Interest Code

DESIGNATED POSITIONS AND FILING OFFICERS

Based on the foregoing, the following agency positions and/or consultants qualify as “other officials who manage public investments” and shall file Statements of Economic Interests (Form 700) pursuant to Government Code section 87200 et seq. with the below-designated Filing Officers:

# of POSITIONS	POSITION TITLE/CONSULTANT	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
	None	

Item 17 - Exhibit 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

2024

CONFLICT OF INTEREST CODE
Fox Canyon Groundwater Management Agency

The Political Reform Act, Government Code section 81000 et seq., requires local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs., § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the ***Fox Canyon Groundwater Management Agency***, and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the ***Fox Canyon Groundwater Management Agency***. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the Filing Officer specified for that position in Exhibit A.

IN PREPARING THE FORM 700, DESIGNATED FILERS NEED ONLY DISCLOSE THOSE FINANCIAL INTERESTS FALLING WITHIN THE DISCLOSURE CATEGORIES DESIGNATED FOR THAT FILER'S POSITION AS STATED IN EXHIBITS A AND B.

APPROVED AND ADOPTED this **25th** day of **September**, 2024:

By: _____
Print Name: **Eugene F. West**
Title: **Chair, Board of Directors**

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

EXHIBIT A – DESIGNATED POSITIONS AND FILING OFFICERS

# of POSITIONS	POSITION TITLE	DISCLOSURE CATEGORIES (From Exhibit B)	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
5	Members of the Board of Directors	1	COB
5	Alternate Members of the Board of Directors	1	COB
1	Agency Executive Officer	1	COB
2	Agency Counsel	1	COB
Consultants ¹			
3	Dudek	1	COB
2	Kennedy Jenks Consultants	1	COB
1	Todd Groundwater	1	COB
1	Aquilogic	1	COB
1	Daniel B. Stephens & Associates, Inc.	1	COB

¹ The disclosure, if any, required of a consultant will be determined on a case-by-case basis by the head of the agency or designee. The determination of whether a consultant has disclosure requirements should be made in writing on a Fair Political Practices Commission Form 805. The determination should include a description of the consultant’s duties and based upon that description, a statement of the extent, if any, of the disclosure requirements. Each Form 805 is a public record and should be retained for public inspection either in the same manner and location as the Conflict of Interest Code, or with appropriate documentation at the location where the Conflict of Interest Code is maintained, cross-referencing to the Form 805.

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

EXHIBIT B – DISCLOSURE CATEGORIES

The terms *italicized* below have specific meaning under the Political Reform Act. In addition, the financial interests of a spouse, domestic partner and dependent children of the public official holding the designated position may require reporting. Consult the instructions and reference pamphlet of the Form 700 for explanation.

Category 1 – BROADEST DISCLOSURE

[SEE FORM 700 SCHEDULES A-1, A-2, B, C, D and E]

- (1) All sources of *income, gifts, loans and travel payments*;
- (2) All *interests in real property*; and
- (3) All *investments and business positions in business entities*.

Category 2 – REAL PROPERTY

[SEE FORM 700 SCHEDULE B]

All interests in real property, including interests in real property held by business entities and trusts in which the public official holds a business position or has an investment or other financial interest.

Category 3 – LAND DEVELOPMENT, CONSTRUCTION AND TRANSACTION

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which engage in land development, construction, or real property acquisition or sale.

Category 4 – PROCUREMENT

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which provide services, supplies, materials, machinery or equipment which the designated position procures or assists in procuring on behalf of their agency or department.

Category 5 – REGULATION AND PERMITTING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before, the designated position's agency or department.

Category 6 – FUNDING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which receive grants or other funding from or through the designated position's agency or department.

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

APPENDIX - DESIGNATING OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Pursuant to Government Code section 87200 et seq., certain city and county officials, as well as all “other officials who manage public investments,” are required to disclose their economic interests in accordance with the Political Reform Act. This Appendix provides the relevant definitions for determining which public officials qualify as “other officials who manage public investments,” designates the agency’s positions which qualify as such, and states the Filing Officer for each designated position.

APPLICABLE DEFINITIONS

As set forth in 2 California Code of Regulations section 18701, the following definitions apply for the purposes of Government Code section 87200:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (1)(B) above.

(2) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(3) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(4) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

Item 17C – Clean Version of 2024 FCGMA Revised Conflict of Interest Code

DESIGNATED POSITIONS AND FILING OFFICERS

Based on the foregoing, the following agency positions and/or consultants qualify as “other officials who manage public investments” and shall file Statements of Economic Interests (Form 700) pursuant to Government Code section 87200 et seq. with the below-designated Filing Officers:

# of POSITIONS	POSITION TITLE/CONSULTANT	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
	None	

2022 Local Agency Biennial Notice

SEP 30 2022

Name of Agency: Fox Canyon Groundwater Management Agency Clerk of the Board

Mailing Address: 800 S. Victoria Avenue, Ventura, CA 93003-1610

Contact Person: Jeff Pratt Phone No. 805-654-2073

Email: jeff.pratt@ventura.org Alternate Email: deborah.cisneros@ventura.org

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency’s code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (check one BOX):

- An amendment is required. The following amendments are necessary:**
(Check all that apply.)
 - Include new positions
 - Revise disclosure categories
 - Revise the titles of existing positions
 - Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
 - Other (*describe*) Addition of Consultants
- The code is currently under review by the code reviewing body.**
- No amendment is required.** (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency’s code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.



 Signature of Chief Executive Officer

9/30/22

 Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 3, 2022**, or by the date specified by your agency, if earlier, to: **E-Mail to: form700clerk@ventura.org**

or
Mail to: Clerk of the Board of Supervisors
800 S. Victoria Avenue, L# 1920
Ventura, CA 93009-1920

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

SEP 30 2022

CONFLICT OF INTEREST CODE
Fox Canyon Groundwater Management Agency

Clerk of the Board

The Political Reform Act, Government Code section 81000 et seq., requires local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs., § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the [*Fox Canyon Groundwater Management Agency*], and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the *Fox Canyon Groundwater Management Agency*. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the Filing Officer specified for that position in Exhibit A.

IN PREPARING THE FORM 700, DESIGNATED FILERS NEED ONLY DISCLOSE THOSE FINANCIAL INTERESTS FALLING WITHIN THE DISCLOSURE CATEGORIES DESIGNATED FOR THAT FILER'S POSITION AS STATED IN EXHIBITS A AND B.

APPROVED AND ADOPTED this 30th day of September, 2022:


By: 
Print Name: Eugene F. West
Title: Chair, Board of Directors

EXHIBIT A – DESIGNATED POSITIONS AND FILING OFFICERS

# of POSITIONS	POSITION TITLE	DISCLOSURE CATEGORIES (From Exhibit B)	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency's Clerk [AC])
5	Members of the Board of Directors	1	COB
4	Alternate Members of the Board of Directors	1	COB
1	Agency Executive Officer	1	COB
2	Agency Counsel	1	COB
Consultants ¹			
2	Dudek	1	COB
2	Kennedy Jenks Consultants	1	COB

¹ The disclosure, if any, required of a consultant will be determined on a case-by-case basis by the head of the agency or designee. The determination of whether a consultant has disclosure requirements should be made in writing on a Fair Political Practices Commission Form 805. The determination should include a description of the consultant's duties and based upon that description, a statement of the extent, if any, of the disclosure requirements. Each Form 805 is a public record and should be retained for public inspection either in the same manner and location as the Conflict of Interest Code, or with appropriate documentation at the location where the Conflict of Interest Code is maintained, cross-referencing to the Form 805.

EXHIBIT B – DISCLOSURE CATEGORIES

The terms *italicized* below have specific meaning under the Political Reform Act. In addition, the financial interests of a spouse, domestic partner and dependent children of the public official holding the designated position may require reporting. Consult the instructions and reference pamphlet of the Form 700 for explanation.

Category 1 – BROADEST DISCLOSURE

[SEE FORM 700 SCHEDULES A-1, A-2, B, C, D and E]

- (1) All sources of *income, gifts, loans and travel payments*;
- (2) All *interests in real property*; and
- (3) All *investments and business positions in business entities*.

Category 2 – REAL PROPERTY

[SEE FORM 700 SCHEDULE B]

All interests in real property, including interests in real property held by business entities and trusts in which the public official holds a business position or has an investment or other financial interest.

Category 3 – LAND DEVELOPMENT, CONSTRUCTION AND TRANSACTION

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which engage in land development, construction, or real property acquisition or sale.

Category 4 – PROCUREMENT

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which provide services, supplies, materials, machinery or equipment which the designated position procures or assists in procuring on behalf of their agency or department.

Category 5 – REGULATION AND PERMITTING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before, the designated position's agency or department.

Category 6 – FUNDING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All investments, business positions and sources of income, gifts, loans and travel payments, from sources which receive grants or other funding from or through the designated position's agency or department.

**APPENDIX - DESIGNATING OFFICIALS WHO
MANAGE PUBLIC INVESTMENTS**

Pursuant to Government Code section 87200 et seq., certain city and county officials, as well as all “other officials who manage public investments,” are required to disclose their economic interests in accordance with the Political Reform Act. This Appendix provides the relevant definitions for determining which public officials qualify as “other officials who manage public investments,” designates the agency’s positions which qualify as such, and states the Filing Officer for each designated position.

APPLICABLE DEFINITIONS

As set forth in 2 California Code of Regulations section 18701, the following definitions apply for the purposes of Government Code section 87200:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (1)(B) above.

(2) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(3) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(4) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

Item 17D – 2022 FCGMA COIC with 805s, as of April 2, 2024

DESIGNATED POSITIONS AND FILING OFFICERS

Based on the foregoing, the following agency positions and/or consultants qualify as “other officials who manage public investments” and shall file Statements of Economic Interests (Form 700) pursuant to Government Code section 87200 et seq. with the below-designated Filing Officers:

# of POSITIONS	POSITION TITLE/CONSULTANT	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency’s Clerk [AC])
	None	

Item 17D – 2022 FCGMA COIC with 805s, as of April 2, 2024



BOARD MINUTES
BOARD OF SUPERVISORS, COUNTY OF VENTURA, STATE OF CALIFORNIA

SUPERVISORS MATT LAVERE, LINDA PARKS,
KELLY LONG, ROBERT O. HUBER AND VIANEY LOPEZ
November 1, 2022 at 8:30 a.m.

CONSENT – COUNTY EXECUTIVE OFFICE – Approval of the 2022 Biennial Notices for the Board of Supervisors-District Office Staff and the Ventura County Public Financing Authority; Adoption of Conflict of Interest Codes for 127 Local Agencies; and Receive and File the 2022 Biennial Notices.

(X) All Board members are present.

(X) Upon motion of Supervisor Parks, seconded by Supervisor Huber, and duly carried, the Board hereby approves the recommendations as stated in the respective Board letters for Consent Items 12 – 44 and 46 – 62, with a revised Exhibit 2 for Item 24 and a revised Board letter and revised Exhibit 1 for Item 37.

By: Lori Key
Lori Key
Deputy Clerk of the Board

**Agency Report of:
Consultants**

June 25, 2024

Clerk of the Board

A Public Document

California Form **805**

1. Agency Name (Also include, Division, Department, or Region (if applicable)) Fox Canyon Goundwater Management Agency		<input checked="" type="checkbox"/> Amendment Date of Original Filing: <u>11/1/22</u> <small>(month, day, year)</small>
Agency Contact Elka Weber		
Phone Number 805 654 2014	Email FCGMA@ventura.org	

2. Firm Information

Firm Name
Daniel B. Stephens & Associates, Inc., A Geologic Company

Firm Address 3916 State Street, Garden Suite Santa Barbara, CA 93105	Email (optional) TMorgan@Geo-Logic.com	Email (optional)
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Describe General Purpose of Contract
Las Posas Valley Technical Advisory - Consultant will serve as the East Las Posas Technical Advisory Committee representative for the for the LPV Watermaster TAC.

3. Consultant Information

Consultant Name	Assigned Category	OR	Disclosure Requirement	Assuming/Start Date Leaving/End Date (if known)
William Tony Morgan	1			Start <u>5/1/24</u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>

4. Verification

I have read and understand FPPC Regulations 18700.3 and 18734. I have verified that the disclosure assignment(s) set forth above, is in accordance with its provisions.

	<u>Elka Weber</u>	<u>Management Assistant</u>	<u>May 1, 2024</u>
<small>Signature</small>	<small>Name</small>	<small>Title</small>	<small>(month, day, year)</small>

Comment: (Use this space or an attachment for any additional information.)

Agency Report of: **June 25, 2024**

Consultants

Clerk of the Board **A Public Document**

California Form **805**

1. Agency Name (Also include, Division, Department, or Region (if applicable)) Fox Canyon Goundwater Management Agency		<input checked="" type="checkbox"/> Amendment Date of Original Filing: <u>11/1/22</u> <small>(month, day, year)</small>
Agency Contact Elka Weber		
Phone Number 805 654 2014	Email FCGMA@ventura.org	

2. Firm Information

Firm Name
Todd Groundwater

Firm Address 1301 Marina Village Parkway, STE 320, Alameda, CA 94501	Email (optional) CTaylor@ToddGroundwater.com	Email (optional)
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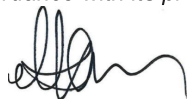
Describe General Purpose of Contract
 Las Posas Valley Technical Advisory - Consultant will serve as the administrator for the for the LPV Watermaster TAC.

3. Consultant Information

Consultant Name	Assigned Category	OR	Disclosure Requirement	Assuming/Start Date Leaving/End Date (if known)
Chad Nicolas Taylor	1			Start <u>5/1/24</u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>
				Start <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small> End <u> </u> / <u> </u> / <u> </u> <small>m / d / yr</small>

4. Verification

I have read and understand FPPC Regulations 18700.3 and 18734. I have verified that the disclosure assignment(s) set forth above, is in accordance with its provisions.



Elka Weber

Management Assistant

May 1, 2024

Signature

Name

Title

(month, day, year)

Comment: (Use this space or an attachment for any additional information.)

Print

Clear

Agency Report of:
Consultants

June 25, 2024

Clerk of the Board

A Public Document

California Form **805**

1. Agency Name (Also include, Division, Department, or Region (if applicable)) Fox Canyon Goundwater Management Agency		<input checked="" type="checkbox"/> Amendment Date of Original Filing: <u>11/1/22</u> <small>(month, day, year)</small>
Agency Contact Elka Weber		
Phone Number 805 654 2014	Email FCGMA@ventura.org	

2. Firm Information

Firm Name
Aquilogic

Firm Address 245 Fischer Ave, STE D-2, Costa Mesa, CA 92626	Email (optional) Bob.Abrams@Aquilogic.com	Email (optional)
--	--	------------------

Describe General Purpose of Contract
Las Posas Valley Technical Advisory - Consultant will serve as the West Las Posas representative for the for the LPV Watermaster TAC.

3. Consultant Information

Consultant Name	Assigned Category	OR	Disclosure Requirement	Assuming/Start Date Leaving/End Date (if known)
Robert Henry Abrams	1			Start <u>5/1/24</u> / m / d / yr End ___ / ___ / ___ m / d / yr
				Start ___ / ___ / ___ m / d / yr End ___ / ___ / ___ m / d / yr
				Start ___ / ___ / ___ m / d / yr End ___ / ___ / ___ m / d / yr

4. Verification

I have read and understand FPPC Regulations 18700.3 and 18734. I have verified that the disclosure assignment(s) set forth above, is in accordance with its provisions.

 _____ Signature	Elka Weber _____ Name	Management Assistant _____ Title	May 1, 2024 _____ (month, day, year)
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Comment: (Use this space or an attachment for any additional information.)

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Public Hearing on and Adoption of Resolution 2024-05 Extending a Groundwater Extraction Fee at the Current Rate of \$20 per Acre-Foot to Maintain a Reserve Fund to be Used to Pay the Cost and Expenses of Actions and Proceedings Related to the Agency's Groundwater Sustainability Program – (Returning Item)

RECOMMENDATION: Adopt Resolution 2024-05, attached as Exhibit 12A, extending a fee of \$20.00 per acre-foot (AF) on groundwater extractions to maintain a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to the implementation of the Agency's groundwater sustainability program.

BACKGROUND:

Fox Canyon Groundwater Management Agency (Agency) is a groundwater sustainability agency (GSA) under the Sustainable Groundwater Management Act (SGMA) for all the basins within its statutory boundaries. The Agency also serves as GSA for those portions of the Las Posas Valley, Oxnard and Pleasant Valley Basins that are outside of the Agency's statutory boundaries pursuant to a joint powers agreement with the County of Ventura, except for small areas of these basins being managed by Camrosa Water District.

SGMA requires that high- and medium-priority basins be managed under a groundwater sustainability plan for achieving a goal of sustainability within 20 years of implementation. This has resulted in greater focus on water rights and raised concerns that sustainable groundwater management actions under SGMA may alter or affect competing claims to use or store groundwater. In recognition of this anticipated effect, the Legislature in 2015 enacted comprehensive reform of the procedures for conducting groundwater adjudications.

The Agency has expended considerable resources over the past four (4) years responding to legal challenges to its implementation of SGMA, including:

- a. The comprehensive adjudication of groundwater rights in the Las Posas Valley Basin (LPV Basin) (Las Posas Valley Water Rights Coalition v. Fox Canyon Groundwater Management Agency, et. al, Santa Barbara County Superior Court Case No. VENC10059700)
- b. A lawsuit by the City of Oxnard seeking to overturn the Agency's adoption of an allocation plan for the Oxnard and Pleasant Valley Basins (OPV Basins) (City of Oxnard v. Fox Canyon Groundwater Management Agency, Los Angeles County, Superior Court Case No. 20STCP00929)

- c. A reverse validation action challenging the Agency's adoption of a groundwater sustainability plan (GSP) for the LPV Basin (Las Posas Basin Water Rights Coalition v. Fox Canyon Groundwater Management Agency et al, Santa Barbara County Superior Court Case No. 20CV02036)
- d. A legal challenge to the adoption of an allocation ordinance for the LPV Basin (Las Posas Water Rights Coalition v. Fox Canyon Groundwater Management Agency et al, Santa Barbara County Superior Court Case No. 21CV07314)
- e. The initiation of a comprehensive adjudication of the OPV Basins (OPV Coalition, Inc. v. Fox Canyon Groundwater Management Agency, Santa Barbara County Superior Court Case No. VENCI00509700)
- f. A reverse validation action brought by plaintiffs in the OPV Basins adjudication challenging the Agency's adoption of GSPs for the OPV Basins (Ibid.), and
- g. A legal challenge to the adoption of an allocation ordinance for the OPV Basins brought by plaintiffs in the OPV Basins adjudication (Ibid.).

The current and anticipated status of litigation is discussed in more detail below.

The cost of special counsel retained by the Agency to represent its interests in these actions and proceedings has been paid from revenue collected by a fee established by Resolution 2020-05, attached as Exhibit 12B, adopted on October 28, 2020. Resolution 2020-05 which imposed a fee of \$20 per acre-foot on groundwater extractions through September 30, 2024. That fee was calculated based on the anticipated costs based upon the best available information and enacted for a period of four years through September 30, 2024, subject to further extension by the Agency. The Agency continues to incur significant legal expenses responding to legal challenges to implementation of SGMA and needs to maintain a source of funding to respond to these challenges since all of its existing operating revenue is needed to continue administration, operation, and maintenance of the Agency and the activities necessary and convenient to implement the GSPs. Unless the fee established under Resolution 2020-05 is extended, the Agency will lose an important source of funding for its groundwater sustainability program.

On August 23, 2024, the Agency posted notice on its website of the time and place of today's meeting and made available to the public the data upon which the proposed fee is based. Notice has also been provided by publication pursuant to Section 6066 of the Government Code (attached as Exhibit 12C). On August 30, 2024, the Agency notified the Public Utilities Commission of today's proposed action (also attached as part of Exhibit 12C).

On September 13, 2024, your Board voted to continue this matter to today's meeting.

DISCUSSION:

Proposed Resolution No. 2024-05 (attached as Exhibit 12A) extends a groundwater extraction charge at the existing rate of \$20.00 per AF on all operators, other than small domestic operators, for a period of 4 years, effective October 1, 2024. Small domestic operators, those extracting 2 acre-feet or less per year, are exempted because they represent a sub-percentile of total extractions. The revenue generated from the proposed fee would be used to pay the cost and expenses of ongoing and anticipated legal actions and proceedings related to the Agency's implementation of SGMA.

Based on projected total groundwater extractions within the Agency's jurisdiction of 121,000 AF per year, which represents recent average pumping, the fee of \$20.00 per AF will generate annual revenue of \$2,242,000. This annual amount represents the funding needed to address the reasonably anticipated cost of legal actions and proceedings against the Agency over the next 4 Fiscal Years (FY). As explained below, this projection of anticipated costs is based on expenditures to date, the cost of similar types of proceedings and reasonably anticipated costs based on the schedule of pending litigation as currently known.

Continuation of an extraction charge in the proposed amount to restore the reserve fund is necessary to allow the Agency to carry out its groundwater sustainability program. More details about the reserve fund are included below in the section on the existing litigation reserve fund.

Without a reserve fee, the Agency will be unable to adequately respond to the above-described and reasonably anticipated legal challenges and could face significant setbacks in its implementation of SGMA, including the setting aside of its groundwater allocation system in the OPV Basins, the invalidation of adopted GSPs in those basins, the possibility of state intervention under SGMA, and the possibility that a judgment entered in an adjudication proceeding will substantially impair the Agency's ability to achieve sustainable groundwater management.

The extension of a \$20/AF reserve fee to pay anticipated legal expenses over several years necessarily requires consideration of the facts and circumstances based on existing and threatened litigation, reasonable assumptions based on those facts, and expert opinion regarding the costs associated with complex groundwater litigation and writ proceedings and related groundwater sustainability plan enforcement efforts. Circumstances may change over the next 4 years resulting in either an upward or downward adjustment of anticipated fees and costs. Given the many variables associated with the type of litigation initiated against the Agency, the proposed resolution contains a provision for an annual review to determine the continued need for and adjustments to the fee.

The proposed fee meets the requirements of a regulatory fee and therefore is exempt from being considered a tax requiring voter approval. It represents a reasonable regulatory cost to the Agency for the development and implementation of its groundwater sustainability program.

The Agency's regulatory actions under SGMA of regulating and controlling groundwater extractions is an extension of its pre-SGMA role of groundwater management agency for the basins. Prior to SGMA, the Agency was limited to engaging in regulatory actions. Under SGMA, the Agency's regulatory authority has expanded, as has its ability to impose regulatory fees. Because the Agency's groundwater sustainability program and authority under SGMA are relatively new and the procedures for conducting groundwater adjudications have changed, its implementation can be reasonably be expected to continue to be met with legal challenges. The Agency's ability to implement and enforce its groundwater sustainability program on all water users will be affected by existing and/or anticipated litigation. As such, the Agency has used the best available information, including recent defense costs, and made reasonable assumptions based on pending and anticipated litigation to calculate a fair and reasonable regulatory fee that will cover, but not exceed these costs.

The proposed reserve fee is presented as a temporary measure to fund ongoing and reasonably anticipated litigation over the next 4 Fiscal Years and will cease to be collected on October 1, 2028, absent action by your Board to extend or advance that termination date. In addition, the Agency will conduct annual reviews to consider the continued need for the reserve fee.

The Need for a GEMES Reserve Fee

The Agency's enabling legislation recognizes that to preserve and manage the groundwater resources within its territory, the Agency needs the ability to participate in legal actions involving groundwater and authorizes it to assume the costs and expenses of those actions (Water Code Appendix, section 121-407). Likewise, SGMA provides for the imposition of regulatory fees to pay the cost of legal actions related to the Agency's groundwater sustainability program (Water Code section 10726.2(f)).

The Agency's primary source of revenue is extraction fees. Extraction fees provide the only consistent and reliable means of funding the Agency's operations. The Agency funds certain basic operations through an extraction fee of \$6 per AF, which is the maximum amount it can charge under its enabling legislation.

Because revenue generated from this basic extraction fee is insufficient to fund implementation of SGMA, the Agency began collecting a groundwater sustainability fee in 2015, pursuant to the financial authority granted under SGMA. That fee has been adjusted over the years as the Agency's groundwater sustainability program has expanded and currently stands at \$29 per AF. The combined fee of \$35 per AF is currently adequate to fund the administrative costs of the Agency's groundwater management activities but does not generate sufficient revenue to allow the Agency to respond to legal challenges to its regulatory authority.

As noted above, the Agency previously levied a reserve fee to cover the Agency's litigation expenses, but the fee will terminate on October 1, 2024, unless extended by your Board. The Designated GEMES Account ended FY 2023-24 with a negative balance of (\$920,552) and is projected to be negative (\$2,995,552) at the end of FY 2024-25 unless the reserve fee is extended by your Board.

Effective groundwater management requires that the Agency maintain a sufficient reserve to pay the cost and expenses of actions and proceedings related to its groundwater sustainability program. The level of controversy surrounding the Agency's groundwater management actions has increased significantly since SGMA went into effect, as reflected in the fact that adjudications of 3 of the groundwater basins within the Agency's territory have been filed. These adjudications raise important issues of governance and will have a profound impact on how the basins are managed over the next twenty years and beyond and the Agency's role in that process.

The ability to retain special counsel is critical to the Agency's ability to exercise the powers granted by SGMA and to achieve groundwater sustainability. The failure to properly respond to these actions and proceedings could lead to state intervention in the basins or the entry of a judgment that substantially impairs the Agency's ability to sustainably manage those basins.

It may be noted that legal proceedings in the LPV Basin have been largely resolved with entry of judgment in the adjudication and dismissal of the writ claims. Nonetheless, it is reasonable to require operators in this basin to continue to contribute to the reserve fund because the Agency's existing reserve has been expended largely due to proceedings in the LPV Basin and must be restored to ensure that the Agency is able to respond to ongoing and anticipated legal challenges to its groundwater sustainability program, including the ongoing adjudication of the OPV Basins. Moreover, the judgment in the LPV Basin adjudication is currently being appealed, so that proceeding is not yet concluded. And while the Agency's projected legal expenses over the next four years are far higher for actions brought in the OPV Basins, the Agency's groundwater management activities are of equal benefit to all operators within the Agency in light of the precedent these actions set and the fact that the basins themselves are interconnected. The defense of those activities in legal actions brought against the Agency will resolve issues of importance to all operators and further define the scope of the Agency's authority throughout its territory.

The Existing Litigation Reserve Fund

On October 28, 2020, the Agency adopted Resolution 2020-05, which imposed a \$20 per acre-foot pump charge on groundwater extractions to establish a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to implementation of the Agency's groundwater sustainability program. The reserve fee provides revenue to the Agency's Groundwater Extraction Management Enforcement Surcharge (GEMES) fund established in 2006¹ for the purpose of retaining special counsel to represent Agency interests. At the time of Resolution 2020-05, the Designated GEMES Account (GEMES Fund) had a deficit of \$114,306. As originally adopted, Resolution 2020-05 was to remain in place for a period of 4 years unless extended by the Board. Revenues generated by the fee imposed by Resolution

¹ Resolution 2006-04: <https://s42135.pcdn.co/wp-content/uploads/2022/09/Resolution-2006-04.pdf>

2020-05 were used solely for responding to legal challenges to the Agency's groundwater sustainability program.

At the beginning of FY 2023-24, the Designated GEMES Account showed a negative balance of (\$1,590,801). As of the end of the Fiscal Year (June 30, 2024), the Designated GEMES Account had a negative balance of (\$920,522). The fees collected under Resolution 2020-05 have provided the sole source of revenue for the Designated GEMES Account over the past four years.

LPV Basin Adjudication

In 2018, a coalition of landowners in the LPV Basin who were dissatisfied with a proposed allocation system being considered by the Agency filed for a comprehensive adjudication of groundwater rights in the basin. After more than 5 years of litigation, a judgment was entered in Santa Barbara County Superior Court in July of 2023. The judgment imposed a physical solution for the LPV Basin and appointed the Agency as the Watermaster with responsibility to implement the physical solution. It provides a basis for the Agency to comply with its obligations under SGMA and authorizes the Agency to levy and collect assessments from water rights holders in the LPV Basin to cover the costs of compliance with and enforcement of the judgment. These costs include status conferences and responding to requests for judicial review of the Agency's basin management actions.

While the judgment provides a separate funding source for the Agency's post-judgment legal costs, several parties have appealed and asked that the judgment be reversed, and the case remanded to the trial court for further proceedings. These parties recently filed their opening briefs and appellate briefing is expected to be completed by the end of the year. Oral argument is expected to be scheduled for early 2025. A decision from the Court of Appeal is expected during the first half of next year. Because this is the first adjudication initiated under SGMA, there is a higher than usual possibility that the California Supreme Court will grant review of the Court of Appeal's decision. Because there is a possibility that the judgment will be reversed, there is a corresponding possibility that the Agency will lose its ability to levy assessments as Watermaster under the judgment. As noted, funds collected by the Agency as Watermaster may only be used for purposes authorized under the judgment and would not be available for use outside the LPV Basin or for purposes unrelated to implementation and enforcement of the judgment.² It is therefore prudent for the Agency to continue to collect pump fees from operators in the LPV Basin to maintain its GEMES Fund. Moreover, while future litigation costs for the LPV Basin adjudication will likely be far lower than previously incurred, there is a need to continue collecting fees from these pumpers to restore funding of the reserve to ensure that the Agency can adequately respond to pending and future challenges to its implementation of SGMA.

Legal services during FY 2024-25 may include appellate briefing and oral argument before the Court of Appeal. The budget for FY 2025-26 includes a contingency for the possibility that the California Supreme Court will grant review of the Court of Appeal decision and/or that the Court of Appeal will remand the case to the trial court for further proceedings. For FY 2026-27 and FY 2027-28, the budget estimates reflect a significant reduction in litigation activity but include a contingency for further trial court and appellate proceedings. Estimated legal expenses are detailed in the below table and are listed in attached Exhibit 12D.

² The judgment combines the Agency's role as GSA for the LPV Basin with its new authority as Watermaster and therefore costs incurred with implementation and enforcement of the judgment may be viewed as related to the Agency's groundwater sustainability program. However, it would be administratively impractical for staff to monitor these costs for purposes of determining whether they are related to SGMA implementation and would thus qualify for payment from the GEMES Fund. It is therefore reasonable and prudent to fund all costs related to implementation and enforcement of the judgment from the basin assessment authorized under the judgment.

LPV Basin GSP Reverse Validation Action

Following the Agency’s adoption of a GSP for the LPV Basin on December 13, 2019, plaintiffs in the adjudication action filed a separate “reverse validation” action against the Agency. That action sought a court order requiring the Agency to set aside its adoption of the GSP and prohibiting the Agency from imposing any reductions on groundwater pumping or taking any other actions to implement the GSP. Plaintiffs dismissed this action in 2023 as part of a settlement agreement in the LPV Basin adjudication. Legal expenses incurred in this proceeding are detailed in the table below and are listed in attached Exhibit 12D.

LPV Basin Allocation Ordinance Legal Challenge

On December 14, 2020, the Agency adopted a new allocation for the LPV Basin. In response, plaintiffs in the comprehensive adjudication filed a separate action asking the court to block implementation of the ordinance and to award damages for the taking of their property rights. Plaintiffs voluntarily dismissed this action in 2022 rather than proceed with a hearing on the merits. Legal expenses incurred in this proceeding are identified in Table 1, below.

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Las Posas Valley Basin Adjudication					
Special Counsel	\$ 250,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ -
County Counsel	\$ 30,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -
Oxnard and Pleasant Valley (OPV) Basins Adjudication - Potential Litigation					
Special Counsel	\$ 1,300,000	\$ 1,500,000	\$ 1,250,000	\$ 750,000	\$ 250,000
County Counsel	\$ 90,000	\$ 90,000	\$ 75,000	\$ 50,000	\$ 50,000
OPV Basins GSP Reverse Validation Action - Potential Litigation					
Special Counsel	\$ -	\$ -	\$ -	\$ -	\$ -
County Counsel	\$ -	\$ -	\$ -	\$ -	\$ -
City of Oxnard Writ Petition¹					
Special Counsel	\$ 825,000	\$ 75,000			
County Counsel	\$ 40,000	\$ 20,000	\$ -	\$ -	\$ -
Potential Litigation					
Special Counsel	\$ 100,000	\$ 250,000	\$ 150,000	\$ 100,000	\$ 100,000
County Counsel	\$ 40,000	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000
Subtotals					
Special Counsel	\$ 2,475,000	\$ 1,925,000	\$ 1,500,000	\$ 900,000	\$ 350,000
County Counsel	\$ 200,000	\$ 180,000	\$ 135,000	\$ 110,000	\$ 90,000
Total	\$ 2,675,000	\$ 2,105,000	\$ 1,635,000	\$ 1,010,000	\$ 440,000

1. Includes approximate fees and costs, \$600,000, Agency may be ordered to pay City as prevailing party on the writ proceeding.

i Table 1 - Legal Expense Projections (See also Exhibit 18D)

City of Oxnard Writ Petition

On December 2, 2019, the City of Oxnard (“City”) filed a petition for writ of mandate in Ventura County Superior Court seeking to set aside the Agency’s adoption of the ordinance establishing an allocation system for the Oxnard and Pleasant Valley groundwater basins (OPV Ordinance). The City alleged that the

OPV Ordinance should be invalidated because it violates the Agency's enabling legislation, the California Environmental Quality Act ("CEQA"), and SGMA. In addition to the request for writ relief, the City seeks recovery of its attorney's fees.

On June 9, 2023, the court ruled on the City's petition for writ of mandate finding, in part, that the OPV Ordinance violated the Agency's enabling legislation. On March 27, 2024, the Agency revised its ordinance to conform with the court's ruling. The City subsequently filed a motion to compel compliance with the writ of mandate which is set for hearing on September 26, 2024. The City has also filed a motion for attorney's fees.

OPV Basins Adjudication

On June 15, 2021, a coalition of agricultural operators in the OPV Basins filed for a comprehensive adjudication of groundwater rights in those basins. The deadline for parties to appear in the adjudication elapsed earlier this year and the court recently issued a case management order dividing the case into 3 phases. Phase 1, which is expected to be set for trial in FY 2024-25, will consist of a determination of total safe yield and total native safe yield of the OPV Basins. During FY 2024-25, the parties are expected to engage in both expert and non-expert discovery in advance of the Phase 1 trial.

The court's case management order also defined the scope of Phases 2 and 3 of the adjudication. Phase 2 will consist of an adjudication of all claimed rights to use groundwater in the OPV Basins, including any federal reserved water rights claims. Phase 3 will consider a physical solution for the OPV Basins. A trial on Phase 2 issues is projected to take place in FY 2025-26, and Phase 3 trial in FY 2026-27. Any appeals following entry of judgment would proceed during FY 2027-28 and beyond.

The comprehensive adjudication of the OPV Basins will require resolution of many of the same issues which were litigated in the LPV Basin adjudication, including the interrelationship between the Agency's groundwater management authority under SGMA and the court's authority to adjudicate water rights and order a physical solution for the basins. Accordingly, a schedule and budget for this adjudication can be reasonably expected to track the Agency's experience in the LPV Basin adjudication.

OPV Basins GSPs Reverse Validation Action

Plaintiffs in the OPV Basins comprehensive groundwater adjudication have also brought a legal challenge to the Agency's adoption of GSPs for the OPV Basins. On January 5, 2024, the court granted plaintiffs' motion to stay litigation of this claim pending resolution of the adjudication. While plaintiffs argued that resolution of the adjudication may avoid the need to litigate this claim, it is prudent for the Agency to budget for this claim to proceed at some point.

In order to estimate the cost of litigating this claim, staff evaluated a similar claim brought against the Agency to invalidate the LPV Basin GSP. The Agency's estimated budget for this proceeding was also compared to the fees incurred in the City of Oxnard writ petition. The costs are projected to be somewhat higher due to the need to address the validity of 2 separate GSPs which will result in a significantly larger administrative record and the potential for additional briefing.

OPV Basins Allocation Ordinance Legal Challenge

Plaintiffs in the OPV Basins comprehensive adjudication also seek to overturn the Agency's allocation ordinance for those basins on the grounds that it violates the California Environmental Quality Act (CEQA) and common law water rights. As with their claims against the GSPs, plaintiffs successfully moved for a stay of litigation of their ordinance challenge.

The estimated cost of this proceeding is expected to be similar to what the Agency expended in the City of Oxnard writ petition. Both cases involve challenges to the Agency's allocation ordinance and include claims

that the Agency adopted the ordinance in violation of CEQA and other law. In order to estimate the total cost of this writ proceeding, staff performed a similar analysis to that discussed above for the reverse validation action and costs incurred in the City of Oxnard writ petition, including a review of the cost of similar proceedings. The costs are projected in Exhibit 12D to be somewhat higher due to the need to address the validity of 2 separate GSPs which will result in a significantly larger administrative record and the potential for additional briefing.

Writ Petition to Set Aside Adoption of Resolution 2020-05 – Potential Litigation

Given the amount of the proposed fee, the constitutional limitations on the Agency’s revenue measures and the importance of the proposed revenue measure, it is prudent to budget for a legal challenge to the proposed fee. Such a challenge would likely come in the form of a petition for writ of mandamus. As noted, writ proceedings typically involve an initial pleading phase, preparation of an administrative record, legal briefing and oral argument before the trial court. If an appeal is filed, this would involve additional legal briefing and oral argument before the appellate court.

Other Potential Litigation

Based on known facts and circumstances surrounding the Agency’s adopted and proposed management actions, it is reasonable to assume that the Agency will need to respond to legal actions beyond those described above. For example, appellants in the LPV Basin adjudication argue that the judgment unlawfully circumvents Proposition 218. This issue of constitutional limitations on the Agency’s authority to levy fees and assessment is likely to generate ancillary litigation during implementation of the physical solution in the LPV Basin. In addition, the Agency will need to consider reducing cumulative extractions below the initial allocations established by the allocation ordinance for the OPV Basins. When that occurs, it is reasonably foreseeable that additional litigation against the Agency will be brought.

Likewise, the Agency has embarked on the process of developing and adopting a replenishment fee to increase the sustainable yield of the OPV Basins. While there is general consensus on the need for replenishment, there is no consensus on the manner in which it will be funded. There is a substantial likelihood that one or more stakeholders will assert that they are being asked to fund a disproportionate amount of the cost of replenishment and a corresponding likelihood of litigation to challenge the Agency’s replenishment fee.

The reserve established by the proposed regulatory fee will be available to fund the Agency’s response to this other potential litigation which, like the actions described above, will further the Agency’s ability to carry out its powers and authorities under SGMA.

Financial Analysis of an Extended Groundwater Extraction Fee

Staff analyzed revenue projections based on extension of the current fee of \$20 per AF. The projections are based on the average of 2022 and 2023 reported extractions (Table 2, below).

The analysis was based on an October 1, 2024, effective date for the new fee and semiannual collection of fees under a water-year reporting schedule with periods of October through March and April through September. Fees for the first period would be received in April and for the second in October of each year. The October 1, 2024, effective date would mean that the initial fees would be received in April 2025 for extractions from October 1, 2024, through March 31, 2025.

Staff analyzed monthly advanced metering infrastructure (AMI) data for agricultural operators to evaluate the proportion of the annual average extractions during each period. Municipal and industrial (M&I) extractions were assumed to

Extractions Reported to FCGMA		
2019	114,867.5640	AF/Y
2021	122,794.5310	AF/Y
2022	124,836.1960	AF/Y
Average	120,832.7637	AF/Y
2020 excluded due to transition period from calendar year to Water Year.		

iii **Table 2** - Basis for Projected Fee Revenue (See also Exhibit 18D)

be consistent throughout the year. Domestic extractions were not included in the analysis, because the majority would be considered de minimis and not subject to the fee. Estimated extractions by period are shown in Table 3 below.

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
AF¹ Pumped	121,000	121,000	121,000	121,000	121,000
\$20.00	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000

1. Based on 2018-2019, 2020-2021, 2021-2022 average water years' reported extractions. Water year 2019-2020 was the transition from calendar year to water year and data was excluded due to inconsistencies.

iii **Table 3** - Projected Revenue - Estimated Extractions (See also Exhibit 18D)

Revenue and GEMES Fund cashflow are estimated for fee projections for \$20 per AF fees against the estimated legal expenses in Table 4. GEMES Fund balance is projected through FY 2028-29. FY 2023-24 year-end legal expenses and GEMES Fund ending balance are also listed. The estimated fee rates result in a significant negative GEMES Fund balance at the end of the current Fiscal Year.

Table 4
Projected Revenue, Cashflow, and GEMES Fund at \$20/AF Fee

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance	(\$920,552)	(\$975,552)	(\$660,552)	\$174,448	\$1,584,448
Revenue¹	\$ 2,420,000	\$ 2,420,000	\$ 2,420,000	\$ 2,420,000	\$ -
LPV Reimbursement	\$200,000				
Special Counsel	(\$2,475,000)	(\$1,925,000)	(\$1,450,000)	(\$900,000)	(\$350,000)
County Counsel	(\$200,000)	(\$180,000)	(\$135,000)	(\$110,000)	(\$90,000)
GEMES Acc³	(\$975,552)	(\$660,552)	\$174,448	\$1,584,448	\$1,144,448

1. Revenue based on average pumping
2. One-time reimbursement for LPV Watermaster Rules Appeal approved by your Board on September 13, 20.
3. GEMES legal reserve account year-end balance.

iv Table 4 - Projected Funds at \$20/AF Fee (See also Exhibit 18D)

Resolution 2024-05

Resolution 2024-05 (Exhibit 18A) would extend a \$20 per AF groundwater extraction fee. The resolution includes, but is not limited to, the following provisions:

- The fees imposed by the resolution would be earmarked and held in a separate fund used solely for paying the cost and expenses of actions and proceedings related to the Agency’s implementation of groundwater sustainability plans for the Basins.
- The fee would not be collected from any person who extracts, for domestic purposes, 2 AF per year or less.
- The fee will terminate automatically on October 1, 2028, and be applied only to groundwater extracted through September 30, 2028, unless the Board takes affirmative action to terminate the fee, or to extend it to such other date as the Board selects.
- Every 12 months following adoption, the Agency must hold a public meeting to consider the continued need for, and adjustments to, the fee extended by the resolution.

CONCLUSION:

Staff recommends your Board adopt Resolution 2024-05 extending a groundwater extraction fee at the current rate of \$20 per acre-foot to maintain a reserve fund to be used to pay the cost and expenses of actions and proceedings related to the Agency’s groundwater sustainability program.

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3942.

Sincerely,



Arne Anselm
 Interim Executive Officer

Attachments:

- Exhibit 18A – Resolution 2024-05
- Exhibit 18B – Resolution 2020-05
- Exhibit 18C – Public Notice Documentation
- Exhibit 18D – Legal Reserve Fee Study and Review Data

Resolution No. 2024-05
of the
Fox Canyon Groundwater Management Agency

**A RESOLUTION EXTENDING A FEE ON GROUNDWATER EXTRACTATIONS AT THE
CURRENT RATE TO MAINTAIN A RESERVE FUND TO BE USED TO PAY THE COST
AND EXPENSES OF ACTIONS AND PROCEEDINGS RELATED TO THE AGENCY'S
GROUNDWATER SUSTAINABILITY PROGRAM**

WHEREAS, the Fox Canyon Groundwater Management Agency (the Agency) is a groundwater sustainability agency under the Sustainable Groundwater Management Act (the Act) for all the basins within the Agency's statutory boundaries (Basins); and

WHEREAS, the Agency has entered into a joint powers agreement with the County of Ventura through which the Agency exercises all powers of a groundwater sustainability agency in areas overlying the Basins that are outside the Agency's statutory boundaries; and

WHEREAS, the Act, at Water Code section 10730(a), authorizes a groundwater sustainability agency to impose fees on groundwater extractions to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve; and

WHEREAS, the Act, at Water Code section 10726.2(f), authorizes a groundwater sustainability agency to commence, maintain, intervene in, defend, compromise, and assume the cost and expenses of any and all actions and proceedings; and

WHEREAS, beginning in calendar year 2018, and continuing to the present, the Agency has been named in a series of actions and proceedings which challenge the Agency's implementation of, and authority under, the Act; and

WHEREAS, the Agency reasonably anticipates the filing of additional actions and proceedings in response to its evaluation, amendment, and implementation of groundwater sustainability plans for the Basins, including, but not limited to, actions and proceedings in response to the Agency's adoption and implementation of groundwater management actions described therein; and

WHEREAS, beginning in Fiscal Year 2017-2018, and continuing to the current fiscal year, the Agency has incurred significant legal expenses related to the pending and anticipated actions and proceedings; and

WHEREAS, the Agency anticipates incurring ongoing significant legal expenses over the next several fiscal years related to actions and proceedings which challenge the Agency's ability to fully exercise the powers and authorities granted under the Act; and

WHEREAS, the Agency's existing groundwater extraction fees are currently adequate to fund administration of the Agency's groundwater sustainability program, but do not generate sufficient revenue to fund the ongoing cost and expenses of legal actions and proceedings brought against the Agency; and

WHEREAS, the continued legal representation of the Agency's interests in these actions and proceedings is necessary to allow the Agency to carry out its groundwater sustainability program and to achieve sustainable groundwater management in accordance with the Act; and

WHEREAS, the continued legal representation of the Agency's interest in these pending and anticipated actions and proceedings will provide benefits to all water users within the Basins because, among other things, the claims that have been or are anticipated are capable of repetition and resolution of these matters has the potential to create binding precedent and/or create a model for dispute resolution, resolving issues of importance to all operators and further define the scope of the Agency's authority; and

WHEREAS, on October 28, 2020, the Agency adopted Resolution 2020-05 imposing a fee on groundwater extractions to establish a litigation reserve fund to pay the cost and expenses of actions and proceedings related to the Agency's groundwater sustainability program; and

WHEREAS, Resolution 2020-05 provides that it shall terminate automatically on October 1, 2024, unless the Agency's Board of Directors takes affirmative action to extend it; and

WHEREAS, given ongoing and anticipated litigation, it is necessary to extend Resolution 2020-05 so that the Agency may continue to collect a fee on groundwater extractions to be used to pay the cost and expenses of legal actions and proceedings related to the Agency's groundwater sustainability program; and

WHEREAS, the legal reserve fee was calculated based on the best honest viewpoint of the anticipated costs in light of the facts and circumstances currently known about existing and threatened litigation, reasonable assumptions based on those facts, and expert opinion regarding the costs associated with complex groundwater litigation and writ proceedings and related groundwater sustainability plan enforcement efforts; and

WHEREAS, the Board found and determined that based on the evidence presented, the proposed fee is a legitimate regulatory fee to be imposed on the groundwater extractions that is:

- (a) Reasonably related and not more than necessary to the cost of enforcing actions and proceedings related to the Agency's implementation of groundwater sustainability plans for the Basins,
- (b) Bears a fair or reasonable relationship to the payor's burdens on the groundwater system or benefits from implementation of the Agency's groundwater sustainability plans, and
- (c) Is not levied for unrelated revenue purposes because the funds will be earmarked and placed in a designated legal reserve fund; and

WHEREAS, the data upon which the proposed fee is based has been made available to the public for at least twenty (20) days prior to adoption of this Resolution; and

WHEREAS, prior to adoption of this Resolution, the Agency held the public meeting required under Section 10730, subdivision (b), of the Act, notice of which was given as required by law.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED as follows:

1. The above recitals are true and correct and material to this Resolution.
2. In making its findings, the Board relied upon and hereby incorporates by reference the staff report and attachments, staff presentation, public comments, and all other documents, reports, studies, memoranda, oral and written testimony in the Agency's file for this reserve fund, and other related materials presented at the public meeting.
3. Effective October 1, 2024, a fee of twenty dollars (\$20.00) per acre-foot shall be imposed on groundwater extractions from facilities within the territory of the Agency. The fee imposed by this Resolution shall be due and payable to the Agency by each owner or operator of an extraction facility in the manner provided in chapter 2.0 of the Agency Ordinance Code.
4. The revenue derived from the fee imposed under this Resolution shall be earmarked and placed in a separate fund used solely for the purpose of paying the cost and expenses of actions and proceedings related to the Agency's implementation of groundwater sustainability plans for the Basins.
5. The fee imposed under this Resolution shall not be collected from any person who extracts, for domestic purposes, two (2) acre-feet per year or less.
6. The fee imposed under this Resolution shall terminate automatically on October 1, 2028, and shall be applied only to groundwater extracted through September 30, 2028, unless the Agency Board of Directors takes affirmative action to terminate the fee, or to extend it to such other date as the Board selects.
7. Every twelve (12) months following adoption hereof, the Agency shall hold a public meeting to consider the continued need for, and adjustments to, the fee imposed by this Resolution.

On motion by _____, and seconded by _____, the foregoing resolution was passed and adopted on September 25, 2024, by the following vote:

AYES –
NOES –
ABSTAINS –
ABSENT –

By:

Eugene F. West, Chair, Board of Directors
Fox Canyon Groundwater Management Agency

ATTEST: I hereby certify that the above is a true and correct copy of Resolution No. 2024-05.

By:

Elka Weber, Clerk of the Board

Resolution No. 2024-05
of the
Fox Canyon Groundwater Management Agency

**A RESOLUTION EXTENDING A FEE ON GROUNDWATER EXTRACTIONS AT THE
CURRENT RATE TO MAINTAIN A RESERVE FUND TO BE USED TO PAY THE COST
AND EXPENSES OF ACTIONS AND PROCEEDINGS RELATED TO THE AGENCY'S
GROUNDWATER SUSTAINABILITY PROGRAM**

WHEREAS, the Fox Canyon Groundwater Management Agency (the Agency) is a groundwater sustainability agency under the Sustainable Groundwater Management Act (the Act) for all the basins within the Agency's statutory boundaries (Basins); and

WHEREAS, the Agency has entered into a joint powers agreement with the County of Ventura through which the Agency exercises all powers of a groundwater sustainability agency in areas overlying the Basins that are outside the Agency's statutory boundaries; and

WHEREAS, the Act, at Water Code section 10730(a), authorizes a groundwater sustainability agency to impose fees on groundwater extractions to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve; and

WHEREAS, the Act, at Water Code section 10726.2(f), authorizes a groundwater sustainability agency to commence, maintain, intervene in, defend, compromise, and assume the cost and expenses of any and all actions and proceedings; and

WHEREAS, beginning in calendar year 2018, and continuing to the present, the Agency has been named in a series of actions and proceedings which challenge the Agency's implementation of, and authority under, the Act; and

WHEREAS, the Agency reasonably anticipates the filing of additional actions and proceedings in response to its evaluation, amendment, and implementation of groundwater sustainability plans for the Basins, including, but not limited to, actions and proceedings in response to the Agency's adoption and implementation of groundwater management actions described therein; and

WHEREAS, beginning in Fiscal Year 2017-2018, and continuing to the current fiscal year, the Agency has incurred significant legal expenses related to the pending and anticipated actions and proceedings; and

WHEREAS, the Agency anticipates incurring ongoing significant legal expenses over the next several fiscal years related to actions and proceedings which challenge the Agency's ability to fully exercise the powers and authorities granted under the Act; and

WHEREAS, the Agency's existing groundwater extraction fees are currently adequate to fund administration of the Agency's groundwater sustainability program, but do not generate sufficient revenue to fund the ongoing cost and expenses of legal actions and proceedings brought against the Agency; and

WHEREAS, the continued legal representation of the Agency's interests in these actions and proceedings is necessary to allow the Agency to carry out its groundwater sustainability program and to achieve sustainable groundwater management in accordance with the Act; and

WHEREAS, the continued legal representation of the Agency's interest in these pending and anticipated actions and proceedings will provide benefits to all water users within the Basins because, among other things, the claims that have been or are anticipated are capable of repetition and resolution of these matters has the potential to create binding precedent and/or create a model for dispute resolution, resolving issues of importance to all operators and further define the scope of the Agency's authority; and

WHEREAS, on October 28, 2020, the Agency adopted Resolution 2020-05 imposing a fee on groundwater extractions to establish a litigation reserve fund to pay the cost and expenses of actions and proceedings related to the Agency's groundwater sustainability program; and

WHEREAS, Resolution 2020-05 provides that it shall terminate automatically on October 1, 2024, unless the Agency's Board of Directors takes affirmative action to extend it; and

WHEREAS, given ongoing and anticipated litigation, it is necessary to extend Resolution 2020-05 so that the Agency may continue to collect a fee on groundwater extractions to be used to pay the cost and expenses of legal actions and proceedings related to the Agency's groundwater sustainability program; and

WHEREAS, the legal reserve fee was calculated based on the best honest viewpoint of the anticipated costs in light of the facts and circumstances currently known about existing and threatened litigation, reasonable assumptions based on those facts, and expert opinion regarding the costs associated with complex groundwater litigation and writ proceedings and related groundwater sustainability plan enforcement efforts; and

WHEREAS, the Board found and determined that based on the evidence presented, the proposed fee is a legitimate regulatory fee to be imposed on the groundwater extractions that is:

- (a) Reasonably related and not more than necessary to the cost of enforcing actions and proceedings related to the Agency's implementation of groundwater sustainability plans for the Basins,
- (b) Bears a fair or reasonable relationship to the payor's burdens on the groundwater system or benefits from implementation of the Agency's groundwater sustainability plans, and
- (c) Is not levied for unrelated revenue purposes because the funds will be earmarked and placed in a designated legal reserve fund; and

WHEREAS, the data upon which the proposed fee is based has been made available to the public for at least twenty (20) days prior to adoption of this Resolution; and

WHEREAS, prior to adoption of this Resolution, the Agency held the public meeting required under Section 10730, subdivision (b), of the Act, notice of which was given as required by law.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED as follows:

1. The above recitals are true and correct and material to this Resolution.
2. In making its findings, the Board relied upon and hereby incorporates by reference the staff report and attachments, staff presentation, public comments, and all other documents, reports, studies, memoranda, oral and written testimony in the Agency's file for this reserve fund, and other related materials presented at the public meeting.
3. Effective October 1, 2024, a fee of twenty dollars (\$20.00) per acre-foot shall be imposed on groundwater extractions from facilities within the territory of the Agency. The fee imposed by this Resolution shall be due and payable to the Agency by each owner or operator of an extraction facility in the manner provided in chapter 2.0 of the Agency Ordinance Code.
4. The revenue derived from the fee imposed under this Resolution shall be earmarked and placed in a separate fund used solely for the purpose of paying the cost and expenses of actions and proceedings related to the Agency's implementation of groundwater sustainability plans for the Basins.
5. The fee imposed under this Resolution shall not be collected from any person who extracts, for domestic purposes, two (2) acre-feet per year or less.
6. The fee imposed under this Resolution shall terminate automatically on October 1, 2028, and shall be applied only to groundwater extracted through September 30, 2028, unless the Agency Board of Directors takes affirmative action to terminate the fee, or to extend it to such other date as the Board selects.
7. Every twelve (12) months following adoption hereof, the Agency shall hold a public meeting to consider the continued need for, and adjustments to, the fee imposed by this Resolution.

On motion by Director Maulhardt and seconded by Director Tremblay the foregoing resolution was passed and adopted on September 25, 2024, by the following vote:

AYES – 5
NOES –
ABSTAINS –
ABSENT –

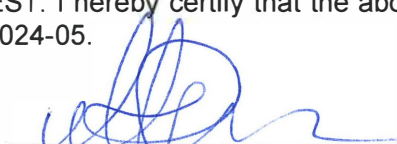
By:



Eugene F. West, Chair, Board of Directors
Fox Canyon Groundwater Management Agency

ATTEST: I hereby certify that the above is a true and correct copy of Resolution No. 2024-05.

By:



Elka Weber, Clerk of the Board

Resolution No. 2020-05

of the Fox Canyon Groundwater Management Agency

A RESOLUTION IMPOSING A FEE ON GROUNDWATER EXTRACTIONS TO ESTABLISH A RESERVE FUND TO BE USED TO PAY THE COST AND EXPENSES OF ACTIONS AND PROCEEDINGS RELATED TO THE AGENCY'S GROUNDWATER SUSTAINABILITY PROGRAM

WHEREAS, the Fox Canyon Groundwater Management Agency (the Agency) is a groundwater sustainability agency under the Sustainable Groundwater Management Act (the Act) for all the basins within the Agency's statutory boundaries (Basins); and

WHEREAS, the Agency has entered into a joint powers agreement with the County of Ventura through which the Agency exercises all powers of a groundwater sustainability agency in areas overlying the Basins that are outside the Agency's statutory boundaries; and

WHEREAS, the Act at Water Code section 10730(a) authorizes a groundwater sustainability agency to impose fees on groundwater extractions to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve; and

WHEREAS, the Act at Water Code section 10726.2(f) authorizes a groundwater sustainability agency to commence, maintain, intervene in, defend, compromise, and assume the cost and expenses of any and all actions and proceedings; and

WHEREAS, beginning in calendar year 2018, and continuing to the present, the Agency has been named in a series of actions and proceedings which challenge the Agency's implementation of, and authority under, the Act; and

WHEREAS, the Agency reasonably anticipates the filing of additional actions and proceedings in response to its adoption and implementation of groundwater sustainability plans for the Basins, including, but not limited to, actions and proceedings in response to the Agency's adoption and implementation of groundwater management actions described therein; and

WHEREAS, beginning in fiscal year 2017/18, and continuing to the current fiscal year, the Agency has incurred significant legal expenses related to the pending and anticipated actions and proceedings; and

WHEREAS, the Agency anticipates incurring ongoing significant legal expenses over the next several fiscal years related to actions and proceedings which challenge the Agency's ability to fully exercise the powers and authorities granted under the Act; and

WHEREAS, the Agency's existing groundwater extraction fees are currently adequate to fund administration of the Agency's groundwater sustainability program, but do not generate sufficient revenue to fund the ongoing cost and expenses of legal actions and proceedings brought against the Agency; and

WHEREAS, the continued legal representation of the Agency's interests in these actions and proceedings is necessary to allow the Agency to carry out its groundwater sustainability program and to achieve sustainable groundwater management in accordance with the Act; and

WHEREAS, the continued legal representation of the Agency's interest in these pending and anticipated actions and proceedings will provide benefits to all water users within the Basins because, among other things, the claims that have been or are anticipated are capable of repetition and resolution of these matters has the potential to create binding precedent and/or create a model for dispute resolution, resolving issues of importance to all operators and further define the scope of the Agency's authority; and

WHEREAS, it is necessary to impose a fee on groundwater extractions to establish a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to the Agency's groundwater sustainability program; and

WHEREAS, the legal reserve fee was calculated based on the best honest viewpoint of the anticipated costs in light of the facts and circumstances currently known about existing and threatened litigation, reasonable assumptions based on those facts, and expert opinion regarding the costs associated with complex groundwater litigation and writ proceedings and related groundwater sustainability plan enforcement efforts; and

WHEREAS, the Board found and determined that based on the evidence presented, the proposed fee is a legitimate regulatory fee to be imposed on the groundwater extractions that is: (a) reasonably related and not more than necessary to the cost of enforcing actions and proceedings related to the Agency's implementation of groundwater sustainability plans for the Basins, (b) bears a fair or reasonable relationship to the payor's burdens on the groundwater system or benefits from implementation of the Agency's groundwater sustainability plans, and (c) is not levied for unrelated revenue purposes because the funds will be earmarked and placed in a designated legal reserve fund; and

WHEREAS, the data upon which the proposed fee is based has been made available to the public for at least 20 days prior to adoption of this Resolution; and

WHEREAS, prior to adoption of this Resolution, the Agency held the public meeting required under Section 10730, subdivision (b), of the Act, notice of which was given as required by law.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED as follows:

1. The above recitals are true and correct and material to this Resolution.
2. In making its findings, the Board relied up on and hereby incorporates by reference the staff report and attachments, staff presentation, public comments and other related materials presented at the public meeting.
3. Effective January 1, 2021, a fee of twenty dollars (\$20.00) per acre-foot shall be imposed on groundwater extractions from facilities within the Basins. The fee imposed by this Resolution shall be due and payable to the Agency by each owner or operator of an extraction facility in the manner provided in chapter 2.0 of the Agency Ordinance Code.

4. The revenue derived from the fee imposed under this Resolution shall be earmarked and placed in a separate fund used solely for the purpose of paying the cost and expenses of actions and proceedings related to the Agency's implementation of groundwater sustainability plans for the Basins.
5. The fee imposed under this Resolution shall not be collected from any person who extracts, for domestic purposes, two (2) acre-feet per year or less.
6. The fee imposed under this Resolution shall terminate automatically on October 1, 2024, and shall be applied only to groundwater extracted through September 30, 2024, unless the Agency Board of Directors takes affirmative action to terminate the fee, or to extend it to such other date as the Board selects.
7. Every twelve (12) months following adoption hereof, the Agency shall hold a public meeting to consider the continued need for, and adjustments to, the fee imposed by this Resolution.

On motion by Director Mobley, and seconded by Director Trembley the foregoing resolution was passed and adopted on October 28, 2020, by the following vote.

AYES - 5
NOES - 0
ABSTAINS - 0
ABSENT - 0

By: 
Eugene F. West, Chair, Board of Directors
Fox Canyon Groundwater Management Agency

ATTEST: I hereby certify that the above is a true and correct copy of Resolution No. 2020-05.

By: 
Keely Royas, Clerk of the Board



(<https://fcgma.org>)

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LPV WATERMASTER

FOX CANYON

Groundwater Management Agency

Public Notices

NOTICE OF PUBLIC HEARING (https://s42135.pcdn.co/wp-content/uploads/2024/08/Public-Notice-for-Resolution-2024-05_FCGMA-Board-Mtg-09-13-2024.pdf) ON FOX CANYON GROUNDWATER MANAGEMENT AGENCY'S PROPOSED RESOLUTION 2024-05 EXTENDING A FEE ON GROUNDWATER EXTRACTIONS AT THE CURRENT RATE TO MAINTAIN A RESERVE FUND TO BE USED TO PAY THE COST AND EXPENSES OF ACTIONS AND PROCEEDINGS RELATED TO THE AGENCY'S GROUNDWATER SUSTAINABILITY PROGRAM

NOTICE IS HEREBY GIVEN that the Board of Directors of the Fox Canyon Groundwater Management Agency will conduct a public hearing to consider a proposed resolution to maintain the groundwater extraction fee authorized under the Sustainable Groundwater Management Act (California Water Code Sections 10720 et seq.) to maintain a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to the Agency's groundwater sustainability program. If adopted, the groundwater sustainability fee of \$20.00 per acre-foot will continue to be imposed on groundwater extraction from facilities within the territory of the Agency. The fee imposed by this Resolution shall be due and payable to the Agency by each owner or operator of an extraction facility in the manner provided in Chapter 2.0 of the Agency Ordinance Code. [The data on which the proposed fee extension is based is compiled and available via this embedded hyperlink \(https://s42135.pcdn.co/wp-content/uploads/2024/08/Review-Data-for-proposed-Resolution-24-05-Public-Notice-Legal_Reserve_Fee_Study.pdf\)](https://s42135.pcdn.co/wp-content/uploads/2024/08/Review-Data-for-proposed-Resolution-24-05-Public-Notice-Legal_Reserve_Fee_Study.pdf), and at the Agency's offices, by contacting the Clerk of the Board at the email address and phone number listed below.

The public hearing will take place at the time and place noted below.

Friday, September 13, 2024

1:30 P.M.

Board of Supervisor's Hearing Room

Ventura County Government Center

Hall of Administration

800 South Victoria Avenue

Ventura, CA

[Fee Review Data \(https://s42135.pcdn.co/wp-content/uploads/2024/08/Review-Data-for-proposed-Resolution-24-05-Public-Notice-Legal_Reserve_Fee_Study.pdf\)](https://s42135.pcdn.co/wp-content/uploads/2024/08/Review-Data-for-proposed-Resolution-24-05-Public-Notice-Legal_Reserve_Fee_Study.pdf)

If you have questions or would like more information regarding the proposed resolution, please contact the Clerk of the Board at (805) 654-2014 or via FCGMA@ventura.org (<mailto:FCGMA@ventura.org>).

Fox Canyon Groundwater Management Agency

800 S. Victoria Ave. #1600, Ventura, CA 93009



Public Notices

Originally published at vcstar.com on 08/29/2024

NOTICE OF PUBLIC HEARING ON FOX CANYON GROUNDWATER MANAGEMENT AGENCY'S PROPOSED RESOLUTION 2024-05 EXTENDING A FEE ON GROUNDWATER EXTRACTIONS AT THE CURRENT RATE TO MAINTAIN A RESERVE FUND TO BE USED TO PAY THE COST AND EXPENSES OF ACTIONS AND PROCEEDINGS RELATED TO THE AGENCY'S GROUNDWATER SUSTAINABILITY PROGRAM

NOTICE IS HEREBY GIVEN that the Board of Directors of the Fox Canyon Groundwater Management Agency will conduct a public hearing to consider a proposed resolution to increase the groundwater extraction fee authorized under the Sustainable Groundwater Management Act (California Water Code Sections 10720 et seq.) to establish a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to the Agency's groundwater sustainability program. If adopted, the groundwater sustainability fee of \$20.00 per acre-foot will continue to be imposed on groundwater extraction from facilities within the territory of the Agency. The fee imposed by this Resolution shall be due and payable to the Agency by each owner or operator of an extraction facility in the manner provided in Chapter 2.0 of the Agency Ordinance Code. The data on which the proposed fee extension is based is compiled and available on the Agency's website, <https://fcgma.org/>, and at the Agency's offices, by contacting the Clerk of the Board at the email address and phone number listed below.

The public hearing will take place at the time and place noted below.

Friday, September 13, 2024

1:30 P.M.

Board of Supervisor's Hearing Room

Ventura County Government Center

Hall of Administration

800 South Victoria Avenue

Ventura, CA

If you have questions or would like more information regarding the proposed resolution, please contact the Clerk of the Board at (805) 654-2014 or via FCGMA@ventura.org.

Fox Canyon Groundwater Management Agency

800 S. Victoria Ave. #1600, Ventura, CA 93009

8/29, 9/5/24

CNS-3846615#

VENTURA COUNTY STAR

Pub: Aug 29, Sep 05, 2024

Ad #10509551

<https://www.vcstar.com/public-notices/notice/08/29/2024/notice-of-public-hearing-on-fox-canyon-2024-08-29-ventura-county-star-california-1919f9c85ef>



Public Notices

Originally published at vcstar.com on 09/05/2024

NOTICE OF PUBLIC HEARING ON FOX CANYON GROUNDWATER MANAGEMENT AGENCY'S PROPOSED RESOLUTION 2024-05 EXTENDING A FEE ON GROUNDWATER EXTRACTIONS AT THE CURRENT RATE TO MAINTAIN A RESERVE FUND TO BE USED TO PAY THE COST AND EXPENSES OF ACTIONS AND PROCEEDINGS RELATED TO THE AGENCY'S GROUNDWATER SUSTAINABILITY PROGRAM

NOTICE IS HEREBY GIVEN that the Board of Directors of the Fox Canyon Groundwater Management Agency will conduct a public hearing to consider a proposed resolution to increase the groundwater extraction fee authorized under the Sustainable Groundwater Management Act (California Water Code Sections 10720 et seq.) to establish a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to the Agency's groundwater sustainability program. If adopted, the groundwater sustainability fee of \$20.00 per acre-foot will continue to be imposed on groundwater extraction from facilities within the territory of the Agency. The fee imposed by this Resolution shall be due and payable to the Agency by each owner or operator of an extraction facility in the manner provided in Chapter 2.0 of the Agency Ordinance Code. The data on which the proposed fee extension is based is compiled and available on the Agency's website, <https://fcgma.org/>, and at the Agency's offices, by contacting the Clerk of the Board at the email address and phone number listed below.

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800 South Victoria Avenue

Ventura, CA

If you have questions or would like more information regarding the proposed resolution, please contact the Clerk of the Board at (805) 654-2014 or via FCGMA@ventura.org.

Fox Canyon Groundwater Management Agency

800 S. Victoria Ave. #1600, Ventura, CA 93009

8/29, 9/5/24

CNS-3846615#

VENTURA COUNTY STAR

Pub: Aug 29, Sep 05, 2024

Ad #10509551

<https://www.vcstar.com/public-notices/notice/09/05/2024/notice-of-public-hearing-on-fox-canyon-2024-09-05-ventura-county-star-california-191c1fc461d>



FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY

BOARD OF DIRECTORS

Eugene F. West, Chair, *Director, Camrosa Water District*
Kelly Long, Vice Chair, *Supervisor, County of Ventura*
David Borchard, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

August 30, 2024

Water Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Notice of Proposed Groundwater Extraction Fee Extension, Maintaining Rate

Dear Director:

This letter is submitted to you in compliance with Water Code section 10730.1 which requires that a groundwater sustainability agency notify the California Public Utilities Commission (CPUC) prior to imposing or increasing a groundwater extraction fee in a groundwater basin that includes a water corporation regulated by the CPUC.

On September 13, 2024, Fox Canyon Groundwater Management Agency will consider a resolution extending a fee on groundwater extractions at the current rate of \$20.00 per acre-foot, initially imposed at this rate on October 28, 2020, per our notice to you of same, to be used to maintain a reserve fund to be used to pay the cost and expenses of actions and proceedings related to the Agency's groundwater sustainability program in the Arroyo Santa Rosa, Las Posas Valley, Oxnard and Pleasant Valley groundwater basins. The data on which the proposed fee increase is based are available on the Agency's internet website, www.fcgma.org, and are attached to this letter.

Sincerely,

Elka Weber
Clerk of the Board

LEGAL RESERVE FEE RATE STUDY OUTLINE

The following outline describes pending and anticipated litigation against the Agency challenging its groundwater management authority and its implementation of the Sustainable Groundwater Management Act:

Pending Litigation Matters

- OPV Basins Adjudication¹
- Las Posas Valley Basin Adjudication
- City of Oxnard Action to Set Aside OPV Basins Allocation Ordinance

Anticipated Litigation Matters

- Action to Set Aside Adoption of Litigation Reserve Fee
- Action to Set Aside Adoption of Replenishment Fee

Schedule for Pending Litigation Matters

- OPV Basins Adjudication
- A. Phase 1: October 2024 to June 2025
- Phase 1 will deal with determination of the total safe yields and total native safe yields of the OPV Basins. A trial is expected during the first half of 2025 and will be preceded by a fact and expert discovery phase. The parties may also pursue mediation during this time frame.
- B. Phase 2: July 2025 to February 2026
- Phase 2 will deal with adjudication of all claimed rights to use groundwater in the OPV Basins. As with Phase 1, there will be a trial preceded by fact and expert discovery. The parties are also expected to engage in mediation aimed at reaching a stipulated resolution.
- C. Phase 3: March 2026 to January 2027
- Phase 3 will consider establishing a physical solution for the OPV Basins. As with prior phases of the adjudication, the court will set a discovery schedule and trial date. Mediation is also likely to occur.
- Las Posas Basin Adjudication
 - A. Court of Appeal Proceedings: July 2024 to June 2025
August 2024 – December 2024: Briefing completed
January 2025 – April 2025: Oral Argument
June 2025: Appellate Opinion issued
 - B. Cal. Supreme Court Proceedings: July 2025 to June 2026
Parties have option of petitioning California Supreme Court to review decision by Court of Appeal. Case raises issues of first impression on interplay between Sustainable

¹¹ Includes reverse validation actions for groundwater sustainability plans for OPV Basins and action to set aside allocation ordinance for OPV Basins

Item 18D: Legal Reserve Fee Study and Review Data

Groundwater Management Act and Code of Civil Procedure provisions for conducting comprehensive groundwater adjudication which may increase likelihood that review will be granted.

C. Further Trial Court Proceedings, if necessary:

July 2025 – Date TBD: Schedule is dependent on whether Court of Appeals reverses judgment, whether any party seeks review of appellate decision, whether review is granted, and any decision by California Supreme Court.

- OPV Basins GSPs and Allocation Ordinance Writ Challenges
No hearing dates set; actions are currently stayed

- City of Oxnard Writ Action
A hearing on the City's motion to compel compliance with the writ of mandate is scheduled for September 2024. The trial court is also expected to issue a ruling on the City's motion for attorney's fees. There is potential for Appellate review of the trial court's ruling on both motions.

Item 18D: Legal Reserve Fee Study and Review Data

Projection for Anticipated Litigation Matters

- Action to Set Aside Adoption of Litigation Reserve Fee
Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance or resolution imposing a new, or increasing an existing, fee imposed pursuant to Section 10730, 10730.2, or 10730.4 shall be commenced within 180 days following the adoption of the ordinance or resolution. (Cal. Water Code section 10726.6(c).) If a legal challenge is filed, it is projected that it could take up to three years, or until the end of 2027 to be resolved. If an appeal is filed, that time frame would be extended for up to 18 months, or until mid-2029.

- Action to Set Aside Adoption of Replenishment Fee
Action would follow the similar schedule as an action to set aside litigation reserve fee but would be dependent on timing of Agency's adoption of replenishment fee.

Past Charges

For purposes of projecting future costs of all pending and anticipated litigation matters, the Agency reviewed previously incurred litigation and litigation-related costs of pending matters.

- Las Posas Basin Adjudication¹
 - FY 20/21
 - Special Counsel: \$1,297,600; average monthly rate - \$108,133.33
 - County Counsel: \$79,208; average monthly rate - \$6,600.66
 - FY 21/22
 - Special Counsel: \$1,442,650; average monthly rate - \$120,220.83
 - County Counsel: \$113,680; average monthly rate - \$9,473.33
 - FY 22/23
 - Special Counsel: \$1,494,525; average monthly rate - \$124,543.75
 - County Counsel: \$219,715; average monthly rate - \$18,309.58
 - FY 23/24
 - Special Counsel: \$475,714; average monthly rate - \$39,642.83
 - County Counsel: \$38,073; average monthly rate - \$3,172.75
- Action to Set Aside Adoption of Litigation Reserve Fee
 -
- City of Oxnard Writ Action
 - FY 20/21
 - Special Counsel: \$140,160; average monthly rate - \$11,680
 - County Counsel: \$31,475; average monthly rate - \$2,622.92
 - FY 21/22
 - Special Counsel: \$126,211; average monthly rate - \$10,517.58
 - County Counsel: \$4,719; average monthly rate - \$393.25
 - FY 22/23
 - Special Counsel: \$364,397; average monthly rate - \$30,366.42
 - County Counsel: \$14,697; average monthly rate - \$1,224.75

¹ Includes Las Posas Valley Basin GSP and Allocation Ordinance Challenges.

Item 18D: Legal Reserve Fee Study and Review Data

- FY 23/24
- Special Counsel: \$251,199; average monthly rate - \$20,933.25
- County Counsel: \$64,491; average monthly rate - \$5,374.25
-
- OPV Basins Adjudication²
- FY 20/21
- Special Counsel: \$130,802; average monthly rate - \$10,900.17
- County Counsel: \$12,645; average monthly rate - \$1,053.75
- FY 21/22
- Special Counsel: \$261,409; average monthly rate - \$21,784.08
- County Counsel: \$17,969; average monthly rate - \$1,497.42
- FY 22/23
- Special Counsel: \$191,004; average monthly rate - \$15,917
- County Counsel: \$14,758; average monthly rate - \$1,229.83
- FY 23/24
- Special Counsel: \$62,250; average monthly rate - \$5,187.50
- County Counsel: \$58,793; average monthly rate - \$4,899.42
-

² Includes OPV Basins GSP and Allocation Ordinance Challenges

Item 18D: Legal Reserve Fee Study and Review Data

Past Revenue, Cashflow, and GEMES Fund at \$20/AF Fee

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Beginning Balance	(\$161,265)	(\$966,821)	(\$1,067,999)	(\$1,590,801)
Revenue	\$443,426	\$1,865,459	\$1,776,295	\$2,379,752
Special Counsel	(\$1,435,145)	(\$1,830,269)	(\$2,049,926)	(\$1,466,690)
County Counsel	(\$136,367)	(\$136,367)	(\$249,100)	(\$242,813)
GEMES Acct¹	(\$966,821)	(\$1,067,999)	(\$1,590,801)	(\$920,552)

1. GEMES legal reserve account year-end balance.

Estimate of Extractions by Period

Extractions Reported to FCGMA		
2019	114,867.5640	AF/Y
2021	122,794.5310	AF/Y
2022	124,836.1960	AF/Y
Average	120,832.7637	AF/Y
2020 excluded due to transition period from calendar year to Water Year.		

Projected Fee Revenue

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
AF¹ Pumped	121,000	121,000	121,000	121,000	121,000
\$20.00	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000

1. Based on 2018-2019, 2020-2021, 2021-2022 average water years' reported extractions. Water year 2019 - 2020 was the transition from calendar year to water year and data was excluded due to inconsistencies.

Projected Revenue, Cashflow, and GEMES Fund at \$20/AF Fee

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance	(\$920,552)	(\$1,175,552)	(\$860,552)	(\$75,552)	\$1,334,448
Revenue¹	\$ 2,420,000	\$ 2,420,000	\$ 2,420,000	\$ 2,420,000	\$ -
Special Counsel	(\$2,475,000)	(\$1,925,000)	(\$1,500,000)	(\$900,000)	(\$350,000)
County Counsel	(\$200,000)	(\$180,000)	(\$135,000)	(\$110,000)	(\$90,000)
GEMES Acct²	(\$1,175,552)	(\$860,552)	(\$75,552)	\$1,334,448	\$894,448

1. Revenue based on average pumping
2. GEMES legal reserve account year-end balance.

Legal Expense Projections

		FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Las Posas Valley Basin Adjudication						
Special Counsel		\$ 250,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ -
County Counsel		\$ 30,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -
Oxnard and Pleasant Valley (OPV) Basins Adjudication - Potential Litigation						
Special Counsel		\$ 1,300,000	\$ 1,500,000	\$ 1,250,000	\$ 750,000	\$ 250,000
County Counsel		\$ 90,000	\$ 90,000	\$ 75,000	\$ 50,000	\$ 50,000
OPV Basins GSP Reverse Validation Action - Potential Litigation						
Special Counsel		\$ -	\$ -	\$ -	\$ -	\$ -
County Counsel		\$ -	\$ -	\$ -	\$ -	\$ -
City of Oxnard Writ Petition¹						
Special Counsel		\$ 825,000	\$ 75,000			
County Counsel		\$ 40,000	\$ 20,000	\$ -	\$ -	\$ -
Potential Litigation						
Special Counsel		\$ 100,000	\$ 250,000	\$ 150,000	\$ 100,000	\$ 100,000
County Counsel		\$ 40,000	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000
Subtotals						
Special Counsel		\$ 2,475,000	\$ 1,925,000	\$ 1,500,000	\$ 900,000	\$ 350,000
County Counsel		\$ 200,000	\$ 180,000	\$ 135,000	\$ 110,000	\$ 90,000
Total		\$ 2,675,000	\$ 2,105,000	\$ 1,635,000	\$ 1,010,000	\$ 440,000

1. Includes approximate fees and costs, \$600,000, Agency may be ordered to pay City as prevailing party on the writ proceeding.

Resolution No. 2024-05 Reserve Fee Annual Review

Item No. 18 – September 25, 2024



Arne Anselm
Interim Executive Officer

Background

- On Oct 28, 2020, the Board adopted Resolution No. 2020-05 imposing \$20 per AF fee on groundwater extractions to provide revenue to the GEMES fund for legal fees - special counsel to represent Agency
 - The fee became effective Jan 1, 2021
 - Small domestic pumpers extracting 2 AF or less per year exempt
- The Resolution requires the Agency to hold a public meeting every 12 months to review the fee
 - Three annual reviews have been held
- Fee terminates automatically on Oct 1, 2024, unless the Board acts to extend it

Discussion

- When adopted in Oct 2020, revenue projections showed the GEMES Fund would carry a negative balance through FY 2022-23
- Considerable resources expended over the past four (4) years responding to legal challenges including:
 - LPV adjudication
 - OPV adjudication
 - Challenge to OPV allocation ordinance
 - Challenges to the Agency's adoption of a groundwater sustainability plans (GSPs)

Table 1
Legal Expense Projections

		FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Las Posas Valley Basin Adjudication						
Special Counsel		\$ 250,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ -
County Counsel		\$ 30,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -
Oxnard and Pleasant Valley (OPV) Basins Adjudication - Potential Litigation						
Special Counsel		\$ 1,300,000	\$ 1,500,000	\$ 1,250,000	\$ 750,000	\$ 250,000
County Counsel		\$ 90,000	\$ 90,000	\$ 75,000	\$ 50,000	\$ 50,000
OPV Basins GSP Reverse Validation Action - Potential Litigation						
Special Counsel		\$ -	\$ -	\$ -	\$ -	\$ -
County Counsel		\$ -	\$ -	\$ -	\$ -	\$ -
City of Oxnard Writ Petition¹						
Special Counsel		\$ 825,000	\$ 75,000			
County Counsel		\$ 40,000	\$ 20,000	\$ -	\$ -	\$ -
Potential Litigation						
Special Counsel		\$ 100,000	\$ 250,000	\$ 150,000	\$ 100,000	\$ 100,000
County Counsel		\$ 40,000	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000
Subtotals						
Special Counsel		\$ 2,475,000	\$ 1,925,000	\$ 1,500,000	\$ 900,000	\$ 350,000
County Counsel		\$ 200,000	\$ 180,000	\$ 135,000	\$ 110,000	\$ 90,000
Total		\$ 2,675,000	\$ 2,105,000	\$ 1,635,000	\$ 1,010,000	\$ 440,000

1. Includes approximate fees and costs, \$600,000, Agency may be ordered to pay City as prevailing party on the writ proceeding.

Agency Accounts

Account	Board Direction
Designated GEMES Account (Groundwater Extraction Management Enforcement Surcharge)	<ul style="list-style-type: none"> • Established by Resolution No. 2006-04; • Board directed to fund litigation costs including Agency counsel; • Reserve Fee established by Resolution 2020-05 funds special counsel to represent Agency
Designated Surcharges Account	For Board-directed uses only, not to be used for routine Agency operations
Designated Operating Reserves Account	Maintain \$1,000,000 reserve balance based on Board direction
Operating Account	Routine annual operation expenses as identified in Work Plan
Grand Total Fund Balance	Total of all above

Table 4

Projected Revenue, Cashflow, and GEMES Fund at \$20/AF Fee

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Beginning Balance	(\$920,552)	(\$975,552)	(\$660,552)	\$174,448	\$1,584,448
Revenue¹	\$ 2,420,000	\$ 2,420,000	\$ 2,420,000	\$ 2,420,000	\$ -
LPV Reimbursement	\$200,000				
Special Counsel	(\$2,475,000)	(\$1,925,000)	(\$1,450,000)	(\$900,000)	(\$350,000)
County Counsel	(\$200,000)	(\$180,000)	(\$135,000)	(\$110,000)	(\$90,000)
GEMES Acc³	(\$975,552)	(\$660,552)	\$174,448	\$1,584,448	\$1,144,448

1. Revenue based on average pumping

2. One-time reimbursement for LPV Watermaster Rules Appeal approved by your Board on September 13, 2024

3. GEMES legal reserve account year-end balance.

Resolution 2024-05

- Extends a \$20 per AF groundwater extraction fee.
- Held in a separate fund used solely for paying expenses related to the Agency's implementation of groundwater sustainability plans for the Basins
- Not collected from domestic pumpers extracting 2 AF per year or less.
- Every year the Agency must hold a public meeting to consider the continued need for the fee.
 - Board may take action to adjust or terminate the fee.
- Terminates automatically on October 1, 2028

Recommendation

- Adopt Resolution 2024-05

Approval will extend a fee of \$20.00 per acre-foot on groundwater extractions to maintain a reserve fund to pay the cost and expenses of legal actions and proceedings related to the implementation of the Agency's groundwater sustainability program.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Fiscal Year 2024-2025 FCGMA Work Plan and Budget – *(New Item)*

RECOMMENDATIONS: (1) Receive a presentation on the proposed Work Plan and Budget for Fiscal Year 2024-25; and (2) Adopt the Fiscal Year 2024-2025 Work Plan and Budget.

BACKGROUND:

On an annual basis, your Board is required to adopt a budget for the Fox Canyon Groundwater Management Agency. The Fiscal Committee met on May 10, June 10, June 11, July 9, and August 9, 2024, to discuss budget issues and for study sessions on the draft Work Plan and Budget. The Fiscal Committee provided feedback and recommendations, including recommending that the draft Work Plan and Budget be brought to the Board for consideration of adoption. Your Board considered and provided direction on the more impactful recommendations at the at the September 13, 2024, Board meeting which is reflected in the draft budget presented today.

PROPOSED BUDGET REPORT:

Multiple Fiscal Committee meetings were needed to prepare this year's draft budget because of the interrelationship with the Las Posas Watermaster budget and the Committee's initiation of a narrative budget report to clarify and strengthen the presentation of draft budget materials; the Proposed Draft Fiscal Year (FY) 24-25 Budget Report, attached as Exhibit 19A, has been created to provide more transparency and clarity into the efforts of the Agency and how these efforts are funded.

The FY 2024-2025 Proposed Budget Report is an inaugural effort to inform your Board and the public of the Agency's mission, organizational structure, financial management processes, and provide detailed explanations of the forecasted revenues and expenses. This is an entirely new format for presenting this information and future iterations will be improved by Board and stakeholder feedback over the years, creating an effective tool for communicating the Agency's funding needs and work priorities.

Development of future work plans and budgets will benefit from implementing the suggestions included in the final section titled *Considerations for Future Budgets*. There financial information for future budgets is listed along with policy decisions and action items that should be addressed during the year including strategic planning efforts needed ahead of the next budget development best inform the development of future budget materials.

DRAFT ANNUAL WORK PLAN

The Draft Fiscal Year 2024-25 Work Plan (attached as Exhibit 19B) summarizes the major work tasks and staff services anticipated during the next Fiscal Year. The tasks identified in the Work Plan align with the

Work Task Prioritization matrix presented to the Board in January 2024; the distinction between the two is the Work Task Prioritization are divided by the drivers of the tasks (e.g., legislation and ordinances) whereas the Work Plan categorizes tasks by services needed to address them (e.g. technical and administration).

Efforts which are not routinely performed each year are included in a separate Special Expenditures category. These initiatives historically include Groundwater Sustainability Plan (GSP) development, new data management system procurement, water market development and implementation, and installation of monitoring wells in the Oxnard and Pleasant Valley (OPV) Basins. In the draft FY 24-25 Work Plan, staff have recommended resources be directed only towards efforts with higher priorities. For example, due to ongoing litigation and the SGM Grant monitoring well project, it is my recommendation not to fund progress towards developing a water market, a new database, or a comprehensive replenishment fee in the next Fiscal Year.

FCGMA STAFFING

Agency administration and staffing are provided by the Ventura County Public Works Agency (PWA) staff under a contract between the Agency and the County of Ventura. The majority of PWA staff are fully assigned to the Agency while two or three (depending on staffing levels) PWA staff are tasked to support the Agency as needed on a part-time basis. More detail about FCGMA staffing is provided in FY 2024-2025 Proposed Budget Report including details on the human resources, fiscal services, and information technology staff indirectly supporting the Agency.

The Draft Annual Work Plan assumes full staff levels for budgeting. Much progress has been made filling vacancies with five positions filled in the last four months, however, significant vacancies remain. This includes the Groundwater Manager and, although the position is not listed as vacant, the Agency does not currently have a full-time Executive Officer while it is temporarily filled by an Interim Executive Officer who has other PWA responsibilities.

FY 2024-25 DRAFT BUDGET

Expenditures are forecasted to be higher than revenues in the FY 2024-25 Draft Budget (Exhibit 19C) due to an extraordinary number of special efforts underway, including the Five-Year GSP Evaluations and Amendments, the monitoring wells being drilled (which is partially funded by the DWR SMA grant), and the adjudication of the OPV Basins. The table below compares the actual revenue, expenses and fund balances of FY 2023-24 with the projected balances of FY 2024-25.

	2023-24 Year-End Actuals	2024-25 Year-End Projection
Fund Balance, 7/1	\$4,351,081	\$6,996,395
Revenues	\$7,300,733	\$10,896,272
Expenditures	\$4,655,419	\$12,113,339
Operating Reserve	\$1,000,000	\$1,000,000
Net Operating Results	\$2,645,314	(\$1,217,076)
Fund Balance, 6/30	\$6,996,395	\$5,779,328

FISCAL COMMITTEE RECOMMENDATIONS

The Draft FY 24-25 Budget was developed with significant engagement with the Fiscal Committee resulting in several recommendations, including recommendations for the future Proposed Budget Reports to improve transparency and clarity. These recommendations are summarized below.

Budget at Full Staff Levels

The Draft Fiscal Year 2024-2025 Budget presents staffing as the highest cost scenario for planning purposes. While the Draft FY 24-25 Budget includes funding for current contracts and consultants performing tasks that would otherwise be performed by a fully staffed Agency, it also assumes funding of a fully staffed Agency. Unlike the development of previous Agency budgets, the Draft FY 2024-25 Budget assumes funding of a fully staffed agency with no vacant positions, along with the funding of a full-time Executive Officer. Previous budgets estimated when existing vacancies would be filled, or when positions would be vacated due to known retirements, and the Executive Officer position was previously set at a fixed cost of 25% of the Public Works Agency Director.

Contingency Line Item

The Agency's budgets have traditionally included a contingency line item of \$100,000 intended to cover the potentiality of unforeseen costs or cost overruns. This year the Fiscal Committee considered the amount too low in comparison to the overall budget and recommended increasing the line item to \$250,000.

GEMES Fee Renewal

The ongoing litigation the Agency faces will lead to significant costs and therefore it is recommended the GEMES Fee be continued, and that recommendation has been incorporated into the Draft Budget. The GEMES Fee renewal discussion and associated public hearing is on this Agenda as Item 12, and the result of that action will inform the budget discussion.

FY 2022-2023 Loan from Designated Surcharges Account – Extend Repayment Deadline

A \$1,000,000 loan from the Designated Surcharges Account in the 2022-2023 budget was previously scheduled to be repaid in FY 24-25. The Draft FY 24-25 Budget does not include repayment of this loan as the drilling costs for monitoring wells partially funded by a DWR SGM Grant have not yet fully incurred. The Fiscal Committee recommended, and your Board directed to defer the loan's repayment at the September 13, 2024, Board special meeting.

Costs of the LPV Watermaster Appeal

Evenly splitting the costs of the appeal of the Las Posas Valley Judgment has been recommended by the Fiscal Committee and is included in the Draft FY 24-25 Budget. The reimbursement of \$200,000 to the Agency for the LPV Watermaster Rules Appeal was recommended by the Fiscal Committee on June 10, 2024, and approved by your Board on September 13, 2024. The FY 2024-25 Draft Annual Budget presented Exhibit 19C includes revenue from this reimbursement.

LPV WATERMASTER BUDGET

The FCGMA budget discussion does not include costs, labor estimates, or contracts for the LPV Watermaster. These actions are funded through a separate assessment and are held separately in the LPV Watermaster Fund.

CONCLUSION:

Staff and the Fiscal Committee have spent a considerable amount of time and effort developing the FCGMA budget materials and recommends that your Board adopt the Fiscal Year 2024-25 Work Plan and Budget.

This letter has been reviewed by Agency Counsel. If you have questions, please call me at (805) 654-3942.

Sincerely,


Arne Anselm
Interim Executive Officer

Attachments:

- Exhibit 19A – Fiscal Year 2024-2025 Proposed Budget Report
- Exhibit 19B – Fiscal Year 2024-25 Draft Annual Work Plan
- Exhibit 19C – Fiscal Year 2024-25 Draft Annual Budget

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Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER
Arne Anselm



Fiscal Year 2024-2025

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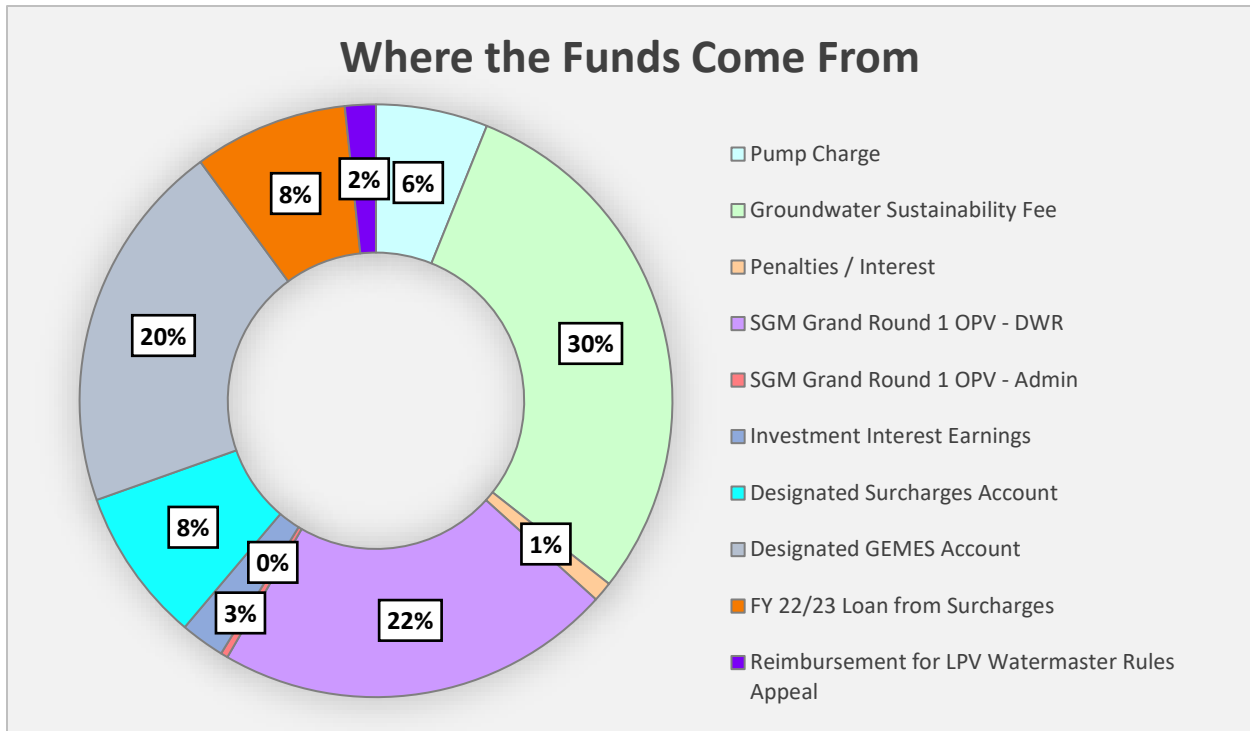
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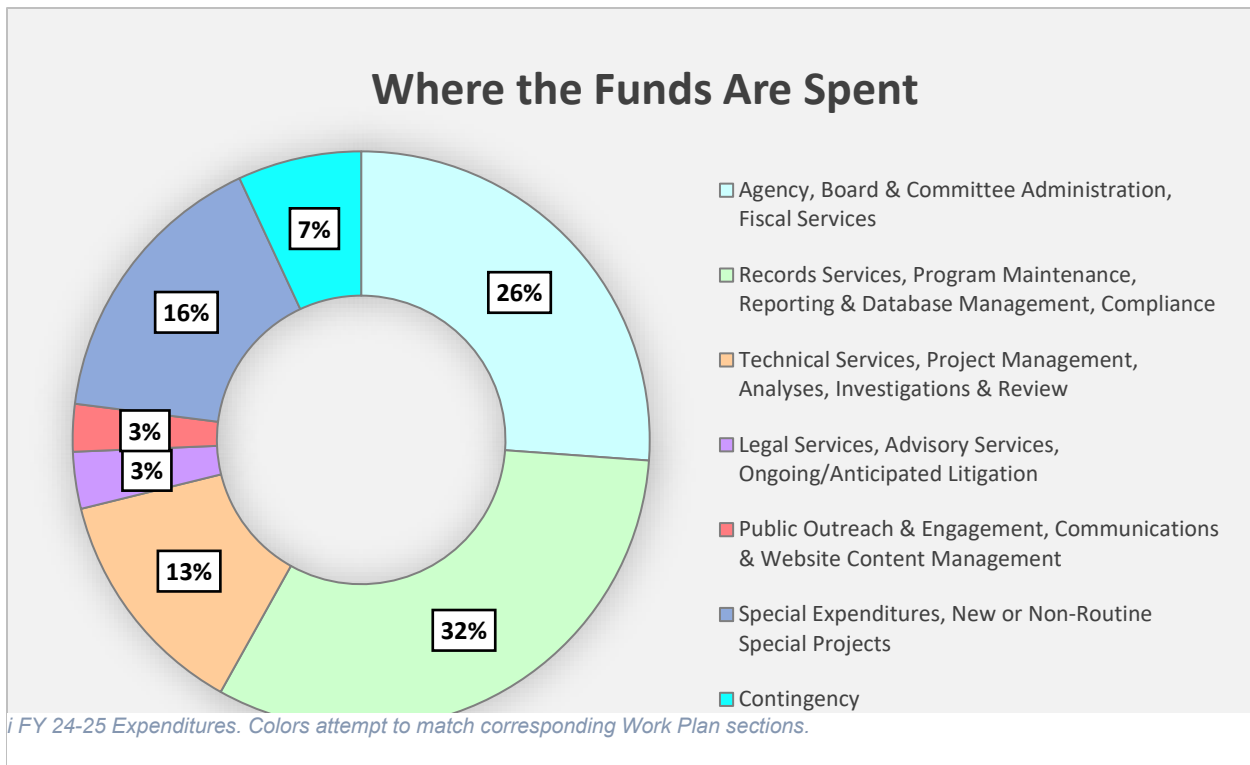
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II. FY 24-25 BUDGET AT A GLANCE



ii FY 24-25 Revenues.



i FY 24-25 Expenditures. Colors attempt to match corresponding Work Plan sections.

A. Executive Officer’s Transmittal Letter

1. What’s Different This Year

Welcome to the inaugural Fox Canyon Groundwater Management Agency (FCGMA) Fiscal Year (FY) 2024-2025 Proposed Budget Report, a work-in-progress aimed at increasing clarity and transparency in the Agency’s funding and expenses. This Proposed Report is designed to be read online, as hyperlinks are included for reference. Going forward, I expect to see continuous improvement to this format with each budget cycle. The development of an entirely new format for presenting this information is a recent initiative requested by the FCGMA Fiscal Committee, and future iterations will be improved with feedback from our Board of Directors and our stakeholders, bolstered by annual Board and Committee strategy development. Over the years, Proposed Reports will become effective at clearly communicating the Agency’s funding needs and work priorities.

The Proposed Budget Report does not present different scenarios for the Board to choose from. It is designed to present Agency staff’s recommended assumptions that may be changed by Board direction, and to highlight considerations for the Board to discuss during budget adoption.

The [Draft Fiscal Year 2024-2025 Budget](#) arrives with distinct considerations requiring Board decisions. The first being the repayment of a loan from the Surcharges Designated Account to the Operating Account. The loan was initiated with the adopted FY 22-23 budget for covering expenses with the drilling of monitoring wells in the Oxnard and Pleasant Valley Basins not covered by the California Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) grant. This loan was initiated with the plan to repay in FY 24-25, but paying off this loan as planned is not included in the FY 24-25 Draft Budget due to a delay by DWR initiating the grant; none of the loaned funds have yet been expended. This was approved by the Board on September 13, 2024.

Another unique budget consideration this year is how the legal fees associated with the appeal of the Las Posas Valley Adjudication Judgment are funded.

The Agency entered the appeal prior to any designated funding source for the LPV Watermaster, thus legal representation was funded by funds collected Agency-wide, an estimated \$400,000. The Fiscal Committee recommended splitting these costs evenly between the Agency and the LPV Watermaster. The reimbursement of \$200,000 to the Agency for the LPV Watermaster Rules Appeal was recommended by the Fiscal Committee on June 10, 2024, and approved by the Board on September 13, 2024. The budget presented herein reflects that direction.

The considerations highlighted throughout this Proposed Budget Report are summarized in the section, "[Recommendations and Considerations](#)."

2. At A Glance – Agency Operations

	2023-24 Year-End Actuals	2024-25 Year-End Projection
Fund Balance, 7/1	\$4,351,081	\$6,996,395
Revenues	\$7,300,733	\$10,896,272
Expenditures	\$4,655,419	\$12,120,348
Operating Reserve	\$1,000,000	\$1,000,000
Net Operating Results	\$2,645,314	(\$1,224,076)
Fund Balance, 6/30	\$6,996,395	\$5,772,319

Expenditures are forecasted to be higher than revenues in FY 24-25 due to an extraordinary number of special efforts underway, including the five-year GSP evaluations and amendments, the monitoring wells being drilled (which is partially funded by the DWR SMA grant), and the adjudication of the OPV Basins.

Item 19A – FCGMA FY 24-25 Proposed Budget Report

a) Agency Staffing

The 2024-25 Draft Budget presents a “highest cost scenario” for staff planning purposes. Unlike the development of previous Agency budgets, the Draft FY 24-25 Budget assumes funding of a fully staffed agency, with no vacant positions, along with the funding of a full-time Executive Officer. Previous budgets estimated when existing vacancies would be filled, or positions vacated, and the Executive Officer position was previously set at a fixed cost of 25% of the Public Works Agency Director.

We are budgeting for an Agency that will become fully staffed, but the Draft FY 24-25 Budget also includes funds for consultants; our current staffing level requires us to utilize consultants to act as staff until we reach full staffing levels. Consultants are discussed in detail in the sections: Agency Profile and Explanation of Budget.

b) A Work Plan to Achieve Goals

The foundation of the Draft Budget is the Work Plan. The [Draft Fiscal Year 2024-25 Work Plan](#) summarizes estimates of staff services needed to meet the major work tasks identified to meet Agency goals during the next Fiscal Year. The Work Plan identifies staff and staff hours expected to be working on each task; staff track their time working on these tasks during the year for cost accounting.

The Work Plan provides the Board with an opportunity to prioritize the goals and objectives for staff to focus on in the Fiscal Year. The tasks identified in the Work Plan align with the Work Task Prioritization matrix presented to the Board in January 2024, the distinction being the Work Task Prioritization matrix is divided by the drivers of the tasks (e.g. legislation) whereas the Work Plan categorizes tasks by services needed to address them (e.g. technical and administration).

The Work Plan also includes a separate category for special projects that are not routinely performed by the Agency on an annual basis. While the updated Work Plan differs from

how Agency priorities were presented to the Board in the past, the tasks are cross-referenced with priorities for clarity. In the Draft FY 24-25 Work Plan, staff have recommended resources be directed towards efforts deemed higher priorities and not others. For example, due to ongoing litigation and the SGM Grant monitoring well project, it is my recommendation not to fund progress towards a new database or a comprehensive replenishment fee in the next Fiscal Year.

c) Initiatives, Challenges and Uncertainties for FY 24-25

There are several time-sensitive priorities and challenges or uncertainties that are top of mind, including:

(1) Implementing the LPV Adjudication Judgment

The Adjudication Judgment for the LPV Basin (Judgment)¹ appointed the FCGMA as Watermaster to implement the Judgment in the Basin. The Judgment requires the Watermaster to take certain Basin Management Actions and includes deadlines and important dates to implement many of these Basin Management Actions.

As Watermaster, FCGMA is responsible for implementing the GSP for the LPV Basin in a manner that will achieve the sustainability goals mandated by SGMA. This effort requires the development and administration of an entirely new program. While this will require significant commitment of staff time, none of the LPV Watermaster efforts are included in the Agency's draft FY 24-25 budget.

A separate LPV Watermaster budget has been recommended by the Fiscal Committee for consideration for the Board acting as LPV Watermaster. Therefore, even though full staffing is assumed in the Draft FY 24-25 Budget, The Draft FY 24-25 Work Plan appears to budget fewer hours than in previous iterations. This is due to a separation of LPV

¹ <https://fcgma.org/las-posas-valley-watermaster/lpv-adjudication-judgment/>

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Watermaster budgeting; staff time required to implement LPV Watermaster tasks is not included in the Agency’s Draft FY 24-25 Budget.

(2) Ongoing Litigation

The OPV Adjudication is expected to create significant demands on staff time. The discovery process requires prompt responses and depositions require preparation and availability. An assumption that the GEMES pump fee will be continued to fund legal costs associated with the adjudications has been included in this draft budget, and a contract modification has been approved by the Board on July 24, 2024, to extend the scope and “not to exceed” amount of contracted Special Counsel. More information on contract spending and legal expenses can be found later in this report in IV.C: Expenditures.

(3) Staffing and Hiring Challenges

Hiring, training, and maintaining a fully staffed Agency remains a significant challenge. This is compounded by discussions of how Agency staff is provided and multitude of new programs that have not been developed into routine operations. Agency staff have been working closely with Hallmark Group to identify Agency tasks, responsibilities, internal administrative processes, and to develop estimates of time needed in each staff position to complete these tasks. The Executive Committee has been reviewing its development. This staffing analysis is currently underway; although it has not been completed it has been informative in developing the Work Plan.

(4) SGM Grant Administration and OPV Wells

The Agency successfully applied for the SGM Grant, bringing \$14.2 million to the basins. While most of this funding is going to subgrantees City of Camarillo, Pleasant Valley County Water District, and United Water Conservation District, the Agency has the responsibility of administrating the grant to stay in compliance with requirements. The Agency has committed to drilling four deep wells and multiple shallow wells under this grant and is managing that project; all fieldwork and documents for reimbursement must

be completed by March of 2025. Further detail on grant revenue is included in Section IV.B.7, Grant Funding.

(5) Five Year GSP Evaluations and Amendments

The California Department of Water Resources (DWR) GSP Emergency Regulations require that GSAs conduct GSP evaluations at least every five years, and whenever the GSP is amended, to “assess changing conditions in the basin that may warrant modification of the plan or management objectives and may adjust components in the plan.” The GSP evaluations are due to DWR no later than January 13, 2025, and require the GSPs be amended to include new information from the evaluations.

(6) Administrative and Operations Initiatives

Agency staff have administrative priorities in development that tie in with Board priorities. Staff intends to continue providing high-level services while working to achieve technology upgrades and streamlining internal and public-facing operations, and to continue its hiring initiative to build and maintain an effective workforce. During the 2024-25 Fiscal Year, we hope to see further strategic planning collaboration with the Board, and moving forward we hope the Board will consider including scheduled annual goals and objectives discussions in February or March each year to help guide strategy and continued process development towards an even more transparent, effective budget and work plan.

d) Overview of the New Budget Report

Following this transmittal letter the Budget Report provides a profile of the Agency, its mission and foundational structure, including how we are staffed. The Report then discusses the Agency’s current financial management processes, diving deeper into the

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procedures and priorities that help inform the Budget and Work Plan. This section includes an overview of our audit schedule.

The focus of the Report follows in the section titled “Explanation of Budget,” which begins with a discussion of the accounts the funds are held in, how revenue from the different fees is allocated to those accounts, and which expenses are paid from them, ending with a detailed look at the Operating Account which funds the main mission of the Agency.

From there, readers will be brought to our “Recommendations” section; once the Report is reviewed and approved, this section will be annotated and moved to the appendices for comparison with future draft budgets. Past recommendations may help inform our performance measurements over time.

e) In Conclusion

The draft Fiscal Year 2024-25 Proposed Budget was developed with the assumption of the GEMES pump fee to fund legal costs associated with the adjudications be continued and not repaying the FY 22-23 \$1,000,000 loan from the Designated Surcharges Account as proposed when transferred with the adoption of the FY 22-23 budget. The Draft FY 24-25 Budget does not include repayment of this loan as the drilling costs for monitoring wells partially funded by a DWR SGM Grant have not yet fully incurred. The Fiscal Committee recommended, and your Board directed to defer the loan’s repayment at the September 13, 2024, Board special meeting.

It also assumes a fully staffed Agency with a full-time Executive Officer and is intended to allocate funding and staff resources to maintain high levels of service, while investing in enhancements to Agency services and infrastructure to continue the preservation and management of groundwater resources within our jurisdiction for the common benefit of all users.

Respectfully,

A handwritten signature in black ink, appearing to read 'Arne Anselm', written over a faint, illegible stamp or watermark.

Arne Anselm

Interim Executive Officer

- **Link to Draft Fiscal Year 2024-2025 Budget worksheet:**
https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Budget-REVIEW-DRAFT_20240906.pdf
- **Link to Draft Fiscal Year 2024-2025 Work Plan:**
https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Work-Plan-REVIEW-DRAFT_20240906.pdf

III. AGENCY PROFILE

A. About FCGMA

The Fox Canyon Groundwater Management Agency (FCGMA) manages and protects both confined and unconfined aquifers within several groundwater basins underlying the southern portion of Ventura County. The FCGMA is an independent special district, separate from the County of Ventura or any city government. It was created by California Legislature to oversee Ventura County’s vital groundwater resources, per the adoption of Assembly Bill No. 2995 Chapter 1023², which was approved by the Governor and filed with the Secretary of State in September 1982. All lands lying above the deep Fox Canyon aquifer account for more than half of the water needs for 450,000 residents in the cities of Ventura, Oxnard, Port Hueneme, Camarillo, and Moorpark, plus the unincorporated communities of Saticoy, El Rio, Somis, Moorpark Home Acres, Nyeland Acres, Leisure Village, Point Mugu and Montalvo.

B. Mission Statement

The Fox Canyon Groundwater Management Agency is dedicated to the preservation and management of groundwater resources within its jurisdiction for the common benefit of all users.³

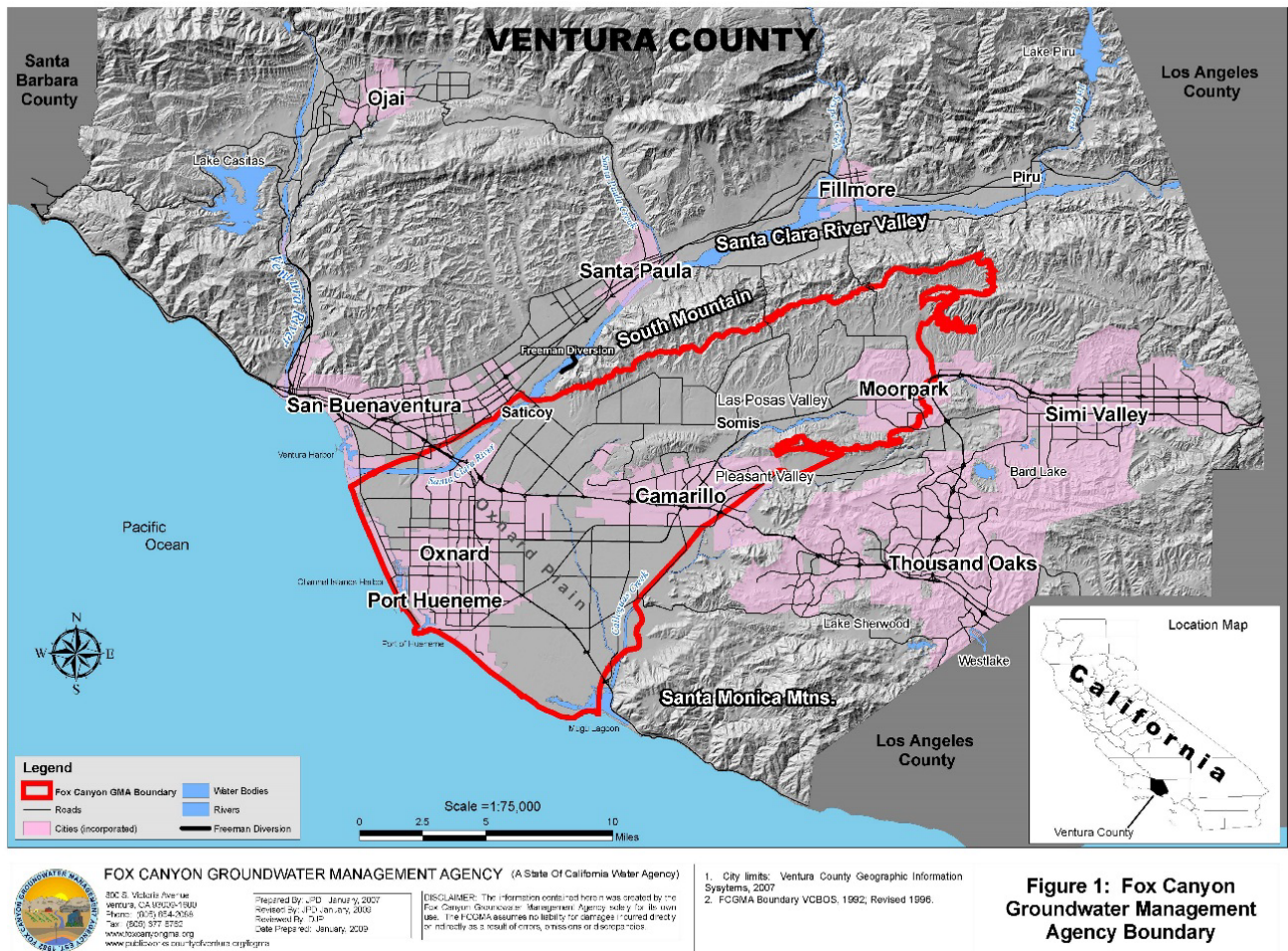
² <https://s42135.pcdn.co/wp-content/uploads/2024/04/AB-2995-FCGMA-Enabling-Legislation.pdf>

³ The above mission statement was revised and approved by the Board of Directors on March 22, 2023.

C. Boundary of the Agency

The FCGMA boundary encompasses 183 square miles and includes all the lands from the Oxnard coastline to Happy Camp Canyon east of Moorpark.

Within this boundary are all, or parts of, five (5) incorporated cities, including Moorpark, Oxnard, Port Hueneme, Camarillo, and Ventura. Also within the Agency boundary are several water companies of various sizes. Although imported water is vital to almost everyone in southern Ventura County, and surface water diversions supplement a valuable percentage of irrigation needs, groundwater still supplies the main source of



iii FIGURE 1 – FCGMA Boundary Map

water (about 67%) used by approximately 350,000 people and hundreds of farms within the FCGMA boundaries.

D. Organizational Structure

1. Roles, Responsibilities, and Relationships

As expressly stated in the FCGMA enabling legislation⁴, and as echoed in our mission statement, the goals and objectives of the FCGMA include the planning, management, preservation, and regulation of the use of groundwater for the common benefit of water users within the FCGMA territory. These goals are primarily achieved through the development, implementation, and enforcement of groundwater management plans and policies that are designed to protect the quality and quantity of groundwater within the FCGMA’s territory.

In accordance with the enabling legislation, FCGMA has not historically involved itself in activities normally undertaken by member agencies, including construction, operation, and maintenance of capital facilities. Many of these facilities such as dams, spreading grounds, pipelines, flood control structures, and water distribution facilities are operated by member agencies both within and outside the FCGMA boundary, with the goals of the FCGMA in mind, and to aid or assist FCGMA groundwater management efforts.

The Agency’s governing Board of Directors, Agency staff, member agencies, and individual stakeholders all share stewardship for the successful operation of the Agency and for the groundwater it manages. These roles and responsibilities are summarized below.

⁴ <https://s42135.pcdn.co/wp-content/uploads/2022/10/AB-2995-FCGMA-Enabling-Legislation.pdf>

1. Board of Directors

The Board has the responsibility for establishing and revising policy through the adoption of laws, ordinances, and resolutions that support the FCGMA's mission statement, goals, and objectives. All Agency rules must also be in conformance with State laws. The Board is responsible for providing the means and resources necessary for the Executive Officer and staff to administer the FCGMA's policies.

2. Agency Staff

Staff takes primary responsibility for initiating, preparing, and securing the appropriate reviews and approval for agenda items, including ensuring all necessary staff members, Board committees, and stakeholders have been involved and informed where appropriate; authoring agenda items; working with Agency Counsel on legal aspects of the item, including providing all background information to allow Counsel to prepare appropriate documentation, including contracts; coordinating with the Clerk to schedule agenda items, and to ensure sufficient time to adhere to public hearing notice requirements and/or reading of ordinances; and prepare presentations for the Board's information.

Staff are responsible for administering the policies adopted by the Board. The FCGMA staff does not make policy decisions; they provide technical studies, policy analysis and logistical support to the Board of Directors to assist them in adopting, monitoring, and evaluating meaningful and effective policies, all under the leadership and direction of the Executive Officer. The FCGMA Executive Officer and Agency Groundwater Manager are responsible for directing staff, implementing policies adopted by the Board, and ensuring that Board directives are carried out effectively. The Executive Officer also serves as the Agency's primary spokesperson with regards to stakeholders and the public, but all staff interact with stakeholders to assist with reporting, facilitate engagement, respond to inquiries, and provide technical project

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reviews. The FCGMA also contracts with consultants who perform as staff, whether due to understaffing or specific needs of a special project. Current contracts are discussed further in section IV.C.5. Expenditures – Personnel.

3. Member Agencies and Stakeholders

“Member Agencies” refers to entities that are purveying water within Agency boundaries. Currently, there are five cities: (Camarillo, Moorpark, Oxnard, Port Hueneme, and Ventura), two major wholesalers (Calleguas Municipal and United Water Conservation District), and seven mutual water companies (1) Alta Mutual Water Company, (2) Pleasant Valley County Water District, (3) Berylwood Mutual Water Company, (4) Calleguas Municipal Water District, (5) Camrosa Water District, (6) Zone Mutual Water Company, and (7) Del Norte Mutual Water Company who are purveying water either partially or totally within the territory of the FCGMA. Under many circumstances, these member agencies also serve as de facto representatives for individual property owners, well operators, and other stakeholders that they themselves serve within the Agency boundaries.

Well owners and operators play a key role in that they are responsible for “self-reporting” groundwater extractions to the FCGMA accurately and in a timely manner (e.g. twice per Water Year, reporting on or near March 31, and September 30, annually). It is critical that this group provide meaningful feedback to the staff and Board by accurately self-reporting groundwater use on a timely basis and by providing the fees and meaningful data and feedback necessary to enable the FCGMA to manage groundwater resources and to pay for expenses incurred in doing so.

2. The FCGMA Board of Directors

FCGMA is governed by five Board Members. They represent the (1) County of Ventura, (2) the United Water Conservation District, (3) the seven small water districts within the Agency (Alta Mutual Water Company, Pleasant Valley County Water District, Berylwood Mutual Water Company, Calleguas Municipal Water District, Camrosa Water District, Zone Mutual Water Company, and Del Norte Mutual Water Company), (4) the five incorporated cities within the Agency (Ventura, Oxnard, Camarillo, Port Hueneme, and Moorpark), and (5) the farmers.

All Board Members are appointed by their respective organizations or groups, except for the farmer representatives. They are appointed by the other four seated members from a list of at least five (5) candidates jointly supplied by the Ventura County Farm Bureau (VCFB) and the Ventura County Agricultural Association (VCAA). Each Board Member has an Alternate, and all members serve a two-year term.

Representative	Term Expirations	Current Board Member	Current Alternate	Term Expires
Farmers Representative	Even Years	Michael Craviotto	David Borchard	02-28-2026
Five Cities Representative	Even Years	Tony Trembley	Bert Perello	02-28-2026
United Water Conservation District	Even Years	Lynn Maulhardt	Sheldon Berger	02-28-2026
Ventura County Board of Supervisors	Odd Years	Kelly Long (Vice Chair)	Vianey Lopez	02-28-2025
Small Water Districts	Odd Years	Eugene F. West (Chair)	Raul Avila	02-28-2025

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In 2007, the Board offset the terms of the City Council and the Agricultural representatives from the remaining three representatives by one year to ensure continuity of Agency operations and to prevent a complete turnover of all FCGMA Directors at the same time. City and Farm representatives are elected in even-numbered years; with UWCD, County, and Water District representatives elected in odd-numbered years.

Board members and Alternates serve on a volunteer basis, and no salaried compensation is provided for participation or attendance at FCGMA meetings or events. Board members and officers may attend seminars, conferences, or training sessions at Agency expense, and in so doing, will be reimbursed for all reasonable expenses incurred in accordance with applicable sections of the County of Ventura Administrative Policy Manual, Financial Management Chapter VII (c)-1 (reimbursement of employees' business expenses)⁵ that the FCGMA has relied upon in lieu of officially adopting a separate policy document.

As unpaid volunteers, FCGMA Board Members are not required to provide any service beyond official monthly Board meetings or special Board sessions. While Board Members are not paid by the Agency, the Agency does provide for their insurance, as detailed later in this report under Expenditures.

a) FCGMA Committees

In 2012, the Board approved the formation of three committees: Executive, Fiscal, and Operations. Committee assignments are discussed and approved by the Board annually, alongside new Board member appointments, typically during the February or March Regular Board meeting.

Regarding the role of Committee members:

⁵ Internal document available upon request; formal procedures manual update to be prioritized in once Agency at full staff.

- a. All committee members are advisory to the Board – not to the staff – and shall serve to communicate the needs, programs, and proposals to the community they represent.
- b. As distinct from the staff, an Advisory Committee’s role shall not be considered technical in nature, unless specifically set up in such a manner.
- c. As distinct from the Board of Directors, an Advisory Committee’s role shall not be considered legislative in nature.
- d. The Agency’s technical staff shall inform the Committee of major needs, programs, and proposals.
- e. Committee members are encouraged to comment while discussing related agenda items heard during meetings of the Board of Directors to offer their insights, counsel, and opinions on their committee’s behalf relating to Agency needs.

Board Member	Committee Appointment	Appointment Expires
Michael Craviotto	Operations	02-28-2025
Tony Trembley	Fiscal	02-28-2025
Lynn Maulhardt	Operations	02-28-2025
Kelly Long (Vice Chair)	Executive	02-28-2025
Eugene F. West (Chair)	Executive, Fiscal	02-28-2025

(1) Executive Committee

The Executive Committee is composed of the Chair and Vice Chair of the Board and meets when directed by the Board to discuss issues including, but not limited to:

- Strategic Planning
- Prioritization of Work Plan Items
- Regional Coordination to Increase Water Supply
- Recommendations regarding extraction allocation systems

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(2) *Fiscal Committee*

The Fiscal Committee is composed of two directors, typically the Chair and Cities' representative, and meets when directed by the Board to discuss issues including, but not limited to:

- Budget development and tracking
- Pursuit of grants
- Development of replenishment fees

(3) *Operations Committee*

The Operations Committee is composed of two directors, typically the County of Ventura and United Water Conservation District representatives, and meets when directed by the Board to discuss issues including, but not limited to:

- Performance of self-reporting and meter calibration
- Software enhancements
- Project selection: Identification of projects to increase water supply
- Water Market development

3. How the Agency is Staffed

Per our founding legislation, Assembly Bill No. 2995, Ch. 1023, Sec. 408: “The agency may contract with the county or United for staff and other services and may hire such other contractors and consultants as it considers appropriate.”

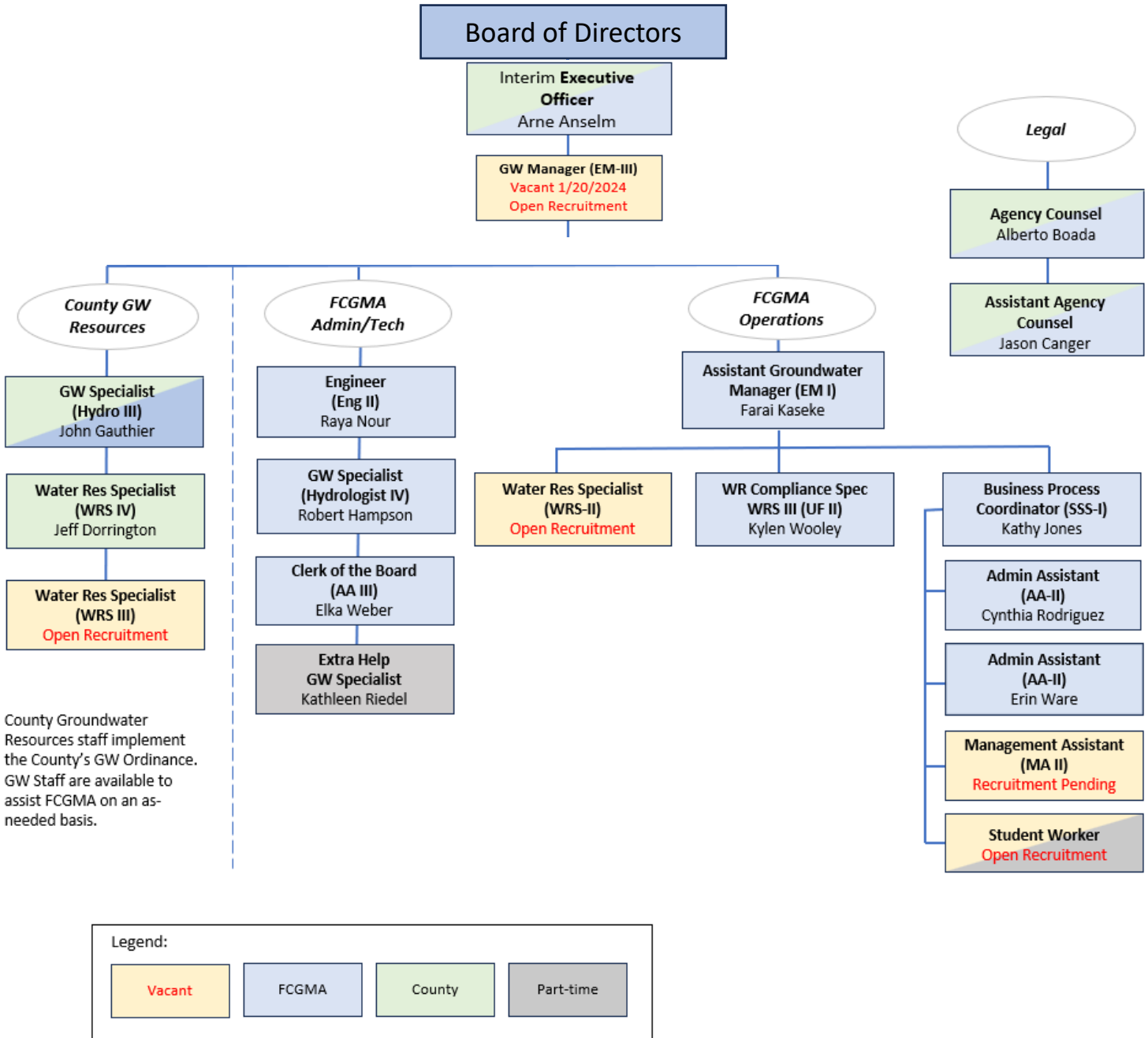
FCGMA contracts with the County of Ventura to provide staff to support the FCGMA⁶; of our main or “core” staff, we currently have 6 full-time equivalent (FTE) staff, and 9 part-time staff, including Agency Counsel. The organizational chart below displays current staffing levels, including the current status of the Executive Officer position as a part-time (though heavily skewed to the Agency) County role.

The Agency does not currently have a full-time Executive Officer. The position is not listed as vacant as it is temporarily filled by an Interim Executive Officer with other responsibilities within the County. There is no current recruitment for this position. The Agency has 1 offer out to fill 1 of the 2 FTE positions that are currently vacant and is interviewing 2 of the vacant part-time County positions that regularly serve the FCGMA as depicted in the following organization chart.

⁶ 1983 Contract, Amended 1998: <https://fcgma.org/wp-content/uploads/2024/08/GMA-County-Contract-1983.pdf>

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(1) Agency Organizational Chart – Main Staff



(a) *About the Executive Officer*

Arne Anselm, Interim Executive Officer

As noted, the Executive Officer (EO) provides administrative leadership, research, and advisory services to the Agency, and acts as the main liaison between the Board, the public, and government agencies. The EO is charged by Board resolution with carrying out the duties, performing the functions and exercising the executive powers enumerated in the Agency's Ordinance code. The EO oversees Board agenda development and presentation; the role of the Executive Officer in the agenda process is to ensure agenda materials contain a thorough policy analysis (and if applicable, financial), review of alternatives, and contain an appropriate recommendation to enable the Board to make informed and reasonable decisions. The Executive Officer decides which items will be presented to the Board or a committee of the Board.

The Executive Officer also serves as the budget administrator, hearing officer, and chief of staff. Resolution 2005-08⁷ designates the Director of Ventura County Watershed Protection District as the Executive Officer and delegates the executive powers and duties required to carry out the purposes of the Agency.

On March 8, 2024, Arne Anselm was appointed the Interim Executive Officer, superseding Resolution 05-08⁸, and continues to serve in this role. Previously, the Executive Officer was compensated on a fixed-cost basis of 25% of the Public Works Agency Director's fully burdened rate. Members of the Board have expressed the need for the Agency's Executive Officer to exist as a full-time position committed solely to the management of the Agency. The FY 2024-25 budget includes a full-time Executive Officer at the fully burdened rate of Deputy Director which is consistent with the rate of the current Interim Executive Officer.

⁷ <https://s42135.pcdn.co/wp-content/uploads/2022/09/Resolution-2005-08.pdf>

⁸ See Closed Session Item 2, "Public Employee Appointment:"
<https://ventura.primegov.com/Portal/Meeting?meetingTemplateId=18461>

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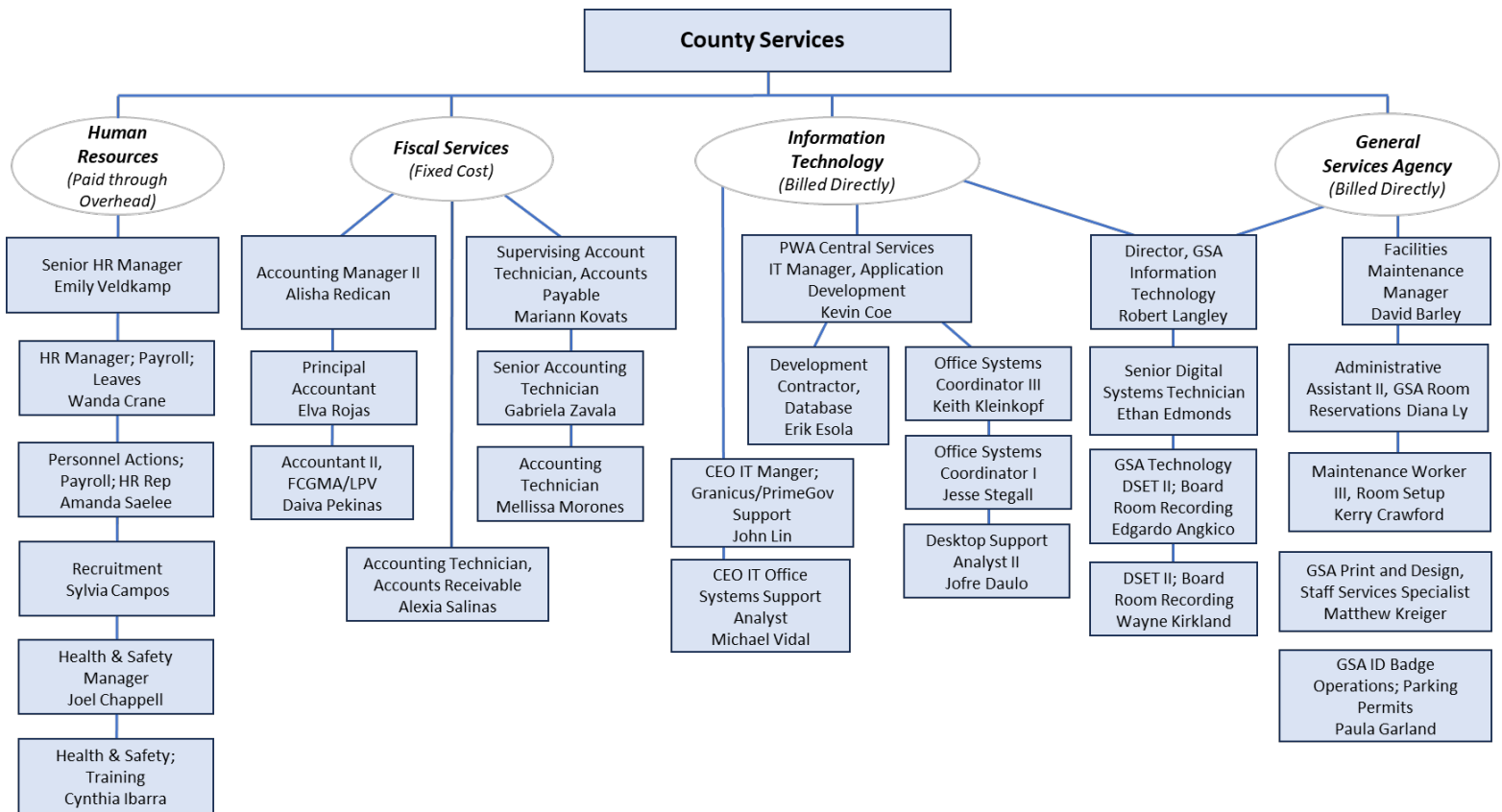
The Board has expressed interest in prioritizing an amendment to Resolution 2005-08 to reflect a full-time equivalent Executive Officer; this item is also discussed under Recommendations and Considerations, in the section IV.F. Planning for Future Budget Development.

b) Additional County Support

In addition to our main staff, the Agency is supported as needed by additional County services from member agencies such as the Public Works Agency (PWA) Central Services department and the General Services Agency (GSA).

To provide context: Central Services includes PWA Information Technology (IT) staff, who assist with equipment and software support, database programming and maintenance, website hosting, and Federal accessibility requirements; Fiscal Services staff, who assist with audit management, accounts receivable and accounts payable; and Human Resources (HR) staff, who manage benefits, recruitment efforts, general employee onboarding, workplace safety training, and payroll, among other integral contributions to staff. General Services Agency (GSA) support includes but is not limited to conference room access and coordination, equipment technicians and IT staff that set up and troubleshoot the spaces our staff and Board meet in to further our work, and GSA security staff, who administer ID badges and parking permits.

(1) County Services Organizational Chart

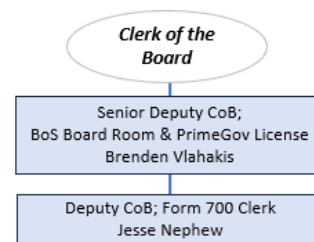


Our Agency is privileged to have the wider resources of the County available to our staff and our duties. You'll notice that services are billed in different ways: fixed costing is lump sum, overhead is a percent, and billed directly is hourly.

Agency staff work closely with Fiscal Services staff; their accounting technicians process our deposit transmittal reports and make sure payments are deposited swiftly; their accounts payable technicians route and pay invoices after we have coded, reviewed, and approved them for payment. FCGMA depends mightily on Fiscal's talented staff, especially our main Agency accountant, who provides invaluable review and feedback during the development of this report and all budget documents.

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County services also include the Board of Supervisors' Clerk of the Board, which shares their Granicus/OneMeeting PrimeGov license with FCGMA, saving the Agency approximately \$100,000 annually. Per the Brown Act,⁹ we are required to have our Board agenda materials available online in an open format;



PrimeGov allows us to index and archive Board Agenda materials on the PrimeGov platform, which is accessible via a website plug-in on <https://fcgma.org/board-agendas-broadcasts-minutes/>. The Form 700 Clerk works with the Agency Clerk and management to file forms related to our Conflict of Interest Code¹⁰(COIC), including assisting with tracking late filers and reporting on important deadlines that help us stay in compliance with the Political Reform Act¹¹.

c) *Consultants and Contractors*

The Agency currently has 4 active contracts with consultants or contractors currently performing FCGMA work functions which would normally be accomplished by staff when we are employed at full hiring capacity.

Personnel expenditures are detailed in the Expenditures section of this Budget Report, and additional staffing information is included in the appendices.

(1) *Hallmark Group*

Hallmark Group was contracted to analyze the Agency's staffing needs to accomplish its work, tasks, and responsibilities for two time periods: (1) May of 2024 through the end of December 2024, and (2) for the Fiscal Year July 1, 2024 – June 30, 2025. The first was

⁹ https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=54954.2.

¹⁰ Our COIC and amendments are published publicly at <https://www.ventura.org/county-executive-office/clerk-of-the-board/conflict-of-interest-code/>.

¹¹

https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=GOV&division=&title=9.&part=&chapter=&article=

in response to the Board's request, the second to assist with the work plan and budget development for FY 24-25. Agency staff have been working closely with Hallmark Group to identify Agency work, tasks, and responsibilities, internal administrative processes, and steps necessary to timely complete tasks. While this effort has helped to inform the proposed FY 24-25 Budget, the final report was not ready to be completely incorporated into this report.

(2) *Rincon Associates*

The Agency contracted with Rincon Associates to assist with AMI data input/data management, track data deliverables from AMI vendors, and import the monthly data. In 2018, the FCGMA Board adopted an Advanced Metering Infrastructure (AMI) Ordinance, whose purpose and intent are to: a) provide for broader and simultaneous measurement and reporting of groundwater extractions; b) improve the Agency's ability to monitor and manage groundwater use; c) facilitate implementation of a Groundwater Sustainability Plan; and d) promote sustainable groundwater management within the Agency. Due to the Agency's increased workload and current staffing levels, the Interim Executive Officer exercised the authority granted by the Board via Resolution 2018-to enter professional services contracts up to \$25,000 to supplement staff. An additional \$53,977.88 was approved at the July 27, 2024, Board meeting.

(3) *Dudek*

Dudek provides specialty technical support for the Agency's compliance with SGMA and also as an extension of staff when needed to meet timely demands. The scope of work under the contract included technical support, GSP annual reports, data gap analysis, basin management scenarios and model coordination, project feasibility studies, grant application support and project management. The current scope also integrates recent Agency retiree Kim Loeb into the contract as a Dudek employee to augment Dudek's 5-Year GSP Evaluation work (including model development) and includes the additional technical workshop requested by OPV stakeholders. The new Dudek scope would also

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include project management services and technical support related to the Agency’s monitoring well project. Not included in this draft budget proposal but is in Dudek’s contract is work and services in support of the Agency’s implementation of the LPV Adjudication, including preparation of technical reports and studies required by the LPV Adjudication judgment.

(4) Kennedy Jenks Consultants, Inc.

Kennedy Jenks was contracted to assist with preparing an application for Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) Round 1 Implementation Grants to implement projects in the Oxnard Subbasin and Pleasant Valley Basin. After the Agency was notified by DWR of grant awards for both basins in an April 28, 2022, letter. the Board a contract with Kennedy Jenks to conduct grant administration services for the DWR SGM Round 1 Implementation Grants awarded to the Agency to implement projects in the Oxnard Subbasin and Pleasant Valley Basin.

E. Financial Management Process

Annually, the FCGMA prepares a Work Plan and Operating Budget to guide, direct and fund the Agency's work. Work Plan updates and Budget performance monitoring reports are prepared and submitted to the Fiscal Committee for review and discussion. Reporting and business practice documents are prepared as required for Board or Committee review via agenda materials, which include staff reports, Resolutions, or special presentations. Additionally, the FCGMA prepares a Biennial Audit Report every other year.

The Proposed Budget Report will become part of the Agency's financial management process over time.

1. Preparation and Monitoring

The FCGMA's fiscal year begins July 1st and ends on June 30th of the calendar year. Administrative oversight and reporting of the Agency's financial transactions is performed by Agency management in consultation with the Fiscal Services Section of the Central Services Department of the Public Works Agency, pursuant to the ongoing contractual arrangement between the Agency and the County of Ventura.

Agency management prepares quarterly budget-to-actual performance reports which are presented to the Board for their information, review, and feedback.

The Fiscal Committee has recommended presenting draft budget materials early for feedback that can be implemented in advanced drafts; the Fiscal Committee recommends an April or May preliminary draft review. Past Agency quarterly summaries of the

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Agency’s actual financial transactions for the current fiscal year were presented to the Board of Directors generally in accordance with the following Board meeting schedule:

Preliminary Draft Budget and Work Plan:	MAY
Recommended Final Budget and Work Plan:	JUNE
Previous Fiscal Year-End Budget Report:	SEPTEMBER
Current FY First Quarter Budget Performance Report:	DECEMBER
Current FY Mid-Year Budget Performance Report:	FEBRUARY
Current FY Third-Quarter Budget Performance:	APRIL

[You can review the Draft FY 24-25 Budget as a standalone document via this link.](#)

2. Work Plan – Matching Staffing to Priorities

The [Work Plan](#) categorizes annual operations into Administration and Fiscal Services, Records Services, Technical Services, Legal Services, Public Outreach, and Special Expenditures, and then tallies labor hours and cost estimates for each section.

FCGMA FISCAL YEAR 2024-25 ANNUAL WORK PLAN - DRAFT					EO-Dep Dir	Eng Mgr III	Eng Mgr I	Eng II	Hydro IV	Hydro III	V/RS III	V/RS II	V/RS I	S/S Spec	AA II	AA III	MA III	MA II	SV III	Hydro IV-EH	
					\$ 269.74	\$ 236.94	\$ 191.99	\$ 158.63	\$ 173.23	\$ 168.60	\$ 133.93	\$ 111.16	\$ 111.16	\$ 137.88	\$ 117.63	\$ 129.31	\$ 117.63	####	####	\$ 33.27	\$ 173.23
					0.79	0.80	0.89	0.82	0.83	0.46	0.06	0.93	0.89	0.95	0.92	0.95	0.92	0.03	0.87	0.50	0.46
					1416	1446	1594	1468	1498	834	104	1682	1596	1713	1684	1712	1660	48	1568	900	635
					Arne	Vacant	Farai	Raja	Robert	John	Jeff	Kyle	Vacant	Kahj	Cynthia	Eric	Vacant	Jamie	Vacant	Vacant	Kathleen
					Arne	Vacant	Farai	Raja	Kathleen	James	Travis	Jeff	Kyle	Kahj	near	Clerk of Board	Jamie	Eric	Ryan	Kathleen	
ANNUAL OPERATIONS					ANNUAL OPERATIONS																
Administration and Fiscal Services					Labor Hours by Position																
Task	Board Priority	Description	Labor Hours	Labor Cost Estimate	EO-Dep Dir	Eng Mgr III	Eng Mgr I	Eng II	Hydro IV	Hydro III	V/RS III	V/RS II	V/RS I	S/S Spec	AA II	AA III	MA III	MA II	SV III	Hydro IV-EH	
1. Board Meeting Administration	1 Board Meetings, agendas, minutes	- Regular and special Board meetings, including agendas, minutes, staff reports, presentations, participation, attendance, pre- and post-briefing meetings - Contract estimate for County General Services Administration (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV	1,682	\$317,832	400	250	200	96	96	0	0	16	20	48	0	440	0	20	80	0	16
2. Agency Administration	N/A	- Agency-specific administration and clerical tasks - Customer inquiries and data requests - Staff and management planning meetings	1,478	\$231,292	220	160	160	60	0	24	24	40	40	80	40	320	40	0	40	200	30
3. Official Document Filings & Public Records	1 Legislation or Regulations 5 Public Records Act (PRA) Requests	- Process business record filings and certifications (i.e. 700 Forms, CEQA/NDEs, EIR/MND's per fiscal year, State water agency filings, PRA requests, public notices)	574	\$75,415	8	12	12	0	0	0	0	20	8	20	40	320	40	24	40	0	30
4. Budget	1 Legislation or Regulations 3 Annual Work Plan & Budget	- Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report, and performance reports	230	\$47,885	80	40	40	4	2	2	0	2	0	8	4	40	4	0	4	0	0
5. CSD-Fiscal Staff Services	N/A	- CSD-Fiscal Services: submit 13-Monthly AP FSRs (incl. AP/AR), provide AP/AR and Cash-Flow Management Services, Fiscal Reports for the Agency	Fixed Cost	\$150,000																	
6. Committee Meetings	1 Committee Meetings 2 Committee Meeting Administration	- Executive, Fiscal, Operations, and other advisory committee meetings coordination, agendas, minutes, etc.	600	\$116,442	160	80	80	40	40	0	0	8	8	40	8	120	8	0	8	0	0
7. Biennial Audit Report	1 Legislation or Regulations 4 Biennial Audit	- Preparation of Scope of Work; Auditor Selection Process; Assist Auditor with Inquiries; QA/QC of Draft Audit Report – next audit FY 2024-25	20	\$4,140	8	4	0	0	0	0	0	0	0	0	0	8	0	0	0	0	0
			4,584	\$943,005	43%	30%	27%	11%	8%	1%	1%	5%	4%	11%	5%	63%	5%	2%	10%	11%	4%
					876	546	492	200	138	26	24	86	76	196	92	1248	92	44	172	200	76
Records Services					Records Services																
Task	Board Priority	Description	Labor Hours	Labor Cost Estimate	Labor Hours by Position																
1. Specialized Data Queries / Groundwater and Credit Transactions	1 Ordinance 3 Allocation Transfer Requests	- Conduct specialized data queries and analyses - Routine variance requests - Credit programs - Allocation transfers - Extraction data analysis	848	\$129,182	4	24	40	80	160	0	0	120	40	160	40	20	40	0	0	0	120

iv Visual Example of Draft Work Plan

[You can view the Draft FY 24-25 Work Plan as a standalone document via this link.](#)

Detailed information about each section follows below, including estimates for labor hours and costs. Each section is subtitled at its end; the grand total is displayed at the bottom of the Work Plan.

The category **Administration and Fiscal Services** includes Board and committee meeting administration, agency administration, official document filings and Public Records Act requests, budget administration, PWA CSD-Fiscal services, and biennial audit report administration.

Administration and Fiscal Services				
Task	Board Priority	Description	Labor Hours	Labor Cost Estimate
1. Board Meeting Administration	I.Board Meetings 1.Board meetings, agendas, minutes	- Regular and special Board meetings, including agendas, minutes, staff reports, presentations, participation, attendance, pre- and post-debriefing meetings - Contract estimate for County General Services Administration (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV	1,682	\$317,832
2. Agency Administration	N/A	- Agency-specific administration and clerical tasks - Customer inquiries and data requests - Staff and management planning meetings	1,478	\$231,292
3. Official Document Filings & Public Records	II.Legislation or Regulations 5.Public Records Act (PRA) Requests	- Process business record filings and certifications (i.e. 700 Forms, CEQA/NOEs, EIR/MND's per fiscal year, State water agency filings, PRA requests, public notices)	574	\$75,415
4. Budget	II.Legislation or Regulations 3.Annual Work Plan & Budget	- Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report, and performance reports	230	\$47,885
5. CSD-Fiscal Staff Services	N/A	- CSD-Fiscal Services: submit 13-Monthly AP FSRs (incl. APIAR), provide APIAR and Cash-Flow Management Services, Fiscal Reports for the Agency	Fixed Cost	\$150,000
6. Committee Meetings	I.Committee Meetings 2. Committee Meeting Administration	- Executive, Fiscal, Operations, and other advisory committee meetings coordination, agendas, minutes, etc.	600	\$116,442
7. Biennial Audit Report	II.Legislation or Regulations 4.Biennial Audit	- Preparation of Scope of Work; Auditor Selection Process; Assist Auditor with Inquiries; QA/QC of Draft Audit Report - next audit FY 2024-25	20	\$4,140
<i>Administration and Fiscal Services Subtotal</i>			4,584	\$943,005

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Records Services includes specialized data queries, groundwater and credit transactions, operations and maintenance of our reporting database and our website, semi-annual extraction statement (SAES) reporting and allocation administration, well and CombCode registration, late or non-reporting SAES compliance, and meter calibration program maintenance.

Records Services				
Task		Description	Labor Hours	Labor Cost Estimate
1. Specialized Data Queries / Groundwater and Credit Transactions	IV.Ordinance 3.Allocation Transfer Requests	Conduct specialized data queries and analyses - Routine variance requests - Credit programs - Allocation transfers - Extraction data analysis	848	\$129,182
2. FCGMA Online and Website O&M	N/A	- Web page revisions and programming revisions - Data management system maintenance, custom data queries, small-scale system enhancements, planning for new data management system (\$260,100 IT services) - Web Application Hosting & GIS Fee (\$16,661 annually)	324	\$46,833
3. SAES and Allocation Administration	IV.Ordinance 1.Semi-Annual Statements (SAES)	TIER 1 - Routine SAES Processing - Prepare and mail SAES incl. data mgt system testing - Process and enter SAES, IAI Applications and payments into the database - Administration TIER 2 - Supervisor / Manager Follow-up - Follow-up regarding errors and omissions - Admin and Manager Reviews - Follow-up regarding incorrect or no payment	5,360	\$584,530
4. Well and CombCode Registration	IV.Ordinance 5.Owner and/or operator changes	- New well registration, change in well registration, CombCode registration or changes *- Unregistered well compliance and enforcement	630	\$84,128
5. Late/Non-Reporters (SAES) Compliance	IV.Ordinance 6. Compliance/Enforcement a.Non-reporting b.Failure to register change of owner/operator	- Follow-up with non-reporters - Assess Civil Penalties for late/non-filing and late/non-payment and send letters (by regular and certified mail return receipt) - Retroactive data entry (and billing) into FCGMA Online - Recommendation to EO for enforcement action	1,023	\$136,727
6. Meter Calibration Program Maintenance	IV.Ordinance 4.Flowmeters & AMI a.Calibration review & processing b.Flowmeter replacement, rollover, water usage estimates c.AMI data management 6.Compliance/Enforcement c.Flowmeter calibration d.AMI	- Mail Flowmeter Calibration Notices, NOV's, and follow-up - Process and upload test results (including failed flowmeter reports) and repair/replacement flowmeter information into FCGMA Online - Process and track flowmeter exemptions, and 5-year waiver requests	1,360	\$171,422
<i>Records Services Subtotal</i>			9,545	\$1,152,821

Technical Services includes annual reports preparation, data collection, studies and analysis, groundwater and well project reviews, AMI operations, and grant applications.

Technical Services				
Task		Description	Labor Hours	Labor Cost Estimate
1. Annual Reports Preparation	II.Legislation or Regulations 2.GSP Annual Reports	- Compile and analyze resource data for GSP and GMA Annual Reports - Prepare, review, finalize and publish annual reports	512	\$88,361
2. Data Collection, Studies and Investigations and Analysis	V.Resolution 1.Conejo Creek Project 2.NPV Desalter 3.GREAT / RWPA Program	- Routine data analysis (i.e., GW conditions, pumping trends, etc.) - Perform QA/QC review of monitoring programs - Coordination of field investigations in support of tech	580	\$89,216
3. Groundwater and Well Project Reviews	IV.Ordinance 2.Well Permit Applications	- Well permit processing including technical review - Resolution project management (including City of Camarillo North PV Desalter Project, Camrosa WD Conejo Creek Project, Oxnard GREAT & ASR program, Calleguas MWD ASR program)	604	\$108,984
4. AMI Operations	4.Flowmeters & AMI c.AMI data management	- Administration of AMI program - Coordination of AMI vendors - AMI data management and analysis	1,296	\$164,269
5. Grant Application	VI.Grant - SGM implementation Rd 1	Review and evaluate grant opportunities and prepare grant applications	104	\$20,473
<i>Technical Services Subtotal</i>			3,096	\$471,303

Legal Services includes advisory services, representation for anticipated and ongoing litigation, and outside counsel. Note that outside counsel is not included in labor estimates because they bill directly per their contract as consultants.

Legal Services				
Task		Description	Labor Hours	Labor Cost Estimate
1. Advisory Services	N/A	- Advice to Board and staff on open government laws, conflict of interest rules, Agency regulatory authority, contracting issues and compliance with Sustainable Groundwater Management Act, California Environmental Quality Act and other laws applicable to Agency. - Board letter review and attendance at Board meetings. - Preparation of ordinances, resolutions, contracts and other legal documents. - Code enforcement.	0	\$0
2. Anticipated and Ongoing Litigation (Staff Time)	III.Judgment and Litigation 2.OPV Adjudication a.Discovery	- Represent Agency in legal proceedings in superior court. - Litigation related staff time, for discovery requests and other related follow up; this is related to staff labor only and does not include attorneys, consultants, contractors.	517	\$114,862
3. Outside Counsel	III.Judgment and Litigation 2.OPV Adjudication a.Discovery	- Special counsel fees related to ongoing and anticipated litigation		
<i>Legal Services Subtotal</i>			517	\$114,862

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Public Outreach includes participation in regional groundwater issues and stakeholder meetings, and outreach, including updating content on our website and preparing a semi-annual newsletter.

Public Outreach				
Task		Description	Labor Hours	Labor Cost Estimate
1. Participation in Integrated Regional Groundwater Issues &	N/A	Attend/participate in AWA Mtgs/events; BofD / City Council mtgs; Stakeholder mtgs (incl. wholesalers); WCVC/WCIRWP meetings; State/Regional Water agency workshops; and GW Forums and Committee Meetings.	208	\$45,013
2. Outreach, Website, Social Media	N/A	Routine administration and maintenance of Agency website and social media presence; produce Semi-Annual Newsletter; stakeholder outreach and engagement; public workshops; outreach materials. (\$25,000 est. for outside	332	\$50,917
<i>Public Outreach Subtotal</i>			540	\$95,930

Special Expenditures include Groundwater Sustainability Plan (GSP) implementation, new allocation systems, an upgraded data management system, grant administration, well destruction, and monitoring well installations.

SPECIAL EXPENDITURES				
Task		Description	Labor Hours	Labor Cost Estimate
1. Groundwater Sustainability Plan Implementation	II.Legislation or Regulations 1.GSP 5-Year Evaluation	Implementation of GSP including monitoring well installation, project review and coordination, address data gaps, modeling analysis, GSP Evaluations & Updates, etc. (Contract expense for Dudek.)	1,720	\$294,715
2. New Allocation Systems	VII.Board Direction 4.OPV variance applications	Implementation of new allocation systems including non-routine variance process.	504	\$90,418
3. New Data Management System	VII.Board Direction 5.New data management system procurement	Two meetings to discuss need and requirements. In a future FY, prepare and administer RFP, enter contract to develop and implement new system. (Planning-level amount of \$200,000 for consultant services.)	44	\$7,352
4. Water Market Development and Implementation	VII.Board Direction	Continue implementation of Water Market pilot study and expansion to all of FCGMA	36	\$5,967
5. Oxnard Well Destruction	VII.Board Direction 1.Oxnard well destruction	Destroy abandoned well in Oxnard. (Estimated expense for drilling contractor).	8	\$1,896
6. DWR SGM Grant Administration	VI.Grant - SGM implementation Rd 1 2.Subgrantee awards to UWCD, PVCWD, Camarillo 3.Quarterly reports	DWR SGM Grant administration (Consultant contract estimate)	60	\$14,872
7. Replenishment Fee			0	\$0
8. Staffing Analysis	Staffing Analysis	Contracted with Hallmark Group; staff hours supporting analysis and research	128	\$25,009
9. OPV Monitoring Well Installation	VI.Grant - SGM implementation Rd 1 1.OPV Monitoring Well Installation	Planning, permitting, installation, development, and reporting of new OPV monitoring wells partially funded by DWR SGM Grant. (Projected contract expense for drilling contractor).	956	\$164,394
<i>Subtotal Special Expenditures</i>			3,456	\$604,623

Efforts which are not routinely performed each year are included in the Special Expenditures category. Historically, Special Expenditures has included Groundwater Sustainability Plan (GSP) implementation, implementation of new extraction allocation systems, new data management system procurement, Water Market development and implementation, administration of the Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) Implementation Grant - Round 1, and installation of monitoring wells in the Oxnard and Pleasant Valley (OPV) Basins as part of the grant program.

Special Expenditures have moved through the project review and approval steps performed by the Operations Committee, they likely have secured grant funding that incorporated feedback from the Fiscal Committee, and they have proceeded with contract formalization after Board approval; however, prioritizing projects in the Special Expenditures category depends on multiple factors. Competing priorities, staff and consultant availability, and timing all come into consideration.

Aside from ongoing Special Expenditures projects that are well underway, such as the 5-Year GSP Evaluation and Amendments, Staff expects that Committee and Board discussions of the Draft Fiscal Year 2024-25 Work Plan will identify which Special Expenditures the Agency should prioritize in Fiscal Year 2024-25.

a) Tracking Labor Hours

The Work Plan, as an overview of annual operations, is divided into classifications designated by program, which are sorted internally via project and activity identification (ID) codes. The activities are specific tasks performed in service to that specific project. Staff report their time using these codes.

For example, the first section of the Work Plan, Administration and Fiscal Services, is classified by project ID P6020850, with a range of activity IDs. The following table is a list

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of project and activity IDs for staff time reporting, which corresponds to the first section of the Work Plan:

Administration and Fiscal Services			
Task	Description	Project ID	Activity ID
1. Board Meeting Administration	Board meeting preparation including agendas, scheduling, Board letters, Board presentations	P6020850	P012
	Board meetings including pre- and post-debriefing meetings	P6020850	P039
2. Agency Administration	Agency-specific overhead (not PWA) - general administration tasks, clerical work; email & phone follow-up that is not direct stakeholder/end-user contact	P6020850	P001
	Internal meetings; staff or management planning meetings	P6020850	P003
	Customer inquiries (not PRAs)	P6020850	P065
	Invoice management: routing, tracking, reporting on or approving invoices for Counsel, consultants	P6020850	P023
	Routing or Filing Incoming & Outgoing Correspondence	P6020850	P053
	Training - Providing or receiving Agency-specific procedural training that is not project-related	P6020850	P004
	Contract preparation, modification, review	P6020850	P008
	Strategic planning and oversight; consultant or vendor management	P6020850	P011
	Executive Officer	Fixed Cost	
3. Official Document Filings & Public Records Requests	Review, edit, process and archive business record filings and certifications, Ordinance Amendments, Resolutions	P6020850	P051
	PRA & other public requests	P6020850	P064
4. Budget	Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report; analysis and performance reports	P6020850	P175
5. CSD Fiscal Staff Services	Submit 13-Monthly AP FSRs (incl. AP/AR) to the Agency; provide AP/AR and cash-flow management services; provide fiscal reports	Fixed Cost	
6. Committee Meetings	Committee meetings, preparation, agendas, minutes	P6020850	P041
7. Biennial Audit Report	Preparation of scope of work; selection process; assist auditor with inquiries; QA/QC draft audit report	P6020850	P089

[You can find a more comprehensive draft time reporting chart, including all work plan sections mapped to project and activity IDs, in the Appendices.](#)

(1) *Labor Collection and Billing Reports (LCAB)*

Agency staff report their time using project and activity IDs in the Ventura County Human Resources Program, biweekly. Labor Collection and Billing (LCAB) reports are pulled from the time reporting database and are used to estimate labor hours and costs or are used to compare estimates with actual time reporting; this data needs to be refined before it will be featured in future iterations of FCGMA Budget documents.

To better track labor hours, staff are currently working on process improvements for time reporting to ensure further detail can be captured by encouraging use of activity IDs mapped to specific task for each project ID when reporting time. A few drawbacks to data pulled by these reports: practically speaking, the data arrives unsorted and must be manipulated and organized in order to be helpful; salaried employees may work past 8 hours a day, and overtime data for non-hourly employees is not captured in time reporting; managers may report time differently than other staff as the structure of their meetings may cover multiple projects; and all staff regardless of level need to discuss preferences and set procedures, then be trained to use the project and activity IDs for FCGMA in a more uniform way.

While it is far from perfect, a comparison between the adopted Work Plan for a Fiscal Year and the actual labor data provided by LCAB reports is assumed to better inform the Agency's estimates in future Work Plans.

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3. Agency Priorities

In lieu of current, formally adopted Agency Objectives¹², we have a prioritization matrix for the year, based on the seven principal drivers of Agency work tasks:

1. Board Meetings
2. Legislation and Regulations
3. Judgment and Litigation
4. Ordinance
5. Resolutions
6. Grants
7. Board Direction

a) *FCGMA Work Tasks and Prioritization Matrix*

During times of increased workload, additional requirements ordered by the Courts, and of a challenging period for recruiting and maintaining staffing levels, the Agency began the 2024 calendar year with the Work Tasks and Prioritization Matrix, which identified principal work tasks, drivers, and their current prioritization; the Board weighed in during the January 12, 2024, Regular meeting.

Think of the following as the Agency’s current action goals for the year.

Prioritized Task	Frequency	Work Plan Section	Current Priority
I. Board Meetings			
1. Board meetings, agendas, minutes	Ongoing	Administration and Fiscal Services	1
2. Committee meetings, agendas, minutes	Ongoing		1
II. Legislation and Regulations			
1. GSP 5-Year Evaluation	Periodic	Special Expenditures	2

¹² We do have an Agency Objectives document, but it is from 1998. [See Appendices.](#)

2. GSP Annual Reports	Periodic		2
3. Annual Work Plan & Budget	Periodic	Administration and Fiscal Services	2
4. Biennial Audit	Periodic		2
5. Public Records Act (PRA) Requests	Ongoing		2
III. Judgment and Litigation			
1. LPV Adjudication Judgment	Ongoing	<i>LPV Watermaster Budget – Held Separate from FCGMA</i>	3
a. Watermaster Admin	Ongoing		3
b. Basin Optimization Yield Study	Periodic		3
c. Basin Optimization Plan	Periodic		3
2. OPV Adjudication	Ongoing	Legal Services	3
a. Discovery	Ongoing		3
IV. Ordinance			
1. Semi-Annual Statements (SAES)	Ongoing	Records Services	4
a. Processing SAES	Periodic		4
b. Review flowmeter photos	Ongoing		4
c. Payments, refunds, etc.	Ongoing		4
d. Customer service, walk-ins, etc.	Ongoing		4
2. Well Permit Applications	Periodic	Technical Services	4
3. Allocation Transfer Requests	Periodic	Records Services	4
4. Flowmeters & AMI	Ongoing	Records Services	4
a. Calibration review & processing	Ongoing		4
b. Flowmeter replacement, rollover, water usage estimates	Ongoing		4
c. AMI data management	Ongoing	Technical Services	4
5. Owner and/or operator changes	Ongoing	Records Services	4
6. Compliance/Enforcement	Ongoing	Records Services	5
a. Non-reporting	Ongoing		5
b. Failure to register change of owner/operator	Ongoing		5
c. Flowmeter calibration	Ongoing		5
d. AMI	Ongoing	Technical Services	5
V. Resolution			
1. Conejo Creek Project	Ongoing	Technical Services	5
2. NPV Desalter	Ongoing		5
3. GREAT / RWPA Program	Ongoing		5
VI. Grant - SGM implementation Rd 1			
1. OPV Monitoring Well Installation	Ongoing	Technical Services	6
2. Subgrantee awards to UWCD, PVCWD, Camarillo	Ongoing		6

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3. Quarterly reports	Ongoing		6
VII. Board Direction			
1. Oxnard well destruction (in progress)	One-Time	Technical Services	6
2. Project Prioritization	Periodic	Special Expenditures	7
3. Replenishment Fee	One-Time	Records Services	7
4. OPV variance applications	One-Time	Technical Services	7
5. New data management system procurement	One-Time	Special Expenditures	7
6. CombCode - ordinance amendments	One-Time	Administration and Fiscal Services	7
7. Study of independent staffing for Agency	One-Time	Special Expenditures	7

The Agency has additional administrative or operations-focused goals for the year, as well, but they are works in progress, along with the advent of this Budget Book:

1. Bring staffing levels up by filling vacancies with talented, qualified colleagues,
2. Work with the Board to update policies and their procedures, and
3. Develop an annual strategic goal review that is completed in tandem with the mid-year budget review, so that the Board and staff are aligned, and stakeholders have more transparency into our organization.
 - a. This way, we will have more to add under “Agency Priorities” and “Board Action Strategies” in future Budget Books and further show how our expenditures align with our goal-based actions.

4. Financial Audits

California Government Code Section 26909¹³ requires the County Auditor-Controller to perform an annual audit of the financial accounts and records of every special district within the County for which an audit by a certified public accountant or public accountant is not otherwise provided. The County Auditor-Controller has discretion as to whether to

¹³ Link to Section 26909: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=26909

perform that annual audit using in-house audit staff or by contracting with a certified public accountant or public accountant. In either case, Subsection 26909 (a) (3) requires the special district to bear the costs of the audit report.

Pursuant to Section 26909, the audit requirements applicable to FCGMA are found in the Minimum Audit Requirements and Reporting Guidelines for California Special Districts, as published by the Division of Accounting and Reporting, Office of the State Controller. Essentially, the minimum requirements reflect Generally Accepted Auditing Standards (GAAS)¹⁴, as described in the American Institute of Certified Public Accountants publication, Audits of State and Local Governmental Units.

In addition, the Agency's audit reports shall be filed with both the County Auditor-Controller of the county in which the special district is located, along with the State Controller, within 12 months of the end of the fiscal year(s) under examination.

Sub-Section 26909 (b) provides for an exception to the annual audit schedule period. That sub-section allows a governing body of a special district, by unanimous vote, to request their Board of Supervisors to replace the annual audit schedule found in Section 26909 with a different period. Specifically, Subsection 26909 (b) (1) allows the governing body of a special district to request a biennial (i.e. covering two years) audit period.

In accordance with California Government Code Subsection 26909 (b)(1), the Agency submits its statement of financial transactions to an independent contract auditor on a biennial basis. The FCGMA is considered a special purpose government, engaged in the management of groundwater extracted within its boundary and operates on a cash-accounting basis.

¹⁴ <https://us.aicpa.org/content/dam/aicpa/research/standards/auditattest/downloadabledocuments/au-00150.pdf>

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Pursuant to applicable provisions of the Governmental Accounting Standards Board Statement 34 (GASB 34)¹⁵, Agency management provides financial statements in an enterprise format to its auditors who perform standard audit verification assurances that the statements are free of material misstatements.

The financial audit completed during 2023 and delivered in August 2024, reflected financial transaction information for Fiscal Years 2020-2021 (Ending June 30, 2021), and 2021-2022 (ending June 30, 2022). The independent firm Vasquez and Company, LLP, performed the analysis of the Agency’s statement of financial transactions for the above reporting periods. Delivery of this Audit Report to staff has very recently occurred; it has been delayed due to the independent firm spending past their contractually agreed “not to exceed” amount, requiring Agency counsel and Fiscal Services staff to follow up with negotiations that culminated in a final invoice, approved by the Board for payment on July 24, 2024¹⁶. Per previous process, the Audit Report will be uploaded to the Agency website once it is Board approved; the Board may prefer that the Fiscal Committee review the Audit Report before it arrives for their review and approval.

(a) *Audit Schedule*

Currently, FCGMA is on a biennial audit schedule. Accordingly, each year an audit will be scheduled, PWA Fiscal Services, in consultation with the County Auditor-Controller’s Office, prepares a letter to qualified CPAs soliciting their interest, qualifications and proposals to provide the Agency with independent auditing services in response to the audit preparation specifications outlined in the body of the letter.

¹⁵ <https://gasb.org/page/ShowPdf?path=GASBS+34.pdf&title=GASB%20STATEMENT%20NO.%2034.%20BASIC%20FINANCIAL%20STATEMENTS%E2%80%94AND%20MANAGEMENT%27S%20DISCUSSION%20AND%20ANALYSIS%E2%80%94FOR%20STATE%20AND%20LOCAL%20GOVERNMENTS>

¹⁶ See Agenda Item 14 from the July 24, 2024, FCGMA Board Regular meeting: <https://ventura.primegov.com/Portal/Meeting?meetingTemplateId=19004>

The next independent fiscal audit will be conducted during the fall of 2024 and will cover both the 2022-2023 and 2023-2024 Fiscal Year periods. PWA Fiscal Services, in their oversight of the process, has prepared the audit solicitation letters to distribute for CPA firm selection to perform an independent audit of the Agency's financial statements as of June 30, 2023, and June 30, 2024, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended. The firm selection process takes several months to complete, and we anticipate the audit itself to be underway in late fall, 2024.

(b) Audit Findings

Upon delivery of the biennial audit report, the report and its findings are discussed with the Board and each finding is detailed in the agenda's accompanying Board letter, sectioned by criteria, condition, cause, effect (or potential effect), recommendation, and views of responsible officials and planned corrective actions.

Audit findings will be discussed with the Fiscal Committee prior to Board review. The Fiscal Committee has expressed interest in developing a formal audit review policy; please see the appendices for a list of policy areas in development.

IV. EXPLANATION OF BUDGET

This section discusses the accounts the funds are held in, analyzes where the revenue feeds those accounts, and then details the expenses paid out of those accounts.

A. Agency Accounts

The Agency maintains separate classifications for funds collected from different sources. Here’s an overview of our account summary by fund classification:

Account	Board Direction
Designated GEMES Account (Groundwater Extraction Management Enforcement Surcharge)	Designated GEMES Account established by Resolution No. 2006-04 ¹⁷ ; Board directed to fund litigation costs including Agency counsel; Reserve Fee established by Resolution 2020-05 ¹⁸
Designated Surcharges Account	For Board-directed uses only, not to be used for routine Agency operations
Designated Operating Reserves Account	Maintain \$1,000,000 reserve balance based on Board direction
Operating Account	Routine annual operation expenses as identified in Work Plan
Grand Total Fund Balance	Total of all above

1. Designated Accounts

Three of these fund classifications are designated accounts where the funds can only be accessed through Board action:

1. Designated GEMES Account

¹⁷ Resolution 2006-04: <https://s42135.pcdn.co/wp-content/uploads/2022/09/Resolution-2006-04.pdf>

¹⁸ Resolution 2020-05: <https://s42135.pcdn.co/wp-content/uploads/2023/03/Resolution-2020-05.pdf>

2. Designated Surcharges Account
3. Designated Operating Reserves Account

2. The Operating Account

The Operating Account is approved by the Board with the budget to fund efforts associated with better management of groundwater. Activities funded include reporting, enforcement, groundwater management planning, data collection, record keeping, training, outreach, and others as identified through the course of business.

The Operating Account includes pump charges, groundwater sustainability fees, interest earnings, penalties, grant, and miscellaneous revenues, which are detailed later in this Budget Report. Additionally, there are line items for projected reimbursement from the DWR SGM Implementation Grant Round 1 for projects in the OPV Basins and a transfer from the Designated Surcharges Account.

B. REVENUE

Agency revenue comes primarily from pump charges with a lesser amount from surcharges and penalties and interest earned. Revenue is collected primarily via payments by well owners or operators to reconcile the fees they owe semi-annually based on their extraction reporting.

To forecast revenue from pump charges, an average of historical pumping rates of 121,000 AF has traditionally been used. Below are the Agency’s current pump charges used to calculate forecasted revenue using the historical pumping average.

Pump Charge – set by enabling legislation (only fee for de minimis domestic operators)	\$6/AF
Groundwater Sustainability Fee (effective Oct 1, 2022)	\$29 A/F
GEMES Reserve Fee (sunsets Oct 1, 2024, unless extended by Board)	\$20/AF
Total	\$55/AF

The following table is an expanded version of the fee schedule table displayed on Semi-Annual Extraction Statements (SAES), which are mailed to well owners or operators (and which are available online for those who have registered online accounts with the Agency) for self-reporting during the water year.

Note the amounts and percentages related to penalties, surcharges, and interest that apply when a reporter is late or has exceeded their extraction allocation.

The final column is a hyperlinked list of relevant Resolution or Ordinance documenting the fee type and, if applicable, ways to appeal or request a waiver of said fees; these linked references are also available on our online reporting database, FCGMAonline.org, for each statement period.

Water Year 2024-2025 Fee Schedule				
Fee Type	Amount	Unit	AF Exceedance Range	Resolution or Ordinance
Extraction	\$6	AF	-	2014-02
Groundwater Sustainability*	\$29	AF	-	2022-05
GEMES Reserve*	\$20	AF	-	2020-05
Civil Penalty	\$50	x Days Late	-	2019-1
Non-Metered Water Use	\$12	AF		3.5.1
Extraction Interest	1.5%	x Months Late	-	2.4.2
Surcharge Interest	1.5%	x Months Late	-	5.8.6.2
Surcharge Tier 1	\$1,929	AF	0.000 - 25.000	2024-03
Surcharge Tier 2	\$2,179	AF	25.001 - 99.999	2024-03
Surcharge Tier 3	\$2,429	AF	>100.000	2024-03

*Sustainability and GEMES Reserve fees are not imposed on any person who extracts, for domestic purposes, two acre-feet per year or less.

Surcharges, if incurred, are assessed at the end of the Water Year on the "-2" statement.

For more information regarding fees, visit [FCGMA.org/Public-Documents/Resolutions](https://www.fcgma.org/Public-Documents/Resolutions).

1. Pump Charge, AKA Extraction Fee

The Agency’s current maximum charge of \$6.00 per AF was set through adoption of Resolution No. 2014-02, linked in the above table. These fund efforts are associated with better management of groundwater. Known on the SAES as the Extraction Fee, the activities this pump charge funds include reporting, enforcement, groundwater management planning, data collection, record keeping, training, outreach, and others as identified through the course of business.

The current cap of \$6 per acre-foot has been adjusted in the past but cannot be adjusted upward without a revision to Section 121-1007 of the FCGMA Act. Projections included in the FY 2024-25 Draft Budget are based on average pumping; the Agency is not currently anticipating drought conditions.

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Pump Charge (Extraction Fee) Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
<i>(Pooled in Operating Account)</i>	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$639,940	\$801,486	\$726,000	\$841,816	\$726,000	0.0%

Revenue note: FY 24-25 projected pump charge revenue assuming 121,000 AF/YR extraction at \$6.00 per AF.

2. Groundwater Sustainability Fee

The Sustainable Groundwater Management Act (SGMA)¹⁹ identified the Agency as the exclusive Groundwater Sustainability Agency (GSA) for the basins within its jurisdiction.

As the GSA, the Agency now has additional responsibilities and authority to ensure these basins are managed sustainably by the deadlines set forth in SGMA. To help meet those responsibilities, SGMA authorizes a GSA to “impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a groundwater sustainability program, including, but not limited to, preparation, adoption, and amendment of a groundwater sustainability plan, and investigations, inspections, compliance assistance, enforcement, and program administration, including a prudent reserve.” (Water Code Section 10730, emphasis added.).

SGMA authorizes the Agency to control groundwater extractions by regulating or otherwise establishing groundwater extraction allocations (Water Code section 10726.4(a)(2).) and defines a groundwater sustainability program as “a coordinated and

¹⁹ SGMA: <https://water.ca.gov/programs/groundwater-management/sgma-groundwater-management#>

ongoing activity undertaken to benefit a basin, pursuant to a groundwater sustainability plan.” (Water Code section 10721²⁰.)

Additional fee authority was granted to the Agency following the adoption of its groundwater sustainability plans (GSPs) to fund costs of groundwater management including the acquisition of lands or other property, facilities, and supply, production, treatment, or distribution of water (Water Code Section 10730.2). This is distinct from a regulatory fee for a groundwater sustainability program, authorized under Water Code Section 10730 described above, as it includes projects and replenishment that may not benefit the entirety of the Agency. SGMA specifically states these fees are subject to Prop 218 sections of the California Constitution. Currently, the Agency followed the Prop 218 process to adopt a replenishment fee as required under SGMA.

Groundwater Sustainability Fee Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
<i>(Pooled in Operating Account)</i>	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$1,338,148	\$1,626,366	\$3,509,000	\$2,756,100	\$3,509,000	0.0%

Revenue note: Projected groundwater sustainability fee revenues assuming 121,000 AF extractions.

3. Surcharges

One of the principal ways the Agency manages the groundwater resources within its jurisdiction is by controlling groundwater extractions by establishing extraction allocations and imposing surcharges (in the OPV and ASRV Basins) on extractions in excess of allocations. The Fox Canyon Groundwater Management Act (Act), California Water Code²¹ Appendix, Chapter 121, and the Agency’s several ordinances authorize these

²⁰ Amended February 13, 2023; Legislative Counsel’s Digest: <https://legiscan.com/CA/text/AB828/id/3013211>

²¹ California Water Code: <https://leginfo.ca.gov/faces/codedisplayexpand.xhtml?tocCode=WAT>

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management actions. The Act authorizes the Agency to both establish extraction allocations and surcharges:

“The agency may, by ordinance, establish an operator's extraction allocation for each groundwater extraction facility located within the agency. The agency may, by ordinance, impose upon the operator of any groundwater extraction facility located within the agency, extraction surcharges for extractions in excess of his or her extraction allocation and late penalties for nonpayment of extraction surcharges.” (Wat. Code App., § 121-1101.)

The Act states that the purpose of surcharges is “to discourage the use of groundwater beyond the extractions allocation” in recognition that “extraction allocations and extraction surcharges ... are necessary to eliminate overdraft caused by excess extractions[.]” (Id., at §121-1102(a), (b).) Since enactment of the Act in 1982, the Agency has adopted several ordinances that set forth the Agency’s surcharge policy and requirements. The Agency Ordinance Code recognizes that extraction surcharges are necessary to achieve the basins’ management goals and shall be assessed when annual extractions exceed allocations. (Agency Ordinance Code, § 5.8.1.1.)

a) Current Surcharge Rates

Tier	Pumping	Rate	Notes
Tier I	0.001 to 25.000 AF	\$1,929 per AF	
Tier II	25.001 to 99.999 AF	\$2,179 per AF	additional surcharge of \$250 per AF
Tier III	100 AF or more	\$2,429 per AF	additional surcharge of \$500 per AF

Surcharges have been based on (1) the cost to import potable water from the Metropolitan Water District of Southern California, or other equivalent water sources that can or do provide non-native water within the Agency jurisdiction and (2) the current groundwater conditions within the Agency jurisdiction, however the Agency Ordinance Code requires the Board to “fix the surcharge ... at a cost sufficiently high to discourage extraction of

groundwater in excess of the approved allocation when that extraction will adversely affect achieving” the management goals for the basins. (Agency Ordinance Code, §§ 5.8.1.1, 5.8.3.) In turn, the Agency Ordinance Code authorizes the Board to structure, tier, and vary the extraction surcharge between basins and aquifers in its discretion. (Agency Ordinance Code, § 5.8.2.)

b) Designated Surcharges Account

The FY 2024-25 Draft Budget projects \$1,000,000 in surcharge revenue. Revenue included in the draft FY 24-25 Budget is consistent with previously projected revenues.

The Agency does not depend on surcharge revenue for its operation.

Surcharge revenue is not used for operating expenses and can only be used for Board-designated expenses, which have been principally for water replenishment or supporting projects to increase the water supplies and/or sustainable yield of the Basins.

During budget discussions, the Board approved a \$1,000,000 loan from the Designated Surcharges Account to the FCGMA Operating Account in the FY 2022-23 Budget to cover the projected shortfall due to expenses for installing monitoring wells in the OPV Basins as part of the SGM Grant program. At that time the Board’s direction was for the loan to be repaid in FY 2024-25. At the April 24, 2024, Board meeting, the Board discussed the possibility that these expenses be fully funded through the Designated Surcharges Account²². Agency staff are bringing this topic to the Board’s attention during the September 13, 2024, special meeting Agenda, and will recommend extending the repayment due date to a future Fiscal Year.

Designated Surcharges Account Summary	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
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²² See page 16 (FCGMA Board Meeting Minutes, 4/24/2024): https://s42135.pcdn.co/wp-content/uploads/2024/05/AGENDA-PACKET-5-22-2024_Updated.pdf

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(Designated Surcharges Account held separate from Operating Account)	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenue	\$1,361,301	\$1,027,229	\$1,000,000	\$895,179	\$1,000,000	0.0%

Now that the LPV Adjudication Judgment has been implemented, enforcement is levied differently in the LPV Basin. Any monies collected are held in the LPV Watermaster account, separate from FCGMA funds.

4. Operating Reserves Designated Account

This account, colloquially referred to as the reserves, yet listed in the budget and formally referred to as the Operating Reserves Designated Account, carries a balance that remains at \$1,000,000. Each year, when the Board adopts the Budget, we have included a million-dollar reserve; the Agency’s reserve was \$1 million for FY 2023-24 and \$1 million for FY 2024-25. The intent of the Operating Reserves Designated Account is that it be held for use in case of absolute need, only.

5. GEMES Reserve Fee and Designated Account

On October 28, 2020, your Board adopted Resolution No. 2020-05 imposing a fee of \$20.00 per Acre-Foot (AF) on groundwater extractions to establish a reserve fund to be used to pay the cost and expenses of legal actions and proceedings related to implementation of the Agency’s groundwater sustainability program. The fee became effective January 1, 2021, and is imposed on all pumpers within the Agency’s jurisdiction other than small domestic pumpers extracting 2 AF or less per year.

The reserve fee provides revenue to the Agency’s Groundwater Extraction Management Enforcement Surcharge (GEMES) Fund established in 2006 for the purpose of retaining special counsel to represent Agency interests.

The fee terminates automatically on October 1, 2024, unless the Board takes affirmative action to terminate the fee earlier, or to extend it to such other date as the Board selects. The Resolution requires the Agency to hold a public meeting every 12 months following adoption to consider the continued need for, and adjustments to, the fee imposed by the Resolution. This item will be brought before the Board during the September 13, 2024, special meeting; it is the Agency’s recommendation that the fee be continued as is.

The GEMES Reserve Fee is reflected in the draft budget as the GEMES Designated Account. The GEMES Reserves Fee sunsets on October 1, 2024, unless extended by your Board. The draft budget assumes the GEMES Reserve Fee will be continued.

GEMES Designated Account Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$1,865,459	\$1,776,295	\$2,420,000	\$2,137,678	\$2,420,000	0.0%

6. Interest Earnings

Annual interest earnings apportionments are projected to be received from funds maintained in the County Pooled Investment Fund for the three designated accounts: the

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GEMES Account, the Designated Surcharges Account, and the Operating Reserves Account.

Interest earnings are divided using the formula created by the Agency’s former Groundwater Manager: of the collective earnings, 13% are paid to the operating account, and 87% of interest earnings are held in the designated accounts.

Interest Earnings Summary	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$12,892	\$88,089	\$35,000	\$277,445	\$287,000	720%

Revenue note: Annual interest earnings apportionments projected to be received from the County Pooled Investment Fund.

7. Grant Funding

Resolutions Nos. 2022-01²³ and 2022-02²⁴ authorized the Executive Officer to submit applications to the California Department of Water Resources (DWR) for funding from the 2021 Sustainable Groundwater Management (SGM) Implementation Grant Program to implement projects in the Oxnard Subbasin and Pleasant Valley Basin.

The Agency received award notification letters from DWR dated April 28, 2022, for funding of \$7.6 million in each of the two basins. The total grant amounts are \$6,479,700 to United Water Conservation District (UWCD), \$5,810,000 to Pleasant Valley County Water District (PVCWD), and \$332,500 to the City of Camarillo as subgrantees to the

²³ Resolution 2022-01: <https://s42135.pcdn.co/wp-content/uploads/2023/01/Resolution-2022-01-SGM-Grant-App-Oxnard-Subbasin.pdf>

²⁴ Resolution 2022-02: <https://s42135.pcdn.co/wp-content/uploads/2023/01/Resolution-2022-02-SGM-Grant-App-PV-Basin.pdf>

Agency. The grant funding also includes \$2,577,800 for the Agency’s monitoring well projects.

All projects must be completed, and final deliverables submitted by April 30, 2025, so DWR can close out the grants by June 30, 2025.

a) SGM Implementation Grant Round 1 (OPV) DWR Implementation

SGM Impl Grant Round 1 (OPV) - DWR	FY 2023-24	FY 2024-25	
	Adopted Budget	Proposed Budget	Year Over Year % Change
Revenues & Transfers In	\$1,031,120	\$2,577,800	150%
Expenditures & Transfers Out	\$2,632,826	\$4,870,000	84.97%
Revenues Over/(Under) Expenditures	(\$1,601,706)	(\$2,292,200)	

Revenue note: Projected reimbursement from DWR for SGM Implementation Grant Round 1 funds for FCGMA projects in the Oxnard & Pleasant Valley Basins.

Expenditure note: Monitoring well installation in OPV basins projected expense.

b) SGM Implementation Grant Round 1 (OPV) - Administration

UWCD, PVCWD, and the City of Camarillo are subgrantees on Round 1 Administration funding. The Subgrant Agreements flow down the provisions of the Grant Agreement between DWR and the Agency and they include a requirement to pay the proportional cost of grant administration consultant services.

The Subgrant Agreements also provide the option for the subgrantee to choose to make annual payments to the Agency or to have the costs withheld from disbursements to the subgrantee. The payments are reflected in the following table as revenue.

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SGM Impl Grant Round 1 (OPV) - Admin	FY 2023-24	FY 2024-25	
	Adopted Budget	Proposed Budget	Year Over Year % Change
Revenues & Transfers In	\$47,729	\$46,472	-2.63%
Expenditures & Transfers Out	\$57,477	\$60,000	4.39%
Revenues Over/(Under) Expenditures	(\$9,748)	(\$12,528)	

Revenue note: Reimbursement from subgrantees City of Camarillo, UWCD, and PVCWD for consultant grant administration services per Board direction (7/20/2022).

Expenditure note: Consultant cost to assist with DWR SGM Implementation Grant Round 1 administration for the OPV Basins. Reimbursement from City of Camarillo, PVCWD, and UWCD, with FCGMA net share \$9,748 annually.

8. Civil Penalties, Late Fees, and Interest

Listed in the draft budget spreadsheet as the line item “Penalties / Interest,” this item is comprised of revenue from civil penalties, late fees, and interest accrued and paid by late or non-reporters, with regards to Semi-Annual Extraction Reporting. This line item is included in the Operating Account because of the extra administrative burden necessary to accommodate late reporters and erroneously reported SAES, and enforcement.

Penalties/Interest Summary (Pooled in Operating Account)	FY 2021-22	FY 2022-23	FY 2023-24		FY 2024-25	
	Year-End Actuals	Year-End Actuals	Adopted Budget	Year-End Actuals	Proposed Budget	Year Over Year % Change
Revenues	\$73,441	\$47,965	\$60,000	\$299,408	\$130,000	116.67%

a) *Transfers In*

While no assumptions have been made regarding repaying loans in this report, we do have several sources of transferred funds: the FY 22-23 loan from Surcharges to the Operating Account, which has yet to be utilized, and a partial (50%) reimbursement of

legal costs associated with the LPV Watermaster Rules Appeal. This reimbursement assumption may change depending on the Board's decisions.

C. EXPENDITURES

1. Total Operating Account Expenditures

The total proposed Operating Account expenditures for FY 2024-25 are estimated at \$12,120,348 million, which reflects an increase of \$3,223,667, or 36.23%, from the FY 2023-24 budgeted expenditures. The Draft 24-25 Budget assumes a fully staffed Agency, and allows for current contract expenses of GSP Evaluations and the DWR SGM Grant monitoring wells.

2. Transfers Out

a) *FY 2022-23 Loan*

The Adopted 2022-23 Budget included a loan to the Operating Account of \$1,000,000 from the Designated Surcharges Account in FY 2022-23 to fund the monitoring wells partially funded by the DWR SGM grant. When adopted, the FY 2022-23 budget assumed repayment in full to be done in FY 2024-25; however, this Draft Budget Report was prepared with no repayment occurring in this Fiscal Year as directed by the Board on September 13, 2024. As the grant agreements were not executed by DWR until late September 2022, and the contract not executed until early 2023 the majority of projected expenses for this work will be incurred in FY 2024-25. Designated Surcharges Account/ \$4,870,000 of the FY 2024-25 Operating Account, will fully fund the expenses of the DWR SGMA grant well installation. Designated Surcharges Account. Simply put, the \$1,000,000 loan was intended for the well project, and we haven't spent that money yet.

b) LPV Appeal Legal Costs

The Board has directed half of the estimated \$400,000 legal costs spent on funding the LPV Watermaster Rules Appeal, \$200,000, be reimbursed to FCGMA.

The Fiscal Committee, Agency staff, and the Board are working to clarify Agency fiscal policies related to loans and transfers. The Fiscal Committee has expressed interest in discussing loan policy development in the future.

	Significant Annual Operating Account Expenditures	2022-23 Year-End Actual	2023-24 Adopted Budget	2023-24 Year-End Actual	2024-25 Draft Budget	Over/Under	YoY % Change
1	Public Works Agency Charges	\$1,814,950	\$2,860,200	\$1,736,041	\$3,375,535	\$515,335	18.02%
2	General Services Agency Charges	\$24,670	\$25,000	\$18,990	\$25,000	0	0.00%
3	FCGMA Online Database Support/GIS	\$189,440	\$276,761	\$173,025	\$247,061	(\$29,700.00)	-10.73%
4	Legal Services (County Counsel)	\$129,490	\$150,000	\$185,852	\$170,000	\$20,000	13.33%
5	Legal Services (Special Counsel)	\$2,049,926	\$1,350,000	\$1,466,690	\$1,655,000	\$305,000	22.59%
6	GSP Annual Reports	\$19,798	\$65,730	\$59,085	\$97,000	\$31,270	47.57%
	Total Large Expenditures:	\$4,228,274	\$4,727,691	\$3,639,683	\$5,569,596	\$1,929,913	34.7%

3. Significant Annual Operating Expenditures

Following are the significant annual operating expenditures, those that are greater than \$30,000:

1. *Public Works Agency Charges*: The FY 2024-25 Draft Budget includes \$3,375,535 for PWA staff services per the projections in the draft Annual Work Plan. The Work Plan categorizes Annual Operations into Administration and Fiscal Services, Records Services, Technical Services, Legal Services, and Public Outreach. Efforts which are not routinely done each year are included in a separate Special Expenditures category. Time estimates for each staff position’s efforts are developed to estimate the budget. This estimate is for a fully staffed Agency.

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PUBLIC WORKS AGENCY CONTRACT RATES: The rates are calculated to provide for total cost recovery of the department’s Requested Budget. Each department is treated as a separate cost center and a rate is established for each classification within each department. Therefore, rates for the same classification may differ between departments.

DIRECT LABOR RATE: Average annual salary of all employees within each classification divided by 1,800 hours.

FRINGE BENEFIT RATE: Average of all benefits adopted by the Board of Supervisors or mandated by State/Federal law.

DEPARTMENT OVERHEAD RATE: The department overhead rate was computed to recover the departmental operating cost, e.g., supervision; office supplies; training; memberships and dues, uniforms; safety supplies, vehicle and radio charges; insurance; Government Center building expense (office maintenance, utilities, custodial, landscape and security); office equipment maintenance; telephone charges; postage; and depreciation expenses of fixed assets.

AGENCY OVERHEAD RATE: Agency overhead rate allocated the cost of Public Works Agency – Central Services (includes salaries, benefits, department and County overhead costs): Director of Public Works and staff; fiscal services (budgeting, fiscal and accounting services); and support services (payroll and personnel services, agency safety coordination and computer services).

COUNTY OVERHEAD RATE: To Recover General Fund operation, i.e., maintenance of the common area of the Government center and depreciation; Auditor-Controller’s Office (Accounts payable processing, financial reports, audit, payroll, etc.); Personnel; County Counsel; Chief Administrative Office and Civil Service Commission.

County Overhead Rate, Department, and Agency rates –

PUBLIC WORKS AGENCY DISTRIBUTION OF PUBLIC WORKS CHARGES FY 2025 RATES EFFECTIVE 07/01/24					
DEPARTMENT	BUDGET UNIT	DIRECT & BENEFIT	DEPT & AGENCY INDIRECT	CAP INDIRECT	TOTAL %
WATERSHED - GEN	4431	59.6%	38.7%	1.7%	100.0%

2. *General Services Agency Charges:* County General Services Agency (GSA) fees include printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc. GSA expenses are budgeted at \$25,000 for FY 2024-25.
3. *FCGMA Online Database Support:* Support for the FCGMA Online database management system is supplied by PWA and County IT services. These services include the annual maintenance costs, system revisions and updates, special database queries, software enhancements, and includes GIS and other software license fees. FCGMA Online support is budgeted at \$247,061 for FY 2024-25.
4. *Legal Service Fees:* Agency Counsel legal services are provided by the County Counsel’s Office, which serves as Agency Counsel, to provide routine legal services. Legal services are budgeted at \$170,000 for FY 2024-25.
5. *GSP Annual Reports:* The Agency is required to prepare GSP annual reports for the LPV, Oxnard, and Pleasant Valley basins. GSP annual reports are budgeted at \$50,000 per the current agreement with Dudek.

4. *Special Expenditures*

The FY 2024-25 Draft Budget identifies special expenditures, including the following:

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1. *Groundwater Sustainability Plan Implementation and SGMA Compliance:* The FY 2024-25 budget includes \$989,000 for GSP implementation based on the agreement with Dudek approved by your Board at the December 9, 2022, and April 22, 2024, meetings. The majority of these costs are for evaluation and updating of the GSPs which must be completed in FY 2024-25.
2. *SGM Implementation Grant Monitoring Well Installation (OPV):* In FY 2023-24 the approved budget included projection of \$2,632,826 for installation of monitoring wells in the OPV basins. As the grant agreements were not executed by DWR until late September 2022, the majority of projected expenses for this work have been pushed out to FY 2024-25. DWR reimbursement under the SGM Implementation Grant Round 1 in the revenue section was correspondingly included in FY 2024-25. Your Board approved a contract to a drilling contractor for \$4,989,070. Additional contract costs of environmental permitting and project management are included in this line item. No matching contributions are required under this grant. A reduction in the scope by eliminating one of the deep wells will reduce the cost to the Agency. Staff have identified one well to remove from the grant, but the savings are not significantly reflected in the budget integration of all well drilling components in the contract. Removing the well from the grant allows the Agency to drill the well without the time constraints required by the grant.
3. *SGM Implementation Grant Round 1 (OPV) Administration:* The consultant expense to assist with DWR SGM Implementation Grant Round 1 administration for the OPV Basins is shown here. Your Board awarded this work to Kennedy Jenks Consultants at the July 10, 2022, Board meeting. Per the subgrant agreements approved by your Board at the September 9, 2022, meeting, subgrantees City of Camarillo, Pleasant Valley County Water District, and United Water Conservation District will proportionately reimburse the Agency, which is carried under the SGM IMPL GRANT ROUND 1 (OPV) – ADMIN line under Revenue. The Agency's net share is \$9,748 annually.

4. *Stakeholder Facilitation / Public Outreach:* The FY 2024-25 Draft Budget includes \$25,000 for stakeholder facilitation and/or public outreach.
5. *Rate Counsel:* The FY 2023-24 Adopted Budget included \$100,000 for rate counsel and consultant assistance with studying and preparing a replenishment fee consistent with your Board's awarded agreement with Jarvis Fay. Less than \$5000 has been spent. The FY 2024-25 Draft Budget projects this effort will be on hold with only \$17,000 budgeted, and these funds will be targeted towards renewing the GEMES fee before it is set to expire in October 2024.

Not Included: A New FCGMA Data Management System

A Special Expenditure that will not be included in this year's budget is the new FCGMA Data Management System. The only monies attributable to this line item are for discussion meetings for future planning.

The Agency has been planning on developing a new data management system for several years. Due to conflicting priorities little progress has been made beyond the Data Management System Requirements Analysis done in 2022. The final costs of a new system are presently unknown. The FY 2024-25 Budget does not include funds for procurement efforts.

Significant progress has been made improving the current data management system, and this initiative will continue with the Operations Committee's focused feedback. In August, staff presented a status report on the current online reporting system and discussed action strategies for implementing process improvements to the current system. The current data management system is built on a framework that is not outdated, and it can be improved upon in the coming years. A substantial time investment will be required to plan and execute process improvements in collaboration with PWA IT staff, which is a further incentive to make informed decisions that improve upon what we already have. The Operations Committee also discussed hiring an additional PWA IT developer to

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support the current data management system in a future Fiscal Year, to build in cross-training and redundancy.

With these points in mind and given the uncertainties of potential new data requirements due to ongoing adjudication, staff is not recommending pursuing the development and transition to a new data management system in FY 2024-25.

5. Expenditures – Personnel

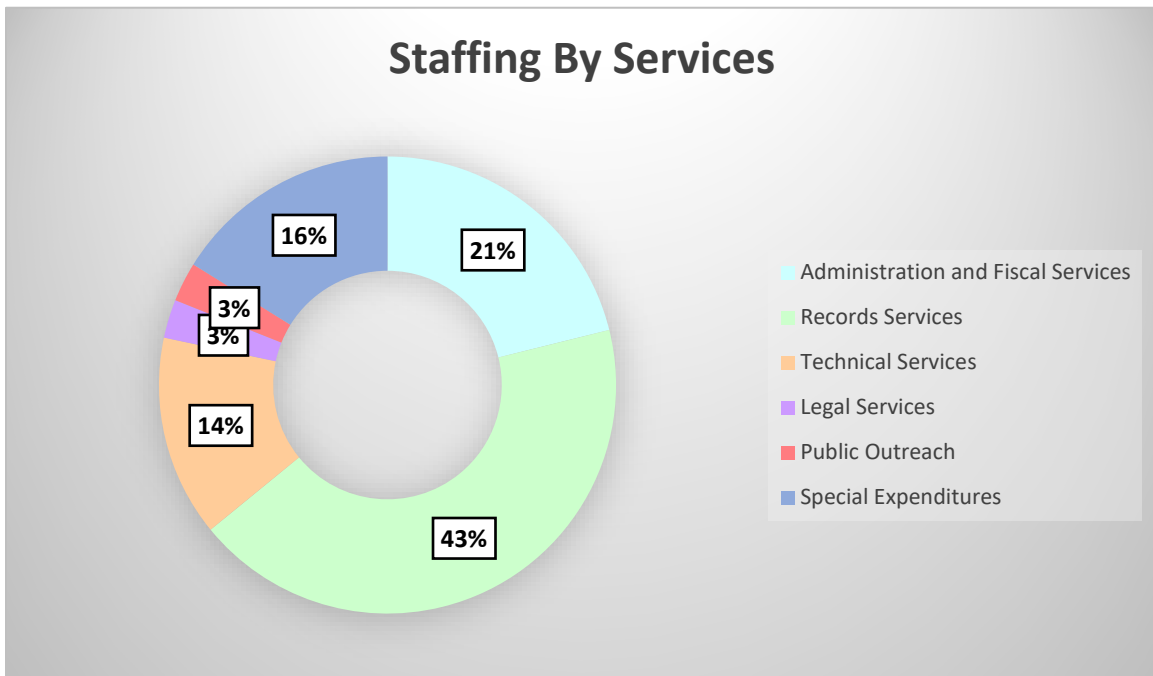
As a reminder, the FY 2024-25 Work Plan was drafted to assume full staffing levels; you will see this factored into all calculations and estimates.

Consistent with the Agency goal to maintain an effective workforce through competitive salaries and benefits, the FY 2024-25 projected personnel costs include hiring for positions that currently stand open, for an estimated increase of 18.26% from FY 2023-24. The FY 2024-25 budget includes funding for a total of 12.08 full-time equivalent (FTE) positions. This does not include staff time for the Los Posas Valley Watermaster, estimated at 2.12 FTE.

Our current staffing level is not yet consistent with the Agency’s Goals and Objectives and departmental operations and work plans, given challenges with hiring and maintaining a talented workforce, but it is an Agency mandate to build our staff to full capacity.

a) *Labor Expenditures by Work Plan Section*

Work Plan Labor Cost Comparison			
	FY 2023-24	FY 2024-25	
Work Plan Sections	Adopted	Proposed Work Plan	Cost Difference
Administration and Fiscal Services	\$829,857	\$943,005	\$113,148
Records Services	\$843,647	\$1,152,821	\$309,174
Technical Services	\$432,540	\$471,303	\$
Legal Services <i>(Not paid by GEMES)</i>	\$107,006	\$114,862	\$
Public Outreach	\$65,020	\$95,930	\$
Special Expenditures	\$582,130	\$604,623	\$
Total Labor Estimates	\$2,860,200	\$3,382,544	



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b) Counsel Expenses and GEMES Expenditures

The GEMES account was established by your Board as a reserve account for legal expenses; projected Special Counsel and Agency Counsel litigation expenses are based on the updated estimates. The GEMES account is funded through a \$20 per Acre-Foot (AF) Reserve Fee which sunsets on October 1, 2024, unless extended by your Board. The draft budget assumes the GEMES Reserve Fee will be continued.

	GEMES Designated Account	2022-23 Year-End Actuals	2023-24 Year-End Actuals	2024-25 Draft Budget	Over/Under	% YoY Change	2025-26 Planning-Level Budget Projections
1	Beginning Balance	(\$1,067,999)	(\$1,590,801)	(\$920,552)			(\$1,175,552)
2	Reserve Fee ^(Note 1)	\$1,776,295	\$2,379,752	\$2,420,000	-		\$2,420,000
3	Special Counsel ^(Note 2)	(\$2,049,926)	(\$1,466,690)	(\$2,475,000)	(\$1,008,310)	40.74%	(\$1,925,000)
4	County Counsel ^(Note 3)	(\$249,100)	(\$242,813)	(\$200,000)	\$42,813	-21.41%	(\$180,000)
5	Ending Balance	(\$1,590,801)	(\$920,552)	(\$1,175,552)	(\$255,000)	21.69%	(\$860,552)

Footnotes:

(1) Reserve Fee of \$20.00 per AF to replenish GEMES Account per Resolution 2020-05.

Reserve is tracked to Project ID **P602097**

(2) Special Counsel fees related to ongoing and anticipated litigation.

Special Counsel billing tracked with Object codes: Stoel Objects 2185-64, 2185-66, 2185-67 and SMW Objects 2185-67

(3) County Counsel costs for ongoing and anticipated litigation.

County Counsel billing tracked with Object codes: 2185-64, 2185-66, 2185-67, and is paid under GEMES P6020855

D. OPERATING ACCOUNT DETAIL

Fund O170 Unit 5795	2022-23 Year-End Actuals	2023-24 Adopted Budget	2023-24 Year-End Actuals	2024-25 Draft Budget	Increase/ Decrease over PY	% Change over PY
BEGINNING YEAR FUND BALANCE	\$3,931,484	\$4,351,081	\$4,351,081	\$6,996,395		
Revenues						
Pump Charge ^(Note 1)	\$801,486	\$726,000	\$841,816	\$726,000	-	0.00%
Groundwater Sustainability Fee ^(Note 2)	\$1,626,366	\$3,509,000	\$2,756,100	\$3,509,000	-	0.00%
Penalties / Interest	\$47,965	\$60,000	\$299,408	\$130,000	\$70,000	116.67%
GMA Pumping Surcharges	\$1,027,229	\$1,000,000	\$895,179	\$1,000,000	-	0.00%
GEMES (Reserve Fee)	\$1,776,295	\$2,420,000	\$2,137,678	\$2,420,000	-	0.00%
SGM Impl Grant Round 1 (OPV) - DWR ^(Note 3)	-	\$1,031,120	-	\$2,577,800	1,546,680.00	150.00%
SGM Impl Grant Round 1 (OPV) - Admin ^(Note 4)	-	\$47,729	\$92,944	\$46,472	(\$1,257.00)	-2.63%
Water Market / AMI Grant ^(Note 5)	-	-	-	-	-	-
Interest Earnings ^(Note 6)	\$88,098	\$35,000	\$277,445	\$287,000	\$252,000	720.00%
Loan From Surcharges ^(Note 7)	\$1,000,000	-	-	\$0	\$0	-
LPV Watermaster for Rules Appeal ^(Note 8)	-	-	-	\$200,000	\$200,000	-
Misc. Revenue	\$2,950	-	\$163	-	-	-
Total Revenues	\$6,370,388	\$8,828,849	\$7,300,733	\$10,896,272	\$2,067,423	23.42%
Expenditures						
Public Works Agency Charges ^(Note 9)	\$1,814,950	\$2,860,200	\$1,736,041	\$3,382,544	\$522,344	18.26%
General Services Agency Charges ^(Note 10)	\$24,670	\$25,000	\$18,990	\$25,000	-	0.00%
FCGMA Online Support/GIS ^(Note 11)	\$189,440	\$276,761	\$173,025	\$247,061	(\$29,700)	-10.73%
LAFCO Funding ^(Note 12)	\$2,551	\$2,100	\$2,995	\$3,510	\$1,410	67.14%
General Legal (County Counsel) ^(Note 13)	\$129,490	\$150,000	\$185,852	\$170,000	\$20,000	13.33%
Special Counsel (Stoel, Shute MW)	\$2,049,926	\$1,350,000	\$1,466,690	\$1,655,000	\$305,000	22.59%
County Counsel (Litigation) - GEMES	\$249,100	\$180,000	\$242,813	\$230,000	\$50,000	27.78%
Board Member Insurance	\$3,796	\$4,000	\$4,118	\$4,085	\$85	2.13%
Biennial Audit	\$16,000	-	\$4,000	\$20,000	\$20,000	-
AWA Dues / Symposium/Conference	3,973	\$2,000	\$2,501	\$2,500	\$500	25.00%
Public Outreach & Notices	\$880	\$2,000	\$991	\$1,000	(\$1,000)	-50.00%
GSP Annual Reports ^(Note 14)	\$19,798	\$65,730	\$59,085	\$97,000	\$31,270	47.57%
Et Weather Station Contract	-	\$324	-	-	(\$324)	-100.00%
Watershed Contributions / Match ^(Note 15)	\$1,500	\$3,700	\$1,500	\$1,500	(\$2,200)	-59.46%
Computer Equipment, Software & Website	-	\$5,000	\$3,355	\$5,000	-	-
Office Equipment/Supplies/Printing	-	\$1,500	\$126	\$1,000	(\$500)	-33.33%
Misc Expense / Misc Payment	\$451	\$2,000	\$2,033	\$2,500	\$500	25.00%
Special Expenditures						
New FCGMA Data Management System ^(Note 16)	\$10,860	\$200,000	-	-	(\$200,000)	-100.00%
GSP Implementation Updates ^(Note 17)	\$266,995	\$781,063	\$554,562	\$989,000	\$207,937	26.62%
SGM Impl. Grant Monit Well Install (OPV) ^(Note 18)	-	\$2,632,826	-	\$4,870,000	\$2,237,174	84.97%
SGM Impl. Grant Round 1 (OPV) - App. ^(Note 19)	-	-	-	-	-	-
SGM Impl. Grant Round 1 - Administration ^(Note 20)	\$56,560	\$57,477	\$68,705	\$60,000	\$2,523	4.39%
SGM Round 2 Grant Application ^(Note 21)	\$14,011	-	-	-	-	-
Stakeholder Facilitation / Public Outreach	\$2,666	\$25,000	\$16,086	\$25,000	-	0.00%
AMI Data Support	-	-	\$12,352	\$61,648	\$61,648	-
Oxnard Well Destruction ^(Note 22)	-	\$70,000	\$86,976	-	(\$70,000)	-100.00%
Rate Counsel & Consultant ^(Note 23)	\$93,176	\$100,000	\$12,623	\$17,000	(\$83,000)	-83.00%
Contingency	-	\$100,000	-	250,000.00	\$150,000	150.00%
Loan to Operations (Initiated FY 22-23)	\$1,000,000	-	-	-	\$0	-
Total Expenditures	\$5,950,791	\$8,896,681	\$4,655,419	\$12,120,348	\$3,223,667	36.23%
Net Operating Results	\$419,597	(\$67,832)	\$2,645,314	(\$1,224,076)	(\$1,156,244)	1704.57%
Operating Reserves	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	-	-
YEAR END FUND BALANCE	\$4,351,081	\$4,283,249	\$6,996,395	\$5,772,319	\$1,489,070	34.76%

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Footnotes:

- (1) FY 24-25 projected pump charge revenue assuming 121,000 AFY extraction at \$6.00 per AF.
- (2) Projected groundwater sustainability fee revenues assuming 121,000 AF extractions.
- (3) Projected reimbursement from DWR for SGM Implementation Grant Round 1 funds for FCGMA projects in the Oxnard & Pleasant Valley Basins.
- (4) Reimbursement from subgrantees City of Camarillo, UWCD, and PVCWD for consultant grant administration services per Board direction (7/20/2022).
- (5) Funding as subgrantee to The Nature Conservancy's Natural Resources Conservation Service grant. Ended FY 21-22.
- (6) Annual interest earnings apportionments projected to be received from the County Pooled Investment Fund.
- (7) Loan from Designated Surcharges Account approved by Board as part of FY 2022-23 Budget to be repaid in FY 2024-25, approved by Board 9/13/24.
- (8) Approved by Board 9/13/24 for LPV Watermaster to repay 50% legal fees for LPV Watermaster Appeal
- (9) Projected PWA charges to implement FY 2024-25 Annual Workplan. Includes Executive Officer and Fiscal allocation.
- (10) County General Services Agency (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc.
- (11) FY 24-25 Estimate for IT services to support, maintain, and improve FCGMA Online Data Management System
- (12) Payment to LAFCO Per Govt. Code Sect. 56381 (b) (1).
- (13) County Counsel services for regular FCGMA legal advisory services.
- (14) GSP Annual Report expense updated based on new Dudek scope approved by Board 12/9/2022 and amended 2/28/24.
- (15) Includes contributions to Watershed Coalition of Ventura County (\$2,200) and Santa Clara Watershed Committee (\$1,500).
- (16) New FCGMA data management system procurement planning-level projections.
- (17) Projected GSP implementation consultant costs. Updated based on Dudek contract scope approved by Board 12/9/2022 and subsequent contract modifications/amendments.
- (18) Monitoring well installation in OPV basins projected expense. Majority funded by DWR SGM Implementation Grant.
- (19) Consultant expenses for grant application for DWR SGM Implementation Grant Round 1 for projects in Oxnard & Pleasant Valley Basins.
- (20) Consultant to assist with DWR SGM Implementation Grant Round 1 Administration for the OPV Basins. Reimbursement from City of Camarillo, PVCWD, and UWCD. FCGMA net share \$9,748 annually.
- (21) Consultant expenses for grant application for DWR SGM Implementation Grant Round 2 for projects in Las Posas Valley Basin.
- (22) Projected cost to destroy Oxnard well; destruction complete and project wrapping up as of this draft Budget.

E. Draft FY 24-25 Budget Worksheet

Draft Fiscal Year 2024-2025 Budget Worksheet, as of 9/6/2024:

https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Budget-REVIEW-DRAFT_20240906.pdf

F. Draft FY 24-25 Work Plan

Draft Fiscal Year 2024-2025 Work Plan, as of 9/6/2024:

https://fcgma.org/wp-content/uploads/2024/09/FY-2024-25-Work-Plan-REVIEW-DRAFT_20240906.pdf

G. SUMMARY OF RECOMMENDATIONS AND CONSIDERATIONS

This Proposed Draft FY 24-25 Budget was developed with several recommendations from the Fiscal Committee, including recommendations for future Proposed Budget Reports to improve transparency and clarity. First, below are summarized the assumptions and recommendations made in the Draft FY 24-25 budget for the Board’s consideration; following that, in section H., we move on to planning recommendations for future strategy and budget development.

1. Budget at Full Staff Levels

The 2024-25 Draft Budget presents a “highest cost scenario” for staff planning purposes. Unlike the development of previous Agency budgets, the Draft FY 24-25 Budget assumes funding of a fully staffed agency, with no vacant positions, along with the funding of a full-time Executive Officer. Previous budgets estimated when existing vacancies would be filled, or positions vacated, and the Executive Officer position was previously set at a fixed cost of 25% of the Public Works Agency Director.

2. GEMES Fee Renewal

The ongoing litigation the Agency faces will lead to significant costs and therefore it is recommended the GEMES Fee be continued, and that recommendation has been incorporated into the proposed draft budget. Bringing the GEMES Fee to the Board for renewal the same day as the FCGMA Budget will streamline process so the budget discussion can be informed by that action of the Board.

3. *FY 2022-2023 Loan from Designated Surcharges Account – Extend Repayment Deadline*

A \$1,000,000 loan from the Designated Surcharges Account in the 22-23 budget was previously scheduled to be repaid in FY 24-25. The draft FY 24-25 budget did not include repayment of this loan. The loan was intended to cover the FY 23-24 drilling costs for monitoring wells partially funded by a DWR SGM Grant. Those wells are in the process of being drilled right now with almost the entirety of the costs to be in the FY 24-25 budget. The Board directed repayment of this loan be deferred to FY 25-26 on September 13, 2024.

4. *Split Past Costs of the LPV Watermaster Appeal*

Splitting the costs evenly of the appeal of the Las Posas Valley Judgment has been recommended by the Fiscal Committee and is included in this proposed draft FY 24-25 budget. Half the \$400,000 spent on counsel is included as revenue for the Agency in FY 24-25. The Agency entered the appeal prior to any designated funding source for the LPV Watermaster, thus legal representation was funded by funds collected Agency-wide. The reimbursement of \$200,000 to the Agency for the LPV Watermaster Rules Appeal was recommended by the Fiscal Committee on June 10, 2024, and approved by the Board on September 13, 2024. The budget presented herein reflects that direction.

H. Planning for Future Budget Development

Fiscal Committee strategic recommendations for future budget development follow below.

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1. Schedule a PWA Contract Renewal Discussion

The contract between the Agency and the County for staffing services was entered in 1983 and amended in 1998. The Fiscal Committee recommended reviewing and updating this contract if necessary.

2. Amend Resolution 2008-08

Amend Resolution 2008-08, appointing the Director of Watershed Protection District as the Executive Officer, to create a full-time Agency Executive Officer to better suit the needs of the agency.

3. Annual Agency Objectives Discussion

A review of Agency objectives should be schedule annually with the Board in February or March for input into the next fiscal year's budget and work plan. Objectives related to project evaluations and data management should be sent to the Operations Committee meetings during the year, as needed.

4. Annual Strategic Goal Review

Along with Agency objectives, a review of the Agency's strategic goals should be scheduled annually with the Board in February or March for input into the next fiscal year's budget and work plan. The Executive Committee should be directed to address how the Agency will meet its strategic goals.

5. Pre-Draft Budget and Work Plan Review

Annually, in April or May, review the Draft Budget and Draft Work Plan and gather feedback to ensure they align with objectives and strategic goals. Determine drafting

timeline of future Proposed Budget Reports to build from and incorporate feedback gathered during this pre-review stage.

Once this process and timeline is more solid, add to “Financial Management Process” section in Proposed Draft Budget Report.

a) Set Expectations Early

An earlier start to the budget process will allow a thorough discussion of expectations for the Work Plan and presentation of the budget. This will provide the Fiscal Committee and the Board with more opportunities to prioritize the goals and objectives for staff to focus on in the next Fiscal Year. The foundation of the draft budget is the Work Plan. The Work Plan summarizes staff services needed to meet the major work tasks identified to meet Agency goals during the next Fiscal Year. Improved strategic planning for those goals will feed into the Work Plan and therefore the Budget.

6. Fiscal Committee Policy Development

The Fiscal Committee has identified several areas for policy development, as noted in the appendices; the policies they would like to prioritize are highlighted below.

a) Loan Policies

(1) Loan From Designated Surcharges Account

The DWR SGM Grant wells will be completed in the beginning of FY 25/26. Consideration should be made when, or whether to repay the \$1,000,000 loan from the Designated Surcharges Account. An additional consideration can be made whether the full costs of the monitoring wells should be funded through the Designated Surcharges Account once the well project is complete and the full costs are known. A policy on loans to accounts within the Agency will help with future budget discussions.

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(2) *LPV Watermaster Legal Fee Payment Policy*

Develop LPV Watermaster Legal Fee Payment Policy for post-Adjudication Judgment Implementation. LPV Watermaster should fund all future legal efforts through the collection of their own funds.

b) *Contingency Policy*

Sufficient contingency should be available to ensure Agency operations. A clear policy on how contingencies are set and accessed through a separate accounting should be developed. Suggestions included raising contingency to 500,000 for FY 25/26 or, be set at 10% of the operating budget.

c) *Insurance Policy Review and Renewal*

Review and raise line item as appropriate to ensure adequate limits for Public Officials insurance policy during the next renewal period, which occurs annually in June.

7. *LPV Watermaster Budget*

Future iterations of the Proposed Report could include separate sections that incorporate the separate LPV Watermaster Budget and Work Plan drafts to present a complete picture of the Agency tasks and efforts by Agency staff.

V. APPENDICES

A. Agency Profile Detail²⁵

Services Provided

The FCGMA is authorized to manage and protect aquifers and groundwater basins within southern Ventura County and is authorized to act as watermaster for the LPV Basins.

Population and Area Information: GMA Estimates²⁶

	<i>Population</i>	<i>Area (square miles)</i>
Jurisdictional Area	350,000	183.24
Sphere of Influence Area	480,000	204.66

Primary Revenue Sources

Fees
Grants
Other

Primary Expenses

Salaries and Benefits
Supplies and Services
Professional Services

Public Agencies with Overlapping Jurisdiction

Bardsdale Cemetery District	Oxnard Drainage District No. 2
Calleguas Municipal Water District	Oxnard Harbor District
Camarillo Health Care District	Piru Public Cemetery District
Camarillo Sanitary District	Pleasant Valley County Water District
Camrosa Water District	Pleasant Valley Recreation and Park District
Channel Islands Beach Community Services District	United Water Conservation District
City of Camarillo	Ventura County Air Pollution Control District
City of Moorpark	Ventura County Fire Protection District
City of Oxnard	Ventura County Resource Conservation District
City of Port Hueneme	Ventura County Service Area No. 14
City of San Buenaventura	Ventura County Service Area No. 30
Fillmore-Piru Memorial District	Ventura County Service Area No. 32
Fox Canyon Groundwater Management Agency	Ventura County Service Area No. 34
Gold Coast Transit District	Ventura County Watershed Protection District
Hidden Valley Municipal Water District	Ventura County Waterworks District No. 1
Lake Sherwood Community Services District	Ventura County Waterworks District No. 19
Metropolitan Water District of Southern California	Ventura Regional Sanitation District
Oxnard Drainage District No. 1	

²⁵ Source for this format and most data: LAFCo 2024 Draft Municipal Service Report. *Additional information, including water supply by Basin, can be found in the Ventura County General Plan, Section 10: Water Resources.* https://docs.vcrma.org/images/pdf/planning/plans/VCGPU_10_Adopted_Water_September_2020.pdf

²⁶ GMA Estimate based on Census data for Jurisdictional Area and Sphere of Influence Area (5 Cities).

B. Agency History

1880's – First water wells are drilled in Ventura County using machinery instead of hand labor.

1900 to 1950 – Development of lands for farming and urban uses requires an increasing need for more groundwater.

1950's – Some wells along the Pacific Coast in Port Hueneme and Oxnard begin to show sharply elevated chloride levels, indicating seawater intrusion caused by overdraft of drinking water aquifers. More than 3 dozen wells are rendered useless because they are pumping virtual saltwater quality output.

1982 – State Senate Bill 2995²⁷ is approved creating the Fox Canyon Groundwater Management Agency (FCGMA).

1983 – FCGMA begins operations January 1, with the County of Ventura contracted to provide staffing and related services for the new Agency.

1983 – Ordinance No. 1 is adopted requiring all wells within the Agency to register and begin reporting groundwater extractions. A

fee of \$0.50 is levied for each acre-foot (AF) of water (325,851 gallons = 1 AF) pumped from local groundwater aquifers. These management fees are the sole source of income for the Agency.

1984 – 1985 – With assistance and financing from the Ventura County Flood Control District, United Water Conservation District (United), the City of Oxnard, and the City of Ventura, the United States Geological Survey (USGS) is enlisted to design and install a series of clustered monitor wells along the Oxnard Plain coastline. These nested piezometer wells will provide water level and water quality data specific to each individual aquifer layer or zone and allow evaluation of the seawater intrusion problem.

1986 – United, in cooperation with the FCGMA, completed the Pumping Trough Pipeline (PTP) to provide supplemental surface water to the over drafted southeast Oxnard Plain, thus relieving stress on the over pumped upper aquifer system. Some 47 Upper Aquifer System (UAS) wells are planned for shut down, to be replaced with surface water from the Santa Clara River

²⁷ <https://s42135.pcdn.co/wp-content/uploads/2024/04/AB-2995-FCGMA-Enabling-Legislation.pdf>

and/or groundwater from five new Lower Aquifer System (LAS) wells surrounding the so called “Pumping Trough” area.

1987 – FCGMA Management Plans are developed and finalized after several specific Task Reports are completed, thus allowing consistent management of all groundwater aquifers within the FCGMA boundary.

1987 – Ordinance No. 3 is adopted requiring water flowmeters on all wells that extract more than 50 AF of groundwater per year. This ordinance was later changed to drop the 50 AF limit, and thus to require meters on all wells except for domestic-only use wells.

1987 – Ordinance No. 4 called the “Las Posas Basin Groundwater Extraction Prohibition Ordinance” is implemented to protect the aquifer outcrop areas, and to require permits for any wells planned in the Las Posas Valley. It also prevents uncontrolled expansion of groundwater extractions and protects groundwater quality in the East, West, and South Las Posas Basins.

1989 – The FCGMA enters a joint contract with the Calleguas Municipal Water District

(CMWD) and the United Water Conservation District (UWCD) to fund a Regional Aquifer System Analysis (RASA Study) to be performed by the U.S. Geological Survey (USGS). Although 5 or 6 years are estimated to complete the field work, computer modeling, and analysis it is felt that a much better and more comprehensive understanding of subsurface hydrology will result.

1990 – Ordinance No. 5 set up a system of scheduled extraction reductions, allowed for the use of historical, baseline, and agricultural efficiency allocations, and established a credit system to encourage cutbacks in pumping, or a penalty system for over pumping beyond the established annual allocation. This ordinance has been constantly altered and modified to improve or define water management plans and methods.

2002 – All previous FCGMA ordinances are combined into a single Ordinance 8.0²⁸ along with needed updates and modifications to the management strategy.

2003 – The FCGMA Board of Directors initiates the annual John K. Flynn Award to

²⁸ <https://s42135.pcdn.co/wp-content/uploads/2022/06/Ordinance-No.-8.0.pdf>

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honor individuals or entities that have contributed to good groundwater stewardship and/or dedication to preserving water resources. The FCGMA computer database is also completely redesigned for quicker access to information, better handling of user data, and more accurate cost accounting.

2014 – State Senate Bill No. 988 was approved by the Governor on July 10, 2014. This bill authorizes, for the purpose of investigating compliance with or enforcing any provisions of the act or any agency ordinance, the agency to inspect any extraction facility within the boundaries of the agency. The bill requires the inspection to be made with the consent of the operator of the extraction facility, or, if consent is refused, with a duly issued inspection warrant.

2014 – On September 16, 2014, Governor Brown signed Assembly Bill 1739 and Senate Bills 1168 and 1319, creating the Sustainable Groundwater Management Act (SGMA)²⁹. The Act became effective January 1, 2015, and authorizes the formation of a Groundwater Sustainability Agency (GSA) for each basin identified by the Department of Water Resources (DWR). The Act further provides that each such basin designated by DWR as being a high or medium priority is required to be managed under a Groundwater Sustainability Plan.

Last updated 2015.

Update post-SGMA to follow!

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https://www.waterboards.ca.gov/water_issues/programs/gmp/docs/sgma/sgma_20190101.pdf

C. Organizational Detail

1. Agency Roles

Staff positions and general duties within the FCGMA are summarized below. The summary descriptions will be refined over time.

Executive Officer – In the past, the manager of the Agency has traditionally been a Director or Deputy Director of the Ventura County Public Works Agency (VCPWA) or Ventura County Watershed Protection District (VCWPD). Because of the dual role this person fills, a large portion of the Executive Officer’s time is spent on FCGMA matters, but the Agency is not their sole focus. The Executive Officer (EO) provides organizational leadership and strategic management services to the Agency, and acts as the main liaison between the Board, the public, and government agencies.

The Fiscal Committee has recommended that the Board revisit Resolution 2008-08 to restructure the EO position as a full-time role that serves the Agency.

Agency Counsel – Agency Counsel and Assistant Agency Counsel for the FCGMA from the Ventura County Counsel’s Office. In general, two attorneys handle FCGMA-related matters and provide legal advice on an as-needed basis. Agency Counsel attends all Board meetings and closed sessions. With assistance from other County legal staff, Agency Counsel also manages relationships with legal consultants who act as special counsel during litigation, and acts as the lead legal expert in any and all court actions or enforcement issues.

Deputy Director, Groundwater Manager and Assistant Groundwater Manager, WPD – These position classifications provide principal administrative, budgetary and program management support to the EO as required. Among the functions performed by these individuals are strategy development; staff supervision, budget management, and reporting performance on Work Plan/task oversight at the direction of the EO; they manage water resources specialists and operations administrators serving the FCGMA;

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they lead implementation of the LPV Adjudication Judgment and serve as main point of contact for LPV Watermaster.

Engineer / Hydrologist / Groundwater Specialist – An engineer or hydrologist in the VCWPD. These full-time positions were established to provide technical support for the Agency’s initiatives; they have expertise in groundwater hydrology and are knowledgeable about Ventura County geography and geology. These roles draft reports, conduct hydrologic research and technical reviews, assist in project management as assigned, assists the public with information requests, attends meetings on behalf of the Agency, and acts as Agency technical expert to stakeholders.

Water Resources Specialists – Manages AMI data, meter updates and calibration, and oversees and initiates compliance in keeping with relevant ordinance code and resolutions, all of which involves a high degree of stakeholder engagement and collaboration with operations administrators, documentation, research, and follow-up; develops and streamlines processes for ensuring effective compliance enforcement; designs and leads stakeholder education workshops on relevant topics. Provides project oversight or assistance to project managers as assigned.

Business Process Coordinator, Administrative Assistant, Management Assistant – These roles are operations administrators for the Agency, and they manage the semi-annual extraction reporting process for all pumpers within FCGMA boundaries. Previously just one individual, this team builds the processes that document reporting, registration, and other Agency requirements; they process payments and issue reports, memos and receipts; they develop stakeholder outreach materials along with the Board Clerk; they provide a high degree of customer service to member agencies, stakeholders, and staff alike. The Business Process Coordinator manages, trains, and onboards this team, including the student worker extra help role (currently vacant).

Clerk of the Board – The Board Clerk is responsible for assisting the EO with agenda preparation and development, meeting logistics, scheduling, director support, invoice and

accounts payable tracking, report preparation, contract modifications, document creation and version control, special event planning, and outreach materials, including updating the public-facing website's content and design. This role is heavily collaborative and involves a lot of action item tracking and follow-up with any given member of the Agency or its stakeholders.

D. Agency Program Codes

1. Draft Time Reporting Chart

Below follows the latest iteration of the draft, as of September 10, 2024. The Agency hopes to use this chart as a source for developing a key to accompany quarterly or annual budget reports in future.

Items in progress: some activity IDs need to be confirmed for a few projects, and further drafts of the time reporting chart will also include a section for LPV Watermaster IDs, as the chart is primarily a reference for staff as they enter time.

TIME REPORTING TRACKED TO ANNUAL OPERATIONS			
Administration and Fiscal Services			
Task	Description	Project ID	Activity ID
1. Board Meeting Administration	Board meeting preparation including agendas, scheduling, Board letters, Board presentations	P6020850	P012
	Board meetings including pre- and post-debriefing meetings	P6020850	P039
2. Agency Administration	Agency-specific overhead (not PWA) - general administration tasks, clerical work; email & phone follow-up that is not direct stakeholder/end-user contact	P6020850	P001
	Internal meetings; staff or management planning meetings	P6020850	P003
	Customer inquiries (not PRAs)	P6020850	P065
	Invoice management: routing, tracking, reporting on or approving invoices for Counsel, consultants	P6020850	P023
	Routing or Filing Incoming & Outgoing Correspondence	P6020850	P053
	Training - Providing or receiving Agency-specific procedural training that is not project-related	P6020850	P004
	Contract preparation, modification, review	P6020850	P008
	Strategic planning and oversight; consultant or vendor management	P6020850	P011
	Executive Officer		Fixed Cost
3. Official Document Filings &	Review, edit, process and archive business record filings and certifications, Ordinance Amendments, Resolutions	P6020850	P051

Public Records Requests	PRA & other public requests	P6020850	P064
4. Budget	Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report; analysis and performance reports	P6020850	P175
5. CSD Fiscal Staff Services	Submit 13-Monthly AP FSRs (incl. AP/AR) to the Agency; provide AP/AR and cash-flow management services; provide fiscal reports	Fixed Cost	
6. Committee Meetings	Committee meetings, preparation, agendas, minutes	P6020850	P041
7. Biennial Audit Report	Preparation of scope of work; selection process; assist auditor with inquiries; QA/QC draft audit report	P6020850	P089
Records Services			
Task	Activity	Project ID	Activity ID
1. Specialized Data Queries / Groundwater and Credit Transactions	Conduct extraction data analysis	P6020851	P072
	Allocation transfers, credit programs, routine variance requests; review and or processing of requests	P6020851	P058
2. FCGMA Online and Website O&M	Data management system maintenance, data mgt system testing, custom data queries, small-scale system enhancements	P6020851	P502
	Website programming revisions and content development for statements	P6020851	P082
	Website hosting & GIS fee	Fixed Cost	
3. SAES and Allocation Administration	TIER 1 - Routine SAES Processing: Prepare & mail SAES; Process SAES, IAI Applications and payments into the database; Reviewing meter photos; Administration including payment reporting and tracking; surcharge processing	P6020851	P513
	TIER 2 - Extended Follow-up: Account audits, Researching errors and omissions; Admin and Manager Reviews; Follow-up regarding incorrect or no payment (pumping, civil penalties, surcharges)	P6020851	P512
4. Well and CombCode Registration	Processing registration applications; Researching owners of record; Unregistered well follow-up; Assist new well owners/operators with registration, reporting and payment	P6020851	P505
5. Late/Non-Reporters (SAES) Compliance	Late or non-reporter follow-up and compliance; Civil Penalty assessment and notifications; Retroactive data entry (and billing) into FCGMA Online; Enforcement action recommendations to EO	P6020851	P504
	Process civil penalty waiver/reduction requests	P6020851	P620
6. Flowmeter Records Services			
	Mail Flowmeter Calibration Notices, NOV's, and follow-up	P6020851	P514

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Meter Calibration Program Maintenance	Process test results and repair/replacement flowmeter info; Process and track flowmeter exemptions, and 5-year waiver requests	P6020851	P506
AMI	AMI Operations	P6020860	P500
	AMI vendor coordination and management	P6020860	P011
	AMI meetings	P6020860	P003
Technical Services			
Task	Activity	Project ID	Activity ID
1. Annual Reports Preparation	Compile and analyze resource data for GSP and GMA Annual Reports; Prepare, review, finalize and publish	P6020852	P171
2. Data Collection, Studies, Investigations and Analysis	Routine data analysis (GW conditions, pumping trends)	P6020852	P072
	Field investigations; coordination of field investigations	P6020852	P076
	Unregistered well follow-up; new well owner/operator registration	P6020852	P505
	Perform QA/QC review of monitoring programs	P6020852	P665
3. Groundwater and Well Projects			
Well Permits	Technical review for well permit processing	P6020852	P612
Resolutions and Related Board-Approved Projects	Resolution project management, including City of Camarillo North PV Desalter Project, Camrosa WD Conejo Creek Project, Oxnard GREAT & ASR Program, Calleguas MWD ASR Program; meetings (billed under P011 because they are part of the project requirements)	P6020852	P011
	Studies, reviews, comment letters, compliance	P6020852	P665
	Meter calibration resolution implementation, replacement, rollover, water usage estimates	P6020852	P500
	Correspondence	P6020852	P053
	Meetings	P6020852	P003
Oxnard Basin Monitoring Wells	Project Administration [maintenance, monitoring, and permit and post-grant compliance (insurance submittal, data submittals, etc)]	P6020872	P500
	Contract preparation, modification, review	P6020872	P008
	Subgrantee or Vendor Management	P6020872	P011
Pleasant Valley Basin Monitoring Wells	Project Administration [maintenance, monitoring, and permit and post-grant compliance (insurance submittal, data submittals, etc)]	P6020874	P500
	Contract preparation, modification, review	P6020874	P008
	Subgrantee or Vendor Management	P6020874	P011
4. Grant Administration	Grant application and administration; subgrantee awards	P6020852	P021
Legal Services			
Task	Activity	Project ID	Activity ID

1. Advisory Services	Advice to Board and staff on open government laws, conflict of interest rules, Agency regulatory authority, contracting issues, compliance with SGMA, CEQA and other applicable laws; Board letter review and attendance at Board meetings; review and commentary or preparation of Ordinances, Amendments, Resolutions, contracts and other legal documents; code enforcement	P6020853	Invoiced separately; tracked via object code 2185
2. Anticipated and Ongoing			
LPVWRC v FCGMA	Meetings	P6020864	P003
	Correspondence	P6020864	P053
	PRAs and discovery	P6020864	P064
City of Oxnard v FCGMA	Meetings	P6020866	P003
	Correspondence	P6020866	P053
	PRAs and discovery	P6020866	P064
OPV Coalition v FCGMA	Meetings	P6020867	P003
	Correspondence	P6020867	P053
	PRAs and discovery	P6020867	P064
Public Outreach			
Task	Activity	Project ID	Activity ID
1. Participation in Integrated Regional Groundwater Issues & Stakeholder Meetings	Attend / participate in stakeholder meetings (AWA, WCVV, City Council, etc.)	P6020854	P501
2. Outreach, Website, Communications	Semi-Annual Newsletter; stakeholder outreach and engagement; public workshops; outreach materials	P6020850	P646
	Routine content management & maintenance of Agency website and social media presence	P6020850	P082
Special Expenditures			
Task	Activity	Project ID	Activity ID
1. Groundwater Sustainability Plan Implementation	All GSP implementation tasks: meetings, studies, analyses, etc.	P6020858	P507
GSP 5-Year Evaluation and Amendments	Data collection (including data requests) and analyses, report preparation, technical report review, etc	P6020858	P665
	Workshop planning, logistics, materials development promotions, attendance	P6020858	P091
	Prepare and review upload documents / modules, and upload to DWR website.	P6020858	P500
2. New Allocation Systems	New allocation system development, stakeholder meetings, etc.	P6020854	P503

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	Variance processing	P6020854	P072
3. New Data Management System Requirements	Develop performance specification for new data management system, prepare and administer RFP; planning and implementation analysis	P6020862	P010
4. Water Market Development and Implementation	Continue implementation of Water Market pilot study and expansion to all of FCGMA	P6020861	P010
5. Oxnard Well Destruction	Destroy abandoned well in Oxnard	P6020854	P617
PWA Admin & Overhead <i>(Billed to Public Works Agency; Not Paid Out of FCGMA Budget)</i>			
Task	Activity	Project ID	Activity ID
Overhead & Administration	Breaks, timesheet, County/PWA/WPD paperwork, etc.	P6990308	P001
Meetings	County/PWA/WPD/WRD/GRS meetings	P6990308	P003
County Training	County/PWA/WPD training	P6990308	P046

E. Performance Measurements

Our performance measures are based on the budget and work plan, and they tell the Agency’s story about whether our work is achieving its objectives, and if progress is being made toward achieving our goals.

“A performance measure is a quantifiable expression of the amount, cost, or result of activities that indicate how much, how well, and at what level, products or services are provided to customers during a given time.³⁰”

Our draft budget is quantifiable because it includes year-over-year data that shows the progression of the Agency’s reserves and expenditures, categorized by sections of the work plan, which is divided by project and activity, reflecting the work, business processes, and functions of FCGMA. These are understandable high-level performance measurements that are further detailed in following sections of this narrative.

1. More Measurements in Development

To measure results with more specificity, the Agency should consider developing practical, yet specific results-based performance measurements. Performance measurements must be designed to align with Board and Committee priorities.

To structure future performance measurements, staff will consider creating them with the parameters of S.M.A.R.T. goals³¹, so that we can more effectively show proof of results to our stakeholders and can more easily pinpoint areas for improvement. We hope that this discussion will start with the Fiscal Committee during the development of the FY 2024-2025 Draft Budget.

³⁰ <https://ofm.wa.gov/sites/default/files/public/budget/instructions/other/PMGuide.pdf>

³¹ University of California, SMART Goals: A How-To Guide <https://www.ucop.edu/local-human-resources/files/performance-appraisal/How%20to%20write%20SMART%20Goals%20v2.pdf>

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Examples of possible performance measurements:

- Percentage of saved but unsubmitted SAES reporting in database each quarter
- Average time spent following up with Semi-Annual Extraction Statement (SAES) reporting that contains errors and omissions in a statement cycle
- Number of Flowmeter Calibrations noticed and processed in one year

F. Other Financial Information

1. Trends and Assumptions for Key Revenue

As noted in the main section of this narrative, to forecast revenue from pump charges, an average of historical pumping rates of 121,000 Acre-Feet has traditionally been used. Below are the Agency’s current pump charges used to calculate forecasted revenue using the historical pumping average.

Pump Charge – set by enabling legislation (only fee for de minimis domestic operators)	\$6/AF
Groundwater Sustainability Fee (GWSF) effective Oct 1, 2022	\$29 A/F
GEMES Reserve Fee (sunsets Oct 1, 2024, unless extended by Board)	\$20/AF
Total	\$55/AF

2. Two-Year Forecast

2.5 and 3% were used for forecasting based on past practices.

3. About Trend and Comparative Data³²

4. Basis of Accounting

The basis of accounting describes how financial activities are recognized and reported; specifically, when revenues, expenditures (or expenses), assets, and liabilities are recognized and reported in the financial statements.³³

a) *Appropriations Limit Calculation*

Article XIII B, section 9(C) of the California Constitution³⁴ exempts certain special districts from the appropriations limit calculation mandate. Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit.

The following local governments are not subject to Appropriations Limit requirements:

- Special districts which did not, as of FY 1977-78, levy a property tax in excess of 12.5 cents per \$100 of assessed value.
- Any special district which is entirely funded by other than the proceeds of taxes.

³² <https://www.gfoa.org/materials/the-use-of-trend-data-and-comparative-data-for-financial>

³³ <https://www.dgs.ca.gov/en/Resources/SAM/TOC/7400/7440>

³⁴ <https://www.californiacityfinance.com/MRSHBch10GannLimit.pdf>

G. Policies and Procedures

1. Resolutions, Policies, and Procedures

Resolutions reflect a statement of Agency policy and are an official documentation of Board action regarding matters brought before the Board for consideration, which are then approved by a majority vote, provided a quorum is maintained.

Resolutions adopted by the Board typically address specific legal, technical, or administrative goals and objectives of the Agency. Resolutions may also authorize contracts, describe policy changes, or simply honor individuals for service to the Agency.

Any Board member, Alternate member, or individual from the public audience may suggest a resolution; however, the decision to consider deliberation and final approval action on any proposed resolution is at the sole discretion of the Board.

A summary of the resolutions adopted by the FCGMA Board can be found in a numbered listing with each effective date on the FCGMA website at <http://www.fcgma.org/public-documents/resolutions>.

In future Budget Reports, staff hope to include an updated Resolution Policies table, edited to feature relevant policies and procedures only; hyperlinked to a PDF of each Resolution included.

2. Agency Adopted Policies and Procedures

a) *As of 2015; currently under review.*

Row No.	DOCUMENT TITLE	DOCUMENT SUMMARY	INITIAL APPROVAL DATE	REVISION DATE(S)
1	Calif. State Brown Act	Reference document that summarizes the roles and responsibilities when FCGMA meetings are held/planned. Requires open and public meetings of legislative bodies such as the FCGMA Board of Directors.		
2	List of FCGMA Adopted Extraction Rates	Summary listing of 6-month reporting periods and the extraction fee adopted/imposed during each period (for reference only).	1983	Last update 08/04/2009
3	FCGMA Groundwater Management Plan	Spells out Agency background, goals, objectives, and tasks needed to accomplish basin balance, aquifer protection, and seawater intrusion improvements. Includes water quality objectives and addresses upper and lower aquifer systems as separate management functions.	09/1985 (originally known as TASK 86-3)	08/15/1995 and 11/19/1997
4	"The Fox Canyon Experience"	Text of a speech given by former Agency Coordinator John Crowley that provides background and explanation concerning how and why the FCGMA was formed and what the mission was.	06/01/1990	
5	Ventura County Administrative Supplement to California Environmental Quality Act (CEQA) Guidelines	Adopted CEQA guidelines as applied by the County of Ventura to all discretionary development projects or legislative actions incurred, endorsed, or adopted by the GMA.	10/26/1990	
6	Conflict of Interest Code for the FCGMA officers, employees and consultants	Adopted Fair Political Practices Commission Conflict of Interest Codes pertaining to elected and appointed officials and key staff members. Designated officers & employees must file annual statements with the Agency.	02/22/1991	08/27/2014; 09/25/2002
7	PWA Copy and Mailing Charges	Adopted County Public Works Agency filing rates for reproduction and mailing of	11/27/1991	

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		full agenda packets requested by non-board members.		
8	GMA Adoption of Water Quality Standards for Injection Water	Adopted water quality standards (minimums) for injected water that can be used for injection/extraction storage wells.	02/23/1994	
9	Injection-Storage Rules for the ELP Basin	Sets operating parameters and conditions governing the injection and extraction of imported water by CMWD in the ELP basin.	02/23/1994	
10	Participation in Ventura County Treasury Investment Policy	GMA pumping fees are placed in an interest-bearing investment pool along with other County monies. Low risk and high protection are pluses. (Adopted by County 09/11/1995)	Adopted by FCGMA 10/02/1995	
11	List of FCGMA-Approved In-Lieu Program Participants	Lists 9 water districts/purveyors as the only approved participants in the Calleguas/FCGMA In-Lieu Program	09/25/1996	
12	Policy Statement for In-Lieu Credit Exchange Program	Specifies rules of participation and transfer for all allocations traded in-lieu of foreign water imports. Sets semi-annual accounting transfers with regular statements. Program participants approved by GMA Board & Agency Coordinator prior to transfer.	10/23/1996	
13	Policy for Redemption of M&I Credits	A listing of rules governing the use, redemption, and earning of FCGMA Credits.	02/25/1997	
14	FCGMA Task Objectives	Numbered list of intended work tasks and/or objectives for the Calendar Year. (updated annually or as needed)	1998	2024
15	UWCD Conservation Credit Trust	Also sometimes referred to as “The Good Deed Credit Trust”; this write-up describes how UWCD can earn FCGMA conservation credits for importing State Project Water, then use those credits for some common good or benefit to the aquifers within the FCGMA.	2002	
16	Agreement to abide by State Fish and Game Code Section 711.4	Explanation of Fish and Game requirements/procedures as they apply to CEQA and project reviews. Subjects the FCGMA to CEQA but allows the Agency to file categorical exemption findings as needed on a case-by-case basis.	09/30/2002	
17	Conditions for the FCGMA Supplemental M&I Water Program	FCGMA Memorandum/Board Letters that list the conditions or operating parameters of the PVCWD/CMWD/UWCD/FCGMA Supplemental Water Program.	05/28/2003 (02/12/2004)	
18	Interest-Penalty Implementation and Cap	FCGMA Board Letter that explains how 1.5 percent per month interest/penalty assessments should be applied to fee-	05/25/2004	

		due billings, and how a maximum cap or limit level might apply and when.		
19	Laptop Computer Data Protection Policy	IT Services Memo recommending an annual fee and installation cost to encrypt hard drives in laptops (cost and decision to encrypt or not is up to each County department); FCGMA opted out.	10/05/2007	
20	Email Retention Policy	Decree from County IT Services that limits E-mail message in-box and sent-box items to no older than 2 years to maintain hard drive space and limit computer core memory storage (virtual or real).	01/29/2009	
21	Financial Reserves Policy	The Agency will maintain a financial reserve equal to one year of operating expenses (currently \$1,000,000).	06/24/2015	
22	Designated Surcharge Balance	A designated Surcharge Balance will be kept separate from civil penalties and interest earnings.	06/24/2015	
23	FCGMA Business Practices Manual Update	Board approved the following policies for inclusion in the FCGMA Business Practices Manual: (1) Code of Ethics Policy; (2) Records Retention and Disposition Policy and Records Retention Schedule; (3) Public Records Act Request Policy; and (4) Financial Reserves Policy. AB 1234 Ethics Training for Board of Directors and Alternates approved.	<i>Update TBD</i>	
24	Board Policy Manual	Compendium of Board Directives Relating to Agency Priorities, and Board Action Strategies Relating to Adopted FY Work Plan	<i>Proposed / TBD</i>	
25	LPV Adjudication Judgment	TBD – discuss inclusion in FCGMA Policies and Procedures, especially due to its influence on Agency operations in the LPV Basins.	<i>Proposed</i>	

3. Agency Objectives

**FOX CANYON GROUNDWATER MANAGEMENT AGENCY
OBJECTIVES 1998**

1. **ADMINISTER GMA ORDINANCES.** Priority work to carry on normal GMA business, schedule and hold monthly meetings, bill and receive payments, and scheduling agenda items for action on items beyond the authority of the Coordinator.
2. **IMPLEMENT THE MANAGEMENT PLAN.** Implement the GMA Management Plan by bringing individual items to the board for approval.
3. **IMPLEMENT THE GMA WATER QUALITY OBJECTIVES.** Follow-on action for the water quality objectives as approved by the board.
4. **DESIGN AND SUBMIT A NEW BUDGET FORMAT SUITABLE TO THE BOARD.** Submit new budget format based upon the Waterworks District formatting. Obtain approval and submit 1998-1999 budget in new format.
5. **DEVELOP CHLORIDE DATA.** Continue to hold discussions, obtain new information and develop GMA position on chloride concentrations.
6. **INCREASE PENALTY CHARGES.** Review the need for increased penalties for overpumping and determine the new penalty assessments if appropriate.
7. **PLACE ORDINANCES AND AGENDA ON INTERNET.** Install all ordinances, enabling legislation, GMA history, directors biography and publish monthly agenda on the internet.
8. **RETURN TO A MONTHLY MEETING SCHEDULE.** Keep meeting schedule to monthly, or bi-monthly unless pressing items demand attention.
9. **INVESTIGATE USING PUMP CHARGES TO FUND WELL DESTRUCTION.** Investigate the desirability of using \$.80 per acre foot of water pumped out of the GMA to augment the well destruction program funding.
10. **CONSIDER CHANGING ORDINANCE 5.6 TO MAKE THE APPLICATION FOR CONSERVATION CREDITS AUTOMATIC.** Ordinance 5.6 requires each operator to apply for conservation credits by July 1st each year. Many credits are not applied for because they will not be used. However, there are a few pumpers who need and want the credits and some of those are not meeting the annual deadline for credit applications. Since all pumping is recorded in a data base, we already know how many credits are due each year. Automatic generation of credits would simplify the process for pumpers and staff. Alternately, making the credit application process automatic will result in approximately 20,000 acre feet of additional credits each year most of which will never be used.
11. **DISCUSS THE DESIRABILITY OF APPOINTING A COMMITTEE TO STUDY AND RECOMMEND SOLUTIONS TO THE LAS POSAS BASIN OVERDRAFT PROBLEM.** Resolution of the overdraft problems in the Las Posas Basin can best be accomplished by involving the pumpers who depend upon this basin for water. A truly representative group will have a greater probability of finding and implementing a solution to the problem.

a) *Board Action Strategies for FY 2024-25 [template for future planning]*

b) *Develop a Board Policies document to add to Appendices.*

c) *Developing Strategic Goals*

4. *Fiscal Committee*

a) *Objectives*

Goals, priorities/mandates (TBD)

b) *Policy Development Process*

Action policies and procedures in development. (TBD)

c) *Fiscal Committee Policies*

- Review Policy
- Budget and Fiscal Policy
- Fiscal Management Policy
- Audit Management Policy
 - Audit Review Policy

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- Reserve Level Policy
- Enforcement Policy
 - Collect resources for review³⁵
- Funding Policies
 - Grants
 - Interfund Loans
 - Loans to Other Programs (LPV Watermaster)

³⁵ <https://www.cdtfa.ca.gov/taxes-and-fees/manuals/cpm-07.pdf>

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GSA. See Groundwater Sustainability
Agency

Sustainable Groundwater Management
Act
SGMA, 52, 82

J. Agency Contacts

1. DIRECTORS

Eugene F. West (Chair) – Small Water Districts (805) 657-2121 (*Term Exp 2-28-25*)
Executive Committee, Fiscal Committee

Kelly Long (Vice Chair) – Ventura County Board of Supervisors (805) 654-2276 (*Term Exp 2-28-25*)
Executive Committee

Michael Craviotto – Farming Interests (805) 766-9602 (*Term Exp 2-28-26*)
Operations Committee, Flynn Award Selection Committee

Lynn Maulhardt – United Water Conservation District (805) 982-0780 (*Term Exp 2-28-26*)
Operations Committee

Tony Trembley – Five Cities (805) 388-5307 (*Term Exp 2-28-26*)
Fiscal Committee, Flynn Award Selection Committee

2. ALTERNATE DIRECTORS

Raul Avila – Small Water Districts (818) 798-8745 (*Term Exp 2-28-25*)

David Borchard – Farming Interests (805) 485-3525 (*Term Exp 2-28-26*)

Vianey Lopez – Ventura County Board of Supervisors (805) 654-2613 (*Term Exp 2-28-25*)

Sheldon Berger – United Water Conservation District (805) 312-7653 (*Term Exp 2-28-26*)

Bert Perello – Five Cities (805) 240-6194 (*Term Exp 2-28-26*)

3. STAFF

Arne Anselm – Interim Executive Officer (805) 654-3942

Alberto Boada – Agency Legal Counsel (805) 654-2578

Jason Canger – Agency Assistant Legal Counsel (805) 654-2879

Farai Kaseke – Assistant Groundwater Manager (805) 654-2954

Kathy Jones – Staff Services Specialist (805) 645-1372

Robert Hampson – Groundwater Specialist (805) 654-3952

John Gauthier – Groundwater Specialist (805) 654-5164

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Kylen Wooley – Water Resources Compliance Specialist (805) 658-4374

Cynthia Rodriguez – Administrative Assistant (805) 662-6831

Elka Weber – Management Assistant | Clerk of the Board (805) 654-2014

Item 19 - Exhibit 19B – Fiscal Year 2024-25 Draft Annual Work Plan

FCGMA FISCAL YEAR 2024-25 ANNUAL WORK PLAN - DRAFT				
ANNUAL OPERATIONS				
Administration and Fiscal Services				
Task	Board Priority	Description	Labor Hours Estimate	Labor Cost Estimate
1. Board Meeting Administration	I.Board Meetings 1.Board meetings, agendas, minutes	- Regular and special Board meetings, including agendas, minutes, staff reports, presentations, participation, attendance, pre- and post-debriefing meetings - Contract estimate for County General Services Administration (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc.	1,682	\$317,832
2. Agency Administration	N/A	- Agency-specific administration and clerical tasks - Customer inquiries and data requests - Staff and management planning meetings	1,478	\$231,292
3. Official Document Filings & Public Records Requests	II.Legislation or Regulations 5.Public Records Act (PRA) Requests	- Process business record filings and certifications (i.e. 700 Forms, CEQA/NOEs, EIR/MND's per fiscal year, State water agency filings, PRA requests, public notices)	574	\$75,415
4. Budget	II.Legislation or Regulations 3.Annual Work Plan & Budget	- Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report, and performance reports	230	\$47,885
5. CSD-Fiscal Staff Services	N/A	- CSD-Fiscal Services: submit 13-Monthly AP FSRs (incl. AP/AR), provide AP/AR and Cash-Flow Management Services, Fiscal Reports for the Agency	Fixed Cost	\$150,000
6. Committee Meetings	I.Committee Meetings 2. Committee Meeting Administration	- Executive, Fiscal, Operations, and other advisory committee meetings coordination, agendas, minutes, etc.	600	\$116,442
7. Biennial Audit Report	II.Legislation or Regulations 4.Biennial Audit	- Preparation of Scope of Work; Auditor Selection Process; Assist Auditor with inquiries; QA/QC of Draft Audit Report - next audit FY 2024-25	20	\$4,140
<i>Administration and Fiscal Services Subtotal</i>			4,584	\$943,005
Records Services				
Task	Board Priority	Description	Labor Hours Estimate	Labor Cost Estimate
1. Specialized Data Queries / Groundwater and Credit Transactions	IV.Ordinace 3.Allocation Transfer Requests	Conduct specialized data queries and analyses - Routine variance requests - Credit programs - Allocation transfers - Extraction data analysis	848	\$129,182
2. FCGMA Online and Website O&M	N/A	- Web page revisions and programming revisions - Data management system maintenance, custom data queries, small-scale system enhancements, planning for new data management system (\$260,100 IT services) - Web Application Hosting & GIS Fee (\$16,661 annually)	324	\$46,833
3. SAES and Allocation Administration	IV.Ordinace 1.Semi-Annual Statements (SAES)	TIER 1 - Routine SAES Processing - Prepare and mail SAES incl. data mgt system testing - Process and enter SAES, IAI Applications and payments into the database - Administration TIER 2 - Supervisor / Manager Follow-up - Follow-up regarding errors and omissions - Admin and Manager Reviews - Follow-up regarding incorrect or no payment	5,360	\$584,530
4. Well and CombCode Registration	IV.Ordinace 5.Owner and/or operator changes	- New well registration, change in well registration, CombCode registration or changes - Unregisterd well compliance and enforcement	630	\$84,128
5. Late/Non-Reporters (SAES) Compliance	IV.Ordinace 6. Compliance/Enforcement a.Non-reporting b.Failure to register change of owner/operator	- Follow-up with non-reporters - Assess Civil Penalties for late/non-filing and late/non-payment and send letters (by regular and certified mail return receipt) - Retroactive data entry (and billing) into FCGMA Online - Recommendation to EO for enforcement action - Process civil penalty waiver/reduction requests	1,023	\$136,727
6. Meter Calibration Program Maintenance	IV.Ordinace 4.Flowmeters & AMI a.Calibration review & processing b.Flowmeter replacement, rollover, water usage estimates c.AMI data management 6.Compliance/Enforcement c.Flowmeter calibration d.AMI	- Mail Flowmeter Calibration Notices, NOVs, and follow-up - Process and upload test results (including failed flowmeter reports) and repair/replacement flowmeter information into FCGMA Online - Process and track flowmeter exemptions, and 5-year waiver requests	1,360	\$171,422
<i>Records Services Subtotal</i>			9,545	\$1,152,821
Technical Services				
Task	Board Priority	Description	Labor Hours Estimate	Labor Cost Estimate
1. Annual Reports Preparation	II.Legislation or Regulations 2.GSP Annual Reports	- Compile and analyze resource data for GSP and GMA Annual Reports - Prepare, review, finalize and publish annual reports	512	\$88,361
2. Data Collection, Studies and Investigations and Analysis	V.Resolution 1.Conejo Creek Project 2.NPV Desalter 3.GREAT / RWPA Program	- Routine data analysis (i.e., GW conditions, pumping trends, etc.) - Perform QA/QC review of monitoring programs - Coordination of field investigations in support of tech studies - Tierra Rejada weather station maintenance	580	\$89,216

FCGMA FISCAL YEAR 2024-25 ANNUAL WORK PLAN DRAFT				
3. Groundwater and Well Project Reviews	IV.Ordinance 2.Well Permit Applications	- Resolution project management (including City of Camarillo North PV Desalter Project, Camrosa WD Conejo Creek Project, Oxnard GREAT & ASR program, Calleguas MWD ASR program) - Project Reviews and technical comment letters	604	\$108,984
4. AMI Operations	4.Flowmeters & AMI c.AMI data management	- Administration of AMI program - Coordination of AMI vendors - AMI data management and analysis	1,296	\$164,269
5. Grant Application	VI.Grant - SGM implementation Rd 1	Review and evaluate grant opportunities and prepare grant applications	104	\$20,473
<i>Technical Services Subtotal</i>			3,096	\$471,303
Legal Services				
Task		Description	Labor Hours Estimate	Labor Cost Estimate
1. Advisory Services	N/A	- Advice to Board and staff on open government laws, conflict of interest rules, Agency regulatory authority, contracting issues and compliance with Sustainable Groundwater Management Act, California Environmental Quality Act and other laws applicable to Agency. - Board letter review and attendance at Board meetings. - Preparation of ordinances, resolutions, contracts and other legal documents. - Code enforcement.	0	\$0
2. Anticipated and Ongoing Litigation (Staff Time)	III.Judgment and Litigation 2.OPV Adjudication a.Discovery	- Represent Agency in legal proceedings in superior court. - Litigation related staff time, for discovery requests and other related follow up; this is related to staff labor only and does not include attorneys, consultants, contractors.	517	\$114,862
3. Outside Counsel	III.Judgment and Litigation 2.OPV Adjudication a.Discovery	- Special counsel fees related to ongoing and anticipated litigation		
<i>Legal Services Subtotal</i>			517	\$114,862
Public Outreach				
Task		Description	Labor Hours Estimate	Labor Cost Estimate
1. Participation in Integrated Regional Groundwater Issues & Stakeholder Meetings	N/A	Attend/participate in AWA Mtgs/events; BofD / City Council mtgs; Stakeholder mtgs (incl. wholesalers); WCVG/CIRWP meetings; State/Regional Water agency workshops; and GW Forums and Committee Meetings.	208	\$45,013
2. Outreach, Website, Social Media	N/A	Routine administration and maintenance of Agency website and social media presence; produce Semi-Annual Newsletter; stakeholder outreach and engagement; public workshops; outreach materials. (\$25,000 est. for outside services)	332	\$50,917
<i>Public Outreach Subtotal</i>			540	\$95,930
<i>Subtotal Agency Annual Operations</i>			18,282	\$2,777,922
SPECIAL EXPENDITURES				
Task		Description	Labor Hours Estimate	Labor Cost Estimate
1. Groundwater Sustainability Plan Implementation	II.Legislation or Regulations 1.GSP 5-Year Evaluation	Implementation of GSP including monitoring well installation, project review and coordination, address data gaps, modeling analysis, GSP Evaluations & Updates, etc. (Contract expense for Dudek.)	1,720	\$294,715
2. New Allocation Systems	VII.Board Direction 4.OPV variance applications	Implementation of new allocation systems including non-routine variance process.	504	\$90,418
3. New Data Management System	VII.Board Direction 5.New data management system procurement	Two meetings to discuss need and requirements. In a future FY, prepare and administer RFP, enter contract to develop and implement new system. (Planning-level amount of \$200,000 for consultant services.)	44	\$7,352
4. Water Market Development and Implementation	VII.Board Direction	Continue implementation of Water Market pilot study and expansion to all of FCGMA	36	\$5,967
5. Oxnard Well Destruction	VII.Board Direction 1.Oxnard well destruction	Destroy abandoned well in Oxnard. (Estimated expense for drilling contractor).	8	\$1,896
6. DWR SGM Grant Administration	VI.Grant - SGM implementation Rd 1 2.Subgrantee awards to UWCD, PVCWD, Camarillo 3.Quarterly reports	DWR SGM Grant administration (Consultant contract estimate)	60	\$14,872
7. Replenishment Fee			0	\$0
8. Staffing Analysis	Staffing Analysis	Contracted with Hallmark Group; staff hours supporting analysis and research	128	\$25,009
9. OPV Monitoring Well Installation	VI.Grant - SGM implementation Rd 1 1.OPV Monitoring Well Installation	Planning, permitting, installation, development, and reporting of new OPV monitoring wells partially funded by DWR SGM Grant. (Projected contract expense for drilling contractor).	956	\$164,394
<i>Subtotal Special Expenditures</i>			3,456	\$604,623
GRAND TOTAL - Annual Operations and Special Expenditures:			21,738	\$3,382,544

Item 19 - Exhibit 19C - FCGMA FY 2024-25 Budget

FCGMA FY 2024-25 BUDGET - DRAFT

Fund O170 Unit 5795	2021-22 Year-End Actuals	2022-23 Year-End Actuals	2023-24 Adopted Budget	2023-24 Actuals Through May 2024	2023-24 Year-End Actuals	2024-25 Draft Budget	Increase/ Decrease over PY	% Change over PY	2025-26 Planning- Level @ 2.5% Budget Projections	2026-27 Planning- Level @ 3.0% Budget Projections
BEGINNING YEAR FUND BALANCE	\$2,840,404	\$3,931,484	\$4,351,081	\$4,351,080	\$4,351,081	\$6,996,395				
Revenues										
Pump Charge (Note 1)	\$639,940	\$801,486	\$726,000	\$830,335	\$841,816	\$726,000	-	0.00%	\$726,000	\$726,000
Groundwater Sustainability Fee (Note 2)	\$1,338,148	\$1,626,366	\$3,509,000	\$2,714,634	\$2,756,100	\$3,509,000	-	0.00%	\$5,324,000	\$5,324,000
Penalties / Interest	\$73,441	\$47,965	\$60,000	\$295,941	\$299,408	\$130,000	\$70,000	116.67%	\$130,000	\$130,000
GMA Pumping Surcharges	\$1,361,301	\$1,027,229	\$1,000,000	\$893,354	\$895,179	\$1,000,000	-	0.00%	\$1,000,000	\$1,000,000
GEMES (Reserve Fee)	\$1,865,459	\$1,776,295	\$2,420,000	\$2,108,898	\$2,137,678	\$2,420,000	-	0.00%	\$2,420,000	\$2,420,000
SGM Impl Grant Round 1 (OPV) - DWR (Note 3)	-	-	\$1,031,120	-	-	\$2,577,800	1,546,680.00	150.00%	-	-
SGM Impl Grant Round 1 (OPV) - Admin (Note 4)	-	-	\$47,729	\$92,944	\$92,944	\$46,472	(\$1,257.00)	-2.63%	-	-
Water Market / AMI Grant (Note 5)	\$93,870	-	-	-	-	-	-	-	-	-
Interest Earnings (Note 6)	\$12,892	\$88,098	\$35,000	\$123,699	\$277,445	\$287,000	\$252,000	720.00%	\$287,000	\$287,000
Loan From Surcharges (Note 7)	-	\$1,000,000	-	-	-	\$0	\$0	-	-	-
LPV Watermaster for Rules Appeal (Note 8)	-	-	-	-	-	\$200,000	\$200,000	-	-	-
Misc. Revenue	-	\$2,950	-	\$163	\$163	-	-	-	-	-
Total Revenues	\$5,385,051	\$6,370,388	\$8,828,849	\$7,059,967	\$7,300,733	\$10,896,272	\$2,067,423	23.42%	\$9,887,000	\$9,887,000
Expenditures										
Public Works Agency Charges (Note 9)	\$1,756,304	\$1,814,950	\$2,860,200	\$1,590,808	\$1,736,041	\$3,382,544	\$522,344	18.26%	\$3,467,108	\$3,571,121
General Services Agency Charges (Note 10)	\$44,940	\$24,670	\$25,000	\$9,776	\$18,990	\$25,000	-	0.00%	\$25,625	\$26,394
FCGMA Online Support/GIS (Note 11)	\$139,423	\$189,440	\$276,761	\$169,716	\$173,025	\$247,061	(\$29,700)	-10.73%	\$253,238	\$260,835
LAFCO Funding (Note 12)	\$2,078	\$2,551	\$2,100	\$2,995	\$2,995	\$3,510	\$1,410	67.14%	\$3,598	\$3,706
General Legal (County Counsel) (Note 13)	\$187,875	\$129,490	\$150,000	\$153,801	\$185,852	\$170,000	\$20,000	13.33%	\$174,250	\$179,478
Special Counsel (Stoel, Shute MW)	\$1,830,269	\$2,049,926	\$1,350,000	\$1,312,314	\$1,466,690	\$1,655,000	\$305,000	22.59%	\$1,925,000	\$1,450,000
County Counsel (Litigation) - GEMES	\$136,367	\$249,100	\$180,000	\$208,948	\$242,813	\$230,000	\$50,000	27.78%	\$180,000	\$135,000
Board Member Insurance	\$3,796	\$3,796	\$4,000	\$4,118	\$4,118	\$4,085	\$85	2.13%	\$4,187	\$4,313
Biennial Audit	\$8,365	\$16,000	-	\$4,000	\$4,000	\$20,000	\$20,000	-	\$25,000	-
AWA Dues / Symposium/Conference	\$2,744	3,973	\$2,000	\$2,501	\$2,501	\$2,500	\$500	25.00%	\$2,563	\$2,639
Public Outreach & Notices	\$922	\$880	\$2,000	\$991	\$991	\$1,000	(\$1,000)	-50.00%	\$1,025	\$1,056
GSP Annual Reports (Note 14)	-	\$19,798	\$65,730	\$52,724	\$59,085	\$97,000	\$31,270	47.57%	\$99,425	\$102,408
Et Weather Station Contract	-	-	\$324	-	-	-	(\$324)	-100.00%	-	-
Watershed Contributions / Match (Note 15)	\$2,600	\$1,500	\$3,700	\$1,500	\$1,500	\$1,500	(\$2,200)	-59.46%	\$1,538	\$1,584
Computer Equipment, Software & Website	-	-	\$5,000	\$3,029	\$3,355	\$5,000	-	-	\$5,125	\$5,279
Office Equipment/Supplies/Printing	\$1,119	-	\$1,500	\$126	\$126	\$1,000	(\$500)	-33.33%	\$1,025	\$1,056
Misc Expense / Misc Payment	\$781	\$451	\$2,000	\$2,117	\$2,033	\$2,500	\$500	25.00%	\$2,563	\$2,639
Special Expenditures										
New FCGMA Data Management System (Note 16)	\$39,337	\$10,860	\$200,000	-	-	-	(\$200,000)	-100.00%	-	-
GSP Implementation Updates (Note 17)	\$105,430	\$266,995	\$781,063	\$265,179	\$554,562	\$989,000	\$207,937	26.62%	\$200,000	\$206,000
SGM Impl. Grant Monit Well Install (OPV) (Note 18)	-	-	\$2,632,826	-	-	\$4,870,000	\$2,237,174	84.97%	\$100,000	-
SGM Impl. Grant Round 1 (OPV) - App. (Note 19)	\$15,548	-	-	-	-	-	-	-	-	-
SGM Impl. Grant Round 1 - Administration (Note 20)	-	\$56,560	\$57,477	\$51,361	\$68,705	\$60,000	\$2,523	4.39%	\$61,500	\$63,345
SGM Round 2 Grant Application (Note 21)	-	\$14,011	-	-	-	-	-	-	-	-
Stakeholder Facilitation / Public Outreach	\$15,215	\$2,666	\$25,000	-	\$16,086	\$25,000	-	0.00%	\$25,625	\$26,394
AMI Data Support	-	-	-	-	\$12,352	\$61,648	\$61,648	-	-	-
Oxnard Well Destruction (Note 22)	-	-	\$70,000	\$43,487	\$86,976	-	(\$70,000)	-100.00%	-	-
Rate Counsel & Consultant (Note 23)	-	\$93,176	\$100,000	\$10,913	\$12,623	\$17,000	(\$83,000)	-83.00%	\$17,425	\$17,948
Contingency	-	-	\$100,000	-	-	250,000.00	\$150,000	150.00%	100,000	100,000
Loan to Operations (Initiated FY 22-23)	-	\$1,000,000	-	-	-	-	\$0	-	1,000,000.00	-
Total Expenditures	\$4,293,113	\$5,950,791	\$8,896,681	\$3,890,405	\$4,655,419	\$12,120,348	\$3,223,667	36.23%	\$7,675,818	\$6,161,192
Net Operating Results	\$1,091,938	\$419,597	(\$67,832)	\$3,169,563	\$2,645,314	(\$1,224,076)	(\$1,156,244)	1704.57%	\$2,211,183	\$3,725,808
Operating Reserves	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	-	-	\$1,000,000	\$1,000,000
YEAR END FUND BALANCE	\$3,931,484	\$4,351,081	\$4,283,249		\$6,996,395	\$5,772,319	\$1,489,070	34.76%	\$3,211,183	\$4,725,808

Item 19 - Exhibit 19C - FCGMA FY 2024-25 Budget

Footnotes:

- (1) FY 24-25 projected pump charge revenue assuming 121,000 AFY extraction at \$6.00 per AF.
- (2) Projected groundwater sustainability fee revenues assuming 121,000 AF extractions.
- (3) Projected reimbursement from DWR for SGM Implementation Grant Round 1 funds for FCGMA projects in the Oxnard & Pleasant Valley Basins.
- (4) Reimbursement from subgrantees City of Camarillo, UWCD, and PVCWD for consultant grant administration services per Board direction (7/20/2022).
- (5) Funding as subgrantee to The Nature Conservancy's Natural Resources Conservation Service grant. Ended FY 21-22.
- (6) Annual interest earnings apportionments projected to be received from the County Pooled Investment Fund.
- (7) Loan from Designated Surcharges Account approved by Board as part of FY 2022-23 Budget to be repaid in FY 2024-25.
- (8) Recommendation of Fiscal Committee for LPV Watermaster to repay 50% legal fees for LPV Watermaster Appeal
- (9) Projected PWA charges to implement FY 2024-25 Annual Workplan. Includes Executive Officer and Fiscal allocation.
- (10) County General Services Agency (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc.
- (11) FY 24-25 Estimate for IT services to support, maintain, and improve FCGMA Online Data Management System
- (12) Payment to LAFCO Per Govt. Code Sect. 56381 (b) (1).
- (13) County Counsel services for regular FCGMA legal advisory services.
- (14) GSP Annual Report expense updated based on new Dudek scope approved by Board 12/9/2022 and amended 2/28/24.
- (15) Includes contributions to Watershed Coalition of Ventura County (\$2,200) and Santa Clara Watershed Committee (\$1,500).
- (16) New FCGMA data management system procurement planning-level projections.
- (17) Projected GSP implementation consultant costs. Updated based on Dudek contract scope approved by Board 12/9/2022 and subsequent contract modifications/amendments.
- (18) Monitoring well installation in OPV basins projected expense. Majority funded by DWR SGM Implementation Grant.
- (19) Consultant expenses for grant application for DWR SGM Implementation Grant Round 1 for projects in Oxnard & Pleasant Valley Basins.
- (20) Consultant to assist with DWR SGM Implementation Grant Round 1 Administration for the OPV Basins. Reimbursement from City of Camarillo, PVCWD, and UWCD.
FCGMA net share \$9,748 annually.
- (21) Consultant expenses for grant application for DWR SGM Implementation Grant Round 2 for projects in Las Posas Valley Basin.
- (22) Projected cost to destroy Oxnard well; destruction complete and project wrapping up as of this draft Budget.
- (23) Rate counsel and consultant for planned replenishment fee. Projected expense in FY 2024-25 for GEMES by Jarvis Fay.

Fiscal Year 2024-2025 FCGMA Work Plan and Budget

Item No. 19 – September 25, 2024



Arne Anselm
Interim Executive Officer

Background

- Board must adopt an annual budget
- The Fiscal Committee met to discuss the draft Work Plan and Budget on:
 - May 10
 - June 10
 - June 11
 - July 9
 - August 9
- Fiscal Committee recommended
 - New format to improve transparency
 - Board adopt the proposed Work Plan and Budget
- September 13, 2024, your Board provided addition direction

New - Proposed Budget Report

- Improve communication about the Agency and its budgetary needs
- Who we are and what we do
 - Staffing
 - Contract support
 - Financial management – time and money
- Budgeting Process
 - Revenues
 - Planned expenses
 - Work Plan
 - Budget

Revenues

Pump fees per Acre-Foot	
Pump Charge – set by enabling legislation (only fee for de minimis domestic operators)	\$6/AF
Groundwater Sustainability Fee (effective Oct 1, 2022)	\$29 A/F
GEMES Reserve Fee (sunsets Oct 1, 2024, unless extended by Board)	\$20/AF
Total	\$55/AF

Surcharges		
Tier	Pumping	Rate
Tier I	0.001 to 25.000 AF	\$1,929 per AF
Tier II	25.001 to 99.999 AF	\$2,179 per AF
Tier III	100 AF or more	\$2,429 per AF

Agency Accounts

Account	Board Direction
<u>Designated</u> GEMES Account (Groundwater Extraction Management Enforcement Surcharge)	Designated GEMES Account established by Resolution No. 2006-04; Board directed to fund litigation costs including Agency counsel; Reserve Fee established by Resolution 2020-05
<u>Designated</u> Surcharges Account	For Board-directed uses only, not to be used for routine Agency operations
<u>Designated</u> Operating Reserves Account	Maintain \$1,000,000 reserve balance based on Board direction
Operating Account	Routine annual operation expenses as identified in Work Plan
Grand Total Fund Balance	Total of all above

Revenue

Fund O170 Unit 5795	2023-24 Year-End Actuals	2024-25 Draft Budget
BEGINNING YEAR FUND BALANCE	\$4,351,081	\$6,996,395
<u>Revenues</u>		
Pump Charge (Note 1)	\$841,816	\$726,000
Groundwater Sustainability Fee (Note 2)	\$2,756,100	\$3,509,000
Penalties / Interest	\$299,408	\$130,000
GMA Pumping Surcharges	\$895,179	\$1,000,000
GEMES (Reserve Fee)	\$2,137,678	\$2,420,000
SGM Impl Grant Round 1 (OPV) - DWR (Note 3)	-	\$2,577,800
SGM Impl Grant Round 1 (OPV) - Admin (Note 4)	\$92,944	\$46,472
Water Market / AMI Grant (Note 5)	-	-
Interest Earnings (Note 6)	\$277,445	\$287,000
Loan From Surcharges (Note 7)	-	\$0
LPV Watermaster for Rules Appeal (Note 8)		\$200,000
Misc. Revenue	\$163	-
Total Revenues	\$7,300,733	\$10,896,272



Budget Components

- Annual Work Plan
 - Estimated labor hours by task
 - Annual Agency Operations
 - Special Expenditures
- Budget Worksheets
 - Operating Account
 - Designated Accounts

FCGMA FISCAL YEAR 2024-25 ANNUAL WORK PLAN - DRAFT				
ANNUAL OPERATIONS				
Administration and Fiscal Services				
Task	Board Priority	Description	Labor Hours Estimate	Labor Cost Estimate
1. Board Meeting Administration	I.Board Meetings 1.Board meetings, agendas, minutes	- Regular and special Board meetings, including agendas, minutes, staff reports, presentations, participation, attendance, pre- and post-debriefing meetings - Contract estimate for County General Services Administration (GSA) fees for printing of Board packets and other materials, mail and shipping, Board room and AV fees, etc.	1,682	\$317,832
2. Agency Administration	N/A	- Agency-specific administration and clerical tasks - Customer inquiries and data requests - Staff and management planning meetings	1,478	\$231,292
3. Official Document Filings & Public Records Requests	II.Legislation or Regulations 5.Public Records Act (PRA) Requests	- Process business record filings and certifications (Le. 700 Forms, CEQA/NOEa, EIR/MMND's per fiscal year, State water agency filings, PRA requests, public notices)	574	\$75,415
4. Budget	II.Legislation or Regulations 3.Annual Work Plan & Budget	- Preparation and adoption of Annual Work Plan, Budget, Proposed Budget Report, and performance reports	230	\$47,885
5. CSD-Fiscal Staff Services	N/A	- CSD-Fiscal Services: submit 13-Monthly AP FSRs (incl. AP/AR), provide AP/AR and Cash-Flow Management Services, Fiscal Reports for the Agency	Fixed Cost	\$150,000

Work Plan - Matches Staffing to Priorities

- Estimates hours by staff
 - Administration and Fiscal
 - Records
 - Technical
 - Legal
 - Public Outreach
 - Special Expenditures
- Rolls into line item in proposed budget: \$3,382,544

FCGMA Staffing

- FY 2024-5 Work Plan & Budget included 12.08 full-time equivalents (FTEs)
 - Assumes no vacancies
 - Full-time Executive Officer
 - No staff for LPV Watermaster
- Human Resources Support – included in work plan rates
- Fiscal Support – fixed costs \$150,000
- Information Technology - charge directly: \$173,025
- General Services agency – charge directly: \$25,000

FCGMA Org Chart

Interim Executive Officer
Arne Anselm

GW Manager (EM III)
Vacant 1/20/2024

Legend:

Vacant	FCGMA	County	Part-time
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County GW Resources

GW Specialist (Hydro III)
John Gauthier

Water Res Specialist (WRS IV)
Jeff Dorrington

Water Res Specialist (WRS III)
Open Recruitment

FCGMA Admin/Tech

Engineer (Eng II)
Raya Nour

GW Specialist (Hydrologist IV)
Robert Hampson

Clerk of the Board (AA III)
Elka Weber

Extra Help GW Specialist
Kathleen Riedel

FCGMA Operations

Assistant Groundwater Manager (EM I)
Farai Kaseke

Water Res Specialist (WRS-II)
Open Recruitment

WR Compliance Spec WRS III (UF II)
Kylen Wooley

Business Process Coordinator (SSS-I)
Kathy Jones

Admin Assistant (AA-II)
Cynthia Rodriguez

Admin Assistant (AA-II)
Erin Ware

Management Assistant (MA II)
Recruitment Pending

Student Worker
Open Recruitment

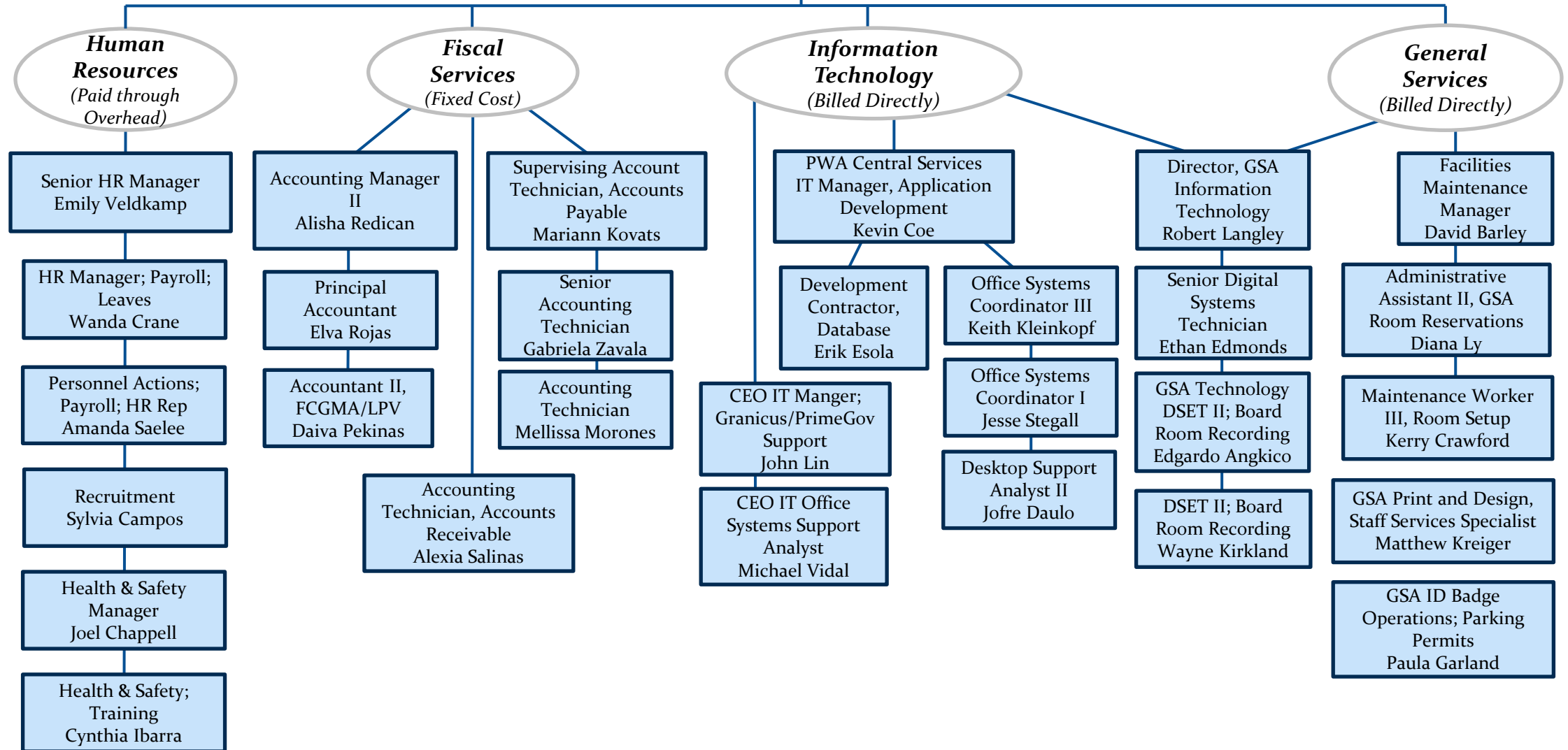
Legal

Agency Counsel
Alberto Boada

Assistant Agency Counsel
Jason Canger

County Groundwater Resources staff implement the County's GW Ordinance. GW Staff are available to assist FCGMA on an as-needed basis.

County Services



Annual Expenditure Projections \$5,848,000

<i>Significant Annual Operating Account Expenditures</i>	2023-24 Year-End Actual	2024-25 Draft Budget
Public Works Agency Charges	\$1,736,041	\$3,375,535
General Services Agency Charges	\$18,990	\$25,000
FCGMA Online Database Support/GIS	\$173,025	\$247,061
Legal Services (County Counsel)	\$185,852	\$170,000
Legal Services (Special Counsel)	\$1,466,690	\$1,655,000
GSP Annual Reports	\$59,085	\$97,000
Total Large Expenditures:	\$3,639,683	\$5,569,596

Special Expenditure Projections - \$6,273,000

<i>Significant Special Operating Account Expenditures</i>	2024-25 Draft Budget
Groundwater Sustainability Plan Implementation and SGMA Compliance	\$989,000
SGM Implementation Grant Monitoring Well Installation (OPV)	\$4,870,000
SGM Implementation Grant Round 1 (OPV) Administration	\$60,000
Stakeholder Facilitation / Public Outreach	\$25,000
Rate Counsel	\$17,000
AMI Data Support	\$61,648
New FCGMA Data Management System	\$0
Contingency	\$250,000

Operating Fund FY 24/25

	2023-24 Year-End Actuals	2024-25 Year-End Projection
Fund Balance, 7/1	\$4,351,081	\$ 6,996,395
Revenues	\$7,300,733	\$10,896,272
Expenditures	\$4,655,419	\$12,113,339
Operating Reserve	\$1,000,000	\$ 1,000,000
Net Operating Results	\$2,645,314	(\$ 1,217,076)
Fund Balance, 6/30	\$6,996,395	\$5,779,328



LPV Watermaster Efforts Not Included

Planning for Future Budget Development

- Schedule a PWA Contract Renewal Discussion
 - Amend Resolution 2008-08 appointing the Director of Watershed Protection District as the Executive Officer
- Annual Agency Objectives Discussion
- Annual Strategic Goal Review
- Pre-Draft Budget and Work Plan Review
 - Start Early
- Fiscal Committee Policy Development
 - Loan Policies from Designated Surcharges Account
 - Contingency Policy
 - Insurance Policy Review and Renewal

Recommendations

- Receive this presentation; and
- Adopt the Fiscal Year 2024-2025 Work Plan and Budget.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Approve and Authorize the Executive Officer to Execute a Professional Services Contract with Regional Government Services to Provide Groundwater Extraction and Use Reporting Services [LPV Watermaster]– (New Item)

RECOMMENDATIONS: (1) Receive a presentation from Agency staff; and (2) Approve and authorize the Interim Executive Officer to execute a professional services contract with Regional Government Services (RGS) to administer the Las Posas Valley (LPV) Adjudication Groundwater Extraction and Use Reporting requirements and related administrative services.

BACKGROUND:

The LPV Adjudication Judgment (Judgment) requires that all parties that extract or use groundwater in a given Water Year submit a completed semi-annual Groundwater Extraction and Use Form to Watermaster that specifies the total amount of groundwater extracted and used by each party. Groundwater Extraction and Use Reports are due to Watermaster on May 1 and November 1 of each year.

The Judgment also provides that Watermaster may enter into contracts and agreements as necessary, appropriate and in furtherance of the Physical Solution, provided Watermaster maintains full oversight of the exercise of such powers. (LPV Judgment, § 5.2.2.). At the same time, Watermaster shall have the discretion and authority to employ or contract with such administrative personnel, engineering, legal, accounting, or other specialty services and consulting assistants as may be deemed appropriate in carrying out the terms of the Judgment. (LPV Judgment, § 5.2.2).

Due to the Agency's increased workload and current staffing levels, the Interim Executive Officer exercised the authority granted by your Board via Resolution 2018-2¹ to enter professional services contracts up to \$25,000 to supplement existing staff resources.

As cited in the Executive Officer's Report presented to the Board on April 24, 2024 (attached as Exhibit 20A), a work order was prepared and approved to contract Regional Government Services to administer General Support Services to Watermaster as needed, and to administer Groundwater Extraction and Use Reporting

¹ Resolution 2018-2: <https://s42135.pcdn.co/wp-content/uploads/2022/07/Resolution-2018-02.pdf>

per the Judgment. Funds available under this workorder have been exhausted; meanwhile, staff is preparing for the second semi-annual Groundwater Extraction and Use reporting for Water Year 2023 due November 1, 2024, and the annual Allocations Accounting (Judgment, § 5.2.4.3).

DISCUSSION:

Under the exiting work order, RGS has been supporting Watermaster staff has been supporting Watermaster staff with its Groundwater Extraction and Use Reporting work and efforts since April 2024, and staff has been pleased with their performance and deliverables to date. Funding under the RGS work order has now been exhausted. However, Watermaster staff will require additional support to administer the second semi-annual Groundwater Extraction and Use reporting for Water Year 2023 due November 1, 2024, and the annual Allocations Accounting (Judgment, § 5.2.4.3) at a cost of \$35,000.

Instead of issuing another work order, Agency staff has prepared a professional services contract with a not-to-exceed amount of \$35,000. (Please see attached Exhibit 20B.) If approved by your Board, the proposed new RGS contract will include an expanded scope and offset staff time estimated at \$81,000 in the LPV Watermaster Budget.

The scope of work included in this new RGS contract to support Watermaster includes, but is not limited to:

Subject to the terms and conditions of this Agreement, Regional Government Services Authority (RGS) shall perform the work, services, and functions to accomplish groundwater extraction and reporting requirements in compliance with the Judgment as described below:

1. To the extent feasible within project timeline shown below, enhance the electronic reporting tool that will allow a Party to the Judgment to report total groundwater extracted and used, including photos of flowmeter readings, to Watermaster pursuant to the Judgment (including but not necessarily limited to Section 4.5 of the Judgment and Section 5.2 of Exhibit A of the Judgment).
2. Upon receipt of a list of extractors' email addresses from the Agency, send a notice and reporting tool link to each reporting party with introductory information and instructions on how to complete reporting. Prepare introductory information, instructions and information to answer frequently asked questions to post on Agency web page.
3. Monitor completion or submission of such data by the parties to the Judgment;
4. Follow-up as needed via electronic communication with parties to ensure reporting compliance no later than November 1st per the Judgment;
5. Compile extraction and use data received from parties into a .CSV file for Watermaster to use, and provide assistance with data if needed.
6. Serve as primary customer support to respond to stakeholder questions regarding reporting requirements and the reporting tool, both email and telephone, with specific references to the Judgment.
7. Provide a spreadsheet containing the annual allocations accounting for Water 2023, and publication template for use if desired in presenting allocation accounting data in the WY 2023 Annual Report (Judgment, § 5.2.4.3).

CONCLUSION:

Staff recommends that your Board approve and authorize the Interim Executive Officer to execute the proposed professional services contract with RGS for Groundwater Extraction and Use Reporting work and related services, in an amount not-to-exceed \$35,000, effective through June 30, 2025.

FCGMA Board Meeting
September 25, 2024
Page 3 of 3

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654 2954.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaseke". The signature is stylized with a large, circular initial "K" and a long, sweeping underline.

Kudzai Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Attachment:

Exhibit 20A – RGS Work Order Referenced in April 24, 2024, Executive Officer's Report
Exhibit 20B – Draft RGS Professional Services Contract and Exhibits



FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY

BOARD OF DIRECTORS

Eugene F. West, Chair, Director, Camrosa Water District
Kelly Long, Vice Chair, Supervisor, County of Ventura
David Borchard, Farmer, Agricultural Representative
Lynn Maulhardt, Director, United Water Conservation District
Tony Trembley, Mayor, City of Camarillo

INTERIM EXECUTIVE OFFICER
Arne Anselm

April 24, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Executive Officer’s Report – (New Item)

RECOMMENDATION: Receive and file an informational update on Agency activities.

CONTRACTS

In 2018 your Board authorized the Executive Officer to enter professional services contracts up to \$25,000. I exercised this authority to fill short-term needs with the three contracts described below. Each of these contracts includes a not to exceed limit of \$25,000.

- Las Posas Valley water rights holders are required under the Las Posas Adjudication Judgment to report water extractions and use by May 1st. Regional Government Services (RGS) was contracted to develop an electronic reporting tool, provide assistance and instructions on the tool, and attend a meeting to introduce and explain the tool. RGS will compile all extraction and use data for the Watermaster. This contract’s scope also includes General Support Services as requested by Agency.
- Under an existing Agency resolution, operators are required to equip their flowmeters with advanced metering infrastructure (AMI). The Agency contracted with Rincon Associates to assist with AMI data input/data management, track data deliverables from AMI vendors, and import the monthly data.
- As identified in item 3 of this month’s meeting agenda, Hallmark Group was contracted to evaluate the staffing needs of the Agency to meet its goals through the end of this year and for the next fiscal year. This contract’s scope also includes General Support Services as requested by Agency.

CONCLUSION:

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 805.654.3942.

Sincerely,

Arne Anselm
Interim Executive Officer

Agreement for Management and Administrative Services

This Agreement for Management Services (“Agreement”) is made and entered into as of the 25th day of September 2024, by and between the **Fox Canyon Groundwater Management Agency**, a municipal agency serving as the court-appointed watermaster to the Las Posas Valley Groundwater (“Agency”), and **Regional Government Services Authority** (RGS), a joint powers authority, (each individually a “Party” and, collectively, the “Parties”).

RECITALS

THIS AGREEMENT is entered into with reference to the following facts and circumstances:

- A. That Agency desires to engage RGS to render certain services to it;
- B. That RGS is a management and administrative services provider and is qualified to provide such services to the Agency; and
- C. That Agency has elected to engage the services of RGS upon the terms and conditions as hereinafter set forth.

TERMS AND CONDITIONS

Section 1. Services. The services to be performed by RGS under this Agreement shall include those services set forth in the attached **Exhibits**, which are incorporated by this reference herein and made a part hereof as though it were fully set forth herein.

Where in conflict, the terms of this Agreement supersede and prevail over any terms set forth in the **Exhibits**.

1.1 Standard of Performance. RGS shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the types of services that RGS agrees to provide in the geographical area in which RGS operates.

1.2 Service Advisor. To ensure quality and consistency for the services provided, RGS also assigns a service advisor to Agency. The service advisor is available to assigned RGS staff and to Agency management and will check in regularly with both to address program/project directives. Typically service advisor time is not billed to Agency, with some exceptions where significant programmatic direction is provided.

1.3 Reassignment of Personnel. Assignment of personnel to provide the services described in the **Exhibits** is at the sole discretion of RGS. In the event that Agency or RGS, at any time during the term of this Agreement, desires the reassignment of personnel, Agency and RGS shall meet and discuss in good faith

to address the issue of concern, including but not limited to reassigning such person or persons. For the avoidance of doubt, however, RGS retains sole control as to assignment of its personnel.

- 1.4** **Time.** RGS shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance described above and to provide the services described in the **Exhibits**.

Section 2. Term of Agreement and Termination.

- 2.1** Services shall commence on or about September 25, 2024, and this Agreement is anticipated to remain in force to April 30, 2025, at which time services may continue on a month-to-month basis until one party terminates the Agreement or if Section 3 contains a “not to exceed” amount, until RGS charges for services reach the not-to-exceed amount at which point the Agreement will automatically terminate unless amended. Services provided under the month-to-month provision are subject to current RGS staff rates in effect at the time of service. Once this Agreement has converted to a month-to month basis, it shall automatically terminate upon the ninety-first (91st) continuous day with no billable service hours. After the ninety-first (91st) day with no billable service hours, RGS shall provide Agency with written notice of the automatic termination of the Agreement.
- 2.2** This Agreement may be terminated by either Party, with or without cause, upon 30 days’ written notice. Agency has the sole discretion to determine if the services performed by RGS are satisfactory to the Agency which determination shall be made in good faith. If Agency determines that the services performed by RGS are not satisfactory, Agency may terminate this Agreement by giving written notice to RGS. Upon receipt of notice of termination by either Party, RGS shall cease performing duties on behalf of Agency on the termination date specified and the compensation payable to RGS shall include only the period for which services have been performed by RGS.

Section 3. Compensation. Payment for services under this Agreement shall not exceed \$35,000 and shall be as provided in the **Exhibits**.

Section 4. Effective Date. This Agreement shall become effective on the date first herein above written.

Section 5. Relationship of Parties.

- 5.1** It is understood that the relationship of RGS to the Agency is that of an independent contractor and all persons working for or under the direction of RGS are its agents or employees and not agents or employees of Agency. The Agency and RGS shall, at all times, treat all persons working for or under the direction of RGS as agents and employees of RGS, and not as agents or employees of the Agency. Agency shall have the right to control RGS employees only insofar as the results of RGS’ services rendered pursuant to this Agreement. In furtherance of this Section 5.1, the Parties agree as follows:
- 5.1.1** Agency shall not request from RGS or from an RGS employee providing services pursuant to this Agreement an RGS employee’s Social Security Number or other similar personally identifying information.
- 5.1.2** Agency shall not report an RGS employee to a third party as an employee of Agency. For the purposes of this Section 5.1, “third party” means another government agency, private company, or individual.

5.1.3 In the event that a third-party requests information about an RGS employee—including but not limited to personally identifying information, hours or locations worked, tasks performed, or compensation—Agency shall inform RGS of the request prior to responding. If Agency possesses such information about an RGS employee, the Parties shall confer in good faith about an appropriate and legally compliant response to the request.

5.2 RGS shall provide services under this Agreement through one or more employees of RGS qualified to perform services contracted for by Agency. The positions of RGS staff that will coordinate services to the Agency are indicated in the **Exhibits**. The Executive Director or assigned supervising RGS staff will consult with Agency on an as-needed basis to assure that the services to be performed are meeting Agency’s objectives. At any time the RGS employee may be providing services to one or more RGS clients concurrent with the services being provided under this Agreement.

5.3 Agency shall not have the ability to direct how services are to be performed, specify the location where services are to be performed, or establish set hours or days for performance of services, except as set forth in the **Exhibits**. Agency confirms that RGS employees are not assuming and are not expected to assume any Agency staff position(s).

5.4 RGS employees may require access to Agency’s computer systems and networks to complete the assigned services. RGS requires its employees to agree to appropriate system usage policies, which include a pledge not to use partner agency electronic equipment for anything other than partner agency work. (These policies can be provided to Agency upon request.)

5.5 Agency shall not have any right to discharge any employee of RGS from RGS employment.

5.6 RGS shall, at its sole expense, supply for its employees providing services to Agency pursuant to this Agreement any and all benefits, such as worker’s compensation, disability insurance, vacation pay, sick pay, or retirement benefits; obtain and maintain all licenses and permits usual or necessary for performing the services; pay any and all taxes incurred as a result of the employee(s) compensation, including employment or other taxes; and provide Agency with proof of payment of taxes on demand.

Section 6. General Liability Coverage. RGS, pursuant to California Government Code Section 990, may satisfy its contractual liabilities with self-insurance and/or participate in a pooled risk purchasing program. RGS has and will continue to maintain a program of liability coverage against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by RGS and its agents, representatives, employees, and subcontractors.

6.1 Workers’ Compensation Coverage.

6.1.1 General requirements. RGS shall, at its sole cost and expense, maintain Workers’ Compensation coverage and Employer’s Liability coverage with limits of not less than \$1,000,000.00 per occurrence.

6.1.2 Waiver of subrogation. The Workers' Compensation coverage shall be endorsed with or include a waiver of subrogation in favor of Agency for all work performed by RGS, its employees, agents, and subcontractors.

6.2 Commercial General, Automobile, and Professional Liability Coverages.

6.2.1 General requirements. RGS, at its own cost and expense, shall maintain commercial general and automobile liability coverage for the term of this Agreement in an amount not less than \$2,000,000 per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. RGS shall additionally maintain commercial general liability coverage in an amount not less than \$2,000,000 aggregated for bodily injury, personal injury, and property damage.

6.2.2 Minimum scope of coverage. RGS coverage may not be written on ISO forms but will always provide coverage at least as broad as the latest version of the following: (A) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); and (B) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 001, code 1 (any auto).

6.3 Professional Liability Insurance. RGS, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability coverage for licensed professionals performing work pursuant to this Agreement in an amount not less than \$2,000,000 covering the licensed professionals' errors and omissions.

6.4 All Policies Requirements.

6.4.1 Coverage requirements. Each of the following shall be included in the coverage or added as an endorsement:

- a. Agency and its officers, employees, and agents, shall be covered as additional covered parties with respect to RGS' general commercial, and automobile coverage for claims, demands, and causes of action arising out of or relating to RGS' performance of this Agreement and to the extent caused by RGS' negligent act, error, or omission.
- b. An endorsement to RGS' general commercial and automobile coverages must state that coverage is primary with respect to Agency and its officers, officials, employees and agents.
- c. All coverages shall be on an occurrence or an accident basis, and not on a claims-made basis.

6.4.2 Acceptability of coverage providers. All coverages required by this section shall be acquired through providers with a Bests' rating of no less than A: VII or through sources that provide an equivalent level of reliability.

- 6.4.3 Verification of coverage.** Prior to beginning any work under this Agreement, RGS shall furnish Agency with notifications of coverage and with original endorsements effecting coverage required herein. The notifications and endorsements are to be signed by a person authorized to bind coverage on its behalf. Agency reserves the right to require complete, certified copies coverage at any time.
- 6.4.4 Subcontractors.** RGS shall include all subcontractors as insureds under its coverage or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 6.4.5 Variation.** During the term of this Agreement, RGS may change the insurance program in which it participates. RGS will provide reasonable notice of any such change to Agency and replacement copies of Certificates of Coverage and endorsements.
- 6.4.6 Deductibles and Self-Insured Retentions.** RGS shall disclose any self-insured retention if Agency so requests prior to performing services under this Agreement or within a reasonable period of time of a request by Agency during the term of this Agreement.
- 6.4.7 Maintenance of Coverages.** The coverages stated herein shall be maintained throughout the term of this Agreement and proof of coverage shall be available for inspection by Agency upon request.
- 6.4.8 Notice of Cancellation or Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, RGS shall provide written notice to Agency at RGS earliest possible opportunity and in no case later than five business days after RGS is notified of the change in coverage.

Section 7. Legal Requirements.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** RGS and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Reporting Requirements.** If there is a statutory or other legal requirement for RGS to report information to another government entity, RGS shall be responsible for complying with such requirements.
- 7.4 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, RGS and any subcontractors shall comply with all applicable rules and regulations to which Agency is bound by the terms of such fiscal assistance program.

- 7.5 **Licenses and Permits.** RGS represents and warrants to Agency that RGS and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to provide the services contemplated by this Agreement. RGS represents and warrants to Agency that RGS and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions.
- 7.6 **Nondiscrimination and Equal Opportunity.** RGS shall not discriminate on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided under this Agreement. RGS shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

Section 8. Keeping and Status of Records.

- 8.1 **Records Created as Part of RGS' Performance.** All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that RGS prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of Agency. RGS hereby agrees to deliver those documents to Agency upon termination of the Agreement, if requested. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for Agency and are not necessarily suitable for any future or other use.
- 8.2 **Confidential Information.** RGS shall hold any confidential information received from Agency in the course of performing this Agreement in trust and confidence and will not reveal such confidential information to any person or entity, either during the term of the Agreement or at any time thereafter. Upon expiration of this Agreement, or termination as provided herein, RGS shall return materials which contain any confidential information to Agency. For purposes of this paragraph, confidential information is defined as all information disclosed to RGS which relates to Agency past, present, and future activities, as well as activities under this Agreement, which information is not otherwise of public record under California law. Agency shall notify RGS what information and documents are confidential and thus subject to this section 8.2.
- 8.3 **RGS Books and Records.** RGS shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Agency under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment under this Agreement.

8.4 Inspection and Audit of Records. Any records or documents that Section 8.3 of this Agreement requires RGS to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of Agency, for a period of three years after final payment under the Agreement.

Section 9. Non-assignment. This Agreement is not assignable either in whole or in part without the written consent of the other party.

Section 10. Amendments. This Agreement may be amended or modified only by a subsequent written agreement or amendment signed by both Parties.

Section 11. Validity. The invalidity, in whole or in part, of any provisions of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

Section 12. Disputes. Should any dispute arise out of this Agreement, Agency agrees that it shall only file a legal action against RGS, and shall not file any legal action against any of the public entities that are members of RGS.

Section 13. Venue/Attorneys' Fees. Any suit or action initiated by either party shall be brought in Alameda County, California. In the event of litigation between the Parties hereto to enforce any provision of the Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs of litigation.

Section 14. Mediation. Should any dispute arise out of this Agreement, the Parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither Party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the Parties. If a mediated settlement is reached, neither Party shall be deemed the prevailing party for purposes of the settlement and each Party shall bear its own legal costs.

Section 15. Employment Offers to RGS Staff. Should Agency desire to offer permanent or temporary employment to an RGS employee who is either currently providing RGS services to Agency or has provided RGS services to Agency within the previous six months, said Agency will be charged a fee equal to the full-time cost of the RGS employee for one month, using the most recent RGS bill rate for the RGS employee's services to Agency. This fee is to recover RGS' expenses in recruiting the former and replacement RGS staff.

Section 16. Entire Agreement. This Agreement, including the **Exhibits**, comprises the entire Agreement.

Section 17. Indemnification.

17.1 RGS’ indemnity obligations.

RGS shall indemnify, defend, and hold harmless Agency and its legislative body, boards and commissions, officers, and employees (“Indemnitees”) from and against all claims, demands, and causes of action by third parties, including but not limited to attorneys’ fees, arising out of RGS’ performance of this Agreement, to the extent caused by RGS’ negligent act, error, or omission. Nothing herein shall be interpreted as obligating RGS to indemnify Agency against its own negligence or willful misconduct.

Training disclaimer

Agency understands and acknowledges that RGS advisors may, as part of the scope of services under this Agreement, provide training on various matters including human resources, accounting, or management practices. The advice and guidance included in such training does not, and is not intended to, constitute legal advice; instead, all information, content, and materials provided are based on industry best practices, but may not be applicable in all situations. Agency staff should not act or refrain from acting on the basis of the information provided as part of a training without first seeking legal advice from counsel in its relevant jurisdiction and/or appropriate Agency approval. RGS’ obligation to indemnify, defend, and hold harmless indemnities pursuant to this section 17.1 for professional errors and omissions shall not exceed \$500,000.

17.2 Agency’s indemnity obligations. Agency shall indemnify, defend and hold harmless RGS and its officers, directors, employees and agents from any and all third-party claims and lawsuits where such persons are named in the lawsuit solely because of a duty any of them performs in accordance with the services outlined in Exhibit B. Agency’s obligation to indemnify, defend, and hold harmless indemnities pursuant to this section 17.2 shall not extend to claims and lawsuits resulting from the gross negligence or willful misconduct of RGS and its officers, directors, employees and agents.

It is the intent of the parties here to define indemnity obligations that are related to or arise out of Agency’s actions as a governmental entity. Thus, Agency shall be required to indemnify and defend only under circumstances where a third-party cause of action is stated against RGS, its employees or agents:

- a. which is unrelated to the skill they have used in the performance of the duties delegated to them under this Agreement;
- b. when the allegations in such cause of action do not suggest the active fraud or other misconduct of RGS, its employees, or agents; or
- c. where an Agency employee, if he had been acting in a like capacity, otherwise would be acting within the scope of that employment.

Whenever Agency owes a duty hereunder to indemnify RGS, its employees or agents, Agency further agrees to pay RGS a reasonable fee for all time spent by any RGS employee, or spent by any person who has performed work pursuant to this Agreement, for the purpose of preparing for or testifying in any third-party suit, action, or legal proceeding in connection with the services the assigned employee has provided under this Agreement.

17.3 Obligations and indemnity related to defined benefit retirement plan participation.

- a. RGS and Agency acknowledge and agree that, if Agency participates in a defined benefit plan (such as CalPERS, a pension plan, or Social Security) (“Retirement Program”), it is possible that the Retirement Program may find that RGS employees providing services pursuant to this Agreement are employees of Agency and should be registered with the Retirement Program as employees of Agency, which possibility is the same as if Agency were contracting with a private consulting firm. Pursuant to Section 5.1 of this Agreement, Agency has an obligation to treat all persons working for or under the direction of RGS as agents and employees of RGS, and not as agents or employees of Agency. Agency agrees not to ask RGS employees for personally identifying information.
- b. In the event that the Agency’s Retirement Program initiates an inquiry that includes examination of whether individuals providing services under this Agreement to Agency are Agency’s employees, Agency shall inform RGS within five business days and share all communications and documents from the Retirement Program that it may legally share. In the event that either RGS or Agency files an appeal or court challenge, RGS and Agency each agree to cooperate with each other in responding to the inquiry and any subsequent administrative appeal or court challenge of an adverse determination. Notwithstanding Section 17.1 of this Agreement, RGS and Agency shall each bear their own costs in responding to an inquiry by a Retirement Program, including but not limited to costs of an administrative appeal or court challenge.
- c. In the event that any RGS employee or subconsultant providing services under this Agreement is determined by a court of competent jurisdiction or the Agency’s Retirement Program to be eligible for enrollment in the Retirement Program as an employee of the Agency, to the fullest extent of the law, Agency shall indemnify, defend, and hold harmless RGS for any Retirement Program contribution payment that Agency is required as a result to make to the Retirement Program as well as for the payment of any penalties and interest on such payments, if any.

Section 18. Notices. All notices required by this Agreement shall be given to Agency and RGS in writing, by first class mail, postage prepaid, or by email transmission addressed as follows:

Agency: Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA. 93009-1610
Phone: (805) 654-2014
Email: fcgma@ventura.org

RGS: Regional Government Services Authority
P. O. Box 1350
Carmel Valley, CA 93924
Email: contracts@rgs.ca.gov

Item 20 – Exhibit 20B – DRAFT RGS PROFESSIONAL SERVICES CONTRACT AND EXHIBITS

Notice by email transmission shall be deemed given upon verification of receipt if received before 5:00p.m. on a regular business day or else on the next business day.

Section 19. Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which taken together shall constitute one and the same instrument. The Parties agree that this Agreement may be transmitted and signed by electronic or digital means by either or both Parties and that such signatures shall have the same force and effect as original signatures, in accordance with California Government Code Section 16.5 and California Civil Code Section 1633.7.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the date first written by their respective officers duly authorized on their behalf.

DATED: _____

Fox Canyon Groundwater Management Agency

By: _____
Arne Anselm, Interim Executive Officer

DATED: _____

Regional Government Services Authority

By: _____
Sophia Selivanoff, Executive Director

Exhibit A

Compensation.

1. **Fees.** Agency agrees to pay to RGS the hourly rates set forth in the tables below for each RGS employee providing services to Agency, which are based in part on RGS’ full cost of compensation and support for the RGS employee(s) providing the services herein described.

RGS and Agency acknowledge and agree that compensation paid by Agency to RGS under this Agreement is based upon RGS’ costs of providing the services required hereunder. The Parties further agree adjustments to the hourly bill rate shown below for “RGS Staff” will be made on July 1 of each year, when RGS’ hourly bill rates will be adjusted by the percentage change in the Consumer Price Index (Bureau of Labor Statistics, CPI for urban wage earners and clerical workers in the San Francisco-Oakland-San Jose area) (“CPI”) for the twelve months through the end of December of the prior year. Irrespective of the movement of the CPI, RGS will not adjust its hourly rates downward; nor will RGS adjust its hourly rates upward in excess of a five percentage (5%) change, excepting instances where there was no increase in the prior year’s hourly rates. In that event, RGS will adjust its hourly rates by the full percentage change in the CPI for the twelve months through the end of December of the prior year.

2. **Reimbursement of RGS’ Direct Costs.** Agency shall reimburse RGS for direct external costs. Direct external costs, including such expenses as travel or other costs incurred for the exclusive benefit of the Agency are not included in the hourly bill rate and, will be invoiced to Agency when received and without mark-up. These external costs will be due upon receipt.
3. **Terms of Payment.** RGS shall submit invoices monthly for the prior month’s services. Invoices shall be sent approximately 10 days after the end of the month for which services were performed and are due and shall be delinquent if not paid within 30 days of receipt. Delinquent payments will be subject to a late payment carrying charge computed at a periodic rate of one-half of one percent per month, which is an annual percentage rate of six percent, which will be applied to any unpaid balance owed commencing 7 days after the payment due date. Additionally, in the event the Agency fails to pay any undisputed amounts due to RGS within 15 days after payment due date, then Agency agrees that RGS shall have the right to consider said default a total breach of this Agreement and the duties of RGS under this Agreement may be terminated by RGS upon 5 working days’ advance written notice.

Payment Process/Address. RGS prefers invoices be paid electronically.

RGS will reach out to your invoicing contact to establish and provide electronic payment instructions.

However, should you have questions or need other payment options, please contact:

Lindsay Rice, RGS Accounting Manager
(650) 587-7300X12 | lrice@rgs.ca.gov

[EXHIBIT A CONTINUES ON FOLLOWING PAGE]

AGENCY CONTACTS

Agency Billing Contact. Invoices are sent electronically only. Please provide the contact person to whom invoices should be sent:

NAME	EMAIL
Daiva Pekinas	daiva.pekinas@ventura.org

Agency Insurance Contact. Please provide the contact person to whom the certificate of coverage should be sent:

NAME	EMAIL
Elka Weber	Elka.weber.ventura.org

RGS STAFF RATES

TITLE	HOURLY RATE*
Strategic Services Consultant	\$186
Senior Advisor	\$157
Advisor	\$135
Technical Specialist	\$119
Administrative Specialist	\$106

**The Hourly Rate does not include direct external costs which will be invoiced to Agency with no markup and will fall outside of the not-to-exceed (if established) for services provided.*

Exhibit B

Scope of Services. Subject to the terms and conditions of this Agreement, Regional Government Services Authority (RGS) shall perform the work, services, and functions to accomplish groundwater extraction and reporting requirements in compliance with the Judgment as described below:

Tasks

1. To the extent feasible within project timeline shown below, enhance the electronic reporting tool that will allow a Party to the Judgment to report total groundwater extracted and used, including photos of flowmeter readings, to Watermaster pursuant to the Judgment (including but not necessarily limited to Section 4.5 of the Judgment and Section 5.2 of Exhibit A of the Judgment).
2. Upon receipt of a list of extractors’ email addresses from the Agency, send a notice and reporting tool link to each reporting party with introductory information and instructions on how to complete reporting. Prepare introductory information, instructions and information to answer frequently asked questions to post on Agency web page.
3. Monitor completion or submission of such data by the parties to the Judgment;
4. Follow-up as needed via electronic communication with parties to ensure reporting compliance no later than November 1st per the Judgment;
5. Compile extraction and use data received from parties into a .CSV file for Watermaster to use, and provide assistance with data if needed.
6. Serve as primary customer support to respond to stakeholder questions regarding reporting requirements and the reporting tool, both email and telephone, with specific references to the Judgment.
7. Provide a spreadsheet containing the annual allocations accounting for Water 2023, and publication template for use if desired in presenting allocation accounting data in the WY 2023 Annual Report (Judgment, § 5.2.4.3).

Time Schedule

TASK	DESCRIPTION	DUE DATE
1	Develop enhancements for electronic process and tools for reporting groundwater extraction and use data. Enhancements will be prioritized for inclusion by RGS based on feasibility; and completed enhancements will be reviewed at least once with FCGMA team prior to implementation.	October 14, 2024
2	Send email announcement of upcoming reporting	September 30, 2024
3	Send notice and reporting tool link to each reporting party	October 15, 2024
4	Send email reminder on reporting due date (2-week reminder)	October 29, 2024
5	Send final curtesy email reminder of due date	November 8, 2024

Item 20 – Exhibit 20B – DRAFT RGS PROFESSIONAL SERVICES CONTRACT AND EXHIBITS

TASK	DESCRIPTION	DUE DATE
6	Collect and aggregate submission of data	November 15, 2024
7	Follow-up with reporting parties as needed via electronic communication as needed	Nov. 18, 2024
8	Compile data received from reporting parties into a .CSV	By Nov. 30, 2024
9	Calculate carryover (Judgment, § 4.11)	December 6, 2024
10	Calculate overuse and cure (Judgment, § 4.15)	December 6, 2024
11	Annual Allocations accounting, including first report (Judgment, § 5.2.4.3)	December 6, 2024
12	Respond to stakeholder questions regarding reporting requirements and the reporting tool, both email and telephone, with specific references to the Judgment; follow-up with reporting parties as needed via electronic communication; maintain meter and extraction data	Ongoing through April 30, 2025

**Approve and Authorize the Executive Officer to Execute
a Professional Services Contract with Regional
Government Services to provide Groundwater Extraction
and Use Services**

Item No. 20 – September 25, 2024



Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Background

- Las Posas Valley Adjudication Judgment (Judgment) requires all Landowners to report to the Watermaster “both the total amount of all *Groundwater Extracted* and the total amount of *Groundwater Used* by the Landowner from any source.” (Judgment, § 4.5, Exhibit A, Article V).
- Submit a Semi-Annual Groundwater Extraction and Use form to Watermaster specifying the total amount of Groundwater *Extracted* and *Used* by the Party (Judgment, § 4.10.1.2, Exhibit A, § 5.2).
- Extraction and Use Report forms are used to calculate:
 - Carryover
 - Overuse
 - Annual Allocations Accounting

Background – Agency Actions

- [Resolution 2018-2](#), authorizes the Executive Officer to enter into professional services contracts (“Not to Exceed Limit” of \$25, 000)
- Agency:
 - Solicited firms with experience in water resource management, managing adjudicated basins and the capacity to take on additional work;
 - Conducted interviews with responsive firms;
 - Selected Regional Government Services as consultant (Exhibit 20A)
 - Regional Government Services (RGS) staff support (April 2024)
- Funding for the RGS Groundwater Extraction & Use work order will runout by *September 30, 2024*.
- 2nd Groundwater Extraction and Use Reporting is due November 1st, 2024
- Staff will require additional support until April 2025 at a cost of \$35,000

Proposed Scope of Work

- Enhance the electronic reporting tool consistent with the reporting requirements of the Judgment.
- Send notice & reporting tool link to each reporting party. Prepare introductory information, instructions & information to answer frequently asked questions.
- Monitor completion or submission of such data by parties to the Judgment;
- Serve as primary customer support to respond to stakeholder questions
- Follow-up as needed via electronic communication with parties to ensure reporting compliance per the Judgment;
- Annual allocations accounting for Water 2023

Summary

- Staff is pleased with RGS' performance with the first work order
- Funds from the first contract have run out
- Expanded the scope of work
- Staff needs consultant help to administer Groundwater Extraction Use & Reporting
- Groundwater Extraction & Use Reporting is a component of the Annual Report due to DWR and the Court by April 1st of each year.

Recommendation

- Receive and file this report
- Staff recommends your Board authorize the Executive Officer to execute a Professional Services Contract with Regional Government Services to provide Groundwater Extraction and Use Services

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Las Posas Valley Watermaster Fiscal Year 2024-2025 Budget and Basin Assessment for Water Year 2024 [LPV Watermaster] – (New Item)

RECOMMENDATION: (1) Approve Fiscal Year (FY) 2024-2025 Las Posas Valley (LPV) Watermaster Budget; and (2) Approve an Annual Basin Assessment of \$64.58 for Water Year 2024 to be Invoiced Quarterly.

BACKGROUND:

Agency staff presented a proposed Draft Watermaster Budget for Fiscal Year 2024-25 at the May 14, 2024, Fiscal Committee meeting. Comments heard at that meeting were discussed at the May 22, 2024, Board meeting. Direction from the Board informed a revised draft budget presented at the June 10, 2024, Fiscal Committee meeting.

The Las Posas Valley Watermaster Policy Advisory Committee (PAC) considered the draft budget at their August 1, 2024, and August 15, 2024, meetings and provided a Recommendation Report dated August 15, 2024, which is attached as Exhibit 21A. The Judgment requires the Watermaster Budget to be adopted at the same meeting the Agency adopts its annual budget (Judgment Exhibit A § 2.7.6). The Agency's budget is Item 13 on this Agenda.

DISCUSSION:

Watermaster Budget

The draft FY 24-25 Watermaster Budget is attached as Exhibit 21B. The budget has been divided into seven principal tasks consistent with the requirements in the Judgment:

1. Watermaster Administration
2. Allocations & Record Keeping
3. Basin Management
4. Committee Coordination and Consultations
5. Budget and Assessments
6. Calleguas Aquifer Storage & Recovery Project
7. Legal Services

Each principal task is broken into subtasks listing the reference to the applicable Judgment section(s), the annual labor hours estimate, the annual labor cost estimate, and a contract cost estimate, as applicable. For the Watermaster Budget, the labor cost estimate is based on a blended hourly rate of \$212 for Ventura

County Public Works Agency (PWA) staff. The calculation of this blended rate is shown in Exhibit 21B. Charge rates include indirect and overhead costs; only time spent directly working on Watermaster tasks is charged to this account.

The total initial Watermaster Budget for FY 2024-25 is estimated at \$2,583,095, consisting of \$1,059,328 in estimated labor costs, of \$1,288,940 in estimated contract costs, and \$234,827 in operating reserves.

The Proposed Draft LPV Watermaster Budget for FY 2024-25 was developed substantially from the Initial FY 23-24 Watermaster Budget adopted December 15, 2023. Changes made include updated PWA charge rates; the inclusion of a PAC Administration line item; a data management system; a proposed Operating Reserve of 10% of the budget; a line for insurance for PAC and Technical Advisory Committee (TAC) members; and contract support to assist with implementing quarterly Basin Assessments. Other refinements include significant reductions to the labor hours estimated, primarily in Watermaster Administration and Allocations, and Record Keeping. Contract support has been included to match the approved modification to the Dudek contract to support the GSP 5-Year Evaluation and Annual Report, and to provide funding for the LPV Watermaster's non-voting member to the TAC.

This draft budget also includes the one-time reimbursement of \$200,000 to the Agency for the LPV Watermaster Rules Appeal. Until a separate LPV Watermaster Fund was created in April 2024 and the initial Basin Assessments received, the Agency was implementing Basin Management Actions without a specific source for funding Watermaster activities and work. Funds expended prior to April 2024 were paid from the Agency's operating fund, including legal expenses. The Watermaster Rules Appeal aimed to make adjustments to the implementation schedule to allow the Watermaster to more efficiently manage the basin to the benefit of the Las Posas Valley Water Rights Holders. The court overseeing implementation of the judgment recently approved those adjustments to the schedule. This one-time reimbursement was recommended by the Fiscal Committee on June 10, 2024, and approved by your Board on September 13, 2024.

The PAC submitted a letter dated May 3, 2024 (which is attached to Agenda Item 11 as Exhibit 11A), requesting the budget include a PAC Administrator and PAC Administrative Assistant. To fund these positions, the PAC requested a line item for PAC Administration in the Watermaster Budget of \$170,000 per year, which has been included in the Budget attached as Exhibit 21B.

This Proposed Draft Budget is an estimate of the labor hours and contract costs it will take to implement the Judgment in FY 2024-25. In the implementation of the Judgment, it is possible some tasks may take significantly more time than estimated. It is also anticipated that Basin Management funding may need to be adjusted with the addition of Basin Optimization Project costs, following Committee consultation. Any mid-year adjustment of the Watermaster Budget may require an adjustment of the Basin Assessment as appropriate.

ADMINISTRATION OF WATERMASTER BUDGET

Funds from the LPV Basin Assessments are held in a separate LPV Watermaster Fund, separate from the accounts in the FCGMA Fund, and are administered in accordance with the Judgment (Judgment § 7.6). As with work conducted for FCGMA, County staff only charge for time spent on specific tasks with separate billing codes for LPV Watermaster tasks. Consultant and contractor invoices are coded and logged similarly. Any Basin Assessment funds that may remain at the end of the current Fiscal Year will be held in the LPV Watermaster Fund and will be available for the following Fiscal Year.

Watermaster finances are subject to an annual audit by a certified public auditing firm with a full certified audit every three years (Judgment § 7.7).

BASIN ASSESSMENT

The Judgment requires that the Watermaster “shall assess all Water Right Holders a uniform Basin Assessment per acre-foot of Annual Allocation held by the Water Right Holder” (Judgment § 7.2). The Basin Assessment is calculated as the total budget divided by the Operating Yield. The Proposed Draft LPV Watermaster Budget for Fiscal Year 2024-25 of \$2,583,095, and the Judgment defined the initial Operating Yield of the LPV Basin of 40,000 acre-feet per year through the first two years of the Judgment (Judgment § 4.9.1.1). Therefore, the Basin Assessment for FY 2024-25 will be \$64.58 per acre-foot of Annual Allocation if the draft budget is adopted without changes (2,583,095 divided by 40,000 = 64.58). The Agency will begin invoicing quarterly assessments of \$16.15 on October 1, 2024.

Las Posas Valley Policy Advisory Committee

At its August 1 and 15, 2024 meetings, the PAC discussed the Watermaster FY 2024-25 budget. The PAC Recommendation Report (Exhibit 21A) included three recommendations:

1. **Administrative Fees:** the PAC recommended removing line items for New Uses/Subscription Projects, Transfers, Change of Point of Extraction, and New or Replacement Wells from the Allocations & Record Keeping section.
 - It was recommended by Agency staff that these items be studied during the fiscal year to develop a fee schedule to allow invoicing for the services provided. Until that is developed, the PAC recommendation that these costs be borne by the applicants cannot be administered. The Fiscal Committee approved including these line items with the direction to develop a fee schedule.
2. **Directors and Officers Liability Insurance:** The PAC requested the PAC members be added to the FCGMA/Watermaster’s existing coverage and appreciated staff’s addition of the line item.
 - Staff will work to obtain liability insurance coverage for the PAC members once the budget is approved.
3. **Legal Fees:** The PAC maintained its position that past legal fees associated with the FCGMA’s appeal of the Judgment should be borne whole by FCGMA.
 - The reimbursement of \$200,000 to the Agency for the LPV Watermaster Rules Appeal was recommended by the Fiscal Committee on June 10, 2024, and approved by your Board on September 13, 2024.

SUMMARY

The Fiscal Committee’s two LPV Watermaster Budget Development meetings and discussions at the May 22, 2024, and September 13, 2024, Board meetings provided opportunities for the public and the Committee to evaluate the Proposed Draft LPV Watermaster Budget for Fiscal Year 2024-25. The attached draft budget has been recommended by the Fiscal Committee and reviewed by the LPV Watermaster PAC, who provided three recommendations.

CONCLUSION:

Staff recommends approval of the Fiscal Year 2024-2025 Las Posas Valley Watermaster Budget. This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654-3942.

Sincerely,

Arne Erik Anselm
Arne Anselm
Interim Executive Officer

Attachments: Exhibit 21A – LPV PAC Letter, dated August 15, 2024, RE: PAC Recommendation Report
Exhibit 21B – Proposed Draft FY 2024-25 LPV Watermaster Budget
See Item 11, Exhibit 11A – LPV PAC Letter, dated May 3, 2024, RE: PAC Administrator
Appointment and Budget Request

Item 21 - Exhibit 21A – LPV PAC Letter, dated August 15, 2024, RE: PAC Recommendation Report

Gene West, Chair
Las Posas Valley Watermaster
800 S. Victoria Ave.
Ventura, CA 93009

August 15, 2024

Re: PAC Recommendation Report concerning Watermaster FY2024-25 Budget

Chair West:

At its August 1 and 15, 2024 meetings, the PAC discussed the Watermaster Fiscal Year (FY) 2024-25 budget submitted for committee consultation by Watermaster staff July 22, 2024. The PAC has the following recommendations:

1. **Administrative fees:** the PAC recommends removing the line items for New Uses/Subscription Projects, Transfers, Change of Point of Extraction, and New or Replacement Wells from the Allocations & Record Keeping section. These activities will be triggered by the (likely infrequent) application of landowners and should be borne by the applicants as fees charged as part of said application.
2. **Directors and Officers Liability Insurance:** the PAC appreciates staff's addition of the line item for D&O insurance and requests that the PAC be added to the FCGMA/Watermaster's existing coverage, rather than acquiring separate coverage.
3. **Legal fees:** The PAC maintains its position that legal fees associated with the FCGMA's appeal of the Judgment should be borne by FCGMA as a whole, recuperated through extraction fees, and not by the LPV landowners, recuperated through the basin assessment. The FCGMA agreed to serve as Watermaster for the Las Posas Basin and to perform the duties assigned to it under the Phase 3 Settlement and Judgment, consistent with the Judgment's terms and the Watermaster Rules and Regulations. This includes establishment of the Physical Solution, establishment of the PAC and TAC, and the Basin Optimization Plan.

The Judgment allows for certain legal fees to be borne by the Watermaster, but these are for implementation of the Judgment, not for contesting the Judgment. Contesting the Judgment via an appeal strikes the PAC as the FCGMA's "own costs" as described in Section 12.4 of the Judgment: "Costs. Except subject to any existing Court orders and stipulation or separate agreement of one or more Parties, each Party shall bear its own costs and attorneys' fees arising from the Comprehensive Adjudication."

Thank you for the opportunity to review the LPV Watermaster FY2024-25 Budget.

Sincerely,



Ian Prichard, Chair, LPV Watermaster PAC

**Las Posas Valley Basin
Watermaster Budget FY 2024-25¹**

Task	Reference ²	Labor Hours Estimate ³	Labor Cost Estimate ⁴	Contract Cost Estimate ⁵	Hours / Week	Hours / Month	Hours / Year	Blended Rate	Cost
Watermaster Administration									
Watermaster Meetings and Notice	Ex A 2.5	384	\$ 81,408		8	32	384	\$ 212	\$ 81,408
Review of Records	Ex A 2.4	96	\$ 20,352		2	8	96	\$ 212	\$ 20,352
Website	Ex A 2.4.1	24	\$ 5,088		0.5	2	24	\$ 212	\$ 5,088
Subtotal - Watermaster Administration		504	\$ 106,848	\$ -					
Allocations & Record Keeping									
Annual Allocations & Allocation Schedule	4.2, 4.3	40	\$ 8,480				40	\$ 212	\$ 8,480
New Uses / Subscription Projects	4.6	40	\$ 8,480		1	4	40	\$ 212	\$ 8,480
Carryover	4.11	192	\$ 40,704		4	16	192	\$ 212	\$ 40,704
Transfers	4.12	96	\$ 20,352		2	8	96	\$ 212	\$ 20,352
Change of Point of Extraction	4.13	96	\$ 20,352		2	8	96	\$ 212	\$ 20,352
New or Replacement Well	4.14	96	\$ 20,352		2	8	96	\$ 212	\$ 20,352
Overuse	4.15	80	\$ 16,960				80	\$ 212	\$ 16,960
Extraction and use Monitoring and Reporting	Ex A, Article V	384	\$ 81,408	\$ 20,000	8	32	384	\$ 212	\$ 81,408
Data Management and Support		192	\$ 40,704	\$ 200,000	4	16	192	\$ 212	\$ 40,704
Subtotal - Allocations & Record Keeping		1,216	\$ 257,792	\$ 220,000					
Basin Management									
GSP Update (5-year evaluation) ⁶	4.9.1	220	\$ 46,640	\$ 43,440			220	\$ 212	\$ 46,640
2025 Basin Optimization Yield Study ⁶	4.10	220	\$ 46,640	\$ 122,000			220	\$ 212	\$ 46,640
Annual Report ⁶	5.2.3, Ex A 2.7.10	120	\$ 25,440	\$ 48,860			120	\$ 212	\$ 25,440
Initial Basin Optimization Plan ⁶	5.3	180	\$ 38,160	\$ 78,000	0	-	180	\$ 212	\$ 38,160
Subtotal - Basin Management		740	\$ 156,880	\$ 292,300					
Committee Coordination and Consultations									
Policy Advisory Committee	6.1, Ex A Article III	288	\$ 61,056		6	24	288	\$ 212	\$ 61,056
PAC Administration ⁷				\$170,000					
Technical Advisory Committee ⁸	6.11, Ex A Article IV	48	\$ 10,176	\$ 97,440	1	4	48	\$ 212	\$ 10,176
TAC Member Cost ⁹				\$ 259,200					
Insurance ¹⁰				\$ 5,000					
Subtotal - Committee Coordination and Consultations		336	\$ 71,232	\$ 531,640					

UPDATED POST-MEETING TO REFLECT CORRECTED EXHIBIT & ADOPTED BUDGET

**Las Posas Valley Basin
Watermaster Budget FY 2024-25¹**

Task	Reference ²	Labor Hours Estimate ³	Labor Cost Estimate ⁴	Contract Cost Estimate ⁵	Hours / Week	Hours / Month	Hours / Year	Blended Rate	Cost
Budget and Assessments									
Watermaster Budget	7.5, Ex A 2.7.6	80	\$ 16,960				80	\$ 212	\$ 16,960
Basin Assessments	7.1-7.3, 7.6, Ex A 2.8	192	\$ 40,704	\$ 25,000	4	16	192	\$ 212	\$ 40,704
Processing Fees	7.4	192	\$ 40,704		4	16	192	\$ 212	\$ 40,704
Audits	7.7	180	\$ 38,160	\$ 20,000			180	\$ 212	\$ 38,160
Subtotal - Budget and Assessments		644	\$ 136,528	\$ 45,000					
Calleguas Aquifer Storage & Recovery Project									
Calleguas ASR Project Operations Study	8.4	384	\$ 81,408		8	32	384	\$ 212	\$ 81,408
Subtotal - Calleguas Aquifer Storage & Recovery Project		384	\$ 81,408	\$ -					
Legal Services¹¹									
Advisory		576	\$ 149,184		12	48	576	\$ 259	\$ 149,184
Judicial Review (challenges to court)	9.2	384	\$ 99,456		8	32	384	\$ 259	\$ 99,456
LPV Water Rules Appeal ¹²	9.2	-	\$ -	\$ 200,000			-		\$ -
Subtotal - Legal Services¹		960	\$ 248,640	\$ 200,000					
	TOTALS:	4,784	\$ 1,059,328	\$ 1,288,940					
			Total:	\$ 2,348,268					
			Operating Reserves¹³:	\$ 234,827					
			Grand Total:	\$ 2,583,095					
			Total Annual Allocation (AF):	40,000					
			Basin Assessment per AF:	\$ 64.58					
			Quarterly Assessment	\$ 16.14					

FTEs: 2.12 PWA
0.53 County Counsel

2.66 Total

Footnotes

- The FY 2024-25 Budget is for estimated Watermaster administration expenses. It is anticipated that the Basin Assessment may need to be adjusted with addition of Basin Optimization Projects costs following Committee Consultation.
- Reference to LPV Adjudication Judgment section, "Ex A" is Exhibit A of the Judgment.
- Estimated annual hours for Ventura County staff.
- Labor cost estimate based on Ventura County Public Works Agency providing LPV Watermaster staff at a blended rate.
- Contract cost estimate for outside services.
- Contract costs for Dudek for assisting with Response Reports (approved 5/22). Assumes one TAC meeting and response reports.
- PAC 5/3/2024 Letter requested \$170,000 for PAC administrator.
- Contract cost estimate for Dudek for assisting as Watermaster TAC member. Assumes two meetings per month.
- Contract cost estimate for three TAC members including preparation of Recommendation Reports. Assumes two meetings per month.
- PAC request for PAC and TAC members insurance; Committee has requested declaration coverage amounts and difference between Board coverage; Chair West has volunteered to follow up on further info from agent; EO will provide insurance res
- Legal Services labor costs based on Ventura County Counsel providing LPV Watermaster legal services; Judicial Review includes outside counsel costs.
- Share of legal expenses approved by Board on 9/13/24 for LPV Watermaster Rules Appeal.

Las Posas Valley Watermaster

Fiscal Year 2024-2025 Budget and Basin Assessment
for Water Year 2024

Item No. 21

September 25, 2024



Arne Anselm
Interim Executive Officer

Introduction

- The Adjudication Judgment appointed FCGMA as Watermaster to implement Judgment
- Judgment requires Watermaster to take Management Actions by certain dates
- Judgment requires Watermaster to set, levy, and collect Basin Assessments & fees from Water Rights Holders to fund Management Actions and Basin Optimization Projects
- Agency staff prepared an Watermaster Budget as basis of proposed Basin Assessment

FY 2024/25 LPV Watermaster Budget Development

- Draft introduced at May 14, 2024, Fiscal Committee meeting.
- Issues identified discussed at the May 22, 2024, Board meeting.
- Revised draft budget presented at the June 10, 2024 Fiscal Committee meeting
- Policy Advisory Committee (PAC) considered the draft budget at their August 1, 2024, and August 15, 2024, meetings.
- Issues returned to September 13, 2024, Board meeting for direction

LPV Watermaster Draft FY 2024-25 Budget

- Seven principal tasks consistent with the requirements in the Judgment
 1. Watermaster Administration
 2. Allocations & Record Keeping
 3. Basin Management
 4. Committee Coordination and Consultations
 5. Budget and Assessments
 6. Calleguas Aquifer Storage & Recovery Project
 7. Legal Services

LPV Watermaster Draft FY 2024-25 Budget

Task	Labor Hours Estimate	Labor Cost Estimate	Contract Cost Estimate
Watermaster Administration	504	\$106,848	--
Allocations & Record Keeping	1,216	\$257,792	\$220,000
Basin Management	740	\$156,880	\$292,300
Committee Coordination & Consultations	336	\$71,232	\$531,640
Budget & Assessments	644	\$136,528	
Calleguas Aquifer Storage & Recovery Project	384	\$81,408	\$ -
Legal Services (including outside counsel)	960	\$248,640	\$200,000
Totals:	4,784 (2.12 FTE)	\$1,059,328	\$1,288,940
Total:			\$2,559,814
		Operating Reserves	\$234,827
Grand Total:			\$2,583,095

Basin Assessment

- Watermaster “shall assess all Water Right Holders a uniform Basin Assessment per acre-foot of Annual Allocation held by the Water Right Holder”
- The total amount of Annual Allocations must be adjusted to equal Operating Yield
- The Judgment defines the initial Operating Yield as 40,000 AFY for FY 24/25
- Therefore:

$$\text{Watermaster Budget} \div \text{Operating Yield} = \text{Basin Assessment}$$
$$\$2,583,095 \div 40,000 \text{ AF} = \mathbf{\$64.58 \text{ per AF}}$$

- Future adjustment of the LPV Watermaster Budget may affect Basin Assessment

Policy Advisory Committee August 15, 2024, Letter

Administrative Fees: PAC recommended removing line items that can be invoiced for service provided.

Response:

A fee schedule needs to be developed to invoice for services provided before the PAC recommendation can be implemented. The Fiscal Committee approved including these line items with the direction to develop a fee schedule.

Directors and Officers Liability Insurance: PAC requested the PAC members be added to the FCGMA's existing coverage.

Response:

Staff will work to obtain liability insurance coverage for the PAC members

Legal Fees: The PAC maintained its position that past legal fees associated with the FCGMA's appeal of the Judgment should be borne whole by FCGMA.

Response:

- Fiscal Committee recommended the reimbursement of \$200,000 on June 10, 2024
- LPV Watermaster approved the reimbursement on September 13, 2024

Administration of Watermaster Budget

- Basin Assessments will be held in separate LPV Watermaster Fund
- County staff only charge for time spent on specific tasks with separate codes for Watermaster tasks
- Same with consultants and contractors
- Any remaining Basin Assessment funds at end of fiscal year held in LPV Watermaster Fund and available for following fiscal year
- Judgment requires annual audits of Watermaster finances and full certified audits every three years

Recommendations

1. Approve the FY 2024-25 LPV Watermaster Budget
2. Approve Basin Assessment of \$64.58 per acre-foot of Annual Assessment on all Water Right Holders in the Las Posas Valley Basin

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Review and Approval of Requested Corrections or Changes to the Las Posas Valley Adjudication Judgment Groundwater Allocation Schedule. [LPV Watermaster] – (New Item)

RECOMMENDATION: (1) Receive a presentation from Agency staff on requested changes to the Las Posas Valley (LPV) Adjudication Judgment's Groundwater Allocation Schedule; (2) Approve staff recommendations to approve or deny requested changes to the Groundwater Allocation Schedule.

BACKGROUND:

The LPV Adjudication Judgment (Judgment) provides Water Right Holders the one-time opportunity to request the correction of alleged errors regarding information set forth in the Groundwater Allocation Schedule included in the Judgment. (Judgment, § 4.3.1, Exh. C.) Requested corrections are subject to contest by any LPV Adjudication Party and investigation by the Watermaster. (Judgment, § 4.3.1.) Subject to any investigation by Watermaster of the veracity of any identified corrections and the resolution of any contest to a requested correction of information in the Groundwater Allocation Schedule, Watermaster shall update the Groundwater Allocation Schedule to correct any identified errors. (Judgment, § 4.3.1).

DISCUSSION:

In accordance with the Judgment, staff prepared and sent a "[WMID Information Notice Form¹](https://s42135.pcdn.co/wp-content/uploads/2023/07/W MID_N o t i c e_o f_C o n f i r m a t i o n_F o r m . p d f)" for Water Rights Holders to confirm or request correction of their WMID information contained in the [Groundwater Allocation Schedule²](https://s42135.pcdn.co/wp-content/uploads/2023/08/Exh-C-Groundwater-Allocation-Schedule.cleaned.pdf). (Judgment, § 4.3.1). Staff compiled and investigated the veracity of the identified errors or requested corrections to the Groundwater Allocation Schedule and assigned tentative approvals or denials to each request based on the nature of the request, documentation submitted in support of the request, and/or the authority of Watermaster under the Judgment. On August 14, 2024, Water Rights Holders in the Las Posas Valley Basin were notified of the changes to the Groundwater Allocation Schedule requested by Water Right Holders and Parties, notified of Watermaster's tentative approval or denial of requested changes, and provided instructions for submitting additional supporting documentation in support of a requested change, challenging or protesting requested changes, and asking queries and providing comments on requested changes. The Watermaster's August 14, 2024, notice requested that protests and comments to the Watermaster's tentative decisions on requested changes by September 13, 2024.

¹ https://s42135.pcdn.co/wp-content/uploads/2023/07/W MID_N o t i c e_o f_C o n f i r m a t i o n_F o r m . p d f

² <https://s42135.pcdn.co/wp-content/uploads/2023/08/Exh-C-Groundwater-Allocation-Schedule.cleaned.pdf>

A total of 39 requests for corrections or changes to the Groundwater Allocation Schedule were received; Agriculture (35), Domestic (3) and Commercial (2) (Attached as Exhibit 22A.). Watermaster staff has tentatively approved 24 and denied 11 of the requests for corrections or changes to the Groundwater Allocation Schedule. Tentative denials were based on insufficient and incomplete documentation and materials provided in support of requested changes and/or lack of Watermaster authority to make the requested changes under the Judgment.

Your Board's approval and denial of requested changes and corrections will be incorporated into a revised Groundwater Allocation Schedule (Judgment, Exhibit C), which will be used to calculate Water Right Holders' annual water right allocations for future water years.

CONCLUSION:

Staff recommends that your Board approve Watermaster staff's recommended approvals and denials of the changes and corrections to the Groundwater Allocation Schedule.

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654 2954.

Sincerely,



Kudzai Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Attachment: Exhibit 22A – Requested Corrections to Groundwater Allocation Schedule; Watermaster Recommendations

Agriculture

Requested Corrections of Groundwater Schedule for WY2024

(09/16/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Mutual Water Company Shareholder	Mutual Water Company Type	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Tentative Decision	Basis of Decision
1007	Apricot Lane Farm Holdings, LLC	Stockton	1080170025 1080170035	03N20W24P01 03N20W24P03	No	N/A	67.72	57.57	10.15	approve	1a
1013	Berkshire Investments, LLC, a California limited liability company Farmland Reserve, Inc.,		5030050225 5030050245	02N20W01Q01 02N20W01Q02	No	N/A	81	47.86	33.13	approve	2a
1018	William A. Miller, Trustee of the William A. Miller Living Trust dated August 6, 2003, et al.		1080170090 5020020180 5030010325	03N20W26R01 03N20W26R03 03N19W29F07	No	N/A	41.51	18.47	23.04	approve	2a
1022	Borchard, Patricia C. Trust, John Borchard Trustee	Green Hills Ranch	1090031175		Yes	Exclusive	99.92	62.29	37.62	approve	1a
1024	John S. Broome Trust dated June 1, 1967, John S. Broome, Jr., Trustee, et al.	Escabitas	1090050135 1090050205	02N21W17R02 02N21W17N03	No	N/A	214.57	149.58	64.99	approve	1a
1030	Green Hills Ranch, LLC	Green Hills Ranch	1090031065 1090031095 1090031125 1090031155	wells:0246-Revised	Yes	Exclusive	338.16	213.4	124.76	deny	3a
1032	John-Yon Chang John-Yon Chang and Tsung-Yen Dean Chang tenants-in-common		5030050320	02N20W01M01	No	N/A	230.66	100.48	130.17	approve	2a
1076	Michael D. and Merrie Kelley, Trustee for the Michael and Merrie 2008 Revocable Family Trust, dba Triangle K. Farms		1100040410 1100160195 1100160215 1100160225 1100170300	02N0W07R03 02N20W08M01	No Yes	N/A Hybrid	143.95	70.69	73.25	deny	3a
1094	Natanika Ranch, LLC Culbert Farms, LLC & Steven Mastro	Mastro	5000130135 5000130155 5000130165 5000130175	03N19W30F01	No	N/A	232.4	109.86	122.54	deny	2b
1134	Chris Marcussen Ventura Citrus Properties LLC		5030020400	03N20W36L01	No	N/A	48.8	25.85	22.96	approve	2a
1146	Richard Sundberg and Odelia Sundberg A 40% interest to Richard Sundberg, Trustee of the Leslie Jill C Sundberg Residual Trust, Dated 11/28/2004 and a 60% interest to Richard Sundberg and Odelia Sundberg, Trustees of the Richard and Odelia Family Trust VDT July 9th, 2020		5030040055		Yes	Exclusive	50.41	24.59	25.82	approve	1a
1153	Urban D Ranch Limited Partnership Benjamin C. Vasquez and Leonita C. Vasquez		1100220050	02N20W10G01	Yes	Hybrid	157.93	93.77	64.16	approve	2a
1154	VH Farms LP	VH Farms LLC	1100210330		Yes	Exclusive	31.85	17.96	13.88	approve	1a
1161	CE + D Mabry Family LP	Mabry Ranch	5030020165 5030020410 5030030290	03N20W25R03 03N20W36A04 03N20W36L01	No	N/A	89.62 40.50	51.25 23.16	38.37 17.34	approve	2a
5000	Jesus Bravo Ahumada, a married man as his sole and separate property		5030020165		No	N/A	49.12	28.09	21.03	approve	2a
1181	Charles and Mary Wehrheim, Co-Trustees of the Wehrheim Family Trust Mary Ann Wehrheim, Trustee of the Wehrheim Family Trust		5030050365 5030050390	02N20W02J02	No	N/A	79.91	47.61	32.3	approve	1a
1191	Brian A. Lee and Maria G. Lee as Trustees of the Lee Family Trust Wisam Salem and Athra Salem	Empty Saddle Ranch	5030020150	03N20W36G02	No	N/A	36.65	21.80	14.84	approve	2a
1192	JRRE Horizon LLC Lexi Rastegar Farms, LLC	Rancho Vista Allegre	1100230405	03N20W28J04	No	N/A	66.52	39.26	27.26	deny	2b
3304	Weider, Eric & Renee Lynn (6/28/21 VIK Holdings, LLC) VIK Holdings, LLC, a California limited liability company		5030040175		Yes	Exclusive	70.62	41.31	29.32	approve	1a
3319	Foutkrod, Marc J. & Jamie Foutkrod Trustees Amelia Lujan & Juan Lujan	El Encanto Farms	1100080075		Yes	Exclusive	21.57	15.07	6.5	approve	2a
3345	Tash Trust, George and Debra as Trustees		1100210290 5030040075		Yes	Exclusive	51.61 25.91	21.64 10.86	29.97 15.05	approve	2a
3348	Benjamin Ventura Moreno, a single man and Ricardo Corona and Diana Pina Arevalo, husband and wife		5030040075		Yes	Exclusive	0 25.7	0 10.78	0 14.92	approve	2a

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Mutual Water Company Shareholder	Mutual Water Company Type	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Tentative Decision	Basis of Decision
3601	Bought The Farm, LLC	Lot 01	5030071035		Yes	Exclusive	30.4 43.82	12.75 26.17	17.65	deny	4
3602	Katherine Cannon & Oliver Hutchinson	Lot 02	5030071025		Yes	Exclusive	29.1 38.66	19.46 29.02	9.64	deny	4
3613	GFO, LLC	Lot 13	5030072195 5030072275		Yes	Exclusive	116.89 127.33	54.58 65.02	62.31	deny	4
3614	Josep J. Bitic, Trustee of the Bitic Living Trust Dated April 10, 1984 - Moshe Ben-Dayan & Stephanie McColgan	Lot 14	5030072205		Yes	Exclusive	59.49	29.25	30.24	deny	2b
3617	Geraldine P. Berns, Trustee of the Geraldine P. Berns Family Trust No. One Established April 17, 1987 - John Berns, Trustee of the Geraldine P. Berns Family Trust, Establish 17, 1987	Lot 17	5030072035		Yes	Exclusive	64.88	27.21	37.67	approve	1a
3620	GFO, LLC	Lot 20	5030072235		Yes	Exclusive	119.18 127.72	51.74 60.28	67.44	deny	4
3703	Ronald V. Boch and Lois R. Boch, Trustees of the Boch Family Revocable Trust dated November 4, 1998 - Lois R. Boch	Boch Ranch	1100010185		Yes	Exclusive	48.14	25.44	22.7	approve	1a
4201	AMS Craig LLC, a Delaware limited liability company	RD Ranch	1100210120	02N20W04R02	Yes	Hybrid	23.11	18.64	4.46	deny	3b
4202	Marshall T. Allen and Concepcion V. Allen, as co-trustees of the Marshall T. Allen and Concepcion V. Allen 1990 Revocable Inter Vivos Trust u/d/t dated December 5, 1990	Allen Ranch	1100170375		Yes	Exclusive	12.38	12.26	0.12	approve	1a
4228	AMS Craig LLC, a Delaware limited liability company	C & R Ranch	1100200255		Yes	Exclusive	22.79	21.56	1.23	approve	1a
4242	George Tash and Debra B. Tash, Trustees of the Community Trust created under the George Tash and Debra B. Tash Intervivos Trust Agreement dated Nov. 25, 1985, fully reinstated May 19, 1999		1100170585 1100220085 1610030020 1610040020 1610030010		Yes	Hybrid	46.57	30.54	16.03	deny	3b
4263	Benjamin Vasquez and Leonila C. Vasquez, husband and wife as joint tenants		1100220040	02N20W10G01	Yes	Hybrid	104.35 125.34	66.68 87.67	37.67	deny	4
	John R. Frye and Mary Ann Frye, as Trustees of the John R. Frye and Mary Ann Frye Family Trust Trust Agreement UTD June 18, 2003	Frye Ranch	5000090175	03N19W30D02	No	N/A	0 96.65	0 48.1	0 48.55	deny	4
	<p>Footnote Basis of Tentative Decision 1a - will not affect allocation basis 1b - will not affect allocation (in Exhibit B omitted in Exhibit C) 2a - change / update in WMID ownership (complete paperwork) 2b - change / update in WMID ownership (incomplete paperwork) 3a - not enough information (additional paperwork) or not applicable 3b - change will alter parties / properties on record (court) 4 - request for allocation (authority rests with the court)</p>										

Item 22A - Requested Corrections to Groundwater Allocation Schedule; Watermaster Recommendations

Domestic

Requested Corrections of Groundwater Schedule for WY2024

(09/16/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Tentative Decision	Basis of Decision
3332	Ehrhardt, Louis and Patricia, pledged to Weyehaeuser Mortgage The Ehrhardt Family Trust dated January 9, 2020		1100080090		1.00	approve	1a
3706	John R. Mathes, Trustee of the Jhn R. Mathis Trust U/T/A Dated August 7, 1992	Lot 8	1100110195		3.44	deny	3a
3588	Roberson, Jason & Sharon		1100110175 1100110220		0 1.00	deny	4
	Footnote Basis of Tentative Decision 1a - will not affect allocation basis 1b - will not affect allocation (in Exhibit B omitted in Exhibit C) 2a - change / update in WMID ownership (complete paperwork) 2b - change / update in WMID ownership (incomplete paperwork) 3a - not enough information (additional paperwork) 3b - change will alter parties / properties on record (court) 4 - request for allocation (authority rests with the court)						

Commercial

Requested Corrections of Groundwater Schedule for WY2024

(09/16/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Mutual Water Company Shareholder	Mutual Water Company Type	Allocation Basis (AF)	Tentative Decision	Basis of Decision
3329	Gerardi, Danny Pery Consulting Group, LLC	Wrong Turn Ranch	1100210280		Yes	Exclusive	9.27	deny	3b
3701	George Steve T Danah A. Zaman and Adel Gandomikal, Wife and Husband as Joint Tenants		1100010165		Yes	Exclusive	5.91	approve	2a
<p>Footnote Basis of Tentative Decision 1a - will not affect allocation basis 1b - will not affect allocation (in Exhibit B omitted in Exhibit C) 2a - change / update in WMID ownership (complete paperwork) 2b - change / update in WMID ownership (incomplete paperwork) 3a - not enough information (additional paperwork) 3b - change will alter parties / properties on record (court) 4 - request for allocation (authority rests with the court)</p>									

Review and Approval of Requested Corrections or Changes to the Las Posas Valley Adjudication Judgment Groundwater Allocation Schedule – Exhibit C.

Item No. 22 – September 25, 2024



Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Background

- Las Posas Valley Adjudication Judgment (Judgment) provides Water Right Holders the one-time opportunity to request the correction of alleged errors regarding information set forth in the Groundwater Allocation Schedule included in the Judgment. (Judgment, § 4.3.1, Exh. C.)
- Requested corrections are subject to contest by any LPV Adjudication Party and investigation by the Watermaster. (Judgment, § 4.3.1.)

Discussion and Timeline

- WMID Information Notice Form (Judgment, § 4.3.1) (*August 1, 2023*)
- Staff compiled and investigated the veracity of the identified errors
- Staff assigned tentative approvals or denials to each request based on:
 - Nature of the request;
 - Documentation submitted in support of the request; and
 - Authority of Watermaster under the Judgment
- Stakeholders notified of requested changes & tentative decisions (*August 14, 2024*)
- Stakeholders provided opportunity to submit additional documentation in support of requested change, protest request change or provide comments.
- Deadline (*September 13, 2024*)

Requested changes to Exhibit C

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Mutual Water Company Shareholder	Mutual Water Company Type	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Tentative Decision	Basis of Decision
1007	Apricot Lane Farm Holdings, LLC	Stockton	1080170025 1080170035	03N20W24P01 03N20W24P03	No	N/A	67.72	57.57	10.15	approve	1a
1022	Borchard, Patricia C. Trust, John Borchard Trustee	Green Hills Ranch	1090031175		Yes	Exclusive	99.92	62.29	37.62	approve	1a
1024	John S. Broome Trust dated June 1, 1967, John S. Broome, Jr., Trustee, et al.	Escabitas	1090050135 1090050205	02N21W17R02 02N21W17N03	No	N/A	214.57	149.58	64.99	approve	1a
1146	Richard Sundberg and Odelia Sundberg A 40% interest to Richard Sundberg, Trustee of the Leslie Jill C Sundberg Residual Trust, Dated 11/28/2004 and a 60% interest to Richard Sundberg and Odelia Sundberg, Trustees of the Richard and Odelia Family Trust VDT July 9th, 2020		5030040055		Yes	Exclusive	50.41	24.59	25.82	approve	1a
1154	VH Farms LP	VH Farms LLC	1100210330		Yes	Exclusive	31.85	17.96	13.88	approve	1a
1181	Charles and Mary Wehrheim, Co-Trustees of the Wehrheim Family Trust Mary Ann Wehrheim, Trustee of the Wehrheim Family Trust		5030050365 5030050390	02N20W02J02	No	N/A	79.91	47.61	32.3	approve	1a
3304	Weider, Eric & Renee Lynn (6/28/21 VIK Holdings, LLC) VIK Holdings, LLC, a California limited liability company		5030040175		Yes	Exclusive	70.62	41.31	29.32	approve	1a
3617	Geraldine P. Berns, Trustee of the Geraldine P. Berns Family Trust No. One Established April 17, 1987 John Berns, Trustee of the Geraldine P. Berns Family Trust, Establish 17, 1987	Lot 17	5030072035		Yes	Exclusive	64.88	27.21	37.67	approve	1a
3703	Ronald V. Boch and Lois R. Boch, Trustees of the Boch Family Revocable Trust dated November 4, 1998 Lois R. Boch	Boch Ranch	1100010185		Yes	Exclusive	48.14	25.44	22.7	approve	1a
4202	Marshall T. Allen and Concepcion V. Allen, as co-trustees of the Marshall T. Allen and Concepcion V. Allen 1990 Revocable Inter Vivos Trust u/d/t dated December 5, 1990	Allen Ranch	1100170375		Yes	Exclusive	12.38	12.26	0.12	approve	1a
4228	AMS Craig LLC, a Delaware limited liability company	C & R Ranch	1100200255		Yes	Exclusive	22.79	21.56	1.23	approve	1a
1013	Berkshire Investments, LLC, a California limited liability company Farmland Reserve, Inc.,		5030050225 5030050245	02N20W01Q01 02N20W01Q02	No	N/A	81	47.86	33.13	approve	2a
1018	William A. Miller, Trustee of the William A. Miller Living Trust dated August 6, 2003, et al.		1080170090 5020020180 5030010325	03N20W26J01 03N20W26R03 03N19W29F07	No	N/A	41.51	18.47	23.04	approve	2a
1032	John-Yon Chang John-Yon Chang and Tsung-Yen Dean Chang tenants-in-common		5030050320	02N20W01M01	No	N/A	230.66	100.48	130.17	approve	2a
1134	Chris Marcussen Ventura Qtrus Properties LLC		5030020400	03N20W36L01	No	N/A	48.8	25.85	22.96	approve	2a
1153	Urban-D Ranch Limited Partnership Benjamin C. Vasquez and Leonita C. Vasquez		1100220050	02N20W10G01	Yes	Hybrid	157.93	93.77	64.16	approve	2a
1161	CE + D Mabry Family LP	Mabry Ranch	5030020165 5030020410 5030030290	03N20W25R03 03N20W36A04 03N20W36L01	No	N/A	89.62 40.50	51.25 23.16	28.97 17.34	approve	2a
5000	Jesus Bravo Ahumada, a married man as his sole and separate property		5030020165		No	N/A	49.12	28.09	21.03	approve	2a
1191	Brian A. Lee and Maria G. Lee as Trustees of the Lee Family Trust Wisam Salem and Athra Salem	Empty Saddle Ranch	5030020150	03N20W36G02	No	N/A	36.65	21.80	14.84	approve	2a
3319	Foutkrod, Marc J. & Jamie Foutkrod Trustees Amelia Lujan & Juan Lujan	El Encanto Farms	1100080075		Yes	Exclusive	21.57	15.07	6.5	approve	2a
3345	Tash Trust, George and Debra as Trustees		1100210290 5030040975		Yes	Exclusive	51.61 25.91	21.64 10.86	29.97 15.05	approve	2a
3348	Benjamin Ventura Moreno, a single man and Ricardo Corona and Diana Pina Arevato, husband and wife		5030040075		Yes	Exclusive	0 25.7	0 10.78	0 14.92	approve	2a

Footnote	
Basis of Tentative Decision	
1a - will not affect allocation basis	
1b - will not affect allocation (in Exhibit B omitted in Exhibit C)	
2a - change / update in WMID ownership (complete paperwork)	
2b - change / update in WMID ownership (incomplete paperwork)	
3a - not enough information (additional paperwork) or not applicable	
3b - change will alter parties / properties on record (court)	
4 - request for allocation (authority rests with the court)	

Required Changes to Exhibit C

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Mutual Water Company Shareholder	Mutual Water Company Type	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)
3614	Josep J. Bitic, Trustee of the Bitic Living Trust Dated April 10, 1984 Moshe Ben-Dayan & Stephanie McColgan	Lot 14	5030072205		Yes	Exclusive	59.49	29.25	30.24
1094	Natanika Ranch, LLC Mastro Culbert Farms, LLC & Steven Mastro		5000130135 5000130155 5000130165 5000130175	03N19W30F01	No	N/A	232.4	109.86	122.54
1192	IRE Horizon LLC Lexi Rastegar Farms, LLC	Rancho Vista Allegre	1100230405	03N20W28J04	No	N/A	66.52	39.26	27.26
1030	Green Hills Ranch, LLC	Green Hills Ranch	1090031065 1090031095 1090031125 1090031155	wells:0246-Revised	Yes	Exclusive	338.16	213.4	124.76
1076	Michael D. and Merrie Kelley, Trustee for the Michael and Merrie 2008 Revocable Family Trust, dba Triangle K. Farms		1100040410 1100160195 1100160215 1100160225 1100170300	02N0W07R03 02N20W08M01	No-Yes	N/A Hybrid	143.95	70.69	73.25
4242	George Tash and Debra B. Tash, Trustees of the Community Trust created under the George Tash and Debra B. Tash Intervivos Trust Agreement dated Nov. 25, 1985, fully reinstated May 19, 1999		1100170585 1100220085 1610030020 1610040020 1610030010		Yes	Hybrid	46.57	30.54	16.03
4201	AMS Craig LLC, a Delaware limited liability company	RD Ranch	1100210120	02N20W04R02	Yes	Hybrid	23.11	18.64	4.46
4263	Benjamin Vasquez and Leonila C. Vasquez, husband and wife as joint tenants		1100220040	02N20W10G01	Yes	Hybrid	104.95 125.34	66.68 87.67	37.67
3601	Bought The Farm, LLC	Lot 01	5030071035		Yes	Exclusive	30.4 43.82	12.75 26.17	17.65
3602	Katherine Cannon & Oliver Hutchinson	Lot 02	5030071025		Yes	Exclusive	29.1 38.66	19.46 29.02	9.64
3613	GFO, LLC	Lot 13	5030072195 5030072275		Yes	Exclusive	116.89 127.33	54.58 65.02	62.31
3620	GFO, LLC	Lot 20	5030072235		Yes	Exclusive	119.18 127.72	51.74 60.28	67.44
	John R. Frye and Mary Ann Frye, as Trustees of the John R. Frye and Mary Ann Frye Family Trust Trust Agreement UTD June 18, 2003	Frye Ranch	5000090175	03N19W30D02	No	N/A	0 96.65	0 48.1	0 48.55

Footnote
Basis of Tentative Decision
1a - will not affect allocation basis
1b - will not affect allocation (in Exhibit B omitted in Exhibit C)
2a - change / update in WMID ownership (complete paperwork)
2b - change / update in WMID ownership (incomplete paperwork)
3a - not enough information (additional paperwork) or not applicable
3b - change will alter parties / properties on record (court)
4 - request for allocation (authority rests with the court)

Summary

- 40 requests for corrections
 - Agriculture (35) → tentative approval 24, tentative denial 13
 - Domestic (3) → tentative approval 1, tentative denial 2
 - Commercial (2) → tentative approval 1, tentative denial 1
- 26 tentatively approved and 16 tentatively denied

Recommendation

- Receive and file this report
- Staff recommends that your Board approve Watermaster staff's recommended approvals and denials of the changes and corrections to the Groundwater Allocation Schedule.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
Michael Craviotto, *Farmer, Agricultural Representative*
Lynn Maulhardt, *Director, United Water Conservation District*
Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Approval of Las Posas Valley Basin Annual Water Right Allocations for Water Year 2024 (October 1, 2024 – September 30, 2025) [LPV Watermaster] – (New Item)

RECOMMENDATIONS: (1) Receive a presentation from Agency staff on the calculation of Water Right Allocations under the Las Posas Valley (LPV) Adjudication Judgment for Water Year 2024, and (2) Adopt Water Right Allocations Calculations for the LPV Basin for Water Year 2024.

BACKGROUND:

The Las Posas Adjudication Judgment provides that Watermaster, following Committee Consultation, shall annually calculate the Annual Water Right Allocations using the protocols and formulas set forth in Exhibit D¹ to the Judgment. (Judgment § 4.2.) Under the Judgment, each Water Rights Holder's annual allocation depends in part on the Operating Yield of the LPV Basin. During the first two years following entry of the Judgment, the Operating Yield for the LPV Basin is set at 40,000 acre-feet (AF) (Judgment § 4.9.1.1), which is less than the total amount of all Water Rights granted to Holders under the Judgment (41,851.57 AF) (Judgment, § 4.9.1.1, Exh. C.). The Judgment therefore requires a reduction of the allocations for all Water Rights Holders for Water Year (WY) 2024 to bring the total amount of all Water Rights granted under the Judgment in line with the Initial Operating Yield.

DISCUSSION:

Prior to calculating draft WY 2024 Annual Water Right Allocations, Watermaster contacted Hypericum Land Company, LLC, Hypericum Interests, LLC, Butler Ranch Mutual Water Company, and Del Norte Mutual Water Company (collectively, Conditional Domestic Holders) to determine whether any of them planned to exercise their Conditional Water Rights in WY 2024 (See Judgment, §§ 4.5.3.9, 4.5.3.10, Exhibit G, Exhibit H.). The Butler and Hypericum companies' counsel explained that they are still working to obtain permits and are not currently requesting Conditional Domestic Allocation for WY 2024 but reserve the right to request such allocation in the future. These letters are attached as Exhibit 23A and Exhibit 23B, respectively. Del Norte did not respond to the Watermaster's request. Therefore, none of the Conditional Domestic Allocations granted to Conditional Domestic Holders under the Judgment has accrued. Staff prepared the attached draft WY 2024 Allocations Calculations excluding said conditional domestic allocations.

On September 4, 2024, staff referred the draft WY 2024 Allocations Calculations to the Las Posas Valley Policy Advisory Committee (PAC) and Las Posas Valley Technical Advisory Committee (TAC) for

¹ Judgment Exh D – Annual Allocation Protocols & Formulas: <https://s42135.pcdn.co/wp-content/uploads/2023/08/Exh-D-Annual-Allocation-Protocols-Formulas.cleaned.pdf>

consultation and published the draft on the Watermaster website for review by Water Right Holders and stakeholders. Please note that staff updated the draft WY 2024 Annual Calculations to reflect updates in requested corrections to the Groundwater Allocation Schedule and highlighted the updated material to the draft Groundwater Allocations Calculations at the PAC and TAC committee meetings held on September 17 and 19, 2024, respectively (attached as Exhibit 23C). The PAC endorsed the draft Groundwater Annual Calculations and provided a recommendation report, while the TAC deferred to the PAC and staff recommendations (Exhibit 23D).

CONCLUSION:

Staff recommends that your Board adopt the attached (Exhibit 23C) Water Right Allocations Calculations for the Las Posas Valley Basin for Water Year 2024.

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654 2954.

Sincerely,



Kudzai Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Attachment: Exhibit 23A – Hypericum Letter dated July 26, 2024
Exhibit 23B – Butler Mutual Water Company Letter dated July 26, 2024
Exhibit 23C – Water Year 2024 Water Right Allocations Calculations
Exhibit 23D – PAC Recommendation Letter dated September 20, 2024

ALSTON & BIRD

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July 26, 2024

Via Email & U.S. Mail

Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1610
Attn.: Kudzai Farai Kaseke
farai.kaseke@ventura.org

Re: WY 2024-25 Conditional Domestic Allocations for Hypericum Land Company, LLC and Hypericum Interests, LLC Under Las Posas Valley Groundwater Adjudication Judgment

Dear Dr. Kaseke:

This law firm represents Hypericum Land Company, LLC and Hypericum Interests, LLC (collectively, Hypericum) in the above-referenced matter. On behalf of Hypericum, I am sending you this letter in response to your letter dated July 22, 2024 to inform you that Hypericum has not yet satisfied the conditions precedent necessary in order to accrue a Conditional Domestic Allocation for Water Year 2024-2025. However, Hypericum reserves the right to seek a Conditional Domestic Allocation in future water years once Hypericum has satisfied the necessary conditions.

Very truly yours,



Edward J. Casey
Attorneys for Hypericum

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July 26, 2024

Via Email & U.S. Mail

Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1610
Attn.: Kudzai Farai Kaseke
farai.kaseke@ventura.org

Re: WY 2024-25 Conditional Domestic Allocations for Butler Ranch Mutual Water Company Under Las Posas Valley Groundwater Adjudication Judgment

Dear Dr. Kaseke:

This law firm represents Butler Ranch Mutual Water Company (Butler Ranch) in the above-referenced matter. On behalf of Butler Ranch, I am sending you this letter in response to your letter dated July 22, 2024 to inform you that Butler Ranch has not yet satisfied the conditions precedent necessary in order to accrue a Conditional Domestic Allocation for Water Year 2024-2025. However, Butler Ranch reserves the right to seek a Conditional Domestic Allocation in future water years once Butler Ranch has satisfied the necessary conditions.

Very truly yours,



Edward J. Casey
Attorneys for Butler Ranch

Item 23 - Exhibit 23C

Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1001	49 Acres Scholle Ranch LP		1100091010 1100091020 1100091030 1100120080 1100120160 1100120170	02N21W10Q03 02N21W10Q04	368.02	248.46	119.56	106.19	354.65	Hybrid	Del Norte
1002	Aggen Associates, LLC		1100141020 1100142010	02N21W12G01	164.71	158.61	6.10	5.42	164.03	N/A	N/A
1003	Aggen Partners, LP		1100142075 1100142140	02N21W12H01 02N21W12H02	219.09	148.03	71.05	63.10	211.13	Hybrid	Zone
1004	Samuel and Sylvia Alvarez Family Revocable Trust dated 02/20/1998, Samuel and Sylvia Alvarez, Trustees		1100200090		88.67	59.05	29.62	26.31	85.36	Exclusive	Zone
1005	Samuel and Sylvia Alvarez Family Revocable Trust dated 02/20/1998, Samuel and Sylvia Alvarez, Trustees		1100200080 1100200100		98.15	67.15	31.00	27.53	94.68	Exclusive	Zone
1006	Apricot Lane Farm Holdings, LLC	Main - Broadway	5030010025 5030010030 5030010040 5030010335 5030010395 5030020125 5030020260 5030020425	03N20W25I04 03N20W25R04	295.51	137.69	157.82	140.17	277.86	N/A	N/A
1007	Apricot Lane Farm Holdings, LLC	Stockton	1080170025 1080170035	03N20W24P03	67.72	57.57	10.15	9.01	66.58	N/A	N/A
1008	Bryce and Elaine Bannatyne Trust, Bryce Bannatyne, Trustee	Rancho Resplandor Sand Canyon	1100200240	02N20W09B01	27.43	27.31	0.12	0.11	27.42	N/A	N/A
1009	Bryce and Elaine Bannatyne Trust, Bryce Bannatyne, Trustee	Rancho Resplandor Moorpark	5020060010	03N19W29L01	219.05	92.96	126.09	111.99	204.95	N/A	N/A
1010	Bell Ranch Investors, LLC		1560180350 1560180360 1560180430	02N20W17F01 02N20W17L01	583.35	244.63	338.72	300.83	545.46	N/A	N/A
1011	John W. Borchard Ranches, Inc., a California corporation	Reiman Ranch	1100133230 1100133240		264.51	180.19	84.32	74.89	255.08	Exclusive	Zone
1012	John W. Borchard Ranches, Inc., a California corporation	Goodyear Ranch	1100133200 1100150115		67.49	45.98	21.52	19.11	65.09	Exclusive	Zone
1013	Farmland Reserve, Inc.,		5030050225 5030050245	02N20W01Q01 02N20W01Q02	81.00	47.86	33.13	29.42	77.28	N/A	N/A
1014	Berylwood Ranch, LLC, a California limited liability company		1100020090 1100020100		235.38	107.92	127.46	113.20	221.12	Exclusive	Zone
1015	Roberta Ann Bianchi Trust dated 04/25/1988, Roberta Ann Bianchi, Trustee		1100092170		43.28	43.28	0.00	0.00	43.28	Exclusive	Del Norte
1016	Roberta Ann Bianchi Trust dated 04/25/1988, Roberta Ann Bianchi, Trustee		1100092210		45.61	45.61	0.00	0.00	45.61	Exclusive	Del Norte
1017	William A. Miller, Trustee of the William A. Miller Living Trust dated August 6, 2003, et al.		5030010090 5030010145 5030010165 5030010310 5030010405	03N20W26J01 03N20W26R03	224.48	134.26	90.22	80.13	214.39	N/A	N/A
1018	William A. Miller, Trustee of the William A. Miller Living Trust dated August 6, 2003, et al.		1080170090 5020020180 5030010325	03N19W29F07	41.51	18.47	23.04	20.46	38.93	N/A	N/A
1019	John W. Borchard, Jr., Trustee of the John W. Borchard, Jr. Trust dated May 12, 1971	Baptiste Ranch	1100170645		48.23	30.02	18.21	16.17	46.19	Exclusive	Zone

Item 23C

Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1020	Lauren A. Borchard, Trustee LAB Trust; Leslie K. Borchard	MCB Farms LLC, Greenhills Ranch	1090031185		89.95	52.65	37.30	33.13	85.78	Exclusive	Del Norte
1021	Lauren A. Borchard, Trustee for the LAB Trust; Leslie K. Borchard	MCB Farms LLC -Donlon 3 Ranch	1100420035		43.26	30.55	12.71	11.29	41.84	Exclusive	Rancho Canada
1022	Borchard, Patricia C. Trust, John Borchard Trustee	Green Hills Ranch	1090031175		99.92	62.29	37.62	33.41	95.70	Exclusive	Del Norte
1023	Broadway Road Moorpark, LLC, a Delaware limited liability company		5020020030		149.97	62.89	87.08	77.34	140.23	Exclusive	Thermic
1024	John S. Broome Trust dated June 1, 1967, John S. Broome, Jr., Trustee, et al.	Escabitas	1090050135 1090050205	02N21W17N03 02N21W17R02	214.57	149.58	64.99	57.72	207.30	N/A	N/A
1025	John S. Broome Trust dated June 1, 1967, John S. Broome, Jr., Trustee, et al.	Colina	1100200065	02N20W09H01	83.37	41.39	41.98	37.28	78.67	Hybrid	Zone
1026	Bruecker 2005 Revocable Family Trust, Kenneth A. and Juli A. Bruecker, Co-Trustees		5030060225 5030060235 5030060255 5030060325	02N20W01A01	87.15	68.42	18.73	16.63	85.05	N/A	N/A
1027	Burdullis Ranches LLC		1100420025		39.37	36.76	2.61	2.32	39.08	Exclusive	Rancho Canada
1028	Burdullis Ranches LLC		1100420045		37.22	30.79	6.43	5.71	36.50	Exclusive	Rancho Canada
1030	Green Hills Ranch, LLC	Green Hills Ranch	1090031065 1090031095 1090031125 1090031155		338.16	213.40	124.76	110.80	324.20	Exclusive	Del Norte
1031	Glen and Kim T. Carmichael, Co-Trustees of the Glen and Kim T. Carmichael Joint Living Trust and Carmichael Farms Trust		1070130195 1070130205 1070130255 1100100025	03N21W34R01	193.46	148.93	44.53	39.55	188.48	Hybrid	Del Norte
1032	John-Yon Chang and Tsung-Yen Dean Chang tenants-in-common		5030050320	02N20W01M01	230.66	100.48	130.17	115.61	216.09	N/A	N/A
1034	Ann Cooluris, Trustee of the Ann C. Cooluris Trust, et al.		1100150085		164.41	112.49	51.92	46.11	158.60	Exclusive	Zone
1035	Culbert Farms LLC; Cristina Marie Kildee; Delcia Ann Giacalone; Jennifer Elizabeth Kildee; Richard D. Culbert; Michael Kenneth Kildee; Kevin Bertis Kildee	Culbert 60 Ranch	1100142100		80.73	73.86	6.87	6.10	79.96	Exclusive	Zone
1036	D&D Coastal, LLC		1080180065	03N20W27G06	32.79	14.19	18.60	16.52	30.71	Hybrid	Balcom-Bixby
1037	DeBoni Corporation		1100141090	02N21W11H02	120.66	80.81	39.85	35.39	116.20	Hybrid	Zone
1038	DeBoni Corporation		1100092160 1100093010		116.22	105.01	11.21	9.96	114.97	Exclusive	Del Norte
1039	Dent Ranch, LP		5000210220		23.49	10.09	13.41	11.91	22.00	Exclusive	Thermic
1040	Leslie C. Dobson & Debra L. Dobson	Lot 3	1100230335	03N20W33B04	16.93	12.04	4.89	4.34	16.38	Hybrid	Las Lomas
1041	US Horticulture Farmland		5030040255 5030040265 5030040285 5030040295	02N20W02N03 02N20W02N03m2	402.14	275.86	126.28	112.15	388.01	Hybrid	Berylwood
1042	Zachary Rastegar Farms, LLC	Shiloh Ranch	1070110035 1070110050 1070130030 1070130070 1100110075	03N21W35P02	240.22	141.95	98.27	87.28	229.23	N/A	N/A
1043	Isabella Rastegar Farms, LLC	Tara Ranch	1070120060 1070120215 1070120225 1070130145	02N21W04Q02	181.17	107.06	74.12	65.83	172.89	Hybrid	Del Norte

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Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1044	John Moffatt Grether, Trustee of the GST Exempt Exemption Trust and the Survivors Administrative Trust under the Grether Family Trust	Home 13	1090042130		15.39	15.39	0.00	0.00	15.39	Exclusive	Del Norte
1045	John W. Borchard, Jr and J. David Borchard, Co-Trustees of the Cecilia Borchard 1971 Trust for the benefit of John W. Borchard, Jr.	Perkins Ranch	1100120010		169.52	85.37	84.15	74.74	160.11	Exclusive	Zone
1046	Ernest Borchard Ranch Co., LLC, a California limited liability company	Thorpe Ranch	1100120060		200.41	148.36	52.05	46.23	194.59	Exclusive	Zone
1047	J. David Borchard and Michele A. Borchard, Co-Trustees of the J. David and Michele A. Borchard Family Trust dated September 25, 2014	DJB Ranch	1100160020		108.56	54.78	53.79	47.77	102.55	Exclusive	Zone
1048	John W. Borchard, Jr. and J. David Borchard, Co-Trustees of John's Exempt Residuary Trust, under the John W. Borchard 1986 Trust	Hawkins Ranch	1100131010		22.47	11.31	11.16	9.91	21.22	Exclusive	Zone
1049	John W. Borchard Jr. and Suzanne Borchard Kelly, Co-Trustees of the the Patricia C. Borchard Testamentary Trust for the benefit of John W. Borchard, Jr.	Knittles Ranch	1100133220 1100133250		96.58	65.44	31.15	27.67	93.11	Exclusive	Zone
1050	Dusty Lane LLC		1080100145	03N20W28P03	22.22	16.14	6.08	5.40	21.54	N/A	N/A
1051	Dusty Lane LLC		1100230255	03N20W28P03 03N20W28Q01	25.47	18.50	6.97	6.19	24.69	Hybrid	Balcom-Bixby
1053	James D. Engel, Trustee for the James D. Engel and Kay A. Engel Trust Dated April 15, 1998	Quail Hill Enterprises, Inc.	5030020350	03N20W36A03	40.00	22.33	17.67	15.69	38.02	N/A	N/A
1054	Farmland Reserve, Inc.		5030060115 5030060155 5030060180	02N20W01Q01 02N20W01Q02	299.50	132.46	167.04	148.36	280.82	N/A	N/A
1055	Green Fuse Botanicals, LLC		5030040065		16.09	13.18	2.92	2.59	15.77	Exclusive	Berylwood
1056	Zachary Rastegar Farms, LLC		1070130080 1100110180	03N21W35L03	111.48	94.08	17.39	15.44	109.52	N/A	N/A
1058	Gwyn Goodman, Trustee for the Goodman Family Trust		1100071245 1100071255 1100072030		54.57	29.56	25.01	22.21	51.77	Exclusive	Berylwood
1059	James A. Waters, III, Trustee for The J&H Waters Revocable Trust Dated July 18, 2008 ; James A. Waters, III, Trustee for The Andrew Exempt Trust Dated June 29, 2012	Balcom Canyon Ranch	1080100025	03N20W28J01S	134.58	97.74	36.84	32.72	130.46	Hybrid	Balcom-Bixby
1060	James A. Waters, III, Trustee for The J&H Waters Revocable Trust Dated July 18, 2008; James A. Waters, III, Trustee for The Andrew Exempt Trust Dated June 29, 2012	Hawley Ranch	1100080100		143.26	77.24	66.02	58.64	135.88	Exclusive	Berylwood
1061	James A. Waters, III, Trustee for The J&H Waters Revocable Trust Dated July 18, 2008	Bard Ranch	5030020370	03N20W36A03	35.00	20.10	14.90	13.23	33.33	N/A	N/A
1062	John Moffatt Grether, Trustee of the Helen B. Grether Trust, the GST Exempt Exemption Trust, and the Survivors Administrative Trust under the Grether Family Trust	Home Ranch	1090042120		105.74	102.65	3.08	2.74	105.39	Exclusive	Del Norte
1063	Elizabeth B. Grether Trust, Elizabeth B. Grether, Trustee		1550270255		150.40	119.05	31.36	27.85	146.90	Exclusive	Zone
1064	April First Trust dated 01/15/2001, John M. Grether and Elizabeth B. Grether, Trustees	Russell	1100092260		56.22	56.22	0.00	0.00	56.22	Exclusive	Del Norte
1065	April First Trust dated 01/15/2001, John M. Grether and Elizabeth B. Grether, Trustees	Rita	1100133085	02N21W01L01 02N21W11A03 03N21W36Q01	29.60	16.85	12.75	11.32	28.17	N/A	N/A
1066	April First Trust dated 01/15/2001, John M. Grether and Elizabeth B. Grether, Trustees	Selia	1100141125		53.46	49.44	4.02	3.57	53.01	Exclusive	Zone
1068	Jose de Jesus and Maria de la Cruz Gutierrez, Joint Tenants		1100420095		21.06	10.97	10.09	8.96	19.93	Exclusive	Rancho Canada

Item 23C

Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1069	Jose de Jesus and Maria de la Cruz Gutierrez, Joint Tenants		1100420105		15.30	15.30	0.00	0.00	15.30	Exclusive	Rancho Canada
1070	Hacobian, Edward/Kristine		1100230215	03N20W28P04	25.00	20.50	4.50	4.00	24.50	Hybrid	Balcom-Bixby
1071	Hagel, Timothy et al	Meadows of Moorpark	1080161115	03N20W26C01	8.82	8.82	0.00	0.00	8.82	Hybrid	Balcom-Bixby
1072	Harris Endeavors, LLC		1100230145	03N20W28P01 03N20W28Q02	31.63	16.60	15.03	13.35	29.95	N/A	N/A
1073	Higgins, Sunny May Trust et al	Snyder Ranch	1100150020 1610030030		216.71	102.41	114.30	101.51	203.92	Hybrid	Zone
1075	Jefferson Farms, LP		1080110330 1080180135 1080180145 1080180155 1100430105 1100430065 1100430095	03N20W27H04 03N20W27J01 03N20W34J01m2 03N20W35D01	663.37	285.26	378.10	335.81	621.07	N/A	N/A
1076	Michael D. and Merrie Kelley, Trustee for the Michael and Merrie 2008 Revocable Family Trust, dba Triangle K. Farms		1100040410 1100160195 1100160215 1100160225 1100170300	02N0W07R03 02N20W08M01	143.95	70.69	73.25	65.06	135.75	N/A	N/A
1077	Kirschbaum, LLC	La Loma Main Ranch	1090031035	02N21W04J01	257.00	161.36	95.64	84.94	246.30	Hybrid	Del Norte
1078	Kirschbaum, LLC	Balcom Canyon Ranch	1100230125	03N20W33B03	65.17	34.62	30.55	27.13	61.75	Hybrid	Las Lomas
1079	Lamb Trust, John B Lamb Trustee		1100100215 1100100235 1100100265		13.58	8.22	5.36	4.76	12.98	Exclusive	Del Norte
1080	Graham Somis Ranch, LLC	McKee Ranch	1100142085 1100142095	02N20W07L01	200.28	144.64	55.63	49.41	194.05	Hybrid	Zone
1081	JG Leavens LLC and Leavens Ranches LLC		5000150115 5000150135 5000150145 5020010105 5020010115 5020030040 5020031095 5020031105 5020032045 5020040025 5020040075 5020040085 5020040095 5020040105 5020040205 5020050025 5020050035 5020050045 5020050055 5020050075 5020060035 5020060045 5020070030 5020070075 5020070085 5020070105 5020070115	03N19W29K04 03N19W29K06 03N19W29K07 03N19W29K08	1,877.76	787.45	1,090.31	968.35	1,755.80	N/A	N/A

Item 23C

Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1082	Los Angeles Avenue Ranch LP et al.		1090061040 1090061180 1090061200	02N21W15M04	512.55	216.36	296.19	263.06	479.42	N/A	N/A
1083	Lowe Family Trust dated 07/28/1996, David Huei-Chung and Florence Ai-Lieng Lowe Trustees		1100420085		33.66	27.90	5.76	5.12	33.02	Exclusive	Rancho Canada
1084	Mahan Ranch, et al		1100060645 1100060695 1100071095 1100071115 1100071265	03N20W34J01 03N20W34J01m3 03N20W34J02 03N20W34J03 03N20W34J03m3	184.49	104.01	80.47	71.47	175.48	Hybrid	Berylwood
1085	Audelio Martinez and Renato Martinez	Escondido Ranch	1100040395 1100040405	03N20W33F01	245.52	122.76	122.76	109.03	231.79	N/A	N/A
1086	Audelio Martinez and Renato Martinez	GTO Ranch	1100150075	02N20W07L01	100.19	59.21	40.99	36.40	95.61	Hybrid	Zone
1087	Audelio Martinez and Renato Martinez	Inoberry Ranch	1100180360 1100180370	02N20W09C01	400.33	216.85	183.49	162.97	379.82	Hybrid	Zone
1088	Audelio Martinez and Renato Martinez	Luzmar Ranch	1100160245		50.39	36.71	13.68	12.15	48.86	Exclusive	Zone
1089	Audelio Martinez and Renato Martinez	Palace Ranch	1100170255		74.56	34.75	39.81	35.36	70.11	Exclusive	Zone
1090	Audelio Martinez and Renato Martinez	Patricia Ranch	1100120055		91.72	54.44	37.27	33.10	87.54	Exclusive	Zone
1091	Audelio Martinez	Sand Canyon - North	1100200220		23.80	23.80	0.00	0.00	23.80	Exclusive	Zone
1092	Audelio Martinez	Sand Canyon - North	1100200335	02N20W09C01	29.43	22.94	6.49	5.76	28.70	N/A	N/A
1093	Audelio Martinez and Renato Martinez	Santa Rosa Ranch	1100160100		146.82	86.76	60.06	53.34	140.10	Exclusive	Zone
1094	Mastro Culbert Farms, LLC & Steven Mastro		5000130135 5000130155 5000130165 5000130175	03N19W30F01	232.40	109.86	122.54	108.83	218.69	N/A	N/A
1095	McGonigle Trust, John McGonigle		1090031025	02N21W18A01 02N21W18H08 02N21W18H11	130.05	78.65	51.41	45.66	124.31	Hybrid	Del Norte
1097	John R. Milligan Trust dated December 11, 1998, et al.		5040021260	02N19W07B02 02N19W07K01	344.67	144.54	200.13	177.74	322.28	N/A	N/A
1098	Mittag Farms	RC - Farms	1090050260 1090050370	02N21W16N03	307.89	307.89	0.00	0.00	307.89	N/A	N/A
1099	Mittag Farms	RMD - Farms	1100010010 1100010080 1100010145 1100132160 1100132240	02N21W01L01 02N21W11A03 03N21W36Q01	1,089.46	904.97	184.49	163.85	1,068.82	Hybrid	Zone
1100	Mittag Ranches	Rancho Enrique	1090050330	02N21W17F05	226.22	196.55	29.67	26.35	222.90	N/A	N/A
1101	Mittag Ranches	RMD - Ranches	1100120130 1100120215 1100120220 1100132040 1100132150 1100132230 1100141130	02N21W11A02	613.66	576.75	36.91	32.78	609.53	Hybrid	Zone
1102	Mittag Ranches	RC - Ranches & Judith	1090061055 1090061135 1090061260	02N21W16J03	344.03	344.03	0.00	0.00	344.03	Hybrid	Zone
1103	Brian L. Moore Revocable Trust dated 10/30/2009, Brian L. Moore, Trustee		1100420075		33.84	33.84	0.00	0.00	33.84	Exclusive	Rancho Canada
1105	Benchmark Partners Ag, LLC		5030020245 5030030275	03N20W36L01	43.60	25.08	18.52	16.45	41.53	N/A	N/A

Item 23C

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WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1106	Mueller Family Trust, Scott R. Mueller		1100420055		21.85	21.85	0.00	0.00	21.85	Exclusive	Rancho Canada
1108	Paul Naumes, Trustee for the Paul Naumes 2013 Living Trust, San Joaquin Door & Supply, Inc.		1080162125 1080162155 1080162175 1080162195 1080162205	03N20W26C02	82.14	42.71	39.43	35.02	77.73	N/A	N/A
1109	Charles R. and Kathleen M. Northcross Family Trust dated 05/27/2000, Charles and Kathleen Northcross, Trustees		1100420015		33.01	30.59	2.42	2.15	32.74	Exclusive	Rancho Canada
1110	Cohen Trust of 1990, dated 11/27/1990, and restated 08/05/2010, Marc S. Cohen and Lyn M. Cohen, Co-Trustees		1100010215		14.87	8.80	6.07	5.39	14.19	Exclusive	La Loma Ranch
1111	Oro Del Norte, LLC		1100092190		382.72	266.20	116.52	103.49	369.69	Exclusive	Del Norte
1112	Placco, LLC	PR1	1550270200 1550270275		272.58	168.20	104.38	92.70	260.90	Exclusive	Zone
1113	Placco, LLC	PR2	1100010155		58.54	44.34	14.20	12.61	56.95	Exclusive	La Loma Ranch
1114	Placco, LLC	PR3	1630010270 1630010320 1630010330 1630010370 1630010420 1630010430 1630010440 1630010450 1630010460 1630010480	02N20W16B06	421.43	288.35	133.08	118.19	406.54	Hybrid	Arroyo Las Posas
1115	Placco, LLC	PR4	1550270215 1550270230 1550270280 1550270290 1550270305 1550270315 1550270325	02N21W13A01	518.58	330.45	188.13	167.09	497.54	Hybrid	Zone
1116	Quine Ranch LP		5000090185 1090032040	03N19W30D02	88.04	42.28	45.76	40.64	82.92	N/A	N/A
1117	Davidson Family Trust dated 09/23/1992, Jerry Davidson, Trustee		5030020225	03N20W36L01	42.40	24.52	17.87	15.87	40.39	N/A	N/A
1119	Mark Ratto, Trustee of the Mark Ratto Revocable Living Trust dated February 2, 2016		1100060635 1100200185	03N20W34J03m4	67.40	45.87	21.53	19.12	64.99	N/A	N/A
1120	RBV 2+5, LLC		1090032150 1090032160	02N21W18A01 02N21W18H08 02N21W18H11 02N21W04Q02m2	56.38	48.82	7.55	6.71	55.53	Hybrid	Del Norte
1121	RBV-Vanoni, LLC		1090032170 1090042050 1090042100	02N21W18A01 02N21W18H08 02N21W18H11 02N21W04Q02m2	189.55	167.74	21.81	19.37	187.11	Hybrid	Del Norte
1122	Frank Russell Ranch LP		1100092250 1100120250		135.70	81.29	54.40	48.31	129.60	Exclusive	Del Norte
1123	Santa Clara Avenue Oxnard, LP, a Delaware limited partnership		1090050240	02N21W17M03	298.41	180.36	118.05	104.85	285.21	N/A	N/A

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1124	Santa Elena Farms, LLC, a California limited liability company		1090032135 1090032145		158.92	94.18	64.74	57.50	151.68	Exclusive	Del Norte
1125	Santa Paula Hay & Grain and Ranches, LLC	Waters Ranch	5030072055		64.69	27.13	37.56	33.36	60.49	Exclusive	Fuller Falls
1129	Santa Paula Hay & Grain and Ranches, LLC	Balcom Canyon (2018)	5030040120 5030040130 5030040140	02N20W11D01	237.02	162.17	74.85	66.48	228.65	Hybrid	Berylwood
1132	John W. Borchard, Jr., Trustee of the John W. Borchard, Jr. Trust dated May 12, 1971	Mulinix Ranch	1100020130 1100020140		132.96	92.66	40.30	35.79	128.45	Exclusive	Zone
1133	John W. Borchard, Jr., Trustee of the John W. Borchard, Jr. Trust dated May 12, 1971	Ford Ranch	1100131020		111.70	56.26	55.44	49.24	105.50	Exclusive	Zone
1134	Ventura Citrus Properties LLC		5030020400	03N20W36L01	48.80	25.85	22.96	20.39	46.24	N/A	N/A
1135	Newman Trust dated 01/27/2000, Ronald Newman, Trustee		5030020300	03N20W36L01	29.43	17.10	12.33	10.95	28.05	N/A	N/A
1136	James A. Fitzgerald Trust No. II, Brian Fitzgerald, Trustee	Fitzgerald Ranch	5030020135	03N20W25R03 03N20W36A04	29.83	17.08	12.75	11.32	28.40	N/A	N/A
1138	Seacoast Farms, LLC		1090041160 1090041180	02N21W08G04 02N21W08H03 02N21W17D03	692.97	497.71	195.26	173.42	671.13	N/A	N/A
1139	Gayl Family 1992 Trust, Robert Gayl, Trustee	Gayl Ranch	5030020340	03N20W25R03 03N20W36A04	29.51	26.22	3.30	2.93	29.15	N/A	N/A
1140	Sharlee C. Carnes; Meredith C. Horton; Michael E. Culbert	Culbert Home Ranch	1550270070 1550270095		75.57	66.01	9.56	8.49	74.50	Exclusive	Zone
1142	Stagola, Inc.	Balcom Ranch Road	1100220010	02N20W03K03	458.11	192.11	266.00	236.25	428.36	N/A	N/A
1143	Thomas Staben	Lemon Ranch	1630010805 1630010825 1630020765 1630020795		59.79	41.08	18.71	16.62	57.70	Exclusive	Zone
1144	Stevens Trust, Kathleen/Leon Scott Stevens		1090050385 1090050395 1090050405 1090050185	02N21W20A01 02N21W20A02 02N21W21D04	224.79	173.83	50.96	45.26	219.09	N/A	N/A
1145	Lee Stoeckle Living Trust dated 10/19/2009, Leo Stoeckle, Trustee		5000150125	03N19W20G01 02N20W06J01 02N20W06R03	88.40	40.25	48.15	42.76	83.01	N/A	N/A
1146	A 40% interest to Richard Sundberg, Trustee of the Leslie Jill C Sundberg Residual Trust, Dated 11/28/2004 and a 60% interest to Richard Sundberg and Odelia Sundberg, Trustees of the Richard and Odelia Family Trust VDT July 9th, 2020		5030040055		50.41	24.59	25.82	22.93	47.52	Exclusive	Berylwood
1148	Sunshine Agriculture, Inc.	Main Ranch	1100050010 1100050030	02N20W04B01 02N20W04F01 02N20W04F02 03N20W34L01 03N20W34L02	2,029.99	1,015.00	1,015.00	901.46	1,916.46	N/A	N/A
1150	John Moffatt Grether, Trustee of the GST Exempt Exemption Trust and the Survivor's Administrative Trust under the Grether Family Trust, dated September 12, 1989	Roberto	1100091040 1100120230	02N21W10G03	85.69	73.51	12.19	10.83	84.34	Hybrid	Del Norte
1151	Dorcas H. Thille, Trustee of the Dorcas H. Thille Trust		1090061070 1090061080 1090061150		148.13	109.45	38.67	34.34	143.79	Exclusive	Zone
1152	Tschirhart Trust, Donald/Jean		1080140285 1100040105 1100040165 1100040425	03N20W32H03 03N20W32K01	206.35	193.14	13.21	11.73	204.87	N/A	N/A

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1153	Benjamin C. Vasquez and Leonita C. Vasquez		1100220050	02N20W10G01	157.93	93.77	64.16	56.98	150.75	Hybrid	Zone
1154	VH Farms LP	VH Farms LLC	1100210330		31.85	17.96	13.88	12.33	30.29	Exclusive	Berylwood
1155	Joshua L. Waters, Trustee for the the Joshua Exempt Trust, et al.		5000210085 5000210095		87.33	46.31	41.02	36.43	82.74	Exclusive	Thermic
1156	Waters Ranch, LP		5000130070 5000130110	03N19W30E06	292.55	122.68	169.87	150.87	273.55	N/A	N/A
1157	Waters Ranch, LP		5000200040 5000210110 5000210240		348.16	164.12	184.04	163.45	327.57	Exclusive	Thermic
1158	Waters & Sons Farms LP	Waters & Sons Farms LP	1080170115 5000090165	03N19W30D02	93.55	51.54	42.00	37.30	88.84	N/A	N/A
1159	Magana Ranch, LLC		1100060165 1100430025	03N20W34J01 03N20W34J01m3 03N20W34J02 03N20W34J03 03N20W34J03m3	145.38	68.59	76.79	68.20	136.79	N/A	N/A
1160	James D. Hearn and Shira C. Hearn, husband and wife	Jacoca Ranch	5030020200	03N20W25R03 03N20W36A04	24.73	24.73	0.00	0.00	24.73	N/A	N/A
1161	CE + D Mabry Family LP	Mabry Ranch	5030020410 5030030290	03N20W25R03 03N20W36A04 03N20W36L01	40.50	23.16	17.34	15.40	38.56	N/A	N/A
5000	Jesus Bravo Ahumada, a married man as his sole and separate property		5030020165		49.12	28.09	21.03	18.68	46.77	N/A	N/A
1162	Patsy D. Waters, Trustee for the 1994 Bypass Trust		5000210105		90.49	45.01	45.48	40.39	85.40	Exclusive	Thermic
1163	Ronald and Nickoletta Partain Family Trust, Ronald Partain, Trustee	Wild Swan Ranch	5030020145	03N19W17Q01	30.83	16.70	14.13	12.55	29.25	N/A	N/A
1166	Wise Orchards at Somis LLC	Somis Orchards	1100060385	03N20W34G01	92.85	42.87	49.97	44.38	87.25	N/A	N/A
1167	Wise Orchards at Somis LLC	Wise Orchards I	5030040085		43.30	26.80	16.50	14.65	41.45	Exclusive	Berylwood
1169	Wonderful Citrus, LLC		1100010065	03N21W36Q02 03N21W36R03	417.67	285.77	131.89	117.14	402.91	N/A	N/A
1170	Lemon 500, LLC		1120010025 1120010035 1120010045 1120010055 1120010065 1120010075 1120010085 1120010095 1120010105 1120010115 1120010125 1120010135 1120020025 1120020035 1120020045 1120020055 1120020065 1120020075 1120020085 1120020095 1120020105		1,126.03	770.44	355.59	315.81	1,086.25	N/A	N/A

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1171	Yong, Jeffrey		1080162055 1080170015 5030010080 5030010415	03N20W26H01	117.26	99.47	17.79	15.80	115.27	N/A	N/A
1178	Audelio Martinez and Renato Martinez	Somis Ranch	1610060015		73.78	40.82	32.97	29.28	70.10	Exclusive	Zone
1179	Ali Seyedi Revocable Trust dated 12/30/2019, Ali Seyedi, Trustee		1100420065		38.71	20.14	18.57	16.49	36.63	Exclusive	Rancho Canada
1180	JJM Somis Ranch, LLC	JJM Somis	1100150105		78.32	70.22	8.10	7.19	77.41	Exclusive	Zone
1181	Mary Ann Wehrheim, Trustee of the Wehrheim Family Trust		5030050365 5030050390	02N20W02J02	79.91	47.61	32.30	28.69	76.30	N/A	N/A
1188	Larry Raymond, as Trustee of the Rayday Survivors' Trust		5030020320	03N20W36G02	35.02	23.01	12.01	10.67	33.68	N/A	N/A
1189	Timothy Hoke and Barbara Hoke		5030060145	02N20W01E03	46.55	21.77	24.78	22.01	43.78	N/A	N/A
1190	Gordon and Luanne Hilton		5030020330	03N20W36G02	36.88	21.52	15.37	13.65	35.17	N/A	N/A
1191	Wisam Salem and Athra Salem	Empty Saddle Ranch	5030020150	03N20W36G02	36.65	21.80	14.84	13.18	34.98	N/A	N/A
1192	JRRE Horizon LLC	Rancho Vista Allegre	1100230405	03N20W28J04	66.52	39.26	27.26	24.21	63.47	N/A	N/A
1193	Thomas A. Kestly, as Trustee for the Thomas A. Kestly Family Trust 2003	K-1 Ranch a.k.a. Kestly AG	5030030305	03N20W36P01	37.97	22.54	15.43	13.70	36.24	N/A	N/A
1194	Alfonso Gonzalez, Trustee of the Alfonso Gonzalez 2013 Separate Property Trust	Rancho San Jan	5030060285	02N20W01J01	24.91	24.91	0.00	0.00	24.91	N/A	N/A
1195	Brian A. Lee and Maria G. Lee as Trustees of the Lee Family Trust	Rancho Maria	5030020360	03N20W36G02	25.43	23.45	1.99	1.77	25.22	N/A	N/A
1196	Lynch Land & Cattle, LLC, et al.	Lynch Ranch	1080110310 1080110320 1080110340	03N20W27B03 03N20W27G05	37.99	37.99	0.00	0.00	37.99	N/A	N/A
1197	Charles Blanc		5030020185	03N20W36G02	28.71	20.80	7.91	7.03	27.83	N/A	N/A
3101	Westfield Farms		1630020415		22.91	15.66	7.26	6.45	22.11	Exclusive	Arroyo Las Posas
3102	Spencer E. Love		1630010620		28.07	19.18	8.89	7.90	27.08	Exclusive	Arroyo Las Posas
3103	Spencer E. Love		1630020565		1.34	0.91	0.42	0.37	1.28	Exclusive	Arroyo Las Posas
3104	Roy T. Butera, Trustee of the Butera Family Trust dated March 9, 1998		1630020605		28.44	19.43	9.00	7.99	27.42	Exclusive	Arroyo Las Posas
3105	Kirpal Dhaliwal, et al.		1630020550		23.25	15.89	7.36	6.54	22.43	Exclusive	Arroyo Las Posas
3106	Keith and Laura Huss, Trustees of the Huss Family Trust dated October 22, 2013		1630010755		34.23	23.39	10.84	9.63	33.02	Exclusive	Arroyo Las Posas
3107	Joseph W. and Lisa Sutter, Trustees of the Sutter Family Trust u/d/t dated October 27, 2007		1630020250 1630020280 1630020290		12.17	8.32	3.85	3.42	11.74	Exclusive	Arroyo Las Posas
3110	Jesus Jr. and Maribel Aguilera, Trustees of Aguilera Family 2015 Revocable Trust dated February 11, 2015		1630020210		43.74	29.89	13.85	12.30	42.19	Exclusive	Arroyo Las Posas
3111	Glen R. Carmichael and Kimberly T. Carmichael, Trustees of the Glen Carmichael and Kimberly Carmichael Joint Living Trust		1630010290		42.88	29.30	13.58	12.06	41.36	Exclusive	Arroyo Las Posas
3112	Chirag and Khushbu Datsania		1630020585		28.21	19.27	8.93	7.93	27.20	Exclusive	Arroyo Las Posas
3113	Benjamin and Leonila Vazquez		1630020200		33.01	22.56	10.45	9.28	31.84	Exclusive	Arroyo Las Posas
3114	Alan Clark Goddard and Deborah Lynne Goddard		1630020270		0.12	0.08	0.04	0.04	0.12	Exclusive	Arroyo Las Posas
3201	8201 Bixby Road LLC		1080180045 1080180085		55.12	36.44	18.68	16.59	53.03	Exclusive	Balcom-Bixby

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3203	Tom & Ruth Millington		1080100155		4.72	2.44	2.29	2.03	4.47	Hybrid	Balcom-Bixby
3204	Patty Grubman (The City Farm)		1080180075 1080180095	03N20W27G07	20.83	16.84	3.99	3.54	20.38	Hybrid	Balcom-Bixby
3205	Waters Family Ranches Oasis - Caldwell Morris K Tr		1100060465		23.94	23.94	0.00	0.00	23.94	Hybrid	Balcom-Bixby
3206	John & Cynthia Schoustra		1100060455		28.12	28.12	0.00	0.00	28.12	Hybrid	Balcom-Bixby
3207	Marlene Valter		1100230045		0.89	0.89	0.00	0.00	0.89	Hybrid	Balcom-Bixby
3210	Mark Ellrott		1080161105	03N20W27H02	1.85	1.85	0.00	0.00	1.85	Hybrid	Balcom-Bixby
3301	Aceves, Jose L. and Donald M. Herman (Plants Plus)		1100071040		16.35	10.11	6.24	5.54	15.65	Exclusive	Berylwood
3302	Shen, Xiaoyang		1100072040		18.72	13.21	5.51	4.89	18.10	Exclusive	Berylwood
3304	VIK Holdings, LLC, a California limited liability company		5030040175		70.62	41.31	29.32	26.04	67.35	Exclusive	Berylwood
3305	Ventura County Nursery		1100220075		16.74	8.02	8.72	7.74	15.76	Exclusive	Berylwood
3306	McMahon, Julian		1100210320		36.13	15.15	20.98	18.63	33.78	Exclusive	Berylwood
3307	Balcom Canyon Ranch, LLC c/o Matthew Lamishaw		1100210100		42.19	29.87	12.32	10.94	40.81	Exclusive	Berylwood
3309	Avalos, Heliodoro and Yadira Trustees (Laguna - Posita Ranch)		1100072050		28.17	11.81	16.36	14.53	26.34	Exclusive	Berylwood
3310	Berney, Charles and Carol		1100080015 1100080060		40.81	30.20	10.61	9.42	39.62	Exclusive	Berylwood
3312	Hameed, Rashid & Salmeen		1100071185		16.28	12.12	4.16	3.69	15.81	Exclusive	Berylwood
3313	Servin, Vincent W. Trust, pledged CCFLB		5030040045		58.38	34.10	24.28	21.56	55.66	Exclusive	Berylwood
3316	Maryann McCormick		1100072060 1100080080		65.37	34.58	30.79	27.35	61.93	Exclusive	Berylwood
3319	Amelia Lujan & Juan Lujan	El Encanto	1100080075		21.57	15.07	6.50	5.77	20.84	Exclusive	Berylwood
3321	Ivan and Jennifer Amodi Family Trust		1100210270		45.64	33.45	12.19	10.83	44.28	Exclusive	Berylwood
3323	Becerra Roberto and Maria Trustees, pledged to CCFLB		5030040225		48.96	24.27	24.69	21.93	46.20	Exclusive	Berylwood
3330	Lim, Basilio And Rosie Chu Lim Trustees, pledged to CCFLB		5030040180 5030040200		92.70	45.72	46.98	41.72	87.44	Exclusive	Berylwood
3331	Miguel Magdaleno, Trustee of the Miguel Magdaleno Living Trust Dated April 4, 2002		1630020745 1630020755 1630020775 1630020785 1630031365 1630031375	02N20W10N01	466.19	263.40	202.79	180.11	443.51	Hybrid	Berylwood
3333	Javier A. Rodriguez and Gabrielle R. Rodriguez, husband and wife as community property with right of survivorship		1100071155		7.55	4.35	3.20	2.84	7.19	Exclusive	Berylwood
3334	Kapigian, John and Linda, pledged to Ames & Marjorie Borrett		1100071205		4.82	3.76	1.06	0.94	4.70	Exclusive	Berylwood
3335	Baron, Richard A. & Sandra		5030040195 5030040215		38.50	28.62	9.88	8.77	37.39	Exclusive	Berylwood
3338	Valley Growers (Under Tash APN)		1100220085		27.36	15.32	12.05	10.70	26.02	Exclusive	Berylwood
3342	Gatling, Richard E. or Bonnie L. Gatling		1100072070		13.03	12.26	0.77	0.68	12.94	Exclusive	Berylwood
3343	Rosales, Rojalia		1100071050		17.90	10.17	7.73	6.87	17.04	Exclusive	Berylwood
3344	Sasaki and Suzuki, pledged to Equitable (Laguna Sasaki)		1100072020		31.49	13.20	18.28	16.24	29.44	Exclusive	Berylwood
3345	Tash Trust, George and Debra as Trustees		1100210290		25.91	10.86	15.05	13.37	24.23	Exclusive	Berylwood
3346	Lucas, Thomas and Kim Darlene Staats		5030040035		51.54	21.89	29.65	26.33	48.22	Exclusive	Berylwood
3348	Benjamin Ventura Moreno, a single man and Ricardo Corona and Diana Pina Arevalo, husband and wife		5030040075		25.70	10.78	14.92	13.25	24.03	Exclusive	Berylwood
3501	Biocca, Siro		1090032120		41.07	41.07	0.00	0.00	41.07	Exclusive	Del Norte

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3502	Bliss Trust		1100100155		21.00	21.00	0.00	0.00	21.00	Exclusive	Del Norte
3503	Brown, Nicholas		1100110150		3.86	1.62	2.24	1.99	3.61	Exclusive	Del Norte
3504	Friel Las Posas LLC		1100092155		58.45	49.55	8.90	7.90	57.45	Exclusive	Del Norte
3505	Lewis, James		1100100145 1100100160		25.49	18.46	7.03	6.24	24.70	Exclusive	Del Norte
3506	Milligan Ranch Partnership, LP		1100092140 1100092230		175.32	141.10	34.22	30.39	171.49	Exclusive	Del Norte
3507	Plum Vista		1090042065		227.27	227.27	0.00	0.00	227.27	Exclusive	Del Norte
3508	R Attilio/D Vanoni				109.83	78.98	30.85	27.40	106.38	Exclusive	Del Norte
3509	Thompson, Brian		1100110145		14.71	11.29	3.41	3.03	14.32	Exclusive	Del Norte
3510	Vorbeck, Alexandra		1100100225 1100100245 1100100255		17.98	13.13	4.85	4.31	17.44	Exclusive	Del Norte
3511	Wilhite, R.J.		1100092115 1100092135		35.50	25.02	10.48	9.31	34.33	Exclusive	Del Norte
3601	Bought The Farm, LLC	Lot 01	5030071035		30.40	12.75	17.65	15.68	28.43	Exclusive	Fuller Falls
3602	Katherine Cannon & Oliver Hutchinson	Lot 02	5030071025		29.10	19.46	9.64	8.56	28.02	Exclusive	Fuller Falls
3603	Rodney A. Spicer & Suzan R. Hall-Spicer	Lot 03	5030071015		1.45	1.02	0.43	0.38	1.40	Exclusive	Fuller Falls
3605	Guzman Investments and Loan Inc.	Lot 05	5030072135		33.36	21.76	11.60	10.30	32.06	Exclusive	Fuller Falls
3606	Jeffrey S. Yong & Margaret K. Yong	Lot 06	5030072145		86.91	52.31	34.60	30.73	83.04	Exclusive	Fuller Falls
3607	Luzyro, LLC	Lot 07	5030072075		45.29	29.88	15.41	13.69	43.57	Exclusive	Fuller Falls
3608	Mustang Creek Ranch, LLC	Lot 08	5030072155		70.83	29.84	40.99	36.40	66.24	Exclusive	Fuller Falls
3609	PenMeg LLC	Lot 09	5030072325		126.44	55.21	71.22	63.25	118.46	Exclusive	Fuller Falls
3610	Walter E. Johnson and Dawn-Marie Johnson, Trustees of the Johnson Family Trust	Lot 10	5030072285		53.93	25.12	28.81	25.59	50.71	Exclusive	Fuller Falls
3611	Vista 11, LLC	Lot 11	5030072305		64.42	37.03	27.40	24.34	61.37	Exclusive	Fuller Falls
3612	Patrice McNicoll	Lot 12	5030072255 5030072265		73.43	39.75	33.68	29.91	69.66	Exclusive	Fuller Falls
3613	GFO, LLC	Lot 13	5030072195 5030072275		116.89	54.58	62.31	55.34	109.92	Exclusive	Fuller Falls
3614	Josep J. Bilic, Trustee of the Bilic Living Trust Dated April 10, 1984	Lot 14	5030072205		59.49	29.25	30.24	26.86	56.11	Exclusive	Fuller Falls
3615	Fremont HGS, LLC	Lot 15	5030072215		61.95	27.05	34.90	31.00	58.05	Exclusive	Fuller Falls
3616	Moshe Ben-Dayam & Stephanie McColgan	Lot 16	5030072225		56.34	23.63	32.72	29.06	52.69	Exclusive	Fuller Falls
3617	John Berns, Trustee of the Geraldine P. Berns Family Trust, Establish 17, 1987	Lot 17	5030072035		64.88	27.21	37.67	33.46	60.67	Exclusive	Fuller Falls
3618	PenMeg, LLC	Lot 18	5030072095		56.88	29.98	26.91	23.90	53.88	Exclusive	Fuller Falls
3619	Mark A. Mallas and Dawn-Marie Johnson, Trustees of the Mallas Family Trust Dated 7-9-1991, and Mark A. Mallas	Lot 19	5030072105		54.19	29.29	24.90	22.11	51.40	Exclusive	Fuller Falls
3620	GFO, LLC	Lot 20	5030072235		119.18	51.74	67.44	59.90	111.64	Exclusive	Fuller Falls
3702	Steve George and Michele R. George, Trustees of the George Family Revocable Trust, dated January 25, 2005		1100010175		21.97	21.66	0.31	0.28	21.94	Exclusive	La Loma Ranch
3703	Ronald V. Boch and Lois R. Boch, Trustees of the Boch Family Revocable Trust dated November 4, 1998	Boch Ranch	1100010185		48.14	25.44	22.70	20.16	45.60	Exclusive	La Loma Ranch
3704	Steve George and Michele R. George, Trustees of the George Family Revocable Trust, dated January 25, 2006		1100010195		24.96	24.96	0.00	0.00	24.96	Exclusive	La Loma Ranch
3705	Bruce Bennett and Patricia Conway Bennett, Trustees of the Bruce Bennett and Patricia Conway Bennett Trust established January 7, 2007		1100010205		12.57	12.57	0.00	0.00	12.57	Exclusive	La Loma Ranch
3801	Timothy W. Huddleston and Lisa M. Huddleston	Lot 1	1100230315		11.61	11.61	0.00	0.00	11.61	Exclusive	Las Lomas
3802	Claude R. Goodman & Loraine S. Goodman, Trustees of The Claude R. Goodman and Loraine S. Goodman Family Trust, dated September 25, 2003	Lot 2	1100230325		1.09	1.01	0.08	0.07	1.08	Exclusive	Las Lomas

Item 23C

Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
3804	Charles R. Knowles Jr. and Marie L. Knowles, Trustees, or their successors in trust of the Knowles Family Trust D.T.D. 3/9/93	Lot 4	1100230305		30.06	21.88	8.17	7.26	29.14	Exclusive	Las Lomas
3807	Paul R. Jacques	Lot 7	1100230365		0.59	0.55	0.04	0.04	0.59	Exclusive	Las Lomas
3808	Kathleen Reinhard, Trustee of the Bruder-Reinhard Family Trust-Survivor's "A" Trust	Lot 8	1100230375		13.22	12.00	1.22	1.08	13.08	Exclusive	Las Lomas
3901	James E. Pierce	Somis Nursery	1100420115		16.71	7.01	9.70	8.61	15.62	Exclusive	Rancho Canada
4101	Miguel Magdaleno, Jr., Trustee of the Magdaleno Living Trust dated April 4, 2002		5000140065		17.16	10.12	7.04	6.25	16.37	Exclusive	Thermic
4102	Louis McCutcheon and Anne McCutcheon		5000140095		56.57	29.15	27.42	24.35	53.50	Exclusive	Thermic
4103	Romas		5000140015		306.21	128.41	177.80	157.91	286.32	Exclusive	Thermic
4201	AMS Craig LLC, a Delaware limited liability company		1100210120		23.11	18.64	4.46	3.96	22.60	Hybrid	Zone
4202	Marshall T. Allen and Concepcion V. Allen, as co-trustees of the Marshall T. Allen and Concepcion V. Allen 1990 Revocable Inter Vivos Trust u/d/t dated December 5, 1990	Allen Ranch	1100170375 1100170385		12.38	12.26	0.12	0.11	12.37	Exclusive	Zone
4203	Benjamin C. Vasquez and Leonila C. Vasquez, Trustees of the Vazquez Trust dated July 7, 2021, as community property		1100150040		28.55	15.29	13.26	11.78	27.07	Exclusive	Zone
4205	Mariette L. Menne, Trustee of The Patricia A. Menne Survivor's Trust, created for the benefit of the surviving spouse, under the terms of The David and Patricia Menne Family Trust Dated August 23, 1999, as Amended		1550270035		87.07	87.07	0.00	0.00	87.07	Exclusive	Zone
4208	Ehud Ariav Enterprises, Inc.		1100170565		22.00	22.00	0.00	0.00	22.00	Exclusive	Zone
4209	Agoure Ranch, LLC		1100200215		64.00	64.00	0.00	0.00	64.00	Exclusive	Zone
4210	Fred A Sharl, Ernest R Nichols, Arthur L Nichols, Vincent E Gisler		1100120180		154.98	106.68	48.30	42.90	149.58	Exclusive	Zone
4211	Helen Elaine Cavaletto, Trustee of the Cavaletto Survivor's Trust dated December 29, 2013, 403 shares; Richard Cavaletto and Melanie Cavaletto, Trustees of the Cavaletto Trust dated December 29, 2014, 57 shares; Gregory C. Hanger and Christina M. Hanger, Trustees of the Hanger Trust dated March 19, 2009, 57 shares		1100120035		93.15	64.09	29.06	25.81	89.90	Exclusive	Zone
4213	Soon Ja Lee, as Trustee of The Lee Family Trust, dated March 19, 1988		1100150065		54.44	35.77	18.67	16.58	52.35	Exclusive	Zone
4214	Karen P. Green, a married woman as her sole and separate property, and Cynthia A. Burdullis, an unmarried woman, each as to an undivided 50% interest as tenants-in-common		1100141065 1100141075		76.88	37.31	39.57	35.14	72.45	Exclusive	Zone
4215	Marilyn E. Smith, Trustee, Marilyn E. Smith 1997 Revocable Trust dated May 14, 1997		1100141080		18.77	11.74	7.03	6.24	17.98	Exclusive	Zone
4216	Price Road Ranch Partners, LLC		1100141100 1100141140		105.97	81.68	24.30	21.58	103.26	Exclusive	Zone
4217	Rancho Limonada LLC		1100170330 1100170340 1100170350 1100170405 1100170445 1100170505 1100170525 1100170545		211.86	137.47	74.39	66.07	203.54	Exclusive	Zone

Item 23C

Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
4220	Elizabeth Pajka		1100160185 1100160205		14.63	6.13	8.49	7.54	13.67	Exclusive	Zone
4221	Urban-D Ranch Limited Partnership		1610050030		23.57	9.89	13.69	12.16	22.05	Exclusive	Zone
4225	Terry Noriega, as Trustee of the Noriega Family Trust dated January 26, 1996		1610010180		42.21	32.41	9.80	8.70	41.11	Exclusive	Zone
4226	Terry Noriega, as Trustee of the Noriega Family Trust dated January 26, 1996		1610010170		47.76	33.03	14.73	13.08	46.11	Exclusive	Zone
4228	AMS Craig LLC, a Delaware limited liability company	C & R Ranch	1100200255		22.79	21.56	1.23	1.09	22.65	Exclusive	Zone
4232	The Lim Family Trust U/D/T 02-01-90, Basilio Y. Lim, Trustee and Rosie C. Lim, Trustee		1100200195		40.05	20.42	19.63	17.43	37.85	Exclusive	Zone
4233	Donal N. Ziemer and Ann L. Ziemer, Trustees of the Ziemer Family Trust established November 14, 1980		1560121050		20.02	9.65	10.37	9.21	18.86	Exclusive	Zone
4237	DFK Corporation, a California Corporation		1100141045 1100141110		100.82	100.82	0.00	0.00	100.82	Exclusive	Zone
4242	George Tash and Debra B. Tash, Trustees of the Community Trust created under the George Tash and Debra B. Tash Intervivos Trust Agreement dated Nov. 25, 1985, fully reinstated May 19, 1999		1100170585		46.57	30.54	16.03	14.24	44.78	Exclusive	Zone
4244	Highwood Farms LLC		1100352020		32.57	20.37	12.20	10.84	31.21	Exclusive	Zone
4245	James E. Pierce and Janice Pierce, Trustees of the James E. Pierce and Janice Pierce Revocable Trust, established August 15, 2003		1100390045		19.24	19.24	0.00	0.00	19.24	Exclusive	Zone
4247	Somis Farm, LLC		1100150050		78.30	45.52	32.79	29.12	74.64	Exclusive	Zone
4253	Little Bison Farm LLC		1100170180		90.51	44.09	46.43	41.24	85.33	Exclusive	Zone
4257	Eppy Ranch, LLC		1550270055		29.17	23.43	5.74	5.10	28.53	Exclusive	Zone
4259	Nancy D. O'Reilly		1100200305		0.99	0.99	0.00	0.00	0.99	Exclusive	Zone
4260	Nicandro Luna and Ernestina Luna, husband and wife, as joint tenants		1100240115		1.83	0.92	0.91	0.81	1.73	Exclusive	Zone
4261	Paul D. Burns and Lisa A. Burns, Co-trustees of the Paul and Lisa Burns Family Trust		1630010495 1630010815 1630010835		16.46	6.90	9.56	8.49	15.39	Exclusive	Zone
4262	Rancho Largo, LLC		1100120155		28.62	28.62	0.00	0.00	28.62	Exclusive	Zone
4263	Benjamin Vasquez and Leonita C. Vasquez, husband and wife as joint tenants		1100220040	02N20W10G01	104.35	66.68	37.67	33.46	100.14	Hybrid	Zone
4264	James R. Thiessen, an unmarried man; James R. Thiessen, Trustee of the James R. Thiessen Trust dated November 30, 2012		1100180145 1100180165		17.93	16.28	1.64	1.46	17.74	Exclusive	Zone
	Total Agricultural Allocations				34,332.69	21,400.98	12,931.69	11,485.17	32,886.15		

Note:

WMID's in green - Water Right Holders that have tentatively approved corrections to the Groundwater Schedule but still subject to Watermaster Board approval.

WMID's in blue - Updates to Groundwater Schedule (09/17/2024)

Item 23C

Draft LPV Domestic Allocations Water Year 2024 (09/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1074	Hypericum Land Company LLC; Hypericum Interests LLC (Domestic - Conditional)		Exhibit G		24.00	0.00	N/A	N/A
1107	Mittag Ranches	RC - Domestic Well	1090061260	02N21W16A01	1.00	0.96	N/A	N/A
1131	James A. Waters III, Trustee For The J&H Revocable Trust; James A. Waters III, Trustee For The Andrew Exempt Trust	Balcom Canyon Ranch	1080100025	03N20W28J05	1.08	1.03	N/A	N/A
1177	Butler Ranch Mutual Water Company (Domestic - Conditional)		Exhibit G		24.00	0.00	N/A	N/A
1182	Hagel, Timothy et al	Meadows of Moorpark	1080161115	03N20W26C01 03N20W26D01	1.00	0.96	N/A	N/A
1183	Julie Rhoads		1100230055	03N20W27M01m2 03N20W27M01	1.05	1.01	N/A	N/A
1184	Marlene Valter		1100230045		1.00	0.96	N/A	N/A
1185	Fox Canyon Farms, LLC		1100230285	03N20W27N05	1.00	0.96	N/A	N/A
1186	Bill Poole		1100230235	03N20W28P02	1.00	0.96	Hybrid	Balcom-Bixby
1187	Waters Family Ranches Oasis - Caldwell Morris K Tr		1100060465	03N20W27K02	1.00	0.96	N/A	N/A
3308	The Kirstin K. Doss Trust		1100071175		2.69	2.58	Exclusive	Berylwood
3332	The Ehrhardt Family Trust dated January 9, 2020		1100080090		1.00	0.96	Exclusive	Berylwood
3400	Crestview Mutual Water Company (Domestic)		Exhibit E	02N21W22A01 02N21W22G01 02N21W28A02	717.00	686.48	N/A	N/A
3535	Del Norte Water Company (Domestic)		Exhibit F		48.99	46.90	Exclusive	Del Norte
3536	Del Norte Water Company (Domestic - Conditional)		Exhibit H		25.00	0.00	Exclusive	Del Norte
3706	John R. Mathes, Trustee of the Jhn R. Mathis Trust U/T/A Dated August 7, 1992	Lot 8	1100110195		3.44	3.29	Exclusive	La Loma Ranch
4229	Arnold and Sandra Peterson, husband and wife as joint tenants		1100382215		2.03	1.94	Exclusive	Zone
4239	Frank Keith McCallion and Janell Case		1100240105		1.73	1.66	Exclusive	Zone
4258	Michael A. Spahr and Jeanne M. Spahr, Trustees of the Spahr 2000 Family Trust Dated May 10, 2000		1100240225		1.84	1.76	Exclusive	Zone
4267	Michael James Kytlica and Vladimir Ian Kytlica		1100240485		1.36	1.30	Exclusive	Zone
Total Domestic Allocations					788.21*	754.65		

Note:

Domestic - Conditional: Conditions set forth in the Judgment for conditional allocation not met, thus conditional allocation not accrued for WY2024

788.21* - Allocation Basis total excludes conditional allocations for WY2024

WMID's in green - Water Right Holders that have tentatively approved corrections to the Groundwater Schedule but still subject to Watermaster Board approval.

Item 23C

Draft LPV Commercial Allocations Water Year 2024 (09/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Mutual Water Company Shareholder	Allocation Basis (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1033	Claridge, Gail, Claridge Family Trust		1100210030 5030030155 5030073025		Yes	13.52	12.94	Exclusive	Berylwood
1057	Golf Realty Fund, LP	Spanish Hills Country Club	1520242275 1520242305 1520251365 1520252015 1520261035 1520261075 1520261095 1520261105 1520261115 1520261125 1520261135 1520261145 1520261155 1520262075 1520281165 1520283065	02N21W28C01	No	201.23	192.66	N/A	N/A
1096	Mesa Union School District		1090050320 1090050340 1090050350 1090050360	02N21W17A01	Yes	17.00	16.28	Hybrid	Del Norte
1104	City of Moorpark		5060010280 5060010640	02N19W08G01 02N19W08H02	No	96.76	92.64	N/A	N/A
1130	Saticoy Partners, LLC	Saticoy CC Golf	1090020150 1090020170 1090020285 1090020290 1090311080 1090340040	02N21W08L01 02N21W08L02 02N21W08L03	No	304.66	291.69	N/A	N/A
1137	Saticoy Properties LLC/Grimes Rock Inc * Transfer of this Allocation Basis is limited to 50% of the total.		5000050135 5000090055 5000090260 5000090270 5000090280 5000090290 5000090325 5000090355 5000090365	03N19W18Q01	No	180.00	172.34	N/A	N/A
1141	Fox Canyon Farms, LLC		1100230285	03N20W27N01	Yes	17.84	17.08	Hybrid	Balcom-Bixby
1147	Sunshine Agriculture, Inc.	Stines Property	1100230355		Yes	1.53	1.46	Exclusive	Las Lomas
1172	ZIP TWO, LLC		1110010025 1110010035 1110010065 1110010075 1110010095 1110010115 1110010125	02N21W21E01	No	326.52	312.62	N/A	N/A
1200	City of San Buenaventura			02N21W08L01 02N21W08L02 02N21W08L03	No	57.86	55.40	N/A	N/A

Item 23C

Draft LPV Commercial Allocations Water Year 2024 (09/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Mutual Water Company Shareholder	Allocation Basis (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
2011	Ventura County Waterworks District No. 1 - ELPMA		N/A	03N19W31B01 03N19W31H01 03N19W32D01 03N19W33P03 03N20W35J01 03N20W35R01 03N20W36A02 03N20W36G01	N/A	2,661.76	2,548.44	N/A	N/A
2191	Ventura County Waterworks District No. 19 - ELPMA		N/A	02N20W03J01	N/A	499.71	478.44	N/A	N/A
2192	Ventura County Waterworks District No. 19 - WLPMA		N/A	02N20W06R01 02N20W08B01	N/A	1,990.46	1,905.72	N/A	N/A
3202	Julie Rhoads		1100230055		Yes	10.55	10.10	Hybrid	Balcom-Bixby
3208	Anderson Trust		1080110120		Yes	5.44	5.21	Exclusive	Balcom-Bixby
3318	Maskrey, Francis and Joan		1100210240		Yes	25.24	24.17	Exclusive	Berylwood
3325	Marschewski, Thomas A. and Alison Rae Choate Marschewski		1100071145		Yes	7.02	6.72	Exclusive	Berylwood
3329	Gerardi, Danny		1100210280		Yes	9.27	8.88	Exclusive	Berylwood
3340	The Azmoun Family Trust 2003		1100071275		Yes	4.96	4.75	Exclusive	Berylwood
3701	Danah A. Zaman and Adel Gandomikal, Wife and Husband as Joint Tenants		1100010165		Yes	5.91	5.66	Exclusive	La Loma Ranch
3805	Catherine Hill, Trustee of the Hill Trust # 2 U/A Dated March 28, 1998	Lot 5	1100230345		Yes	2.79	2.67	Exclusive	Las Lomas
Total Commercial Allocations						6,440.03	6,165.87		

Note:

WMID's in green - Water Right Holders that have tentatively approved corrections to the Groundwater Schedule but still subject to Watermaster Board approval.

Item 23C

Draft LPV Mutual Water Company Allocations Water Year 2024 (09/17/2024)

WMID	Mutual Water Company	Wells	Mutual Water Company Allocation	Annual Allocation (AF) Water Year 2024
3100	Arroyo Las Posas Mutual Water Company	02N20W16B03	0.00	0.00
3200	Balcom-Bixby Water Association Inc., a California corporation	03N20W27H01 03N20W27H03	27.02	24.00
3300	Berylwood Heights Mutual Water Company	02N20W02D02 02N20W03B01 02N20W03H01 03N20W34K01	46.43	41.24
3500	Del Norte Water Company	02N21W09D02 02N21W09N01 02N21W18H01 02N21W18H03 02N21W18H10 02N21W18H12 02N21W18H14	40.34	35.83
3600	Fuller Falls Mutual Water Company	03N20W35G01 03N20W35H03	0.00	0.00
3700	La Loma Ranch Mutual Water Company	03N21W35R01 03N21W35R02	0.00	0.00
3800	Las Lomas Mutual Water Company	03N20W33B01 03N20W33B02	0.00	0.00
3900	Rancho Canada Water Company LLC	02N20W05J01	0.00	0.00
4100	Thermic Mutual Water Company	03N19W29M02 03N19W29M03 03N19W30J01 03N19W30Q01	0.00	0.00

Item 23C

Draft LPV Mutual Water Company Allocations Water Year 2024 (09/17/2024)

WMID	Mutual Water Company	Wells	Mutual Water Company Allocation	Annual Allocation (AF) Water Year 2024
4200	Zone Mutual Water Company	02N20W04R03 02N20W07R02 02N20W07R03 02N20W08E01 02N20W08F01 02N20W08M01 02N20W08Q01 02N20W09F01 02N20W09Q04 02N20W09Q05 02N20W09Q07 02N20W09R01	103.84	92.22
Total Mutual Water Company Allocations			217.63	193.29

Item 23 - Exhibit 23D – PAC Recommendation Report Letter

Gene West, Chair
Las Posas Valley Watermaster
800 S. Victoria Ave.
Ventura, CA 93009

September 20, 2024

Re: Draft Water Year 2024 Groundwater Allocations Calculation

Chair West:

At its September 19, 2024 meeting, the PAC reviewed the committee consultation memo regarding the draft Water Year 2024 Groundwater Allocations Calculation provided by Dr. Kaseke on September 4, 2024 and the updated allocation calculation provided via email on September 17.

The PAC appreciates the opportunity to review the draft calculation in keeping with the Judgment and finds no issue with the calculations or resulting draft allocations.

The PAC would like to specifically thank Rob Grether, Vice Chair of the PAC, for his detailed review of the calculations, and Dr. Kaseke, for his diligence in providing and clearly explaining the updated draft allocations that needed to be adjusted due to changes in the groundwater allocation schedule between Watermaster's initial submittal of a committee consultation and the PAC meeting on September 19.

Sincerely,



Ian Prichard, Chair, LPV Watermaster PAC

Approval of Las Posas Valley Basin Annual Water Right Allocations for Water Year 2024 (October 1, 2024 – September 30, 2025)

Item No. 23 – September 25, 2024



Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Background

- Las Posas Valley Adjudication Judgment (Judgment):
 - adjudicates Groundwater rights within the LPV Groundwater Basin
 - establishes and implements the Physical Solution set forth in the Judgment
- Annual Allocations (AA) - dependent on Operating Yield (OY) of the Basin
- Total Allocation Basis (41, 851.57 AF, Exhibit C) > Initial OY (40, 000 AF) (Judgment § 4.9.1.1)
- Rampdown (41, 851.57 AF - 40, 000 AF = 1, 851.57 AF)
- AA calculations - protocols & formulas in Exhibit D to the Judgment (Judgment § 4.2)

Discussion and Timeline

- Staff reached out to Conditional Domestic Allocations holders (*July 22 – August 30, 2024*)
 - Butler Ranch Mutual Water Company (*July 26, 2024*)
 - Hypericum Land Company, LLC & Hypericum Interests, LLC (*July 26, 2024*)
 - Del Norte Mutual Water Company (*no response*)
- Review of Requested Changes to Exhibit C (*August 14 – September 13, 2024*)
- Draft Groundwater Annual Allocations Calculations referred for Committee Consultation per the Judgment (*September 04 – September 20, 2024*)
 - Draft Calculations updated September 17, 2024
 - TAC meeting (*September 17, 2024*) and PAC meeting (*September 19, 2024*)
 - PAC endorsed calculations - recommendation report (Exhibit 23D) (*September 20, 2024*)

Exhibit 23C - Draft Annual Allocations

Draft LPV Agricultural Groundwater Allocations Water Year 2024 (9/17/2024)

WMID	Landowner	Ranch / Property Name	Parcels	Wells	Allocation Basis (AF)	Base Agricultural Allocation (AF)	Supplemental Agricultural Allocation (AF)	Annual Supplemental Allocation (AF)	Annual Allocation (AF) Water Year 2024	Mutual Water Company Type	Mutual Water Company
1153	Benjamin C. Vasquez and Leonita C. Vasquez		1100220050	02N20W10G01	157.93	93.77	64.16	56.98	150.75	Hybrid	Zone
1154	VH Farms LP	VH Farms LLC	1100210330		31.85	17.96	13.88	12.33	30.29	Exclusive	Berylwood
1155	Joshua L. Waters, Trustee for the the Joshua Exempt Trust, et al.		5000210085 5000210095		87.33	46.31	41.02	36.43	82.74	Exclusive	Thermic
1156	Waters Ranch, LP		5000130070 5000130110	03N19W30E06	292.55	122.68	169.87	150.87	273.55	N/A	N/A
1157	Waters Ranch, LP		5000200040 5000210110 5000210240		348.16	164.12	184.04	163.45	327.57	Exclusive	Thermic
1158	Waters & Sons Farms LP	Waters & Sons Farms LP	1080170115 5000090165	03N19W30D02	93.55	51.54	42.00	37.30	88.84	N/A	N/A
1159	Magana Ranch, LLC		1100060165 1100430025	03N20W34J01 03N20W34J01m3 03N20W34J02 03N20W34J03 03N20W34J03m3	145.38	68.59	76.79	68.20	136.79	N/A	N/A
1160	James D. Hearn and Shira C. Hearn, husband and wife	Jacoba Ranch	5030020200	03N20W25R03 03N20W36A04	24.73	24.73	0.00	0.00	24.73	N/A	N/A
1161	CE + D Mabry Family LP	Mabry Ranch	5030020410 5030030290	03N20W25R03 03N20W36A04 03N20W36L01	40.50	23.16	17.34	15.40	38.58	N/A	N/A
5000	Jesus Bravo Ahumada, a married man as his sole and separate property		5030020165		49.12	28.09	21.03	18.68	46.77	N/A	N/A
1162	Patsy D. Waters, Trustee for the 1994 Bypass Trust		5000210105		90.49	45.01	45.48	40.39	85.40	Exclusive	Thermic
1163	Ronald and Nickoletta Partain Family Trust, Ronald Partain, Trustee	Wild Swan Ranch	5030020145	03N19W17Q01	30.83	16.70	14.13	12.55	29.25	N/A	N/A
1166	Wise Orchards at Somis LLC	Somis Orchards	1100060385	03N20W34G01	92.85	42.87	49.97	44.38	87.25	N/A	N/A
1167	Wise Orchards at Somis LLC	Wise Orchards I	5030040085		43.30	26.80	16.50	14.65	41.45	Exclusive	Berylwood
1169	Wonderful Citrus, LLC		1100010065	03N21W36Q02 03N21W36R03	417.67	285.77	131.89	117.14	402.81	N/A	N/A
1170	Lemon 500, LLC		1120010075 1120010035 1120010045 1120010055 1120010065 1120010075 1120010085 1120010095 1120010105 1120010115 1120010125 1120010135 1120020025 1120020035 1120020045 1120020055 1120020065 1120020075 1120020085 1120020095 1120020105		1,126.03	770.44	355.59	315.81	1,086.25	N/A	N/A

<https://s42135.pcdn.co/wp-content/uploads/2024/09/Draft-LPV-Water-Year-2024-Groundwater-Allocations-revised.pdf>

Summary

- Operating Yield of the basin 40, 000 AF, unchanged
- WY2024 Annual Allocations are similar to WY 2023 Annual Allocations
 - Except WMIDs with transfers (1161 → 5000; 3345 → 3348)
 - Approved requested corrections

Recommendation

- Receive and file this report
- Staff recommends that your Board adopt the attached Water Right Allocations Calculations for the Las Posas Valley Basin for Water Year 2024.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

Eugene F. West, *Chair, Director, Camrosa Water District*
Kelly Long, *Vice Chair, Supervisor, County of Ventura*
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Tony Trembley, *Mayor, City of Camarillo*

INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Presentation on Las Posas Valley Adjudication Technical Advisory Committee Recommendation Report and Watermaster's Response Report on Projects to be Considered in the Basin Optimization Yield Plan and Study [LPV Watermaster] – *(New Item)*

RECOMMENDATIONS: (1) Receive and file a presentation from Agency staff on the Las Posas Valley Adjudication Technical Advisory Committee (TAC) Recommendation Report and Watermaster's Response Report; and (2) Provide direction to Watermaster staff.

BACKGROUND:

The Las Posas Adjudication Judgment (Judgment) provides that Watermaster shall, with Committee Consultation, prepare a Basin Optimization Yield (BOY) Study through which the Operating Yield for the Las Posas Valley Basin will be established for each Water Year for the period Water Year 2025 through Water Year 2029. (Judgment 4.10). Critical to the development of the BOY Study is the development of a Basin Optimization Yield (BOY) Plan whose elements are described in Section 5.3 of the Judgment.

DISCUSSION:

On January 12, 2024, your Board approved a scope of work for preparation of the BOY Plan. The scope of work included six (6) tasks that support development of the BOY Plan. The Judgment requires that certain tasks be performed prior to the BOY Plan being prepared. These tasks include (i) development of Project Evaluation Criteria and (ii) technical evaluation of projects to be included in the BOY Plan. The Watermaster referred these tasks to both the Policy Advisory Committee (PAC) and TAC for consultation as required by the Judgment (see Exhibit 24A, attached).

In response, Watermaster received a TAC Recommendation Report (attached as Exhibit 24B) with three comments and four recommendations and is waiting for feedback from the PAC.

Staff worked with Dudek to review and prepare the attached Watermaster Response Report to the TAC Recommendation Report addressing each of the comments and recommendations (attached as Exhibit 24C).

CONCLUSION:

Staff recommends that your Board (1) receive and file this board letter, the attached Watermaster Response Report, and today's presentation; and (2) provide any desired direction to staff.

FCGMA Board Meeting
September 25, 2024
Page 2 of 2

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654 2954.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaseke". The signature is fluid and cursive, with the first letter being a large, stylized capital 'K'.

Kudzai Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Attachment: Exhibit 24A – Basin Optimization Plan Tasks 1 and 2 as referred to TAC
Exhibit 24B – TAC Recommendation Report - Basin Optimization Plan Tasks 1 & 2
Exhibit 24C – Watermaster Response Report - Basin Optimization Plan Tasks 1 & 2

**FOX CANYON GROUNDWATER MANAGEMENT AGENCY
LAS POSAS VALLEY WATERMASTER**



MEMORANDUM

Date: July 10, 2024
To: Las Posas Valley Watermaster Technical Advisory Committee
From: Kudzai F. Kaseke, Assistant Groundwater Manager
Subject: Draft Las Posas Valley Basin Project Evaluation Criteria and Technical evaluation of projects that will be included in the Basin Optimization Plan.

Dear Las Posas Valley Watermaster Technical Advisory Committee (TAC):

As the Watermaster for the Las Posas Valley Basin (LPVB), Fox Canyon Groundwater Management Agency (FCGMA) is responsible for preparing the Basin Optimization Plan for the LPVB. The Judgement in *Las Posas Valley Water Rights Coalition v. Fox Canyon Groundwater Management Agency VENC100509700* (Judgement) requires LPVB committee consultation during development of the Basin Optimization Plan.

On January 12, 2024, the FCGMA Board of Directors approved a scope of work to prepare the LPVB Basin Optimization Plan. The scope of work included six (6) tasks that support development of the Basin Optimization Plan. As outlined in the Judgement and described in the approved scope of work, the first two tasks require committee consultation prior to the development of the remainder of the Basin Optimization Plan. These tasks are: (i) development of Project Evaluation Criteria and (ii) technical evaluation of projects that will be included in the Basin Optimization Plan. Watermaster referred these tasks to the Policy Advisory Committee (PAC) for committee consultation and currently awaits feedback from the PAC. Below is a summary of work completed on these tasks as of March 27, 2024.

Project Evaluation Criteria:

Dudek, in coordination with FCGMA staff, has developed a draft set of Project Evaluation Criteria for committee review. These criteria are based on the current FCGMA project evaluation process used in the Oxnard and Pleasant Valley Basins (OPV). The draft criteria developed for the LPVB consist of two forms: a project evaluation checklist, which is used to solicit information from the Project proponent, and a project evaluation ranking sheet. These forms will be used to assess the priority and feasibility of each project.

Project Evaluation Criteria

The draft set of Project Evaluation Criteria are separated into four distinct categories:

- 1) Water Supply benefits
- 2) Timing / Feasibility
- 3) Cost and Funding
- 4) Additional Project Considerations

The criteria included in categories 1 through 3 are the same as the current FCGMA project evaluation process used in the OPV.

Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC

Category 4 – Additional Project Considerations – includes Judgment-specific information, such as a description of collaborations necessary to implement the project and a description of any anticipated material and unreasonable impact, as defined in the Judgement, that cannot be fully mitigated.

Project Ranking Sheet

The project ranking sheet introduces a set of points associated with each category defined in the draft project evaluation criteria. Using the information provided by individual project proponents, each project will be scored using the proposed ranking sheet. The points awarded for water supply benefits, timing/feasibility, and cost and funding are the same as the current FCGMA project evaluation process used in the OPV.

The proposed points for the Additional Project Considerations are as follows:

- 1) Collaboration / Cooperation requirements do not impact project scoring.
- 2) If a project is anticipated to cause material and unreasonable impact, as defined in the Judgement, that cannot be fully mitigated, twenty-five (25) points will be subtracted from the overall project score.
 - The twenty-five (25) point reduction was selected to be equivalent to the maximum points awarded under the water supply category.

Technical Project Evaluation

Following the development of the Project Evaluation Criteria, Dudek, in coordination with FCGMA, will begin technical review of the projects outlined in the Judgement. The scope of work approved by the FCGMA Board on January 12, 2024, identified nine (9) projects, each of which are identified in the Judgement, for inclusion in the Basin Optimization Plan.

To ensure that each project is appropriately evaluated, Dudek and FCGMA are requesting that LPVB committees:

- 1) Confirm that each project is appropriate for inclusion in the Basin Optimization Plan.
- 2) Confirm that the assumed project proponents are appropriate.
- 3) Provide input on the appropriate project proponent for Project 6.

Please provide feedback via email at LPV.Watermaster@ventura.org or contact me at 805 654 2010 with any questions or concerns.

Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC

Projects Identified in the Judgement for Inclusion in the Basin Optimization Plan

		Project Assumptions		
Project No.	Project Title	Project Proponent	Project Type	Project Details
1	Removal, and periodic removal maintenance, of Arundo Donax from the Las Posas Valley watershed in an environmentally safe manner	FCGMA	Water Supply	Dudek assumes that the project details and benefits are the same as those developed during FCGMA's application for DWR's SGM Round 2 SGMA Implementation funding opportunity. Dudek will update the project description, as necessary, based on revised project evaluation criteria developed in Task 1.
2	Importing of surplus water	CMWD	Water Supply	Dudek assumes that CMWD will develop the project description, cost estimates, and timing for implementation of this project.
3	Arroyo Las Posas storm water capture and recharge	VCWWD-1	Water Supply	Dudek assumes that the project details and benefits are the same as those provided by VCWWD-1 during the project solicitation undertaken by FCGMA during development of the 2022 GSP Annual Report. Dudek assumes that VCWWD-1 will, as necessary and appropriate, update the project description based on the revised project evaluation criteria developed in Task 1.
4	Constructing desalter(s) to address water quality issues in the Arroyo Simi Creek	VCWWD-1	Water Quality	Dudek assumes that the project details and benefits are the same as those provided by VCWWD-1 during the project solicitation led by FCGMA during development of the 2022 GSP Annual Report. Dudek assumes that VCWWD-1 will, as necessary and appropriate, update the project description based on the revised project evaluation criteria developed in Task 1.
5	Formalizing an agreement with the City of Simi Valley ("City") to maintain up-stream wastewater treatment plant discharges, or treated effluent, into the Arroyo Simi Creek, which shall include cooperation with and support of the City, as necessary, in its interactions with the Los Angeles Regional Water Quality Control Board ("LA Waterboard") on this issue of treated effluent discharge into Arroyo Simi Creek	FCGMA	Water Supply	Dudek assumes that the project details and benefits will be developed in coordination with FCGMA.
6	Formalizing an agreement with the City for recycled water deliveries to Las Posas Valley users via pipeline, which shall include cooperation with and support of the City, as necessary, in its interactions with the LA Waterboard on this issue of recycled water	Unknown	Feasibility Study	Dudek assumes that the project proponent will be identified by the PAC, TAC, and FCGMA during development of the Basin Optimization Plan. The project proponent will be responsible for developing the project description and providing all relevant information to FCGMA.
7	Designing and constructing new or modified infrastructure in order to deliver In Lieu Water to water deficit areas for Use in lieu of Extracted Groundwater and to increase water conveyance within the Basin	Zone MWC	Water Supply	Dudek assumes that the project details and benefits are the same as those provided by Zone MWC during the project solicitation led by FCGMA during development of the 2022 GSP Annual Report. Dudek assumes that Zone MWC will, as necessary and appropriate, update the project description based on the revised project evaluation criteria developed in Task 1.
8	Developing a program for the least cost acquisition of Allocation Basis or Annual Allocations, or Carryover as an alternative to Replenishment	FCGMA	Water Supply	Dudek assumes that the project proponent will be identified by the PAC, TAC, and FCGMA during development of the Basin Optimization Plan. The project proponent will be responsible for developing the project description and providing the project details and benefits will to the FCGMA.
9	Using Calleguas facilities for Replenishment	CMWD	Water Supply	Dudek assumes that this project will be led by CMWD and that the project description, cost, and benefits will be provided by CMWD as part of the Basin Optimization Plan development.

Notes

FCGMA = Fox Canyon Groundwater Management Agency, City = City of Simi Valley, VCWWD-1 = Ventura County Water Works District No. 1, Zone MWC = Zone Mutual Water Company, CMWD = Calleguas Municipal Water District

"Project Benefits" will be characterized by each project proponent in a manner consistent with the Judgement and SGMA, including through an estimate of impact to groundwater levels, groundwater quality, groundwater in storage, interconnected surface water, and material injury

Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC

LAS POSAS VALLEY WATERMASTER

c/o Fox Canyon Groundwater Management Agency
 800 S. Victoria Avenue | Ventura, CA 93009-1610 | Tel: (805) 654-2010 | LPV.Watermaster@ventura.org

Project Evaluation Checklist

BACKGROUND INFORMATION	
Project Name:	(Please fill in)
Purpose of Project:	(Please select one)
Project Type:	(Please select one)
Sponsoring Agency:	(Please fill in)
Groundwater Basin:	(Please fill in)
Location:	(Please fill in)
Project Description:	(Please fill in)
Implementation Trigger (if applicable):	(Please fill in)
Evaluation Criteria	Response (Applicant to Complete)
Water Supply	
Annual increase in Sustainable Yield (AFY):	(Please fill in)
Annual increase in supplemental water in lieu of pumping (AFY):	(Please fill in)
Groundwater demand reduction (AFY):	(Please fill in)
Sustainability indicators addressed:	(Please fill in)
Project documentation included?	(Please select one)
Timing/Feasibility	
Project Implementation Timeframe	
Current Project status:	(Please select one)
Estimated time to Project completion (years):	(Please fill in)
Timeline / feasibility documentation included?	(Please select one)
Environmental	
CEQA/NEPA type:	(Please select one)
Status of CEQA/NEPA review and permitting:	(Please select one)
Will the Project likely be permitted?	(Please select one)
Sensitivity of location:	(Please fill in)
Permitting	
Permits required:	(Please fill in)
Status / time required:	(Please fill in)
Likelihood of Project being permitted:	(Please select one)

Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC

LAS POSAS VALLEY WATERMASTER

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Project Evaluation Checklist

Project Complexity	
Does the Project use new technology:	(Please select one)
Does the Project require land acquisition:	(Please select one)
Status of the land acquisition process:	(Please select one)
Is the Project dependent on other unbuilt or unfunded projects:	(Please select one)
Is the Project dependent on funded projects currently under construction:	(Please select one)
Description of Operation and Maintenance (if applicable):	(Please fill in)
Project Lifespan	
What is the projected lifespan of the Project:	(Please fill in)
Project Phasing	
<i>Please provide documentation of anticipated project phasing, including schedules and costs (capital and O&M) for each phase, as an attachment to this form.</i>	
Does Project require multiple phases of construction?	(Please select one)
No. of anticipated construction phases:	(Please fill in)
Description of phases:	(Please fill in)
Phasing timeline:	(Please fill in)
Total cost per phase:	(Please fill in)
Project phasing documentation attached?	(Please select one)
Cost and Funding	
Total capital cost:	(Please fill in)
Total annual Operations & Maintenance (O&M) Cost:	(Please fill in)
Is the project Proponent providing a funding match to construct the project?	(Please fill in)
Is there a funding source other than FCGMA for ongoing operation and maintenance costs?	(Please fill in)
Additional Project Considerations	
Is it necessary to collaborate and/or coordinate with FCGMA, Calleguas, WWDs, United Water Conservation District, or the Water Rights Holders for project implementation?	(Please select one)
If yes, please describe the anticipated collaboration/coordination.	(Please fill in)
Is the project anticipated to cause material and unreasonable impact, as defined in the Judgement, that cannot be fully mitigated?	(Please select one)
If yes, please describe the anticipated material and unreasonable impacts.	(Please fill in)

**Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC
LAS POSAS VALLEY WATERMASTER**

c/o Fox Canyon Groundwater Management Agency

800 S. Victoria Avenue | Ventura, CA 93009-1610 | Tel: (805) 654-2010 | LPV.Watermaster@ventura.org

Project Evaluation Checklist

Project Proponent Contact Information	Response (Applicant to Complete)
Name:	(Please fill in)
Title:	(Please fill in)
Organization:	(Please fill in)
Email:	(Please fill in)
Phone:	(Please fill in)
Date:	(Please fill in)

LAS POSAS VALLEY WATERMASTER

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Project Ranking Sheet

Project Name _____ Project Type _____

Sponsoring Agency _____ Basin _____

WATER SUPPLY

1. Total Sustainable Yield / Supplemental Water / Reduced Demand

Total additional water supplied by the project for the benefit of the basin through increase to sustainable yield, supplemental water to be delivered in lieu of pumping, or reduction in groundwater demand.

_____ AFY increased sustainable yield

_____ AFY supplemental water in lieu of pumping

_____ AFY groundwater demand reduction

Points Awarded

5	10	15	20	25
<500 AFY	≤500 AFY <2,500 AFY	≤2,500 to AFY <5,000 AFY	≤5,000 AFY <7,500 AFY	≥7,500 AFY

2. Sustainable Yield / Supplemental Water / Reduced Demand Documentation

Project documentation includes verifiable quantified estimate of increased sustainable yield, supplemental water, and/or reduced groundwater demand.

Points Awarded

5	10	15	20	25
Conceptual estimate - no supporting documentation	Conceptual estimate - limited supporting documentation	Initial feasibly study supporting estimate	Preliminary design and/or modeling supporting estimate	Detailed design and/or modeling supporting estimate

TIMING / FEASIBILITY

3. Project Implementation Timeframe

What is the project implementation timeframe?

Points Awarded

1	5	10	15	20
Cannot be implemented prior to 2040	May be operational by 2040, but uncertain	Can be operational by 2040	Can be operational in 10 years or less	Can be operational in 5 years or less

4. Development Phase

How far along is the definition, feasibility, design, and development of the project?

Points Awarded

1	2	3	4	5
Conceptual – no feasibility or	Feasibility study in progress,	Initial feasibly study completed	30% engineering design	60% or greater engineering

Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC

LAS POSAS VALLEY WATERMASTER

c/o Fox Canyon Groundwater Management Agency

800 S. Victoria Avenue | Ventura, CA 93009-1610 | Tel: (805) 654-2010 | LPV.Watermaster@ventura.org

design, project not well defined	project well defined			design
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5. Status of Approvals, Permits, and Environmental Review

What is the status of NEPA/CEQA review and permitting?

Points Awarded

1	2	3	4	5
Permit requirements not identified or unknown	Expected to take >5 years	Underway and approvals expected <3 years	Underway and approvals expected ≤1 year	Permitting and CEQA / environmental review complete

6. Project Complexity

How complex is the project? For example, does it require multiple phases of construction; does it use proven technology; does it require land acquisition; is dependent upon other projects; and/or does it require complex permitting?

Points Awarded

1		3		5
Very complex, relies on unproven technology		Moderately complex		Low complexity, uses readily available proven technology

7. Land Acquisition

Does the project require land acquisition or easements, and if so, what is the status?

Points Awarded

1	2	3	4	5
Required, not started and/or potential eminent domain	Process started, but less than 25% complete	>25% but <50% complete	More than 50% complete	Not required or all acquisitions and/or easements complete

8. Dependency on Other Projects

Is the project dependent upon other projects?

Points Awarded

1		3		5
Project is dependent on other unbuilt and unfunded projects		Project is dependent on funded projects under construction		Not dependent on other unbuilt projects

9. Project Lifespan

What is the projected lifespan of the project?

Points Awarded

1	2	3	4	5
≤5 years		10 years		≥20 years

Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC

LAS POSAS VALLEY WATERMASTER

c/o Fox Canyon Groundwater Management Agency

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COST & FUNDING

10. Water Cost

Projected total cost of water produced, saved, or increase in sustainable yield.

\$ _____ Total capital cost

\$ _____ Total annual O&M cost

\$ _____ Annual O&M cost per AF

\$ _____ Annual cost (all costs including capital and O&M) per AF

Points Awarded

1	5	10	15	20
≥\$3,000 / AF	≤\$2,000 / AF <\$3,000 / AF	≤\$1,000 / AF <\$2,000 / AF	>\$500 / AF <\$1,000 / AF	≤\$500 / AF

11. Funding Match for Construction

Is the project proponent providing a funding match to construct the project?

Points Awarded

1	4	8	12	15
No match	<10% match	10 to 25% match	25 to 50% match	>50% match

12. O&M Funding

Is there a funding source other than FCGMA for ongoing operation & maintenance costs?

Points Awarded

1	4	8	12	15
No funding identified	25%	50% of funding committed	75%	100% of funding committed

ADDITIONAL PROJECT CONSIDERATIONS

13. Collaboration/Cooperation/Participation

Is it necessary or desirable to collaborate and/or coordinate with FCGMA, Calleguas, WWDs, United Water Conservation District, or the Water Right Holders for project implementation?

Points Awarded

N/A
Coordination requirements will not impact final project scoring.

14. Undesirable Results/Material Injury

Is the project anticipated to cause material and unreasonable impact, as defined in the Judgement, that cannot be fully mitigated?

Points Awarded

-25	0
The project is likely to cause material and unreasonable impacts that cannot be mitigated, as defined in the Judgement.	The project is unlikely to cause material and unreasonable impacts as defined in the Judgement.

Item 24A – BOY Plan Tasks 1 and 2 as referred to TAC

LAS POSAS VALLEY WATERMASTER

c/o Fox Canyon Groundwater Management Agency

800 S. Victoria Avenue | Ventura, CA 93009-1610 | Tel: (805) 654-2010 | LPV.Watermaster@ventura.org

Ranked by _____ Date _____

DRAFT

LAS POSAS VALLEY TECHNICAL ADVISORY COMMITTEE

August 27, 2024

RECOMMENDATION REPORT

To: Las Posas Valley Watermaster
From: Chad Taylor, LPV TAC Administrator and Chair
Re: TAC Consultation Recommendation Report on Basin Optimization Plan Tasks 1 and 2

The Las Posas Basin Watermaster Board of Directors (Watermaster) approved a scope of work in January 2024 to prepare the Basin Optimization Plan for the Las Posas Valley Basin. The scope included six Basin Optimization Plan development tasks, the first two of which require committee consultation consistent with the Las Posas Valley Basin Adjudication Judgement before proceeding with the latter tasks of Basin Optimization Plan development. These first two tasks are: (1) project evaluation criteria development and (2) technical evaluation of projects for inclusion in the Basin Optimization Plan.

Watermaster staff requested consultation from the Las Posas Valley Technical Advisory Committee (TAC) on the first two tasks of Basin Optimization Plan Development in the attached memorandum dated July 10, 2024. This memorandum provided a summary of work completed to date, a list of the projects being considered, a draft project evaluation checklist, and a draft project ranking sheet for TAC review and consultation. In addition, Watermaster staff specifically requested that the TAC:

1. Confirm that each project is appropriate for inclusion in the Basin Optimization Plan.
2. Confirm that the assumed project proponents are appropriate.
3. Provide input on the appropriate project proponent for Project 6.

The TAC discussed the project evaluation criteria, technical evaluation, list of projects, and the three items above in a Special Meeting on July 31, 2024. During this meeting TAC members identified comments on the adequacy of the information request form for projects, the project ranking criteria and associated weighting, assessment of project feasibility, and the collection of additional information to support project evaluation and planning. Recommendations were also developed for the Watermaster to consider.

TAC COMMENTS AND RECOMMENDATIONS

TAC comments and recommendations on Basin Optimization Plan Tasks 1 and 2 are presented below.

Item 24B – TAC Recommendation Report - Basin Optimization Plan Tasks 1 & 2

Comment 1:

Projects 2 and 9 (Importing of surplus water and using Calleguas facilities for replenishment, respectively) appear to be effectively one project with Project 9 a subset of Project 2. The Calleguas Mutual Water District (CMWD) TAC representative (Mr. Bryan Bondy, PG, CHG) reported that CMWD does not believe they are the correct project proponent for these projects. The representative indicated CMWD can provide input and assist with cost estimation but cannot define timing and logistics for importing surplus water for replenishment; this should be a shared responsibility.

Comment 2:

Mr. Bondy also reported that since the 2022 GSP Zone Mutual Water Company (Zone MWC) decided not to pursue grant funding for the infrastructure upgrades necessary to support the in-lieu water delivery within the Zone MWC service area identified in Project 7. Mr. Bondy reported that Zone MWC would like to request that the Watermaster replace Project 7 with an in-lieu delivery option feasibility study. Such a study could assess the potential for in-lieu water deliveries from other local agencies capable of delivering water from east Las Posas Valley to west Las Posas Valley. The study could include a review of existing infrastructure in the service areas of all the local agencies to identify opportunities, constraints, and costs associated with in-lieu water delivery.

Comment 3:

The TAC has no additional information on potential project proponent(s) for Project 6.

Recommendation 1:

Provide additional documentation of the process for defining, reviewing, and evaluating project components. Additionally, the TAC recommends considering and identifying critical path items or fatal flaws identified in any individual projects.

Recommendation 2:

Develop methods for evaluating how projects might affect groundwater quality and local undesirable conditions like pumping depressions, the effects of multiple projects on one another, and who the direct and indirect beneficiaries of each project would be.

Recommendation 3:

Include additional criteria addressing effects (positive or negative impacts) on sustainability criteria with a point scale of 1 to 20 in five categories, similar to the project implementation timeframe criteria.

Recommendation 4:

Solicit additional projects from stakeholders for inclusion and prioritization as part of the Basin Optimization Plan. This could include supplementing areas with limited natural recharge, filling data gaps with additional monitoring, assessing and improving irrigation efficiency, water level optimization through management of pumping locations and depths, or other projects identified by stakeholders.

Item 24 - Exhibit 24C – Watermaster Response Report - Basin Optimization Plan Tasks 1 & 2

LAS POSAS VALLEY WATERMASTER RESPONSE REPORT

Date: September 19, 2024

To: Las Posas Valley Watermaster Board of Directors

From: Kudzai Farai Kaseke, Assistant Groundwater Manger (FCGMA)

Re: Response Report to TAC Consultation Recommendation Report on Basin Optimization Plan Tasks 1 and 2

The Las Posas Valley Watermaster (Watermaster) requested consultation from the Las Posas Valley Technical Advisory Committee (TAC) on the first two tasks of Basin Optimization Plan development. Watermaster's request was in a July 10, 2024, memorandum to the TAC. The TAC discussed and developed its recommendation report at the July 31, 2024, and August 27, 2024, meetings. TAC's August 27, 2024, recommendation report included three comments and four recommendations. Each of these are listed below followed by Watermaster staff's recommendations.

Comment 1:

Projects 2 and 9 (Importing of surplus water and using Calleguas facilities for replenishment, respectively) appear to be effectively one project with Project 9 a subset of Project 2. The Calleguas Mutual [sic] Water District (CMWD) TAC representative (Mr. Bryan Bondy, PG, CHG) reported that CMWD does not believe they are the correct project proponent for these projects. The representative indicated CMWD can provide input and assist with cost estimation but cannot define timing and logistics for importing surplus water for replenishment; this should be a shared responsibility.

Response to Comment 1:

These were two of the nine projects identified in the Basin Adjudication Judgment: section 5.4.2 "Importing of surplus water," and section 5.4.9 "Using Calleguas facilities for Replenishment." No further explanation of these projects is provided in the Judgment and Watermaster staff agree that these two projects together appear to describe the project identified in the Groundwater Sustainability Plan as "Purchase of Imported Water from CMWD for Basin Replenishment." This project consists of supplying imported water to CMWD member purveyors to supply operators in the West Las Posas Management Area in lieu of pumping. Watermaster staff notes that CMWD does not believe that they are the correct project proponent. Watermaster will work with CMWD and its purveyors to better define the project(s) and appreciates CMWD's input and assistance with cost estimation.

Comment 2:

Mr. Bondy also reported that since the 2022 GSP Zone Mutual Water Company (Zone MWC) decided not to pursue grant funding for the infrastructure upgrades necessary to support the in-lieu water delivery within the Zone MWC service area identified in Project 7. Mr. Bondy reported that Zone MWC would like to request that the Watermaster replace Project 7 with an in-lieu delivery option feasibility study. Such a study could assess the potential for in-lieu water deliveries from other local agencies capable of delivering water from east Las Posas Valley to west Las Posas Valley. The study could include a review of existing infrastructure in the service areas of all the local agencies to identify opportunities, constraints, and costs associated with in-lieu water delivery.

Item 24C – Watermaster Response Report - Basin Optimization Plan Tasks 1 & 2

Response to Comment 2:

Project 7 is identified in Judgment section 5.4.7 as “Designing and constructing new or modified infrastructure in order to deliver In Lieu Water to water deficit areas for Use in lieu of Extracted Groundwater and to increase water conveyance within the Basin.” Watermaster staff believe this project description is broad enough to include defining a feasibility study as recommended by the TAC.

Comment 3:

The TAC has no additional information on potential project proponent(s) for Project 6.

Response to Comment 3:

Watermaster appreciates the feedback from TAC that it has no additional information regarding this project or project proponent(s).

Recommendation 1:

Provide additional documentation of the process for defining, reviewing, and evaluating project components. Additionally, the TAC recommends considering and identifying critical path items or fatal flaws identified in any individual projects.

Response to Recommendation 1:

The process for defining, reviewing, and evaluating, each project includes review of the criteria listed in section 5.3.2.1 of the Judgment, which are included in the Project Evaluation Checklist; review of additional information that may be available regarding each proposed project; and ranking the projects using the Project Ranking Sheet. Additional information about project evaluation is provided in Dudek’s December 27, 2023, scope of work to prepare the Basin Optimization Plan which was approved by the Watermaster Board at the January 12, 2024, special meeting. Critical path items or fatal flaws will be evaluated as part of this process.

Recommendation 2:

Develop methods for evaluating how projects might affect groundwater quality and local undesirable conditions like pumping depressions, the effects of multiple projects on one another, and who the direct and indirect beneficiaries of each project would be.

Response to Recommendation 2:

Each project will be evaluated for potential impacts on (i) groundwater levels, (ii) groundwater in storage, (iii) groundwater quality, (iv) land subsidence, (v) natural recharge, and (vi) minimum thresholds and measurable objective set forth in the Groundwater Sustainability Plan. Based on the information provided by each project proponent, a qualitative description of the potential benefits and/or negative impacts resulting from the project will be prepared. If a project is anticipated to cause undesirable results or result in material injury, the information provided by the project proponent will be used to characterize the number and location of surrounding groundwater extraction wells and users that may be impacted by the project.

Recommendation 3:

Include additional criteria addressing effects (positive or negative impacts) on sustainability criteria with a point scale of 1 to 20 in five categories, similar to the project implementation timeframe criteria.

Item 24C – Watermaster Response Report - Basin Optimization Plan Tasks 1 & 2

Response to Recommendation 3:

Watermaster staff developed the following criteria based on TAC’s recommendation to replace criterion number 14:

What impact will the project have on sustainability indicators applicable to the LPVB (i.e., chronic lowering of groundwater levels, reduction of groundwater in storage, degraded groundwater quality, land subsidence, depletions of interconnected surface water)?

1	5	10	15	20
May have negative impact on sustainability indicator.	Does not address sustainability indicators.	May help mitigate one sustainability indicator.	May help mitigate two sustainability indicators.	May help mitigate three or more sustainability indicators.

Recommendation 4:

Solicit additional projects from stakeholders for inclusion and prioritization as part of the Basin Optimization Plan. This could include supplementing areas with limited natural recharge, filling data gaps with addition monitoring, assessing and improving irrigation efficiency, water level optimization through management of pumping locations and depths, or other projects identified by stakeholders.

Response to Recommendation 4:

Watermaster staff believe this is a good recommendation by the TAC, but for future Basin Optimization Plans, as there is insufficient time to conduct a solicitation for the current Basin Optimization Plan. The current Basin Optimization Plan needs to be completed expeditiously in order to conduct the Basin Optimization Yield Study. Staff notes that there have been solicitations for projects from stakeholders in the Basin including in 2018 for the Groundwater Sustainability Plan, in early 2022 from larger water purveyors in the Basin including CMWD, Berylwood Heights Mutual Water Company, Del Norte Mutual Water Company, City of Moorpark, Ventura County Waterworks Districts 1 and 19, and Zone Mutual Water Company (Item 23C). Additionally, the Judgment included nine projects to be evaluated in the Basin Optimization Plan.

Las Posas Valley Adjudication Technical Advisory Committee Recommendation Report and Watermaster's Response Report on Projects to be Considered in the Basin Optimization Yield Plan and Study

Item No. 24 – September 25, 2024



Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Background

- Las Posas Valley Adjudication Judgment (Judgment):
 - Requires committee consultation during development of the Basin Optimization Plan (BOP) (Judgment, § 5.3)
- January 12, 2024, Board approved a scope of work to prepare the LPV Basin Optimization Plan with 6 tasks:
 - 2 require committee consultation prior to development of the rest of the BOP (Exhibit 24A)
 - Project Evaluation Criteria
 - Technical Evaluation of Projects
- Referred to PAC (March 28, 2024) and TAC (July 10, 2024)
- Recommendation Report (August 27, 2024), Response Report (September 19, 2024)

Projects in the Judgment for the BOP

Projects Identified in the Judgment for Inclusion in the Basin Optimization Plan

Project No.	Project Title	Project Assumptions		
		Project Proponent	Project Type	Project Details
1	Removal, and periodic removal maintenance, of Arundo Donax from the Las Posas Valley watershed in an environmentally safe manner	FCGMA	Water Supply	Dudek assumes that the project details and benefits are the same as those developed during FCGMA's application for DWR's SGM Round 2 SGMA Implementation funding opportunity. Dudek will update the project description, as necessary, based on revised project evaluation criteria developed in Task 1.
2	Importing of surplus water	CMWD	Water Supply	Dudek assumes that CMWD will develop the project description, cost estimates, and timing for implementation of this project.
3	Arroyo Las Posas storm water capture and recharge	VCWWD-1	Water Supply	Dudek assumes that the project details and benefits are the same as those provided by VCWWD-1 during the project solicitation undertaken by FCGMA during development of the 2022 GSP Annual Report. Dudek assumes that VCWWD-1 will, as necessary and appropriate, update the project description based on the revised project evaluation criteria developed in Task 1.
4	Constructing desalter(s) to address water quality issues in the Arroyo Simi Creek	VCWWD-1	Water Quality	Dudek assumes that the project details and benefits are the same as those provided by VCWWD-1 during the project solicitation led by FCGMA during development of the 2022 GSP Annual Report. Dudek assumes that VCWWD-1 will, as necessary and appropriate, update the project description based on the revised project evaluation criteria developed in Task 1.
5	Formalizing an agreement with the City of Simi Valley ("City") to maintain up-stream wastewater treatment plant discharges, or treated effluent, into the Arroyo Simi Creek, which shall include cooperation with and support of the City, as necessary, in its interactions with the Los Angeles Regional Water Quality Control Board ("LA Waterboard") on this issue of treated effluent discharge into Arroyo Simi Creek	FCGMA	Water Supply	Dudek assumes that the project details and benefits will be developed in coordination with FCGMA.
6	Formalizing an agreement with the City for recycled water deliveries to Las Posas Valley users via pipeline, which shall include cooperation with and support of the City, as necessary, in its interactions with the LA Waterboard on this issue of recycled water	Unknown	Feasibility Study	Dudek assumes that the project proponent will be identified by the PAC, TAC, and FCGMA during development of the Basin Optimization Plan. The project proponent will be responsible for developing the project description and providing all relevant information to FCGMA.
7	Designing and constructing new or modified infrastructure in order to deliver In Lieu Water to water deficit areas for Use in lieu of Extracted Groundwater and to increase water conveyance within the Basin	Zone MWC	Water Supply	Dudek assumes that the project details and benefits are the same as those provided by Zone MWC during the project solicitation led by FCGMA during development of the 2022 GSP Annual Report. Dudek assumes that Zone MWC will, as necessary and appropriate, update the project description based on the revised project evaluation criteria developed in Task 1.
8	Developing a program for the least cost acquisition of Allocation Basis or Annual Allocations, or Carryover as an alternative to Replenishment	FCGMA	Water Supply	Dudek assumes that the project proponent will be identified by the PAC, TAC, and FCGMA during development of the Basin Optimization Plan. The project proponent will be responsible for developing the project description and providing the project details and benefits will to the FCGMA.
9	Using Calleguas facilities for Replenishment	CMWD	Water Supply	Dudek assumes that this project will be led by CMWD and that the project description, cost, and benefits will be provided by CMWD as part of the Basin Optimization Plan development.

Notes

FCGMA = Fox Canyon Groundwater Management Agency, City = City of Simi Valley, VCWWD-1 = Ventura County Water Works District No. 1, Zone MWC = Zone Mutual Water Company, CMWD = Calleguas Municipal Water District

"Project Benefits" will be characterized by each project proponent in a manner consistent with the Judgment and SGMA, including through an estimate of impact to groundwater levels, groundwater quality, groundwater in storage, interconnected surface water, and material injury

Comments and Responses

- Comment 1

- *Projects 2 and 9 appear to be effectively one project with Project 9 a subset of Project 2. CMWD does not believe they are the correct project proponent for these projects. CMWD can provide input and assist with cost estimation but cannot define timing and logistics for importing surplus water for replenishment; this should be a shared responsibility.*
- These were 2 of 9 projects identified in the Judgment(Judgment, 5.4.2, 5.4.9). No further explanation of these projects is provided in the Judgment and staff concur that the 2 projects together appear to describe project identified in the Groundwater Sustainability Plan as “Purchase of Imported Water from CMWD for Basin Replenishment.” Staff notes CMWD position and Watermaster will work with CMWD and its purveyors to better define projects & appreciates CMWD’s input & assistance with cost estimation.

Comments and Responses

- Comment 2

- *Since the GSP, Zone Mutual Water Company (Zone MWC) decided not to pursue grant funding for the infrastructure upgrades necessary to support in-lieu water delivery within their service identified in Project 7. Zone MWC would like to request that Watermaster replace Project 7 with an in-lieu delivery option feasibility study. Such a study could assess the potential for in-lieu water deliveries from other local agencies capable of delivering water from east to west LPV.*
- Project 7 is identified in Judgment section 5.4.7 as “Designing and constructing new or modified infrastructure in order to deliver In Lieu Water to water deficit areas for Use in lieu of Extracted Groundwater and to increase water conveyance within the Basin.” Watermaster staff believe this project description is broad enough to include defining a feasibility study as recommended by the TAC.

Recommendation and Responses

- Comment 3
 - *TAC has no additional information on potential project proponent(s) for Project 6.*
 - Watermaster appreciates the feedback from TAC that it has no additional information regarding this project or project proponent(s).

- Recommendation 1
 - *Provide additional documentation of the process for defining, reviewing, and evaluating project components. Identify critical path items or fatal flaws identified in any individual projects.*
 - The process for defining, reviewing, and evaluating, each project includes review of the criteria listed in section 5.3.2.1 of the Judgment, which are included in the Project Evaluation Checklist; review of additional information that may be available regarding each proposed project; and ranking the projects using the Project Ranking Sheet. Additional information about project evaluation is provided in Dudek's December 27, 2023, scope of work to prepare the Basin Optimization Plan which was approved by the Watermaster Board at the January 12, 2024, special meeting. Critical path items or fatal flaws will be evaluated as part of this process.

Recommendation and Responses

- Recommendation 2

- *Develop methods for evaluating how projects might affect groundwater quality and local undesirable conditions like pumping depressions, the effects of multiple projects on one another, and who the direct and indirect beneficiaries of each project would be.*
- Each project will be evaluated for potential impacts on (i) groundwater levels, (ii) groundwater in storage, (iii) groundwater quality, (iv) land subsidence, (v) natural recharge, and (vi) minimum thresholds and measurable objective set forth in the Groundwater Sustainability Plan. Based on the information provided by each project proponent, a qualitative description of the potential benefits and/or negative impacts resulting from the project will be prepared. If a project is anticipated to cause undesirable results or result in material injury, the information provided by the project proponent will be used to characterize the number and location of surrounding groundwater extraction wells and users that may be impacted by the project.

Recommendations and Responses

- Recommendation 3
 - *Include additional criteria addressing effects (positive or negative impacts) on sustainability criteria with a point scale of 1 to 20 in five categories, similar to the project implementation timeframe criteria.*
 - Watermaster staff developed the following criteria based on TAC's recommendation to replace criterion number 14: What impact will the project have on sustainability indicators applicable to the LPVB (i.e., chronic lowering of groundwater levels, reduction of groundwater in storage, degraded groundwater quality, land subsidence, depletions of interconnected surface water)

1	5	10	15	20
May have negative impact on sustainability indicator.	Does not address sustainability indicators.	May help mitigate one sustainability indicator.	May help mitigate two sustainability indicators.	May help mitigate three or more sustainability indicators.

Recommendations and Responses

- Recommendation 4
 - *Solicit additional projects from stakeholders for inclusion and prioritization as part of the Basin Optimization Plan. This could include supplementing areas with limited natural recharge, filling data gaps with additional monitoring, assessing and improving irrigation efficiency, water level optimization through management of pumping locations and depths, or other projects identified by stakeholders.*
 - Watermaster staff believe this is a good recommendation by the TAC, but for future BOP, as there is insufficient time to conduct a solicitation for the current BOP. The current BOP needs to be completed expeditiously in order to conduct the Basin Optimization Yield Study. Staff notes that there have been solicitations for projects from stakeholders in the Basin including in 2018 for the Groundwater Sustainability Plan, in early 2022 from larger water purveyors in the Basin including CMWD, Berylwood Heights Mutual Water Company, Del Norte Mutual Water Company, City of Moorpark, Ventura County Waterworks Districts 1 & 19, and Zone Mutual Water Company. Additionally, the Judgment included nine projects to be evaluated in the Basin Optimization Plan.

Recommendation

- Receive and file this report
- Provide direction to staff.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



BOARD OF DIRECTORS

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INTERIM EXECUTIVE OFFICER

Arne Anselm

September 25, 2024

Board of Directors
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, CA 93009-1600

SUBJECT: Presentation on Las Posas Valley Adjudication Technical Advisory Committee Recommendation Report and Watermaster's Response Report on Draft Scope of Work to Prepare the Las Posas Valley 2025 Basin Optimization Yield Study [LPV Watermaster] – *(New Item)*

RECOMMENDATIONS: (1) Receive and file a presentation from Agency staff on the Las Posas Valley Adjudication Technical Advisory Committee (TAC) Recommendation Report and Watermaster's Response Report; and (2) Provide direction to Watermaster staff.

BACKGROUND:

The Las Posas Adjudication Judgment (Judgment) requires that approve a scope of work and budget for a technical study to assess and establish the Basin Optimization Yield, following Committee Consultation. (Judgment, § 4.10.1.1.).

DISCUSSION:

Watermaster referred a draft scope of work dated December 27, 2023, to prepare the Las Posas Valley Basin 2025 Basin Optimization Yield Study prepared by staff working with Dudek for Committee Consultation to the Las Posas Valley Technical Advisory Committee (TAC) as required by the Judgment (attached as Exhibit 25A).

In response, Watermaster received a TAC Recommendation Report with one comment and four recommendations (attached, as Exhibit 25B). Staff worked with Dudek to review and prepare the attached Response Report to the TAC Recommendation Report addressing the comments and each of the recommendations. The Watermaster Response Report is attached as Exhibit 25B.

CONCLUSION:

Staff recommends that your Board (1) receive and file this Board letter, the attached Watermaster Response Report, and today's presentation; and (2) provide any desired direction to staff.

This letter has been reviewed by Agency Counsel. If you have any questions, please call me at (805) 654 2954.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaseke". The signature is stylized with a large, circular initial "K" and a long, sweeping underline.

Kudzai Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Attachments: Exhibit 25A – Draft Scope of Work Presented to TAC
Exhibit 25B – TAC Recommendation Report - Basin Optimization Yield Study
Exhibit 25C – Watermaster Response Report - Basin Optimization Yield Study

Item 25 - Exhibit 25A – Draft Scope of Work Presented to TAC

FOX CANYON GROUNDWATER MANAGEMENT AGENCY LAS POSAS VALLEY WATERMASTER



MEMORANDUM

Date: July 16, 2024
To: Las Posas Valley Watermaster Technical Advisory Committee
From: Kudzai F. Kaseke, Assistant Groundwater Manager
Subject: Committee Consultation for the Draft Scope of Work to Prepare the Las Posas Valley Basin 2025 Basin Optimization Yield Study.

Dear Las Posas Valley Watermaster Technical Advisory Committee (TAC):

Attached for your review and committee consultation is the Draft Scope of Work to Prepare the Las Posas Valley Basin 2025 Basin Optimization Yield Study. The Las Posas Valley Adjudication Judgment requires that Watermaster approve a scope of work and budget for a technical study to assess and establish the Basin Optimization Yield, following Committee Consultation. (Judgment, § 4.10.1.1.). Watermaster staff acknowledge that the Draft Scope of Work as presented is incomplete and will refer the complete Draft back to your committee for consultation once United Water Conservation District supplies their time and budget estimates.

Watermaster staff working with a consultant (Dudek), have developed a draft scope of work for the 2025 Basin Optimization Yield Study. It is important to note that:

- 1) The draft scope of work assumes the Basin Optimization Yield study will be evaluated through a set of numerical model runs,
 - a. The draft budget includes budget for consultant to perform the modeling for the East Las Posas Management Area,
 - b. The draft budget includes budget for consultant to coordinate with United Water Conservation District, but the scope of work currently does not include time or budget for United Water Conservation District to perform the modeling for the West Las Posas Management Area. The budget in the attached Scope of Work thus does not represent the total cost to the Watermaster to prepare the Basin Optimization Yield Study.

Watermaster proposes that the TAC evaluate the draft scope of work and budget as presented with the understanding that once United Water Conservation District supplies their estimates, these will be brought before your committee for consultation. Please provide feedback via the email below to the Watermaster at your earliest convenience.

Please contact me at 805 654 2010 or LPV.Watermaster@ventura.org with any questions or concerns.

December 27, 2023

Item 25A – Draft Scope of Work Presented to TAC

Kim Loeb
Fox Canyon Groundwater Management Agency
800 South Victoria Avenue
Ventura, Ca 93009

Subject: DRAFT Scope of Work to Prepare the Las Posas Valley Basin 2025 Basin Optimization Yield Study

Dear Kim Loeb:

Dudek is pleased to provide this scope of work to support the Fox Canyon Groundwater Management Agency (FCGMA) in the development of the 2025 Basin Optimization Yield (BOY) Study for the Las Posas Valley Basin (LPVB). Dudek understands that the goal of the BOY Study is to quantify the BOY¹ and Rampdown Rate², each of which will be defined in a manner consistent with the Judgement, sustainability goal for the LPVB, and the Sustainable Groundwater Management Act (SGMA). Additionally, Dudek understands that the development of this BOY Study will occur concurrently with critical basin management activities, including the development of the 5-year Groundwater Sustainability Plan (GSP) Evaluation, development of the Basin Optimization Plan, and development of Calleguas Aquifer Storage and Recovery Operations Plan. Because of this, we understand that the FCGMA will need to develop the BOY Study in a manner that efficiently and effectively incorporates new groundwater management information as it is developed by the FCGMA, with input from the Policy Advisory Committee (PAC) and Technical Advisory Committee (TAC). As the team who has actively partnered with the FCGMA in the development and implementation of the GSP for the LPVB, we are uniquely familiar with the projects identified in the Judgement and are well suited to support the FCGMA in their development of the BOY Study.

Scope of Work

As the Watermaster for the LPVB, FCGMA is responsible for calculating the BOY and Rampdown Rate. To support FCGMA in this, Dudek proposes that the numerical groundwater flow models for the LPVB be used to simulate the impact of future groundwater extractions and projects on groundwater levels in the LPVB. Dudek will use the numerical groundwater flow model for the East Las Posas Management Area (ELPMA)³ and Dudek recommends

¹ *Las Posas Valley Water Rights Coalition v. Fox Canyon Groundwater Management Agency. Case No. VENC100509700* (Judgement) defines the Basin Optimization Yield as, “the estimated yield that is projected to be available to achieve sustainable groundwater management by 2040.[...] The Basin Optimization Yield will take into account: (i) water available from native groundwater inflows; (ii) Return Flows; (iii) reasonably anticipated enhanced yield (i.e., managed replenishment excluding water stored and dedicated to the Calleguas ASR Project) projected to be available by Water Year 2040 consistent with the projected Basin Optimization Plan; and (iv) opportunities for optimization of the Sustainable Yield achieved by relocating Extraction and transmission of water to avoid Undesirable Results. The Basin Optimization Yield will also, through Adaptive Management, take into account circumstances including: (a) improved understanding of Basin conditions and hydrogeologic parameters as a result of new data over time; (b) the current status of Basin Optimization Projects; and (c) changing hydrological conditions”.

² The Judgement defines the Rampdown Rate as, “The rate of Rampdown beginning in Water Year 2025 and each Water Year thereafter, which will result from the Basin Optimization Study”, and defines that the Rampdown Rate shall be calculated, “by dividing the amount of any deficit between the then-effective Operating Yield (e.g. 40,000 AFY) and the Basin Optimization Yield by fifteen (i.e. fifteen annual increments)”.

³ Calleguas Municipal Water District, 2018, Groundwater Flow Model of the East and South Las Posas Sub-Basins – Preliminary Draft Report. Prepared by Intera Geoscience and Engineering Solutions. January 2018.

TO: KIM LOEB

SUBJECT: DRAFT SCOPE OF WORK TO PREPARE THE LAS POSAS VALLEY 2025 BASIN OPTIMIZATION YIELD STUDY

that the West Las Posas Management Area (WLPMA) analyses be performed in coordination with the United Water Conservation District (UWCD) using the Updated Coastal Plain numerical groundwater flow model currently in use for development of the 2025 GSP Update for the Oxnard Subbasin, Pleasant Valley Basin, and LPVB. The scope of work below describes Dudek’s approach to quantifying the BOY and Rampdown Rate.

Task 1 – Model Scenario Development

The Judgement requires development of a Basin Optimization Plan that defines the suite of projects that are likely to be “practical, reasonable, and cost-effective to implement prior to 2040 to maintain the Operating Yield at 40,000 AFY or as close thereto as achievable” (Section 5.3.2.2 of the Judgement). The Judgement requires that FCGMA prepare an initial draft of the Basin Optimization Plan that will include project details (e.g. schedules, costs, feasibility, etc.), a project prioritization schedule, and a schedule for the Basin Optimization Projects to be evaluated, scoped, designed, financed, and developed (Section 5.3.2.4 and 5.3.2.5 of the Judgement).

Dudek understands that the Final Basin Optimization Plan will not be adopted by the Watermaster Board until the summer of 2024. Therefore, to facilitate efficient development of the BOY Study, Dudek will use the project feasibility and implementation timelines in the draft Basin Optimization Plan to prepare a proposed suite of projects for inclusion in the BOY Study. As needed and appropriate, Dudek will coordinate with FCGMA and individual project proponents to define the project implementation details required for modeling, such as proposed in lieu and recycled water delivery recipients, conditions amenable to stormwater diversion along the Arroyo Las Posas, and timelines/conditions favorable for using Calleguas facilities for LPVB replenishment.

Assumptions

- The model scenario will *only* include projects identified in the *draft* Basin Optimization Plan that are “practical, reasonable, and cost-effective to implement prior to 2040”.
- Development of the model scenario and BOY Study project suite will not undergo PAC and TAC review.
- If individual project proponents do not respond to a request for additional information on project implementation details Dudek will use professional judgment to develop the project scenario.

Task 1 **\$6,905.00**

Task 2 – ELPMA Numerical Modeling

Task 2.1 – Baseline Model Scenario

Following development of the BOY Study project suite, Dudek will develop a baseline model scenario that simulates groundwater conditions in the ELPMA through water year 2069. To remain consistent with the GSP, the baseline model scenario will use the hydrologic period from 1930-1979, modified by DWR’s 2070 central tendency climate change factors. Groundwater withdrawals in the baseline model scenario will be set at the initial Operating Yield established in the Judgement, such that total extractions from the LPVB equal 40,000 AFY. Projects will be simulated according to the schedules defined in the draft Basin Optimization Plan.

Using the simulation results from the baseline scenario, Dudek will develop groundwater budgets, calculate the change in groundwater in storage, and compare groundwater levels at key wells to the minimum thresholds and

Item 25A – Draft Scope of Work Presented to TAC

TO: KIM LOEB

SUBJECT: DRAFT SCOPE OF WORK TO PREPARE THE LAS POSAS VALLEY 2025 BASIN OPTIMIZATION YIELD STUDY

measurable objectives in the ELPMA to characterize the efficacy of the Basin Optimization Projects in avoiding undesirable results in the LPVB.

Assumptions

- The Baseline scenario will be modeled using the existing version of the numerical groundwater flow model of the ELPMA (CMWD 2018). This model is currently being used for development of the 2025 LPVB GSP Update.
 - Baseline modeling will *not* include model validation, re-calibration, or uncertainty quantification.
- Well by well extraction rates will be defined using the allocation schedule set forth in Exhibit C of the Judgement.
- Model results will not undergo PAC and/or TAC review until review of the *draft* BOY Study.

Task 2.1\$28,845.00

Task 2.2 – Alternative Pumping Scenarios and Rampdown Rate

If the Basin Optimization Projects do not avoid undesirable results when groundwater extractions in the LPVB equal 40,000 AFY, Dudek will perform up to three (3) additional scenarios to define a groundwater production rate that avoids undesirable results. For these scenarios, Dudek will uniformly reduce groundwater extractions across the ELPMA until undesirable results are avoided. Dudek has not included scope and budget to simulate localized restrictions on extractions within the ELPMA, as defined in section 4.10.3 of the Judgement.

If the BOY is lower than 40,000 AFY, Dudek will calculate the Rampdown Rate in accordance with Section 4.10.1.4 of the Judgement.

Assumptions

- The alternative pumping scenarios will be modeled using the existing version of the numerical groundwater flow model of the ELPMA (CMWD 2018). This model is currently being used for development of the 2025 LPVB GSP Update.
 - The alternative pumping scenarios modeling will *not* include model validation, re-calibration, or uncertainty quantification.
- Well by well extraction rates will be defined using the allocation schedule set forth in Exhibit C and the Protocols and Formulas to Determine Allocations in Exhibit D of the Judgement.
- Alternative pumping scenarios will not include localized restrictions on extractions within the ELPMA.
- Development of the alternative pumping scenarios and corresponding model results will not undergo PAC and/or TAC review until review of the *draft* BOY Study.

Task 2.2\$12,465.00

TASK 2 TOTAL\$41,310.00

Task 3 – WLPMA Modeling Coordination

Dudek understands that the numerical modeling for the WLPMA will be performed by UWCD. To support coordination between the WLPMA and ELPMA modeling efforts, Dudek has included scope and budget to attend up to four (4) coordination calls, develop up to four (4) pumping scenarios, and analyze up to four (4) sets of numerical model outputs provided by UWCD for incorporation into the BOY Study.

Assumptions

- All numerical modeling for the WLPMA will be performed by UWCD using the same version of the Ventura Regional Groundwater Flow Model that is being used to support preparation of the 2025 GSP Updates for the Oxnard Subbasin, Pleasant Valley Basin, and LPVB.
 - The WLPMA modeling will *not* include model validation, re-calibration, or uncertainty quantification.
- Well by well extraction rates will be defined using the allocation schedule set forth in Exhibit C and the Protocols and Formulas to Determine Allocations in Exhibit D of the Judgement.
- Alternative pumping scenarios will not include localized restrictions on extractions within the WLPMA.
- Development of the model scenarios and corresponding model results will not undergo PAC and TAC review until review of the *draft* BOY Study.

Task 3\$10,795.00

Task 4 – Draft and Final Basin Optimization Yield Study

Dudek will summarize results from the numerical modeling in the draft BOY Study. Dudek will prepare one (1) draft BOY Study and, pursuant to the Judgement, provide the draft to the PAC and TAC for review and comment. Dudek will, as appropriate and in consultation with FCGMA, revise the draft BOY Study based on feedback from the PAC and TAC.

The revised draft BOY Study will be provided to the Watermaster Board for review and discussion. Dudek will prepare the final BOY Study based on feedback provided by the Watermaster Board and will submit a final BOY Study for approval by Watermaster Board meeting.

Assumptions

- Dudek will provide electronic copies of the draft BOY Study to the PAC and TAC.
- The draft BOY Study will undergo one (1) round of internal review by FCGMA staff, one (1) round of external review by the LPVB PAC and TAC, and one (1) round of external review by Watermaster Board.
- The PAC will provide one (1) redline edit version of the draft BOY study with all PAC member comments collected for Dudek to review.
- The TAC will provide one (1) redline edit version of the draft BOY study with all TAC member comments collected for Dudek to review.

TO: KIM LOEB

SUBJECT: DRAFT SCOPE OF WORK TO PREPARE THE LAS POSAS VALLEY 2025 BASIN OPTIMIZATION YIELD STUDY

- Dudek will, as appropriate and in consultation with FCGMA staff, revise the draft BOY Study following each round of review and provide the Watermaster with one (1) electronic copy of the *final* BOY Study.

Task 4\$39,540.00

Task 5 – Watermaster Recommendation Response Reports

The Judgement requires that the draft BOY Study scope of work and draft BOY Study be provided to the PAC and TAC for formal review and comment. The PAC and TAC may provide the Watermaster with recommendation reports for both the BOY Study scope of work and BOY Study that shall be presented to the Watermaster Board. Prior to presenting the recommendations to the Board, Watermaster staff may prepare formal response reports that document responses to the PAC and TAC recommendations. Dudek has included time and budget to support the Watermaster staff in the development of response reports for both the draft scope of work and BOY Study. The time and budget provided is based on Dudek’s professional judgement. If PAC and TAC comments vary greatly from our estimate, we will discuss options for addressing these comments with FCGMA staff. If Dudek and staff agree that the time budgeted below is insufficient to address the comments, Dudek will prepare a revised budget for Watermaster approval detailing the additional work required to adequately respond to the comments.

Assumptions

- Dudek will prepare one (1) *draft* response report for the BOY study scope of work recommendation report and one (1) *draft* response report for the BOY Study recommendation report. Each *draft* response report will be provided to FCGMA for one (1) round of internal review.
- Dudek will, as appropriate and in consultation with FCGMA staff, revise the *draft* response reports and provide the Watermaster with one (1) electronic copy for consideration during review of the BOY Study scope of work and BOY Study report.
- The budget for this task is based on Dudek’s professional judgement.

Task 5\$31,860.00

Task 6 – Committee Meetings

The Judgement requires that the BOY Study be developed in consultation with the PAC and TAC and approved by the Watermaster Board. To support these coordination efforts, Dudek has included time to prepare for and attend both in-person and virtual meetings to discuss the development of the BOY Study with the TAC⁴ and Watermaster Board. Under this task Dudek will prepare for and attend up to six (6) meetings according to the following schedule:

Table 1. Anticipated Meetings

Meeting No.	Meeting Topic	Committee	Type
1	Scope of Work	Technical Advisory Committee	Virtual
2	Scope of Work	Watermaster Board	In Person

⁴ Dudek’s committee engagement will be focused on the technical development of the Basin Optimization Study and input from the PAC will be provided by the Watermaster and in recommendation reports.

TO: KIM LOEB
 SUBJECT: DRAFT SCOPE OF WORK TO PREPARE THE LAS POSAS VALLEY 2025 BASIN OPTIMIZATION YIELD STUDY

Table 1. Anticipated Meetings

Meeting No.	Meeting Topic	Committee	Type
3	Draft Study	Watermaster Board	In Person
4	Recommendations on the Draft Study	Technical Advisory Committee	Virtual
5	Recommendations on the Draft Study	Watermaster Board	In Person
6	Adoption of the BOY Study	Watermaster Board	In Person

Task 6 \$28,240.00

Assumptions

- Up to two (2) Dudek staff members will attend up to two (2) virtual meetings with the TAC. Dudek has not included travel costs in our budget assumptions for these meetings. If the TAC meetings require in-person attendance the budget will need to be revised or the total number of meetings Dudek attends will need to be reduced. If the TAC requests additional staff members attend, the budget will need to be revised or the total number of meetings Dudek attends will need to be reduced.
- Up to two (2) Dudek staff members will attend up to four (4) in-person meetings with the Watermaster Board.

Task 7 – Project Management

Dudek anticipates that the BOY Study will be developed over a 1-year time frame (Table 2). To facilitate efficient development of the BOY Study, Dudek has included scope and budget for biweekly (every other week) coordination calls with FCGMA staff, and general project management activities.

Task 7 \$21,530.00

Schedule

Dudek anticipates that this draft scope of work will be provided to the LPVB PAC and TAC in March 2024 and that the finalization and implementation of the BOY Study scope of work will be completed in accordance with the timeline specified in Table 2.

Assumptions

- This schedule assumes that the *draft* Basin Optimization Plan for the LPVB will be developed with sufficient time to incorporate the findings into Task 1. If the *draft* Basin Optimization Plan is not prepared prior to the initiation of Task 1, Dudek will coordinate with FCGMA to prepare a revised schedule that will be disseminated to the PAC and TAC for review and feedback.
- This schedule additionally assumes that the numerical modeling performed by the UWCD can be completed in coordination with FCGMA and Dudek over a five (5) month time frame. Dudek will work with FCGMA and UWCD to facilitate this, however, Dudek understands that UWCD may have additional obligations that may impact their modeling schedules. In the event that the numerical modeling cannot be performed within this time frame, Dudek will coordinate with FCGMA to prepare a revised schedule that will be disseminated to the PAC and TAC for review and feedback.

TO: KIM LOEB

SUBJECT: DRAFT SCOPE OF WORK TO PREPARE THE LAS POSAS VALLEY 2025 BASIN OPTIMIZATION YIELD STUDY

Table 2. Schedule

Description	Tasks Covered	Anticipated Duration (weeks)
LPVB Committee review of the draft BOY Study scope of work	-	6
Recommendation Report review, BOY Study scope of work revisions, and response report development	5 ^a	6
Final BOY Study scope of work development following Watermaster Board review	5 ^a	5
Development of the draft BOY Study	1, 2, 3, 4 ^b	22
LPVB Committee review and Recommendation Report development	-	6
Recommendation Report review, draft BOY Study revisions, and Response Report development	4 ^c , 5 ^d	6
Final BOY Study development following Watermaster Board review	4 ^c	4
Total Anticipated Project Duration		55 weeks (approx. 1 year)

Notes

^aCovers development of the Response Reports to the draft BOY scope of work Recommendation Reports.

^bCovers development of the draft BOY Study.

^cCovers development of the revised draft BOY Study.

^dCovers development of the BOY Study Response Report.

^eCovers development of the final BOY Study.

Cost Estimate

Table 3 includes a summary of Dudek’s estimated cost to complete each task of this work plan. A detailed cost estimate, which includes a breakdown of estimated hours by staff and billing rate is included as Attachment A.

Assumptions

- This cost estimate reflects all assumptions outlined in Tasks 1 through 7. If the LPVB PAC and/or TAC recommend revisions to the BOY Study scope of work, Dudek will coordinate with FCGMA staff to prepare an updated fee estimate that incorporates the recommended revisions.

Table 3. Cost Summary

Task	Task Title	Cost Estimate
1	Model Scenario Development	\$6,905.00
2	ELPMA Numerical Modeling	\$41,310.00
2.1	Baseline Model Scenario	\$28,845.00
2.2	Alternative Pumping Scenarios and Rampdown Rate	\$12,465.00
3	WLPMA Modeling Coordination	\$10,795.00
4	Draft and Final Basin Optimization Yield Study Report	\$39,540.00
5	Watermaster Response Reports	\$31,860.00
6	Committee Meetings	\$28,240.00
7	Project Management and Coordination	\$21,530.00

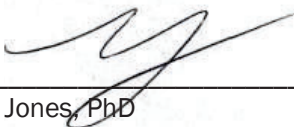
TO: KIM LOEB

SUBJECT: DRAFT SCOPE OF WORK TO PREPARE THE LAS POSAS VALLEY 2025 BASIN OPTIMIZATION YIELD STUDY

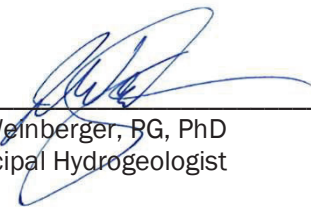
Table 3. Cost Summary

Task	Task Title	Cost Estimate
	Total Cost	\$180,180.00

Sincerely,



Trevor Jones, PhD
Senior Hydrogeologist



Jill Weinberger, PG, PhD
Principal Hydrogeologist

DRAFT

Attachment A
Detailed Cost Estimate

Item 25A – Draft Scope of Work Presented to TAC

Item 25A – Draft Scope of Work Presented to TAC

DRAFT LPVB Basin Optimization Yield (BOY) Study Detailed Cost Estimate

		Dudek Labor Hours and Rates							TOTAL DUDEK HOURS	TOTAL FEE
		Principal Hydrogeologist/Engineer II	Sr. Hydrogeologist/Engineer IV	Sr. Hydrogeologist/Engineer II	Project Hydrogeologist III/Engineer III	Project Hydrogeologist II/Engineer II	DUDEK LABOR COSTS	OTHER DIRECT COSTS	TOTAL FEE	
		\$295.00	\$250.00	\$230.00	\$185.00	\$175.00				
		Project Team Role:	Billable Rate:							
Task 1	Define Project Suite and Model Scenarios									
1.1	Review Basin Optimization Plan; Define Basin Optimization Suite and Implementation Timeline; Coordinate with Agencies	9	17	0	0	0	\$6,905.00		\$6,905.00	
	Subtotal Task 1	9	17	0	0	0	\$6,905.00		\$6,905.00	
Task 2	ELPMA Numerical Modeling									
2.1	Baseline Model Scenario	3	24	32	60	20	\$28,845.00		\$28,845.00	
2.2	Alternative Pumping Scenarios and Rampdown Rate	3	12	18	24	20	\$12,465.00		\$12,465.00	
	Subtotal Task 2	6	36	50	84	20	\$41,310.00		\$41,310.00	
Task 3	WLPMA Modeling Coordination									
3.1	Coordination, Meetings, and Technical Analyses	5	10	20	12	0	\$10,795.00		\$10,795.00	
	Subtotal Task 3	5	10	20	12	0	\$10,795.00		\$10,795.00	
Task 4	Draft and Final Basin Optimization Yield Study									
4.1	Draft Basin Optimization Yield Study (Delivered to PAC and TAC)	12	40	12	12	32	\$24,120.00		\$24,120.00	
4.3	Draft Basin Optimization Yield Study (Revised based on PAC and TAC feedback - Delivered to Watermaster Board)	6	8	8	8	16	\$8,410.00		\$8,410.00	
4.4	Final Basin Optimization Yield Study	6	8	8	8	8	\$7,010.00		\$7,010.00	
	Subtotal Task 4	24	56	28	12	56	\$39,540.00		\$39,540.00	
Task 5	Watermaster Response Report(s)									
5.1	Draft response report to PAC/TAC SOW Recommendation Report	6	10	0	0	0	\$4,270.00		\$4,270.00	
5.2	Final response report to PAC/TAC SOW Recommendation Report	2	4	0	0	0	\$1,590.00		\$1,590.00	
5.3	Draft response report to PAC/TAC Basin Optimization Study Recommendation Report	12	32	8	8	24	\$19,060.00		\$19,060.00	
5.4	Final response report to PAC/TAC Basin Optimization Study Recommendation Report	4	8	4	4	12	\$6,940.00		\$6,940.00	
	Subtotal Task 5	24	54	12	12	36	\$31,860.00		\$31,860.00	
Task 6	Committee Meetings									
6.1	TAC Meetings ^a	10	10	0	0	0	\$5,450.00		\$5,450.00	
6.2	Watermaster Board Meetings ^b	40	40	0	0	0	\$21,800.00	\$990.00	\$22,790.00	
	Subtotal Task 6	50	50	0	0	0	\$27,250.00	\$990.00	\$28,240.00	
Task 7	Project Management and Coordination									
7.1	Team Calls	30	30	0	0	0	\$16,350.00		\$16,350.00	
7.2	Project Management	4	16	0	0	0	\$5,180.00		\$5,180.00	
	Subtotal Task 7	34	46	0	0	0	\$21,530.00		\$21,530.00	
	Total Hours	152	269	110	120	112	\$179,190.00	\$990.00	\$180,180.00	

Notes

^a Assumes preparation and attendance at two TAC meetings to discuss: (1) the draft Scope of Work and Budget and (2) the draft BOY Study report. Cost assumes that Dudek will attend virtually.

^b Assumes preparation and attendance at four in-person Watermaster Board meetings to discuss: (1) the draft Scope of Work and Budget, (2) the draft BOY study report, (3) the BOY Study Recommendation Reports provided by the PAC and TAC, and (4) the final adoption of the BOY Study report.

LAS POSAS VALLEY TECHNICAL ADVISORY COMMITTEE

August 27, 2024

RECOMMENDATION REPORT

To: Las Posas Valley Watermaster
From: Chad Taylor, LPV TAC Administrator and Chair
Re: TAC Consultation Recommendation Report on Draft Scope of Work to Prepare the Las Posas Valley Basin 2025 Optimization Yield Study

The Las Posas Basin Watermaster (Watermaster) requested consultation from the Las Posas Valley Technical Advisory Committee (TAC) on a draft scope of work for Dudek to prepare the Las Posas Valley Basin 2025 Optimization Yield Study. The Judgment requires the Watermaster to approve a scope of work and budget for the technical study to assess and establish the Basin Optimization Yield with committee consultation.

The Watermaster provided a memorandum requesting TAC consultation as soon as possible and transmitting the Draft Scope of Work to Prepare the Las Posas Valley Basin 2025 Basin Optimization Yield Study. The request (attached) acknowledges that the scope and budget are currently incomplete and that a revised complete draft will be referred to the TAC for consultation once United Water Conservation District provides the outstanding scope and budget information.

The TAC discussed the Dudek draft scope of work and associated budget dated December 23, 2023 in a Special Meeting on July 31, 2024 and developed the comments and recommendations below for the Watermaster to consider prior to authorizing the associated work.

TAC COMMENTS AND RECOMMENDATIONS

The TAC identified the following comments and recommendations for Watermaster consideration in requesting revisions to the Dudek scope of work and associated budget:

Comment 1:

The draft document does not include scope and budget to model and assess optimization yield in the West Las Posas Management Area (WLPMA). When is a scope and budget for modeling and assessing optimized yield in the WLPMA expected from United Water Conservation District (UWCD)? The Dudek scope of work indicates an assumption that UWCD will evaluate basin optimization using the same approach for the WLPMA as

Item 25B – TAC Recommendation Report - Basin Optimization Yield Study

described in the Dudek scope for the East Las Posas Management Area (ELPMA), but this should be confirmed.

Recommendation 1:

Clarify that baseline simulations for the ELPMA will apply only the portion of pumping identified in the Judgment associated with that Management Area and not the entire 40,000 acre-feet per year (AFY) indicated in the scope of work.

Recommendation 2:

Clarify model scenario nomenclature and add a true baseline scenario. Task 2.1 is named Baseline Model Scenario. However, the scenario as described includes simulation of projects designed to increase yield. The baseline scenario should include future conditions without projects, then a subsequent scenario including projects can be compared to that baseline to assess the effects of the projects on groundwater conditions.

Recommendation 3:

Add TAC and PAC consultation during model scenario development and evaluation in Tasks 1 and 2. The scope of work indicates that model scenarios and modeling results will not be reviewed by the TAC and PAC, but there may be important questions that need to be answered during scenario development and model analysis and consultation with the committees should be required.

Recommendation 4:

Add sufficient scenarios to Task 2.2 to evaluate not only reduce pumping but also increase in-lieu use from alternative sources of water supply. This would allow for focused delivery of supplemental water to areas of the Basin where undesirable results are identified in the modeling instead of uniformly reducing pumping for all groundwater users, which may reduce the need for rampdown and allow policy makers to identify the “sweet spot” for supplemental water delivery and pumping reductions to eliminate undesirable results while limiting pumping restrictions.

Item 25 – Exhibit 25C

WATERMASTER RESPONSE REPORT

Date: September 19, 2024

To: Las Posas Valley Watermaster Board of Directors

From: Kudzai Farai Kaseke, Assistant Groundwater Manager (FCGMA)

Re: Response Report to TAC Consultation Recommendation Report on Draft Scope of Work to Prepare the Las Posas Valley Basin 2025 Optimization Yield Study

The Las Posas Valley Watermaster (Watermaster) requested consultation from the Las Posas Valley Technical Advisory Committee (TAC) on a draft scope of work by Dudek dated December 27, 2023, to prepare the Las Posas Valley Basin 2025 Basin Optimization Yield Study. Watermaster's request was in a July 16, 2024, memorandum to the TAC. The TAC discussed and developed its recommendation report at the July 31, 2024, and August 27, 2024, meetings.

TAC's August 27, 2024, recommendation report included one comment and four recommendations. Each of these are listed below, followed by Watermaster staff's recommendations.

Comment 1:

The draft document does not include scope and budget to model and assess optimization yield in the West Las Posas Management Area (WLPMA). When is a scope and budget for modeling and assessing optimized yield in the WLPMA expected from United Water Conservation District (UWCD)? The Dudek scope of work indicates an assumption that UWCD will evaluate basin optimization using the same approach for the WLPMA as described in the Dudek scope for the East Las Posas Management Area (ELPMA), but this should be confirmed.

Response to Comment 1:

The draft scope of work and budget for UWCD to conduct numerical groundwater modeling for the WLPMA is currently being negotiated by agency staff and UWCD.

Recommendation 1:

Clarify that baseline simulations for the ELPMA will apply only the portion of pumping identified in the Judgment associated with that Management Area and not the entire 40,000 acre-feet per year (AFY) indicated in the scope of work.

Response to Recommendation 1:

Pumping for baseline simulations for the ELPMA will be based on allocations in the Groundwater Allocation Schedule prepared in accordance with the Judgment Annual Allocations Calculation for Water Rights Holders in the ELPMA. Pumping for baseline simulations in the WLPMA will similarly be based on allocations in the Groundwater Allocation Schedule for Water Rights Holders in the WLPMA.

Recommendation 2:

Clarify model scenario nomenclature and add a true baseline scenario. Task 2.1 is named Baseline Model Scenario. However, the scenario as described includes simulation of projects designed to

Item 25C

increase yield. The baseline scenario should include future conditions without projects, then a subsequent scenario including projects can be compared to that baseline to assess the effects of the projects on groundwater conditions.

Response to Recommendation 2:

Dudek's scope of work has been revised to include, and UWCD's scope includes, an additional baseline scenario to simulate future groundwater conditions based on pumping as described in Response to Recommendation 1 without inclusion of projects.

Recommendation 3:

Add TAC and PAC consultation during model scenario development and evaluation in Tasks 1 and 2. The scope of work indicates that model scenarios and modeling results will not be reviewed by the TAC and PAC, but there may be important questions that need to be answered during scenario development and model analysis and consultation with the committees should be required.

Response to Recommendation 3:

The December 27, 2023, Dudek draft scope of work included consultations with TAC and the Policy Advisory Committee (PAC) on the draft Basin Optimization Yield Study. The scope of work has been revised to consult with TAC at two points during preparation of the Study. The first consultation would be prior to conducting baseline scenario simulations. The second consultation would be following completion of the two baseline scenarios, but before initiating alternative pumping scenarios. As this is a technical study, no additional PAC consultations are proposed.

Recommendation 4:

Add sufficient scenarios to Task 2.2 to evaluate not only reduce [sic] pumping but also increase in-lieu use from alternative sources of water supply. This would allow for focused delivery of supplemental water to areas of the Basin where undesirable results are identified in the modeling instead of uniformly reducing pumping for all groundwater users, which may reduce the need for rampdown and allow policy makers to identify the "sweet spot" for supplemental water delivery and pumping reductions to eliminate undesirable results while limiting pumping restrictions.

Response to Recommendation 4:

TAC's recommendation represents a new project. Evaluation of focused supplemental water deliveries to specific areas to identify the "sweet spot" in lieu of pumping would require multiple simulations and evaluation of infrastructure requirements to focus these supplemental deliveries. As described in the Judgment, projects are to be evaluated as part of the Basin Optimization Plan. As discussed in the response report to TAC's August 27, 2024, recommendation report on Basin Optimization Plan Tasks 1 and 2, there is insufficient time to evaluate new projects for this Basin Optimization Plan and the proposed new project should be evaluated in a future Plan.

Las Posas Valley Adjudication Technical Advisory Committee Recommendation Report and Watermaster's Response Report on Draft Scope of Work to Prepare the Las Posas Valley 2025 Basin Optimization Yield Study

Item No. 24 – September 25, 2024



Farai Kaseke (PhD, PMP, CSM)
Assistant Groundwater Manager

Background

- Las Posas Valley Adjudication Judgment (Judgment):
 - Requires that Watermaster approve a scope of work and budget for a technical study to assess and the Basin Optimization Yield. (Judgment, § 4.10.1.1)
 - The 2025 Basin Optimization Yield (BOY) will establish the rampdown rate for WY 2025-2039 subject to modification of subsequent BOY studies. (Judgment, § 4.10.1.4)

Discussion and timeline

- Staff working with Dudek drafted a scope of work (December 27, 2023) (Exhibit 25A)
- TAC inaugural meeting (July 15, 2024)
- Draft Scope referred to TAC (July 16, 2024)
- TAC Recommendation Report (August 27, 2024) (Exhibit 25B)
 - Requested revisions to the Dudek scope of work and associated budget
 - One comment and four recommendations
- Watermaster Response Report (September 19, 2024) (Exhibit 25C)

Comments, Recommendations & Responses

■ Comment 1

- *Draft does not include scope and budget to model WLPMA. When is scope and budget for this area expected from UNWCD? Staff scope of work assumes that UWCD will evaluate BO for WLPMA using the same approach as for ELMA but this needs to be confirmed.*
- Draft scope of work and budget for UWCD to conduct numerical groundwater modeling for WLPMA is being negotiated.

■ Recommendation 1

- *Clarify baseline simulations for ELPMA will apply only the portion of pumping identified in the Judgment associated with that MA & not the entire 40,000 AF/Yr. indicated in the scope of work.*
- Pumping for baseline simulations will be based on the Judgment Annual Allocations Calculations for Water Right Holders in each Management Area.

Recommendations and Responses

■ Recommendation 2

- *Clarify model scenario nomenclature and add a true baseline scenario. The baseline scenario should include future conditions without projects, then a subsequent scenario including projects can be compared to that baseline to assess the effects of the projects on groundwater conditions.*
- Scope of work has been revised to include, and UWCD's scope includes, an additional baseline scenario to simulate future groundwater conditions based on pumping as described in Response to Recommendation 1 without inclusion of projects.

■ Recommendation 3

- *Add TAC and PAC consultation during model scenario development and evaluation in Tasks 1 and 2. There may be important questions that need to be answered during scenario development and model analysis and consultation with the committees should be required.*
- Draft scope of work included consultations with TAC and the PAC on the draft Basin Optimization Yield Study. Scope has been revised to consult with the TAC at 2 points during preparation of the study – prior to conducting baseline scenario simulations & following completion of baseline scenarios but before initiating alternative pumping scenarios. Technical study, no additional PAC consultations proposed.

■ Comment 4

- *Add sufficient scenarios to Task 2.2 to evaluate not only reduce [sic] pumping but also increase in-lieu use from alternative sources of water supply. This would allow for focused delivery of supplemental water to areas of the Basin where undesirable results are identified in the modeling instead of uniformly reducing pumping for all groundwater users, which may reduce the need for rampdown and allow policy makers to identify the “sweet spot” for supplemental water delivery and pumping reductions to eliminate undesirable results while limiting pumping restrictions.*
- Recommendation represents a new project. Evaluation of focused supplemental water deliveries to specific areas to identify the “sweet spot” in lieu of pumping would require multiple simulations and evaluation of infrastructure requirements to focus these supplemental deliveries. As described in the Judgment, projects are to be evaluated as part of the Basin Optimization Plan. As discussed in the response report to TAC’s August 27, 2024, recommendation report on Basin Optimization Plan Tasks 1 and 2, there is insufficient time to evaluate new projects for this Basin Optimization Plan and the proposed new project should be evaluated in a future Plan.

Recommendation

- Receive and file this report
- Provide direction to Watermaster staff.

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

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800 South Victoria Avenue, Ventura, California 93009-1610
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