



**SPECIAL Board of Directors Meeting  
Friday, March 16, 2018 - 8:00 a.m.**

**Veterans Memorial Building  
511 Second Street, Fillmore, CA 93015**

**AGENDA**

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Public Comments**

Fillmore and Piru Basins Groundwater Sustainability Agency (Agency) will accept public comment concerning agenda items only during the agendized Public Comment period, in accordance with Government Code Section 54954.3. In accordance with Government Code § 54954.3(b)(1), public comment will be limited to three (3) minutes per speaker per issue.

**4. Public Hearing - CY 2018 Budget**

**Motion**

The Board shall consider adopting the amended FPB GSA CY 2018 budget, including the adoption of a rate setting, fee and collection policy for groundwater extraction fess and billing frequency.

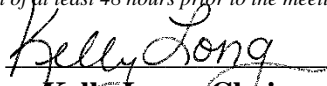
**5. ADJOURNMENT**

The Board will adjourn to the next **Regular Board Meeting** on Monday, **March 26, 2018** or call of the Chair.

*Materials, which are non-exempt public records and are provided to the Board of Directors to be used in consideration of the above agenda items, including any documents provided subsequent to the publishing of this agenda, are available for inspection at UWCD's offices at 106 North 8<sup>th</sup> Street in Santa Paula during normal business hours.*

*The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's services, programs or activities because of any disability. If you need special assistance to participate in this meeting, or if you require agenda materials in an alternative format, please contact the UWCD Office at (805) 525-4431 or the City of Fillmore at (805) 524-1500. Notification of at least 48 hours prior to the meeting will enable the District to make appropriate arrangements.*

**Approved:**

  
**Kelly Long, Chair**

**Posted: (date) March 09, 2018 (time) 10:00a.m. (attest) Kris Sofley**  
**At: <https://www.FPBGSA.org>**  
**Posted: (date) March 12, 2018 (time) 10:15a.m. (attest) Kris Sofley**  
**At: Fillmore City Hall, 250 Central Avenue, Fillmore, CA**  
**Posted: (date) March 09, 2018 (time) 10:15a.m. (attest) Kris Sofley**  
**At: <https://www.facebook.com/FPBGSA/>**  
**Posted: (date) March 09, 2018 (time) 10:15a.m. (attest) Kris Sofley**  
**At: United Water Conservation District Headquarters, 106 No. 8<sup>th</sup> St., Santa Paula, CA**

**FILLMORE AND PIRU BASINS GROUNDWATER SUSTAINABILITY AGENCY**

**Item No.** 4  
**DATE:** March 16, 2018  
**TO:** Board of Directors  
**SUBJECT:** Adoption of FPB GSA 2018 Budget

**SUMMARY** The Board of Directors shall receive a report from the ad hoc budget committee and, after final review and discussion, conclude its public hearing regarding its proposed budget for CY 2018.

**RECOMMENDED ACTION** Board shall consider adopting the amended FPB GSA CY 2018 Budget, including the adoption of a rate setting, fee and collection policy for groundwater extraction fess and billing frequency.

**BACKGROUND** As part of the Agency’s public outreach and stakeholder engagement strategy, it hosted a Public Outreach Budget Workshop in Fillmore on February 7, 2018 at the Veteran’s Memorial Building. This was followed by a budget review during the FPB GSA’s Regular Board meeting on February 20, 2018, at which time Chair Long opened a Public Hearing for the purpose of discussing and reviewing the proposed budget as well as suggested rate setting, billing and collection policies.

A DRAFT budget spreadsheet that provided general categories of revenue and expenses, as well as the groundwater extraction fees necessary to satisfy the revenue needs was distributed and discussed with stakeholders. The stakeholders were also informed of the California Department of Water Resources (DWR) preliminary decision to award the Agency \$1.5 million in Prop 1 Groundwater Sustainability Plan development grant funds.

**FISCAL IMPACT** If approved and adopted, the FPB GSA CY 2018 Budget will provide for billing for groundwater extractions, generate revenue to offset the minimal administrative costs of the Agency as well as aiding in the cost of preparing the Agency’s required Groundwater Sustainability Plan.

**Attachments:** A – Revised Draft CY 2018 Budget Spreadsheet  
B – Proposed FPB GSA Policy re Fee Collection and Delinquent Fees

**Proposed Motion:** “Motion to close the Public Hearing on the Fillmore Piru Basins Groundwater Sustainability Agency’s CY 2018 DRAFT Budget and, having collected and considered public comments regarding the DRAFT Budget, rate setting, billing and collection policies for the Agency, move to adopt the CY 2018 Budget as presented, establish a [xxxxxxx] billing cycle for the Agency commencing on the \_\_\_ day of [insert month], confirm a rate of \$8.50 per acre foot for all groundwater extractions from [start date] to [end date], at which time the rate of \$[X.XX] per acre foot will be adopted, and agree to the policy language presented by legal counsel.”

1<sup>st</sup>: Director \_\_\_\_\_ 2<sup>nd</sup>: Director \_\_\_\_\_

Roll call vote:

Director Broggie: Director McFadden: Director Long:

Director Meneghin: Director Kimball: Director Pace:

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O																
1	<b>Fillmore &amp; Piru Basins GSA Estimated Budget</b>																														
2																															
3		FY 2017-18		FY2018-19		FY2019-20		FY2020-21		FY2021-22		FY2022-23		FY2023-24																	
4		CY2017		CY2018		CY2019		CY2020		CY2021		CY2022		CY2023																	
5		Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec																	
6	<b>Revenue</b>	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec																	
7	GW Extractions, AF/6 months (a)(b)	30,128	25,619	30,128	25,619	30,128	25,619	30,128	25,619	30,128	25,619	30,128	25,619	30,128																	
8	GW extraction fee, \$/AF	\$ -	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 8.50	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00																	
9	Revenue	\$ -	\$ 256,091	\$ 217,759	\$ 256,091	\$ 217,759	\$ 256,091	\$ 217,759	\$ 120,513	\$ 102,475	\$ 120,513	\$ 102,475	\$ 120,513	\$ 102,475	\$ 2,090,511																
10	Ventura County	\$ 51,300																													
11	Grant Reimbursements ( c ) ( d)			\$ 61,124	\$ 40,684	\$ 89,351	\$ 125,851	\$ 381,351	\$ 344,851	\$ 51,788	\$ -	\$ -	\$ -	\$ -	\$ 1,095,000																
14	<b>Total Revenue</b>	<b>\$ 51,300</b>	<b>\$ 256,091</b>	<b>\$ 278,883</b>	<b>\$ 296,775</b>	<b>\$ 307,109</b>	<b>\$ 381,941</b>	<b>\$ 599,109</b>	<b>\$ 465,364</b>	<b>\$ 154,263</b>	<b>\$ 120,513</b>	<b>\$ 102,475</b>	<b>\$ 120,513</b>	<b>\$ 102,475</b>	<b>\$ 3,185,511</b>																
15																															
16	<b>Expenses</b>	<b>Jul-Dec</b>	<b>Jan-Jun</b>	<b>Jul-Dec</b>	<b>Jan-Jun</b>	<b>Jul-Dec</b>	<b>Jan-Jun</b>	<b>Jul-Dec</b>	<b>Jan-Jun</b>	<b>Jul-Dec</b>	<b>Jan-Jun</b>	<b>Jul-Dec</b>	<b>Jan-Jun</b>	<b>Jul-Dec</b>																	
17	GSA Administration (i) , (k)	\$ 26,026	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 74,300	\$ 917,626																
18	GSP Preparation + Grant Admin ( e ) + ( f)	\$ -	\$ 46,971	\$ 46,971	\$ 46,971	\$ 46,971	\$ 46,971	\$ 46,971	\$ 46,971	\$ 46,971	\$ -	\$ -	\$ -	\$ -	\$ 375,770																
19	GSP Outreach & Stakeholder Engagement ( h)	\$ -	\$ 8,761	\$ 8,761	\$ 8,761	\$ 8,761	\$ 8,761	\$ 8,761	\$ 8,761	\$ 8,761					\$ 70,084																
20	GW Modeling GSP support by UWCD (j)	\$ -	\$ -	\$ -	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ 66,667	\$ -	\$ -	\$ -	\$ -	\$ 400,000																
21	Monitoring Well #1 (g)			\$ -	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000																
22	Monitoring Well #2 (g)			\$ -	\$ -	\$ -	\$ 50,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000																
23	Grant Writer & Application (DWR GSP Preparation)	\$ 18,032	\$ 9,968												\$ 28,000																
24	Ventura County		\$ 51,300												\$ 51,300																
25	Budget Contingency/Reserve		\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 300,000																
26	<b>Total Expenses</b>	<b>\$ 44,058</b>	<b>\$ 216,300</b>	<b>\$ 155,032</b>	<b>\$ 221,698</b>	<b>\$ 271,698</b>	<b>\$ 621,698</b>	<b>\$ 571,698</b>	<b>\$ 221,698</b>	<b>\$ 221,698</b>	<b>\$ 99,300</b>	<b>\$ 99,300</b>	<b>\$ 99,300</b>	<b>\$ 99,300</b>	<b>\$ 2,942,780</b>																
27	<b>6 Month Balance</b>	\$ 7,242	\$ 39,790	\$ 123,851	\$ 75,076	\$ 35,411	\$ (239,757)	\$ 27,411	\$ 243,666	\$ (67,436)	\$ 21,213	\$ 3,175	\$ 21,213	\$ 3,175																	
28	<b>Running Balance</b>	\$ 7,242	\$ 47,033	\$ 170,884	\$ 245,960	\$ 281,371	\$ 41,614	\$ 69,025	\$ 312,691	\$ 245,255	\$ 266,468	\$ 269,643	\$ 290,856	\$ 294,031																	
29																															
30		<b>AF</b>		<b>95%</b>																											
31	(a) Fillmore + Piru Period 1 avg. =	26,967	46%	25,619	<table border="1"> <thead> <tr> <th colspan="2">Grant Application</th> </tr> </thead> <tbody> <tr> <td>GSP proj admin ( e )</td> <td>\$ 30,228</td> </tr> <tr> <td>MWs (g)</td> <td>\$ 800,000</td> </tr> <tr> <td>GW model</td> <td>\$ 799,576</td> </tr> <tr> <td>GSP prep (f)</td> <td>\$ 345,542</td> </tr> <tr> <td>outreach (h)</td> <td>\$ 70,084</td> </tr> <tr> <td>Sum</td> <td>\$ 2,045,430</td> </tr> <tr> <td>Grant application total</td> <td>\$ 2,045,430</td> </tr> </tbody> </table>											Grant Application		GSP proj admin ( e )	\$ 30,228	MWs (g)	\$ 800,000	GW model	\$ 799,576	GSP prep (f)	\$ 345,542	outreach (h)	\$ 70,084	Sum	\$ 2,045,430	Grant application total	\$ 2,045,430
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32	(b) Fillmore + Piru Period 2 avg. =	31,714	54%	30,128																											
33	<b>Total</b>	<b>58,681</b>		<b>55,747</b>																											
34																															
35																															
36	(c) Grant reimbural eligible costs:			(d) Grant reimbursement %	73%																										
37	GSP prep + Model+MW 1 & 2+Grant applic			Grant request	\$ 1,500,000																										
38	6 month lag time for reimbursements																														
39																															
40																															
41																															

GSA Admin (i) inc UWCD labor + expenses for Jul-Dec CY17	\$ 26,026
GW modeling support of GSP (j)	\$ 400,000
GSA Admin (k) inc COC, acct, staff, legal, outreach, etc.	\$ 74,300
Clerk of Board - UWCD	\$ 15,000
Staff support - UWCD	\$ 17,000
Legal / Ins / Website / Copies / misc	\$ 42,300

### **FPB GSA Billing Policy**

The board requested legal counsel review the ability of the GSA to collect fees. SGMA includes fee collection language that the GSA's legal counsel intends to include in the draft bylaws as follows:

“Fee Enforcement Policy based on Water Code § 10730.6

- a. Groundwater fees will be due and payable to Fillmore and Piru Basins Groundwater Sustainability Agency (Agency) on the \_\_\_\_ day of each month by the Owner or Operator. If the Owner or Operator fails to pay a groundwater fee within thirty (30) days of it becoming due, the Owner or Operator shall be liable to the Agency for interest at the rate of one (1) percent per month on the delinquent amount of the groundwater fee and a ten (10) percent penalty.
- b. Should the Agency decide not to bring suit, the Agency may collect any delinquent groundwater charge and any civil penalties and interest on the delinquent groundwater charge pursuant to the laws applicable to United Water Conservation District, County of Ventura, and City of Fillmore. Collection shall be in the same manner as it would be applicable to the collection of delinquent assessments, water charges, or tolls.
- c. Additionally, the Agency may, after a public hearing, order an Owner or Operator to cease extraction of groundwater until all delinquent fees are paid. The Agency shall give notice to the Owner or Operator by certified mail at least fifteen (15) days in advance of the public hearing.
- d. All remedies specified in this section for collecting and enforcing fees are cumulative and may be pursued alternatively or may be used consecutively as determined by the Agency's Board of Directors.”

This proposed language regarding delinquent groundwater charges is consistent with the fee policy of United Water Conservation District.

**United Water Conservation District**  
**Finance Groundwater Policy**  
Effective July 1, 2002

**Purpose**

Establish guidelines to be used by the District in recording groundwater usage and revenue.

**Scope**

This groundwater policy applies to the preparation of groundwater statements, collection and recording of receivables for groundwater charges levied and collected.

**Policy and Procedures**

Pursuant to Section 75500 – 75642 of the California Water Code, the procedures are as follows:

1. The State of California sends UWCD a copy of the Well Permit. A Well Registration Form and informational letter are sent out.
2. The District sends out the groundwater production statement semi-annually on December 31 and June 30. This statement requires the groundwater customer to measure their usage, calculate the statement based on Board approved rates and submit payment and original document to the District by the last day of the following month.
3. Groundwater usage and revenue is audited and recorded. Groundwater revenue is reconciled to cash receipts. Form letters are mailed to groundwater customers if there is a discrepancy on the statement or a change in the well owner or operator.
4. Continual monitoring and/or collection action is taken on all delinquent accounts. Send out first delinquency letter after 30 days delinquent, send out second delinquency letter after 45 days delinquent, and after 90 days balances over \$250 are sent a certified letter of determination and an average usage estimated bill based on a three year average of the same reporting period.

**Internal Controls**

The Controller shall establish a system of internal controls. The controls shall be designed to define and clarify groundwater usage and revenue procedures, assist in training new employees, promote work standardization, prevent employee errors and incorporate correct accounting practices.

**Review**

This policy requires that the Finance groundwater Policy and Procedure Manual shall be reviewed and updated annually by the Finance Department.



AB-552 United Water Conservation District. (2017-2018)

SHARE THIS:



Date Published: 09/26/2017 09:00 PM

**Assembly Bill No. 552**

**CHAPTER 294**

An act to add Article 6 (commencing with Section 75634) to Chapter 3 of Part 9 of Division 21 of the Water Code, relating to water conservation districts.

[ Approved by Governor September 26, 2017. Filed with Secretary of State September 26, 2017. ]

**LEGISLATIVE COUNSEL'S DIGEST**

AB 552, Irwin. United Water Conservation District.

(1) Existing law, the Water Conservation District Law of 1931, authorizes a water conservation district to be organized and established by a county board of supervisors, with specified powers and purposes.

This bill would authorize the United Water Conservation District to inspect any water-producing facility within its boundaries with the consent of the operator of the water-producing facility or with a duly issued inspection warrant, as prescribed. Because the willful refusal of an inspection lawfully authorized by an inspection warrant is a misdemeanor, this bill would impose a state-mandated local program by expanding the application of a crime.

(2) The law permits a water conservation district to levy groundwater charges and requires a district to cause to be made annually an engineering investigation and report on groundwater conditions of the district. The law requires the district board to hold a hearing on the report and then authorizes the board to make a determination to levy a groundwater charge. The law requires, when a water-producing facility in a zone with a groundwater charge is permanently abandoned, that the operator of the facility give written notice of the abandonment to the district.

This bill would authorize the United Water Conservation District to affix seals to an abandoned water-producing facility.

(3) The law requires a district, if any operator of a water-producing facility fails to pay the groundwater charge when due, to charge interest at the rate of 1% each month on the delinquent amount. The law requires a district, if any operator of a water-producing facility fails to register the facility or fails to file required water production statements, to additionally assess a penalty charge against the operator in an amount of 10% of the amount due.

This bill would authorize the United Water Conservation District to assess an administrative charge to recover the cost of collection of delinquent unpaid charges and would authorize the district to adopt an ordinance to provide that in excusable or justifiable circumstances, the administrative charge may be reduced or waived.

(4) The law authorizes a district to bring a suit against any operator, as defined, of a water-producing facility within the district for the collection of any delinquent groundwater charge. The law authorizes a court, in addition to allowing recovery of costs to the district, to fix and allow as part of the judgment interest and penalties, as specified.

This bill would authorize the United Water Conservation District to seek a writ of attachment against the property of any named defendant in an above-described suit, as specified. This bill would authorize the district to recover administrative charges in these suits brought against an operator. This bill would authorize, as an alternative to bringing a suit, the district to collect any delinquent groundwater charge and any interest, penalties, costs, and administrative charges in the same manner as delinquent assessments, water charges, or tolls. The bill would authorize as an additional remedy, after specified notice and a public hearing, the district to order an operator to cease extraction of groundwater from a water-producing facility until all delinquent fees and charges are paid.

(5) The law authorizes a court in a suit by a district against an operator of a water-producing facility within the district for the collection of any delinquent groundwater charge to issue and grant an injunction restraining and prohibiting the defendant from the operation of any water-producing facility when it is established at the hearing that the defendant has failed to register the facility with the district or that the defendant is delinquent in payment of groundwater charges for the facility.

This bill would authorize the United Water Conservation District, following the issuance of the injunction, as a condition of allowing future operation of the water-producing facility, to require the operator to post a cash deposit or bond with the district, as prescribed.

(6) This bill would make legislative findings and declarations as to the necessity of a special statute for the United Water Conservation District.

(7) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Article 6 (commencing with Section 75634) is added to Chapter 3 of Part 9 of Division 21 of the Water Code, to read:

### **Article 6. United Water Conservation District**

**75634.** For the purposes of this article, "district" means the United Water Conservation District.

**75634.5.** For the purpose of investigating compliance with any provisions of this division or any district ordinance, the district may inspect any water-producing facility within the boundaries of the district. The district shall give notice to the operator by certified mail not less than 15 days in advance of the scheduled inspection. The inspection shall be made with the consent of the operator of the water-producing facility or, if consent is refused, with a warrant duly issued pursuant to Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure.

**75635.** In addition to those remedies set forth in Sections 75615 and 75616, if the operator of a water-producing facility fails to file a water production statement or pay delinquent groundwater charges when due, the district may assess an administrative charge to recover the cost of collection of delinquent unpaid charges. The board may provide by ordinance that in excusable or justifiable circumstances, the administrative charge may be reduced or waived.

**75635.5.** (a) In addition to the district's right to bring a suit against any operator of a water-producing facility within the district for the collection of any delinquent groundwater charges, interest, and penalties as provided in Section 75633, as a provisional remedy in the action the district may seek a writ of attachment against the property of any named defendant in the suit and the district shall not be required to furnish a bond or other undertaking as provided in The Attachment Law (Title 6.5 (commencing with Section 481.010) of Part 2 of the Code of Civil Procedure).

(b) The district may recover costs and administrative charges in a suit against any operator of a water-producing facility within the district for the collection of any delinquent groundwater charges, interest, and penalties in accordance with Section 75633 or as otherwise provided in this article.

**75636.** In accordance with Section 75614, when an operator provides notice to the district of the abandonment of a water-producing facility or a water-producing facility is in fact abandoned, the district may affix seals to the

facility.

**75637.** (a) As an alternative to bringing suit pursuant to Section 75633, the district may collect any delinquent groundwater charges and any interest, penalties, costs, and administrative charges. The collection shall be in the same manner as would be applicable to the collection of delinquent assessments, water charges, or tolls.

(b) As an additional remedy, the district may order, after a public hearing, an operator to cease extraction of groundwater from a water-producing facility until all delinquent fees and charges are paid. The district shall give notice to the operator by certified mail not less than 15 days in advance of the public hearing.

(c) The remedies specified in this section for the collection and enforcement of fees are cumulative, and the district may pursue them alternatively or use them consecutively as determined by the board.

**75637.5.** Following the issuance of an injunction restraining the operation of a water-producing facility in accordance with Section 75631 and the termination of any stay, as a condition of allowing future operation of the facility, the district may require the operator to post a cash deposit or bond with the district providing future assurance of payment of delinquent groundwater charges. The district may require the cash deposit or bond to be in an amount equal to the amount of delinquent groundwater charges due for the preceding six-month period.

**75638.** The remedies specified in this article are cumulative and the district may pursue them alternatively or use them concurrently as determined by the board of directors of the district.

**SEC. 2.** The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances associated with the United Water Conservation District.

**SEC. 3.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.