

SOUTH KINGS GROUNDWATER SUSTAINABILITY
AGENCY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS
MEETING AGENDA

Monday, December 28, 2020

1:00 PM

VIA TELECONFERENCE PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUES BY GOVERNOR GAVIN NEWSOM. THE COUNCIL CHAMBER WILL BE CLOSED TO THE PUBLIC. PUBLIC CAN PARTICIPATE IN THIS MEETING AND PROVIDE COMMENTS ON AGENDA ITEMS VIA THE FOLLOWING:

Please contact Annika Romo at (559) 299-1544 for any questions regarding the Zoom meeting.

ITEMS:

1. Call to Order and roll call
2. Public Comment on Items not on Agenda

The first 15 minutes of each regular session is set aside for members of the public to comment on any item within the jurisdiction of the Board of Directors, but not appearing on the agenda. For items appearing on the agenda, the public is invited to comment at the time the item is called for consideration by the Board. Any person addressing the Board under public comment will be limited to a 3-minute presentation to ensure that all interested parties have an opportunity to speak. Please submit any handouts to the Secretary via email prior to the meeting at dpeters@peters-engineering.com.

3. Consent Calendar

Unless a member of the Board of Directors requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote. Items removed from the Consent Calendar will be acted upon separately.

- 3.1 Approve Minutes of December 22, 2020 meeting.

4. Committee Reports
 - 4.1 Technical Advisory Committee
5. General Items
 - 5.1 Approve Resolution 2020-002 - Oral Report by David Peters
6. Adjourn SKGSA Regular Meeting into Closed Session
 - 6.1 Conference with Real Property Negotiations related to North Sanger Groundwater Recharge Project - California Government Code Section 54956.8
7. Adjourn out of Close Session into Regular SKGSA Meeting and report out of Closed Session (Scheduled for 2pm).
8. Secretary's Report
 - 8.1 Time and place for next meeting
9. Board Member Comments
10. Adjournment

SKJPA BOARD OF DIRECTORS
MEETING MINUTES

TELECONFERENCE

Wednesday, December 22, 2020

6:00 PM

Chairman Kazarian called the meeting to order at 6:00 pm.

Board Members Present: Chairman Kazarian, J. Hurtado, E. Hurtado, Ramirez

Board Members Absent: Pimentel

Staff Present: David Peters, Michael Linden, Josh Rogers

PUBLIC PRESENTATIONS

None

CONSENT CALENDAR

Member Ramirez made a motion to approve the consent calendar. The motion was seconded by Chair Kazarian, and carried with a unanimous voice vote of all other members present.

COMMITTEE REPORTS

4.1 Technical Advisory Committee Meetings

Focusing on coordinating details and gathering support documents for grant applications. TAC has also been coordinating getting plans to CID for connections of existing basins to CID facilities for City of Sanger.

GENERAL ITEMS

5.1 Project Support Letters Update – Oral Report by David Peters

Support letters from SKGSA for other GSA grant application projects. Three letters were generated – City of Kerman’s Lion Park Recharge project, Fresno Irrigation District’s Savory Pond Recharge project, County of Tulare’s Sultana Storm Water Recharge Basin project. Under Chairman Kazarian authority, the letters have been provided to each GSA.

5.2 Land Purchase Option Agreement – Staff Report by Josh Rogers

Rogers reports that there is no unused land that any of the member agencies already own to develop a recharge facility on. TAC has been pursuing an option agreement with a property owner. Property is located in Sanger on California Ave alignment and Academy Ave alignment. SKGSA to pay non-refundable \$10,000 for right to the option to purchase the land. Will give GSA 30 months to exercise option to purchase. Final compensation will be based on higher amount of appraisal that owner has ordered (not expected to be delivered until June 30,

2021). SKGSA would secure a second appraisal within 90 days of exercising the option to purchase, and compensation would be higher of the two appraisals. A verbal estimate based on comps was \$80,000 per acre. Funding agency would not reimburse for land in excess of what a certified appraisal states.

Original estimate for SKGSA project was \$1.3M, with \$300,000 local match (pro-rated out between all member agencies). Two of the six submitted projects have since been removed because they're no longer believed to be competitive. Because of the higher property estimate, SKGSA project will be submitted as \$2M with no local match.

Upon issuance of Notice of Award of funding, SKGSA is to provide a schedule to the owner of remaining activities, which are: finalizing legal description, property owner apply for rezone (currently dual zoned as high density residential and basin, which will remain but reconfigured), get updated appraisal, provide written offer to purchase property and a notice to exercise the option. If these are not processed within 30 months, option expires

Due diligence period after escrow is open the title report is reviewed for concerns. After the funding award notice or July 31, 2020 (whichever is earlier), due diligence period for GSA to run tests on site to make sure everything is suitable (GSA must carry liability insurance policy for testing). If unsuitable condition is discovered, GSA can provide written notice of termination.

Changes to agreement post agenda publishing:

1. Property owner called with questions about the subdivision of the property. Total property is 27 acres, SKGSA is looking to purchase 15.5 acres. As part of the agreement, owner wants GSA to cover the cost of the parcel map for the subdivision of the property (added in Section 4 of agreement), not including any public improvement. Filing a two-parcel parcel map costs somewhere between \$8k and \$12k. Chair Kazarian asks about splitting the costs of parcel map filing between SKGSA and property owner.
2. Minor changes to future purchase sale agreement (Exhibit B) to be more consistent with option agreement; update owner information and title company info; additional deposit of \$20k in escrow (only refundable if owner terminates agreement – but counts toward purchase price); and modify escrow close date to reference exercise of option.

Alex Henderson (City of Kingsburg) poses a concern about the property owner's appraisal will be in favor of the property owner. He also poses a question about possibly taking the average of the two appraisals, rather than the higher one.

Rogers did not think the property owner would consider taking the average of the appraisals. Whatever the appraisal ends up being is what the state will reimburse. Because the land is in the city limits, the value is higher than if it were in the county. But the project also earned extra points for being within city limits.

Chair Kazarian asks what per acre price the property owner is considering for the remaining 11.5 acres if he sells it as a subdivision. Rogers states the property owner does not have imminent plans for a subdivision at this time.

Mr. Henderson then poses a question about the reason behind the purchase option agreement, because his familiarity with Prop 68 grant applications only requires a letter of intent, not a formal agreement and a non-refundable dollar amount.

Rogers state that having an option agreement is the least amount of site control that would suffice. He also states that during meetings with the other GSAs it was mentioned that if the SKGSA does not already own the land, an option agreement was needed.

Mr. Henderson asks if the non-refundable \$10K is already in the SKGSA budget.

Secretary Peters states that no, it was not something that was originally budgeted for in this fiscal year. Funds to make that payment are available, but a budget amendment may be necessary.

\$10K will be split between each member agency based on pumping percentages. Roughly: Sanger – \$4,253; Parlier - \$1,688; Kingsburg - \$2,190; Del Rey - \$533; and Fowler - \$1,335.

Chair Kazarian also recommends proposing the sale price be based on an average of the two appraisals, rather than the higher of the two.

Rogers proposes to also include alternate language that if the sale price is based on the higher of the two appraisals, having a third party appraiser review the property owner's appraisal to validate the appraisal.

Motion to approve the option agreement, giving latitude to staff to see if 1) the property owner will split costs of the parcel map filing fee and 2) agree to a review of their appraisal to make sure it meets all proper guidelines. Motion moved by J Hurtado and second by Ramirez. Roll call vote

Ayes – E Hurtado, J Hurtado, Ramirez, Kazarian

Nos –

Absent – Pimentel

SECRETARY REPORT

Peters made a note on the record that Member Frank Gonzalez, City of Sanger, is being replaced by Esmeralda Hurtado.

Need to pass a resolution to authorize FID to file the application on behalf of SKGSA by 8th of January.

Time & Place for next meeting: December 29th at 5pm via Zoom

BOARD MEMBER COMMENTS

E. Hurtado introduces herself and is excited to be a part of the SKGSA.

ADJOURNMENT

Having no further business Chairman Kazarian adjourned the meeting at 7:04pm.

RESOLUTION NO. 2020-002

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY
CLOVIS, CALIFORNIA**

**AUTHORIZATION FOR FRESNO IRRIGATION DISTRICT TO FILE AN APPLICATION FOR A
GRANT UNDER THE PROPOSITION 68 SUSTAINABLE GROUNDWATER IMPLEMENTATION
GRANT PROGRAM AND TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA
DEPARTMENT OF WATER RESOURCES ON BEHALF OF SOUTH KINGS GSA**

WHEREAS, the South Kings Groundwater Sustainability Agency (“South Kings GSA”) is a California Joint Powers Authority formed to implement the Sustainable Groundwater Management Act of 2014 in a portion of the Department of Water Resources Bulletin 118 Kings Subbasin, and;

WHEREAS, the South Kings GSA and other Groundwater Sustainability Agencies (“GSAs”) overlying the Kings Subbasin desire to make an application for funding under the 2020 Sustainable Groundwater Management (SGM) Grant Program Implementation – Round 1 Grant to assist with implementation of the Groundwater Sustainability Plans (GSPs), and;

WHEREAS, the Department of Water Resources requires only one application per basin for this grant funding and Fresno Irrigation District has been requested by the agencies submitting projects for funding within the Kings Subbasin to serve as both applicant and grantee on behalf of the Kings Subbasin, now;

BE IT RESOLVED, by the Board of Directors of the South Kings GSA that application be made to the California Department of Water Resources to obtain a grant under the 2020 SGM Grant Program Implementation – Round 1 Grant pursuant to the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 (Proposition 68) (Pub. Resource Code, § 80000 et seq.), and to enter into an agreement to receive a grant for the Kings Basin 2021 GSP Implementation Projects.

BE IT FURTHER RESOLVED THAT the General Manager of the Fresno Irrigation District, or his or her designee, is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement and any future amendments (if required), submit invoices, and submit any reporting requirements with California Department of Water Resources on behalf of the South Kings GSA.

BE IT FURTHER RESOLVED THAT the Secretary of the South Kings GSA, or his or her designee, is hereby authorized to work with the Fresno Irrigation District to prepare the necessary application information and grant associated information if awarded.

THE UNDERSIGNED, Secretary of the South Kings Groundwater Sustainability Agency does hereby certify that the foregoing is a full, true, and correct copy of the Resolution 2020-002 duly and regularly passed and adopted at the meeting of the Board of Directors of said Agency, which was held on the date indicated below, at which meeting a majority of the Board of Directors was present and voted in favor of said resolution.

Adopted this _____ day of _____, Two Thousand and _____.

Karnig Kazarian, Chairman

David Peters, Secretary

CERTIFICATE OF SECRETARY

I, David Peters, Secretary of the Board of Directors of the South Kings Groundwater Sustainability Agency (the "Board"), hereby certify that the foregoing is a full, true, and correct copy of Board Resolution No. 2020-002 (the "Resolution"), that the Board has not amended or repealed the Resolution, and that the Board duly adopted the Resolution at a special Board meeting held on the _____ day of _____, 202_, and that the Board adopted the Resolution by the following vote:

David Peters, Secretary

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Chairman Kazarian	_____	_____	_____	_____
Vice-Chairman J Hurtado	_____	_____	_____	_____
Director E Hurtado	_____	_____	_____	_____
Director Pimentel	_____	_____	_____	_____
Director Ramirez	_____	_____	_____	_____