

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

Wednesday, April 14, 2022

5:30 PM

VIA TELECONFERENCE PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED 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:

<https://us06web.zoom.us/j/95002614921?pwd=bjlVZnZOTDZHViImlMkRFcXFFeG5zQT09>

Meeting ID: 950 0261 4921
Passcode: 389469

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 February 9, 2022 meeting.

4. Committee Reports

- 4.1 Technical Advisory Committee – Report by Josh Rogers, Chair
- 4.2 Administrative Committee – Report by David Peters, Secretary

5. General Items

- 5.1 Adopt Conflict of Interest Code – Oral Report by Michal Linden, Counsel
- 5.2 2022 Recharge Water Request to CID – Oral Report by David Peters, Secretary
- 5.3 Introduce Draft Member Agency Reimbursement Policy – Oral Report by David Peters, Secretary
- 5.4 Presentation of Draft 2022-23 FY Budget – Oral Report by David Peters, Secretary

6. Secretary's Report

- 6.1 Time and place for next meeting – May 11, 2022 at 5:30pm

7. Board Member Comments

8. Adjournment

SKJPA BOARD OF DIRECTORS
MEETING MINUTES

TELECONFERENCE

Wednesday, February 9, 2021

5:30 PM

Chairman Kazarian called the meeting to order at 5:31 pm.

Board Members Present: Chairman Kazarian, E. Hurtado, B. Pursell, Hurtado, D. Ramirez

Board Members Absent: T. Pimentel

Staff Present: David Peters, Josh Rogers

PUBLIC PRESENTATIONS

None

CONSENT CALENDAR

3.1 *Approve minutes of December 8, 2021 meeting.*

Motion passes unanimously via voice roll call.

COMMITTEE REPORTS

4.1 *Technical Advisory Committee Meetings*

Josh Rogers reports TAC met to make sure all member agencies are up to date on invoices so CID can be paid for water purchase agreement. Met with Provost & Pritchard to discuss a project to drill groundwater monitoring wells with remaining grant funding that was not utilized for GSP. Participated in Kings Basin Coordination group meeting, which has focused on the review letter of GSPs for all GSAs in Kings Basin. DWR did not approve any GSPs in the Kings Basin. 180 days to respond to comments and resubmit to DWR. Kings Basin is working on addressing comments. SKGSA did not stand out as having any specific deficiencies, except one concern about land subsidence, which will be addressed at a later meeting. Lance Jackson asked where to get the Notice of Deficiency and Secretary Peters stated he can send it out to interested parties.

4.2 *Administrative Committee Meetings*

Secretary Peters reports the Admin Committee met last week to discuss outstanding member agency invoices. Also reviewed water purchase agreement with CID and outstanding payments. CID is aware of the timeline to close out the coops as soon as possible.

GENERAL ITEMS

- 5.1 *Approve Developer Impact Fee Study prepared by Provost & Pritchard and recommend member agencies adopt or amend groundwater impact fees based on study – Oral Report by David Peters*

Provost & Pritchard prepared a developer impact fee study for groundwater recharge, which resulted in separate fees for each agency. Fees are paid by new developments to offset groundwater recharge impacts by new developments. Fee study has been reviewed by Technical Advisory Committee and Admin Committee and revisions were made. Recommend agencies use this study to update developer impact fees for new development. Chairman Kazarian makes a comment regarding population projects and whether they were taken into account during this study. Mr. Peters clarifies that Provost & Pritchard worked with each agency and discussed population projections prior to commencement of the study. Member Pursell makes a motion to approve, Member E. Hurtado seconds. Motion passes unanimously.

SECRETARY REPORT

Time & Place for next meeting: March 9, 2022 at 5:30pm via teleconference.

BOARD MEMBER COMMENTS

None

ADJOURNMENT

Having no further business Chairman Kazarian adjourned the meeting at 5:47pm.

CONFLICT-OF-INTEREST CODE FOR
SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730) that contains the terms of a standard conflict-of-interest code and may be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices designating positions and establishing disclosure requirements shall constitute the conflict-of-interest code of the South Kings Groundwater Sustainability Agency ("SKGSA")

The Form 700s for designated positions, other than the members of the SKGSA's governing board and alternates, shall be filed with the SKGSA. The SKGSA's governing board and alternates are to file their original Form 700s directly with the Clerk of the Board for the Fresno County Board of Supervisors using the electronic filing system. If the Form 700s are not filed electronically, the paper Form 700 and waiver shall be filed with the SKGSA and, upon receipt of these paper Form 700s with waivers, the SKGSA shall make and retain a copy and forward the original to the Clerk of the Board of Supervisors.

The SKGSA shall retain a copy of all electronically filed Form 700s, a copy of all paper Form 700s with waivers and the original Form 700s of designated positions and shall make the Form 700s available for public review, inspection, and reproduction. (Gov. Code section 81008.)

The provisions of all Conflict of Interest Codes and amendments thereto previously adopted by the Agency are hereby superseded.

APPENDIX A

Public Officials Who Manage Public Investments

It has been determined that positions listed below manage public investments ***and will file a statement of economic interests pursuant to Government Code Section 87200.*** These positions are listed for informational purposes only:

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An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Categories</u>
• Board Directors and Alternates	1
• Secretary	2

* Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the disclosure requirements in this code subject to the following limitation:

The **[head of agency or his/her designee]** may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The **[head of agency or his/her designee's]** determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Sec. 81008.)

APPENDIX B DISCLOSURE CATEGORIES

Individuals holding designated positions must report their interests according to their assigned disclosure category(ies).

Disclosure Category 1

Interests in real property located within the jurisdiction or within two miles of the boundaries of the jurisdiction or within two miles of any land owned or used by the agency; and investments and business positions in business entities, and income, including loans, gifts, and travel payments, from all sources.

Disclosure Category 2

Interests in real property located within the jurisdiction or within two miles of the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Disclosure Category 3

Investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources, that provide services, supplies, materials, machinery, or equipment of the type utilized by the agency.

Disclosure Category 4

Investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources, that provide services, supplies, materials, machinery, or equipment of the type utilized by the designated position's division or department.

Disclosure Category 5

Investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources, that filed a claim against the agency during the previous two years, or have a claim pending.

Disclosure Category 6

Investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources of the type to request an entitlement to use agency property or facilities, including, but not limited to:

- a license
- utility permit
- station vendor permit



March 29, 2022

Mr. Phil Desatoff
General Manager
Consolidated Irrigation District
2255 Chandler Street
Selma CA, 93662
Via Email: pdesatoff@cidwater.com

Subject: 2022 Recharge Water Allotment

The South Kings Groundwater Sustainability Agency (SKGSA) and Consolidated Irrigation District entered into an agreement on August 28, 2019 regarding the purchase of water for use in groundwater recharge. The agreement provides for the transfer of the following water volumes according to the following scale:

Year 1 (2020) = 1,000 Acre-Feet
Year 2 (2021) = 2,000 Acre-Feet
Year 3 (2022) = 3,000 Acre-Feet

The agreement also provides for undelivered water to roll over to future years if water is unavailable. As this has been the case in the first two years of the agreement, the SKGSA is anticipating and planning for the delivery of the total of the first three years of recharge water in the amount of 6,000 Acre-Feet during spring of 2022.

If you have any questions regarding future water deliveries or other matters pertaining to SKGSA, please do not hesitate to call me at 559-299-1544 x 111.

Regards,

A handwritten signature in black ink that reads "David Peters".

David Peters, PE
SKGSA Secretary

**SOUTH KINGS GROUNDWATER
SUSTAINABILITY AGENCY**

MEMBER AGENCY REIMBURSEMENT POLICY

DRAFT

April 2022

SKGSA

Member Agency Reimbursement Policy

I. PURPOSE AND INTENT

The purpose of this policy is to establish procedures that will allow for financial reimbursement of member agencies, defined as the cities of Fowler, Sanger Kingsburg, and Parlier and the Del Rey Community Services District for expenses implementing recharge projects beneficial to the South Kings Groundwater Sustainability Agency (SKGSA). The policy will address the following components of the reimbursement procedure:

- A. Eligible Reimbursement Expenses
- B. Reimbursement Consideration & Authorization
- C. Project Prosecution and Completion
- D. Reimbursement Request Procedure
- E. Reimbursements to Member Agencies

II. ELIGIBLE REIMBURSEMENT EXPENSES

These guidelines apply to all expenses related to maintenance and operations of existing facilities, construction of new projects to be built by local agencies and other related Board authorized expenses as described below:

- A. Operations and Maintenance of Existing Facilities – SKGSA will reimburse local agencies for expenses related to operations and maintenance of facilities either owned by the local agency or by the SKGSA that are directly related to providing a recharge benefit to the SKGSA and are not part of normal maintenance or operations activities when use is within a shared facility such as a storm drainage basin. Eligible activities may include, but not necessarily be limited to, mowing, repairs to fencing, piping, valves, headwalls, upgrades to meters and telemetry equipment and other activities approved by the Board.
- B. Construction of New Groundwater Recharge Facilities - SKGSA will reimburse local agencies for expenses related to construction of new facilities proposed to be owned by the SKGSA that are related to providing a groundwater recharge function. These facilities may include, but not necessarily be limited to, engineering design, land acquisition, excavation, fencing, installation of pipe system improvements, manholes, headwalls, meters, telemetry equipment, landscaping, access roads, and other activities or improvements approved by the

Board. Any infrastructure or other works as well as any property acquired for a project for which the local agency received SKSGA reimbursement shall become the property of the SKGSA at the completion of the project including all obligations and maintenance/operations responsibilities.

C. Funding Acquisition Activities - SKGSA will reimburse local agencies for expenses related to preparation of grant or loan funding applications for groundwater related improvements and facilities proposed to be owned by the SKGSA. This would include preliminary engineering, land acquisition activities, and environmental analysis required for completion of the funding application.

Regarding projects to be built by local agencies using State or Federal funding the reimbursement commitment is with the understanding that all projects must also comply with additional specific guidelines issued from the funding agencies.

III. REIMBURSEMENT CONSIDERATION & AUTHORIZATION

The SKGSA may authorize a reimbursement to a member agency as follows:

The initial action related to funding reimbursements to member agencies for eligible activities is issuance of a Reimbursement Commitment Voucher (RCV). The Board will consider an eligible activity submitted by a member agency for reimbursement and, if deemed an approved eligible reimbursement consistent with the goals and objectives of the SKGSA, will issue a RCV to the member agency. The RCV will describe the work activities and costs eligible for reimbursement along with a time schedule for reimbursements. Member agencies will be required to submit the following in a format acceptable to the SKGSA for Board consideration of a reimbursement request:

- A. A project description highlighting the recharge component beneficial to SKGSA including a location map and discussion of anticipated environmental determination.
- B. A project schedule
- C. A cash expenditure and reimbursement plan showing a schedule of both project cash expenditures by the member agency and expected SKGSA reimbursements.

The Commission expects the amount and detail of information about a project to correspond to the size and complexity of the project and SKGSA funding participation. A financial plan and cash reimbursement plan can be one-line statements for smaller projects that expect SKGSA reimbursement in a single lump sum after project completion. However, the funding request must identify the SKGSA fiscal year in which reimbursement will be requested.

The SKGSA may issue an RCV covering all aspects of a project, or a series of partial project RCV's for certain component stages, or a provisional project approval. Member agencies may apply for a partial project approval for preparation of a grant application, preliminary engineering and/or environmental work, and later seek project approval covering final engineering, right-of-way, and construction. The SKGSA may also give provisional project approval with stated conditions that must be fulfilled subsequently, for example where the financial plan for later stages of a large project is uncertain or incomplete.

The SKGSA may make project approval and funding allocations simultaneously for project development stages. A reimbursement commitment may extend across several fiscal years as determined by the Board.

IV. PROJECT PROSECUTION AND COMPLETION

A. Project Prosecution

The SKGSA allocates reimbursement funding to specified projects, not to an agency or its overall program. Funds may only be expended for the project for which they were allocated.

Member agencies must be specific about the kinds of expenditures and fiscal year timing when requesting reimbursement. The authorization reimbursement is tied to fiscal years in the SKGSA budget. If a specific member agency activity is scheduled for reimbursement in a specific fiscal year, it must be requested in that specific year or receive a time extension by the Board prior to the end of the subject fiscal year.

The following is a general guide for project timing related to reimbursable tasks:

- Reimbursement Commitment Requests must be made 3 months in advance of beginning of work. The first reimbursement payments on a project will be budgeted in the next available fiscal year budget after receipt of the Reimbursement Commitment Request unless a budget amendment for the current fiscal year is approved by the Board.
- Member Agency may start reimbursable project development work any time after receipt of a RCV from the Board;
- Member Agency cannot receive reimbursement for any work completed prior to receipt of a RCV from the Board;
- Member Agency must complete the work and work must be accepted by the Board prior to reimbursement payments being made to the member agency by the SKGSA.

B. Progress Reports

SKGSA will provide limited project review and oversight as needed to approve reimbursement payments and project completion. It does not intend to manage project work, project plans, or project construction.

The SKGSA is intent on ensuring that projects proceed as scheduled and that reimbursement funds are expended on a timely basis. Therefore, member agencies are required to prepare progress reports quarterly for projects and submit these reports to the SKGSA Secretary. The SKGSA Secretary will transmit the reports to the Board such that the members are informed on project progress. The reports submitted by the local agency should:

- Identify progress to date versus planned progress;
- Identify any significant deviations from the original project scope of work and explain how these deviations will impact project completion; and
- Indicate if funds are being expended in a timely fashion consistent with the RCV issued for the project.

These progress reports will reflect current costs, schedules, and expenditure projections, but they do not absolve the member agency of responsibility to notify the SKGSA whenever changes in costs, schedules, or expenditure projections are necessary. These issues must be addressed promptly when known.

V. REIMBURSEMENT REQUEST PROCEDURE

Upon completion of a project or eligible activity, the member agency is responsible for preparing a Final Project Expenditure Report (report). The report should identify the resources allocated to the project, expenditures incurred, amount of SKGSA's reimbursement commitment to the project including funds not used which can be reallocated by SKGSA. The Final Project Expenditure Report must be completed within 120 days of project completion and sent to the SKGSA Secretary for processing.

A specific project audit may be conducted, at the local agency's expense, on an individual project basis, or may be performed at the same time as the agency's annual Single Audit.

If an individual project audit is done, the auditor must prepare a Final Audit Report. If the agency chooses the Single Audit option, a Management Letter will be required. In either case, the audit will include compliance tests required by the Single Audit Act and its implementing directive, OMB Circular A-128. The compliance testing should ensure controls are in place to assure that:

1. Reimbursement claims submitted to SKGSA for the project are supported by payment vouchers and canceled checks or other trackable expenditure documentation.

2. Charges for the various categories of eligible costs incurred by the member agency are fully supported.
3. Ineligible costs were not claimed reimbursable on the project.

The Final Audit Report or Management Letter must be completed within one year of project completion.

Project completion is defined as when all work identified in the RCV has been completed and final costs are known. The report documents (Final Project Expenditure Report or Final Audit Report and Management Letter) will be sent to the SKGSA Secretary. Failure to comply with these reporting requirements may result in withholding of future reimbursements by the SKGSA.

VI. PROJECT COST CHANGES

Reimbursement Commitment Vouchers are for a fixed amount as described in the member agency's request documentation. In general, cost increases must be covered with local funds unless otherwise approved by the SKGSA Board.

The Commission can consider allocating additional funds to a project with a previously issued RCV for cost increases, but this must be requested by the Member Agency and approved by the SKGSA Board. The Board does not budget contingency reserve for projects in which it issues a RCV.

The Board generally will not cover cost increases for reasons of inflation in right-of-way or construction costs, changes in the economic climate in the construction industry, unforeseen environmental costs, or changes in scope proposed by the member agency.

VII. CHANGES IN SCHEDULE

If a local agency must significantly amend the project schedule, the revised schedule shall be transmitted to the SKGSA Secretary in a timely basis. This is especially critical when delays change the amount of funds required in a fiscal year. Failure to advise SKGSA of such schedule changes could jeopardize or void the reimbursement commitment for the project.

VIII. PROJECT CANCELLATION

Project cancellation can occur only through mutual agreement among the SKGSA and member agency. The SKGSA or member agency may propose project cancellation at any point of project if the SKGSA wished to cease progress on the project, if the local agency fails to make suitable progress on the project; or if the member agency is unable or unwilling to continue. Specific terms of the project cancellation will be executed in a separate agreement between the SKGSA and member agency and approve by the SKGSA Board.

The agreement that results in project cancellation shall revert any unspent funding on the project to other activities deemed appropriate by the SGKSA Board. Any partially completed works or land acquired for a cancelled project will become the property of the SKGSA.

DRAFT

South Kings GSA
Budget FY 2022-23

Revenues

Account	Account Description	GSA Description	FY 22-23
New	Agency Contributions	Contribution to GSA	\$ 1,620,500
	Last FY Carryover	Carryover funds from last FY Budget	\$ -
New	Prop 68 Grant	North Sanger GRP	\$ 2,640,110
		Total Revenue	\$ 4,260,610

Expenses

New	Capital Costs	Surface Water Purchase	\$ 1,185,000
New	Prop 68 Grant	North Sanger GRP	\$ 2,640,110
New	Agency Administration	Administrative Expenses	\$ 30,000
New	Agency Permit Processing	Well Permit Review/Processing	\$ 25,000
New	Reimbursements	Member Agency Reimbursements	\$ 300,000
New	Insurance	Insurance Premiums	\$ 5,500
6290	Professional Services	Misc Services	\$ 75,000
		Total Expenses	\$ 4,260,610

**South Kings GSA
Budget FY 2022-23**

FISCAL YEAR	FY 22-23
Total GSA Contribution	\$ 1,620,500

Local Agency Budget Requirements	FY 22-23
Fowler	11.75%
Del Rey	6.40%
Kingsburg	22.37%
Parlier	16.60%
Sanger	42.87%
TOTALS	100%
	\$ 1,620,500

2020 Calendar Year Groundwater Pumped (A-F)	% of Total
Fowler	1611
Del Rey	878
Kingsburg	3067
Parlier	2276
Sanger	5877
TOTALS	100.00%