

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

FOWLER CITY HALL

128 S. Fifth Street, CA 93657

MONDAY, NOVEMBER 13, 2017

6:00 PM

In compliance with the Americans with Disabilities Act, if you need special assistance to access the City of Fowler Council Chambers or to otherwise participate at this meeting, including auxiliary aids or services, please contact Fowler City Clerk Jeannie Davis at (559) 834-3113. Notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the Council meeting.

Items:

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment on Items not on Agenda
5. 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.

- A. Approve Minutes of September 18, 2017 meeting.

6. Committee Reports

- A. Kings Coordinated Technical Meetings - Report by Josh Rogers – SKGSA TAC Chair

7. General Items

- A. Consider approval of Amended JPA Agreement – Report by David Peters
 - B. Consider seating Del Rey CSD Board Member
 - C. Review of Consent Agreement between the City of Fowler, City of Parlier, and SKGSA – Report by David Peters
 - D. Consider approval of Legal Services Agreement between the South Kings GSA and Lozano Smith Attorneys at Law - Report by David Peters
 - E. Consider selection of engineering consultants and authorize Board Chair to enter into Master Service Agreements with each consultant subject to review and approval of legal counsel – Report by David Peters

F. Approve FY 2017-18 Annual Operating Budget – Report by David Peters

G. Announce time and place for next meeting.

8. Secretary's Report

A. Secretary of State Filing

B. Conflict of Interest Agreement for GSA Board

9. Board Member Comments

10. Adjournment

SKJPA BOARD OF DIRECTORS

MEETING MINUTES

Sanger City Hall
1700 7th St, Sanger, CA 93657

Wednesday, September 18, 2017
6:00 PM

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

Board Members Present: Chairman Kazarian, Vice-Chair Blayney, Gonzalez

Board Members Absent: Rodriguez

Staff Present: David Peters, Josh Rogers

The Flag Salute was led by Chairman Kazarian.

PUBLIC PRESENTATIONS

None

CONSENT CALENDAR

Vice-Chair Blayney made a motion to approve the minutes for August 9, 2017 seconded by Member Gonzalez. The motion carried with a unanimous voice vote of all members present.

COMMITTEE REPORTS

TAC Chair Josh Rogers provided an update on activities at the Kings multi-GSA coordination meeting. Discussions were held regarding the SB1 grant application for funding to assist in the preparation of Groundwater Sustainability Plans. No agreement has been made on the allotment of the total \$1.5M grant allocation to Central Kings GSA and South Kings GSA. The division of the 1/6 allotment between these two agencies has not yet been decided as negotiations are ongoing.

Mr. Rogers informed the Board of the preparation schedule for the Groundwater Sustainability Plan. The plan must be completed by January 2020 and there has been a deadline set of January 2019 for the seven GSA's in the Kings Basin to have draft GSP's prepared so that there is sufficient time for coordination.

GENERAL ITEMS:

A. Update on selection of legal counsel

Mr. Peters stated that Lozano Smith was preparing waiver agreements that will be executed by the cities of Fowler and Parlier. After the waiver agreements are executed a legal services

agreement will be prepared and presented to the Board.

B. Update on Engineering RFQ

Mr. Peters stated the RFQ has been issued and SOQ's are due October 13, 2017.

C. Update on Del Rey CSD joining the JPA

Mr. Peters reported that Michael Linden was preparing an amendment to the JPA which will provide for inclusion of Del Rey CSD into the JPA. After approval by Del Rey CSD, the Amendment will be presented to the Board for their consideration.

D. Operating Budget

Mr. Peters stated that an operating budget will be prepared and submitted to the Board for consideration at the next scheduled Board meeting.

E. Announce place and time for next meeting.

The next meeting was scheduled for November in Fowler, the exact date and time to be determined.

ADJOURNMENT

Having no further business, Member Blayney made a motion, seconded by Member Gonzales, to adjourn. The motion carried and the meeting adjourned at 6:38 pm.

MEMORANDUM

TO: CHAIR & BOARD MEMBERS
FROM: DAVID PETERS, PE
SUBJECT: AMENDED JOINT POWERS AUTHORITY AGREEMENT FOR THE SOUTH KINGS GSA
DATE: NOVEMBER 10, 2017

REQUESTED ACTION

Approve the Amended Joint Powers Authority Agreement for the South Kings GSA removing the City of Selma and including the Del Rey Community Services Districts into the JPA and authorize the Chair to execute the agreement.

DISCUSSION / RECOMMENDATION

At the May 25, 2017 SKJPAGSA meeting, the Board adopted a resolution forming a GSA within the boundaries of the cities of Sanger, Parlier, Fowler, Selma and Kingsburg. That GSA was filed with DWR and posted on the SGMA portal on June 6, 2017. During the May 25, 2017 meeting the Del Rey Community Services District expressed interest in being included in the South Kings GSA filing. Due to time constraints to submit the SKGSA filing to the Department of Water Resources, the District was included in the GSA based on an MOU that would consider inclusion into the JPA at a later date. At the June 30, 2017 meeting, the City of Selma requested and was subsequently released from the JPA.

The Amended Joint Powers Authority Agreement includes the removal of the City of Selma and the inclusion of Del Rey Community Services District.

AMENDED JOINT POWERS AUTHORITY AGREEMENT FOR THE SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY

THIS AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2017 ("Effective Date") between the Cities of Fowler, Kingsburg, Parlier, and Sanger ("Cities"), and the Del Rey Community Services District ("Del Rey CSD"), hereinafter referred to individually as "Member" and collectively as "Members."

RECITALS

WHEREAS, on September 16, 2014, the Governor of the State of California signed three (3) bills (SB 1168, SB 1319, and AB 1739) into law creating the Sustainable Groundwater Management Act ("SGMA"), which is codified at section 10720, *et seq.*, of the California Water Code; and

WHEREAS, SGMA authorizes the formation of an entity called a Groundwater Sustainability Agency ("GSA"), by any local agency or combination of local agencies overlying a groundwater basin; and

WHEREAS, the Members overlie the Kings Sub-Basin of the San Joaquin Valley Basin Sub-Basin; ID 5-022.08 (2016 Department of Water Resources Bulletin 118) (the "Sub-Basin") an unadjudicated groundwater basin; and

WHEREAS, under the provisions of SGMA, a combination of local agencies may elect to form a GSA through a joint powers agreement; and

WHEREAS, the Joint Exercise of Powers Act (Government Code section 6500, *et seq.*) provides that two or more public agencies may by agreement jointly exercise any powers common to those agencies and may by that agreement create an entity separate from the Members to the Agreement; and

WHEREAS, in May of 2017, the governing bodies for the Cities, along with the City of Selma, approved and executed the original Joint Powers Authority ("JPA") Agreement for the South Kings Groundwater Sustainability Agency ("SKGSA") for the purpose of electing to become the GSA within the territories of the member Cities; and

WHEREAS, on May 25, 2017, at a duly-noticed public hearing, the Board of Directors of the SKGSA elected to become the GSA within the territories of the Cities; and

WHEREAS, on June 6, 2017, the SKGSA submitted its notice of election to the Department of Water Resources ("DWR"), as required by Water Code section 10723.8; and

WHEREAS, on June 14, 2017, the Board of Directors of the SKGSA adopted Resolution 17-002, providing for the inclusion of the Del Rey CSD and the Caruthers CSD into the SKGSA through the execution of a memorandum of understanding ("MOU"), and

WHEREAS, on or about June 15, 2017, the South Kings GSA submitted an amended map, and related documents, to DWR, showing the inclusion of the Del Rey CSD and the Caruthers CSD in the SKGSA; and

WHEREAS, on June 30, 2017, the Board of Directors of the SKGSA approved the withdrawal of the City of Selma as a member of the JPA, and consequently as a member of the SKGSA. The Board of Directors also voted unanimously to approve of the removal of the Caruthers CSD from the SKGSA; and

WHEREAS, on or about June 30, 2017, the SKGSA submitted an amended map, and related documents, to DWR, showing the removal of the City of Selma and the Caruthers CSD from the SKGSA; and

WHEREAS, on August 9, 2017, at a duly-noticed public meeting, the Board of Directors of the SKGSA directed staff to negotiate with the Del Rey CSD for its inclusion as a member of the JPA; and

WHEREAS, the Members desire to enter into an amended JPA agreement for the purpose of adding the Del Rey CSD as a member agency to the JPA, and make other technical changes to the agreement for the SKGSA; and

WHEREAS, each of the Members to this Agreement is a local entity with either water supply, water management, or land use responsibilities within the SKGSA and is qualified individually to serve as a GSA under the provisions of SGMA; and

WHEREAS, each Member signing this Agreement is a public entity duly organized and operating under the laws of the State of California and/or a public agency as defined in Government Code section 6500 and Water Code section 10721; and

WHEREAS, the Members intend by this Agreement to carry out the powers and purposes of SGMA including, the adoption of a Groundwater Sustainability Plan ("GSP").

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein and including the Recitals, which are a substantive part of this Agreement, the Members agree as follows:

Article I: Definitions

As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

"Act" shall mean the Sustainable Groundwater Management Act of 2014 and all regulations adopted under the legislation (SB 1168, SB 1319, and AB 1739) which collectively comprise the Act, as that legislation and regulations are or may be amended from time to time.

“Authority”, “Agency,” or “SKGSA” shall mean the South Kings Groundwater Sustainability Agency Joint Powers Authority, which is the public and separate legal entity created by this Agreement.

“Board of Directors” or “Board” shall mean the governing body of the Authority as established by Section 3.01 of this Agreement.

“Fiscal Year” shall mean that period of twelve (12) months established as the Fiscal Year of the Authority by the Board of Directors.

“Groundwater Sustainability Agency” or “GSA” shall mean an agency enabled by the Act to regulate all or a portion of a subbasin in a coordinated manner with all other surrounding Groundwater Sustainability Agencies in compliance with the terms and provisions of the Act.

“Groundwater Sustainability Plan” or “GSP” shall mean the plan developed, adopted and implemented by the Authority in accordance with the Act.

“Member” or “Members” shall mean any of the signatories to this Agreement individually (“Member”) or collectively as (“Members”).

“Kings Sub-Basin” shall mean a sub-basin of the San Joaquin Valley Basin as described in the Department of Water Recourses 2016 Bulletin 118 and identified by the Sub-Basin ID No. 5-022.08.

“South Kings Sub-Basin” shall mean the area depicted on Exhibit “A.”

Article II: Creation of Authority

Section 2.01 – Creation.

- A. Pursuant to Government Code section 6500, et seq., and specifically section 6503.5, the Members of this Agreement are a public entity separate and independent from the Members.
- B. Pursuant to Government Code section 6509, the City of Sanger is the designated agency with respect to the Authority’s exercise of power.
- C. Within thirty (30) days after the Effective Date of this Agreement and after any amendment, the Authority shall cause a notice of such Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by Government Code section 6503.5.
- D. Within seventy (70) days after the Effective Date of this Agreement, the Authority shall file with the Secretary of State on a form prescribed by the Secretary of State and

also with the county clerk of each county in which the Authority maintains an office, a statement of the following facts:

1. The full legal name of the Authority.
 2. The official mailing address of the governing body of the Authority.
 3. The name and residence or business address of each member of the governing body of the public agency.
 4. The name, title, and residence or business address of the chairman, president, or other presiding officer, and clerk or secretary of the governing body of the Authority.
- E. Within ten (10) days after any change in the facts listed in section 2.01(C), the Authority shall file an amended statement as required in Government Code section 53051.
- F. The Members, pursuant to their joint exercise of powers, are a public entity known as the "South Kings Groundwater Sustainability Agency."

Section 2.02 - Purpose

- A. To create a JPA separate from its members that will elect to be the GSA for a portion of the Kings Sub-Basin described herein as the SKGSA.
- B. To develop, adopt, and implement a GSP in order to implement the requirements of and achieve the sustainability goals set forth in SGMA.
- C. To enter into a coordination agreement or similar agreement with other GSAs within the Kings Sub-Basin in order to meet the requirements of and achieve the sustainability goals set forth in the SGMA.

Section 2.03 – Powers.

The Agency is authorized, in its own name, to do all acts necessary to exercise all of the powers for a GSA authorized under SGMA and necessary to satisfy the requirements of SGMA.

Section 2.04 – Water Rights.

As provided in Water Code section 10720.5, the Authority and all of its Members confirm that that groundwater management under this Authority shall be consistent with Section 2 of Article X of the California Constitution, and that any GSP adopted by the Authority shall not determine or alter surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights or groundwater rights.

Section 2.05 - Obligations of the Authority.

No debt, liability or obligation of the Authority shall constitute a debt, liability or obligation of any of its Members, appointed members of the Board of Directors or their alternates, or committee members.

Section 2.06 - Restrictions on Exercise of Powers.

Pursuant to Government Code §6509 *et seq.*, the powers of the Authority shall be exercised and restricted in the same manner as those imposed upon the City of Sanger.

Section 2.07 – Member Land Use Authority.

A Member's land use authority, including, without limitation, the Member's general plan, is not superseded by the authority granted the Authority under SGMA as the exclusive GSA for the GSA Management Area or by a GSP approved by the State.

Article III: Governing Body

Section 3.01 – Board of Directors.

- A. The Board of Directors. The Board shall consist of five Directors, and each Member shall appoint one Director. Directors shall be elected officials who have been appointed to serve on the Authority's Board by their respective governing bodies. Filling a vacancy of a Director's seat is the responsibility of the Member who is represented by that Director's seat on the Board.
- B. Term. All Board terms shall be two (2) years. For initiation of the Board, three seats shall be three (3)-year terms. The Member seats with an initial three-year term shall be those for the City of Sanger, City of Kingsburg, and the Del Rey CSD.
- C. Alternate Directors. Each Member may identify up to two alternates to serve on the Member's behalf on the Board. Alternates need not be elected officials, but must be a authorized representatives of the Member.
- D. Removal. If the Board of Directors determines that reasonable cause exists to remove a Director from the Board, it can request that the Member who appointed the Director remove the individual and appoint a new Director.

Section 3.02 – Meetings of the Board.

The Board shall provide for the calling and conducting of its regular Board Meetings and Special Meetings in accordance with Government Code section 54950, *et seq.*

Section 3.03 – Minutes.

The Secretary shall cause to be kept a summary minutes of the meetings of the Board of Directors and shall, as soon as possible after each meeting, cause a copy of the summary of minutes to be forwarded to each Director and to each of the Members.

Section 3.04 – Voting.

Each founding Member shall have one (1) vote on the Board.

Section 3.05 – Quorum; Required Votes; Approval.

A quorum of the Board for convening of any meeting shall consist of a majority of all Member Directors, or in the absence of a Member Director, such Directors designated alternate. A quorum of the Board must be present at the time of any vote on any matter before the Board. An affirmative vote of at least a majority of all Directors, or designated alternate Director(s) present in a quorum of the Board, shall be required for any action of the Board. Notwithstanding the forgoing, approval of the following matters will require a super-majority of the entire Board as set forth below:

1. Adoption or Amendment of GSP: Unanimous vote.
2. Annual operating budget: Four affirmative votes.
3. Imposition of any fee, charge, or rate: Unanimous vote.
4. Imposition of any cost sharing contribution on Members: Unanimous vote.
5. Bylaws: Four affirmative votes.
6. Removal of Member: Four affirmative votes.
7. Incur debt, liabilities, or obligations: Four affirmative votes.
8. Amendment of this Agreement: Unanimous vote.
9. Authorization to participate in litigation or other legal proceedings: Four affirmative votes.

Section 3.06 - Conflicts of Interest.

The Authority shall adopt a Conflict of Interest Code.

Article IV: Committees

Section 4.01 – Committee Formation

Committees may be formed by the Board in order to advise the Board on all matters that fall within the scope of the particular committee's assignment. Committees may be

standing or *ad hoc* Committees. Committees shall meet as often as directed by the Board or if no such direction is given, as often as necessary, as determined by the Chair of the Committee.

Section 4.02 – Standing Committees

Two (2) Standing Committees shall be formed as soon as reasonably practical, but no event later ninety (90) days of formation of the Authority as follows:

- A. Advisory Committee. The Board shall create an Advisory Committee for the purpose of conducting community outreach and involvement to insure that the interests of all beneficial users and interested persons are considered by the Authority in the conduct of its purpose including, but not limited to, the formation and implementation of a GSP. The Advisory Committee shall make recommendations to the Board.
- B. Technical Advisory Committee. The Board shall form a Technical Advisory Committee which will be composed of one (1) person appointed by each member and any additional persons appointed by the Board.

Article V: Officers

Section 5.01 – Chair and Vice Chair.

The Board shall elect a Chair and a Vice Chair from among the Directors to serve for one year. The Chair and Vice Chair shall serve at the pleasure of the Board and shall perform the duties normally required of said Officers:

- A. The Chair shall preside at and conduct each meeting of the Board; represent the Board as directed by the Board; and perform such other duties as may be imposed by the Board; and may sign all contracts and agreements as approved by the Board.
- B. The Vice Chair shall act and perform all of the Chair's duties in the absence of the Chair.

Section 5.02 – Secretary.

The Board shall appoint a Secretary. The appointment may be from among the employees of the Members of the Authority, or if no such employees exist, a consultant of one of the Members. The Secretary shall serve at the pleasure of the Board. The Secretary shall act on behalf of the Authority and perform such other duties as may be imposed by the Board. The Secretary may sign agreements for the Authority when authorized by the Board.

Section 5.03 – Treasurer - Auditor; Custodian of Records.

- A. Treasurer - Depositary. The City of Sanger shall be the Depositary and custodian of all the money of the Authority from whatever source and shall have the duties and obligations of the Treasurer as set forth in Government Code sections 6505 and 6505.5.

- B. Auditor. The Board may also appoint a separate Auditor for the purpose of conducting audits of the Authority's financial records as determined by the Board.
- C. Officer in Charge of Records; Funds; and Accounts. Pursuant to Government Code section 6505.1, the City of Sanger shall have charge of, handle and have access to all accounts, funds, and money of the Authority and all records of the Authority relating thereto; and The Secretary shall have charge of, handle and have access to all of the records of the Authority.
- D. Bonding. Pursuant to Government Code sections 6505.1 and 6505.5 the Treasurer-Depositary, Custodian of Records, Secretary, or other persons having access to property shall file an Official Bond in an amount to be fixed by the Board.

Section 5.04 – Employees and Consultants.

The Board may hire Employees and Consultants including Engineers, Accountants and Attorneys, to provide services and advise to the Authority to accomplish the purposes of the Authority.

Article VI: Accounts, Reports and Funds

Section 6.01 – Accounts and Reports.

The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Authority shall be open to inspection at all reasonable times by the public and representatives of Members. The Authority, within 120 days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Members.

Section 6.02 – Fiscal Year.

The Fiscal Year of the Authority shall be from July 1 through June 30 of each year.

Section 6.03 – Annual Budget.

The Board shall adopt a budget for the Authority on an annual basis. Members shall make contributions that are included in the budget adopted by the Board. A Director's affirmative vote to approve the budget does not constitute consent to finance or otherwise participate in any project or projects within that budget.

Sections 6.04 –Reimbursement for Expenditures

It is the intent of the Members that the advancement of monies by any Members for expenses of the operational needs of the Authority shall be reimbursed from the proceeds of grants, if grant funds are obtained and such reimbursement is allowable under the terms of any grant agreement.

Section 6.05 – Assessment of Members

The Board may vote to assess Members and/or entities within its jurisdiction for a share of the costs incurred by the Authority which are anticipated to be incurred by the Authority. The Board shall comply with all legal requirements for the imposition of such assessments. At the discretion of a majority of the Board of Directors, any Member failing to timely pay an assessment may lose its privilege to vote on any item presented to the Board, until such assessment is paid.

Section 6.06 – Other Revenue.

The Board may approve other revenue, as deemed necessary by the Board, in any form permissible by SGMA or any other provision of law.

Article VII: Separate Entity; Liabilities

Section 7.01 – Separate Entity

In accordance with California Government Code Sections 6506 and 6507, the Authority shall be a public entity separate from the Members. To the greatest extent permitted by law, unless otherwise specifically agreed herein by all Members as to a specific debt, liability and/or obligation, the debts, liabilities and obligations of the Authority shall not be debts, liabilities or obligations of the Members under Government Code section 6508.1. The Authority shall own and hold title to all funds, property and works acquired by it during the term of this Agreement.

No Member has the power to obligate any other Member hereof, and no Member debt, liability, or obligation due any third party may be asserted or collected against this Authority, the GSA, or any individual Member as a result of membership in this GSA by and among the Members.

The Authority may acquire such policies of directors and officers liability insurance and in such amounts as the Board of Directors shall deem prudent.

To the extent authorized under California law, no Director, officer or employee of the Authority shall be responsible for any action made, taken, or omitted, by any other Director, officer or employee.

Section 7.02 – Liabilities of the Authority/Indemnity.

- A. The Authority, and those persons, agencies and instrumentalities used by perform the functions authorized herein, whether by contract, employment or otherwise, shall be exclusively liable for any/all injuries, costs, claims, liabilities, damages of whatever kind arising from or related to activities of the Authority.
- B. The Authority shall indemnify, defend, and hold harmless the Members, and their officers, agents, and employees, including those appointed to the Board of Directors

as Directors or Alternates, as follows: From and against any and all claims and losses whatsoever, including for damage, injury, or death, occurring in connection with the Authority's performance of its obligations under this Agreement. In so doing, the Authority shall provide the Members, and each of them, with legal defense of any and all such claims or liabilities, and shall pay reasonable attorney's fees and costs incurred in providing such defense. Nothing herein shall limit the right or ability of the Authority to purchase insurance or to create a self-insurance mechanism to provide coverage for the foregoing indemnity.

- C. Funds of the Authority may be used to defend, indemnify, and hold harmless the Authority, the Members, and any officers, agents, and employees of the Authority and/or the Members, for their actions taken within the scope of their duties while acting on behalf of the Authority.

Article VIII – Membership

Section 8.01 – Other Members.

The Board may vote to approve other entities to be a Member of the Authority. Such approval may come with or without voting rights for the new Member.

Section 8.02 – Removal of Members

The Board may vote to remove a Member, as set forth in Article III, based on a Member's breach of any material term of this Agreement, and the failure to cure that breach within sixty (60) days written notice. A terminated Member shall remain liable for any obligation under this Agreement incurred prior to the date of termination.

Article IX – Term; Termination; Withdrawal

Section 9.01 – Term.

The Members hereby agree to establish the Authority to last in perpetuity, or as long as SGMA remains the law in the State of California.

Section 9.02 – Termination.

This Agreement may be rescinded, and the Authority, terminated by unanimous written consent of all Members.

Section 9.03 – Withdrawal of Member.

A Member may terminate its membership in the Authority at any time upon giving sixty (60) days written notice of withdrawal to the Authority. Such notice shall be given to the Secretary of the Authority, and the notice period shall not commence until such notice is actually received by the Secretary. The Board of Directors may waive the sixty-day notice period by a majority vote at any Board meeting following receipt of the written notice by the Secretary. Any Member who withdraws shall remain obligated to pay share of all debts,

liabilities, and obligation incurred or accrued through the effective date. Such withdrawal does not in any way impair any contracts, resolutions, indentures, or other obligations of the Authority then in effect. In the event of a disagreement between the Authority and the withdrawing Member as to whether such withdrawal shall cause the impairment of any contracts, resolutions, indentures, or other obligations of the Authority, such determination shall be made by a majority vote of the Board of Directors. Any Member that withdraws and later seeks reinstatement to the Authority shall provide funds to the Authority, proportionate to their responsibility, as if the Member had never left the Authority.

A withdrawing Member shall in all events remain liable for its proportionate share of (i) its full amount of the adopted fiscal year budget; (ii) any call for funds or assessment levied by the Authority prior to the date it provides its notice of withdrawal; (iii) any contribution in existence at the time the subject act or omission occurred; and (iv) the amount of any annual budget approved prior to the date it provides its notice of withdrawal.

Should a Member choose to withdraw from the Authority in accordance with the terms of this Agreement, that Member expressly retains the right to serve as the GSA for the portion of the groundwater basin underlying its jurisdictional boundaries to the extent permitted by the Act.

Section 9.04 – Disposition of Assets.

Upon termination of the Authority, any assets shall be returned to the Members in the same proportion said Members have funded such assets, reserves or surplus, in accordance with Government Code section 6512. The disposition of assets shall be calculated by quantifying the total contribution made by the Member since the inception of the Authority, and not based on contributions received in the last calendar year prior to termination.

Article X –Miscellaneous Provisions

Section 10.01 – Amendment.

This Agreement may be amended from time to time by the unanimous vote of all of the Members.

Section 10.02 – Severability and Validity of Agreement.

Should the participation of any Member to this Agreement, or any part, term or provision of this Agreement be decided by the courts or the legislature to be illegal, in excess of that Member's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Member hereby agrees it would have entered into this Agreement upon the same terms as provided herein as if that Member had not been party to in this Agreement.

Section 10.03 – Assignment.

Except as otherwise provided in this Agreement, the rights and duties of the Members to this Agreement may not be assigned or delegated without the approval of the Board of Directors.

Section 10.04 – Execution In Parts Or Counterparts.

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto. Facsimile and electronic signatures shall be binding.

Section 10.05 – Notices.

Notices authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the addresses set forth for each of the Members beneath their signatures on this Agreement, or to such other changed addresses communicated to the Authority and the Members in writing.

Section 10.06 – Governing Law and Venue.

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of California, excluding any conflict of laws rule which would apply the law of another jurisdiction. Venue for purposes of the filing of any action regarding the enforcement or interpretation of this Agreement and any rights and duties hereunder shall be Fresno County, California. The parties to this Agreement hereby expressly waive any right to remove any action to a county other than Fresno County as permitted pursuant to California Code of Civil Procedure section 394.

Section 10.07 – Dispute Resolution.

The Members agree that any dispute regarding the enforcement or interpretation of any term, covenant or condition of this Agreement (“Dispute”) shall first, for a period of not less than thirty (30) days, be submitted to mediation before a mutually acceptable mediator prior to initiation of litigation or any other binding arbitration or adjudicative dispute resolution process. The Members shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in the Dispute; (iii) exchange written position papers stating their position on the Dispute and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the Dispute; and (iv) engage and cooperate in such further discovery as the Members agree or mediator suggests may be necessary to facilitate effective mediation. Each Member shall bear its own costs, fees and expenses of the mediation. Venue of the mediation shall be a mutually agreeable city within Fresno County, California.

Section 10.08 – Attorney Fees.

If any Member commences any proceeding or legal action to enforce or interpret any term, covenant or condition of this Agreement, the prevailing Member in such proceeding or action shall be entitled to recover from the other Member(s) its reasonable attorney's fees and legal expenses.

Section 10.09 – Insurance.

The Authority shall obtain Insurance for all Members, appointed Members, and Committee Members, including, but not limited to, Directors and Officers liability insurance and general liability insurance containing policy limits in such amounts as the Board of Directors shall deem will be necessary to adequately insure against the risks of liability that may be incurred by the Authority.

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IN WITNESS THEREOF, the Board of the South Kings GSA, pursuant to the authority vested in the members of said Board by their respective appointing governing bodies, and the previously-adopted South Kings JPA Agreement, by unanimous vote, hereby adopt this Amended Joint Powers Authority Agreement

SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY

By: _____
Its: Board Chair

Dated: _____

EXHIBIT "A"



State of California Secretary of State

STATEMENT OF FACTS ROSTER OF PUBLIC AGENCIES FILING (Government Code section 53051)

Instructions:

1. Complete and mail to: Secretary of State,
P.O. Box 942870, Sacramento, CA 94277-2870 (916) 653-3984
2. A street address must be given as the official mailing address or as
the address of the presiding officer.
3. Complete addresses as required.
4. If you need additional space, attach information on an 8½" X 11" page, one sided and legible.

New Filing ☐ Update ☐

(Office Use Only)

Legal name of Public Agency: _____

Nature of Update: _____

County: _____

Official Mailing Address: _____

Name and Address of each member of the governing board:

Chairman, President or other Presiding Officer (Indicate Title): _____

Name: _____ Address: _____

Secretary or Clerk (Indicate Title): _____

Name: _____ Address: _____

Members:

Name: _____ Address: _____

Name: _____ Address: _____

Name: _____ Address: _____

Name: _____ Address: _____

Name: _____ Address: _____

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME

ADDRESS

CITY/STATE/ZIP

Date

Signature

Typed Name and Title

MEMORANDUM

TO: CHAIR & BOARD MEMBERS
FROM: DAVID PETERS, PE
SUBJECT: AGREEMENT AND CONSENT TO JOINT REPRESENTATION BY LOZANO SMITH
DATE: NOVEMBER 10, 2017

REQUESTED ACTION

Adopt Agreement and Consent to Joint Representation by law firm Lozano Smith of the South Kings Groundwater Sustainability Agency (“GSA”), the City of Fowler, and the City of Parlier.

DISCUSSION / RECOMMENDATION

Lozano Smith is the City Attorney for the Cities of Fowler and Parlier (“Cities”), two of the four current members of the Joint Powers Authority (“JPA”) for the GSA. For several months, Lozano Smith has performed legal work relating to the GSA, including the creation of the JPA agreement. However, a formal written agreement has yet to be executed between Lozano Smith and the GSA. The GSA’s governing board has given direction to retain Lozano Smith as the GSA’s legal counsel. Pursuant to the firm’s obligation under the California Rules of Professional Conduct, Lozano Smith sent correspondence to the city managers for the Cities, as well as GSA Board Chair Karnig Kazarian. This correspondence provided notification that a conflict of interest could arise between the Cities and the GSA, and requested the written consent of each party to Lozano Smith’s joint representation of all in this matter. The Agreement and Consent to Joint Representation has been adopted by the Cities, and has been signed by Mr. Kazarian in anticipation of your Board’s approval. Along with consent for joint representation, Agreement provides for the ability of the Cities to seek reimbursement from the GSA for past work performed by Lozano Smith for the GSA that was billed to the Cities.

AGREEMENT AND CONSENT TO JOINT REPRESENTATION

The undersigned hereby agree to the basic terms of Lozano Smith's joint representation as described above and, with full knowledge of Rules of Professional Conduct 3.310, hereby consent to Lozano Smith's joint representation of the South Kings Groundwater Sustainability Agency ("GSA"), the City of Fowler, and the City of Parlier in this matter, notwithstanding the potential conflicts described above. The undersigned further agree that if Lozano Smith is required to withdraw, and the undersigned become entitled to client files and property per Rule 3-700, subdivision (d), where there is only one original document, the Cities of Fowler and Parlier will be provided with the original client files and property, and the South Kings GSA will accept a copy. We confirm that the legal fees for the assignment described above are to be billed to and paid in full by GSA, with the Cities having the ability to seek reimbursement from the GSA for past work performed by Lozano Smith for the GSA that was billed to the Cities. This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A facsimile copy, or an original, with all signatures appended together, shall be deemed a fully executed agreement and consent to such joint representation.

CITY OF FOWLER

By: 
Jeannie Davis, City Manager

Dated: 9/5/17

CITY OF PARLIER

By: 
Sam Escobar, City Manager

Dated: 9/22/17

SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY

By: 
Karnig Kazarian, Chair

Dated: 9/19/17

MEMORANDUM

TO: CHAIR & BOARD MEMBERS
FROM: DAVID PETERS, PE
SUBJECT: AGREEMENT FOR PROFESSIONAL LEGAL SERVICES
DATE: NOVEMBER 10, 2017

REQUESTED ACTION

Approve the Agreement for Professional Legal Services with Lozano Smith and authorize the Chair to execute the agreement on behalf of the JPA.

DISCUSSION / RECOMMENDATION

At the August 9, 2017 SKJPAGSA meeting, the Board directed staff to negotiate a legal services agreement with Lozano Smith to serve as General Counsel in addition to providing other necessary legal services to the JPA.

Staff has negotiated an agreement for Lozano Smith to provide services for an initial period extending to December 31, 2019.

Attachment: Agreement for Professional Legal Services as General Counsel

AGREEMENT FOR PROFESSIONAL LEGAL SERVICES AS GENERAL COUNSEL

THIS AGREEMENT is made and entered into as of November __, 2017, between the SOUTH KINGS GROUNDWATER SUSTAINABILITY AGENCY, a Joint Powers Authority (hereinafter referred to as “GSA”) and LOZANO SMITH, a limited liability partnership (hereinafter referred to as “Attorney”).

1. SCOPE OF WORK AND DUTIES

GSA hires Attorney as its General Counsel, and appoints David J. Wolfe and Michael R. Linden as the principal attorneys, to render such legal services as are customarily rendered by a General Counsel, including attending meetings of GSA, as directed by the GSA. Representation shall include, but not necessarily be limited to, drafting and reviewing resolutions and agreements, consulting with or advising GSA staff on legal issues that may arise regarding the GSA’s operation under the Sustainable Groundwater Management Act (“SGMA”), and generally advising the GSA Board of Directors (“Board”) and GSA staff concerning the legal affairs of GSA.

Attorney, as a full-service law firm, is prepared to, and will, provide representation to the GSA in all of its legal affairs, including, but not limited to, SGMA law, tort defense, land use, finance, contract representation, and other matters, except where conflicts exist or where the GSA Board of Directors may otherwise direct. Attorney shall represent GSA in initiating and defending all litigation unless otherwise directed by the GSA Board.

All of these duties shall be performed, as directed by the GSA Board, and Attorney will keep the GSA Board informed as to the progress and status of all pending matters. All legal services can be authorized only by the GSA Board.

Attorney will manage and control the delivery of legal services in a competent, professional, and cost-effective manner. Where appropriate, Attorney may from time to time recommend the use of special counsel. In that event, Attorney shall coordinate the work of special counsel. Notwithstanding the foregoing, it is expressly understood that Attorney shall not be responsible for any pending litigation matter(s) until Attorney has specifically appeared in the matter as attorneys of record on behalf of GSA.

The scope of work and duties under this Agreement shall not include representation of the GSA as Bond Counsel. In the event GSA desires that Attorney act as Bond Counsel, and Attorney so agrees, GSA and Attorney shall enter into a separate Bond Counsel Agreement setting forth Attorney’s duties and compensation for such Bond Counsel services. GSA and Attorney may agree that such compensation shall be on a contingent fee basis.

2. GSA DUTIES

GSA agrees to provide such information, assistance, cooperation, and access to books, records, and other information, as is necessary for Attorney to effectively render its professional services under this Agreement. GSA further agrees to abide by this Agreement, and to pay in a timely manner for Attorney's bills for fees, costs, and expenses.

3. LEGAL FEES, BILLING PRACTICES, AND PERSONNEL

GSA shall compensate Attorney for legal services provided within the scope of work and duties as follows:

- From November 1, 2017 through December 31, 2019, GSA shall pay to Attorney \$195.00 per hour for attorney services, and \$100.00 per hour for paralegal and law clerk services.

In addition to paying legal fees, GSA shall reimburse Attorney for customary and reasonable costs and expenses incurred by Attorney in the course of providing legal services to GSA. Costs will include, but are not limited to, all third party expenses, mileage for travel, duplicating, long distance telephone, postage charges, delivery charges, computerized legal research, facsimile charges, and filing fees.

Attorney shall render to GSA a statement for fees for services and costs incurred every calendar month. GSA shall pay Attorney's statement within thirty (30) days after issuance of each statement. Each statement shall clearly indicate the basis of the fees, including the working attorney, hours worked, hourly rate, and a brief description of the work performed, and a description of costs charged.

Attorney will exercise discretion to use whichever attorneys, paralegals, and staff that it determines best suited to the rendering of legal services in a competent and economically efficient manner.

4. THIRD PARTY COSTS AND EXPENSES

Attorney may determine it necessary or appropriate to use one or more outside investigators, consultants, or experts in rendering the legal services required (particularly if a matter goes into litigation). Upon advance approval and proper documentation, GSA shall pay directly or reimburse Attorney for directly incurred out-of-pocket disbursements, costs, and expenses of providing said services.

5. INDEPENDENT CONTRACTOR/LAWFUL PERFORMANCE

Attorney shall perform all legal services required under this Agreement as an independent contractor. Attorney shall fully comply with the provisions of law regarding performance of this Agreement, including but not limited to, laws regarding licensure, professional canons of ethics and conflict of interest statutes, rules and regulations. Attorney must certify and comply with the following: (1) that Attorney has no ethical or legal conflicts which would in general disqualify Attorney from representing GSA; (2) that Attorney will refrain from initiating any legal action against GSA (or their respective officers, agents and employees in their official capacity as such) by way of complaint or cross-complaint during the term of this Agreement or any services rendered pursuant thereto, whichever later occurs; and (3) that Attorney will promptly disclose upon knowledge or discovery of any specific facts which would or could potentially disqualify Attorney from representing GSA pursuant to this Agreement.

6. HOLD HARMLESS

Attorney agrees to protect, indemnify, and save harmless against all claims, demands and causes of action by Attorney's employees or third parties on account of personal injuries or death or on account of property damages arising out of the work to be performed by Attorney hereunder and resulting from the negligent acts or omissions of Attorney, Attorney's agents, employees or subcontractors.

7. INSURANCE

Attorney shall procure and maintain, at his sole cost and expense, comprehensive general liability and property damage insurance, including automobile and excess liability insurance, and professional liability insurance against all claims for injuries against persons or damages to property resulting from Attorney's negligent acts or omissions rising out of or related to Attorney's performance under this Agreement. The minimum amount of such insurance shall be \$1,000,000. Attorney shall also carry Workers' Compensation Insurance in accordance with applicable laws of the State of California. Such coverage shall be maintained in effect during the term of this Agreement and shall not be subject to reduction in coverage below the limits established, nor shall the insurance be canceled or terminated without thirty (30) days, prior written notice to GSA.

8. TERM, DISCHARGE, AND WITHDRAWAL

This Agreement shall continue in effect until December 31, 2019. GSA may discharge Attorney at any time. Attorney may withdraw from City's representation at any time, to the extent permitted by law, and the rules of Professional Conduct, upon at least thirty (30) days written notice. Upon notice of discharge or withdrawal, Attorney

shall deliver all documents and records of GSA to GSA and assist to the fullest extent possible in the orderly transition of all pending matters to GSA's new counsel.

9. NOTICE

Any notice required by law or by this Agreement shall be deemed delivered upon personal delivery or when deposited in the United States Mail, postage prepaid, and addressed as described below or to any subsequently noticed change or address, whichever applies:

South Kings GSA
c/o David Peters, Secretary
Peters Engineering
952 Pollasky Ave.
Clovis, CA 93612

David J. Wolfe, Esq.
LOZANO SMITH
7404 North Spalding Avenue
Fresno, CA 93720

10. EFFECTIVE DATE

This Agreement shall be effective November 1, 2017.

11. ASSIGNMENT

This Agreement shall not be assigned by Attorney without prior written consent of GSA.

12. MAKING OF AGREEMENT

No member of Attorney who is a public official has participated in his/her official capacity with the City or the Agency in the discussion, negotiation or making of this Agreement, nor has any member of Attorney advised the City Council/Agency Board, any member thereof, or any member of the City or Agency's staff with regard to this Agreement. Neither the City nor the Agency has sought any advice from any member of the Attorney firm with regard to this Agreement and understands that such advice cannot and will not be provided to the City or the Agency by any member of the Attorney firm.

SOUTH KINGS GSA

ATTEST:

By: _____
Karnig Kazarian, Board Chair

By: _____
David Peters, GSA Secretary

Date: _____

Date: _____

ATTORNEY

LOZANO SMITH

By: _____
David J. Wolfe, Partner

Date: _____

MEMORANDUM

TO: CHAIR & BOARD MEMBERS
FROM: DAVID PETERS, PE
SUBJECT: SELECTION OF ENGINEERING CONSULTANTS
DATE: NOVEMBER 10, 2017

REQUESTED ACTION

Approve the selection of Provost & Pritchard and Stantec to provide on-call engineering services to the GSA on an as-needed basis and authorize the Chair to execute master services agreements with both consultants on behalf of the JPA subject to the review and approval of General Counsel.

DISCUSSION / RECOMMENDATION

At the August 9, 2017 SKJPAGSA meeting, the Board directed staff to prepare and issue a Request for Qualifications (RFQ) for on-call engineering services. Staff subsequently prepared and issue the RFQ. On October 13, 2017 the GSA received Statements of Qualifications (SOQ's) from Provost & Pritchard and Stantec in response to the solicitation.

The Technical Advisory Committee (TAC) reviewed the SOQ's and met on October 31, 2017 to discuss the submittals.

The TAC unanimously recommended placing both firms on the on-call list based on the individual strengths of both firms. The on-call consultants will be engaged to perform services based on issuance of individual task orders approved by the Board.

Staff recommends both consultants be placed on an on-call list and that the Chair be authorized to execute master services agreements with both consultants on behalf of the JPA subject to the review and approval of General Counsel.

MEMORANDUM

TO: CHAIR & BOARD MEMBERS
FROM: DAVID PETERS, PE
SUBJECT: FY 2017-18 OPERATING BUDGET
DATE: NOVEMBER 10, 2017

REQUESTED ACTION

Approve the operating budget for FY 2017-18 and designate the GSA Secretary be responsible for receiving and approving expenditures subject to countersigning by Board Chair or Vice-Chair as appropriate.

DISCUSSION / RECOMMENDATION

At the SKJGSA meeting on September 18, 2017, the Board directed staff to prepare an operating budget for anticipated revenues and expenditures within the 2017-18 Fiscal Year.

Staff has coordinated with Mr. Gary Watahira, City of Sanger Interim Administrative Services Director who is designated as the SKGSA Treasurer by the Joint Powers Agreement. Mr. Watahira has prepared an operating budget which anticipates expenditures related to general operating activities as well as preparation of a groundwater sustainability plan (GSP).

In order to authorize payments, the Board should consider designating a staff member to be responsible for receiving and approving invoices from consultants and other service providers. If the designated staff member is a consultant, the expenditure approval procedure should be countersigned by the Board Chair or Vice-Chair. It is recommended that the GSA Secretary be designated as the staff member responsible for receiving and approving expenditures and forwarding to Mr. Watahira for payment.

Attachment: FY 2017-18 Operating Budget

**South Kings GSA
Budget FY 2018-2020**

Revenues

Account	Account Description	GSA Description	FY 17/18	FY 18/19	FY 19/20	TOTAL
New	Agency Contributions	Contribution to GSA	265,000	26,000	190,000	481,000
New	Grants	Prop 1 Grant Funding	-	214,000		214,000
Total Revenue			265,000	240,000	190,000	695,000

Expenses

6920	Fees and Filings	JPA/GSA Formation & Filing	25,000	-	-	25,000
6290	Professional Services	Prepare Groundwater Sustainability Plan (GSP)	150,000	150,000	150,000	450,000
New	Agency Coordination	GSP Coordination	75,000	75,000	25,000	175,000
New	Agency Administration	Administrative Expenses	15,000	15,000	15,000	45,000
Total Expenses			265,000	240,000	190,000	695,000