



Board of Directors
Daniel C. Naumann, President
Michael W. Mobley, Vice President
Bruce E. Dandy, Secretary/Treasurer
Sheldon G. Berger
Robert Eranio
Lynn E. Maulhardt
Edwin T. McFadden III

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

MINUTES
REGULAR BOARD MEETING

Thursday, May 23, 2019, 12:00 P.M.
Board Room, UWCD G.I. "Irv" Wilde Headquarters
106 North 8th Street, Santa Paula, California

BOARD OF DIRECTORS PRESENT

Director Sheldon Berger
Director Bruce Dandy, secretary/treasurer
Director Robert Eranio
Director Lynn Maulhardt
Director Michael W. Mobley, vice president
Director Dan Naumann, president

DIRECTORS ABSENT

Director Edwin T. McFadden, III

STAFF PRESENT

Mauricio E. Guardado, Jr., general manager
David D. Boyer, legal counsel
Anthony Emmert, assistant general manager
Robert C. Siemak, assistant general manager
Dr. Maryam Bral, chief engineer
Mike Ellis, chief operations officer
Joseph Jereb, chief financial officer
Dr. Katherine Ayres, senior ecologist
Brian Collins, operations and maintenance manager
Josh Perez, human resources manager
Clayton Strahan, senior park services officer
Jefferson Bardstad, park services officer
John Carman, chief water treatment officer
Dr. Zachary Hanson, assistant hydrogeologist
John Lindquist, senior hydrogeologist
Murray McEachron, senior hydrologist
Craig Morgan, senior engineer
Kris Sofley, executive assistant/clerk of the board
Kurt White, park services officer

PUBLIC PRESENT

Lisa Kern, Ventura Water

Gail Morgan, Stacy Miller Public Affairs

Thein Ng, City of Oxnard

Susan Rungren, Ventura Water

Rick Simonson, HF&H

Dr. Rodney Smith, Stratecon

Amy White

1. FIRST OPEN SESSION 12:08 P.M.

President Naumann called the first open session to order and asked for public comments.

1.1 Public Comments

Information Item

No public comments were offered.

President Naumann asked District's legal counsel David Boyer to address the matters being discussed in Executive (Closed) session. Mr. Boyer read through the items on the Executive session agenda.

1.2 EXECUTIVE (CLOSED) SESSION 12:10 P.M.

President Naumann adjourned the Board meeting into Executive (Closed) session at 12:10p.m.

2. SECOND OPEN SESSION AND CALL TO ORDER 1:15 P.M.

President Naumann called the second open session to order at 1:15p.m. He then asked everyone to join him in reciting the Pledge of Allegiance.

2.1 Pledge of Allegiance

President Naumann asked Director Berger to lead the group in the Pledge of Allegiance.

2.2 Public Comment

Information Item

President Naumann asked if there were any public comments for the Board. None were offered.

2.3 Approval of Agenda

Motion

President Naumann asked if there were any changes to the agenda. Mr. Guardado replied that motion item 2.8 regarding the General Manager's compensation packet was moved up to follow item 2.4 Oral Report – Executive Session, to accommodate

Director Dandy's early departure from the meeting today. President Naumann then asked for a motion.

Motion to approve the agenda, Director Dandy; Second, Director Mobley. Voice vote: six ayes (Berger, Dandy, Eranio, Maulhardt, Mobley, Naumann); none opposed/none abstaining; one absent (McFadden). Motion carries 6/0/1.

2.4 Oral Report Regarding Executive (Closed) Session

Information Item

President Naumann asked Mr. Boyer to report on any Board actions occurring in Executive session. Mr. Boyer reported there was a letter from an attorney that the Board deemed a government claim, and voted unanimously to reject the claim. As the letter requested that it remain confidential, Mr. Boyer would refrain from divulging any further information regarding this communication. If litigation is pursued, however, than additional information as required under the Brown Act will be provided.

2.8 Consider Amending the General Manager's Total Compensation Package Including Any Step Increase, Performance Merit Pay, and Other Compensation

Motion

Motion to amend the General Manager's compensation package, including 1) a performance merit pay of five percent of his FY 2018-19 salary and 2) a step increase to the last step in his current salary range, Director Dandy; Second, Director Mobley. Roll call vote: five ayes (Berger, Dandy, Maulhardt, Mobley, Naumann); none opposed; one abstention (Eranio); one absent (McFadden). Motion carries 5/0/1/1.

Director Dandy excused himself from the meeting at 1:30p.m.

2.5 Board Communication

Information Item

Director Maulhardt reported that he had attended the ad hoc labor negotiation committee meeting and a meeting with the General Manager.

Director Mobley reported attending two Groundwater Committee meetings, one in April and one in May; two Fox Canyon Groundwater Management Agency board meetings (April and May); a Special Finance Committee meeting on April 29; participated in the ACWA Spring Conference in Monterey from May 7 through May 10; attended the Mound Basin GSA Board meeting on May 16; the Executive Committee meeting on May 20 and yesterday's Finance Committee meeting.

Director Eranio reported his attendance at the April 23 Groundwater Committee meeting; an agenda review meeting with Camrosa, Calleguas and the District in preparation for the Fox Canyon GMA Board meeting; met with Dr. Mathis

regarding the General Manager's evaluation; he also attended the ACWA Conference.

Director Berger reported his participation at two AWA meetings and the Finance Committee meeting yesterday.

President Naumann reported his participation at the AWA Symposium on April 18, a lunch meeting with Director Maulhardt and Mr. Guardado in preparation for the May 2 OH Customers meeting; a meeting with Dr. Mathis regarding the General Manager's evaluation; and participated in the AWCA Spring Conference over four days in Monterey.

2.6 General Manager's Report

Information Item

Mr. Guardado reported to the Board that he and District staff provided tours of the District's facilities, including state advocate Robyn Black of Eclipse; to the legal counsel team along with background on the Freeman and District operations and to Senator Dianne Feinstein's representative Becca Channell. Mr. Guardado also advised the Board that of the 4,000 acre feet of water available, only 11 acre feet was diverted at the Freeman. The water that wasn't able to be diverted would have been a significant benefit to the Oxnard Plain. He also said that Fox Canyon GMA unanimously supported an agreement with the District wherein the District would release water from the Santa Felicia Dam with the aim of diverting some 15,000 acre feet at the Freeman for groundwater recharge. As the Santa Clara riverbed is saturated, staff hydrologist are confident that a large volume of water could be released from the dam and make its way to the Freeman, which would be an unprecedented and groundbreaking event. Fox Canyon GMA is willing to pay the District up to \$3 million for 15,000 acre feet of water at the Freeman. He told the Board that Murray McEachron would be making a presentation on this topic during the monthly Groundwater report, later in the agenda.

President Naumann added that this would be the shot in the arm needed on the supply side. Mr. Guardado replied that he was very excited about the significant, positive impact this high quality, cost effect water will have on basins throughout the District.

2.7 Recognition of Retiring Chief Operations Officer Mike Ellis

Ceremonial Item

President Naumann welcomed the family of the District's Chief Operations Officer Mike Ellis, who is retiring at the end of May after over 30 years of service to the District. President Naumann said that Mr. Ellis was hired by the District on November 21, 1988 as an O&M Worker II. Over the years, and thanks to Mr. Ellis' steadfast work ethic, leadership abilities, knowledge and experience, he earned numerous promotions including to Lead O&M Worker, Operations and Maintenance Manager and, in 2017, was named Chief Operations Officer.

President Naumann continued, stating that Mr. Ellis' work ethic, leadership, knowledge and experience had also earned him the respect of his coworkers, colleagues and others in the water industry. He said that Mr. Ellis' had been a key player on the District's strong O&M team as well as an amazing contributor to the success of United throughout his entire career, playing a vital role among the District's management. He thanked him for his valuable insights, spirit of cooperation, and infectious enthusiasm, all of which contributed to making United a best in class agency. President Naumann then presented Mr. Ellis with a gift from the District and congratulated him on a job well done.

Mr. Guardado then spoke to Mr. Ellis, describing him as hard working, loyal and intelligent. He said that he couldn't thank Mr. Ellis enough for his help with the organization and helping him to grow as a General Manager. He said much of the District's success was built on Mr. Ellis' shoulders.

Mr. Ellis said that Tony Blankenship, his former boss and mentor, set a fine example and that former GM Mike Solomon let him continue to run the O&M department as Mr. Blankenship had structured it to run. Mr. Ellis thanked Mr. Guardado for the opportunity to change, proving that you can teach an old dog new tricks, saying that Mr. Guardado pushed him out of his comfort zone, challenging him with new responsibilities, which he found very rewarding. He closed by saying that he truly appreciates the talented people that he had the pleasure of working with over the past 30 years, and again complimented the quality of the District's staff.

Thien Ng, assistant Public Works director for the City of Oxnard, addressed the Board and Mr. Ellis, stating that while Mr. Ellis had kind words from the Board, his coworkers and staff, Mr. Ng wanted to speak on behalf of the customers. Mr. Ng said that when Oxnard staff first learned of Mr. Ellis' retirement, they thought "oh no." He said the City is very appreciative of Mr. Ellis' work and commitment over the years, and everyone knew that they could always count on Mr. Ellis to do a good job and take care of business. He then wished Mr. Ellis a happy retirement.

Susan Rungren, general manager for Ventura Water, then addressed the Board and Mr. Ellis, stating that she wanted to echo the sentiments of Mr. Ng and that it has been an awesome experience for her working with Mr. Ellis over the years.

2.9 Scheduling AB 1825 Harassment Prevention and AB 1234 Ethics Training for Board Members

Motion

Director Eranio suggested setting up a Special Board meeting with live training. Director Maulhardt added that online training could be organized as a back-up for any Director who could not make the Special Board meeting. Director Maulhardt also asked that since the training takes about four hours, staff include lunch for the Directors as part of the Special Board meeting.

Motion to direct staff to establish a live training date as a Special Board meeting, with lunch, and arrange for online training as a backup, Director Maulhardt; Second, Director Eranio. Voice vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed; two absent (Dandy, McFadden). Motion carries unanimously 5/0/2.

3. CONSENT CALENDAR: All matters listed under the Consent Calendar are considered routine by the Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member pulls an item from the Calendar. Pulled items will be discussed and acted on separately by the Board. Members of the public who want to comment on a Consent Calendar item should do so under Public Comments. (ROLL CALL VOTE REQUIRED)

Motion to approve all matters listed on the Consent Calendar, Director Maulhardt; Second, Director Eranio. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed; two absent (Dandy, McFadden). Motion carries unanimously 5/0/2.

A. Approval of Minutes

Motion

Approval of the Minutes for the Regular Board meeting of April 10, 2019.

B. Groundwater Basin Status Reports

Information Item

Receive and file Monthly Hydrologic Conditions Report for the District.

C. Third Quarter FY 2018-19 Financial Report and Budget Amendments

Information Item

Receive and review the FY 2018-19 Third Quarter Financial Report for the period of July 1, 2018 through March 31, 2019 and approve the proposed modifications to the FY 2018-19 Budget.

4. MOTION ITEMS (By Department)

Groundwater Department – Maryam Bral

4.1 PUBLIC HEARING

Continuation of Annual Groundwater Hearing to Accept Comment on Groundwater Conditions within the District

President Naumann read the following script into the public record:

“In accordance with Water Code Section 75573, we are continuing the annual hearing concerning the groundwater conditions and the surface water supplies of the District, which will culminate in the Board determining whether or not zones should be established in the District and what, if any, groundwater extraction charges should be established in such zones.

Any operator of a water producing facility within the District or any person interested in the conditions of groundwater or surface water supplies of the District may appear in person, or by representative, and submit evidence at this hearing concerning the groundwater conditions and the surface water supplies of the District. Appearances may also be made supporting or protesting the District’s *2019-2020 Annual Investigation And Report Of Groundwater Conditions Within United Water Conservation District*, also known as the ‘Engineering Investigation and Report.’

The record should show that on March 20, 2019 the Engineering Investigation and Report was received by the Secretary of the Board.

The record of this hearing should also show that the Secretary has published a notice of receipt of the Engineering Investigation and Report and of a public hearing thereon, which was first opened on April 10, 2019. This notice has been published pursuant to law in a newspaper of general circulation, printed and published within the District at least ten days prior to the date of this hearing.

This hearing was continued to today’s Board meeting. Anyone wanting to testify or present evidence may do so. The hearing, however, will be continued again until the Board’s meeting scheduled for Wednesday, June 12, 2019. The reason this hearing will be continued until June is to give our staff and Board committees an opportunity to prepare and review the District’s budget for the coming year so that the budget can be considered and adopted by the Board before it determines whether or not to establish a zone or zones and in what amounts groundwater extraction charges should be levied in the zone or zones for the coming year.

Is there anyone who wants to testify or present evidence? If so, they should do so now.” No public comments or testimony was offered.

“This hearing shall now be continued until the meeting of this Board on Wednesday, June 12, 2019 at approximately 1:30 P.M.”

The hearing was continued until Wednesday, June 12, 2019. No Board decisions will be made until the final hearing on June 12, 2019.

Administration Services – Anthony Emmert

4.2 FY 2019-20 Proposed Budget Workshop

Motion

Mr. Jereb introduced and reviewed with the Board and the public how the development of the proposed budget, reserve needs, corresponding rates to be charged, the budget process and related issues were formed, including a review of Capital Improvement Plan (CIP) and recommended funding for FY 2019-20. He also presented additional information in connection with and in support of the proposed FY 2019-20 Budget and the District's groundwater extraction charges. (see attached presentation).

Mr. Emmert added that preservation of water resources, continuing issues at the Freeman Diversion and depleting resources on the Oxnard Plain also impact the District's operating budget. He said that significant legal expenses continue, in addition to designing three options for a fish passage. He stated that good progress was being made on the Santa Felicia Dam Safety Improvement projects, and that staff is proceeding with safe facility designs while actively seeking Federal funding. Staff is also increasing outreach to federal and state regulators and legislators in an effort to garner support and funding for other Endangered Species Act and dam safety issues. The District has eliminated the Chief Operations Officer and Executive Coordinator positions and a financial position while adding a safety officer position and an engineering technician position. Internal improvements to the District's new headquarters building in Oxnard are among the big drivers in keeping with strategic goals set by the Board for the year ahead.

President Naumann asked Mr. Emmert if the District would be moving into the new building by the end of the year. Director Berger said he had already committed to the AWA that it could hold its annual holiday party at the District's new building.

Mr. Jereb said that FY 2019-20 would be a pivotal year for the District, which would include increases for groundwater rates in both Zone A and Zone B; Oxnard Hueneme pipeline's fixed costs increases but variable rate decreases; Pumping Trough pipeline rates are increasing by seven percent and there is approximately \$6.6 million in new debt to fund (CIP costs).

Director Maulhardt asked if the sale of the Santa Paula office was included in the budget.

Mr. Jereb said that revenue projections include proceeds from the sale of the Santa Paula building. He added that tax revenue for the State Water Fund will decrease, while general fund property tax is projected to increase three percent, and a new fund

will be created for the purchase of supplemental water, including Article 21, providing for a surcharge of \$2.25 per acre foot for agriculture and \$6.75 per acre foot for M&I customers.

Mr. Jereb pointed out that the largest CIPs include the Iron and Manganese Treatment project, the Probable Maximum Flood/Outlook Works rehabilitation project; the generator for the Pumping Trough Pipeline; and the new Headquarters building. Mr. Jereb said that the District's debt to coverage ratio was 4.5 to 3.5, so it was still on solid ground to borrow money. Mr. Jereb also advised the Board of several policy changes, including increasing the General Manager's supplemental appropriation authority to \$50,000 limit, and once the year to date total supplemental appropriations authorized by the General Manager goes over \$500,000, then the limit drops to \$10,000; Budget Transfers will now increase the General Manager's authority to \$100,000 for budgeted, intrafund transfers only; and the Purchasing Authority of the General Manager is increased to \$250,000, if within the budget, and Assistant General Managers and Chief Financial Officer purchasing authority is increased to \$100,000 for budgeted expenses. There has been no changes to the write off policy, however, the collection policy has been modified to reflect procedures in the Water Code, including a writ of attachment over past due amounts in excess of 120 days and Board hearings for accounts 360 days overdue, including a cease pumping order and the requirement of a bond or deposit in addition to the payment of the past due amount in full.

Director Maulhardt said that he appreciated the tightening up of policy and asked if there was an end date regarding review of the Board, or some sort of timeline from the date of a Board hearing to litigation. Mr. Jereb said there were thresholds. Mr. Guardado added that two years ago, the District was given authority to collect on outstanding accounts by state legislation.

President Naumann asked if there were any other questions or comments at this time. None were offered.

Dr. Rodney Smith of Stratecon Inc. made a presentation of his Analysis of the Structure of the District's Proposed Groundwater Extraction Charges for FY 2019-20. (see attached presentation)

President Naumann asked if there were any questions or comments for Dr. Smith. None were offered.

Rick Simonson of HF&H delivered a presentation of his firm's FY 2019-20 Cost of Service Analysis.

Director Maulhardt asked if the methodology being used by either Dr. Smith or Mr. Simonson had changed over the past seven years, or if either gentleman had received any comments that were meaningful or debunked the methodology being used. He

said that different methods were being used by each gentleman, and that both appeared to be logical, “reasonable and proportionate.”

Dr. Smith said the City of Ventura had expressed concerns in the past, and that he has addressed each concern specifically on the record for the past five or six years.

Director Maulhardt asked Dr. Smith if his methodology was created specifically for United Water Conservation District. Dr. Smith replied that the methodology he applied to his analysis is the same used throughout the country.

President Naumann asked if, in answering Ventura’s concerns, did Dr. Smith provide additional information.

Dr. Smith responded in the affirmative.

Director Maulhardt said that there are new folks at the District and this process is part of litigation so he wanted to clarify that this is part of Mr. Simonson’s and Dr. Smith’s business and the analysis has to apply to all water clients. He said he just wanted to be sure that staff and the public recognize that the analysis is based on legitimate, proven methodology.

Dr. Smith said the methodology has hydrologic consequences and has been used for a development firm and a water agency in Austin, Texas; that his background is in both law and economics. Mr. Simonson added that this type of analysis was the core business of HF&H, who have been in business since 1989 and are known throughout the industry.

President Naumann asked if there were any questions or comments at this time. None were offered.

3:10p.m. Court reporter stops transcribing and is excused from the remainder of the meeting

Park and Recreation Division – Clayton Strahan

4.3 PUBLIC HEARING

Senior Park Services Officer Clayton Strahan delivered a presentation to the Board (see attached) which addressed fee increases for Lake Piru, revised job descriptions for current Lake Piru staff and the amendments and revisions to the District’s Ordinance 15 governing the Lake Piru Recreation Area.

During the presentation, Officer Strahan said the cost of operations at Lake Piru was going up and the District has not increased visitors’ fees for several years. In 2017, PMC had requested a rate increase, but because of the Lake’s low water levels, the increase was postponed. Officer Strahan and Mr. Jereb reviewed PMC’s

requested fee increases and compared the new proposed rates to other recreation areas in the tri-county region and deemed them to be on par with other admission and use fees.

Officer Strahan also explained that, as a condition of the grant received from Department of Boating and Waterways in 2004 for the Juan Fernandez Boat Ramp, the District will have to notify the Department for approval within 10 days of approving the new fees for vehicle and boat access to the Lake. The Department has 30 days to either approve or reject the increased fees. If the District does not receive a response within the 30 days, it is assumed that the fees are acceptable.

Officer Strahan reported that the Recreation Committee had reviewed the fees. Director Berger said the committee went through the whole thing and recommends waiting to get the ok from the Department of Boating and Waterways *before* raising the vehicle and boat access fees so as not to confuse staff or the public.

Officer Strahan said that all of the other proposed fee increases would take effect June 1, except day use vehicle fees.

President Naumann asked if there were any questions or comments. None were offered.

Motion to conclude the Public Hearing on Lake Piru Recreation Area fee increases; authorize staff to initiate the process for adopting the proposed 2019 Lake Piru Recreation Area fee schedule, and adopt Resolution 2019-09 approving and adopting the proposed 2019 Lake Piru Recreation Area Fee Schedule pending approval from the California Department of Parks and Recreation – Division of Boating and Waterways, Director Eranio; Second, Director Mobley. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

4.4 Adoption of Revised Job Descriptions, Lexipol Policy Manual and Acceptance of Peace Officers Oath of Office for Park Rangers

Motion

Officer Strahan reminded the Board that staff have been working on the authorities and enforcements of Lake Piru personnel since 2006, going back and forth on various legal issues. Water Code gives the District the authority to create Ordinances governing the Lake Piru Recreation Area but not the ability to enforce the Ordinance. Lake Piru has three full time Park Services personnel who typically deal with maintenance, medical aide and boating safety issues for over 5,000 to 6,000 visitors a month during the summer. By expanding staff authority to limited peace officer status (no firearms), staff would have greater authority to enforce the rules as outlined in Ordinance 15. This new status will include revised job descriptions and duties (written by law enforcement experts), including the administration of a Peace Officer Oath of Office for the State of California, and

returning to the traditional Park Ranger uniform. While there is a financial impact to the District, less than \$4,000, the revised job descriptions and authorities do not impact CalPERS or SEIU. Staff have already undergone training measures, background and psychological evaluations, fingerprinting and have passed a battery of physical fitness exams. Lexipol will provide policy changes and manual as well as monthly bulletins for personnel.

President Naumann asked if there were any questions or comments. None were offered.

Motion to adopt revised job descriptions for Recreation Division staff, including 1) a change from Senior Park Service Officer to Senior Park Ranger; 2) a change from Park Service Officer to Park Ranger; 3) adopting a new job description for a Park Ranger Cadet; 4) adopting the Park Ranger Policy Manual developed by Lexipol LLC., and 5) requiring that employees, before entering upon their duties as Park Rangers, accept and take the Oath of Office as administered by California Peace Officers, Director Berger; Second, Director Mobley. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

President Naumann asked Senior Park Ranger Clayton Strahan, Park Ranger Kurt White and Park Ranger Jefferson Barstad to stand while he administered the Peace Officer Oath of Office for the State of California. All three took the Oath and accepted their badges from President Naumann.

4.5 Resolution 2019-06 Approving Amended and Restated Ordinance No. 15, A Penalty Fee Schedule, and Authorizing Ordinance No. 15 Penalty Fee Schedule

Motion

Senior Park Ranger Strahan explained that the language contained in Ordinance 15 has been amended to be consistent with the new job titles and authorities of the Lake Piru Park Rangers. The bail schedule is also in accordance with the Ventura County Superior Court.

President Naumann asked if there were any questions or comments. None were offered.

Motion to approve the amended and restated Ordinance No. 15, establishing rules and regulations for the Lake Piru Recreation Area; adopt a penalty fee schedule for the amended and restated Ordinance No. 15 and adopt Resolution 2019-06 officially confirming the amended rules, regulations and fee schedule for the Lake Piru Recreation Area, Director Berger; Second, Director Eranio. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

Mr. Guardado reminded the Clerk of the Board to post the revised and amended Ordinance 15 on the District's website.

Engineering Department – Maryam Bral

4.6 Accept Utility Easement Deeds at Pumping Trough Pipeline (PTP) Turnout No. 160 and No. 111

Motion

Director Berger stated that the Finance Committee had reviewed the motion item and supports the District's acceptance of the easement.

President Naumann asked if there were any questions or comments. None were offered.

Motion to authorize the General Manager to sign and record utility easement deeds granted to the United Water Conservation District by Donlon Property Management Co., LLC related to Pumping Trough Pipeline (PTP) Turnout No. 160 and Burke Roger P-Elizabeth E TR. related to PTP Turnout No. 111, Director Maulhardt; Second, Director Mobley. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

4.7 Southern California Gas Company Request for a Permanent Easement (APN 109-0-010-070)

Motion

Director Berger reported that the Finance Committee had reviewed the motion item and recommends the Board grant the easement to Southern California Gas Company.

President Naumann asked if there were any questions or comments. None were offered.

Motion to authorize the General Manager to execute a twenty-five foot (25-foot) wide easement along the entire length of the Los Angeles Avenue portion of the Saticoy Basins fence line and grant a temporary right of entry for construction activities to Southern California Gas Company, Director Maulhardt; Second, Director Berger. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

4.8 Easement Acquisition Services for Pumping Trough Pipeline (PTP) System Turnouts

Motion

Director Berger reported that the Finance Committee had reviewed the motion item and recommends authorizing the GM to execute an agreement with Hamner, Jewell & Associates, Inc.

President Naumann asked if there were any questions or comments. None were offered.

Motion to authorize the General Manager to execute a Professional Services Agreement with Hamner, Jewell & Associates, Inc. in the amount of \$284,235 (\$258,395 contract amount plus 10% management contingency) for services related to the acquisition of easements at 43 Pumping Trough Pipeline (PTP) turnouts, Director Maulhardt; Second, Director Mobley. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

Environmental Planning and Conservation Department – Anthony Emmert

4.9 National Environmental Policy Act Support for Federal Agency Decisions to Issue Permits Related to the Multiple Species Habitat Conservation Plan Covered Activities – Professional Services Agreement with ICF Jones & Stokes Inc. for \$644,200

Motion

Director Berger reported that the Finance Committee had reviewed the motion item and that as it is essentially an update of an existing contract, recommends approval.

President Naumann asked if there were any questions or comments. None were offered.

Motion to authorize the General Manager to nullify the existing contract dated September 10, 2014, and execute a new, updated Professional Services Agreement with ICF Jones & Stokes, Inc. (ICF) for \$644,200 to assist the federal regulatory agencies (National Marine Fisheries Service, United States Fish and Wildlife Service, and Army Corps of Engineers) with National Environmental Policy Act (NEPA) compliance and prepare an Environmental Impact Statement for their decisions to issue incidental take permits pursuant to the Endangered Species Act, Section 10(a)(1)(B) and to issue a 404 permit pursuant to the Clean Water Act, Director Maulhardt; Second, Director Mobley. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

Operations and Maintenance – Brian Collins

4.10 Approval of Amendment to 1701 Lombard Street Tenant Agreement

Motion

Director Berger reported that the Finance Committee had reviewed the motion item and recommends the long term lease with Quest.

Director Maulhardt asked if this was the same tenant, and Director Berger said the tenant was the same, but the price has gone up.

President Naumann asked if there were any questions or comments. None were offered.

Motion to approve the amendment to the 1701 Lombard Street Tenant Agreement and authorize the General Manager to execute the agreement with Unilab Corporation (d/b/a as Quest Diagnostics), Director Maulhardt; Second, Director Berger. Roll call vote: five ayes (Berger, Eranio, Maulhardt, Mobley, Naumann); none opposed or abstained; two absent (Dandy, McFadden). Motion carries 5/0/2.

5. PRESENTATIONS AND MONTHLY STAFF REPORTS (By Department)

Park and Recreation Division – Clayton Strahan

5.1 Monthly Park and Recreation Department Report

Information Item

Summary report on operations and items of note relative to the Lake Piru Recreation Area were received and filed.

Environmental Planning and Conservation Department – Anthony Emmert

5.2 Monthly Environmental Planning and Conservation Department Report

Information Item

Dr. Katherine Ayres presented an update to the Board on environmental and regulatory issues of note to the District (see attached).

5.3 Quagga Mussel Management Efforts Update

Information Item

Dr. Ayres provided an update on the ongoing management and monitoring efforts related to the Lake Piru quagga mussel infestation (see attachment).

President Naumann asked if, as the lake level increases, does the water temperature drop, Dr. Ayres said not necessarily, but adults have been seen in the colder sections of the lake but sentiment has smothered many of the quagga as well.

Groundwater Department – Maryam Bral

**5.4 Monthly Groundwater Department Report
Information Item**

Senior Hydrologist Murray McEachron provided the Board with an update on diversions and basin recharge as part of the monthly Groundwater Department report (see attached).

Mr. McEachron reported that lake levels were well below minimum pool at the beginning of the water year and have come up nicely since. The lake was at 11,700 acre feet at the beginning of the water year, natural inflows added approximately 39,000 acre feet, the District's Article 21 purchase added another 15,000 acre feet and about 2,000 acre feet of State Water. Since November 2018, the lake elevation is up some 70 feet.

The potential release from Lake Piru could be in the neighborhood of 49,000 acre feet, surpassing the last 20 years of releases. President Naumann asked if the release would fill up the basins and Mr. McEachron said not this year, because of sustained drought conditions, but that Piru basin is doing very well, has full connection and really good conditions for release as the area is already saturated.

Mr. McEachron continued, stating that the Fillmore basin is also recovering but not quite as quickly as Piru. A release would impact Barsdale, and both the Sespe and Santa Clara are demonstrating good conditions for a release.

Mr. McEachron reported that the conditions in the Forebay are not so great, and in spite of a bit of a rise in water levels earlier, those water levels are doing back down now. There has been no diversion due to smolt migration as of April 1, to maintain continuity of the river, but as of May 31 (or the loss of continuity beforehand) the migration period will be officially over.

Dr. Ayres was asked if any smolts had been observed. She replied that no adults were seen in the fish ladder moving upstream. President Naumann asked if any had been seen in the Ventura River. Dr. Ayres replied that she hadn't heard anything and that no adults have been seen in Cachuma either.

Mr. McEachron continued stating that nitrates are on the rise in El Rio and water is desperately needed in the Forebay to reduce nitrate levels. He added that there hasn't been any rebound along the coast either.

Looking at a potential release, Mr. McEachron said the conditions are similar to 2008, and a 400 cfs release will reach Piru basin the first week, and as percolation decreases gradually, release will benefit Fillmore, Santa Paula basin and Freeman Diversion. He will be monitoring the release, adjusting, increasing or decreasing, to reach the target 400 cfs, and if necessary, could go up to 500 cfs in week one if

nothing reaches the Freeman. LA County's release, a 35 cfs release, ended a few days ago, and the District is planning on starting the release on June 3 and could go as long as two months.

Dr. Jason Sun then presented updates on the groundwater model development. He said the District's groundwater model is being used to support the City of Ventura and its indirect potable use project; the Fox Canyon GMA's groundwater sustainability plan simulations; Calleguas' water supply alternative project; and the City of Camarillo has canceled its request for use of the model.

President Naumann asked if there were any questions or comments. None were offered.

5.5 Update on Groundwater Sustainability Agencies (GSAs) and Sustainable Groundwater Management Act (SGMA)

Information Item

John Lindquist provided updates on the monthly activities of the three local Groundwater Sustainability Agencies (Mound Basin GSA, Fillmore and Piru Basins GSA, and the Fox Canyon Groundwater Management Agency). Staff reported that Fox Canyon GMA would present its draft Groundwater Sustainability Plan in July. Director Eranio corrected that by saying the consultant would present the GSP on July 24.

Mr. Lindquist said the FC GMA Allocation Ordinance issues – Conejo Creek, Carry over surface water and language regarding the Oxnard Hueneme pipeline have been resolved.

Regarding the Mound Basin GSA, Intera has been hired to provide technical support to Bryan Bondy and UWCD on the development of the basin's GSP. The basin was ranked as a high priority basin by DWR and the District's groundwater model has been calibrated and is ready to go to work.

For the Fillmore and Piru Basins GSA, United and DBS&A continue to coordinate on the GSP tasks. Both basins are ranked as high priority basins by DWR. The concept model should be completed by end of June or early July of this year, with numerical model calibration completed in July or August, and is estimated to take up to a year to finish.

Mr. McEachron reported staff's public outreach efforts continue and include a presentation to the California State University Channel Islands' water resources classes, including multiple field trips. Staff also welcomed the third grade class of El Rio del Sol Elementary, the class that was featured in the Ventura County Star article about saving the steelhead trout. Gail Morgan of SMPA reached out to the teacher and invited her and her class for a tour of the Freeman Diversion. The students were well prepared and very much aware of the issues regarding water

diversion and fish passage at the Freeman. Following the tour, Dr. Ayres visited the classroom to continue the students' education on the importance of operations at the Freeman Diversion.

Director Eranio said he wanted to give a shout out to Operations and Brian Collins for their quick move to action in helping rig up over 900 feet of fire house to get water to Vineyard Avenue Estate customers in what was a real fire drill. He said they all did a fantastic job.

Brian Collins said that it was all part of managing expectations and staff was addressing the financial implications of the shut-off, documenting everything with cost centers, and has confirmed that the State Board has the money to reimburse the agencies.

Director Maulhardt said that this situation was an example of what can happen when replenishment is not done in sensitive environmental areas. If the District could have diverted 4,000 acre feet to dilute the nitrate levels, maybe this wouldn't have been an issue. Somebody has to present that this is more than just saving fish here. It's a real example to show Judge Carter.

President Naumann asked if there were any comments or questions. None were offered.

Administration Services – Anthony Emmert

5.6 Monthly Administrative Services Department Report – Anthony Emmert Information Item

The Board received a summary report on Administration Department activities.

President Naumann asked if there were any comments or questions. None were offered.

Engineering Department – Maryam Bral

5.7 Monthly Engineering Department Report Information Item

The Board received a summary report on various water resources, planning efforts and department programs affecting the District.

President Naumann asked if there were any comments or questions. None were offered.

Operations and Maintenance – Brian Collins

**5.8 Monthly Operation and Maintenance Department Report
Information Item**

The Board received a summary report on monthly operations and maintenance of District facilities.

President Naumann asked if there were any comments or questions. None were offered.

6. BOARD OF DIRECTORS READING FILE

7. FUTURE AGENDA ITEMS

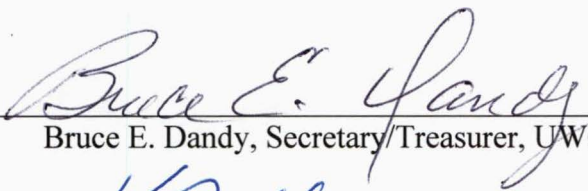
President Naumann asked if the Board had any suggestions for future agenda items. None were offered.

8. ADJOURNMENT 4:33p.m.

President Naumann adjourned the Regular Board Meeting at 4:33p.m. to the Regular Board Meeting scheduled for Wednesday, June 12, 2019 or call of the President.

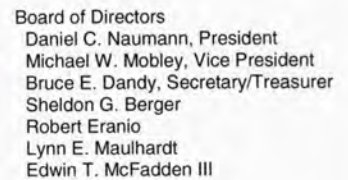
I certify that the above is a true and correct copy of the minutes of the United Water Conservation District's Board of Directors meeting of May 23, 2019.

ATTEST: _____


Bruce E. Dandy, Secretary/Treasurer, UWCD Board of Directors

ATTEST: _____


Kris Sofley, Clerk of the Board



Legal Counsel
David D. Boyer



2019-2020 BUDGET PROPOSAL

MAY 23, 2019

AGENDA

- FY18-19 CLOSE--CURRENT PROJECTIONS
- OPERATIONAL OUTLOOK FOR COMING YEAR
- SUMMARY OF FY19-20 PROPOSED BUDGET
 - CAPITAL IMPROVEMENT PROJECTS
 - HEADCOUNT
 - EXPENDITURES
 - REVENUES
 - PUMPING VOLUMES
 - RATES
 - NEW DEBT ISSUE
- PROPOSED CHANGES TO FINANCIAL POLICIES
- QUANTIFICATION ANALYSIS – HF&F, STRATECON

FY18-19 PROJECTED FINISH

ARTICLE 21 PURCHASE REDUCES ENDING CASH VS '19 BUDGET

<i>in \$000's</i>	FY17-18 Actual	FY18-19 Budget	FY18-19 Projection	<i>Projection vs Budget</i>	<i>Projection vs PY</i>
Beginning Balance	22,930	17,255	24,130		
Taxes	5,327	4,890	4,891	0%	-8%
Water Delivery/Fixed Cost	9,283	8,807	8,476	-4%	-9%
Groundwater	12,672	13,329	11,904	-11%	-6%
Other	2,139	5,738	4,618	-20%	116%
Total Revenue	29,422	32,763	29,889	-9%	2%
Personnel Expense	7,168	6,770	6,645	-2%	-7%
Operating Expense	9,672	9,671	14,503	50%	50%
Allocated Overhead	2,989	3,331	4,208	26%	41%
Debt Service	1,694	1,911	1,823	-5%	8%
Other	7,986	12,707	16,015	26%	101%
Total Expenditure	29,510	34,391	43,194	26%	46%
Ending Balance	15,377	8,495	7,713	-9%	-50%

- H1 PUMPING VOLUMES 12% BELOW PLAN; H2 PROJECTED 18% DOWN
- FY VOLUME DEFICIT VS PLAN REDUCES PROJECTED REVENUE BY \$1.2M
- OPEX INCREASE DRIVEN BY WATER PURCHASE AND LEGAL EXPENSE
- CIP INCREASE FROM LOMBARD ST PURCHASE
 - PIRU CREEK HABITAT AND RECYCLED WATER CIP OFFSET INCREASE

FY19-20 OPERATIONAL OUTLOOK

LEGAL AND REGULATORY ISSUES CONTINUE TO DEMAND FINANCIAL RESOURCES AND MANAGEMENT TIME

- WISHTOYO DRIVES CIP, LEGAL EXPENSE
 - CIP—DESIGN OF 3 VERSIONS OF FISH LADDER--\$1.5M
 - LEGAL—4 HEARINGS ON INJUNCTION, 2 HEARINGS ON APPEAL--\$900K
- FERC, DSOD OCCUPY ENGINEERING AND EPCD RESOURCES
 - ENGINEERING—LICENSE COMPLIANCE—\$165K OPEX + \$1.1M CIP OUTLET WORKS AND MPF CONTAINMENT
 - EPCD—SFD FISH PASSAGE STUDY--\$650K INCLUDING EQUIPMENT; \$300K OTHER FERC-RELATED COMPLIANCE
- INCREASED LEGISLATIVE OUTREACH AND PUBLIC INFORMATION EFFORTS TO MANAGE DYNAMIC LEGAL/REGULATORY ENVIRONMENT
 - FEDERAL AND STATE ADVOCACY--\$300K; PUBLIC EDUCATION AND OUTREACH--\$125K
- HEADCOUNT—ADDITIONS OF SAFETY OFFICER AND ENGINEERING TECH OFFSET BY REDUCTION OF COO, EXEC ADMIN AND FINANCE TECH
- NEW HQ CIP OF \$1.7M + MOVING EXPENSE
 - HVAC REPLACEMENT AND ROOF INSULATION INCREASE TI COST VS 8'18-19 ESTIMATE

FY19-20 BUDGET HIGHLIGHTS

PIVOTAL YEAR FOR DISTRICT

- **RAMPING UP INFRASTRUCTURE IMPROVEMENTS • LAYING GROUNDWORK FOR FUTURE**
 - **MANAGING LEGAL CHALLENGES**
- INCREASED GROUNDWATER RATES FOR ZONE A&B
- OH PIPELINE FIXED RATE INCREASE OFFSET BY LOWER VARIABLE RATES
- PTP RATES UP 7%; PV RATES UNCHANGED
- NEW REVENUE FROM LEASE OF LOMBARD ST OFFICES
- \$6.6M PLANNED FOR NEW DEBT
- TOTAL CIP \$12.6M INCLUDING PERSONNEL COSTS
- NEW POSITIONS ADDED IN OPERATIONS, ADMIN AND LAKE PIRU RECREATION
- VACANT POSITIONS ELIMINATED IN ADMIN, FINANCE AND OPERATIONS

FY19-20 BUDGET HIGHLIGHTS

INCOME STATEMENT

	FY17-18 Actual	FY18-19 Budget	FY18-19 Projection	FY19-20 Proposed	B'20 vs B'19	B'20 vs Projection
Beginning Balance	22,930	17,255	24,130	13,399		
Taxes	5,327	4,890	4,891	4,496	-8%	-8%
Water Delivery/Fixed Cost	9,283	8,807	8,476	9,260	5%	9%
Groundwater	12,672	13,329	11,904	15,191	14%	26%
Other	2,139	5,738	4,618	10,963	91%	137%
Supplemental Water Purchase Surcharge				555		
Total Revenue	29,422	32,763	29,889	39,910	22%	34%
Personnel Expense	7,168	6,770	6,645	6,575	-3%	-1%
Operating Expense	9,672	9,671	14,503	11,083	15%	-24%
Allocated Overhead	2,989	3,331	4,208	4,589	38%	9%
Debt Service	1,694	1,911	1,823	2,777	45%	52%
Other	7,986	12,707	16,015	15,937	25%	0%
Total Expenditure	29,510	34,391	43,194	40,961	19%	-5%
Ending Balance	15,377	8,495	7,713	8,465	0%	10%

• REVENUE

- TAXES DOWN ON SWP, OTHER PROPERTY TAX UP 3%
- PIPELINE DELIVERY UP ON VOLUME
- GROUNDWATER RATES TO INCREASE
- NEW FUND CREATED FOR SUPPLEMENTAL WATER PURCHASES
- OTHER REVENUE—DEBT PROCEEDS, SALE OF SP BUILDING

• EXPENDITURE

- OPEX INCREASES OFFSET ART 21 PURCHASES IN FY19 (\$3.2M)
- OTHER INCLUDES \$12.6M CIP AND \$2.8M DEPRECIATION

CIP EXPENDITURE BY PROJECT

INCLUDES PERSONNEL ALLOCATED TO PROJECTS

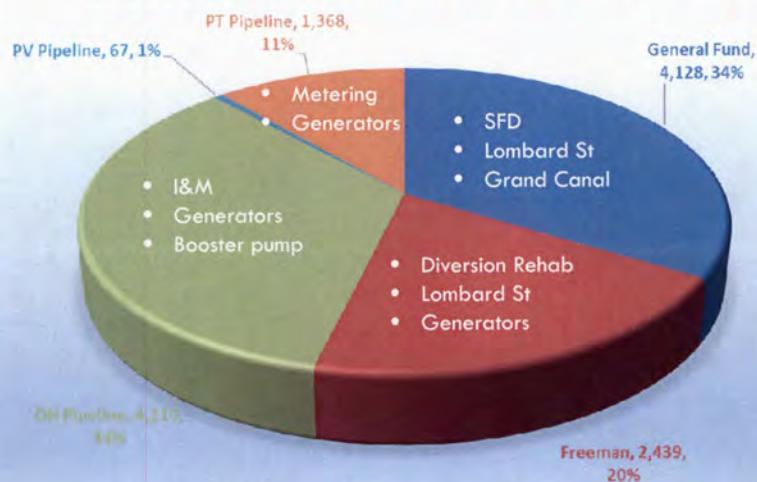
FIVE YEAR CAPITAL IMPROVEMENT PROJECT PLAN

(\$ thousands)

Project #	Fund	Description	Budget					FY 2023- thereafter	Total Project Cost
			FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23			
8007	451	OHP Iron and Manganese Treatment Remo	2,722	2,584	-	-	-	-	6,390
8001	421	Freeman Diversion Rehab	2,057	1,420	31,300	3,100	-	-	44,197
8024		New Headquarters	1,764	-	-	-	-	-	9,064
8003	051	SFD PMF Containment	1,096	2,626	1,374	65	27,954	-	35,881
8038	471	PTP System Emergency Generator	903	-	-	-	-	-	903
8036	451	OH System Emergency Generator	899	-	-	-	-	-	899
8002	051	SFD Outlet Works Rehab	749	5,463	2,040	28,670	27,870	-	67,787
8032	051	Grand Canal	526	-	-	-	-	-	1,315
8035	451	OH Booster Pump Overhaul	280	-	-	-	-	-	280
8040		Santa Paula Microwave Communications T	267	-	-	-	-	-	267
8022	471	PTP Turnout Metering System	221	-	-	-	-	-	1,608
8011	051	Day Use Pavilion Rehab	145	-	-	-	-	-	382
8023	051	Pothole Trailhead	111	-	-	-	-	-	312
TOTAL AMOUNT PER YEAR			12,255	17,835	41,819	61,465	60,524		223,300

CIP EXPENDITURE BY FUND

INCLUDES PERSONNEL ALLOCATED TO PROJECTS



CIP OTHER NOTES

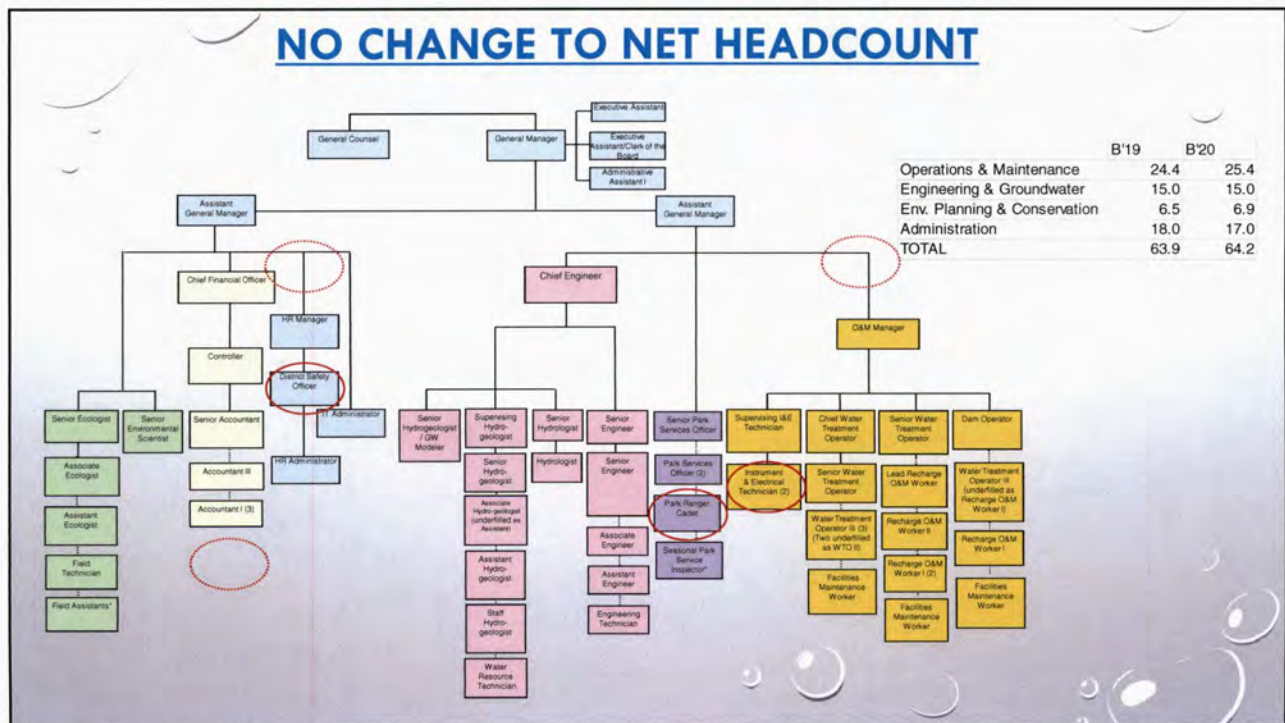
- DEBT**

- \$6.5M OF NEW DEBT TO FINANCE I&M, GENERATORS, PTP METERING AND LOMBARD ST TI
- INCREASE IN DEBT SERVICE TO \$2.9M

- ASSUMPTIONS**

- 10 YEAR TERM
- 6 MONTHS OF BORROWING IN FY19-20
- 5% INTEREST
- NO GRANT FUNDING—DEBT TO BE RETIRED AS GRANTS REALIZED
- NO DEBT FINANCING OF OPERATIONAL COSTS

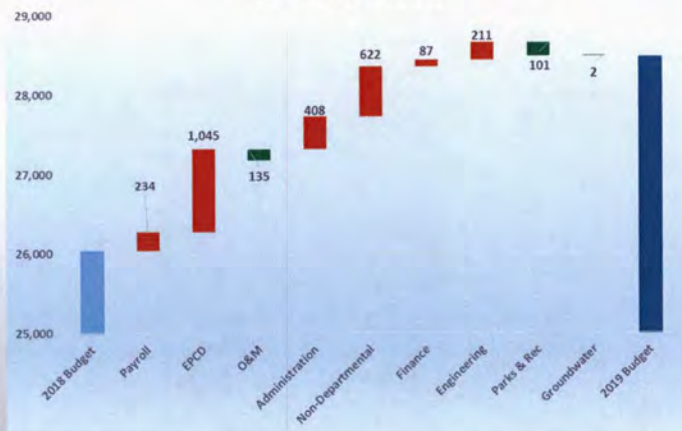
NO CHANGE TO NET HEADCOUNT



OPEX WATERFALL

in USD'000's

OPEX Growth FY19-20



• PAYROLL

- ADDITION OF SAFETY, REC AND O&M HEADS OFFSET BY ELIMINATION OF COO, EXEC ADMIN AND ACCOUNTING TECH
- 3% COLA AND 6% INSURANCE OFFSET BY NON-EXEMPT PEPRA CONTRIBUTIONS

• EPCD

- CONTRACTUAL AND LEGAL RELATED TO FERC REQs AND WISHTOYO

• NON DEPARTMENTAL

- DEBT SERVICE AND INSURANCE

• ADMIN

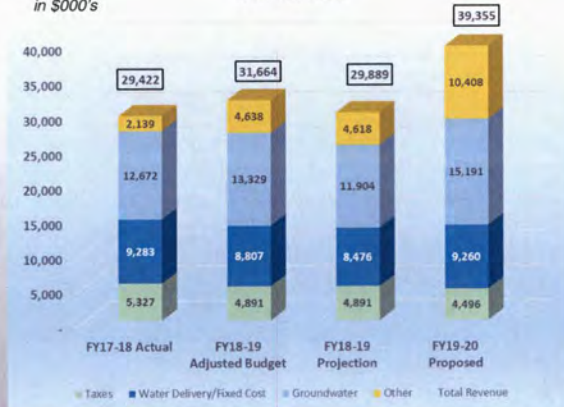
- LEGISLATIVE OUTREACH
- PUBLIC EDUCATION/OUTREACH
- ALLOCATION OF HC FROM FUNDS TO ADMIN

FY19-20 REVENUES

OPERATING REVENUE INCREASES BY 8%

in \$000's

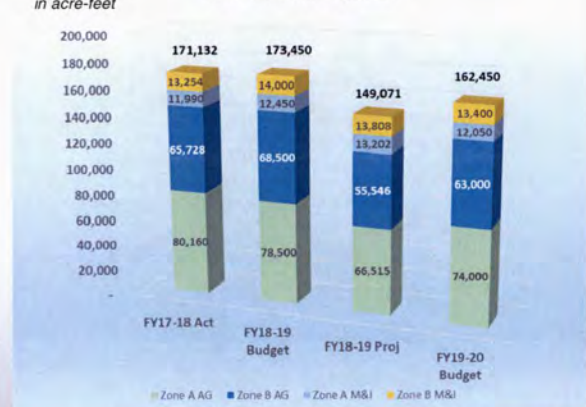
Total Revenue



Revenue includes CIP and sale of Santa Paula HQ

in acre-feet

Total Extraction Volume



GROUNDWATER RATE HISTORY



CURRENT PROPOSAL BLEND OF NEW DEBT AND RATE INCREASES

• PAYGO DESIGN PHASE OF SFD AND FREEMAN REHAB

- ZONE A RATES UP \$8.36 AND \$25.07 FOR AG AND M&I
- ZONE B RATES UP \$8.42 AND \$25.26 RESPECTIVELY

• DEBT FINANCE \$6.5M

- IRON/MANGANESE--\$2.4M
- BACKUP GENERATORS--\$2.0M
- HQ RENOVATION--\$1.5M
- PTP METERING--\$600K

• SPECIAL FUND TO FINANCE SUPPLEMENTAL WATER

- \$2.25 AND \$6.75/AF FOR AG AND M&I GENERATES \$500K ANNUALLY

Groundwater Extraction Charge				
RATES	Current	Proposed	Variance	
Extraction- Zone A - AG	\$ 46.43	\$ 54.79	\$	8.36
Extraction- Zone A - M&I	\$ 139.30	\$ 164.37	\$	25.07
Extraction- Zone B - AG	\$ 25.51	\$ 31.89	\$	6.38
Extraction- Zone B - M&I	\$ 76.54	\$ 95.68	\$	19.14

POLICY-CHANGE PROPOSALS

- **BUDGET AMENDMENT POLICY**

- APPROPRIATIONS

- INCREASE GM SUPPLEMENTAL APPROPRIATION LIMIT TO \$50K
 - MONTHLY REPORT TO BOARD OF YTD APPROPRIATIONS
 - BOARD TO APPROVE ALL APPROPRIATIONS >\$10K ONCE YTD EXCEEDS \$500K
 - PIPELINE CONTRACTORS NOTIFIED OF APPROPRIATIONS TO THEIR FUND

- BUDGET TRANSFERS

- INCREASE GM BUDGET TRANSFER LIMIT TO \$100K
 - APPLIES ONLY TO INTRA-FUND TRANSFERS

- **PROCUREMENT POLICY**

- PURCHASING AUTHORITY

- INCREASE GM BUDGETED EXPENDITURE APPROVAL LIMIT TO \$250K
 - ESTABLISH AGM/CFO LIMIT OF \$100K FOR BUDGETED EXPENDITURES

POLICY-CHANGE PROPOSALS (CON'TO

- **ACCOUNTS RECEIVABLE POLICY**

- SPLIT INTO SEPARATE POLICIES

- **WRITE-OFF POLICY**

- NO CHANGE TO WRITE-OFF PROCEDURE OR AUTHORITY LEVELS

- **COLLECTIONS POLICY**

- DOCUMENTS COLLECTIONS PROCEDURES ESTABLISHED BY WATER CODE SECTION 75635.5
 - RIGHT TO SEEK WRIT OF ATTACHMENT AGAINST PROPERTY AT 120 PAST DUE
 - REQUIRED BOARD HEARING AT 360 DAYS PAST DUE WHICH MAY RESULT IN BINDING ORDER TO CEASE EXTRACTION
 - RIGHT TO REQUIRE BOND OR DEPOSIT (IN ADDITION TO PAYMENT OF BALANCE) PRIOR TO INJUNCTION BEING LIFTED

CONCLUSION

- **QUESTIONS**
- **REQUESTS FOR CHANGES**
- **NEXT MEETING – JUNE 12**
 - **ADOPTION RESOLUTION APPROVING FINAL BUDGET**

BACKUP

GENERAL/WATER CONSERVATION FUND

CHANGE IN ALLOCATIONS TO OPERATING FUNDS

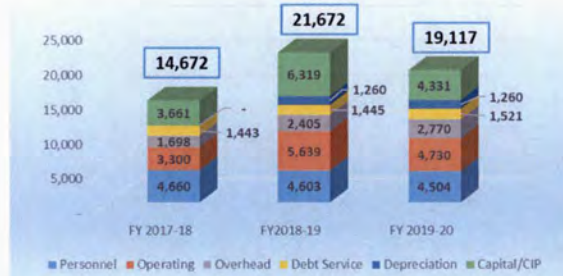
in USD '000s

REVENUE



in USD '000s

EXPENDITURE

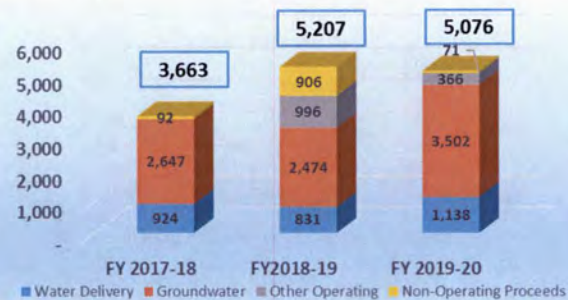


FREEMAN FUND

CHANGE IN ALLOCATIONS TO OPERATING FUNDS

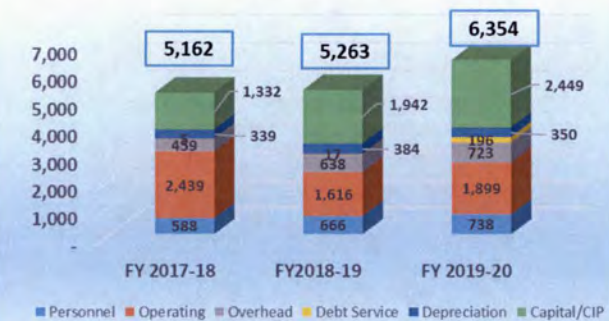
in USD '000s

REVENUE



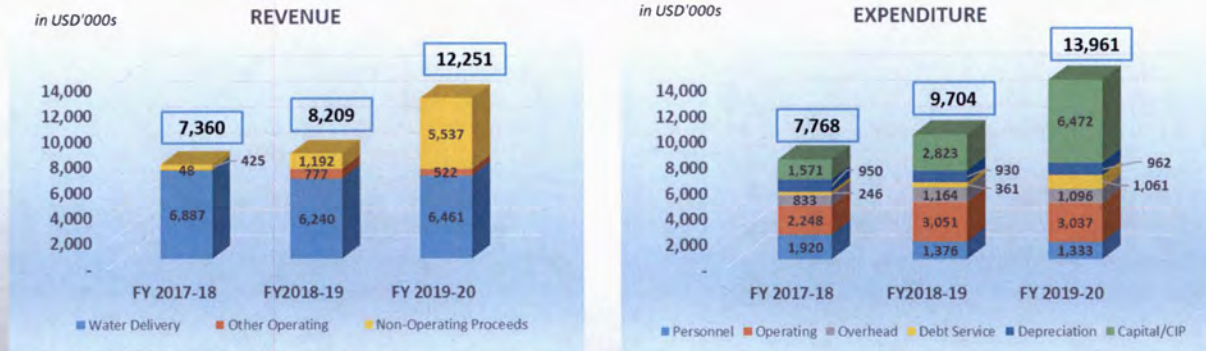
in USD '000s

EXPENDITURE



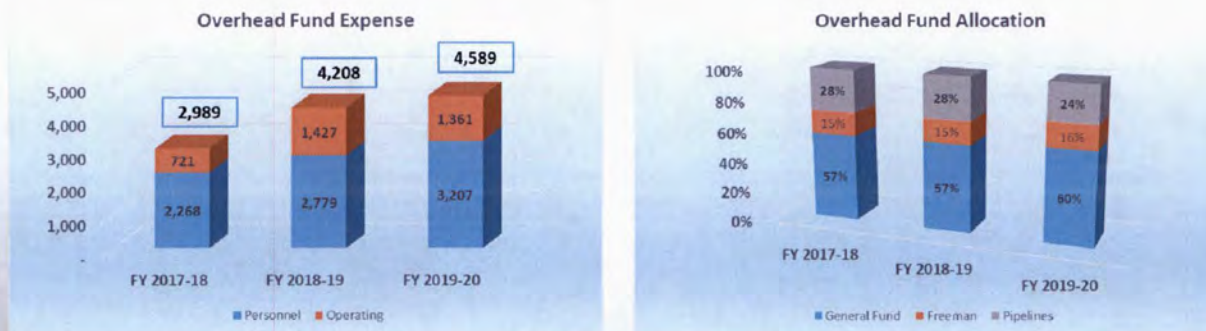
CONSOLIDATED PIPELINE FUNDS

CHANGE IN ALLOCATIONS TO OPERATING FUNDS

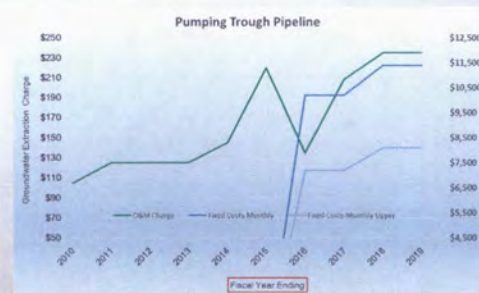
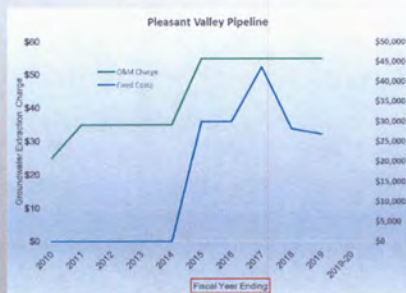
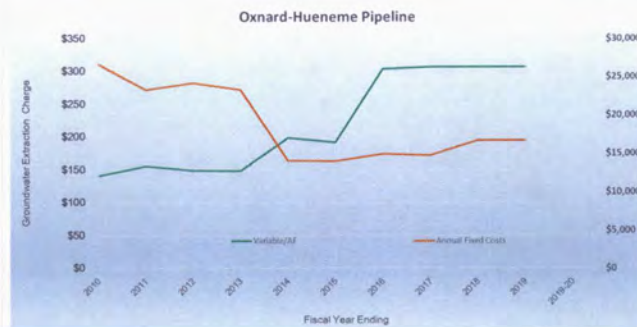


OVERHEAD FUND

CHANGE IN ALLOCATIONS TO OPERATING FUNDS




PIPELINE RATE HISTORY




UNITED WATER CONSERVATION DISTRICT

Cost-of-Service Analysis FY 2019-20



Board Presentation

May 23, 2019




HF&H Consultants, LLC

United Water Conservation District

Presentation Outline

Board Presentation

- Background
- Cost-of-service analysis
 - Purpose and analytical steps
 - Cost categories and classifications
 - Cost of service allocations
- Summary of results
 - Ag and M&I costs of service
 - Ratio of M&I to Ag costs



HF&H Consultants, LLC

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May 23, 2019

Background

- District Act specifies a range for setting groundwater extraction charges
 - Act recognizes that the District provides service to two classes of pumpers: municipal and industrial (M&I) and agricultural (Ag)
 - Act requires that M&I extraction charge must exceed Ag charge by at least 3 times but no more than 5 times
- District Act does not specify how to determine the differential
- District has historically set M&I extraction charge at 3 times the Ag extraction charge (3 to 1 ratio)
- District developed a cost-of-service methodology for confirming the differential beginning with FY 2013-14
 - Results for FY 2019-20 are being presented today



Purpose of Cost-of-Service Analysis

- Purpose of cost-of-service (COS) analysis
 - Allocate costs associated with providing service to Ag and M&I pumpers in Zones A & B
- Allocations are proportionate to the services each class receives
- The COS analysis determines the quantitative *difference* between Ag and M&I costs
 - The difference determines the ratio
- The COS analysis does not determine extraction charges for Zones A and B
 - Extraction charges are determined by District based on minimum 3 to 1 ratio



Standard Steps in COS Analysis

1. Classify costs by services provided to pumpers
2. Determine unit costs for each service
 - Unit costs apply equally to Ag and M&I
3. Allocate the cost of service to each class based on each class' units of service

COS analysis relies on

- Appropriate rate-making standards
- Best available data
- Reasonable assumptions



Three Cost Categories

The cost categories correspond to the District's core services

	Cost Categories		
	Replenishment	Reliability	Regulatory Compliance
Services	Zone A/B management and administration	Facilities constructed to improve groundwater reliability (Santa Felicia and Freeman Diversion Dams)	Regulatory compliance for facilities that improve groundwater reliability
Costs - O&M	Administration, management, and overhead	Operating personnel for storage and diversion facilities	Studies for ESA compliance, Dam Safety
- Capital	Equipment used for management and administration	Storage and diversion facilities	Facilities that are needed to comply with regulation of reliability facilities



United Water Conservation District

Board Presentation

District Budget Related to Zones A and B

- Total District budget of \$40.9 million
 - \$23.6 million is related to Zone A/B
 - \$17.3 million is related to other activities
 - 26.3% increase over FY 2018-19
 - Primarily due to increase in capital project costs

	FY 2018-19	FY 2019-20	Variance	
Total District Budget	\$32,442,150	\$40,960,647	\$8,518,497	26.3%
Less:				
State Water Fund Expenses	(\$1,846,571)	(\$1,529,555)	\$317,016	-17.2%
O/H Pipeline Fund Expenses	(\$8,353,457)	(\$8,958,029)	(\$604,572)	7.2%
PV Pipeline Fund Expenses	(\$339,089)	(\$441,228)	(\$102,139)	30.1%
PT Pipeline Fund Expenses	(\$2,837,585)	(\$4,561,319)	(\$1,723,735)	60.7%
Recreation-related Costs	(\$1,904,557)	(\$1,811,883)	\$92,674	-4.9%
Subtotal Non-Zone A/B Expenses	(\$15,281,258)	(\$17,302,014)	(\$2,020,756)	13.2%
Total Zone A/B Budget	\$17,160,892	\$23,658,634	\$6,497,741	37.9%



HF&H Consultants, LLC

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May 23, 2019

United Water Conservation District

Board Presentation

Costs By Category

Zone A/B Budget	FY 2018-19	FY 2019-20	Variance	
Replenishment Costs				
Personnel Costs	\$1,247,079	\$1,950,029	\$702,950	56.4%
Program Costs	\$1,425,890	\$1,952,324	\$526,434	36.9%
Overhead Allocation	\$588,659	\$1,404,258	\$815,600	138.6%
Capital Equipment Costs	\$7,848	\$11,763	\$3,915	49.9%
Debt Service	\$0	\$0	\$0	
Transfer to Capital Reserves	\$109,656	\$973,738	\$864,082	788.0%
Subtotal - Replenishment	\$3,379,133	\$6,292,113	\$2,912,980	86.2%
Reliability Costs				
Personnel Costs	\$1,357,979	\$684,216	(\$673,763)	-49.6%
Program Costs	\$715,682	\$943,551	\$227,869	31.8%
Overhead Allocation	\$641,007	\$492,719	(\$148,288)	-23.1%
Capital Equipment Costs	\$3,999	\$5,685	\$1,746	44.3%
Debt Service	\$1,365,200	\$1,629,427	\$264,227	19.4%
Transfer to Capital Reserves	\$985,680	\$1,927,999	\$942,319	95.6%
Subtotal - Reliability	\$5,069,487	\$5,683,598	\$614,111	12.1%
Regulatory Compliance Costs				
Personnel Costs	\$2,257,002	\$1,981,975	(\$275,027)	-12.2%
Program Costs	\$2,411,300	\$3,244,900	\$833,600	34.6%
Overhead Allocation	\$1,065,372	\$1,427,263	\$361,891	34.0%
Capital Equipment Costs	\$13,272	\$19,551	\$6,279	47.3%
Debt Service	\$0	\$0	\$0	
Transfer to Capital Reserves	\$2,965,779	\$5,009,234	\$2,043,455	68.9%
Subtotal - Regulatory Compliance	\$8,712,726	\$11,682,924	\$2,970,198	34.1%
Total	\$17,161,346	\$23,658,634	\$6,497,289	37.9%

- Replenishment costs
 - 27% of total
 - 86% increase
 - Increased personnel costs and program costs
- Reliability costs
 - 24% of total
 - 12% increase
 - Decreased personnel costs while capital equipment costs increased
- Regulatory Compliance costs
 - 49% of total
 - 34% increase
 - Increased capital costs



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United Water Conservation District

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Capital Projects – FY 2019-20 Budget

Zone A/Zone B Capital Projects		Replenishment	Reliability	Regulatory Compliance	Total
8001	421 Freeman Diversion Rehab		\$240,862	\$1,810,324	\$2,051,186
8002	051 SFD Outlet Works Rehab		\$56,143	\$692,429	\$748,572
8003	051 SFD PMF Containment			\$1,095,802	\$1,095,802
8005	051 SFD Sediment Management		\$0		\$0
8006	052 Lower River Invasive Species Control Project			\$933	\$933
8008	051 Ouagga Decontamination Station			\$2,924	\$2,924
8014	052 Solar Project - Pisu		\$0		\$0
8018	051 Ferro-Rose Recharge		\$0		\$0
8019	051 Brackish Water Treatment Plant			\$7,170	\$7,170
8020	052 Recycled Water		\$0		\$0
8024	052 New Headquarters (alloc based on personnel costs)	\$545,358	\$191,352	\$554,292	\$1,291,002
8025	051 State Water State Interconnection Project		\$11,677		\$11,677
8029	767 Replace FI Rin Trailer		\$6,690		\$6,690
8030	051 Alternative Supply Alliance Pipeline		\$52,825		\$52,825
8032	051 Grand Canal		\$525,916		\$525,916
8033	421 Flox Building Emergency Generator		\$75,000		\$75,000
8034	051 Lake Pisu Centriground Electrical Update		\$65,800		\$65,800
8035	451 OH Booster Pump Overhaul		\$0		\$0
8036	451 OH System Emergency Generator		\$0		\$0
8037	1251 Pisu WTP Emergency Generator		\$98,800		\$98,800
8038	471 PTP System Emergency Generator		\$0		\$0
8039	051 Santa Paula Tower Emergency Generator	\$60,800			\$60,800
8040	052 Santa Paula Microwave Communications Tower	\$179,078			\$179,078
8041	052 Asset Management/CMMS System	\$22,836			\$22,836
Total		\$808,071	\$1,329,026	\$4,183,875	\$6,300,971

- FY 2018-19 budget comparison

– Replenishment	\$89,861
– Reliability	\$724,284
– Regulatory Compliance	<u>\$2,621,637</u>
Total	<u>\$3,435,782</u>



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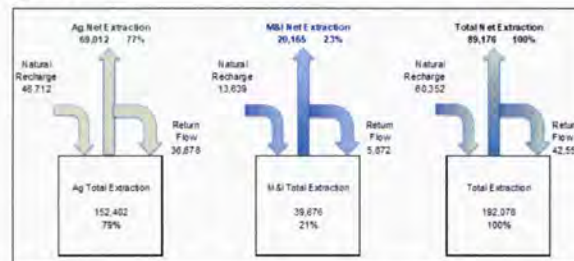
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United Water Conservation District

Board Presentation

Replenishment Cost Allocations

- Service provided by District
 - Zone A/B management and administration
- Units of service: adjusted consumptive use (net extractions)
 - Total pumpage minus return flow and natural recharge
 - Represents net impact on basin and need for replenishment by Ag and M&I



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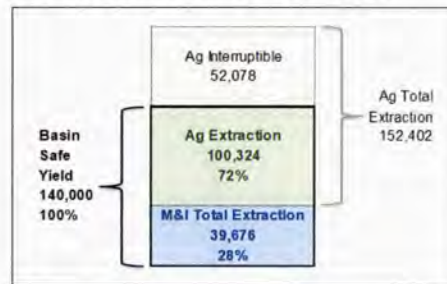
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Reliability Cost Allocations

- Service provided by District
 - Facilities constructed to improve safe yield
- Units of service: pumpage within basin safe yield
 - Pumpage within safe yield is basis for allocation
 - *M&I receives higher priority for higher beneficial use*
 - Ag is reduced to provide for M&I pumpage



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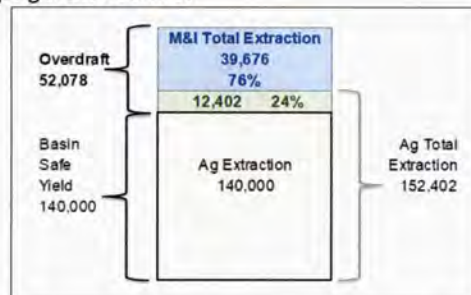
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Regulatory Compliance Cost Allocations

- Service provided by District
 - Regulatory compliance related to facilities that provide reliability
- Units of service: contribution to overdraft in the basin
 - Pumpage in excess of safe yield is basis for allocation
 - *Ag has historical priority over M&I*
 - Ag pumpage comes first



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Allocation Factor Summary

Allocation Factors	Cost Categories		
	Replenishment (from Figure 7)	Reliability (from Figure 9)	Regulatory Compliance (from Figure 11)
- Ag	77%	72%	24%
- M&I	23%	28%	76%
	100%	100%	100%

Proportionate to net extractions from basin

Proportionate to basin safe yield

- M&I requires greater reliability
- some Ag is interruptible

Proportionate to overdraft

- Ag development preceded M&I
- M&I development worsened overdraft

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Replenishment Cost of Service (\$/AF)

I. Replenishment Unit Costs			
Replenishment costs			\$6,292,113
Adjusted consumptive use (AF)			89,176
Unit cost of service (\$/AF)			\$70.56

The same unit costs apply equally to Ag and M&I

	Ag	M&I	Total
I. Replenishment Cost of Service			
Unit cost of service (\$/AF)	\$70.56	\$70.56	\$70.56
Adjusted consumptive use (AF)	69,012	20,165	89,176
Cost-of-service allocation	\$4,869,317	\$1,422,795	\$6,292,113

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Reliability Cost of Service

II. Reliability Unit Costs
 Reliability Costs \$5,683,598
 Pumpage within basin safe yield 140,000
 Unit cost of service (\$/AF) \$40.60

The same unit costs apply equally to Ag and M&I

	Ag	M&I	Total
II. Reliability Cost of Service			
Unit cost of service (\$/AF)	\$40.60	\$40.60	\$40.60
Pumpage within basin safe yield	100,324	39,676	140,000
Cost-of-service allocation	\$4,072,853	\$1,610,745	\$5,683,598

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Regulatory Compliance Cost of Service

III. Regulatory Compliance Unit Costs
 Regulatory Compliance costs \$11,682,924
 Overdraft contribution (AF) 52,078
 Unit cost of service (\$/AF) \$224.33

The same unit costs apply equally to Ag and M&I

	Ag	M&I	Total
III. Regulatory Compliance Cost of Service			
Unit cost of service (\$/AF)	\$224.33	\$224.33	\$224.33
Overdraft contribution (AF)	12,402	39,676	52,078
Cost-of-service allocation	\$2,782,136	\$8,900,787	\$11,682,924

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Summary of COS Allocations and Composite Ratio

	Ag	M&I	Total
IV. Total Cost of Service			
Replenishment	\$4,869,317	\$1,422,795	\$6,292,113
Reliability	\$4,072,853	\$1,610,745	\$5,683,598
Regulatory Compliance	<u>\$2,782,136</u>	<u>\$8,900,787</u>	<u>\$11,682,924</u>
	\$11,724,307	\$11,934,327	\$23,658,634
Total pumpage (AF)	152,402	39,676	192,078
Composite unit cost (\$/AF)	\$76.93	\$300.79	\$123.17
Ratio of M&I to Ag unit costs	1.00	3.91	

- Ag is allocated majority of Replenishment and Reliability
 - Proportionate to its use of the basin safe yield
- M&I is allocated majority of Regulatory Compliance
 - Regulatory costs associated with M&I's impact of exacerbating overdraft conditions



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Summary

- Methodology consistent with past years
- FY 2019-20 cost-of-service analysis confirms 3-to-1 ratio

Composite Unit Costs (\$/AF)	Ag	M&I	Ratio M&I:Ag
FY2013-14	\$56.51	\$178.43	3.16
FY2014-15	\$50.94	\$165.32	3.25
FY2015-16	\$54.44	\$171.74	3.15
FY2016-17	\$49.64	\$169.80	3.42
FY2017-18	\$55.38	\$227.80	4.11
FY2018-19	\$54.38	\$215.47	3.96
FY2019-20	\$76.93	\$300.79	3.91
Average	\$56.89	\$204.19	3.59



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Board Presentation

Questions?

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May 23, 2019



STRATECON
INC.

Rodney T. Smith, Ph.D. President

Reasonable Ratio of M&I to AG Groundwater Extraction Charges

United Water Conservation District
Santa Paula, CA
May 23, 2019

Statement of Question

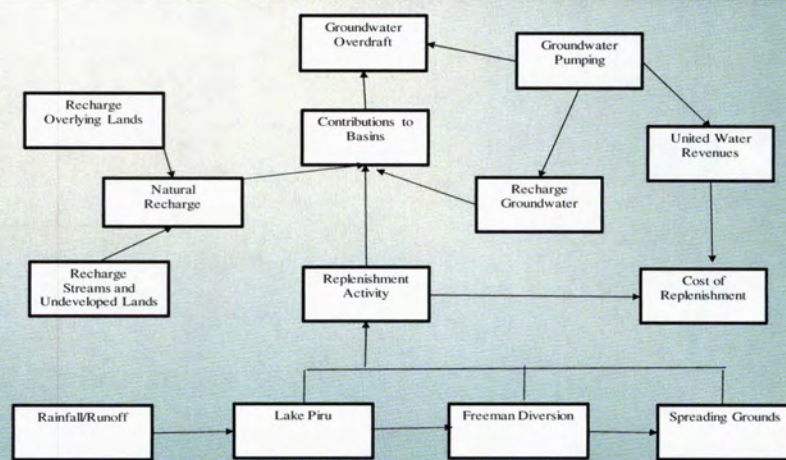
- Develop a quantitative method to determine a reasonable ratio of groundwater extraction charges Municipal & Industrial (“non-agricultural”) water to agricultural (“AG”) water
 - ❑ Focus on the differential hydrological impact of M&I and AG groundwater usage and land use on the eight inter-connected basins within United
 - ❑ How differential hydrological impact creates a need for replenishment projects and activities from United
 - ❑ How the rate structure should reflect these differences

2

Economic Principles of Rate Structure

3

United Water's Objectives and Sources of Revenues and Costs



4

Principle 1: Components of Fee for Water User Class

- $\text{Fee} = \text{Variable Cost Component} + \text{Fixed Cost Component}$
- Variable Cost Component: replenishment costs that vary with the volume of replenishment projects and activities (estimated @ 10% of total replenishment costs)
- Fixed Cost Component: replenishment costs that do not vary with the volume of replenishment projects and activities (estimated @ 90% of total replenishment costs)

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Principle 2: Variable Cost Component Based on Impact of Pumping on Overdraft

- Impact of pumping on overdraft: pumping less groundwater reuse

AG Variable Cost Component: 75.9% of variable cost

M&I Variable Cost Component: 85.2% of variable cost

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Principle 3: Fixed Cost Component based on apportionment rules

- Rule 1: apportion fixed cost according to relative demands water user class places on United for replenishment projects and activities
 - ❑ Share based on groundwater pumping adjusted for reuse
- Rule 2: credit water user class based on amount of differential recharge on overlying lands relative to districtwide average
 - ❑ Differential recharge per acre: AG (0.07 AF/acre); M&I (-0.14 AF/acre) adjusted by portion of recharge that benefits the inter-connected basins
 - ❑ Annual cost of replenishment projects and activities

7

Consistent With Cost-of-Service, Rate-Making Principles

- United Water undertakes projects to mitigate the effects of groundwater overdraft
- For a parcel, demand for United Water's services reflect water use and land use
- Stratecon's method
 - ❑ United Water's variable cost: comparable to commodity charge
 - ❑ United Water's fixed cost: comparable to demand charge

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United Water's Cost of Replenishment Projects and Activities

9

United Water Projects to Address Groundwater Overdraft

- Ferro/Rose (retirement of groundwater allocation)
 - ❑ annual cost of replenishment activity: \$1,220 per acre-foot (firm replenishment)
- Ferro/Rose (recharge project)
 - ❑ annual capital cost of replenishment activity: \$919/acre-foot (non-firm replenishment)
- Desalination of brackish groundwater project (annual cost)
 - For 10,000 acre-foot annual design capacity: \$1,300 per acre-foot to \$1,495 per acre-foot
 - For 20,000 acre-foot annual design capacity: \$1,168 per acre-foot to \$1,326 per acre foot

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Other Water Initiatives in Ventura County

- City of Ventura “Water Rights Dedication and Water Resources Net Zero Fee Ordinance”
 - ❑ Estimated fee for 2019: \$29,135
 - ❑ Annual cost of \$1,779 per acre foot
- Fox Canyon Groundwater Management Agency surcharge to bring pumping to safe yield
 - ❑ \$1,961/AF for excess pumping of more than 100 acre feet per year
- Casitas Connection to State Water Project (annual cost per expected yield)
 - Capital Cost: \$1,491/AF
 - Replacement Cost: \$242/AF
 - SWP charges: \$1,170/AF
 - Total: \$2,903/AF

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Reasonable Ratio for Groundwater Extraction Charges

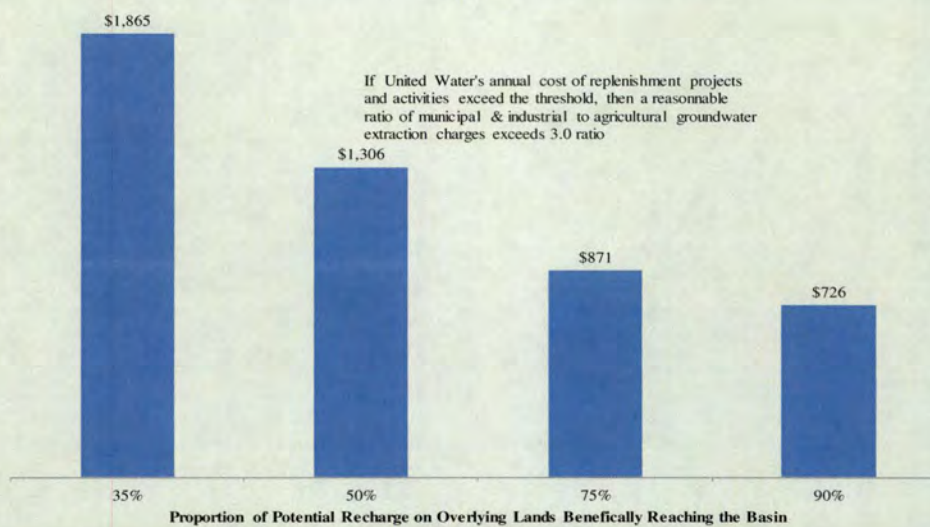
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Assumptions

- Groundwater Revenue including in-lieu: \$18,166,030
- Groundwater pumping and in-lieu: agricultural (143,260 acre-feet) and municipal & industrial (34,540 acre feet)
- Hydrologic Conditions
 - ❑ Reuse of groundwater: agricultural (24.1%) and municipal & industrial (14.8%)
 - ❑ Overlying recharge for lands: agricultural (0.56 acre-feet per acre) and municipal & industrial (0.35 acre-feet per acre)
- Acreage: Agricultural (80,078 acres) and Municipal & Industrial (40,918 acres)

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Figure 2
Threshold Annual Cost of Replenishment Projects and Activities by
Proportion of Potential Recharge on Overlying Lands Beneficially Reaching the Basin
(\$/AF)



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Conclusion

- A ratio of at least 3.0 for M&I to AG groundwater extraction charges reasonably reflects the quantitative differences between the hydrologic impacts of the different water user classes

Parks^{and} Recreation

2019 Operations Update & Items of Consideration

04.11.2018

4.3 LAKE PIRU PROPOSED FEE INCREASES



ENTRY FEE COMPARISON & ANALYSIS									
Fee Type	Cachuma	Castaic	Pyramid	Nacimiento	San Antonio	Silverwood	Casitas	Drmond. Vly.	Piru (Current)
Day Use									
Boat	\$13	\$13	\$13	\$10	\$10	\$10	\$13	\$12	\$10/\$13
Non Motorized	\$5	N/A	\$7	\$3	\$3	N/A	\$3	N/A	\$5/\$5
Vehicle	\$10	\$11	\$11	\$10/\$15	\$11	\$10	\$10/\$20	\$9	\$10/\$13
Motorcycle	\$5	N/A	\$11	\$10	\$10	\$5	N/A	\$9	\$5/\$6
Personal Water Craft	N/A	\$13	\$13	\$10	\$10	\$10	N/A	N/A	\$10/\$13
Senior (Weekdays)	N/A	\$5.00	\$8	\$5	\$5	\$9	N/A	N/A	\$10/\$13
RV/Bus	\$35	\$14/\$30	18/\$30	\$10/\$15	\$11	\$30/\$60	\$30	N/A	\$10/\$13
Camping									
Basic (Max 2 cars)	\$25/\$30	\$20	\$20	\$27/\$32	\$32	\$45	\$30/\$35	N/A	\$20/\$28
Electric (2 Cars)	\$40/\$45	N/A	N/A	\$32	\$37	N/A	\$38/\$45	N/A	\$22/\$32
Full Hookup (2 cars)	\$45/\$50	N/A	N/A	\$42/\$45	\$42/\$45	\$50	\$50/\$60/\$66	N/A	\$32/\$44
extra vehicle	\$10	\$11	\$10	\$15	\$15	\$10	\$12/\$18	N/A	\$12/\$14
Dump Fee	\$10	\$7	\$9	\$10	\$10	no fee	N/A	N/A	\$8
Group Camp									
# 1 (50 or less)	\$220	\$100 a day	\$150	\$50	\$65	\$150	\$175	N/A	\$112
Extra Vehicle After 8	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$12/\$14 (Max 4)
# 2 (50 or more)	\$400	N/A	N/A	\$330	\$100	\$300	\$350	N/A	\$112
# 3 (More than 150)	\$550	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Annual Pass									
Vehicles	\$75/\$100	\$140	\$125	\$200	\$200	\$125	\$120	\$125	\$100
Extra Vehicle	\$50	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Boats (no motor)	N/A	\$105	N/A	N/A	N/A	N/A	\$35	N/A	N/A
Boats (motor)	\$100/\$125	\$135	\$135	\$100	\$100	\$100	\$130	\$125	\$100
RV (5% Off Camp)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Senior	\$50/\$60	\$75	N/A	N/A	N/A	\$20	N/A	N/A	\$75
Motorcycle	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reservation Fee									
Group camping				\$40	\$40	\$9	\$9	N/A	\$20
camping	\$7	N/A	\$9	\$9/\$15/\$40	\$9/\$15	\$9	\$9	N/A	\$8
Group Camp Deposit								N/A	\$100
Extra People/walk in									
	\$5	N/A	\$5	N/A	N/A	\$5	Free	N/A	\$5
Pets									
Daily	\$3	N/A	N/A	\$2	\$2	N/A	\$2	N/A	\$2
Annual Pass	\$20	N/A	N/A	\$20	\$20	N/A	N/A	N/A	N/A
Additional Fees									
Non Emergency Tow		N/A	N/A			N/A	\$50	N/A	N/A
Cancellation Fee				\$15	\$15		\$5		\$8
Site Change Fee				\$10	\$10		\$5		\$8
Storage Fees									
Dry	\$90/\$10					\$55		\$72/\$14	\$95
Wet						\$100/\$15			\$95/\$20
Overflow									
Camping									\$20/\$28
Extra Vehicle									\$12/\$14

2019 Lake Piru Recreation Area Fee Schedule					
Location/Unit	Term	PROPOSED Non Peak Season (Oct. 1-Mar. 31)	PROPOSED Peak Season (April 1- Sept. 30)	CURRENT Non Peak Season (Oct. 1-March 31)	CURRENT Peak Season (April 1- Sept. 30)
Day Use- Access to Marina & Day Use Areas- NOT campground					
Vehicle - Day Use	Per Vehicle, Per Day	\$16		\$10	\$13
Senior -Day Use (Monday-Thursday Only)	Per Vehicle, Per Day	\$10		\$10	\$13
R.V. & Bus - Day Use	Per Bus/RV, Per Day	32 + \$5 pp over 8 persons		\$32	\$32
	Per Motorcycle, Per Day	\$9		\$9	\$9
Motorcycle - Day Use					
Annual Permit-Regular Day Use	Per Vehicle, Per Year	\$130		\$100	\$100
Annual Permit- Senior Day Use (62+)	Per Vehicle, Per Year	\$75		\$75	\$75
Annual Permit- Day use - Extra Vehicle	Per Vehicle, Per Year	\$50		N/A	N/A
Annual Permit- RV (5% Off Camping) - NOT VALID ON HOLIDAYS	Per RV, Per Year	\$150		N/A	N/A
Annual Permit - Motorcycle	Per Motorcycle, Per Year	\$120		N/A	N/A
Walk in/Bicycle/Extra Person (Hiker/Biker/Walk In)	Per Person/Bike, Per Day	\$5		\$5	\$5
Pets	Per Pet, Per Day	\$3		\$2	\$2
Annual Pet Pass- Per Pet	Per Pet, Per Year	\$25		N/A	N/A
Boating & Watercraft					
Daily Vessel Permit (Motorized)	Per Vessel, Per Day	\$16		\$10	\$13
Daily Vessel Permit (Non- Motorized)	Per Vessel, Per Day	\$7		\$5	\$6
	Per PWC Trailer, Per Day	\$16		\$10	\$13
Daily Personal Water Craft (PWC) Permit					
Annual Vessel Permit (Motorized)	Per Vessel, Per Year	\$130		\$100	\$100
Annual Vessel Permit (Non-Motorized)	Per Vessel, Per Year	\$50		N/A	N/A
Annual Vessel Permit - Senior (62+)	Per Vessel, Per Year	\$75		\$75	\$75
Non Emergency Vessel Tow	Per Occurrence	\$50		N/A	N/A

2019 Lake Piru Recreation Area Fee Schedule					
Location/Unit	Term	PROPOSED Non Peak Season (Oct. 1-Mar. 31)	PROPOSED Peak Season (April 1- Sept. 30)	CURRENT Non Peak Season (Oct. 1-March 31)	CURRENT Peak Season (April 1- Sept. 30)
Camping					
Basic- No Hookups	1 Vehicle, 4 ppl, Per Night	\$25	\$32	\$20	\$28
Electric - Electric Hookup	1 Vehicle, 4 ppl, Per Night	\$28	\$38	\$22	\$32
Full Hookup - Water, Sewer, Electric	1 Vehicle, 4 ppl, Per Night	\$40	\$50	\$32	\$44
Extra Vehicle - 2nd Vehicle	Per Night (Max 4 ppl)		\$15	\$12	\$14
Weekly- Basic	1 Vehicle, 4 ppl, Per Week	\$140	\$180	\$140	\$180
Weekly - Electric	1 Vehicle, 4 ppl, Per Week	\$170	\$210	\$170	\$210
Weekly - Full Hookup	1 Vehicle, 4 ppl, Per Week	\$230	\$290	\$230	\$290
Weekly- Extra Vehicle	Per Week, Per Car	\$75	\$85	\$75	\$85
Monthly- Electric	1 Vehicle, 4 ppl, Per Month	\$600	-	\$600	-
Monthly - Full Hookup	1 Vehicle, 4 ppl, Per Month	\$900	-	\$900	-
Monthly- Extra Vehicle	Per Vehicle, Per Month	\$300		\$300	
Cancellation Fee	Per Occurrence		\$20	\$10	\$10
Site Change Fee	Per Occurrence		\$10	\$10	\$10
Reservation Fee	Per Reservation		\$9	\$8	\$8

2019 Lake Piru Recreation Area Fee Schedule					
Location/Unit	Term	PROPOSED Non Peak Season (Oct. 1-Mar. 31)	PROPOSED Peak Season (April 1- Sept. 30)	CURRENT Non Peak Season (Oct. 1-March 31)	CURRENT Peak Season (April 1- Sept. 30)
Group Pic-Nic					
Group Pic-Nic (Up to 100 people)	Per Reservation	\$150		\$150	\$150
Reservation Fee (Non Refundable)	Per Reservation	\$40		N/A	N/A
Deposit - Cleaning Deposit	Per Reservation	\$100		\$100	\$100
Group & Overflow Camping (2 Night Minimum & 3 Night Minimum on Holidays)					
Group Camp # 1 (50 people, 8 Vehicles) up to 4 extra vehicles	Per Night	\$250		\$112	\$112
Group Camp # 2 (Up to 125 people, 12 vehicles) up to 8 extra vehicles	Per Night	\$450	\$525	\$420	\$420
Group # 2 - (Individual Site Charges) - 2 vehicles & 8 person max	Per Night	\$30		\$25	\$32
Extra Vehicle Fee	Per Night, Per Vehicle	\$15		\$12	\$14
Overflow Camping	Per Vehicle, Per Night	\$25		\$20	\$28
Reservation Fee (Non Refundable)	Per Reservation	\$30		\$20	\$20
Storage & Miscellaneous Fees					
Monthly Dry Storage	Per Unit, Per Month	\$100		\$95	\$95
Monthly Wet Storage	Per Vessel, Per Month	\$105		\$95	\$95
Marina Slip Rental	Per Vessel, Per Day/Week	\$15 p/d & \$70 p/w		N/A	N/A
Dump Fee	Per Use	\$9		\$8	\$8
Sports Equipment Deposits	Per Item	\$10		\$10	\$10

LAKE PIRU PARK SERVICE OFFICER AUTHORITY



WHO, WHY, WHAT

WHO

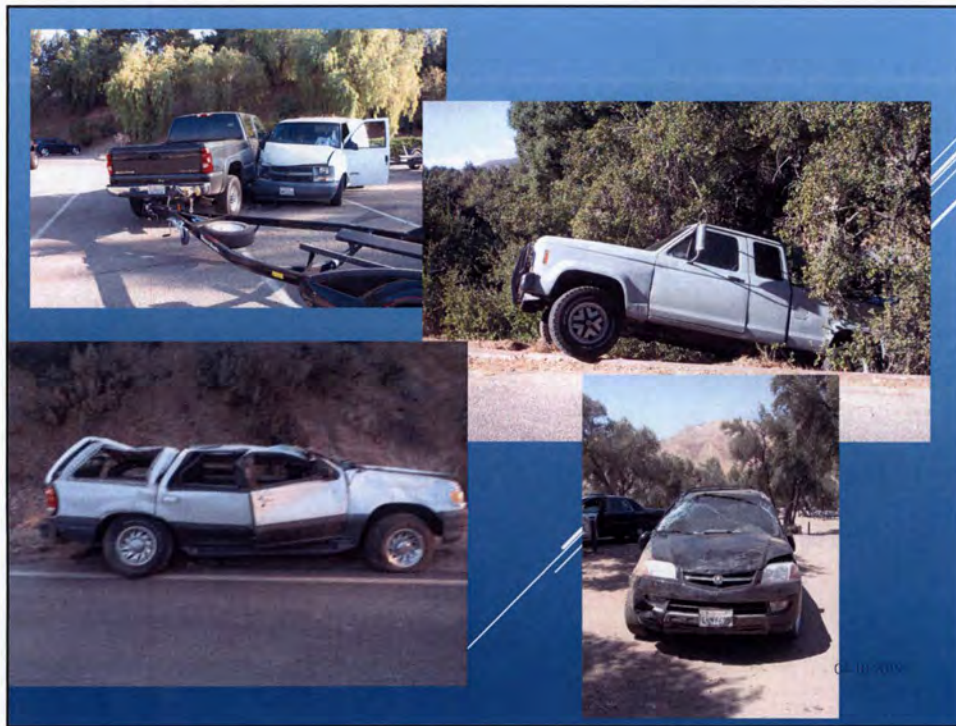
- Presently 3 Park Services Officers (PSO's) and 3-5 Seasonal Park Service Officer Assistants are employed at Lake Piru
- PSO's respond to requests for medical aid, enforce District ordinances, maintain peace and compliance within the park and perform an array of maintenance tasks necessary to maintain infrastructure

WHY

- To limit liability and exposure to District, to provide safer conditions for staff and to ensure a safe experience for visitors
- To determine if United has legal authority to enforce its ordinances, Rules & Regulations per Water Code
- Do staff have qualified immunity (Civil) per the Water Code & is the District exposed to liabilities
- Per statute or by definition, is United a "Local Agency"
- To determine if the duties of staff warrant a change
 - Do the nature of staff's actions require greater authority?
 - Do the encounters staff face warrant greater authority?

04/10/2019





WHAT WAS EVALUATED

- Legal authority of the District
- United's authority to both adopt & enforce ordinances
- To determine whether United is deemed a "Local Agency"
- Evaluation of legislation, laws and regulations
- Evaluation of the term "limited peace officer"
- Evaluation of Potential changes to PERS retirement
- Current training, tools, uniforms & equipment
- Current job descriptions
- Duties of staff
- Financial Impacts
- Pro's & Cons
 - What's at stake if nothing changes & what's at stake if an authority change is made?

WHAT WAS DONE

- Consultation with legal counsel
- Review of principal legislation and founding documents
- Sought legal opinion with subject matter expert Dr. Martinelli
- Consultation with partner agencies with similar authority
- Consultation with California Peace Officer Standards and Training (POST)
- Prepared draft legislation for consideration to seek a change in the code
- Consultation with PERS
- Consultation with County Sheriff's Office representatives
- Consultation with Law Enforcement policy expert, Lexipol

04/15/2019

WHAT'S BEEN DISCOVERED

- PSO's do NOT have qualified immunity
- The California Water Code does not grant clear authority to enforce District ordinances
- Local agency is defined as any local government agency
- Limited authority does NOT mean a gun and authority to perform as a cop.
- Initial evaluation has revealed there are no impacts associated with PERS
 - Additional evaluation is being conducted
- Financial impacts
 - Minimal cost associated with an authority change for District staff.
 - Significant additional costs associated with expanding the role of Ventura County Sheriff's Office at the Recreation Area.
- The District may grant such authority if it chooses.

04/15/2019

WHAT ELSE HAS BEEN DONE

Regardless of any authority change staff completed the following to ensure compliance with the rule of law, based on existing duties. These measures will also assist the District if an authority change moves forward.

- All staff have all completed OC spray training with the County Sheriff
- All staff have all completed and passed background investigations
- All staff have completed state and federal fingerprinting requirement
- All staff have passed and completed POST approved psychological evaluations deeming them fit to perform the duties of a limited peace officer
- Staff has consulted with policy subject matter expert Lexipol regarding the development of a Park Ranger Policies Manual. Pending approval by the Board and GM, this process is ready to be completed.

05/15/2019

WHAT HAS BEEN DONE SINCE 2018

If approved, the following will be needed to make a legal change to authority:

- Approval of changes to job descriptions
- Completion of physical battery exams
- Execution of an agreement with Lexipol for policy development
- Meet and confer with labor bargaining unit (SEIU)
- Drafted a revised ordinance for public review

05/15/2019

FISCAL IMPACTS

PAST

- Martinelli Analysis & Opinion Letter: \$3,859 (2016)
- Background Checks: \$3,100 (2016 & 2017)
- Psychological Evaluations: \$1,200 (2016 & 2017)
- Livescan Fingerprinting: \$100 (2017)
- Arrest & Control Training: \$600 (2015 & 2017)
- PERS evaluation: Anticipated to be \$500 (2018)
- Livescan Fingerprinting: Anticipated to be \$300 (2018)
- **TOTAL = \$9,659**

PRESENT

- Public Noticing For Ordinances: \$1,000 (2019)
- **TOTAL = \$1,000**

FUTURE

- Uniform costs annually: \$3,000. This is a routine budgeted cost – no new costs associated with the change.
- Printing: New Ordinance Costs (Budgeted Item) \$750
- Lexipol Costs: \$2,122 Copyright fee (\$500) and annual fee for software and updates (\$1,622)
- **TOTAL = \$2,872**

Lexipol

UNITED WATER
CONSERVATION
DISTRICT

CALIFORNIA LAW
ENFORCEMENT
POLICY MANUAL AND
TRAINING SOLUTIONS

Rosie Curran
Senior Account Executive

February 6, 2018



Who is Lexipol?

- Law Enforcement Risk Management Solution - Founded in 2003
- Provide legally defensible, state-specific policy content and training for Law Enforcement, Custody and Fire agencies in 28 states
- Regular policy updates in response to changing statutes, laws, regulations and best practices
- Web-based daily training tool to keep personnel up-to-date and compliant with your agency policy



Predictable is Preventable®

05/11/2018

The Lexipol Advantage



CALIFORNIA
SPECIFIC
LAW ENFORCEMENT
POLICY CONTENT



COMPLIANCE WITH
CURRENT LAWS &
COURT DECISIONS



ADHERENCE TO BEST
PRACTICES IN
LAW ENFORCEMENT



DEPARTMENT
CUSTOMIZATION &
EASY EDITING TOOLS

05/11/2018

Policy Updates

Issued automatically in response to new legislation, case law or evolving best practices

Detailed release notes explain the recommended changes

Changes presented in mark-up form and side-by-side comparison against existing policy

Agency can accept, reject or customize each update

Daily Training Bulletins (DTBs)

Daily Training Bulletins are based on Lexipol's belief that **high risk, low frequency** events are the events that **pose the greatest risk to agencies and their personnel**.
"Every day should be a training day."

Content

- Scenario
- Policy Reference
- Analysis
- Learning Objective
- Test

Structure

- 360 Unique LE Scenarios
- Agency/Department can author then add/replace DTBs with customized topics
- High Risk / Low Frequency Events
- Officer/Deputy Tracking
- Flexible Reporting

BENEFITS & ADVANTAGES OF APPROVAL

- Reduced legal liability and exposure to the District
- Reduced legal liability for staff
- Enhanced officer safety
- Enhanced Public Safety
- Increased Level of Compliance (More Teeth associated with enforcing regulations)
- Reduced administrative duties (Superior court to handle processing)

4.7 Southern California Gas Company Request for a Permanent Easement

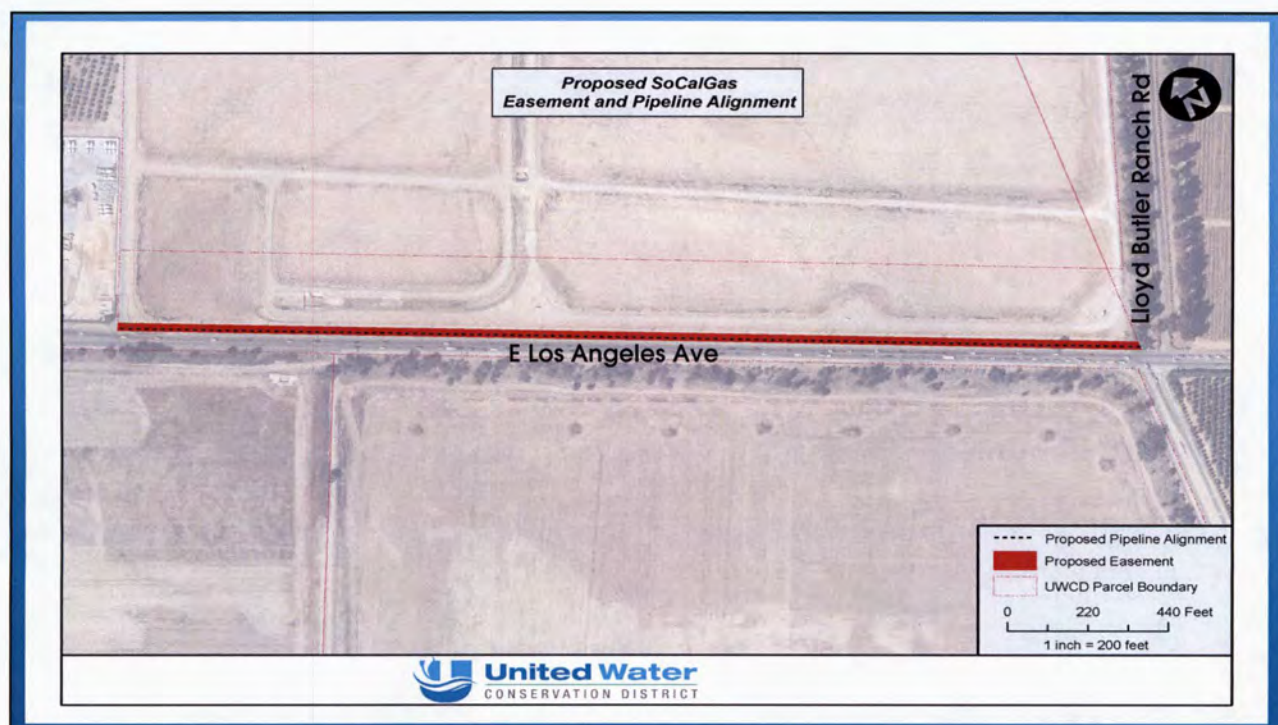
The Board will consider granting Southern California Gas Company a twenty-five foot (25-foot) wide easement along the entire length of the Los Angeles Avenue portion of the Saticoy Basins fence line and grant a temporary right of entry for construction activities.

1

4.7 Southern California Gas Company Request for a Permanent Easement

- SCGC reached out to UWCD in the summer of 2018
- SCGC proposed an alignment within United's property line.

2



4.7 Southern California Gas Company Request for a Permanent Easement

- SCGC hired an appraiser
- Comparable land sales: \$42,439-\$67,424 per acre
- SCGC offered \$67,424 per acre (\$1.5381 per square foot)
- United negotiated a price of \$87,120 per acre (\$2.00 per square foot)
- SCGC total offer: \$114,260

(Non-Exclusive Easement, Temporary Right of Entry and Easement Review Fees)

4.7 Southern California Gas Company Request for a Permanent Easement

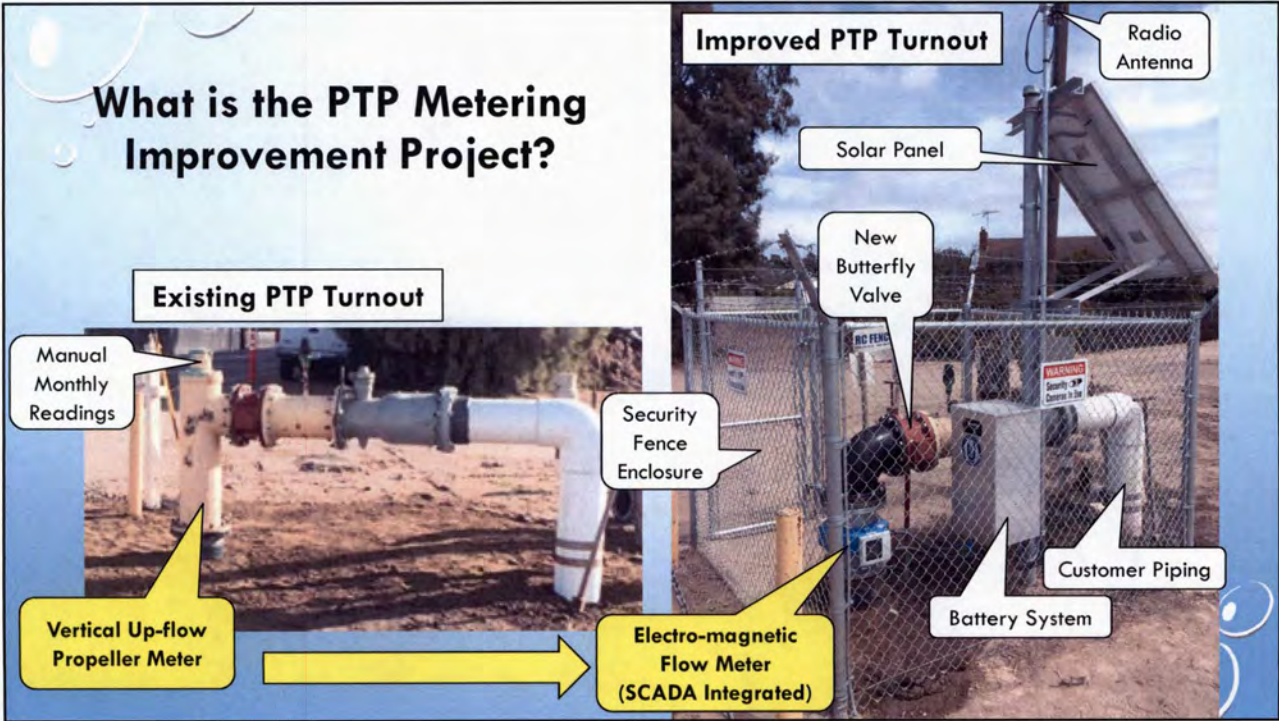
- Easement will not interfere with future projects or current operations
- Easement within United's property line reduces risks of interference with future projects
- Easement outside United's property line increases the risk of interference with future projects

5

Questions?

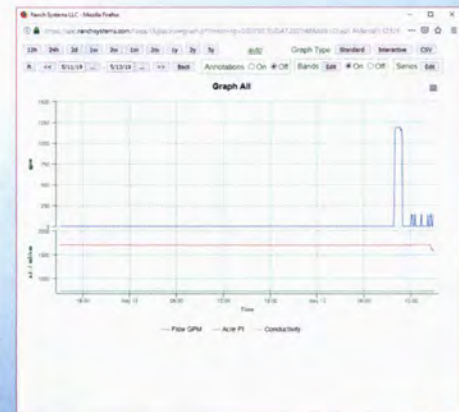
6

4.8 – Easement Acquisition Services for PTP System Turnouts



Why pursue the PTP Metering Improvement Project?

- Key benefits of the project:
 - Reduces potential for water loss due to:
 - Low flow
 - Meter accuracy
 - Will improve operations by:
 - Monitoring demands in real-time
 - Enable water supply management strategies
 - Provides real-time information to users:
 - Volumetric flow
 - Totalization
 - Conductivity
 - Supports Fox Canyon GMA future land-based allocation system



PTP Metering Improvement Project

• Status:

No. of	Activity
12	Installed
7	Construction Planned in 2019
12	Easement Documents Underway
31	Full Easement Acquisition Needed
62	Total PTP System Turnouts

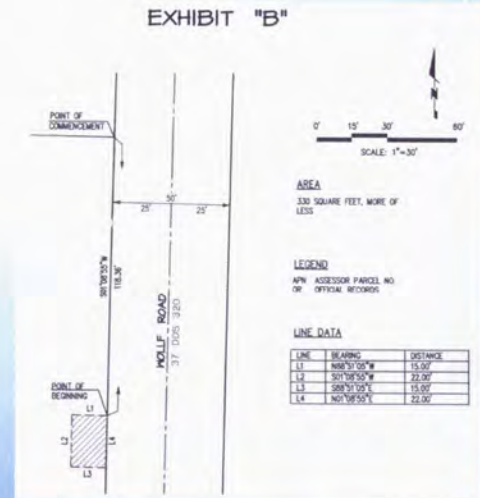
• Funding:

Amount	Source
\$973,534	District
\$635,059	State (DWR Grant)
\$1,608,593	Total Budget (proposed FY 19-20)



Why pursue easements at PTP System Turnouts?

- Provides long-term property interest for:
 - Access
 - Construction of new facilities
 - Maintenance of existing facilities
 - Operations
- Easements cannot be impacted by change in ownership
- Reduces liabilities and protects District from loss of infrastructure
- Does not expire and cannot be terminated like an agreement
- Recommended approach by:
 - District's legal counsel
 - Department of Water Resources legal counsel



Project Schedule

2016

- Prop 1 Grant Application Submitted to DWR (Mar 30)
- Pilot project completed at PTP system turnout (Jun 10)
- DWR awards \$635,059 to District (Dec 15)

2017

- Grant agreement executed between DWR and District (Oct 19), **expires October 19, 2020**
- Final design completion
- Procurement of meters and appurtenances

2018

- Right-of-way consultation with District's legal counsel (Feb)
- Jensen Design & Survey hired to prepare easement legal descriptions and maps (Apr 11)
- Construction completed at ten (10) PTP system turnouts (total of 11 installed)

2019

- RFP solicitation for full-service easement acquisition services (Mar 1)
- Recommendation to B.O.D. for award of easement acquisition service contract (May 23) – PENDING**
- Complete construction at seven (7) PTP system turnouts – PENDING**
- Request grant agreement extension to October 19, 2022 with DWR - PENDING**

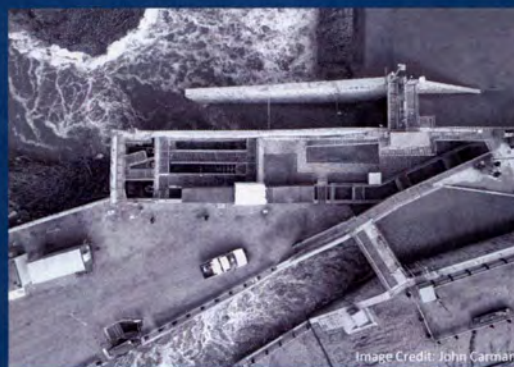
2020+

- Acquire 43 easements and complete construction at PTP system turnouts - PENDING**

5.2 Environmental Planning and Conservation Department Report



Environmental Support for the Freeman Diversion Project



Freeman Rehabilitation Project Permitting Support

Multiple Species Habitat
Conservation Plan

2 of 7 Live Edit Meetings
(Chapters 1, 2, 3, 4)

HCP
Practitioner

United
Staff +
Consultants

NMFS

USFWS

CDFW

Freeman Rehabilitation Project Permitting Support

Multiple Species Habitat
Conservation Plan

CEQA –
Notice of
Preparation

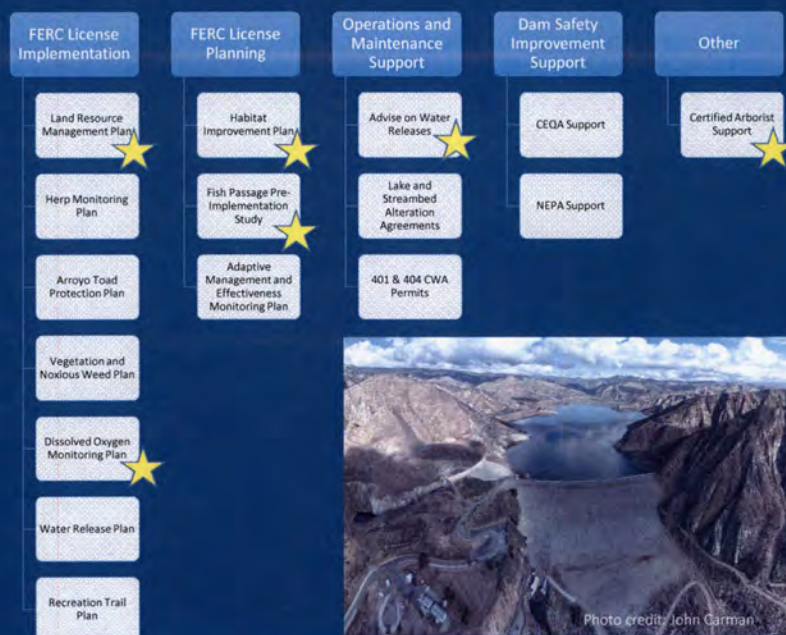
NEPA –
Contract
Update

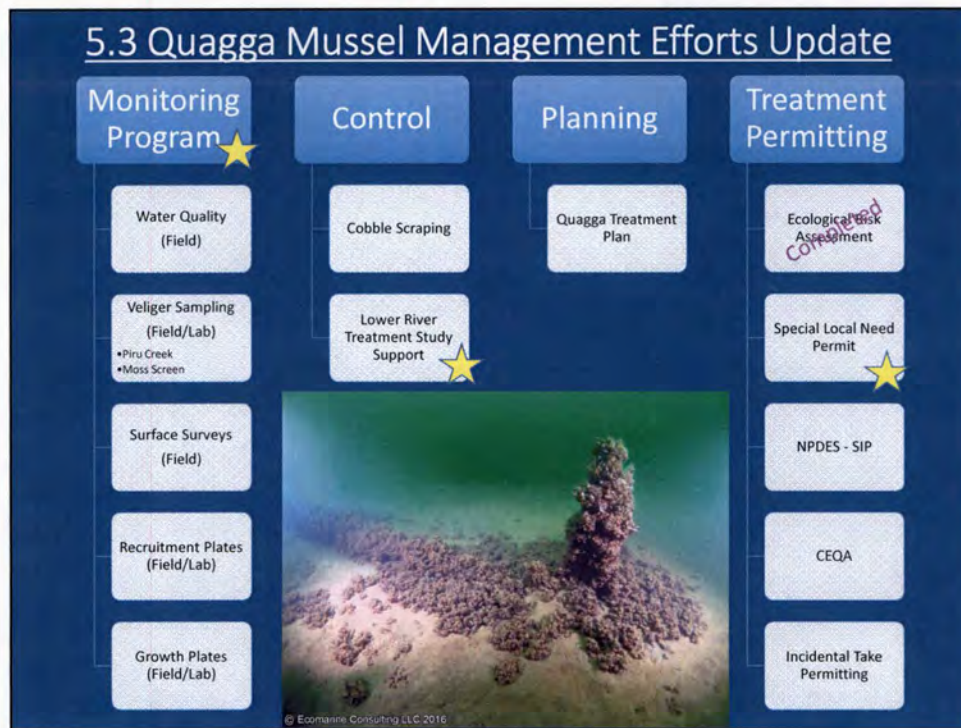
Lamprey Passage Prototype

- Improve passage conditions for Pacific lamprey at the Freeman Diversion
- Initiated January 18th
- Three pump failures
- No lamprey observed



Environmental Support for the Santa Felicia Project





5.4 GROUNDWATER DEPARTMENT UPDATE

1

Topics

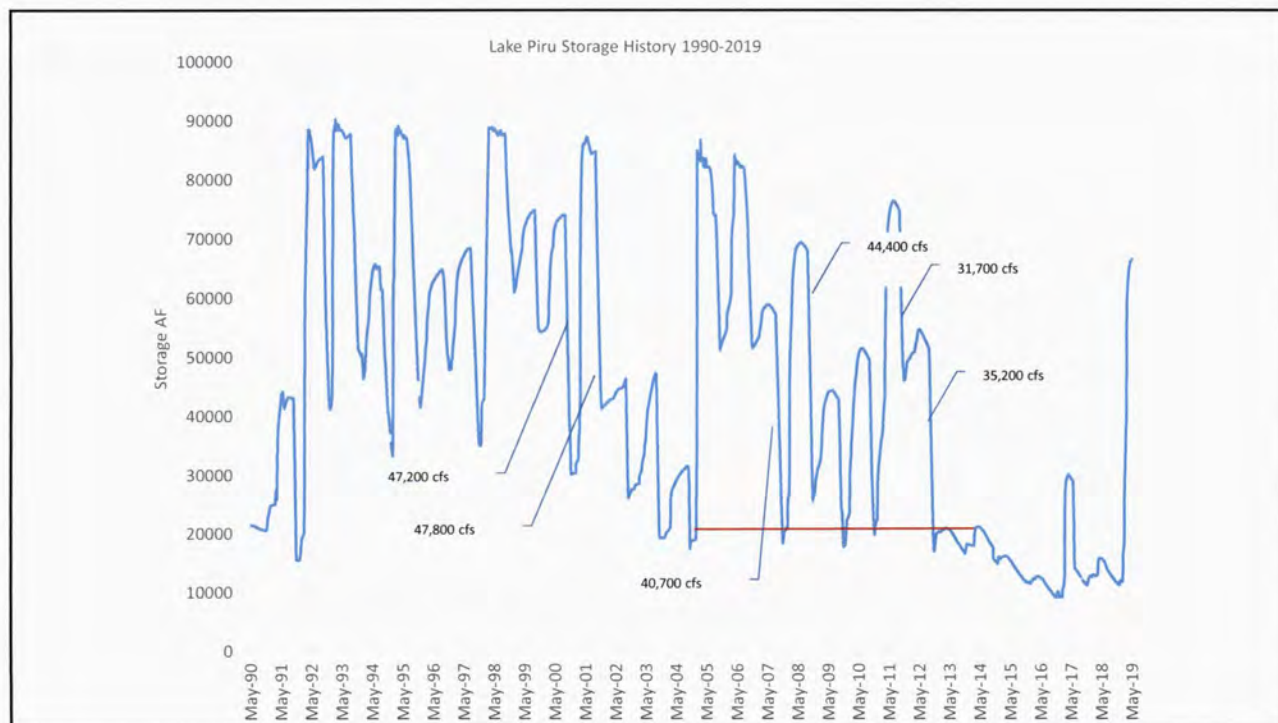
1. Update on 2019 District Diversions and Recharge
2. Groundwater Conditions
3. Key GW Dept. Activities

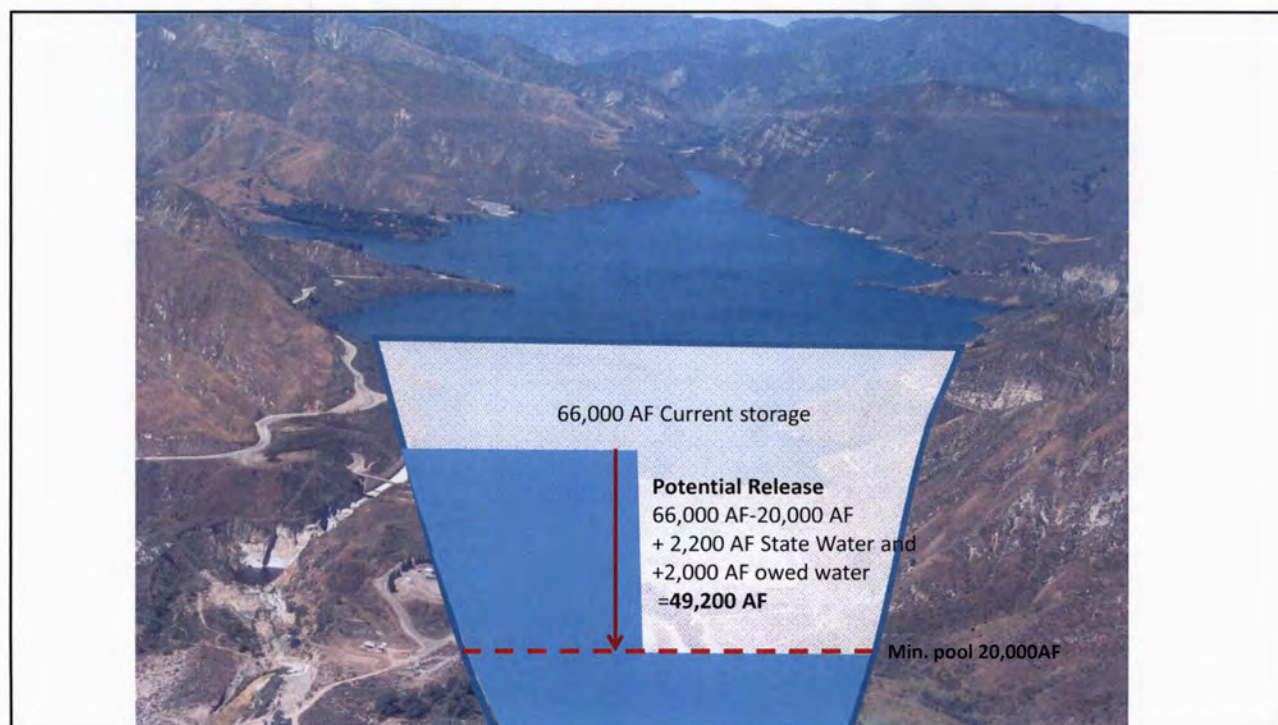
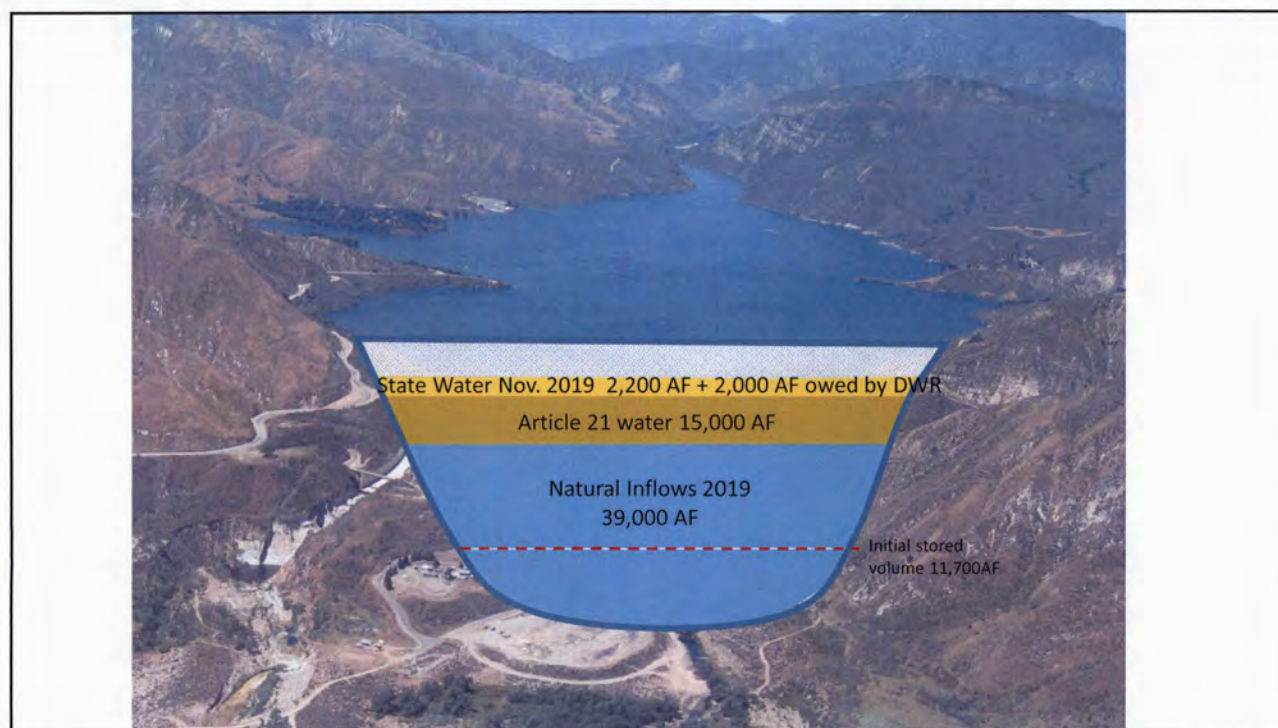
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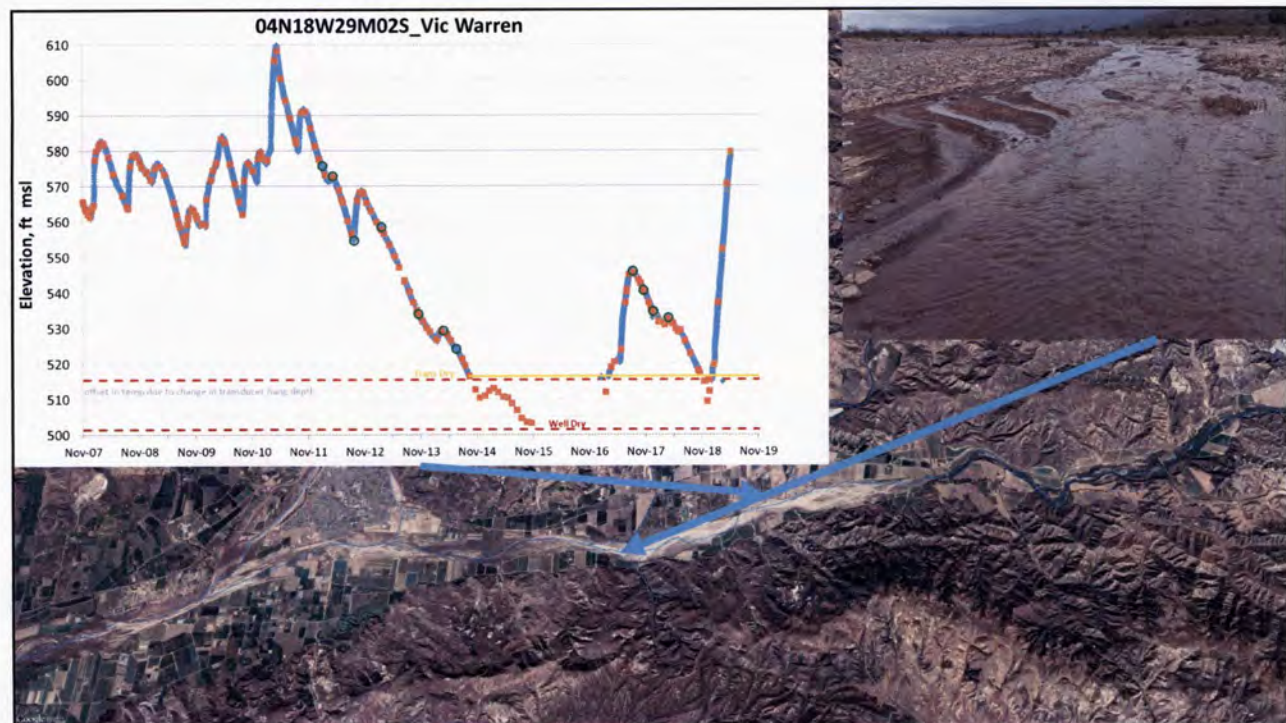
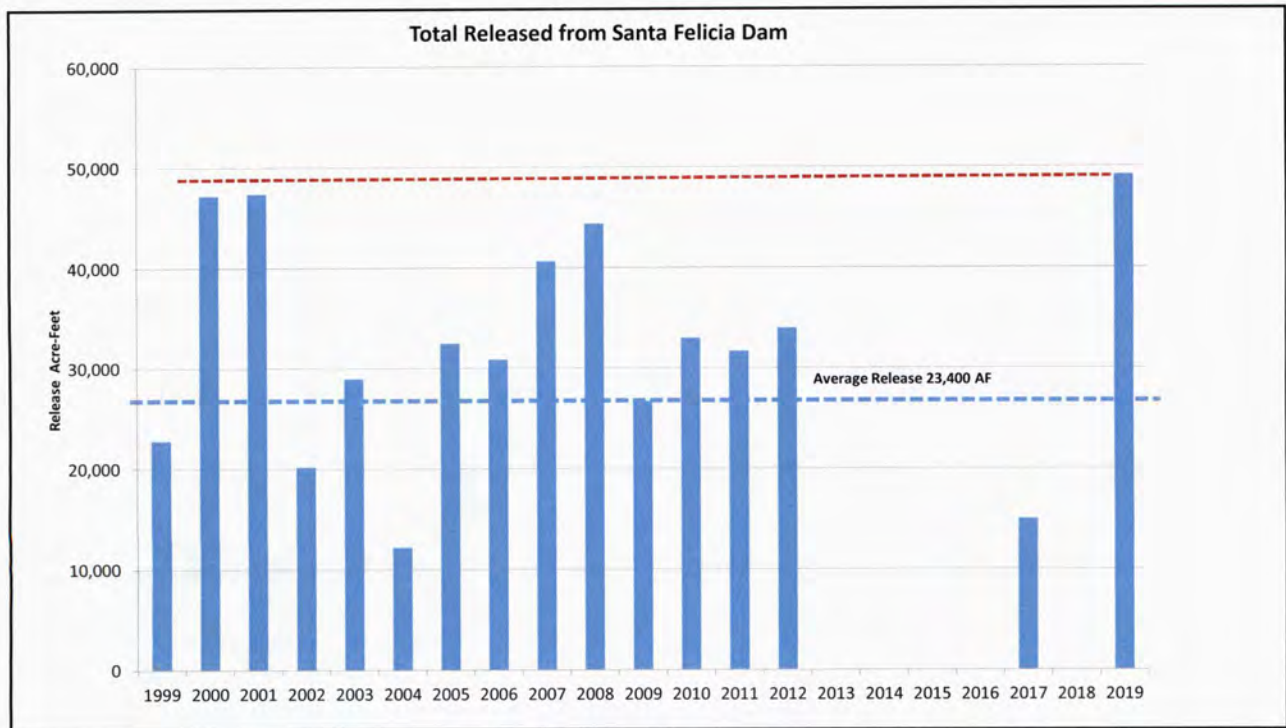
1. Update on 2019 District Diversions and Recharge

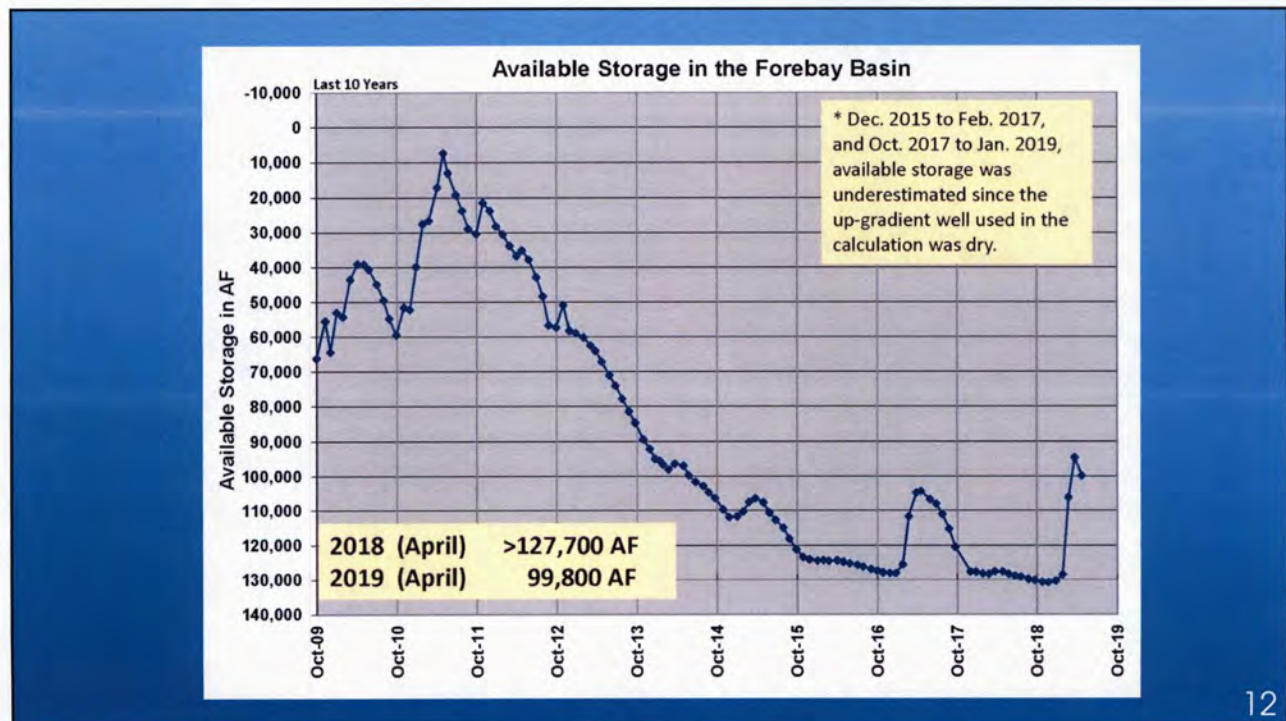
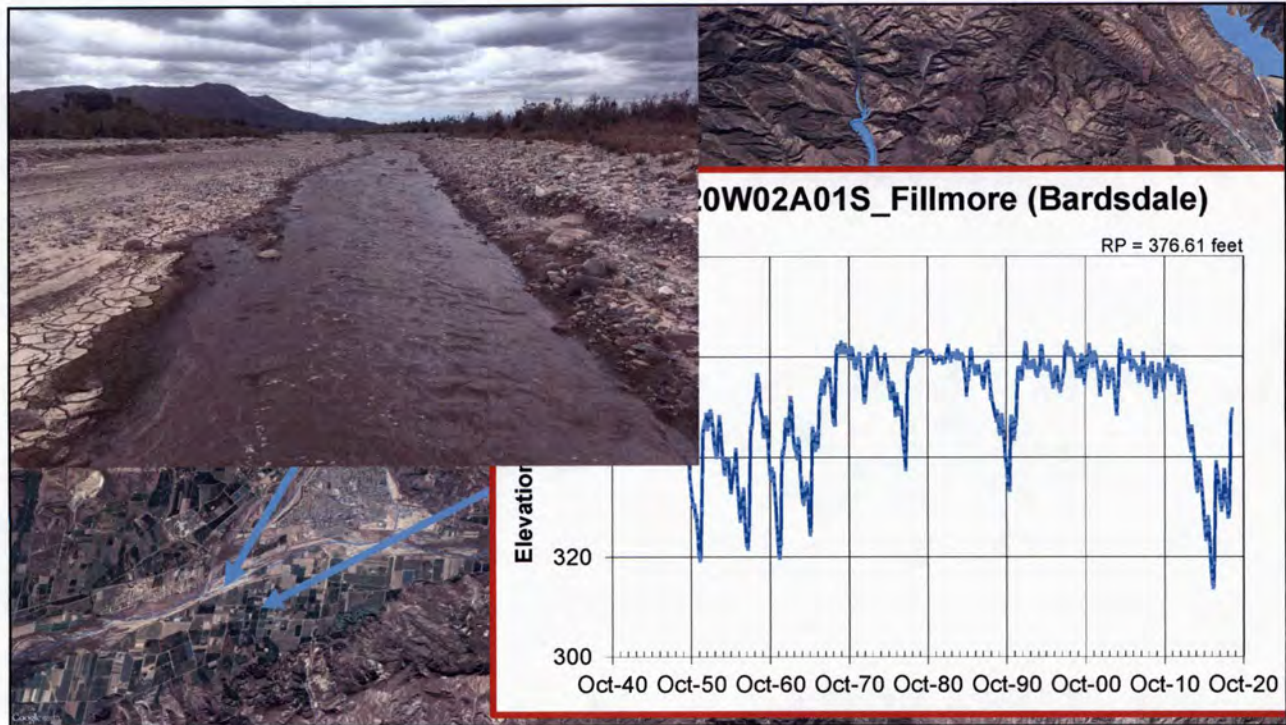
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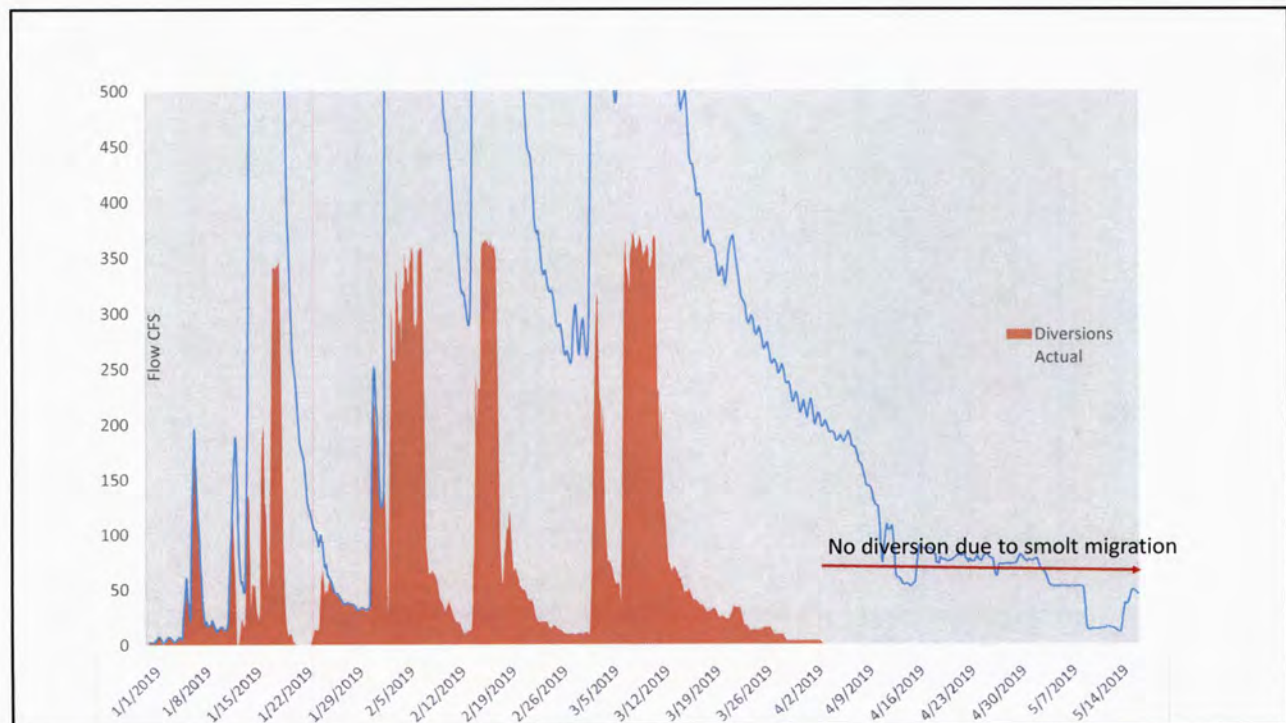
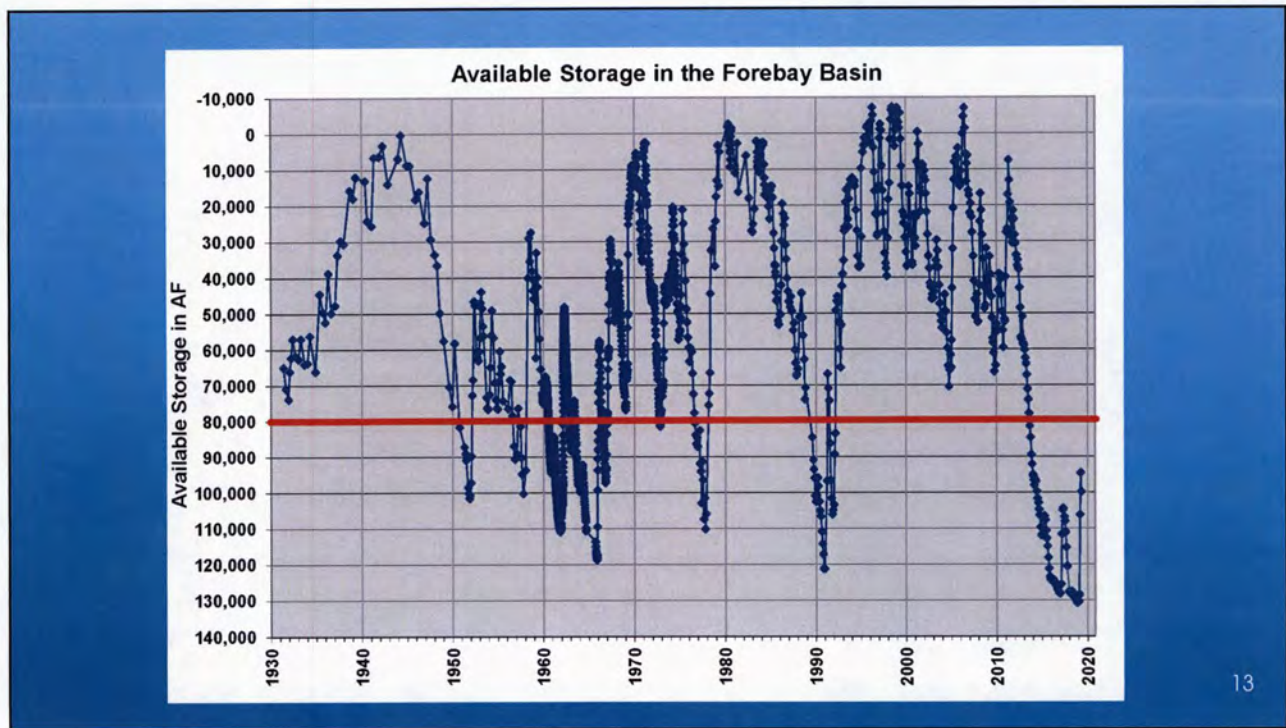


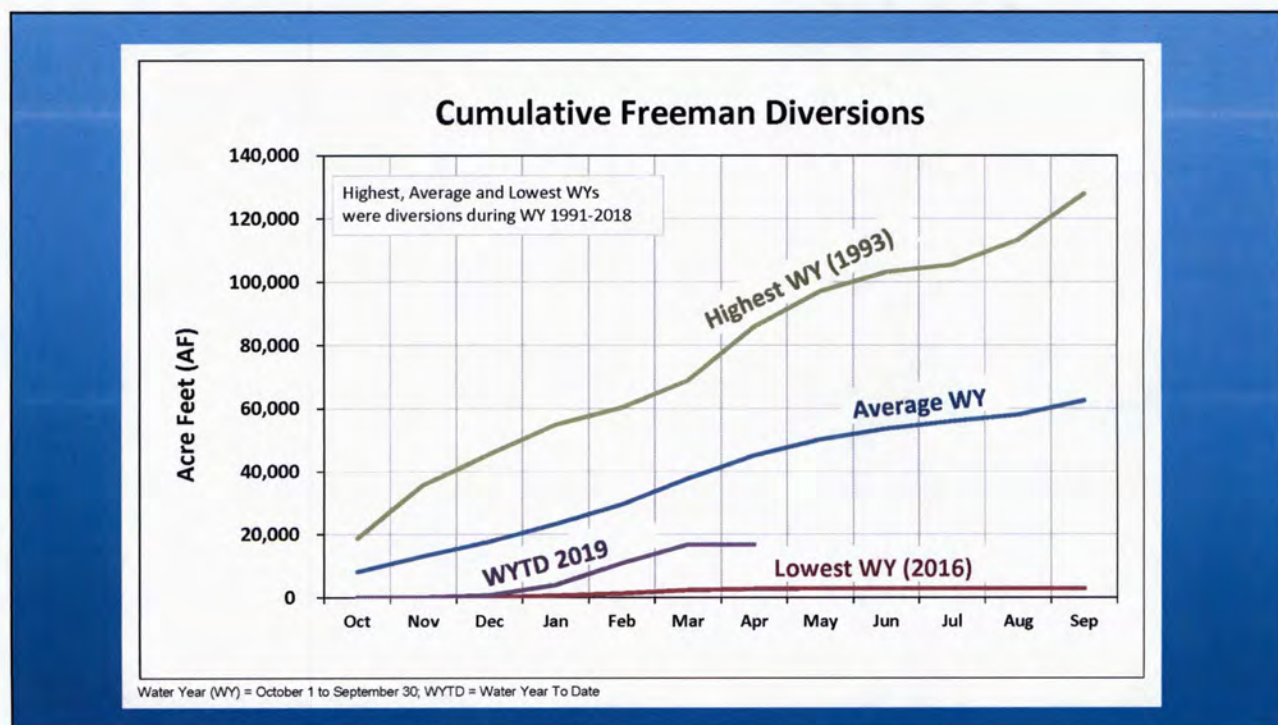
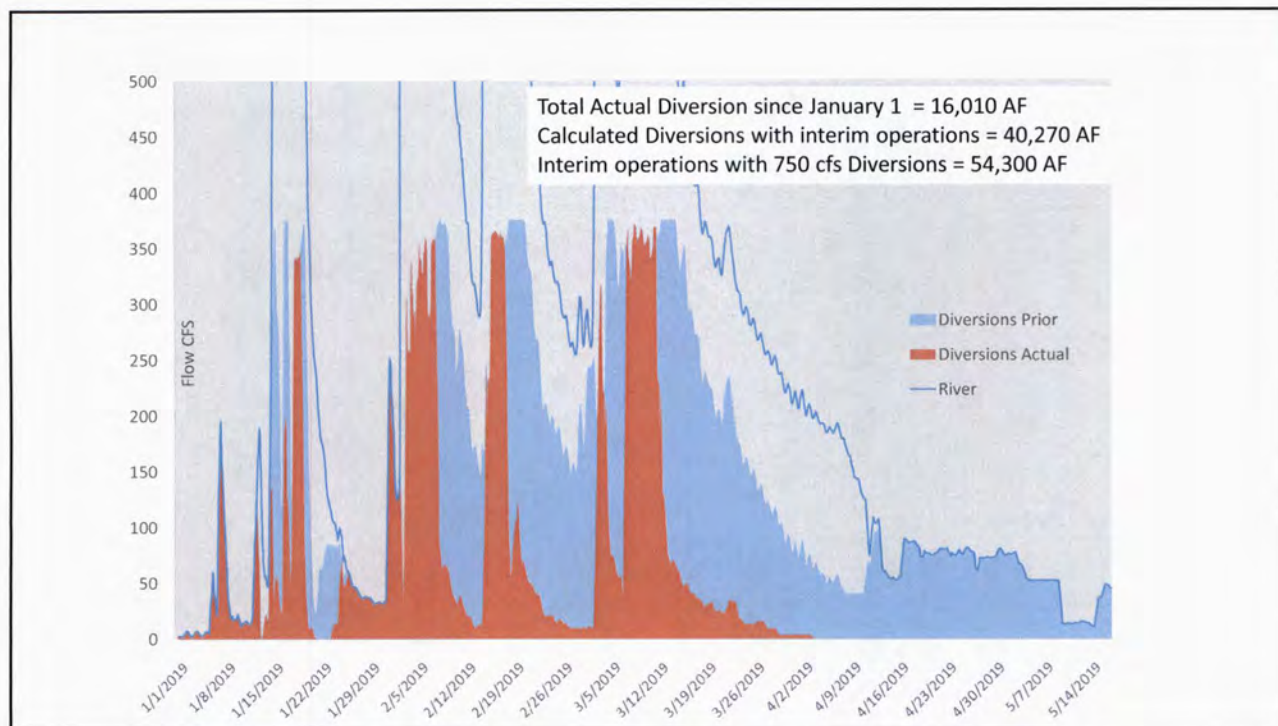


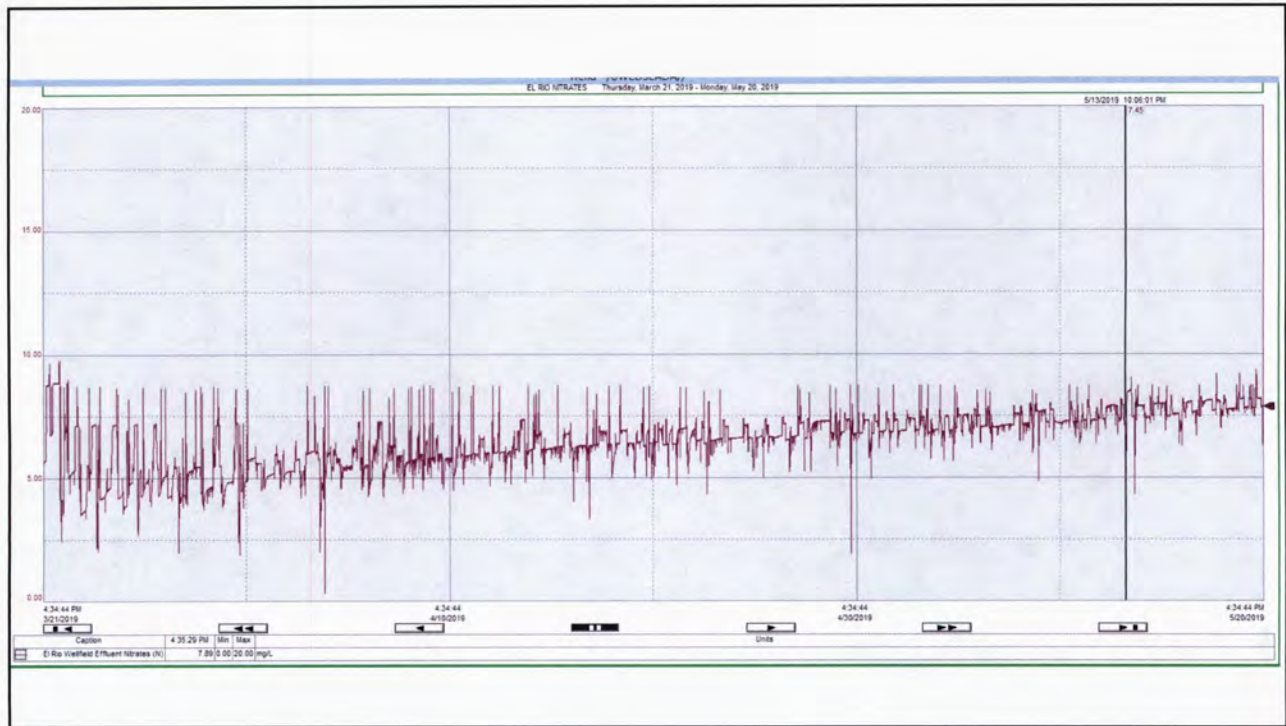






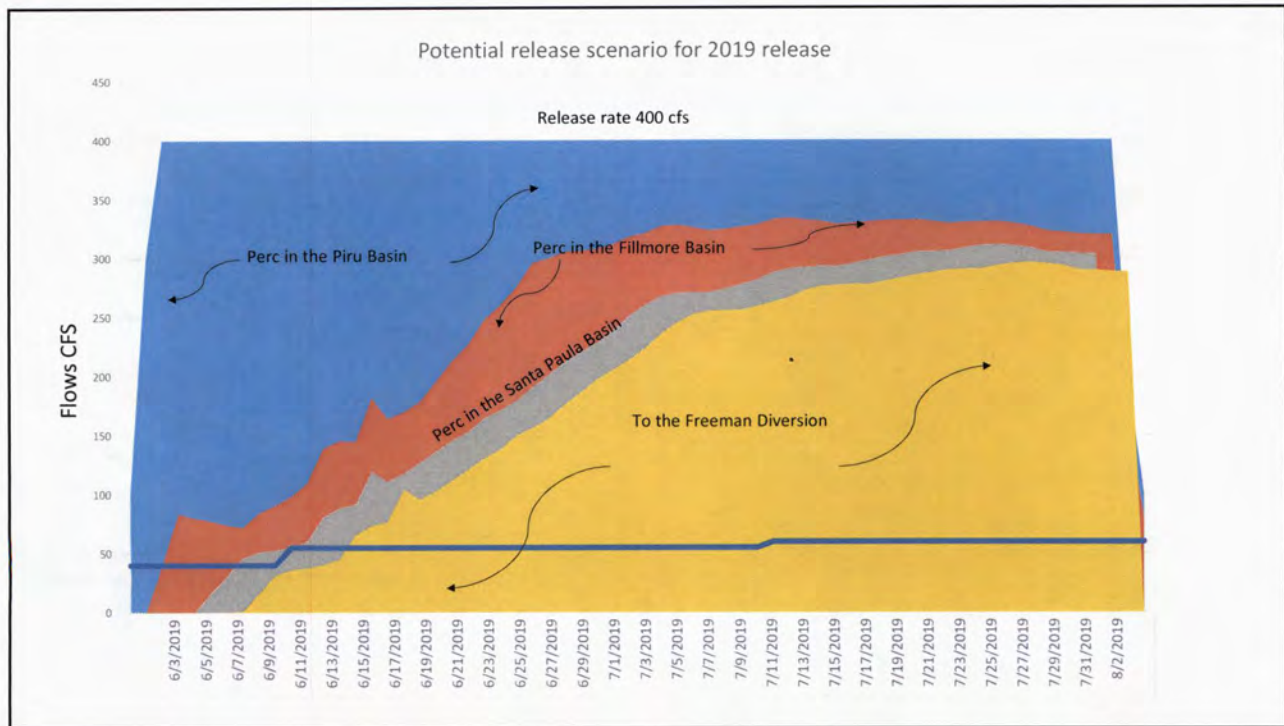






Where is the water most needed?



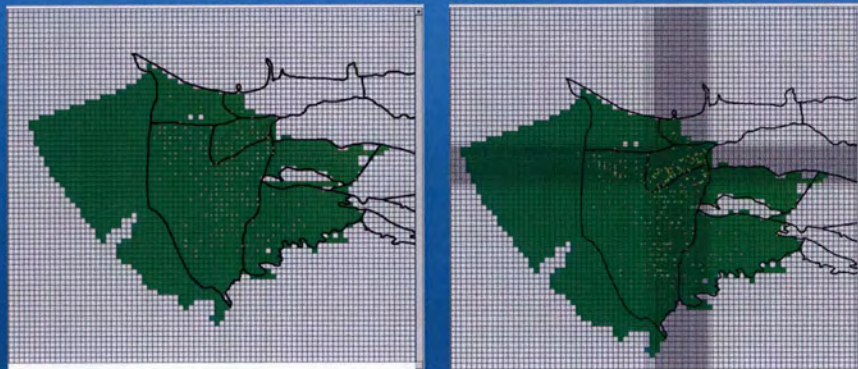


4. Key GW Dept. Activities

- GSA Activities: more detail in later slides
 1. Expanding conceptual model into river basins (Santa Paula, Fillmore and Piru)
 2. Participating in GSP related meetings in Oxnard and PV
 3. Mound, Fillmore and Piru
- Model Development
- Consulting Support
- Public Outreach

MODEL DEVELOPMENT

- The regional groundwater model was refined from 2000 ft to 500 ft grid size within Forebay
- The model has been calibrated
- The model may be used to study the various activities in Forebay in greater detail

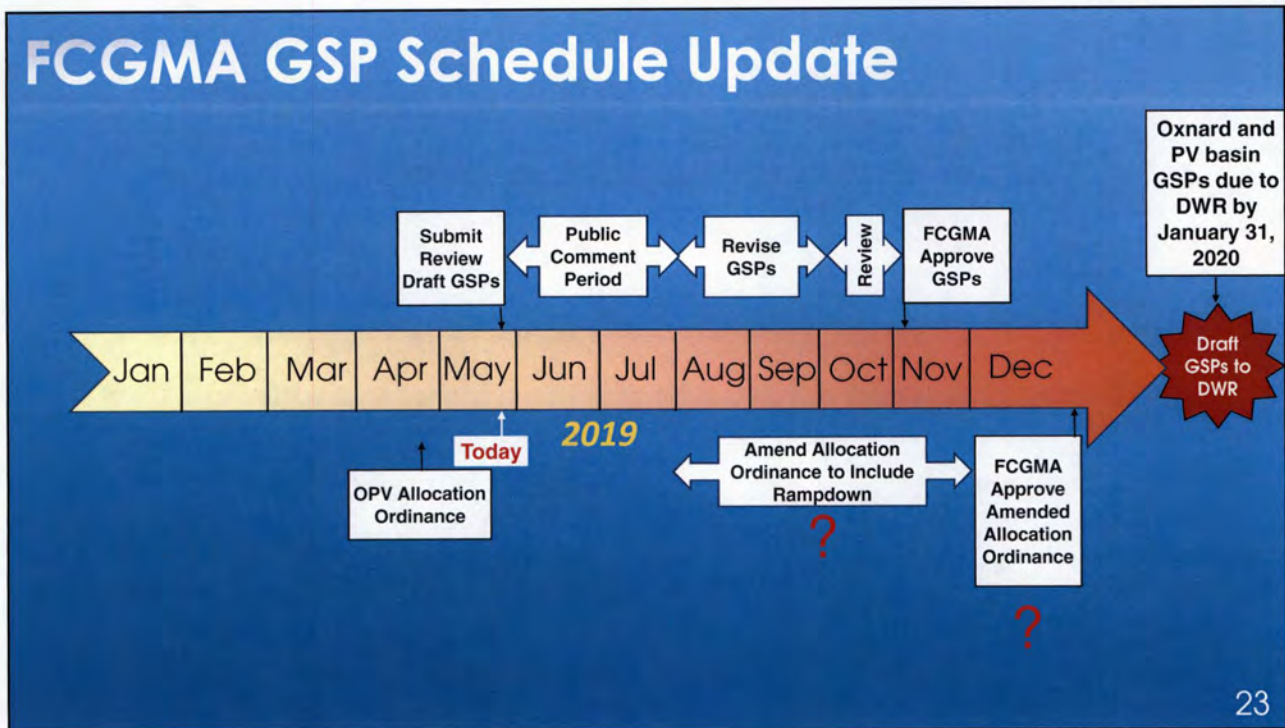


21

Consulting Support

- City of Ventura: Indirect Portable Reuse project
- FCGMA: GSP model simulations
- Calleguas: Water supply alternatives study
- City of Camarillo: cancelled

22



Allocation Ordinance:

FCGMA is addressing the following issues

1. The historical allocation associated with the Conejo Creek Diversion (Supplemental M&I Program)
2. Carryover of surface-water allocations, same as groundwater
3. OH-user vs. United allocation language

Mound Basin

- GSP-support contractor selected (Intera). United providing much technical support
- Basin boundary modifications approved. Draft basin prioritization is "High"
- Groundwater model is calibrated and ready to support GSP study

25

Fillmore and Piru Basins

- United and DBS&A coordinating on GSP preparation
- Basin boundary modifications approved. Draft basin prioritization is "High"
- Conceptual modeling nearly done (June/July 2019), numerical model construction beginning in July/August 2019

26

Public Outreach

- Multiple field trips to Freeman Diversion
- Water-resources presentation at CSUCI

27

THANK YOU

