



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
United Water Conservation District Board of Directors
Wednesday, June 12, 2019, 11:30 A.M.
Board Room, UWCD G.I. "Irv" Wilde Headquarters
106 N 8th Street, Santa Paula CA 93060

DIRECTORS PRESENT

President Daniel C. Naumann
Vice President Michael W. Mobley
Secretary/Treasurer Bruce E. Dandy
Director Sheldon Berger
Director Robert Eranio
Director Lynn Maulhardt
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
Joseph Jereb, Chief Financial Officer
Dr. Maryam Bral, Chief Engineer
Brian Collins, Operations and Maintenance Manager
Josh Perez, Human Resource Manager
Dr. Katherine Ayres, Senior Ecologist
Dan Detmer, Supervising Hydrogeologist
Clayton Strahan, Chief Park Ranger
Erin Gorospe, Senior Accountant
Kris Sofley, Executive Assistant/Clerk of the Board

PUBLIC PRESENT

Frank Brommenschenkel
Nancy Broschart, City of Oxnard
Susan Rungren, Ventura Water
Rick Simonson, HF&H Consultants
Dr. Rod Smith, Stratecon Consultants

1. FIRST OPEN SESSION 12:00 P.M.

President Naumann called the meeting to order at 12 noon and asked Legal Counsel, Mr. Boyer, to report on the items to be discussed in Executive (Closed) Session. Mr. Boyer then announced the items to be discussed in Executive session.

1.1 Public Comments

Information Item

President Naumann asked if there were any comments or questions from the public. None were offered. President Naumann adjourned the meeting to Executive Session at 12:05p.m. and asked the public and staff to leave the boardroom.

1.2 EXECUTIVE (CLOSED) SESSION 12:05 P.M.

The Board discussed matters outlined in the Executive (Closed) Session Agenda.

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

President Naumann opened the second open session of the Board meeting at 1:15p.m. and asked Director Berger to lead everyone in the Pledge of Allegiance.

2.1 Pledge of Allegiance

Director Berger led the Pledge of Allegiance.

**2.2 Public Comment
Information Item**

President Naumann asked for public comments. None were offered.

**2.3 Approval of Agenda
Motion**

President Naumann asked if there were any changes to the agenda as presented. General Manager Mauricio E. Guardado, Jr. replied that there were no changes to the agenda.

Motion to approve the agenda, Director Mobley; Second, Director McFadden. Voice vote: seven ayes (Berger, Dandy, Eranio, Maulhardt, McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

**2.4 Oral Report Regarding Executive (Closed) Session
Information Item**

President Naumann asked Mr. Boyer to report any actions taken by the Board during Executive session. Mr. Boyer stated that the Board took no action reportable under the Brown Act while in Executive (Closed) Session. He added that the Board did agree to reconvene into a second Executive (Closed) Session at the end of today's meeting to conclude discussion of items on the Executive (Closed) Session agenda.

**2.5 Board Communication
Information Item**

Director McFadden reported that he had been in Alaska for the previous 12 days enjoying his son's wedding.

Director Maulhardt reported attending several ad hoc labor negotiation meetings and calls.

Director Mobley reported his participation in yesterday's Finance Committee meeting.

Director Dandy reported that May was a busy month and included his participation in ad hoc labor negotiations committee meetings, an Executive Committee meeting, yesterday's Finance Committee meeting, a meeting with Dr. Mathis regarding the General Manager's performance evaluation, and the ACWA Conference earlier in the month. He also mentioned that the Oxnard Chamber of Commerce's Water Issues committee holds its meetings the third Monday of the month and invited everyone to attend in July. Director Dandy also reported that he would be attending an event for Supervisor Kelly Long on June 21.

Director Eranio reported his attendance and participation in the Groundwater Committee meeting of May 22 and the Fox Canyon GMA meeting; the May 23 Board meeting; a special meeting with groundwater staff and Pleasant Valley County Water District on May 15; and having spent four days at the ACWA Conference the first week in May. He also attended a meeting with Gene West at Camrosa Water District on May 20 and attended the AWA Breakfast in Thousand Oaks.

Director Berger said he attended the AWA Breakfast and the Finance Committee meeting.

President Naumann reported his participation in an Executive Committee meeting; he substituted for Director McFadden at the Groundwater Committee meeting; met with the General Manager yesterday to prep for today's Board meetings; attended the AWA Conference; the AWA Breakfast on May 16; and met with Pleasant Valley County Water District in June. He also said that he was excited to see surface water moving down the Santa Clara River and was very pleased with the District's water release, stating the Santa Felicia Dam is just one of the many resources in the District's toolbox and he looks forward to identifying new water resources going forward. He also was happy about the upcoming "water event" on Friday at the District's Saticoy recharge basins with Fox Canyon GMA representatives. He said the water release and GMA's purchase have been well publicized, and held up the front page of the Ventura County Star newspaper to show everyone in the meeting. He also said that the release will be a big help to El Rio and the PTP and PV customers. He then asked Mr. Collins how much water was coming into the Freeman Diversion currently and Mr. Collins said about 130 cfs. President Naumann reminded everyone that the release would likely continue for another eight weeks.

Director Eranio added that the District was releasing about 260 acre feet per day.

President Naumann also mentioned that he was participating in the ACWA Region Five tour of the Montecito Flood Zone.

2.6 General Manager's Report

Information Item

Mr. Guardado held up a copy of the coalition letter he had signed on behalf of the District in opposition to CA Senate Bill 1, authored by State Senator Toni Atkins. He recounted how the District brought the bill to the attention of many water agencies throughout the state, reminding people that if the bill passes as written it could negatively impact many water operations as it could revert back to prior biological opinions and negate much of the new science by giving regulatory agencies greater control. He reported how he had been in direct communication with all who signed the document, which may serve as a springboard for other water policy issues moving forward. He said he expects the letter to have a major impact throughout the entire state in getting SB 1 amended or killed.

Director Berger applauded Mr. Guardado for his early response and quick recognition of the potential negative impacts of the bill.

Mr. Guardado stated that the District's legislative advocate, Robyn Black, was making the rounds in Sacramento and getting the word out as the bill moves through various committees. He also followed on President Naumann's comments regarding the Fox Canyon GMA and was excited about other potential opportunities with the organization. He said he wanted to also emphasize that this was an historical effort and its success will open the door to other collaborative efforts for the benefit of the entire region.

President Naumann added that the agreement with Fox Canyon GMA was a good example of effective watershed management.

Mr. Guardado reported that he had made a presentation to the Fillmore and Piru Basins Pumpers Associations and when he mentioned the District's proposed \$2.50 surcharge for future water purchases, the vast majority of attendees felt it wasn't enough and were willing to pay up to \$5.

Mr. Guardado then introduced Stacy Miller of Stacy Miller Public Affairs, who was presenting an update on the District's social media efforts.

Ms. Miller showed the Board a presentation on how her agency planned and implemented a 26 day trial, pro-bono, to expand the District's digital footprint. She gave kudos to the District's John Carman, for his photos and videos which were a tremendous benefit to the effort. She pointed out that while the recent cover story in the Star newspaper reached 28,000 subscribers, social media provides instant engagement with far more people. The District's Facebook growth rate is 39 percent, Instagram is 24.3 percent, John Carman's video reached 9,200 viewers with 1,121 "engaged" respondents who shared the video with others in their social

network over 30 times. In addition, it was easy to execute a cross promotion with Tilley's, a well-recognized brand, and the followers of the different wakeboard athletes who were featured in the video. Plus it allows the District to communicate in real time. Social media could be equally effective in getting the District's story out when the current water release empties the lake. Using the tag line, "Lake Piru is waiting for you," the campaign cost about \$450 and provided a fabulous return on investment.

Director Maulhardt said that John Carman had done a great job and he had enjoyed watching the videos, which were very impressive. John's photography and video made Lake Piru look the best that it has in his 33 plus years on the Board, and he wanted to give kudos to John and thinks this is a great idea and good execution.

Clayton Strahan added that this was the first time in his 13 years at the Lake that a true effort has been made to get information out to the public about all of the activities available at Lake Piru. Revenue at the Lake is up and the camping experience is still enjoyable regardless of water levels in the lake.

On a different topic, Gail Morgan, of SMPA, added that they had already received RSVPs to Friday's water event with FCGMA and were expecting 20 to 40 people, including many elected officials and lots of media coverage.

Mr. Guardado thanked Stacy and Gail and congratulated them on a tremendous project.

2.7 Presentation from Ventura County Clean Power Alliance
Informational Item

Karen Schmidt, Regional Affairs Manager, Clean Power Alliance, provided an overview of the Clean Power Alliance and its generation of power. She shared a presentation which outlines the three different rate tiers – Lean, Clean, and 100 percent Green; discussed estimated discounts and other energy issues.

Director Dandy asked Ms. Schmidt about solar panel fields, similar to those the District explored with Wellhead, and if that was something CPA would be interested in partnering with the District on developing. Ms. Schmidt said that type of project was best left to energy development specialist, but there are over 150 unique projects proposed for long term power purchase agreements in Ventura County.

2.8 Consider Cancellation of August Board Meeting
Motion

As has been the District's tradition, the Board was asked to consider canceling its regular August 2019 Board meeting.

Motion to approve canceling August Board Meeting, Director Mobley; Second, Director McFadden. Voice vote: seven ayes (Berger, Dandy, Eranio, Maulhardt,

McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

3. CONSENT CALENDAR: (ROLL CALL VOTE REQUIRED)

A. Approval of Minutes

Motion

Approval of the Minutes for the Regular Board meeting of May 23, 2019.

B. Groundwater Basin Status Reports

Information Item

Receive and file Monthly Hydrologic Conditions Report for the District.

C. Monthly Investment Report

Information Item

Receive and file report on the District's investments and the availability or restriction of these funds. All investments are in compliance with the District's investment policy, which is reviewed and approved annually by the Board.

Motion to approve the Consent Calendar items, Director Dandy; Second, Director Mobley. Roll call vote: seven ayes (Berger, Dandy, Eranio, Maulhardt, McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

4. MOTION ITEMS (By Department)

4.1 Conclusion of Annual Groundwater Hearing, Acceptance of Public Comment and Setting of 2019-20 Zones and Extraction Charges

Motions

President Naumann opened the continued Groundwater Hearing and asked if there were any public comments or questions.

Susan Rungren, General Manager of Ventura Water, addressed the Board on behalf of the City of San Buenaventura, stating that the City has submitted letters of opposition to the District and that it wishes to work with United on the cooperative management of water resources and is appreciative of the District's efforts, and that she looks forward to working with Mauricio Guardado on a solution without further litigation.

President Naumann then read from a prepared script: "This is Agenda Item 4.1, the continuation of our annual public hearing to review groundwater conditions and surface water supplies within the District, to determine if one or more zones should be created within the District, and to determine whether groundwater extraction charges should be levied in such zone or zones within the District. In accordance with the District's principal act, and specifically Water Code Section 75590, the Board must make these determinations before the end of the water year, that is, June 30, 2019. This public hearing complies with the requirements of the District's principal act, and specifically Water Code Section 75570 et seq.

Mr. Guardado, do you have some initial comments?"

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Mr. Guardado then read from a prepared script: “Thank you, President Naumann. After this public hearing is closed, your staff will ask you to adopt certain findings, to establish certain zones and to levy groundwater extraction charges within those zones.

In accordance with Water Code Section 75570, the March 2019 *Annual Investigation and Report of Groundwater Conditions Within United Water Conservation District* (We’ll also refer to it during this hearing as the *Annual Report*), summarizing findings for the current, previous and ensuing water years, was delivered to the Secretary/Treasurer of the Board of Directors on March 20, 2019, and has been available at the District office for public review and comment since that time. This Annual Report is included as Exhibit U585 in the administrative record for today’s hearing.

All statutory references in this hearing are to the California Water Code. Legal notice of the receipt of the report and these hearings was published in the *Ventura County Star*, a newspaper of general circulation in the District, on March 31, 2019, May 13, 2019, and June 1, 2019, inviting all operators of water producing facilities to examine the *Annual Report* at the District office. Copies of the notice are in U594.

This public hearing began at your regular Board meeting of April 10, 2019. Before that meeting, each District Board member received a copy of the Annual Report. We have copies for anyone here today who would like one. The April 2019 hearing was continued to, and further hearings by the Board were held on May 23, 2019, and continuing to today, June 12, 2019.

On April 30, 2019, District staff transmitted to the Board the proposed District budget for 2019-2020. The proposed budget is contained in today’s record as Exhibit U592.

At the May 23, 2019, Board meeting/budget workshop, the Board received a detailed presentation from Joseph Jereb, the District’s Chief Financial Officer, concerning the proposed 2019-20 District budget, the budget process and budget issues. As Mr. Jereb noted in his presentation, District staff used a budget development process for the 2019-2020 proposed budget which was similar to prior years.

Information and materials provided to the Board at the May 23, 2019 budget workshop included, among other things, analyses of projected revenues and costs, how costs are fairly and proportionately allocated, and the key provisions of the Water Code used for setting zones and charging rates.

At the May 23, 2019 workshop, the Board additionally received presentations on behalf of two experts: Rick Simonson of HF&H Consultants and Dr. Rodney Smith of Stratecon. Mr. Simonson presented the Board with a cost of service analysis concerning the District’s proposed groundwater extraction charges for Fiscal Year 2019-20. His materials are contained in Exhibits U600.

The Board also received a report and presentation from Dr. Smith of Stratecon, containing analysis of the structure of the District’s proposed groundwater extraction charges. Stratecon’s materials are contained in Exhibits U601.

The remarks and reports by Mr. Simonson and Dr. Smith, which I just referenced, do not relate to the annual engineering investigation and report required by the District’s principal act. Instead, these reports and information were prepared to demonstrate the compliance of the

District's groundwater extraction charges with the *substantive* requirements of the Water Code and Proposition 26. We will address these matters later in this hearing.

Mr. Simonson and Dr. Smith are available today to answer any additional questions from the Board concerning their memoranda and reports, and to provide responses to any information or comments made by interested parties concerning their respective analyses and the District's proposed groundwater extraction charges for 2019-2020.

All exhibits referenced today are part of the administrative record and are available on the District's website.

At the Board's April 10, 2019 and May 23, 2019 hearings, the public was invited to comment on groundwater conditions in the District, to either protest or support the annual report, and to offer evidence on whether zones should be created within the District and whether groundwater extraction charges should be levied within any such zones. No comments were received on those dates.

At the May 23, 2019 budget workshop, the public was also invited during that meeting to ask questions and offer public comment on the items presented to the Board. A copy of the transcript of that budget workshop will be supplied into today's record as Exhibit U611.

At this point, I'd like to turn it over to District legal counsel for comments."

District's legal counsel, David Boyer, then read from a prepared script: "Copies of sections 75560 through 75633 are offered in evidence. These statutes comprise a portion of Exhibit U1, which is the District's principal act. Pursuant to Water Code Section 75507, a water year runs from July 1 of one calendar year to June 30 of the next year.

You will receive evidence today regarding setting up zones and the levy of groundwater charges within such zones. If possible, the Board should make a decision today on whether zones should be established and whether groundwater charges should be levied in such zones.

If you are going to establish zones and levy groundwater charges within zones, you must first make required findings on groundwater conditions within the District and, second, determine whether to establish any zones and then, third, determine whether to fix charges against persons operating groundwater producing facilities within such zones for the next water year which begins July 1, 2019.

There are ten findings pursuant to Water Code Section 75574 which you must make before establishing zones and levying groundwater charges, and you may make additional findings. You will hear from Dan Detmer on this subject. There are additional findings which District staff have recommended you make.

All findings that you make must be supported by the evidence in the record before you. In my opinion, these findings are supported by the Annual Report, Exhibit U585, and other information and evidence which has been provided to you.

In addition to these findings, the administrative record before you is extensive concerning groundwater conditions in the District and the importance of the District's facilities to conservation and long-term management efforts. In prior years, the directors have heard substantial oral testimony on these and other related topics. Because the evidence from

Messrs. Guardado, Detmer and Dr. Bral this year continues to be similar to past years, which you have heard many times, their testimony is incorporated into the written record instead of extensive oral remarks this afternoon in order to avoid cumulative testimony. Of course, should you have questions at any time concerning their testimony, please ask questions during today's hearing.

Continuing on with the District's principal act, Water Code Section 75522 provides that:

'The groundwater charges are authorized to be levied upon the production of groundwater from all water-producing facilities whether public or private, within the District or a zone or zones thereof for the benefit of all who rely directly or indirectly upon the groundwater supplies of the District or a zone or zones thereof and water imported into the District or a zone or zones thereof.'

"United is not required to demonstrate and quantify the exact amount and degree of benefit received by various pumpers within any area of the District. The test of Section 75522 is whether or not groundwater producers directly or indirectly rely on the groundwater supplies of the District or on water imported into the District. The evidence in the record clearly shows that these standards are met District-wide. Pumpers rely on the underground water supplies of the District which are augmented by the District's activities and programs, including water imported into the District.

Pumpers in the Oxnard Plain also utilize and rely upon pipeline deliveries of non-potable agricultural water from District facilities which enhance the District's efforts to prevent seawater intrusion. Although overdraft is the result of all pumpers within the District's boundaries overburdening the watershed's water resources, and the overdraft manifests itself as seawater intrusion, lower groundwater levels and in other ways, the use of these pipeline delivery facilities is funded directly by those immediately affected, and not by all pumpers who contribute to the overall District-wide problem.

In accordance with Water Code Section 75591, the District's groundwater charges are levied against well operators, not on parcels or property owners. The charge is not imposed as an incident of property ownership, but because a well owner has made the choice to extract groundwater. Well operators and well owners may not be the same individuals or entities.

Water Code Section 75521 states:

'Groundwater charges levied pursuant to this part are declared to be in furtherance of District activities in the protection and augmentation of the water supplies for users within the District or a zone or zones thereof which are necessary for the public health, welfare, and safety of the people of this state.'

Section 75521 is a public declaration that these groundwater charges are an exercise of the police power and are for the benefit of all those who rely on the underground water supplies of the District or water imported into the District. These charges serve the valid regulatory purpose of conserving water resources, in furtherance of Article X, Section 2 of the California Constitution.

In deciding whether to establish one or more zones, please note that in accordance with Water Code Section 75540, a zone may include the entire district. The Legislature also contemplated that zones other than districtwide, i.e. smaller zones within the District, could also be established. This is exemplified in Sections 75540 and 75590-75591.

Water Code Section 75593 authorizes the Board to set different rates for different zones, but in each zone the rate for agricultural water must be fixed and uniform, and the rate for water other than agricultural water shall be fixed and uniform.

In accordance with Water Code Section 75592, the charge must be computed at a fixed and uniform rate per acre-foot for agricultural water, and at a fixed and uniform rate per acre-foot for all water other than agricultural water. However, a different fixed and uniform rate per acre-foot may be used to compute the charge for all water other than agricultural water used for irrigation purposes on parks, golf courses, cemeteries and publicly-owned historical sites.

Water Code Section 75594 contains some ratio requirements with which the District is obligated to comply in establishing rates. The District has complied with these mandates in the past and I recommend that the Board continue to do so. Section 75594 states as follows:

‘Except as provided in Section 75595, any ground water charge in any year shall be established at a fixed and uniform rate for each acre-foot for water other than agricultural water which is not less than three times nor more than five times the fixed and uniform rate established for agricultural water. However, any groundwater charge in any year for water other than agricultural water used for irrigation purposes on parks, golf courses, schools, cemeteries, and publicly-owned historical sites may be established at a fixed and uniform rate for each acre-foot which shall not be less than the rate established for agricultural water, nor more than the rate established for all water other than agricultural water.’

Mr. President, you should, by notice, recognize that the population of Ventura County is in excess of 600,000 persons as shown in January 2019 figures from the California Department of Finance (Exhibit U11). For this reason, Water Code Section 75595 does not apply to this proceeding. Since the Ventura County population is in excess of 600,000 persons, the District is required to establish a ratio of between 3-to-1 and 5-to-1 between rates established for agricultural water and non-agricultural water.”

President Naumann then said: “The Chair takes notice of the fact that the County of Ventura's population is in excess of 600,000 persons. Please continue.”

Mr. Boyer continued reading from a prepared script: “Thank you. The District has been the target of repeated lawsuits filed by the City of San Buenaventura challenging the District’s charges.

As the Board is aware, on December 4, 2017, the California Supreme Court held that Proposition 218 does not apply to the District’s extraction charges. A copy of the Court’s decision is listed as Exhibit U548.

After so holding, the Supreme Court remanded the matter to the California Court of Appeal, Second Appellate District, Division 6, with directions to decide a single remaining issue regarding the constitutionality of the District’s rate-making: whether the record sufficiently establishes that the groundwater pumping rates charged to the City of San Buenaventura for the 2011-2012 and 2012-2013 water years are fair and reasonable under article XIII C, subd. (e)(1) of the California Constitution (Proposition 26), considering the burdens imposed on the District’s groundwater conservation activities as a result of the City’s groundwater pumping or the benefits received by the City from the District’s activities.

Both sides have submitted supplemental briefing on the issues, which is identified as Exhibit U549.

There exists in the record clear evidence that the District's rates meet the requirements of Proposition 26.

Addressing Proposition 26 requirements is separate from, but in addition to, the *Annual Investigation and Report of Groundwater Conditions* or matters covered by the District's principal act. Although these are separate issues, we address them in this hearing. The last five findings in Resolution 2019-11 explain that the proposed groundwater extraction charges meet the requirements of Proposition 26.

After receiving and considering all evidence submitted at this hearing, your Board should consider adopting the recommended findings, if you find such findings supported by the evidence in the record before you. If anyone here has questions or comments about the required statutory findings or the other recommended findings or, for that matter, about any part of the report, or any other aspects of today's hearing, or if they have any evidence to assist the Board in making its findings and determinations today, they should come forward at this hearing.

At this time I will introduce into evidence the materials in support of the District's adoption of the groundwater charges, and ask the President to receive these materials into today's hearing record. The materials are identified as Exhibits U1 through U623 on the list of exhibits which will be attached to and incorporated within the record of these proceedings. These exhibits have also been posted on the District's website and the *Annual Report* has been publicly available since March 20, 2019 and has been posted on the District's website since March 20, 2019.

Similar to past years, this year's administrative hearing record is built upon the same record made in prior years, with some newly-added and updated exhibits for the 2019-20 water year. Most of the record exhibits will be very familiar to the Board and to the public.

There are newly-added exhibits, which are referenced in today's record as Exhibits U585 through U623.

Again, all exhibits are available on the District's website. I offer all of these exhibits, Exhibits U1 through U623 to be received into today's hearing record.

I note that the District's process here today is quasi-legislative in nature and not quasi-judicial."

President Naumann then read: "Thank you. Exhibits U1 through U623 are received into evidence and incorporated into today's hearing record. The record should also show that the documentation has been presented for review to the Board members, and that Board members have reviewed the materials.

May we now hear from Mr. Detmer?"

Then the District's Supervising Hydrogeologist Dan Detmer read from a prepared script: "Thank you, President Naumann I am Dan Detmer, the District's Supervising Hydrogeologist. I am a Professional Geologist and Certified Hydrogeologist in the State of California. Staff

has reviewed existing reports and data on the groundwater resources and geology of the District, and since last year has collected new hydrologic data and performed new studies and analyses on the District's groundwater resources. The amounts of precipitation, surface water, and groundwater recharge in the District were evaluated for the last water year, and these evaluations were compared with estimates for previous years. Staff has also evaluated water use and consumption District-wide.

This information and other previous data, interpretations and conclusions were used to reach the findings and recommendations presented to your Board in the March 202019 *Annual Investigation and Report of Groundwater Conditions*, Exhibit U585. I'll refer to that document as the *Annual Report*. Information was provided to you from the Annual Report at your April 10, 2010 Board meeting. A copy of the presentation that day is attached as Exhibit U591.

Based on the information presented in the *Annual Report*, I recommend that you adopt the following findings and determinations in accordance with Water Code section 75574:

- (1) The average annual overdraft for the immediate past ten water years is estimated to be approximately 82,900 acre-feet.
- (2) The annual overdraft for the current water year is estimated to range up to 33,000 acre-feet. This positive number implies that extractions will exceed replenishment for the District, as a whole.
- (3) The annual overdraft for the ensuing water year is estimated to be between 0 and 82,900 acre-feet.
- (4) The accumulated overdraft as of the last day of the preceding water year is estimated to range between 20,000 and 25,000 acre-feet.
- (5) The accumulated overdraft as of the last day of the current water year is estimated to range between 20,000 and 25,000 acre-feet.
- (6) The estimated amount of agricultural water to be withdrawn from the groundwater supplies of the District for the ensuing water year is 152,000 acre-feet.
- (7) The estimated amount of water for municipal and industrial purposes to be withdrawn from the groundwater supplies of the District for the ensuing water year is estimated to be approximately 37,000 acre-feet.
- (8) The estimated amount of water for surface distribution within the District for the ensuing water year is expected to be much less than the long-term average of 64,000 acre-feet.
- (9) The amount of water which is necessary for the replenishment of the groundwater supplies of the District is estimated to be at least 1,617,000 acre-feet.
- (10) The District is not obligated by contract to purchase any amount of water except State Project water ordered for and reimbursed by the Port Hueneme Water Agency. This amount of water is not to exceed 1,850 acre feet per year.

I offer the following additional testimony and recommend that, based on the evidence provided to you today, you make the following additional findings:

- (11) The total production of water from the groundwater supplies of the District during the preceding water year was approximately 189,400 acre-feet.
- (12) The total of annual overdrafts for the District as of the end of the preceding water year was approximately 2,021,000 **acre-feet**.

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I also wish to reconfirm the content and validity of the technical and supplemental technical memoranda which our staff has previously provided to the Board. These memoranda provide factual background and support for the work of the District's cost of service experts, and are contained in the hearing record as Exhibits U217, 255 and 309.

I further offer as an additional part of my testimony the material described on Exhibit A, which is in today's record as Exhibit U615. In the interests of brevity and to avoid cumulative testimony, I ask that you incorporate this testimony into this hearing record and adopt the additional recommendations described on Exhibit A as findings of your Board.

Please note that Exhibit A also contains my general observations concerning groundwater conditions within the basins managed by the District and the District's role as conservator of water within the District's area. You are quite familiar with these observations. You have heard them presented in prior annual hearings."

President Naumann continued reading from a prepared script: "Thank you Mr. Detmer. Exhibit A, listed as Exhibit U615, will be incorporated as evidence in this hearing as part of your testimony. Do any Board members have any questions for Mr. Detmer at this time?"

No questions or comments were offered.

President Naumann continued reading: "Not hearing any request for comments on questions, could we now hear from Dr. Bral?"

The District's Chief Engineer, Dr. Maryam Bral, read from a prepared script: "Thank you, President Naumann. I am Maryam Bral, the District's Chief Engineer. I am a Professional Civil Engineer in the State of California.

My remarks this year are similar to previous years' remarks from my predecessor, Jim Grisham, who served as the District's Engineering Manager, who provided testimony at last year's hearing, principally concerning how United's facilities provide both direct benefit, both currently and long term, to the users of groundwater managed by the District. My comments today are similar to the comments the Board has heard in past annual groundwater hearings and will be quite familiar to the Board. In the interests of brevity and to avoid cumulative testimony, I ask that you incorporate this testimony, which is set forth in Exhibit B, (Exhibit U616) into today's hearing record. Thank you."

President Naumann continued: "Thank you, Dr. Bral. Exhibit B, listed as Exhibit U616, will be incorporated as evidence into today's hearing record. Do any Board members have questions for Dr. Bral at this time?"

No questions or comments were offered.

President Naumann continued, "If not, the Board will take evidence from members of the public wishing to participate in this hearing. Do any members of the public have any information or documents, or comments, to offer at this time for this hearing? This is the time to offer such information, documents, or comments.

No additional information, documentation or comments were offered.

President Naumann continued, "Do I hear any additional comments from the public?"

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No comments or questions were offered.

President Naumann continued: “The Board will now consider additional remarks from the District’s General Manager Mr. Guardado.

Mr. Guardado read from a prepared script: “Thank you. This hearing is a culmination of a process that began in January of this year. At the end of April we transmitted the District’s proposed budget to the Board, and followed it with a detailed budget workshop at the Board’s May 23, 2019 Board meeting. The budget documents are part of today’s hearing record.

After analyzing all of the information and data provided to you during this hearing, we recommend that you establish two zones today within the District for the next water year as follows:

Zone A is District wide.

Zone B is those lands within the Oxnard Plain Basin, the Oxnard Forebay Basin, the Pleasant Valley Basin and the West Las Posas Basin, within the boundaries of the District.

We also recommend that you establish groundwater extraction charge rates in these zones for the next water year as follows:

In Zone A for the District-wide water conservation activities of the District for the production of agricultural water, a charge of - \$54.79 per acre-foot and for the production of water other than agricultural water - \$164.37 per acre foot. These proposed Zone A rates for 2019-2020 represent a 18% increase over the current year rates.

In Zone B for the operation and maintenance of the Freeman Diversion Project and associated facilities, we recommend that you establish a groundwater extraction charge of \$33.93 per acre-foot for production of agricultural water and \$101.80 per acre-foot for production of water other than agricultural water. These proposed Zone B rates for 2019-20 represent a 33% increase over the current year rates.

Additionally, the District is proposing a water purchase surcharge in Zone A of \$2.25 per acre-foot for agriculture and a water purchase surcharge of \$6.75 per acre-foot for the production of water other than agricultural water.

Resolution No. 2019-11 before you today, in draft form in the agenda packet, reflects these recommendations from District staff as to Zone A and Zone B charges. If you decide not to follow these recommendations, these resolutions can be revised before adoption.

I now would like to make some additional remarks regarding the proposed charges.

The District’s “General/Water Conservation Fund” for Zone A and the District’s Freeman Diversion Fund for Zone B, are used to account for the reasonable costs the District incurs related to its mission as a Water Conservation District. These funds are split into several activities in order to account for the revenues and expenditures specifically related to these activities as described in the proposed budget and discussed with the Board during the May 23, 2019 budget workshop.

The proposed charges in these zones do not exceed the reasonable cost of the water conservation activities and services of the District. The use of these funds is limited to paying the costs of these activities and services which benefit persons relying on the water resources of each of these zones.

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The District's groundwater charges comply with Water Code Section 75596. The charges do not produce funds which exceed the amount deemed necessary to be used in furtherance of United's purposes in the replenishment, augmentation, and protection of water supplies for users within the District or any one or more zones within the District.

Further, the District does not charge any individual rate class more than the total cost of services provided by the District. All classes of users within each zone will pay the same rate. This means that all users of agricultural water within each zone will pay the same rate and all users of water other than agricultural water [for example, municipal and industrial ("M&I") users] will pay the same rate. This complies with the District's principal act.

The District does not rely solely upon its groundwater extraction fees to fund its groundwater conservation, management, and replenishment programs. Other sources of revenue, including ad valorem taxes, supplemental water sales, investment earnings, etc. are received and used by the District, as set forth on page nine (9) of the proposed budget.

It is our belief and our best professional opinion, through careful financial planning and sound budgeting and accounting practices that no class of users is overpaying for the District's programs; Users are only charged based on the volume of water actually extracted or delivered via pipeline in lieu of groundwater extraction.

I also note that many of the capital improvement projects proposed in this year's budget directly or indirectly benefit the basins in which the City of San Buenaventura has wells and extracts water. Simply by way of example, these projects include, but are not limited to, those pertaining to the Ferro-Rose Recharge, SFD Outlet Works Rehab, SFD PMF Containment, and Freeman Diversion Rehab can be found starting on page 51 of the proposed budget.

We recommend that you continue to maintain the 3-to-1 ratio between rates for production of agricultural water and the rates for production of all water other than agricultural water, that is, for M&I users. This is the same ratio that you have adopted for the past several years and is the lowest ratio allowed by law.

I ask that the Board incorporate my written testimony (Exhibit U618) into today's hearing record."

President Naumann said: "Thank you, Mr. Guardado. Your written testimony, set forth in Exhibit U618, will be incorporated as evidence into today's hearing record. Please continue, Mr. Guardado."

Mr. Guardado, continued: "Our hearing record today also contains factual support demonstrating, on a quantitative basis, that the differential in the District's groundwater extraction charges for agricultural water versus non-agricultural water meets the requirements of Proposition 26. We have provided the Board, for 2019-2020, with reports from two independent cost of service experts. These reports comport with accepted cost of service principles, and provide quantitative analyses of the proportional cost of service distinguishing between agricultural water uses versus non-agricultural water uses; in other words, factual support for the quantitative difference between United's statutorily-mandated agricultural water charges versus non-agricultural water charges relating to the proportional cost of service to parcels.

At the May 23, 2019 budget workshop, the analyses prepared by Rick Simonson and Dr. Rod Smith were presented to the Board.

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Mr. Simonson's quantitative analysis focuses on determining the differential in the District's cost of serving agricultural versus non-agricultural pumpers based on the cost of service related to performing general replenishment activities, constructing and operating facilities which provide reliability, and the costs of regulatory compliance associated with United's facilities.

Dr. Smith's quantitative methodology and analysis of the District's rate structure involves determination of the range of reasonable ratios of groundwater extraction charges for non-agricultural water to agricultural water based on the differential hydrological impact of non-agricultural to agricultural usage of groundwater on the interconnected basins within the District and the associated costs for replenishment water to the District.

The City of San Buenaventura has previously criticized the work of these two experts on various grounds. Messrs. Simonson and Smith have also previously rebutted the comments made by the City of San Buenaventura. Simply as an example, their rebuttal responses during last year's hearing are contained in Exhibits U578 and U579. I anticipate that Mr. Simonson and Dr. Smith will make additional remarks today in response to any comments received from the City. The responses are in today's record as Exhibits U620 and U621.

Rick Simonson is a Vice President of HF&H Consultants LLC and is an expert in rate studies for public entities and utilities. His resume is included in Exhibit U211.

Rodney Smith, Ph.D. is an expert in water resource economics and President of Stratecon, Inc. Dr. Smith's resume is in Exhibit U212.

Copies of these experts' May 2019 reports and presentations to the Board are contained in today's hearing record as Exhibits U600 – U601."

President Naumann asked: "Are there any questions from the Board to Mr. Simonson or Dr. Smith or to any of the witnesses that have just testified?"

No comments or questions were offered.

President Naumann then asked: "Does anyone, including any other members of the public, want to offer any other testimony?"

No other testimony was offered.

President Naumann continued: "If there is no further testimony or evidence, I declare this part of the hearing closed. May we please hear from Legal Counsel again?"

Mr. Boyer read: "Mr. President, I want to instruct your Board about the law applicable to this hearing. A draft resolution (Resolution 2019-10) containing proposed findings and determinations required by law has been prepared for your consideration. If these findings are adopted, then you should determine if zones should be established and groundwater charges levied in them.

A second draft resolution (Resolution 2019-11) has been prepared containing, among other things, the determinations necessary for the establishment of such zone or zones, fixing, levying and assessing such charges against all operators of groundwater producing facilities within those zones during the 2019-20 water year. Both of these resolutions are before you at this time and it is appropriate for the Board to consider, in an exercise of its legislative discretion, the adoption of these resolutions at this time.

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The testimony provided earlier in this hearing support the findings set forth in Resolution Numbers 2019-10 and 2019-11, and compliance of the District's groundwater extraction charges with the requirements of Proposition 26. Thank you."

President Naumann then read: "Alright, thank you. We will now consider these two resolutions. Before we do this, however, I would like to make a brief statement.

From the instructions we have been given, this Board is not required to quantify the exact benefit that is received by persons throughout the District from the District's activities. Water Code Section 75522 gives this District the legal authority to levy groundwater charges on the production of groundwater from water producing facilities within the District. If persons are extracting water from the underground of this District, they are relying directly or indirectly on the groundwater supplies of the District. If the District is delivering water by pipeline to persons or entities within the District, the persons receiving that water are relying directly or indirectly on that water.

It is because persons within the District are relying on the groundwater supplies of the District or water that the District is supplying to them by pipeline that they are benefited and that the District is authorized to levy groundwater extraction charges. Those charges are for the benefit of all persons who rely on the groundwater supplies of the District or water imported into the District.

All of the basins located within the District's boundaries are interconnected. Construction of, improvements to, and ongoing maintenance of the Freeman Diversion and Santa Felicia Dam has preserved and enhanced this District's historic ability to divert water and to spread and conserve it via groundwater recharge activities. The same can be said of the District's other water conservation facilities.

I want to thank everyone for participating in today's hearing. I also note that the Board, as well as its staff, has received, heard, reviewed, and considered all evidence, information, comments, responses, protests, objections and issues, including information received during today's hearing. The Board is fully informed on the facts and issues involved in making its decisions regarding the District's 2019-2020 groundwater extraction charges.

And with those comments now made, let's proceed to consideration of the two motions before us. We will first consider the first of two resolutions, the one containing findings and determinations from this hearing on the annual groundwater conditions of the District.

If you make a motion to approve a resolution, please read the number and title of the resolution when you make your motion.

Do I hear a motion on Resolution 2019-10?"

Director Eranio stated: "I move that we adopt this Resolution 2019-10 entitled: 'A Resolution of the Board of Directors of United Water Conservation District Making Findings and Determinations from the Evidence Submitted Concerning the Groundwater Conditions of United Water Conservation District.'"

Director Dandy seconded the motion.

President Naumann said: "Resolution 2019-10 has been moved and seconded for adoption. Are there any questions or discussion by any members of the Board on the motion or resolution itself?"

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None were offered.

President Naumann said: "There being none, I call for a roll call vote."

Roll call vote: seven ayes (Berger, Dandy, Eranio, Maulhardt, McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

President Naumann said: "The resolution is adopted and it is so ordered. Do I hear a motion on the second resolution, Resolution 2019-11?"

Director Berger said: "I move that we adopt Resolution 2019-11, establishing zones and adopting and assessing groundwater charges entitled: 'A Resolution of the Board Of Directors of United Water Conservation District Making Additional Findings and Determinations from the Evidence Submitted Concerning Groundwater Conditions of United Water Conservation District, Determining and Establishing Groundwater Extraction Charge Zones and Levying, Assessing and Fixing Groundwater Extraction Charges Against All Persons Operating Groundwater Producing Facilities Within Such Zones For The 2019-20 Water Year.'"

Director Mobley seconded the motion.

President Naumann said: "The adoption of Resolution 2019-11 has been moved and seconded. Are there any questions or discussion by members of the Board on the motion or the resolution itself?"

None were offered.

President Naumann continued: "There being none, I call for a roll call vote."

Roll call vote: seven ayes (Berger, Dandy, Eranio, Maulhardt, McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

President Naumann continued: "The resolution is adopted and it is so ordered. Are there any further comments by the Board members?"

None were offered.

President Naumann then asked: "Any further comments from anyone in the audience?"

None were offered.

President Naumann said: "This item is now concluded. I thank everyone again for their attendance and cooperation. Let's take a brief recess."

The Board recessed at 2:47p.m.

At 2:55p.m., President Naumann addressed the next motion item on the agenda.

Administration Services – Anthony Emmert

4.2 Resolution 2019-12

Adopting the Proposed District Budget Plan, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2019-20 and Appropriation Carryovers for Fiscal Year 2018-19

Chief Financial Officer Joseph Jereb addressed the Board. He stated that the proposed FY 2019-20 Budget plan, financial policies, overhead allocation method, staffing levels and salary schedules and appropriation carryovers for Fiscal Year 2018-19 were unchanged with the exception of one policy change that would provide the Clerk of the Board with the authority to approve purchase orders for contracts and expenditures that had been approved by the Board through motions. This eliminated the need for a Board member to electronically approve purchase orders and provided for greater efficiencies.

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

Motion to adopt Resolution 2019-12, Director Dandy; Second, Director Mobley. Roll call vote: seven ayes (Berger, Dandy, Eranio, Maulhardt, McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

4.3 Resolution 2019-13 **A Resolution of the Board of Directors of UWCD Requesting the Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Period 2019-20 Sufficient to Satisfy the State Water Project Charges**

President Naumann asked if there were any questions or comments regarding the adoption of Resolution 2019-13. None were offered.

Motion to adopt Resolution 2019-13 Director Maulhardt; Second, Director McFadden. Roll call vote: seven ayes (Berger, Dandy, Eranio, Maulhardt, McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

Environmental Planning and Conservation Department – Anthony Emmert

4.4 **Pre-implementation Studies in support of Federal Energy Regulatory Commission (FERC) Fish Passage Assessment – Amendment to Professional Services Agreement with Cramer Fish Sciences -- \$22,780.**

Dr. Katherine Ayres, Senior Ecologist, addressed the Board, explaining that the amendment was required to correct an error in contracting which resulted in an element of the study being inadvertently excluded from the scope of work in Cramer Fish Sciences original agreement.

Director Dandy said the Financial Committee had reviewed the motion and recommend its approval.

Motion to authorize the General Manager to execute an amendment to the professional services agreement with Cramer Fish Sciences in the amount of \$22,780 to conduct studies outlined in the “Santa Felicia Dam Fish Passage Program Pre-Implementation Study Plan,” Director Maulhardt; Second, Director Mobley. Roll call vote: seven ayes (Berger, Dandy, Eranio, Maulhardt, McFadden, Mobley, Naumann); none opposed; none absent. Motion carries unanimously 7/0/0.

Director Maulhardt said he’d like to compliment the budgeting process, stating that the Budget, “was the best looking, with graphics and photos, it was easy to read and the documents are all numbered. The sense of scope and breath – there’s a big push for outreach in back, the Strategic Plan, that’s never been done before, and something he knew Mr. Guardado pushed for. The photos, it shows who we are and where we’re going and in all of my 33 years, I’m taking this one home because you created a budget book that makes me want to look at it.”

Director McFadden said his wife enjoyed looking at all of the photographs.

Director Maulhardt added that the impact on constituents, the budget book justifies why we are here and the best of class and family culture, he said it made him proud of the work the District has done.

President Naumann continued, stating that staff and Mr. Guardado have done a fine job on public outreach and should be commended.

Director Maulhardt said that there was a time when the District was at loggerheads with everyone and he appreciates Mr. Guardado’s commitment to making it right.

Mr. Guardado added that he takes his hat off to staff, stating that there is a lot of information in the annual budget and he truly appreciates the efforts.

5. PRESENTATIONS AND MONTHLY STAFF REPORTS (By Department)

Administration Services – Anthony Emmert

5.1 Monthly Administrative Services Department Report – Anthony Emmert Information Item

Mr. Jereb said he appreciates the comments from the Board and in his 20 years of experience, this was his first budget for a public sector organization and he is pleased to see how every stakeholder was invested and with contributions from the executive management and the Board his team were able to put together a product that stands up. He then presented an overview of the Administration Department’s activities over the previous months.

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

Engineering Department – Maryam Bral

**5.2 Monthly Engineering Department Report
Information Item**

Dr. Bral presented an overview of the Engineering Department's activities of the past months.

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

Operations and Maintenance – Brian Collins

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

Brian Collins presented a number of photographs of the Operations and Maintenance Department's activities over the past months. He explained how staff had to work around the clock to deal with algae impeding the fish rack and trash screens at the Freeman Diversion in an effort to maximize diversions.

Mr. Guardado said that the water release benefits the Oxnard Plain and as flow rates ramp up water will be moving everywhere.

Mr. Collins took the Board through the emergency efforts at Vineyard Avenue Acres Municipal Water Company and how the Department of Drinking Water appreciated the District's quick response. Mr. Collins did caution that staff's efforts were not a permanent solution and that still needs to be addressed.

Director Maulhardt said that staff had done a yeoman's job to deal with the issue at hand and that going forward, whether its technically or financially, Vineyard Avenue Acres needs to come up with a long term solution.

Director Eranio said they don't have a plan and the State is trying to help but it keeps getting pushed along. He suggested the District seek proper answers from County Water Works or County Water Systems and anticipates it will be 12 to 18 months before it all gets worked out.

Director Maulhardt recommended that the Operations Committee monitor the situation, and accounting in an effort to get ahead of the game. The committee also needs to develop options and a game plan. He said he was pleased with staff's efforts, but this problem has a moving timeline and the District can't subsidize the problem.

Mr. Guardado said the accounting is there but action items going forward are needed, especially in determining who between the State, County and Mutual are doing what. He added that Jeff Densmore has given the District his assurance that it will get paid. Not ongoing, but for the initial response.

Director McFadden said he was pleased to see United coming to the rescue and thought the effort was really good for public relations.

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

Environmental Planning and Conservation Department – Anthony Emmert

**5.4 Monthly Environmental Planning and Conservation Department Report
Information Item**

Summary report on environmental and regulatory issues of note to the District was received by the Board.

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

**5.5 Quagga Mussel Management Efforts Update
Information Item**

Summary report on the ongoing management and monitoring efforts related to the Lake Piru quagga mussel infestation was received by the Board.

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

Groundwater Department – Maryam Bral

**5.6 Monthly Groundwater Department Report
Information Item**

Summary report on monthly Groundwater Department activities was received by the Board.

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

**5.7 Update on Groundwater Sustainability Agencies (GSAs) and Sustainable Groundwater Management Act (SGMA)
Information Item**

Summary report 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) were received by the Board.

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

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

Park and Recreation Division – Clayton Strahan

**5.8 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 by the Board.

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

6. BOARD OF DIRECTORS READING FILE

7. FUTURE AGENDA ITEMS

None were offered.

President Naumann adjourned the Board into its Second Executive Session at 4:03p.m.

Third Open Session - 4:40p.m.

President Naumann opened the third open session of the Board at 4:40p.m.

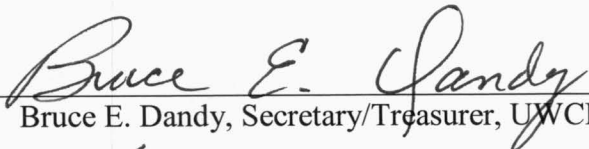
Mr. Boyer reported that the Board took no action reportable under the Brown Act.

8. ADJOURNMENT 4:42p.m.

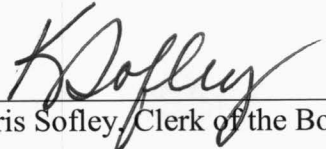
President Naumann adjourned the Board at 4:42p.m. to the **Regular Board Meeting scheduled for Wednesday, July 10, 2019** or call of the President.

I certify that the above is a true and correct copy of the minutes of the United Water Conservation District's Regular Board of Directors meeting of June 12, 2019.

ATTEST: _____


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

ATTEST: _____


Kris Sofley, Clerk of the Board



Legal Counsel
David D. Boyer



Strategy

1. Increase the visibility of the Lake Piru recreation area
2. Brand Lake Piru as a UWCD asset (cross promotion)
3. Create awareness and interest for Demonstration Day & Memorial Day, Just Ride 2019
4. Tag community partners
5. Share new video and photo content



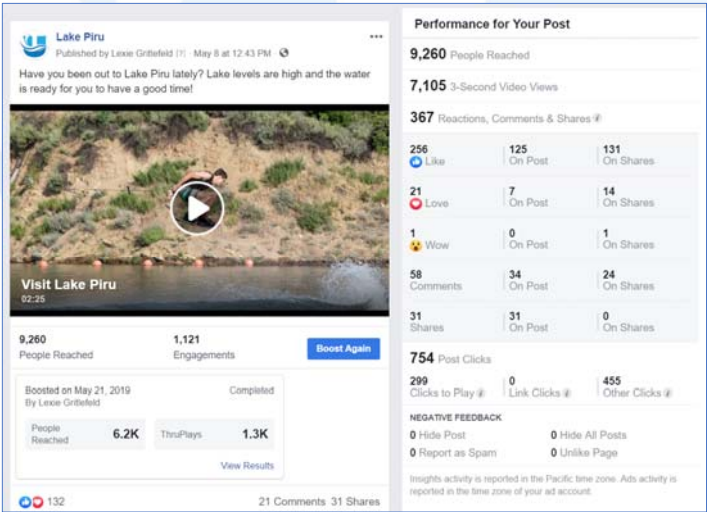
Outcomes

A few 30,000-foot accomplishments

- The average growth rate for travel industry (most relative industry to Lake Piru Recreation Area) is **0.75%**
- Our average growth rate on Lake Piru’s Facebook is **39%**
- Our average growth rate on Instagram is **24.3%**
- Just one of our posts reached Facebook users’ newsfeed over **90,200 times**
- Our Demo Day, the event page reached 6,442 Facebook users and **received 119 RSVP responses**



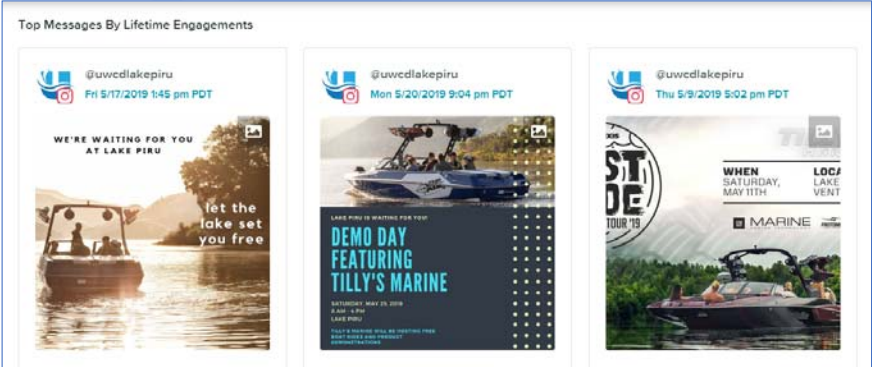
Best Posts on Facebook



The Visit Lake Piru video reached 9,250 people and had 1,121 engagements. More importantly, the video was shared 31 times expanding the reach exponentially!



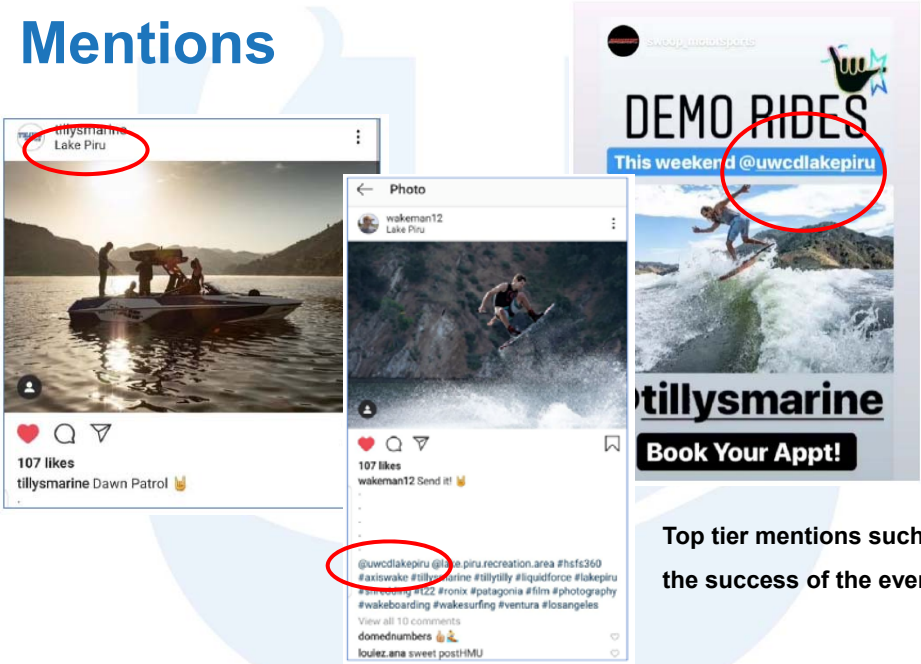
Best Posts on Instagram



The 3 top Instagram posts highlighted lake life, Demo Day and Just Ride. The account reached 139 followers and its best post engaged with 136 of those followers. This is a HUGE win for a new page.



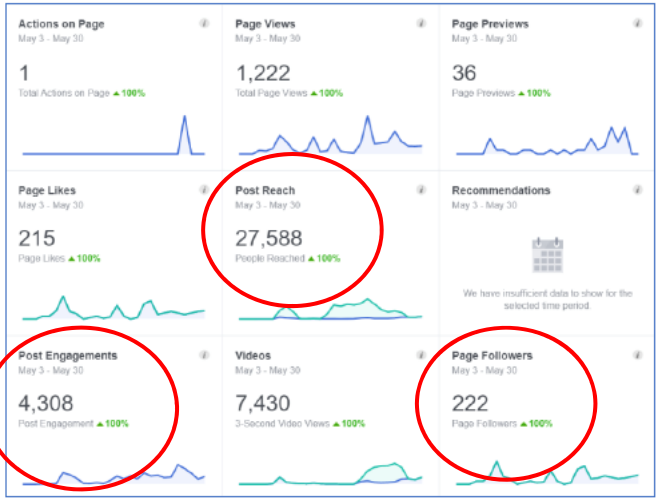
Mentions



Top tier mentions such as these ensured the success of the events.



Outcomes

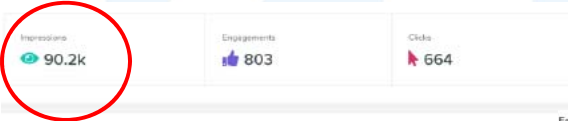


Engagement and reach are two of the most important measures of a campaign. A reach of nearly 28K and 4,300+ are enviable!

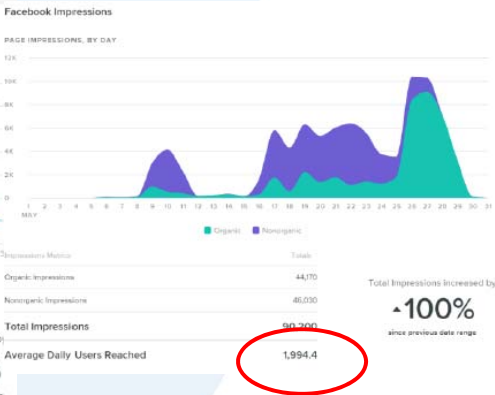
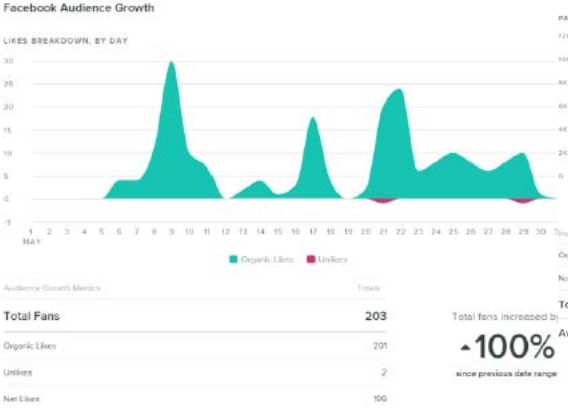
Additionally, the page has grown to 240 followers (222 at the time of this data capture).



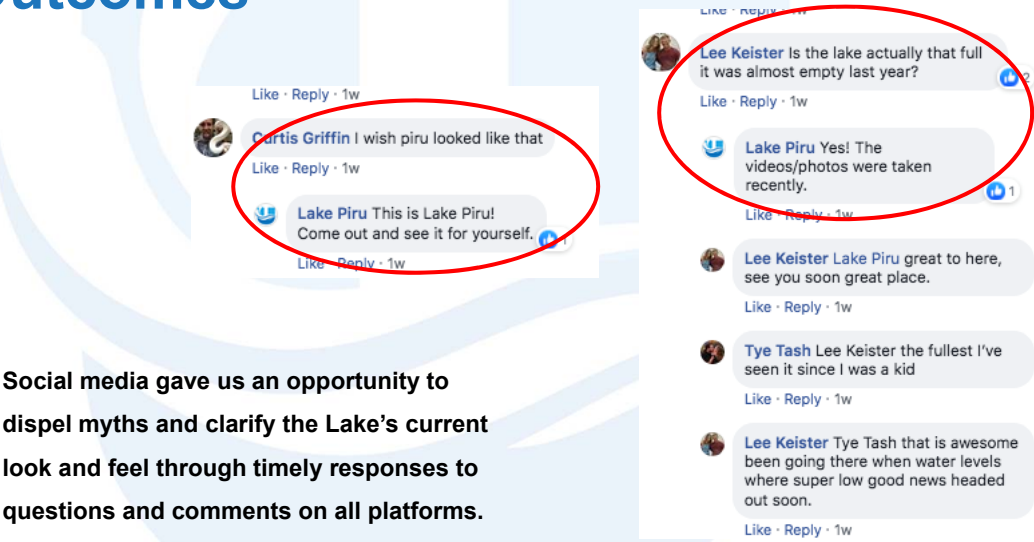
Outcomes



In total, we earned 90.2K impressions over a 26-day span and an average daily reach of 1,994.



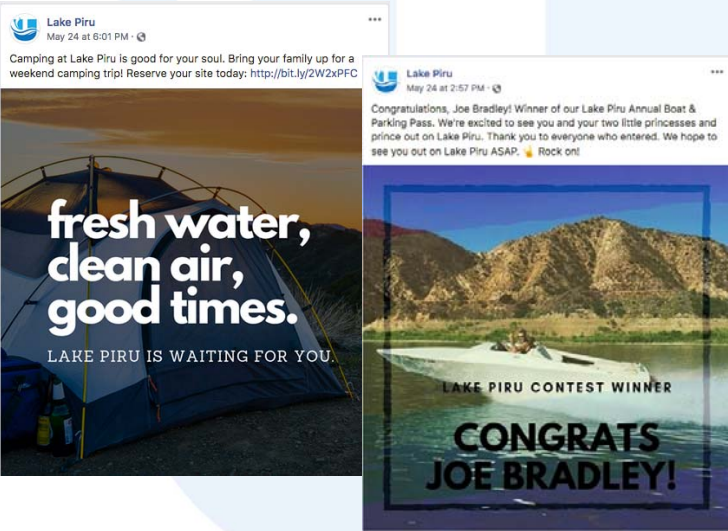
Outcomes



Social media gave us an opportunity to dispel myths and clarify the Lake’s current look and feel through timely responses to questions and comments on all platforms.



Outcomes



Through social media we were able to highlight camping and fishing at Lake Piru. Also, we were able to promote engagement through the contest.



Summary

SOCIAL MEDIA IS EFFECTIVE:

90,000 Impressions during May.

Lake Piru content was visible 90,000 times during the month.

SOCIAL MEDIA MEETS PEOPLE WHERE THEY ARE:

27,600 Post Reach during May.

More than 27K people were reached via their feeds.

YOU CAN SEE HOW MANY PEOPLE ARE ENGAGING WITH YOUR INFORMATION:

4,300 Post Engagements during May.

More than 4K people responded to the posts by liking, commenting or sharing.

Imagine having to engage with 4,300 people individually to promote an event!



Summary

SOCIAL MEDIA IS COST EFFECTIVE:

The net cost of reaching these individuals was low.

SOCIAL MEDIA DELIVERS:

The event turn out was beyond expectations on all accounts.

SOCIAL MEDIA CAN BOOST BRAND PERCEPTION AND CHANGE NEGATIVE BELIEFS:

The social media interactions enhanced the UWCD Lake Piru brand perception.

- Social media is the most effective tool to reach a wider audience with specificity
- Social media has the ability to see how your audience is responding to your post/information/event
- True return on investment (ROI)





Clean Power Alliance

Locally powered energy innovation.

United Water Conservation District

June 12, 2019



What is Clean Power Alliance?

Your new energy partner

Clean Power Alliance provides electricity procurement services for businesses, leveraging the combined purchasing power of our members to **offer clean, renewable energy at competitive rates.**



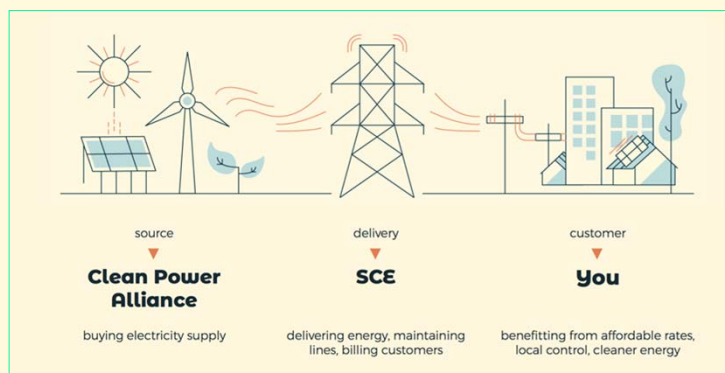
CLEAN POWER ALLIANCE

2



How does it work?

Clean Power Alliance purchases clean power. Southern California Edison delivers it. Customers benefit from renewable energy at competitive rates.



CLEAN POWER ALLIANCE

3



Who are we?

- Clean Power Alliance is a not-for-profit public entity formed through a Joint Powers Authority (JPA)
- Our members include 32 public agencies across Ventura and Los Angeles Counties, including the Cities of Ojai and Ventura and unincorporated Ventura County.
- Governing board includes elected officials from each member agency.



CLEAN POWER ALLIANCE

4



Where we are in the launch process

1. February 2018 – service launched for municipal customers in unincorporated LA County
2. June 2018 – service launched for commercial customers in unincorporated LA County and all non-residential customers in Rolling Hills Estates and South Pasadena
3. February 2019 – service launching for all residential customers
4. May 2019 – service expanding to all remaining non-residential customers



CLEAN POWER ALLIANCE

5



Clean Power Alliance offers choices

Three rate options to suit your business needs



Lean Power provides 36% renewable energy content at the lowest possible cost, typically 1-2% lower than Southern California Edison base rates



Clean Power provides 50% renewable energy content at around the same price as Southern California Edison's base rates



100% Green Power provides 100% renewable energy content at a 7-9% premium as compared to Southern California Edison's base rates

CLEAN POWER ALLIANCE

6



United Water Conservation District Rate Comparison

Rate Class	Default CPA Rate Tier	CPA Discount/Premium Relative to SCE Base Rates as of June 1, 2019*		
		Lean Power	Clean Power	100% Green Power
TOU-GS-1	Lean Power / 100% Green Power	-1%	0%	9%
TOU-GS-2	100% Green Power	-1%	0%	9%
TOU-PA-2	100% Green Power	17%	19%	24%
TOU-PA-3	100% Green Power	9%	10%	15%
TOU-8	100% Green Power	11%	12%	18%

*Estimate based on 2018 usage and SCE and CPA rates as of June 1, 2019.



Enrollment, rates and options

- Enrollment at your community's default CPA rate tier is automatic per state law, and took place on each account's meter read date in May.
- You can choose the best rate option for your business or opt out at any time. If you opt out more than 60 days after enrollment (after your July meter read dates) SCE will place you on a transitional rate for 6 months.
- CPA rate structures mirror SCE's, including TOU periods and grandfathering provisions.
- Eligibility for and enrollment in incentive, rebate and other special programs (e.g., Summer Discount Plan, Base Interruptible Plan) are unchanged.
- CPA is seeking interested customers for a Peak Management Program pilot.
- Contact CPA Account Services for information about our Green Leader business recognition program.



Long-term Renewables Contracting

- CPA launched its first long-term clean energy Request for Offers (RFO) in October 2018, with a target procurement of 1-2 million MWh annually from multiple projects
- CPA received a robust response for RPS, RPS + storage, and standalone storage projects
- CPA will be releasing RFOs annually to meet its large need for affordable and clean energy resources, with the next slotted for Q3 2019
- CPA evaluates projects based on 6 critical procurement objectives:



Local Programs

- CPA will launch a local programs strategic planning process to guide the selection and development of local program investment in 2020 to 2025
- CPA also plans to study the feasibility of Local Clean Energy infrastructure development
- We are seeking public and private partners for pilot programs





Why it's important

Shared benefits for your business and our community

**Stable,
Competitive
Rates**

**Higher
Renewable
Content**

**Local
Management
& Control**

CLEAN POWER ALLIANCE

11



Contact us

Customer Service:

888-585-3788

customerservice@cleanpoweralliance.org

cleanpoweralliance.org

My contact information:

Karen Schmidt,

Regional Affairs Manager


kschmidt@cleanpoweralliance.org



CLEAN POWER ALLIANCE


12

UNITED WATER CONSERVATION DISTRICT Cost-of-Service Analysis FY 2019-20



Board Presentation

June 12, 2019




HF&H Consultants, LLC

United Water Conservation District

Board Presentation

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



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United Water Conservation District
Board Presentation

Summary of COS Allocations and Composite Ratio

FY 2019-20 Ratio Calculation

	Ag	M&I	Total
IV. Total Cost of Service			
Replenishment	\$4,870,385	\$1,423,107	\$6,293,492
Reliability	\$4,019,668	\$1,589,711	\$5,609,379
Regulatory Compliance	<u>\$2,783,813</u>	<u>\$8,906,150</u>	<u>\$11,689,963</u>
	\$11,673,866	\$11,918,969	\$23,592,834
Total pumpage (AF)	152,402	39,676	192,078
Composite unit cost (\$/AF)	\$76.60	\$300.41	\$122.83
Ratio of M&I to Ag unit costs	1.00	3.92	

Historical Ratio Calculation

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	\$76.60	\$300.41	3.92
Average	\$56.84	\$204.14	3.59

- 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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June 12, 2019



Rodney T. Smith, Ph.D. President

Reasonable Ratio of M&I to AG Groundwater Extraction Charges

United Water Conservation District
Santa Paula, CA
June 12, 2019

Statement of Question

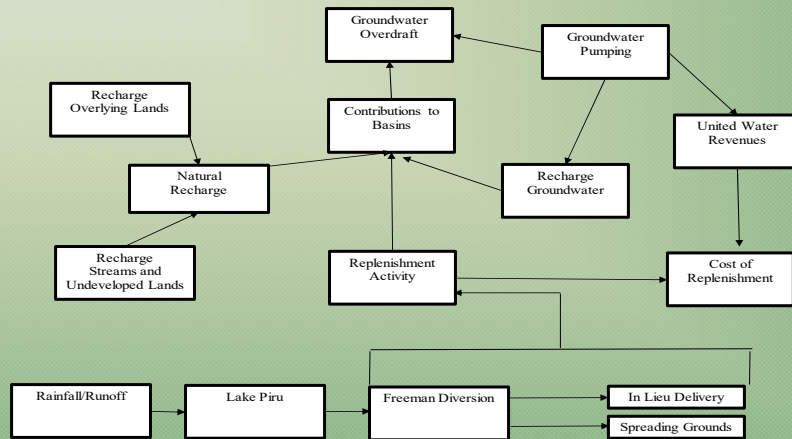
- Develop a quantitative method to determine a reasonable ratio of groundwater extraction charges Municipal & Industrial (“non-agricultural”) water to agricultural (“AG”) water
 - ❑ Focus on the differential hydrological impact of M&I and AG groundwater usage and land use on the eight inter-connected 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

Economic Principles of Rate Structure

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United Water's Objectives and Sources of Revenues and Costs

United Water's Objective and Sources of Revenues and Costs



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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

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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

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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

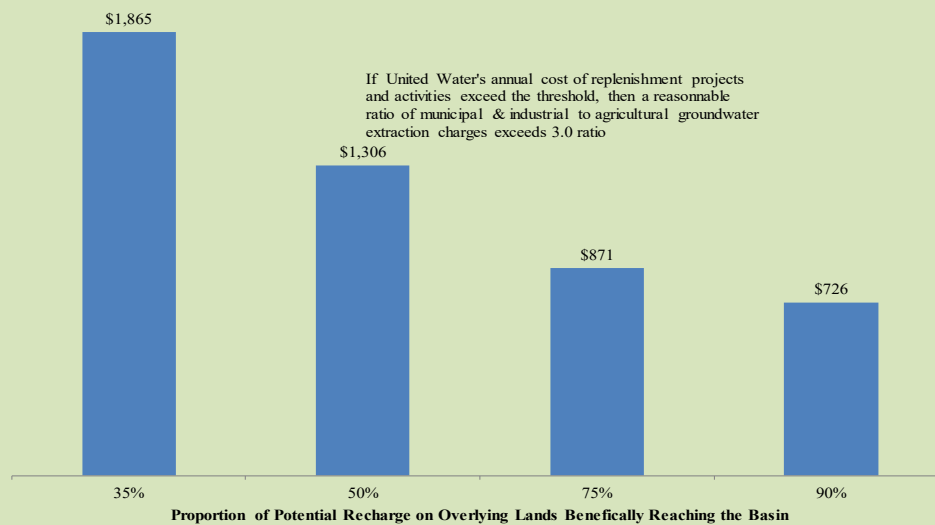
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Assumptions

- 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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Response to City Comments

<i>City Comment</i>	<i>Response</i>
Rungren Letter: City reaffirms criticisms from prior years	Stratecon has responded to comments of prior years and concluded that comments mischaracterize Stratecon's method, offers conjectures inconsistent with Stratecon's methods, or refuses to acknowledge how land use decisions impact the demand for United's replenishment activities and programs
Raftelis I: "no replenishment occurring from hypothetical costs shown in the report"	Stratecon apportions cost of United's activities.
Raftelis II: "Revised Calculation based on Stratecon's Principles" show lower rate of agricultural rate to non-agricultural rate	Calculations start with apportionment costs based on pumping without any adjustment for (i) portion of groundwater use returning to basin and (ii) impact of land use on recharge from overlying lands
Raftelis III: "Revised Calculation based on Stratecon's Methodology and UCWD Costs" shows lower rate of agricultural rate to non-agricultural rate	Neglects how land use has a permanent impact on the amount of recharge from overlying lands

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Response to City Comments

<i>City Comment</i>	<i>Response</i>
Raftelis IV: "Proposed Revised Calculation using Stratecon's Data" shows lower rate of agricultural rate to non-agricultural rate	<ul style="list-style-type: none"> (i) Calculations start with apportionment costs based on pumping without any adjustment for (i) portion of groundwater use returning to basin and (ii) impact of land use on recharge from overlying lands (ii) Neglects how land use has a permanent impact on the amount of recharge from overlying lands
Diaz Letter: "Proposition 26 requires UWCD to reasonably estimate its costs, not to demonstrate that a 3:1 is at least justifiable; agricultural (sic) must be shown not only to pay enough, it must also be shown not to pay too much."	The precise quantification demanded by Mr. Diaz requires a UWCD finding on the proportion of potential recharge on overlying lands beneficially reaching the basin.

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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



5.1 ADMINISTRATIVE SERVICES DEPARTMENT MONTHLY REPORT

MAY 2019

FINANCE DIVISION

- PRESENTED THE PROPOSED FY 2019-20 BUDGET AT THE MAY 23 BOARD MEETING.
- HELD MEETINGS WITH THE OH PIPELINE CUSTOMERS AND THE PT PIPELINE CUSTOMERS TO DISCUSS THE FY 2019-20 BUDGET AND DISTRICT ACTIVITY.
- COMPLETED SEMI-ANNUAL GROUNDWATER BILLING FOR THE FILLMORE AND PIRU BASINS GSA AND THE MOUND BASIN GSA.
- WORKED WITH O&M STAFF TO PLAN FOR BILLING FOR EMERGENCY CONNECTION TO THE OH PIPELINE.



INFORMATION TECHNOLOGY

- BEGAN THE INITIAL PHASE OF THE TRANSITION TO MICROSOFT OFFICE 365.
- BEGAN PREPARATIONS FOR AN IT HELPDESK PORTAL/WEBSITE.



HUMAN RESOURCES

- CREATED 401(A) PLAN FOR THE DISTRICT.
- PROCESSED MERIT PAY FOR MANAGEMENT STAFF, WHICH WILL BE PAID IN JUNE.
- PREPARED SALARY CHART REVISIONS INCORPORATED INTO THE BUDGET DOCUMENT FOR APPROVAL.
- CONTINUED CONTRACT REVIEW AND RESEARCH AS WELL NEGOTIATIONS WITH SEIU ON A NEW MOU AGREEMENT.
- FINALIZED DISTRICT'S DOT PROGRAM USING A NEW VENDOR.
- ENSURED PROPER REGISTRATION OF THE DISTRICT'S VEHICLES/BOATS WITH DMV.
- COORDINATED WITH RECREATION DEPARTMENT TO FINALIZE PARK RANGER MATERIAL FOR BOARD PRESENTATION.
- HELD INTERVIEWS AND FINALIZED SELECTION OF ADMINISTRATIVE SUPPORT.
- RESPONDED TO SEVERAL AGENCIES WITH REQUESTS FOR INFORMATION RELATED TO SALARY/BENEFIT SURVEYS.


MONTHLY ENGINEERING DEPARTMENT REPORT

June 12, 2019


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Outlet Works and Spillway Improvement Design


- ✓ Existing hydropower plant inspection on May 7
- ✓ Drone survey on May 7-8
- ✓ Work plan for field inspection of the spillway was developed in May
- ✓ Final work plan was submitted to DSOD on June 7
- ✓ Kick off meeting with Catalyst & Rincon on May 31



10% Design
Outlet Works



10% Design
Spillway Improvement



2

SPILLWAY NON-DESTRUCTIVE INVESTIGATIONS

- ✓ Inspection of spillway slab and walls by Olson on March 14
- ✓ First draft report was submitted on April 29
- ✓ Staff review comments provided on May 23
- ❑ Final report is in progress



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SPILLWAY UNDERDRAIN INVESTIGATIONS

- ✓ April 3 – Spillway drainage system pre-inspection



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SPILLWAY UNDERDRAIN INVESTIGATIONS

- ✓ May 21 and 22 – Subdrain inspection completed
- ❑ Draft report due in June



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SPILLWAY UNDERDRAIN INVESTIGATIONS

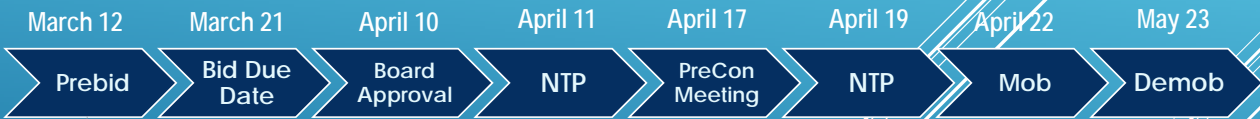


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LAKE PIRU RECREATION AREA 2019 PAVEMENT MAINTENANCE PROGRAM



Lake Piru Recreation Area 2019 Pavement Maintenance Program









PAVEMENT REPAIR
OLIVE GROVE CAMPGROUND



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LAKE PIRU RECREATION AREA RAMADA
REHABILITATION

✓ Exped

✓ NTP o

✓ Replac

✓ Painted

✓ Project

✓ Week

✓ NOC i

BEF
Apr

AFTER
May 22



ial Day

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POTHOLE TRAILHEAD PARKING STRUCTURE

- ✓ Vault restroom was purchased on April 23, delivery by Sept 30
- ✓ Restroom shop drawings and specs approval by State Architect Office
- ✓ Site survey completed on April 25
- ❑ Design plans are in progress
- ❑ Building permit is expected by June 30
- ❑ Construction period (Sept 30 - Oct 31, 2019)



CXT Cascadian Vault Style Restroom

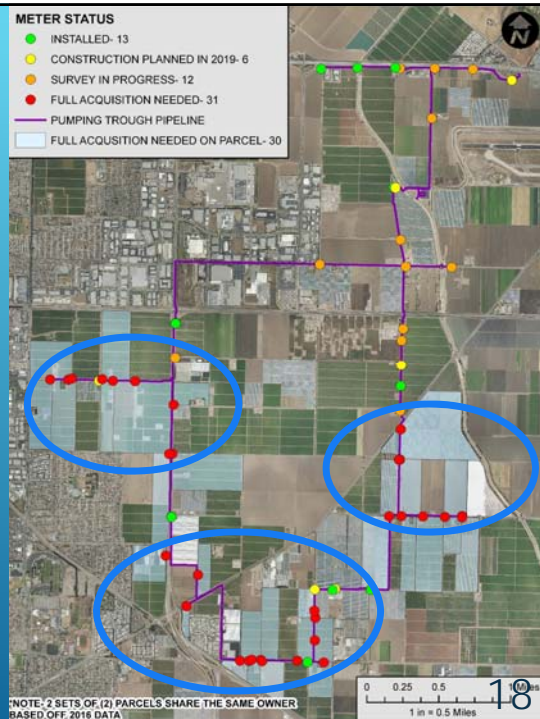


Pothole Trailhead Location

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PTP TURNOUT METERING SYSTEM IMPROVEMENT PROJECT

- ❑ 13 meters installed and SCADA integrated
- ❑ 13 easement maps & legal descriptions in progress
- ❑ Min. 6 meters to be installed in 2019
- ❑ 2 utility easement deeds completed
- ❑ Kick-off meeting with HJA/Stantec-June 5
- ❑ HJA/Stantec to assist Staff with 31 turn outs:
 - field survey
 - title search
 - easement maps and legal descriptions
 - coordination with owners
- ❑ Request for grant execution timeline extension



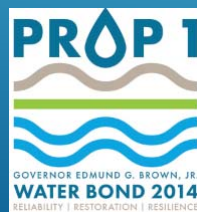
IRON AND MANGANESE TREATMENT

- ☐ 30% design review meeting with DDW on May 8
- ☐ Received 30% design review comments from DDW on May 15
- ☐ 30% design review meeting with consultant on May 30
- ☐ Next milestone:
 - Development of 90% design plans
- ☐ Bureau of Reclamation – Drought Resiliency Grant
 - \$300,000 awarded June 22, 2018
 - 30% design submitted per grant agreement requirements
 - Final federal funding agreement is in progress

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GRANT APPLICATION ACTIVITIES

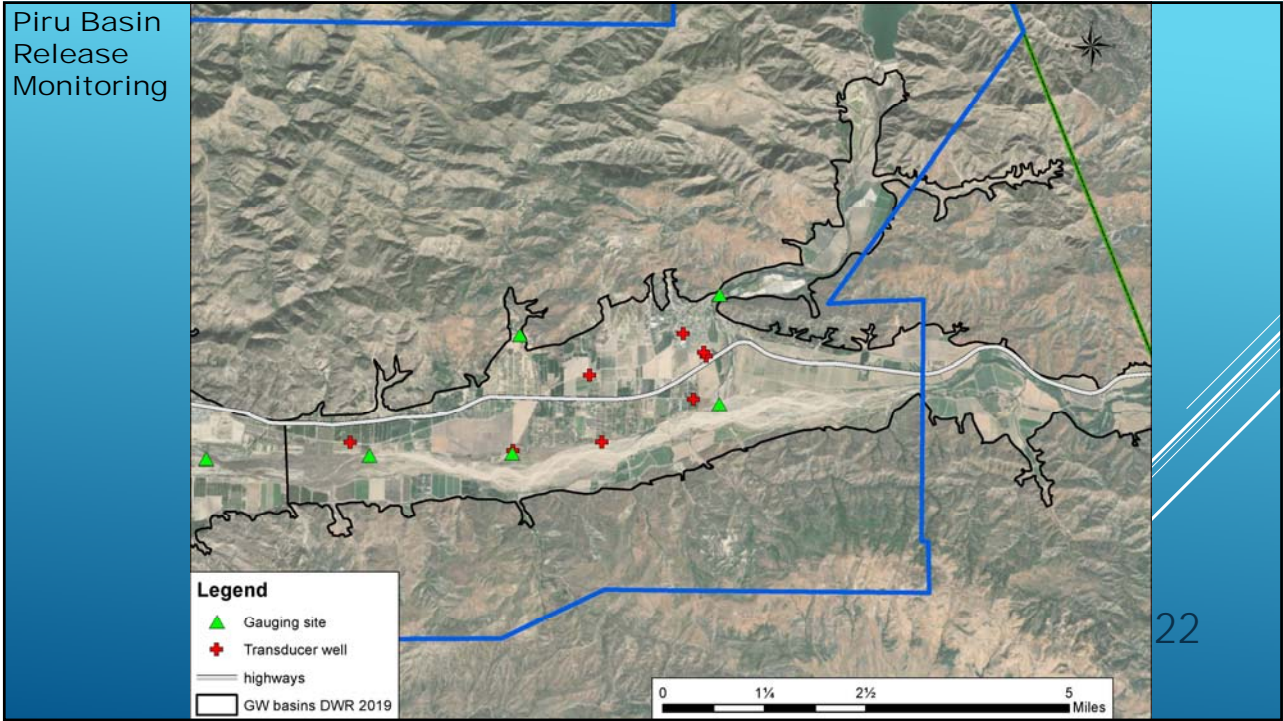
- ☐ Three PIFs were submitted to Watersheds Coalition of Ventura County for 2019 IRWMP Prop 1 funding program with DWR
- ☐ Staff to present the three projects to the Santa Clara Valley Watershed Committee on June 13.
- ☐ Kennedy Jenks is assisting staff with preparation of two application forms for CalOES HMGP

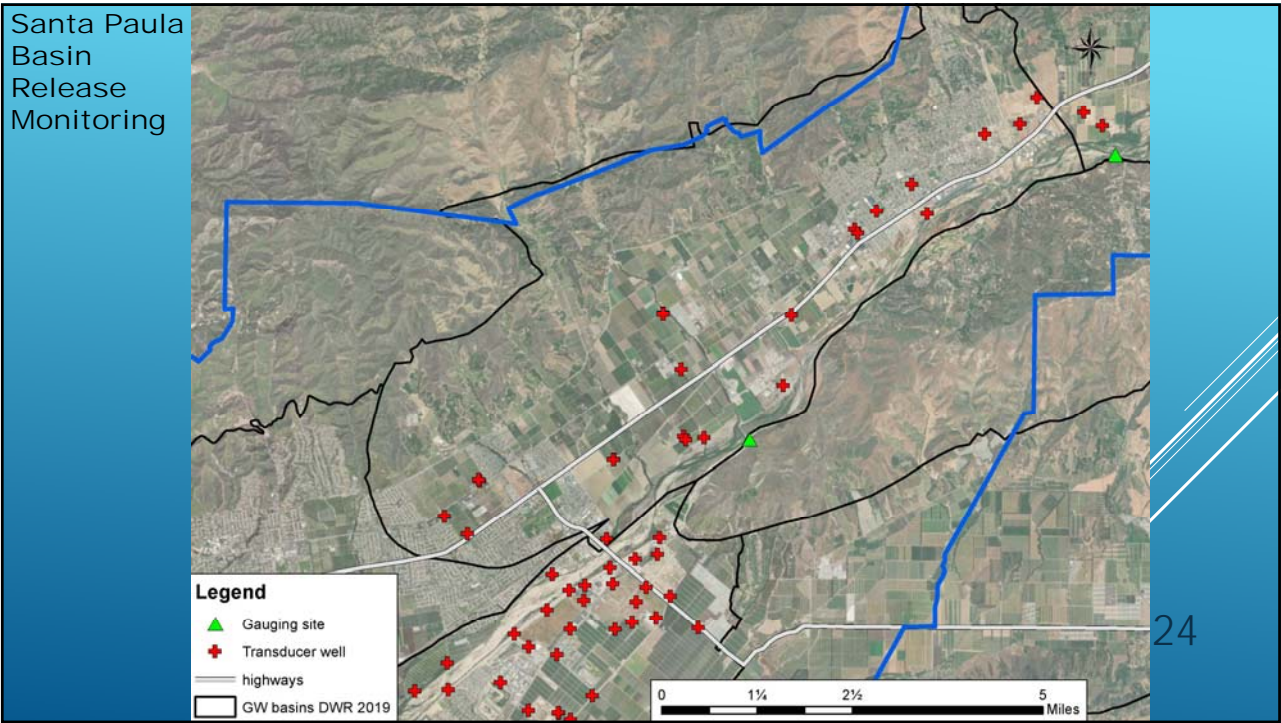
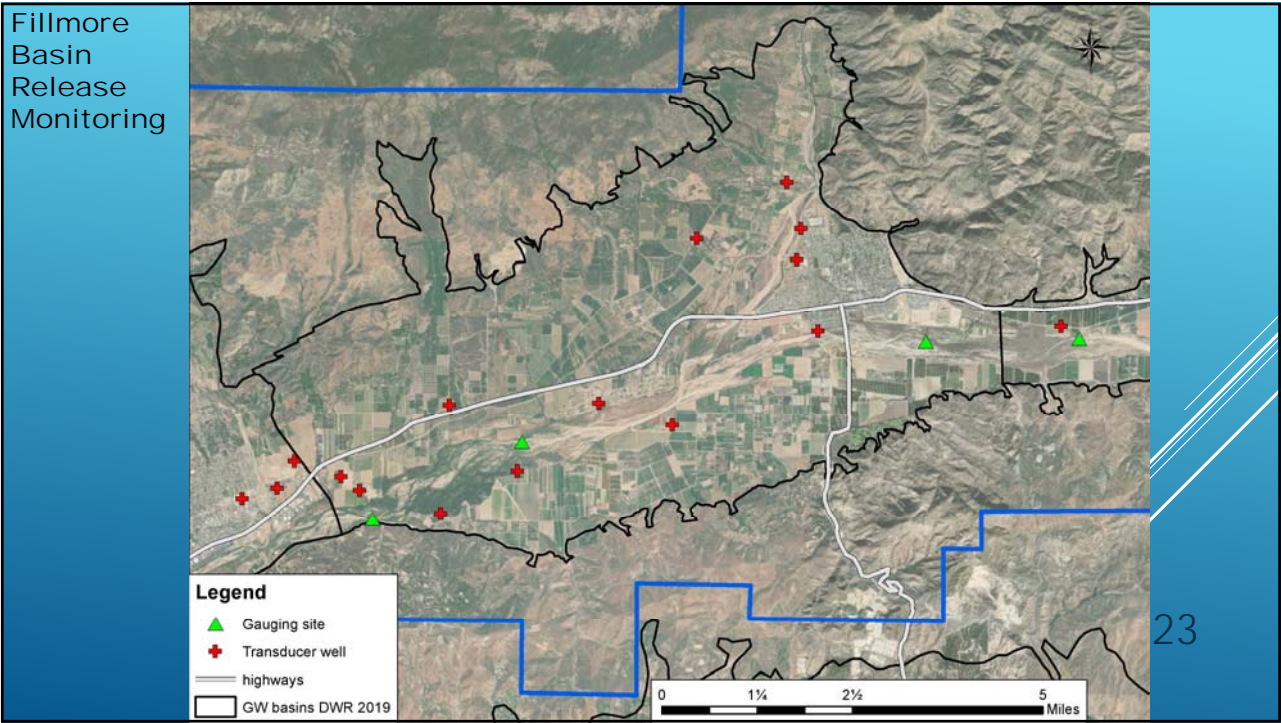


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2019 WATER RELEASE MONITORING

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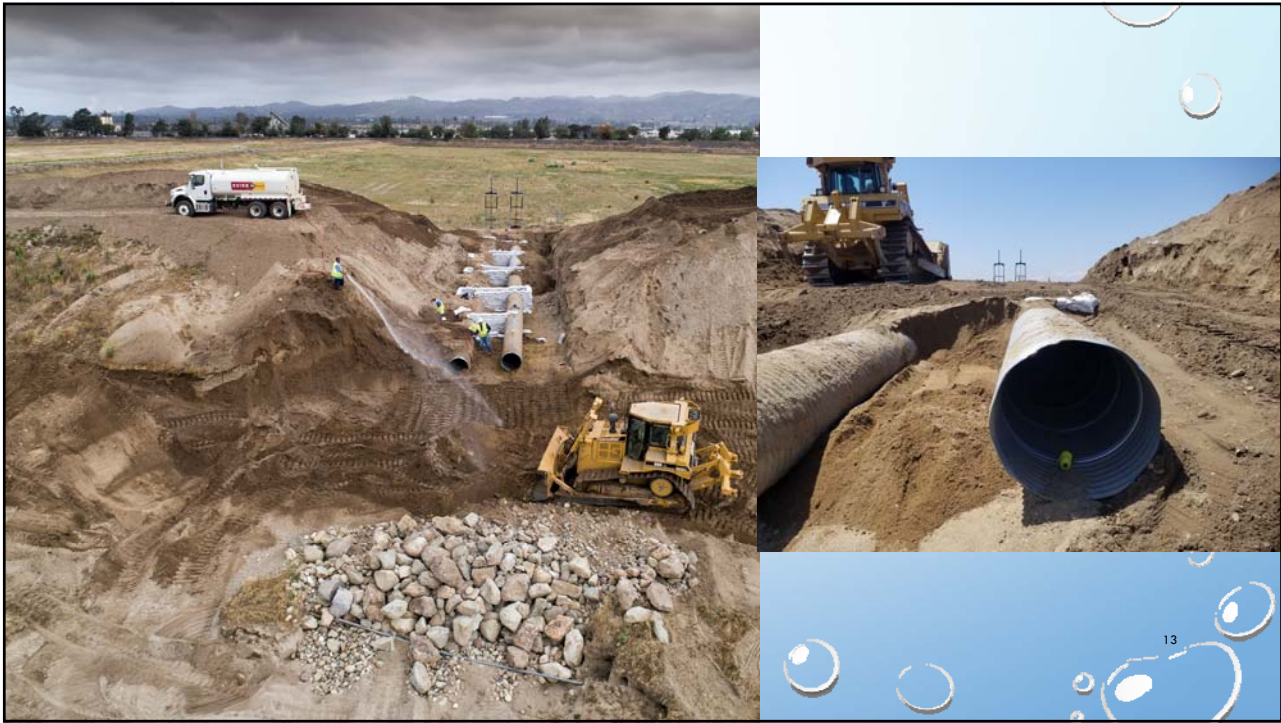












OXNARD-HUENEME PIPELINE SYSTEM OPERATIONS

