



Board of Directors Meeting

Wednesday March 7, 2018

2:00 P.M. Board Convenes

**Kerman Community Center
15101 W. Kearney Blvd.
Kerman CA, 93630**

MINUTES

1. CALL TO ORDER

The meeting was called to order at 2:01

Directors Present:

Don Cameron
Matt Abercrombie
Brian Pacheco
Jeevan Singh
Jerry Rai

Directors Absent:

None

2. PUBLIC COMMENT

There were no public comments.

3. CONSIDER APPROVAL OF MINUTES

Action – Approve the minutes of the February 7, 2018 Board of Directors meeting as corrected.

Singh / Abercrombie Motion Unanimously Approved

4. FINANCIAL

Mr. Shilling (KRCD) provided a written financial report for February.

Action – Approve the payment of bills.

Abercrombie / Singh

Motion Unanimously Approved

5. DIRECTORS REPORTS

Director Abercrombie reported on the CA Ag SGMA meeting held at UC Davis.

6. GSA FUNDING

Mr. Donlan discussed the process of a 218 election.

The GSA can be funded through property related fee collected by the County on the tax roll.

- Develop the budget:
 - Estimate cost for various tasks and fees for the GSA.
 - Mr Hopkins reviewed the budget. 5-year fee within the range of \$15.34 to \$17.29 cost per acre.
 - The per acre fees are maximums for each year. The Board may adopt a lower fee depending on the budget projections for the next year.
 - It is recommended a rate consultant be retained. A rate consultant may charge \$5,000 to \$10,000 to prepare the report.
- Obtain a parcel list for the MAGSA area from Fresno County to determine which parcels will be assessed the fee.
- Voting:
 - Voting will be through a majority protest process, meaning a majority of the parcels being assessed must provide a written protest to the MAGSA prior to the Board adopting the fee.
 - Each parcel owner will receive a notice in the mail.
- Tentative Schedule:
 - Given the time frames, the earliest a hearing on the fee could be held is June.
 - Send notices out in mid-April
 - Set grower meetings for the 3rd week of April.

- Chairman Cameron suggested grower meetings before sending out a notice to the growers/landowner. Mr. Hopkins and Ms. Tufenkjian will work to coordinate the meetings and information.

Action – Authorize Mr. Donlan to hire a rate consultant.

Singh / Abercrombie

Motion Unanimously Approved

7. GROUNDWATER SUSTAINABILITY PLAN

Mr. Kubit and Ms. Groundwater provided an update on the Groundwater Sustainability Plan (GSP) and the sustainability indicators that will begin being developed.

8. AD HOC COMMITTEES

The Board will hear reports from the following Ad-Hoc committees:

- Technical Advisory
No Report (Covered in Item 7)
- Financial
No report (see Item 6)
- Outreach
Ms. Tufenkjian presented the outreach report (added and made a part of these minutes)
- Human Resources (No Report)

9. CLOSED SESSION

1. Conference with Legal Counsel—Potential exposure to litigation pursuant to Government Code Section 54956.9.

At 2:53 Chairman Cameron announced that the Board would convene in the scheduled closed session to confer with its Counsel regarding potential exposure to litigation. Legal Counsel, Robert Donlan, participated by telephone.

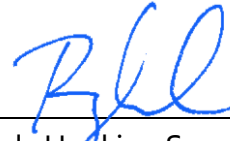
10. REPORT ON CLOSED SESSION

At 3:01, the meeting returned to open session. Upon returning to the open session, Director Cameron reported that no actions were taken during closed session.

11. ADJOURNMENT

Chairman Cameron adjourned the meeting at 3:02 pm.

APPROVED:



Randy Hopkins, Secretary

DRAFT

McMullin Area GSA 5-year Budget

2/27/2018

| Category | | FY ^a 2017-2018 | FY ^a 2018-2019 | FY ^a 2019-2020 | FY ^a 2020-2021 | FY ^a 2021-2022 | FY ^a 2022-2023 | TOTAL |
|---------------------------------------------|------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------|
| 1 GSA Administration | | | | | | | | |
| 1.1 | Public Outreach (KRCO) | \$ 20,000 | \$ 20,000 | \$ 20,600 | \$ 21,200 | \$ 21,800 | \$ 22,500 | \$ 106,100 |
| 1.2 | Office Supplies / Postage / Outreach Materials | | \$ 4,000 | \$ 4,100 | \$ 4,200 | \$ 4,300 | \$ 4,400 | \$ 21,000 |
| 1.3 | Insurance | \$ 3,000 | \$ 3,100 | \$ 3,200 | \$ 3,300 | \$ 3,400 | \$ 3,500 | \$ 16,500 |
| 1.4 | Fiscal Agent Services/Annual Audit | \$ 10,000 | \$ 10,000 | \$ 10,300 | \$ 10,600 | \$ 10,900 | \$ 11,200 | \$ 53,000 |
| 1.5 | Other/Miscellaneous Overhead | \$ 5,000 | \$ 5,200 | \$ 5,400 | \$ 5,600 | \$ 5,800 | \$ 6,000 | \$ 28,000 |
| ITEM 1 SUBTOTAL | | \$ 38,000 | \$ 42,300 | \$ 43,600 | \$ 44,900 | \$ 46,200 | \$ 47,600 | \$ 224,600 |
| 2 Professional Services | | | | | | | | |
| 2.1 | Agency Management | \$ 208,000 | \$ 245,000 | \$ 252,400 | \$ 260,000 | \$ 267,800 | \$ 275,900 | \$ 1,301,100 |
| | <i>Consulting Management Services</i> | | \$ 200,000 | \$ 206,000 | \$ 212,200 | \$ 218,600 | \$ 225,200 | \$ 1,062,000 |
| | <i>Legal - GSA Coordination</i> | | \$ 20,000 | \$ 20,600 | \$ 21,200 | \$ 21,800 | \$ 22,500 | \$ 106,100 |
| | <i>Legal - General</i> | | \$ 25,000 | \$ 25,800 | \$ 26,600 | \$ 27,400 | \$ 28,200 | \$ 133,000 |
| 2.2 | Prop 218 Elections / Funding | | \$ 43,000 | \$ 44,400 | \$ 45,800 | \$ 47,200 | \$ 48,600 | \$ 229,000 |
| 2.3 | Groundwater Sustainability Plan Preparation | \$ 234,000 | \$ 280,000 | \$ 288,400 | \$ - | \$ - | \$ - | \$ 568,400 |
| 2.4 | Legal, Litigation Reserve | \$ 20,000 | \$ 50,000 | \$ 51,500 | \$ 53,000 | \$ 54,600 | \$ 56,200 | \$ 265,300 |
| 2.5 | Grant Writing | | \$ 75,000 | \$ 77,300 | \$ 79,600 | \$ 82,000 | \$ 84,500 | \$ 398,400 |
| 2.6 | Project Development | | \$ - | \$ - | \$ 297,200 | \$ 306,200 | \$ 315,400 | \$ 918,800 |
| 2.7 | Governmental Relations | | \$ 50,000 | \$ 51,500 | \$ 53,000 | \$ 54,600 | \$ 56,200 | \$ 265,300 |
| ITEM 2 SUBTOTAL | | \$ 462,000 | \$ 1,311,000 | \$ 1,350,700 | \$ 1,391,600 | \$ 1,433,600 | \$ 1,476,700 | \$ 6,963,600 |
| 3 Monitoring and Implementation | | | | | | | | |
| 3.1 | Monitoring and Implementation | | \$ 150,000 | \$ 154,600 | \$ 159,400 | \$ 164,300 | \$ 169,300 | \$ 797,600 |
| ITEM 3 SUBTOTAL | | \$ - | \$ 150,000 | \$ 154,600 | \$ 159,400 | \$ 164,300 | \$ 169,300 | \$ 797,600 |
| ITEM 4 - 15% RESERVE / CONTINGENCY | | \$ - | \$ 225,500 | \$ 232,300 | \$ 239,400 | \$ 246,600 | \$ 254,000 | \$ 718,820 |
| TOTAL ESTIMATED BUDGET (ITEMS 1 - 4) | | \$ 500,000 | \$ 1,728,800 | \$ 1,781,200 | \$ 1,835,300 | \$ 1,890,700 | \$ 1,947,600 | \$ 9,183,600 |
| Reimbursement to Agencies | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| AVERAGE COST PER ACRE^b | | | \$ 15.34 | \$ 15.81 | \$ 16.29 | \$ 16.78 | \$ 17.29 | |

Notes: a Fiscal Year (FY) is July 1 - June 30

b MAGSA Assessable Acres = 112,673 +/-

c MAGSA Total Acres = 120,635 +/-

Prepared on Behalf of the McMullin Area Groundwater Sustainability Agency

Specific Steps for Adopting and Imposing a New Property Related Fee or Charge

Applicable Legal Provisions:

- Proposition 218 (Cal. Const., art. XIII D, §§ 4, 6)
- Gov. Code §§ 53739; 53755; 53755.5; 53756
- Water Code § 10730

Steps for Adopting a New Fee or Charge:

STEP 1: Budget. The GSA must develop and adopt a detailed, multi-year projected budget to use as the basis for any proposed fee or charge.

STEP 2: Identify the Parcels. The GSA must identify the parcels upon which the proposed fee or charge will be imposed. (Cal. Const., art. XIII D, § 6, subd. (a)(1).)

STEP 3. Calculate the Amount of the Fee or Charge Proposed. Next, the GSA must calculate the amount of the fee or charge to be imposed on each parcel. This is usually accomplished through a cost-of-service analysis prepared by a rate consultant.

(Cal. Const., art. XIII D, § 6, subd. (a)(1).)

- Amount of Fee or Charge: The amount of the fee or charge imposed on any parcel or person as an incident to property ownership must not exceed the proportional cost of the service attributable to the parcel.
 - The GSA should have data and a comprehensive narrative to support the calculated fee amount, demonstrating what methodology was used and the justification for the amount.
- Range of Fees, or Inflation Adjustments. The GSA may calculate a range of fees or fees adjusted for inflation. The ordinance or resolution presented for voter approval may state: (1) a range of fee rates or amounts; or (2) may state that the fee or charge amounts may be adjusted for inflation pursuant to a clearly identified formula stated in that ordinance or resolution.
 - Range of Fee Rates: If a range of fees or charges is adopted after voter approval, the GSA may impose the property-related fee or charge at any rate less than or equal to the maximum amount authorized by the voter-approved ordinance or resolution.
 - **Note**: If the GSA adopts a range of fee rates, it is not required to follow the 45-day notice provisions (discussed more below) before implementing any adjustment made pursuant to a fee schedule of fees authorized by Gov. Code section 53756. The GSA must only provide 30-days written notice of the adjustment prior to the date of the fee adjustment by

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including notice in the GSA’s regular billing statement for the fee. (Gov. Code § 53756(d).)

- **Inflation Adjustments**: If an ordinance or resolution authorizing adjustments for inflation is approved by the voters, the GSA may impose the property-related fee *at any rate or amount that is less than or equal to the inflation-adjusted maximum amount authorized*.

(Gov. Code § 53739(a) & (b)(1).)

- **A Note Regarding Multi-Year Fee Schedules**: Agencies providing water, wastewater, sewer, or refuse collection service may adopt multi-year fee schedules not to exceed five years. (Gov. Code § 53756(a).)

STEP 4. Provide Written Notice. The GSA must provide written notice by mail of the proposed fee or charge to the record owner of each parcel identified in Step 2 at least forty-five (45) days prior to the public hearing, and make available the data upon which the fee is based at least twenty (20) days prior to the public hearing.

- This notice shall include information regarding:
 - the **amount** of the proposed fee or charge to be imposed on the parcel;
 - the **basis** upon which the amount of the proposed fee or charge was calculated;
 - the **reason** for the fee or charge;
 - the **date, time and location of the public hearing** on the proposed fee or charge;
 - A **general explanation of the matter to be considered** at the public hearing; and
 - A **statement** that the data supporting the fee is available.

(Cal. Const., art. XIII D, § 6, subd. (a)(1); Water Code § 10730(b)(2).)

- **Method for Providing Notice**: The required notice for a new or increased fee may be provided by including the notice in the GSA’s regular billing statement for the fee or charge, or by any other mailing by the GSA to the address to which the GSA customarily mails the billing statement for the fee or charge. Notice must also be provided by publication pursuant to Government Code section 6066, and by posting on the GSA’s internet website.
 - If any other agency, such as Fresno County, bills, collects and remits a fee or charge on behalf of the GSA, that other agency may provide the above notice on behalf of the GSA.

(Cal. Const., art. XIII D, § 6, subd. (a)(1); Gov. Code § 53755(a)(1) & (2); Water Code § 10730(b)(2).)

- **Provide Data**: Twenty (20) days prior to the public hearing, the GSA must make available to the public that data upon which the proposed fee is based.

(Water Code § 10730(b)(3).)

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STEP 5. Conduct a Public Hearing and Consider All Protests. The GSA must conduct a public hearing on the proposed fee or charge not less than 45 days after mailing the notice required in Step 4.

- At the public hearing, the GSA must **hear** and **consider** all protests against the proposed fee or charge. (Cal. Const., art. XIII D, § 6, subd. (a)(2).) The GSA must also allow oral or written presentations at part of the public hearing. (Water Code § 10730(b)(1).)
 - **Note:** Although the GSA must hear and consider all protests, the GSA is only required to count written protests in tabulating whether a majority protest against the fee exists. (Cal. Const., art. XIII D, § 6, subd. (a)(2).)
 - **Note:** The GSA may want to consider adopting a resolution providing guidelines for tabulating protests and other protest procedures, such that the GSA does not appear to be making up the rules at it goes (e.g., the resolution may provide processes for withdrawing or rescinding a protest; guidelines for what constitutes an appropriate written protest; when the protests must be submitted; etc.).
- **Tabulating Written Protests:** At or after the public hearing, the GSA must tabulate all **written** protests, counting **one written protest per parcel**, filed by the owner or tenant of the parcel (if the tenant will be responsible for paying the property-related fee or charge) to calculate a majority protest to the new proposed fee or charge. (Gov. Code § 53755(b).)
 - **Note:** As already mentioned, only written protests must be counted. Also, the GSA is **not** required to develop any formal process for receiving and tabulating protests, however they may provide such procedures in an adopted resolution if the GSA so chooses. (Cal. Const., art. XIII D, § 6, subd. (a)(2).)
- If a **majority** of parcel owners submit written protests **against** the proposed fee or charge, the GSA **shall not** impose the fee or charge. (Cal. Const., art. XIII D, § 6, subd. (a)(2).)
- The GSA must maintain all written protests for a minimum of **two years** following the date of the public hearing to consider written protests. (Gov. Code § 53755(d).)

STEP 7. Formally Adopt and Impose the Fee: Any action to impose or increase a fee by a GSA must be taken by ordinance or resolution only. (Water Code § 10730(c).)

Reminder Regarding Substantive Requirements: In addition to the above, the GSA is bound to abide by the substantive requirements of Proposition 218 and the Water Code.

- **Revenues May Not Exceed Funds Required.** The GSA's revenues derived from the fee or charge must not exceed the funds required to provide the property-related service. Typically, this requires a cost of service analysis prepared by a rate-making consultant.

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- Revenues May Not Be Imposed For Any Other Purpose. The revenues derived from the fee or charge may only be used for the purpose for which the fee was imposed.
- The Amount Imposed Must Be Proportional. The amount of the fee or charge imposed on any parcel or person as an incident to property ownership must not exceed the proportional cost of the service attributable to the parcel. A GSA should clearly demonstrate through detailed analysis the methodology used and the justification for the fee. This can be accomplished through the cost-of-service analysis.
- Service Must Be Used By, Or Immediately Available to, the Property Owner. The fee or charge may not be imposed for a service unless the service is actually used by, or immediately available to, the owner of the property subject to the fee or charge. Fees or charges based on future use of a service are not permitted.



McMullin Area
Groundwater Sustainability Agency

Stakeholder Outreach Report March 2018

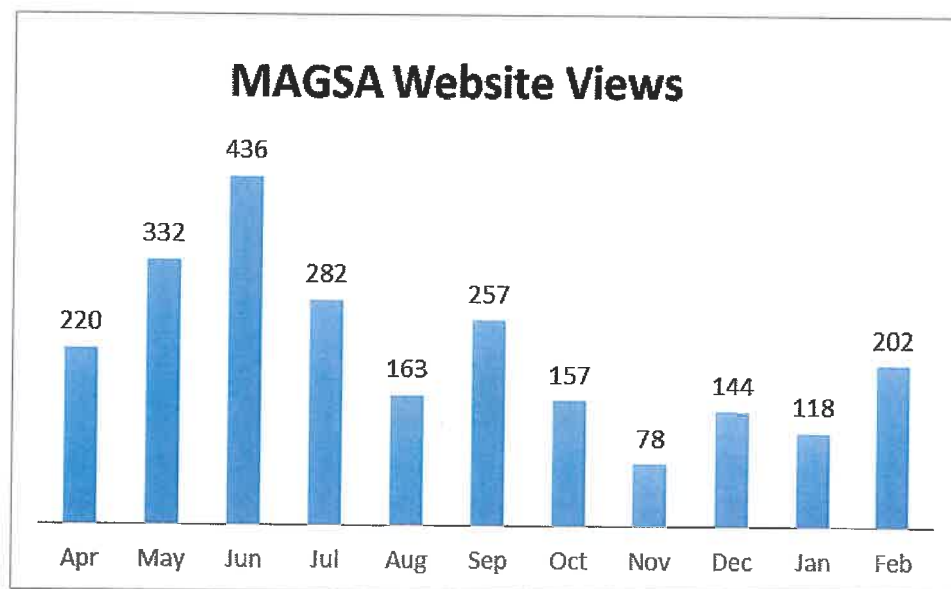
McMullin Area GSA Updates E-Mail

An e-update was distributed to the Interested Persons' list on February. The communication piece covered topics discussed at the February 7 Board meeting including a presentation by technical consultant Lynn Groundwater from Provost & Pritchard on historical and current land subsidence in the McMullin Area. The e-update sent to 80 Interested Persons had an open rate of 67 percent.

McMullin Area GSA YouTube Channel

To date, the June 2017 Landowners Meeting video has 95 views.

Website Statistics – February 2018



Top pages visited

1. Homepage
2. Land Subsidence article
3. March 7 Board Meeting
4. Documents
5. Resources

Referrals

1. search engines (google)
2. kingsgroundwater.info
3. water.ca.gov/groundwater/sgma (DWR)

Most active day

- February 16 with 45 views. This corresponds with the distribution date of the e-update.



McMullin Area Groundwater Sustainability Agency

Land Subsidence Reviewed for McMullin Area

Land subsidence is one of the six sustainability indicators that must be managed without causing undesirable results in a Groundwater Sustainability Plan. Technical Consultant Lynn Groundwater from Provost & Pritchard reviewed maps showing historic and current information on subsidence in the McMullin Area GSA territory.

[READ MORE](#)

McMullin Receives \$214,000 Grant Funding

The McMullin Area Groundwater Sustainability Agency (GSA) was part of a successful grant application that will bring \$1.5 million into the Kings Subbasin for the development of Groundwater Sustainability Plans (GSP). The McMullin Area GSA will receive \$214,000 as their share of the grant award. The money will be used to offset some of the costs for the preparation of the McMullin Area GSP.

[READ MORE](#)

Upcoming Events

March 7 - Board Meeting

[Meeting Details](#)

visit McMullinArea.org for more information