

**THE BOARD OF DIRECTORS OF THE
NORTH KINGS GROUNDWATER SUSTAINABILITY AGENCY
JOINT POWERS AUTHORITY
MINUTES FOR THE JANUARY 26, 2017, at 6:00 P.M.**

DIRECTORS PRESENT

Chairman Jerry Prieto, Jr. – Fresno Irrigation District
Director Jose Flores – City of Clovis
Director Rudy Hernandez – Biola Community Service District
Director Karl Kienow – Garfield Water District
Alternate Director Thomas Esqueda – City of Fresno
Alternate Director Bernard Jimenez – County of Fresno
Director Steve Pickens – Bakman Water Company (sworn in at 6:35 pm)

DIRECTORS ABSENT

MEMBER STAFF PRESENT

Gary R. Serrato – Fresno Irrigation District (Facilitator)
Luke Serpa – City of Clovis
Augustine Ramirez – County of Fresno
Adam Claes – Fresno Irrigation District
Bill Stretch – Fresno Irrigation District
DeAnn Hailey – Fresno Irrigation District
Lauren Layne – Baker, Manock and Jensen
Dwight Miller – Biola Community Service District
Tim Bakman – Bakman Water District
Sarge Green – California State University, Fresno
Nick Keller – Garfield Water District Consultant
Ken Moore – City of Kerman
Alan Hofmann – Fresno Metropolitan Flood Control District
Lynn B. Rowe – Fresno Irrigation District (Recording Secretary)

PLEDGE OF ALLEGIANCE

Chairman Prieto called the meeting to order at 6:00 p.m. and lead in the Pledge of Allegiance.

OATH OF OFFICE

Chairman Prieto announced the oath of office for the alternate directors from the County of Fresno and City of Fresno was performed by a notary public prior to the meeting. The oath of office for the seventh Board of Director seat will be administered during item 1.d.

REVIEW AGENDA

There were no changes to the agenda.

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PUBLIC PRESENTATIONS (for items not on agenda) – 3 Minutes Maximum Per Person, 10 Minutes Maximum Per Subject

None.

POTENTIAL CONFLICTS OF INTEREST

Any Board Member who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter. [FPPC §87105]

None stated.

1. ADMINISTRATIVE MATTERS

a. Approval of Regular Board Meeting Minutes – December 7, 2016 – Action Item

There were no edits or corrections for December 7, 2016 Board minutes.

M/S/C (Hernandez/Flores) That the Board of Directors approved the minutes of the December 7, 2016 meeting by the following vote. (Ayes – Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – 0; Abstain – 0)

b. Presentation – Fresno Local Agency Formation Commission (LAFCO) and SGMA (David Fey)

Mr. David Fey, AICP, Executive Officer gave a brief explanation of what LAFCo is and then gave a comprehensive presentation on a draft water policy to explore the means for LAFCo to integrate its analyses with existing water management regulations.

c. Fresno Metropolitan Flood Control District (FMFCD) Memorandum of Understanding (MOU) – Action Item

Ms. Lauren Lane reviewed the MOU document and stated it was very similar to the MOU for Bakman Water District that was approved at the December meeting. The difference with this agreement is that the focus is for FMFCD to be able to enter into special project agreements with the NKGSA Board. FMFCD would become an interested party through this agreement. Mr. Alan Hoffman gave a brief comment explaining FMFCD's position of support for the NKGSA; however, FMFCD would not be a financially contributing member at this time.

M/S/C (Jimenez/Kienow) That the Board of Directors approved the Fresno Metropolitan Flood Control District MOU by the following vote. (Ayes – Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – 0; Abstain – 0)

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d. Seating of Board Seat #7 (At-Large) – Action Item

Currently eligible entities to sit on the Board (seat #7) are Bakman Water Company, City of Kerman, and FMFCD. It was decided within the group that Bakman Water Company would sit as the director representing the at-large board seat. Within Bakman, Steve Pickens was selected as Director with Shay Bakman serving as the alternate. Mr. Pickens was sworn in prior to taking his seat.

M/S/C (Flores/Jimenez) That the Board of Directors approved Steve Pickens from Bakman Water Company being seated as the seventh member at-large on the Board by the following vote. (Ayes – Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – 0; Abstain – 0)

e. Advisory Committee Update

i. Technical Engineering Consultant Recommendation – Action Item

Mr. Stretch explained the need to have a technical engineering firm working with the NKGSA. An RFQ was sent to ten different local, state and nationwide engineering firms with a water background. Of the ten RFQs only Provost & Pritchard Consulting Group (P&P) submitted a proposal. P&P met with the Technical Engineering Committee to discuss the development of the Groundwater Sustainable Plan, project team, data collection and management, outreach/website development, project management and conflict of interest. The subcommittee heartily endorsed P&P and is confident that there is no conflict of interest with the NKGSA. The subcommittee recommended that the Board allow the executive officer to proceed with executing a contract with P&P, and that the executive officer authorize P&P to proceed with the initial tasks of P&P's proposal which would be funded by the Professional Services line item of the previously approved NKGSA FY 2016-2017 budget.

M/S/C (Flores/Esqueda) That the Board of Directors approved the hiring of Provost & Pritchard Consulting as the technical engineering consultant for the North Kings Groundwater Sustainability Agency by the following vote. (Ayes – Pickens, Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – 0; Abstain – 0)

ii. Legal Counsel Recommendation – Action Item

Mr. Serrato thanked Ms. Lane for her time and hard work in providing guidance and general legal counsel services during the formation of the NKGSA including the writing of the JPA, MOU, and participation agreements.

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Mr. Jimenez informed the Board about the sub-committee's process for selecting the legal consultant. The firm of the Atkinson, Andelson, Loya, Ruud & Romo was interviewed and the subcommittee recommends to the Board that they enter into a contract with Mr. Kevin Dale as lead counsel and Mr. David Boyer as co-counsel. The firm has no substantive conflicts with any other agencies within the GSA or potential conflicts within the Kings Sub-Basin. Mr. Dale described his legal background and expressed his appreciation for being selected as the NKGSA legal counsel.

M/S/C (Jimenez/Kienow) That the Board of Directors approved the hiring of Kevin Dale from Atkinson, Andelson, Loya, Ruud & Romo and co-lead David Boyer as the general legal counsel for the North Kings Groundwater Sustainability Agency by the following vote. (Ayes – Pickens, Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – 0; Abstain – 0)

iii. Subcommittees Updates

Mr. Serpa gave an update of the Advisory Committee which meets monthly. The Advisory Committee has an ambitious groundwater sustainability plan (GSP) schedule to complete within a minimal amount of time. Several sub- and ad hoc committees are being developed. Three main ad hoc committees are being developed covering technical development of the GSP, administration/fiscal, and outreach & communications. Ad hoc committees can be made up of advisory committee members, outside agencies and individuals.

2. LEGAL MATTERS

a. Bylaws – Action Item

Ms. Layne stated that the bylaws were developed and brought to the Advisory Committee meeting for review. Each agency had the opportunity to have their own legal counsel review and make any comments. Many of the key elements that are in the Joint Powers Agreement are also in the bylaws.

M/S/C (Flores/Hernandez) That the Board of Directors approved the Bylaw as presented by legal counsel by the following vote. (Ayes – Pickens, Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – 0; Abstain – 0)

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3. FINANCIAL MATTERS

a. Fiscal Agent Report

Ms. Hailey will be looking for Board approval regarding a resolution required by the NKGSA's financial institution, explanation of cash flow procedures (information only), Board approval for a policy on issuance of checks and authorization on the payment of invoices.

b. Resolution 17-01, Bank Account Signatory Authorization – Action Item

Ms. Haley explained that the accounts have been set up and that a resolution is needed by the financial institution. Resolution 17-01 outlines that each Board Member, Executive Officer and Treasurer is authorized as signatories on the checking account. Wording for the resolution conforms to the requirements of the financial institution.

M/S/C (Kienow/Hernandez) That the Board of Directors approved Resolution 17-01 by the following roll call vote. (Ayes – Pickens, Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – Swearengin; Abstain – 0)

c. Cash Flow Procedures

Ms. Hailey explained to the Board how the cash flow was run through the agency. There were no suggestions or discussions from the Directors.

d. Policy #ACCT-508, Issuance of Checks – Action Item

Ms. Hailey provided a policy describing how the treasurer would each month authorize issuance of checks for routine budgeted expenditures. If the treasurer is not available, the fiscal agent may obtain approval from a member of the Board of Directors. A list of all checks issued and all other payables shall be presented to the Board at the next Board meeting for approval by the Board.

M/S/C (Hernandez/Flores) That the Board of Directors approved Policy#ACCTR-508 as presented by Staff by the following vote. (Ayes – Pickens, Kienow, Hernandez, Prieto, Esqueda, Flores, Jimenez; Nays – 0; Absent – 0; Abstain – 0)

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e. Current Payable Invoices

Ms. Hailey requested authorization for payment of the expense report.

M/S/C (Jimenez/Kienow) That the Board of Directors approved the payment of invoices as presented by Staff by the following vote. (Ayes – Pickens, Kienow, Hernandez, Prieto, Esqueda, Jimenez; Nays – 0; Absent – Flores; Abstain – 0)

4. EXECUTIVE OFFICER REPORT

Mr. Serrato updated the status of acquiring insurance to cover the NKGSA Board/Group. ACWA-JPIA continues to review the possibility of covering SGMA groups; however, they have yet come to a decision. Mr. Serrato will update the Board when ACWA-JPIA comes to a decision. Mr. Serrato did reach out to another insurance carrier that covers municipalities and water agencies in southern California. Mr. Serrato is scheduling a meeting to obtain more information and discuss the possibility of coverage for SGMA.

5. DIRECTORS REPORT

Director Pickens - none

Director Kienow – none

Director Hernandez – none

Director Prieto – stated that the FID Board of Directors on Tuesday, January 24 named the new Gould/Friant-Kern Intertie facility to be the Gary R. Serrato Intertie Facility.

Director Esqueda – stated the City of Fresno completed the revised Cooperative Agreement with the Fresno Irrigation District in December 2016, the City's general plan last year and now the City is looking to work with builders and developers to try and work out how not to exacerbate the overdraft when designing new projects.

Director Flores – none

Director Pacheco - none

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6. ADJOURNMENT

With no further action, Chairman Prieto adjourned the meeting at 7:24 p.m.

Respectfully Submitted by,



Gary R. Serrato, Executive Officer-Secretary/Treasurer