

REVISED NOTICE
SPECIAL MEETING OF THE BOARD OF DIRECTORS
SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN
WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY

will be held on Wednesday, April 24, 2024, at 10:00 a.m.
at Vandenberg Village Community Services District, Meeting Room, 3745 Constellation Rd, Lompoc, California

4/22/2024 – Notice and Agenda was Revised to include:

WMA GSA Director Steve Jordan will be attending the meeting via teleconference from the following location:
46250 East El Dorado, Indian Wells, CA 92210. Members of the public may join Director Jordan at that location.

Optional remote public participation is available via Telephone or ZOOM

To access the meeting via telephone, please dial: 1-669-444-9171
or via the Web at: <http://join.zoom.us>

“Join a Meeting” - **Meeting ID 817 0939 6607 Meeting Passcode: 223516**

***** Please Note *****

The above teleconference option for public participation is being offered as a convenience only and may limit or otherwise prevent your access to and participation in the meeting due to disruption or unavailability of the teleconference line. If any such disruption of unavailability occurs for any reason the meeting will not be suspended, terminated, or continued. Therefore in-person attendance of the meeting is strongly encouraged.

AGENDA OF SPECIAL MEETING

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Additions or Deletions to the Agenda
4. Public Comment (Any member of the public may address the Committee relating to any non-agenda matter within the Committee’s jurisdiction. The total time for all public comment shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Committee at this meeting on any public comment item.)
5. Review and consider approval of the Minutes of the Regular Meeting of February 28, 2024
6. Receive presentation on Draft WMA By-laws, Organization Chart, job descriptions, roles and responsibilities and discuss staff positions and funding.
7. Receive update on the following SGM Implementation Grant items.
 - a. Receive updates on Component Projects, schedule, and funding requirements.
 - b. Update on SYRWCD Sub-grant agreement and discuss GSA coordination.
 - c. Review draft 6-month GSA Budget for WMA
 - d. Discuss member agency cost-share agreement and agency loan share contribution status.
8. Consider authorizing Component Projects 2-8 and consider contract with EKI for Component Management.
9. Receive updates on WMA services contracts.
 - a. Legal Services
 - b. Rate Consultant
 - c. Accountant
 - d. Bookkeeper

10. Receive update on WMA GSA Insurance and consider options.
11. Discuss Basin-wide Joint-GSAs meeting.
 - a. Budget Allocations
 - b. Discuss basin-wide projects.
 - c. Discuss one SGMA annual report for the SY Basin
12. Receive update on the following WMA GSA Joint Powers Agreement items:
 - a. Discuss WMA Plan Manager and other WMA GSA staff and consider administrative services contract.
 - b. Consider adoption of the Conflict-of-Interest Code
 - c. Receive update on required Conflict-of-Interest Form 700 Filings
 - d. Discuss the addition of an Agricultural Representative
13. Next Regular WMA GSA Board meeting is scheduled for Wednesday, May 22, 2024
14. WMA GSA Board member reports and requests for future agenda items
15. Adjournment

[This agenda was posted 24 hours prior to the scheduled special meeting at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and SantaYnezWater.org in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Santa Ynez River Water Conservation District at (805) 693-1156. Advanced notification as far as practicable prior to the meeting will enable the GSA to make reasonable arrangements to ensure accessibility to this meeting.]

MEETING MINUTES

Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency February 28, 2024

A regular meeting of the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency (WMA GSA) was held on Wednesday, February 28, 2024, at 10:00 a.m. at the Vandenberg Village Community Services District, Meeting Room, 3745 Constellation Road, Lompoc, California. As was properly noticed on the agenda, WMA GSA Director Steve Jordan participated via teleconference from 46250 East El Dorado, Indian Wells, California. No members of the public joined Director Jordan at that location.

Directors Present (In Person): Jeremy Ball, Chris Brooks, Myron Heavin

Directors Present (Teleconference): Steve Jordan

Non-Voting Directors Present (Teleconference): Meighan Dietenhofer (Acting Alternate)

Alternate Directors Present (In Person): Ron Stassi and Kristin Worthley

Others Present (In Person): Cynthia Allen, Bill Buelow, Curtis Lawler (Stetson Engineers), Miles McCammon (Stetson Engineers), Legal Counsel Isaac St. Lawrence, and Amber Thompson

Others Present (Teleconference): Doug Circle, Vanessa DeAnda (EKI), John Fio (EKI), Paeter Garcia, Scarlet Tovar (DWR), and Matt Young

1. Call to Order and Roll Call

Mr. Buelow reported that per the WMA GSA Joint Exercise of Powers Agreement (JPA), made and entered into on November 28, 2023, the representative from the Santa Ynez River Water Conservation District will act as Chair ProTem until a Chair is duly elected.

WMA GSA Chair ProTem Steve Jordan called the meeting to order at 10:00 a.m. Ms. Thompson called roll. Four Directors and one non-voting Acting Alternate Director were present providing a quorum. One Alternate Director was also present.

2. Officer Elections

Mr. Bill Buelow reviewed the officer positions listed in the JPA. Chair ProTem Steve Jordan requested nominations for officers. Discussion followed. There were no public comments.

a. Chair

Director Chris Brooks nominated and made a MOTION to elect Director Jeremy Ball as Chair for the WMA GSA JPA Board. Director Myron Heavin seconded the

motion. There was no discussion. By unanimous roll call vote, Director Jeremy Ball was elected to serve as Chair of the WMA GSA and assumed office immediately.

b. Vice-Chair

Director Jeremy Ball nominated Director Chris Brooks as Vice-Chair. Discussion followed. Director Myron Heavin seconded the nomination. By unanimous roll call vote, Director Chris Brooks was elected to serve as Vice-Chair of the WMA GSA and assumed office immediately.

c. Secretary

The Board discussed options. Director Chris Brooks nominated Ms. Amber Thompson as Secretary. Director Jeremy Ball seconded the nomination. By unanimous roll call vote, Ms. Amber Thompson was elected to serve as Secretary of the WMA GSA and assumed office immediately.

d. Treasurer

The Board discussed options. Director Chris Brooks nominated Mr. William Buelow as Treasurer. Director Myron Heavin seconded the nomination. By unanimous roll call vote, Mr. William Buelow was elected to serve as Treasurer of the WMA GSA and assumed office immediately.

3. Additions or Deletions to the Agenda

There were no additions or deletions to the agenda.

4. Public Comment

There were no public comments.

5. Review and consider approval of WMA GSA Committee meeting minutes of December 20, 2023, and Joint GSAs meeting minutes of January 5, 2024

The minutes of the WMA GSA Committee meeting on December 20, 2023, and the Joint GSAs meeting on January 5, 2024, were presented for Board consideration. There was no discussion or public comment.

Director Chris Brooks made a MOTION to approve the minutes of the WMA GSA Committee meeting on December 20, 2023, and the Joint GSAs meeting on January 5, 2024, as presented. Director Jeremy Ball seconded the motion. There was no discussion or public comment. The motion passed unanimously by roll call vote.

6. Review and Consider Approval of Financial Statements and Warrant List

Ms. Thompson presented the financial reports of FY 2023-24 Periods 4 through 6 (through December 31, 2023) and the Warrant Lists for October, November, and December 2023 for WMA GSA consideration. Discussion followed. There was no public comment.

- Director Jeremy Ball requested that expenses for GSP Implementation be provided based on Implementation Projects, versus one bucket of expenses, in the future.
- Director Jordan asked about cost share contributions possibly needed from member agencies. Director Jeremy Ball requested that cost share contribution requests for next fiscal year be made to the member agencies as soon as possible as they are working on next years budgets.
- Director Jeremy Ball requested a budget and timeline for anticipated expenditures.

Director Myron Heavin made a MOTION to approve the Warrant Lists for October, November, and December 2023 (Check Nos. 1019-1023) totaling \$3,106.75, as presented. Director Chris Brooks seconded the motion. Discussion continued. There was no public comment. The motion passed unanimously by roll call vote.

7. Receive Update on change of DWR Point of Contact for the Santa Ynez Basin

Mr. Buelow announced that due to the recent promotion of Anita Regmi the Department of Water Resources (DWR) has assigned Ms. Scarlett Tovar as the DWR Point of Contact for the Santa Ynez Basin. He introduced Ms. Tovar and added that she will also serve as the Grant Manager for the SGMA Implementation Grant of which Santa Ynez River Water Conservation District is the grantee on behalf of the Santa Ynez Basin. Ms. Tovar addressed the Board. There was no discussion, public comment, or action.

8. Receive update on the Groundwater Sustainability Plan for the CMA GSA

Mr. Buelow announced that all three Groundwater Sustainability Plans (GSPs) for the Santa Ynez River Valley Basin were approved by DWR according to the Statement of Findings Regarding the Approval of the Santa Ynez River Valley Basin Groundwater Sustainability Plan by Karla Nemeth, Director, DWR, which was attached to the January 18, 2024, letter received from Paul Gosselin, Deputy Director, Sustainable Groundwater Management, DWR.

Mr. Buelow reviewed the Recommended Corrective Actions listed in the State of California Department of Water Resources Sustainable Groundwater Management Program Groundwater Sustainability Plan Assessment Staff Report, for Santa Ynez River Valley Basin (No. 3-015), dated January 18, 2024. The Submitting Agencies listed are Western Management Area Groundwater Sustainability Agency; Central Management Area Groundwater Sustainability Agency; Eastern Area Groundwater Sustainability Agency. Submittal Type listed as Initial GSP Submission. Submittal Date listed as January 18-19, 2022. Recommendation is Approved. He reported that the Recommended Corrective Actions will need to be addressed with the planned five-year update to the GSPs. He commended Stetson Engineering and GSI Water Solutions for successfully coordinating on preparing the three GSPs.

There was discussion during and following the presentation. There was no public comment and no action.

- Mr. Buelow reported that before the GSPs were approved, as a response to the State Water Resources Control Board (SWRCB) staff comment letter regarding the GSPs, an Action Plan was developed between meetings with DWR and SWRCB, attorneys, consultants, and staff working groups. The Action Plan was approved to be added to the GSPs by all three GSAs on January 5, 2024, and was accepted by DWR as part of the GSPs prior to the approval of the GSPs. Alternate Kristin Worthley added that the Action Plan referenced in Recommended Corrective Action 1 was created and now needs to be implemented.
- Director Jeremy Ball requested staff to provide updates to the Board regarding Data Gaps referenced in Recommended Corrective Action 2.
- Director Jeremy Ball recommended that the governing bodies of the three GSAs have meetings to address the inconsistencies in Recommended Corrective Action 3. Mr. Buelow responded that the three GSPs were well coordinated and that he will discuss Recommended Corrective Action 3 with DWR to get more information and guidance.
- Mr. Buelow reported that staff will review all the Recommended Corrective Actions with DWR to get more clarity and guidance before proceeding with corrective actions and submitting the required 5-year update to the GSPs.
- Director Jeremy Ball requested staff keep the Board apprised of what is happening with the Recommended Corrective Actions especially with what may need more work provided by staff.

9. Receive update on DWR Sustainable Groundwater Management Implementation Grant

Mr. Buelow spoke about the DWR Sustainable Groundwater Management Implementation Grant. He reminded everyone that the Santa Ynez River Water Conservation District, at the request and approval of the three GSAs, applied for and was awarded a \$5.5M grant from DWR for the benefit of the Santa Ynez River Valley Basin GSAs and specific GSP Implementation projects. He reported that a sub-grant agreement between the GSAs and SYRWCD is being created so that GSAs as well as SYRWCD maintain compliance with the rules and regulations put forth in the grant agreement. The sub-grant agreement will be presented for consideration to the three GSAs at a future meeting. He reported on the different grant reimbursable projects and differing reimbursements to each GSA based on the project components and costs per GSA. Discussion followed. There was no public comment and no action.

- Alternate Kristin Worthley added that the grant is for specific projects and some of those projects are for the entire one-basin so the GSAs should be working and coordinating with each other on those one-basin projects. She recommended that the sub-grant agreement should be for the one basin.
- Director Jeremy Ball requested that regular basin-wide GSAs meeting should be scheduled because of basin-wide projects, especially with those projects reimbursable by this grant.

- Alternate Ron Stassi recommended that projects across the 3 GSAs are submitted together as package showing consistency in basin.

Ms. Thompson briefly reviewed the grant reimbursement invoicing process and reported that the first invoice to DWR is due by April 30, 2024, and will include all invoices for grant reimbursable work done between October 2022 and December 2023. Mr. Buelow added that Component 1 of the grant is specifically to reimburse costs for Grant Management and can be used to credit SYRWCD back for the grant management efforts they are undertaking on behalf of the GSAs. There was no discussion, public comment, or action.

10. Receive Draft Report and Consider approving the Third Annual Report for the WMA GSA

Mr. Buelow introduced Mr. Curtis Lawler and Mr. Miles McCammon of Stetson Engineers. Mr. Lawler provided a presentation about the Third Annual Report Water Year 2023 for the Santa Ynez River Valley Groundwater Basin, Bulletin 118 Basin No. 3-15, Western Management Area Groundwater Sustainability Agency, dated February 28, 2024 (Third Annual Report), which was prepared by Stetson Engineers. There was discussion during and following the presentation. There were no public comments.

Director Myron Heavin made a MOTION to approve the Third Annual Report Water Year 2023 for the Santa Ynez River Valley Groundwater Basin, Bulletin 118 Basin No. 3-15, Western Management Area Groundwater Sustainability Agency, dated February 28, 2024, prepared by Stetson Engineers, as presented, and directed staff to submit to DWR. Director Chris Brooks seconded the motion. Discussion followed. There was no public comment. The motion passed unanimously by roll call vote.

11. Receive update on the following WMA GSA Joint Powers Agreement items:

a. Joint Powers Agreement Administration

- i. Notice of a Joint Powers Agreement to CA Secretary of State**
- ii. Registry of Public Agencies to CA Secretary of State and County of Santa Barbara**
- iii. EIN Assigned by Internal Revenue Service**

Ms. Thompson reviewed the documents required for creating a new entity which were submitted on behalf of the WMA GSA JPA which are listed above. She reported that a revised Registry of Public Agencies will be submitted, as required, to reflect the changes based on the election of officers held earlier in this meeting. There was no discussion, public comment, or action.

b. Discuss selecting a Plan Manager and other WMA GSA staffing

Mr. Buelow reported the Santa Ynez River Water Conservation District (SYRWCD) was requested by the WMA GSA Committee and has been providing GSA coordination and support for administrative efforts on behalf of the WMA GSA from the very beginning of the GSA creation through GSP submittal and the SYRWCD Board of Directors supported SYRWCD staff to continue in those roles (Mr. Buelow acting essentially as Plan Manager and Ms. Thompson as

administrative support) on behalf of the WMA GSA until the JPA establishment, at no cost to the WMA GSA. At this point, services for a Plan Manager and administrative support need to be determined by the Board to provide such support to the new JPA, including to be paid for by the WMA GSA. Discussion followed.

- Director Jeremy Ball recommended John Fio at EKI to be Plan Manager as he has been working for the City of Lompoc on GSP implementation efforts.
- Director Chris Brooks recommended Bill Buelow, Santa Ynez River Water Conservation District, to be Plan Manager.
- Alternate Ron Stassi requested job descriptions for all the positions and clear cost estimates of a Plan Manager.
- Director Myron Heavin asked for clarification on where funds will come from to pay for these positions and requested a flow chart of events, a project plan including costs, people doing work, and projects.
- Alternate Kristin Worthley requested a graphic Organizational Structure Chart for the WMA GSA and advise of the general pay per positions.
- Director Jeremy Ball requested staff provide clarity on who does what and provide job descriptions. Director Steve Jordan agreed with the need for breakdown on duties with job titles.

Director Jeremy Ball suggested tabling the issue until job descriptions and proposals from candidates can be received in order to choose the best qualified candidate for Plan Manger. Discussion followed.

Director Jeremy Ball made a MOTION to nominate William Buelow as Interim Plan Manager for the WMA GSA and authorize him to sign contracts on behalf of the WMA GSA. Director Myron Heavin seconded the motion and the motion passed unanimously by roll call vote.

c. Discuss selecting a Certified Public Accounting firm for the WMA GSA

Mr. Buelow advised that, as a JPA, the WMA GSA is required to have a financial audit completed and will need to select a Certified Public Accounting firm to do the audit. Discussion followed. Recommendations to contact Bartlett, Pringle, & Wolf and Moss Levy were made.

Director Jeremy Ball made a MOTION to authorize the Interim Plan Manger and staff to choose and contract with a CPA firm for conducting a financial audit for the WMA GSA. Director Myron Heavin seconded the motion and the motion passed unanimously by roll call vote.

d. Consider approval of Conflict-of-Interest Code and open 45-day public comment period

Ms. Thompson presented the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency Conflict of Interest Code for consideration and approval. She reported on the differences from the current WMA GSA Conflict of Interest Code, the requirement to file a new Conflict

of Interest Code as the JPA entity, and the process necessary to do so. Discussion followed.

Director Jeremy Ball left the meeting and Alternate Director Kristin Worthley stepped into role of Acting Alternate Director and Vice-Chair Chris Brooks took over leading the meeting.

Director Myron Heavin made a MOTION to approve Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency Conflict of Interest Code, as presented, and open a 45-day public comment period. Director Chris Brooks seconded the motion and the motion passed unanimously by roll call vote.

e. Receive briefing on required Conflict-of-Interest Form 700 Filings

Ms. Thompson reported that the Conflict-of-Interest Form 700 filings for the designated filers are required and due by April 2, 2024.

12. Consider the following WMA GSA banking and finance items:

a. Consider approval of financial institution and adoption of Resolution No. WMA-2024-01 “Authorizing the Opening of Account at Five Star Bank.”

Ms. Thompson presented Resolution No. WMA-2024-01 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY AUTHORIZING THE OPENING OF AN ACCOUNT AT FIVE STAR BANK. She reported that the existing bank account used for the WMA GSA is an account owned by the Santa Ynez River Water Conservation District (SYRWCD) for the benefit of the WMA GSA, since the WMA GSA did not have its own Taxpayer or Employer Identification Number (EIN) and could not open a bank account, until recently. However, now that the WMA GSA has an EIN issued by the Internal Revenue Service, it is eligible to open its own bank account. To move the current Interest-Bearing Checking Account being used on behalf of the WMA GSA from SYRWCD’s ownership to the WMA GSA’s ownership, Five Star Bank requires a Resolution from the Board authorizing the opening of an account and a signed contract.

Director Myron Heavin MOTION to approve Resolution No. WMA-2024-01 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY AUTHORIZING THE OPENING OF AN ACCOUNT AT FIVE STAR BANK with the names of WMA GSA Directors and Plan Manager added to the resolution as the authorized signers on the account and authorized William Buelow, Interim Plan Manger to sign the contract with Five Star Bank. Director Chris Brooks seconded the motion and the motion passed unanimously by roll call vote.

b. Discuss financial services support and authorize Plan Manager to contract for same

Mr. Buelow reported that Valley Bookkeeping Services has been providing bookkeeping and financial services support for the WMA GSA and requested if the Board would like to contract with Valley Bookkeeping Services to continue providing such services.

Director Myron Heavin made a MOTION to approve Valley Bookkeeping Services to provide bookkeeping and financial services support for the WMA GSA and authorized William Buelow, Plan Manager, to secure and sign such contract. Director Chris Brooks seconded the motion and the motion passed unanimously by roll call vote.

13. Consider Isaac St. Lawrence of McMurtrey, Hartsock, Worth & St. Lawrence (MHWS) as General Counsel for the WMA GSA and consider authorizing Plan Manager to contract with same

Mr. Buelow introduced Mr. Isaac St. Lawrence of McMurtrey, Hartsock, Worth & St. Lawrence (MHWS), a Professional Corporation, as a candidate for General Counsel for the WMA GSA. Mr. St. Lawrence addressed the Board. Mr. Buelow reported that both General Counsels for the Santa Ynez River Water Conservation District (SYRWCD) and the City of Lompoc, concurred by the other member agencies, endorsed Mr. St. Lawrence as General Counsel for the WMA GSA. Discussion followed.

Director Myron Heavin made a MOTION to contract with Mr. Isaac St. Lawrence of McMurtrey, Hartsock, Worth & St. Lawrence (MHWS), a Professional Corporation as General Counsel for the WMA GSA and authorized William Buelow, Interim Plan Manager, to secure and sign such contract. Director Chris Brooks seconded the motion and the motion passed unanimously by roll call vote.

14. Discuss and consider the firm Raftelis to perform a Rate Study for the WMA GSA and consider authorizing Plan Manager to contract with same

Director Myron Heavin made a MOTION to contract with Raftelis to perform a Rate Study for the WMA GSA and authorized William Buelow, Interim Plan Manager, to secure and sign such contract. Director Chris Brooks seconded the motion. Discussion followed. There was no public comment. The motion passed unanimously by roll call vote.

15. Receive briefing and consider taking action on the following Liability Insurance items:

a. Update on WMA GSA membership in ACWA

b. Consider authorizing Plan Manager to submit application for ACWA JPIA Insurance

Mr. Buelow reported that the JPA needs its own liability insurance to cover the activities of the WMA GSA Board. Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) may offer liability insurance coverage for GSAs that are both a member of ACWA and have at least one JPA member that is an active current member of the ACWA JPIA liability program. Vandenberg Village Community Services District and

Mission Hills Community Services District are both active current members of the ACWA JPIA liability program so that requirement is met.

Ms. Thompson reported that SYRWCD staff, on behalf of the WMA GSA, submitted the ACWA membership application and on February 2, 2024, the ACWA Board of Directors approved the WMA GSA's membership in ACWA. Ms. Thompson recommended the WMA GSA Board consider and approve joining ACWA and direct staff to submit the dues for membership.

Director Myron Heavin made a MOTION to approve WMA GSA membership in ACWA, direct staff to submit dues for ACWA membership and authorize William Buelow, Interim Plan Manager, to complete and sign the ACWA JPIA Application to obtain liability insurance on behalf of the WMA GSA. Director Chris Brooks seconded the motion. There was no public comment. The motion passed unanimously by roll call vote.

16. Discuss and consider adoption of WMA GSA Board of Directors Regular Meeting schedule, place, and time

The Board discussed Regular Meeting schedule, place and time.

Director Chris Brooks made a MOTION to schedule Regular Meetings for the WMA GSA Board of Directors on the fourth Wednesday of the second month of each calendar quarter at the Vandenberg Village Community Services District, Meeting Room, 3745 Constellation Rd., Lompoc, California, beginning at 10:00 am. Director Myron Heavin seconded the motion and the motion passed unanimously by roll call vote.

17. Review and discuss WMA GSA Board Meeting schedule for the next two months:

The Board discussed the potential meetings listed.

a. WMA GSA Board Special meeting on Wednesday, March 27, 2024

The majority of Board members directed staff not to schedule a WMA GSA Special Board tentatively scheduled for Wednesday, March 27, 2024.

b. Tentative WMA GSA Board Special meeting on Wednesday, April 24, 2024

The need to schedule a WMA GSA Board special meeting for Monday, April 24, 2024, is yet to be determined.

c. Tentative WMA GSA Board Regular meeting on Wednesday, May 22, 2024

The next scheduled WMA GSA Board Regular meeting will be held on Wednesday, May 22, 2024, at 10:00 a.m. at the Vandenberg Village Community Services District, Meeting Room, 3745 Constellation Rd., Lompoc, California.

18. DWR Groundwater Awareness Week, March 10-16, 2024

The Board discussed the DWR Groundwater Awareness Week flyer. Ms. Thompson offered to forward the registration links for the online events to the Directors and member agency staff.

19. WMA GSA Committee reports and requests for future agenda items

Director Chris Brooks requested a schedule be developed for regular Basin-wide meetings between all governing bodies of the three GSAs and recommended Supervisor Joan Hartmann as the best candidate to chair and lead those meetings.

Director Steve Jordan requested continuing to work on agriculture representation on the JPA Board in the future.

Director Myron Heavin complimented Mr. Buelow, staff, and the Board for handling of the JPA development, structure, and discussions of today.

20. Adjournment

Vice-Chair Chris Brooks adjourned the meeting at 12:46 p.m.

Jeremy Ball, Chair

Amber Thompson, Secretary

OUTLINE

JPA Organization

- a) Draft Organization Chart
- b) Bylaws
- c) Position Roles and Responsibilities

1. b) “BYLAWS” INITIATED IN JPA AGREEMENT

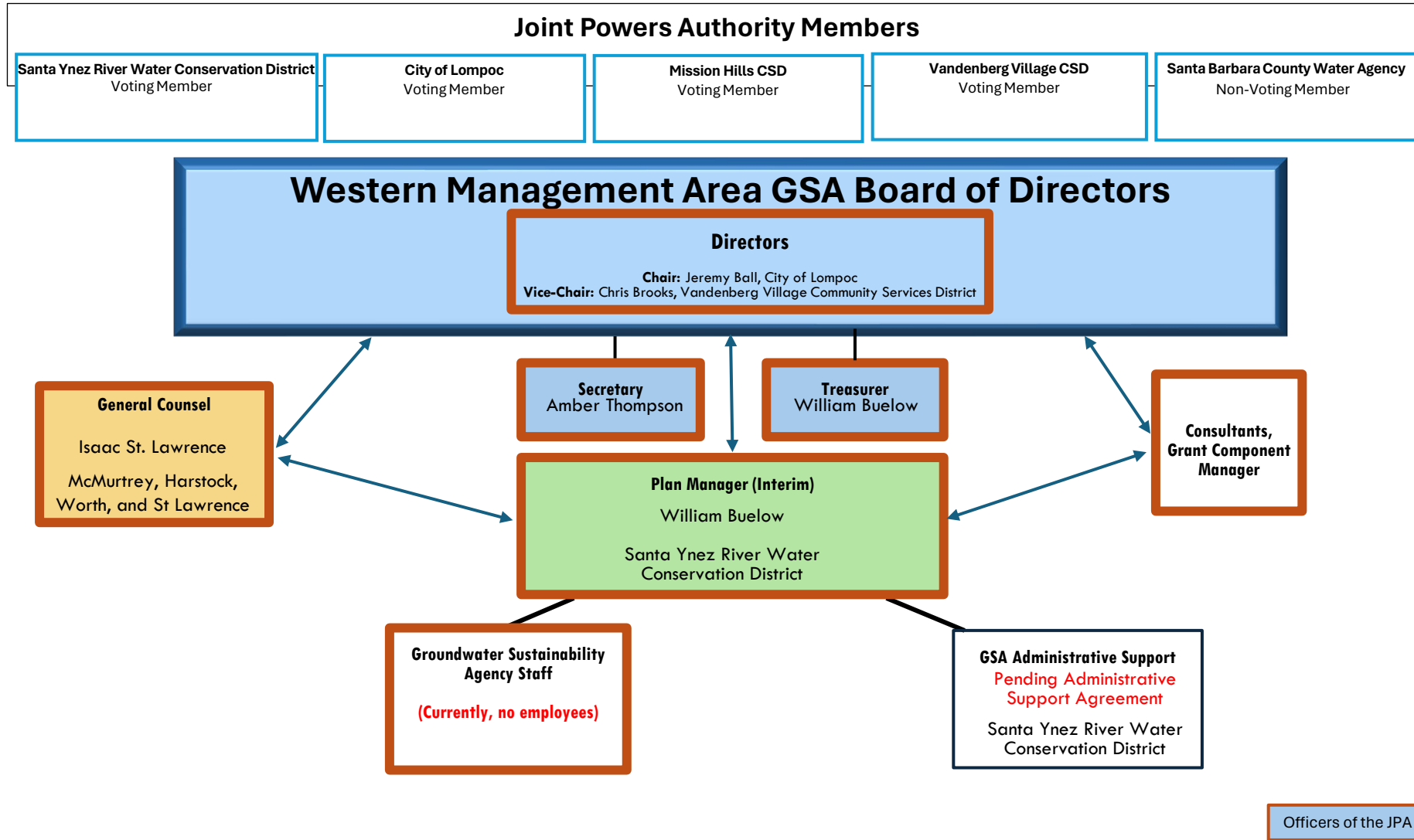
The JPA does not currently have bylaws. However, the general topics typically addressed by bylaws are addressed, at least initially, by the signed JPA Agreement.

- ✓ Article I. Name and Purpose of the Organization.
- ✓ Article II. Membership.
- ✓ Article III. Officers and Decision-Making.
- ✓ Article IV. General, special, and annual meetings.
- ✓ Article V. Board of Directors.

“It is often helpful to get started doing the work and then develop bylaws as needed.”

From: Kansas University, Developing an Organization Structure for the Initiative.

Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency



Position Descriptions

Director: Adopts policies and procedures, establishes goals, exercises GSA powers, and adopts GSA budgets.

Secretary: Maintains a record of GSA documents. Prepares and records meeting minutes of the Board of Directors of the GSA. Files documents relating to the GSA's affairs, provides notice of meetings of the GSA Board of Directors. Additional duties include but are not limited to:

- Serve as webmaster for SantaYnezWater.org (GSA website) and maintains communications portal.
- Prepare GSA Stakeholder communications.
- Prepare meeting minutes and board packets for GSA

Position Descriptions Continued

Treasurer: Maintains a record of all financial transactions of the GSA, reports on the financial condition of the GSA, and disburses funds as authorized by the Board of Directors.

- Responsible for GSA's accounts payable/receivable
- Responsible for GSA's financial reporting

Plan Manager: Oversees the day-to-day operations of the GSA, implements policies and procedures adopted by the Board of Directors, creates and monitors budgets, review is the GSA's Point-of-Contact with DWR, spearheads GSP implementation, hires consultants, oversees and manages GSA Staff. Additional duties include but are not limited to:

- Direct and facilitate regular meetings of the GSA's board, staff working groups, and citizen advisory groups
- Keep GSA board informed on current status of GSA and its goals
- Recommend actions that require board approval.
- Maintain GSA's compliance with SGMA statutes
- Write grant proposals
- Confer with legal counsel
- Advance the GSA towards its SGMA goals

Position Descriptions Continued

General Counsel: Advises the Board of Directors on legal matters, prepares and reviews contracts, agreements, and other legal documents, provides other legal assistance as needed.

Groundwater Sustainability Agency Staff: Reports to and supports the Plan Manager with technical or administrative matters of the GSA.

Consultants: Perform technical or administrative projects on behalf of the GSA at the direction of the Plan Manager.

Grant Component Manager: Perform Project Management of the Prop 68 Components of the SGMA Implementation Project for the Santa Ynez Basin. This includes schedule and budget tracking, and subcontractor and subconsultant management. The Grant Component Manager would report to the GSA(s) Board(s) and work with the Grantee on required Component Reporting and performance monitoring as required by the Grant Agreement.

OUTLINE

Prop 68 Grant Project Plan

- a) Component summary.
- b) Organization options.
- c) Administration, Project Management and Outreach.
- d) Schedule.
- e) Cash flow.









2. a) Components



PROP. 68 COMPONENTS

- All Projects are described in the GSPs.
- Some Projects require significant outreach to land and well owners to identify participants for demonstration projects and related studies (#'s 2, 5, 7, and 8).

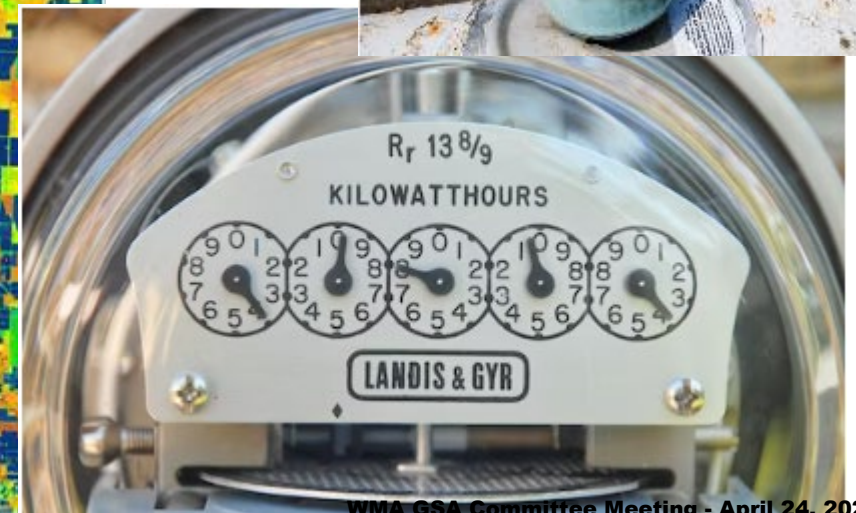
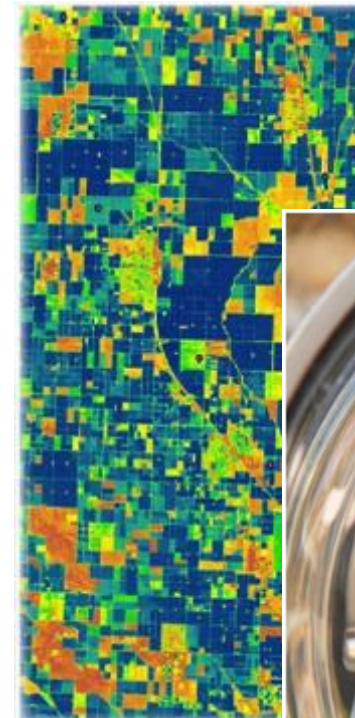
Components	Grant Amount
Component 1: Grant Administration	\$154,000
Component 2: Well Extraction Measurement Demonstration Projects and Basin Reporting Program	\$741,000 
Component 3: Santa Ynez River Basin WMA, CMA and EMA – SGMA Rate Study	\$82,000
Component 4 : Basin <u>GSPs</u> 5-yr Update	\$1,492,000 
Component 5 : Monitoring <u>Improvement</u> and Expansion	\$1,845,000 
Component 6 : Storm water Capture and Infiltration Project Designs*	\$335,000 
Component 7 : Water Use <u>Efficiency</u> Strategic Plan*	\$600,000 
Component 8 : <u>Recycled Water Feasibility Study</u> *	\$285,000 
Total:	\$5,534,000

* Focus on the WMA GSA.

#2 - WELL EXTRACTION AND REGISTRATION REPORTING

Implement Registration Program and Conduct Demonstration Projects to compare extraction measurement and tracking methods.

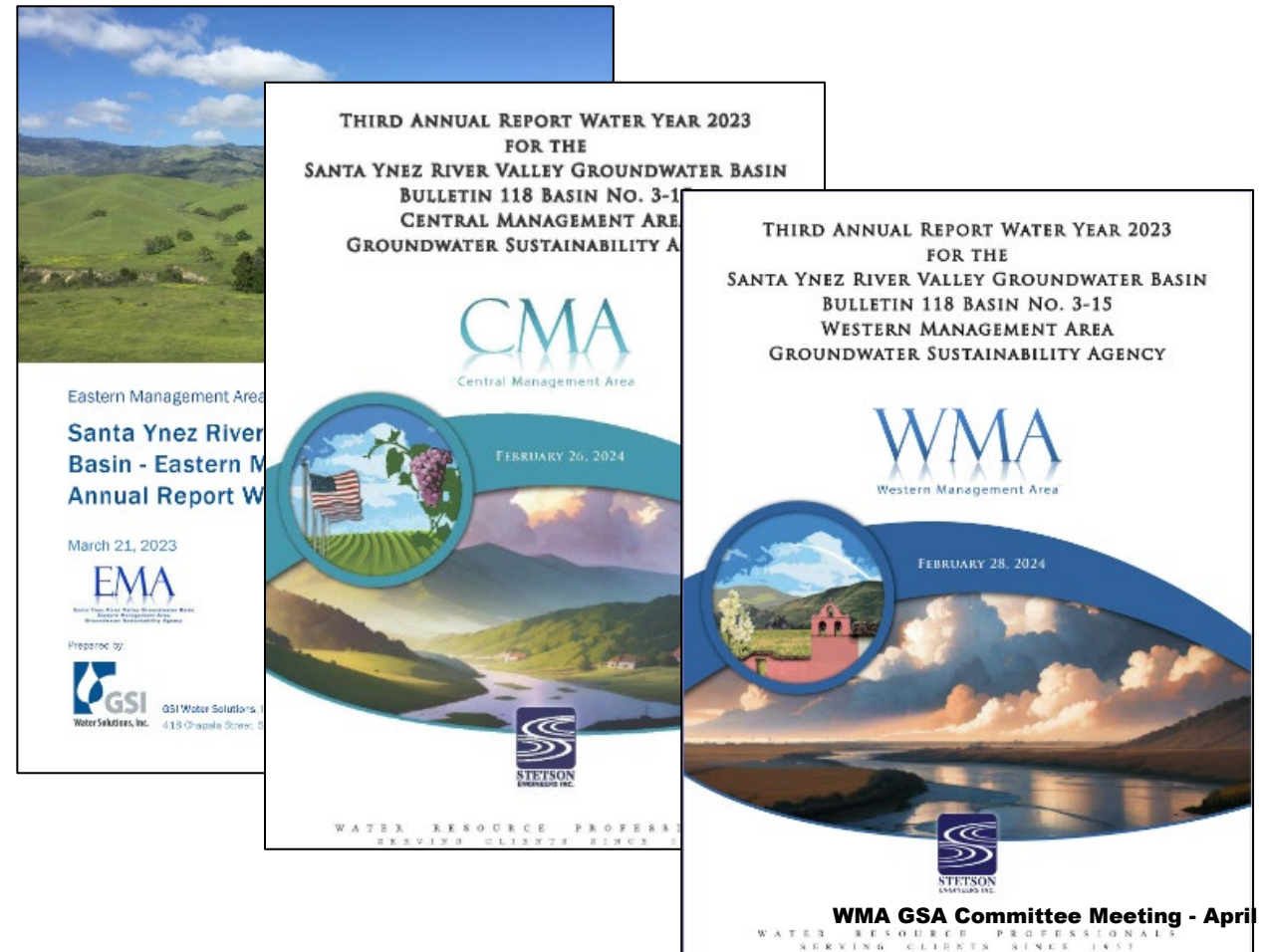
- Outreach for registration
 - First in areas areas represented by Santa Barbara County (outside SYWCD Boundary).
 - Remaining basin areas.
- Demonstration projects to compare 3 measurement and reporting methods (up to 9 locations):
 - Mechanical meters.
 - Power consumption.
 - Water demand (evapotranspiration).
- Reporting and tracking system development.



#4 ANNUAL REPORTS AND GSP UPDATE (1 OF 2)

Prepare Annual Reports, modify the GSPs to respond to the anticipated DWR determination letter, and prepare the five-year GSP Updates for the WMA, EMA, and CMA.

Can the basin submit a single annual report rather than three (3) separate reports?



#4 ANNUAL REPORTS AND GSP UPDATE (2 OF 2)

One Annual Report can be submitted for the entire Basin.

Annual Reports – General Information

- Annual reports are due April 1st each year after a GSP is adopted
- Multi-GSP basins can submit a single, basinwide annual report or individual annual reports for each GSP
- Annual Report Module of the GSP Reporting System - early March 2020

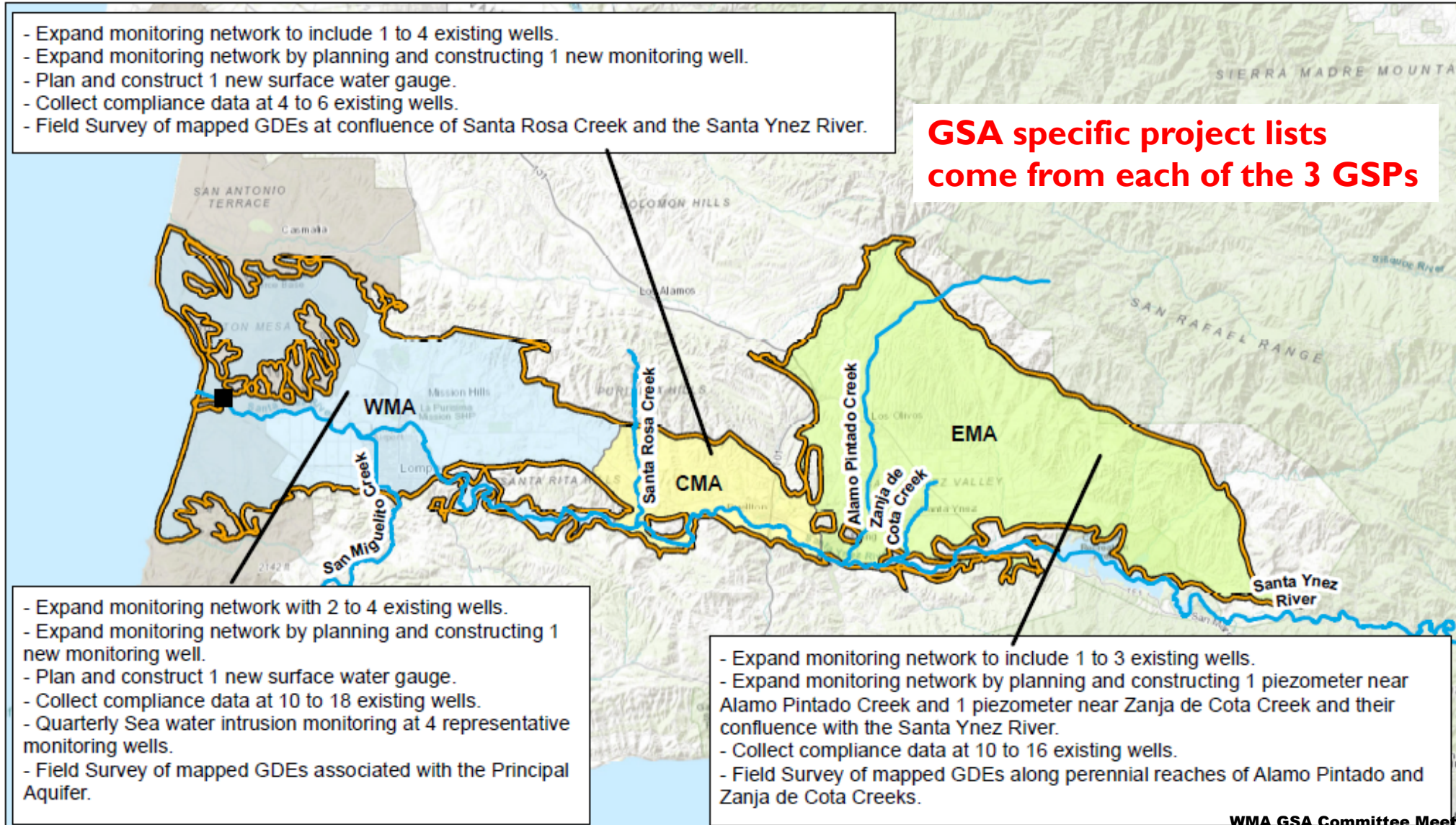
Example basins that EKI works in with multiple GSAs/GSPs and a single Annual Report.

Basin	# GSAs	#GSPs	#Annual Reports
Kings	7	7	1
Kaweah	3	3	1
Delta-Mendota	24	6	1
Kern County	12	6	1

From: DWR Sustainable Groundwater Management Office, SGMA Workshops.

- Need to determine if it is more cost effective for Basin.
- Will require update to the Coordination Agreement.

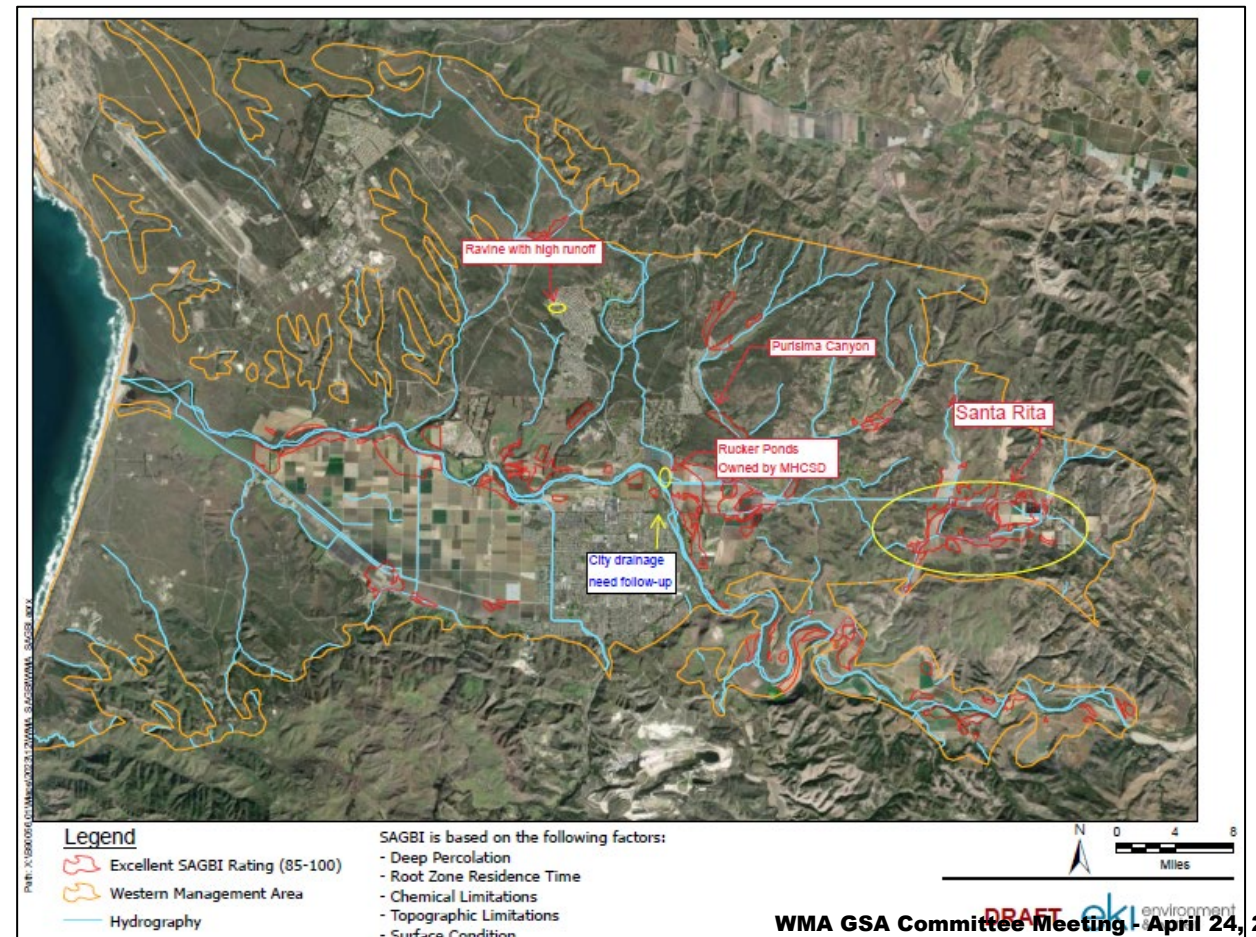
#5 – MONITORING NETWORK IMPROVEMENT



#6 STORMWATER CAPTURE AND INFILTRATION

Planning and design for one to three stormwater capture and infiltration demonstration projects.

- Santa Barbara County-Wide Integrated Stormwater Resource Plan, March 1, 2021 (rev).
- Desk top screening analysis.
 - Publicly available spatial data sets.
 - Groundwater Sustainability Plans.
 - Community outreach.
- Site investigations.



#7 – WATER USE EFFICIENCY STRATEGIC PLAN

Survey Existing Activities and Conduct Demonstration Projects to Reduce Groundwater Use, Lower Water Production Costs, and support Sustainable Economic Viability of Agriculture.

- Survey public and private efficiency/conservation activities.
- Identify cooperating landowners for up to 3 water use surveys and efficiency demonstration projects.
- Measure applied water.
 - Soil moisture monitoring to optimize irrigation scheduling schedule and other on-farm practices (i.e., dust control).
 - Weather stations to measure water consumed by ET.



#8 – RECYCLED WATER FEASIBILITY STUDY

Assess Potential Acceptance and Market for Recycled Water and Evaluate Expected Benefits

- Identify potential recycled water users.
- Describe alternative acceptable projects.
- Evaluate potential water supply and environmental project benefits including stakeholder input.



ALLOCATION OF DEMONSTRATION PROJECTS BETWEEN GSAS

Outreach needed to identify cooperating land- and well-owners to conduct demonstration projects.

Well / Farm			
GSA	Meter + Power	ET	Irrigation Demonstration Project
WMA	X	W ^{1a}	X ³
	X	E ²	
	X	E ²	
CMA	X	W ^{1b}	X ³
	X	E ²	
	X	E ²	
EMA	X	W ^{1b}	X ³
	X	E ²	
	X	E ²	
SUM			

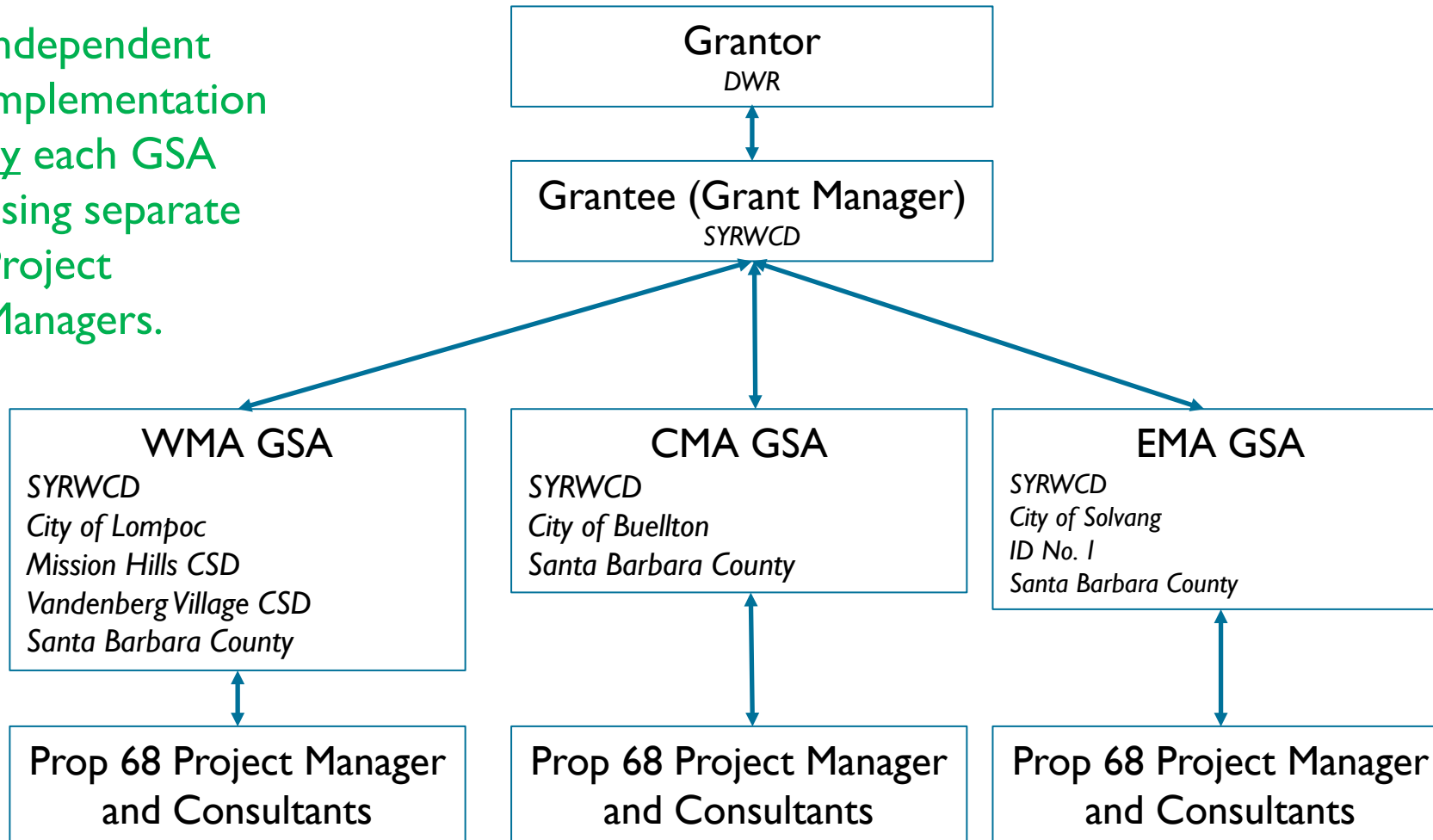
1. ET measurement using weather station (“W”) located in GSA.
 - a) Cole crop.
 - b) Vineyard.
2. Estimated ET based on GSA weather station data and land use.
3. Demonstration project.

2. b) Organization Options



ORGANIZATION FOR PROP. 68 IMPLEMENTATION

Independent implementation by each GSA using separate Project Managers.



Components:
1- "Administration"

Components:
2- "Well Extraction and Reporting"
4- "Annual Reports and GSP Update"
5- "Monitoring Improvements"
6- "Stormwater Capture and Infiltration"
7- "Water Use Efficiency Planning"
8- "Recycled Water Feasibility Study"

2. c) Administration, Project Management and Outreach



SYRWCD GRANT ADMINISTRATION FOR PROP. 68

- Serves as point of contact with DWR Manager
- Oversees Prop. 68 Project Manager
- Prepare and submit:
 - Quarterly Progress Reports, invoices, and backup documentation
 - Deliverable Due Date Schedule*
 - Environmental Information Form
 - Project Monitoring Plan * **Items GSA is responsible to complete*
 - Component Completion Reports *
 - Grant Completion Report
 - Post Performance Reports *
- Ensure deliverables listed in the Work Plan are submitted to DWR
- Disburse reimbursement funds to GSAs from DWR

Component 1 Grant Agreement Administration

Component 2 Well Extraction Measurement Demonstration Projects and Basin Reporting

Component 3 SGMA Rate Study

Component 4 Basin GSPs 5-Year Update

Component 5 Monitoring Improvement and Expansion

Component 6 Stormwater Capture and Infiltration Project Designs

Component 7 Water Use Efficiency Strategic Plan

Component 8 Recycled Water Feasibility Study

PROJECT MANAGEMENT FOR PROP. 68 GRANT

- Review or develop SOW and/or Request for Services/Proposals for Subtasks.
- Develop work plan and schedule.
- Facilitate coordination between components.
- Develop decision matrix.
- Conduct regular check-in meetings.
- Invoice review, budget tracking, PSRs, contract management, and coordination (Components 2, 4 through 8).

Component 1 Grant Agreement Administration

Component 2 Well Extraction Measurement Demonstration Projects and Basin Reporting

Component 3 SGMA Rate Study

Component 4 Basin GSPs 5-Year Update

Component 5 Monitoring Improvement and Expansion

Component 6 Stormwater Capture and Infiltration Project Designs

Component 7 Water Use Efficiency Strategic Plan

Component 8 Recycled Water Feasibility Study

OUTREACH SUPPORT FOR PROP. 68 GRANT

- CAG and other stakeholder meeting attendance when appropriate.
- Prepare meeting agendas and minutes.
- Support efforts to secure access agreements.
- Review outreach materials.

Component 1 Grant Agreement Administration

Component 2 Well Extraction Measurement Demonstration Projects and Basin Reporting

Component 3 SGMA Rate Study

Component 4 Basin GSPs 5-Year Update

Component 5 Monitoring Improvement and Expansion

Component 6 Stormwater Capture and Infiltration Project Designs

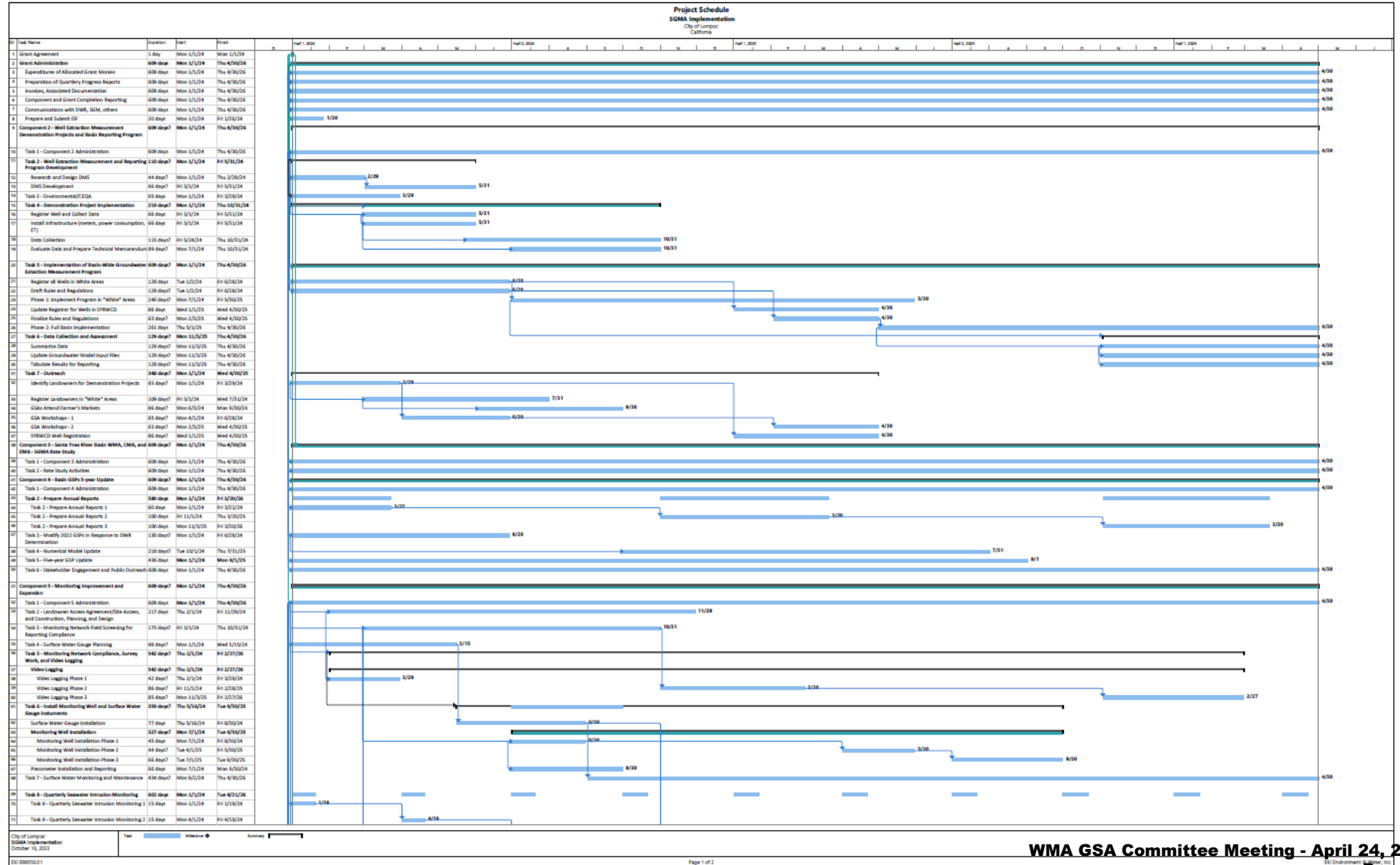
Component 7 Water Use Efficiency Strategic Plan

Component 8 Recycled Water Feasibility Study

2. d) Schedule

PRELIMINARY PROJECT MANAGEMENT SCHEDULE

Preliminary schedule created by EKI using MS Project to link interdependent tasks across the implementation schedule and incorporate task dependencies enabling it to efficiently adjust schedules in response to unforeseen delays.



MOST IMPORTANT TAKE-AWAY DATES

- **October 1, 2022:** first date grant component work is eligible for reimbursement (first reimbursement request was submitted to DWR on April 9, 2024).
- **March 31, 2026:** all grant component work must be completed, and invoices submitted no later than **April 15, 2026**.



2. e) Cash Flow

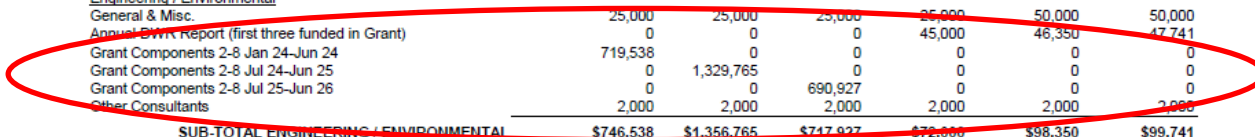
ESTIMATED ANNUAL WMA GSA BUDGET

Groundwater Sustainability Agency for the **Western Management Area**
in the Santa Ynez River Groundwater Basin

DRAFT 5 Year BUDGET

DRAFT 5 Year BUDGET

	Jan 1, 2024-June 30, 2024	July 1, 2024 - June 30, 2025	July 1, 2024 - June 30, 2026	July 1, 2025 - June 30, 2027	July 1, 2027 - June 30, 2028	July 1, 2028 - June 30, 2029
	6 months	12 months	12 months	12 months	12 months	12 months
REVENUES:						
Member Agency Contributions		320,000	320,000	0	0	0
SGMA Grant Reimbursement	*3	288,540	900,000	900,000	651,690	0
Interest Income		600	850	1,000	1,150	1,250
SGMA Fees		0	800,000	400,000	400,000	400,000
TOTAL INCOME		\$609,140	\$ 2,020,850	\$ 1,301,000	\$ 1,052,840	\$ 401,250
Rate based on Yield of 26000 AF	26000 \$	- \$	30.77 \$	15.38 \$	15.38 \$	15.38 \$
EXPENSES						
<u>Internal Operations / Expenses (Assumes 3% increase/yr)</u>						
Employee Salaries	*1	103,005	206,010	212,190	218,556	225,113
Payroll (EDD - SS and Medicare)	*1	3,872	7,743	7,976	8,215	8,461
Employee Benefits	*1	1,824	3,647	3,757	3,870	3,986
Retirement Plan Contributions	*1	5,920	11,840	12,195	12,561	12,938
Outside Services	*2	1,800	3,600	3,708	3,819	3,934
Office Expense		0	0	0	0	0
Director Fees		0	0	0	0	0
Travel & Training		1,500	2,000	2,060	2,122	2,185
Annual Audit (first three Funded in Grant)		0	0	0	25,000	25,750
Insurance & Worker's Comp		4,500	9,000	9,270	9,548	9,835
Dues (ACWA, CSDA etc)		10,000	10,000	10,300	10,609	10,927
Fees Collection		250	500	515	530	546
Payback Agencies		0	0	150,000	150,000	150,000
Miscellaneous (internet, webpage, postage etc)		500	1,000	1,030	1,061	1,093
SUB-TOTAL INTERNAL OPERATIONS		\$133,170	\$255,341	\$413,001	\$445,891	\$454,768
<u>Legal</u>						
General & Misc.		5,000	5,000	5,150	5,305	5,464
Employment/HR		1,000	1,000	1,030	1,061	1,093
Fees Collection		2,000	2,000	2,060	2,122	2,185
SUB-TOTAL LEGAL		\$8,000	\$8,000	\$8,240	\$8,487	\$8,742
<u>Engineering / Environmental</u>						
General & Misc.		25,000	25,000	25,000	25,000	50,000
Annual DWR Report (first three funded in Grant)		0	0	0	45,000	47,741
Grant Components 2-8 Jan 24-Jun 24		719,538	0	0	0	0
Grant Components 2-8 Jul 24-Jun 25		0	1,329,765	0	0	0
Grant Components 2-8 Jul 25-Jun 26		0	0	690,927	0	0
Other Consultants		2,000	2,000	2,000	2,000	2,000
SUB-TOTAL ENGINEERING / ENVIRONMENTAL		\$746,538	\$1,356,765	\$717,927	\$72,000	\$98,350
CONTINGENCIES						
		50,000	50,000	50,000	50,000	50,000
TOTAL EXPENSES		\$ 937,709	\$ 1,670,105	\$ 1,189,168	\$ 576,378	\$ 611,860
INCOME LESS EXPENSES		\$ (328,568.00)	\$ 350,744.00	\$ 111,831.00	\$ 476,462.00	\$ (210,609.00)
RESERVES (GSA Policy Decision)						
Amount in/out of Reserves		\$ -	\$ -	\$ -	\$ -	\$ -
Reserves, Total Balance		\$ -	\$ -	\$ -	\$ -	\$ -



Prop. 68 Annual Costs

*1) 0.75 Level of Effort (LOE) for Executive Director and Admin support plus 3% COLA per year
 *2) \$300/month for bookkeeper and AP 2023 rates plus 3% COLA per year
 *3) Assumes DWR will hold 10% retention until end of project, or 3rd Qtr 2026



DRAFT 1/2 Year BUDGET

Jan 1, 2024-June
30, 2024

6 months

REVENUES:

Member Agency Contributions		320,000
Estimated SGMA Grant Reimbursement	*3	288,540
Interest Income		50
TOTAL INCOME		\$608,590

EXPENSES

Internal Operations / Expenses (Assumes 3% increase/yr)

Plan Manager Fees (pending service agreement)	20 hrs/week @\$126/hr	45,360
Administrator Fees (pending service agreement)	20 hrs/week @\$67/hr	24,120
Liability Insurance		2,500
Dues (ACWA)		500
Miscellaneous (internet, webpage, postage etc)		500

SUB-TOTAL INTERNAL OPERATIONS \$72,980

Legal (Pending Service Agreement)

General & Misc.		5,000
Employment/HR		0
Fees Collection		0

SUB-TOTAL LEGAL \$5,000

Engineering / Environmental

GSP PMA Support		10,000
Annual DWR Report (first three funded in Grant)		45,000
Grant Components 2-8 Jan 24-Jun 24	\$720,000	720,000
Grant Components 2-8 Jul 24-Jun 25		0
Grant Components 2-8 Jul 25-Jun 26		0
#2 Well Extraction Measurement and Reporting		0
#3 Rate Study		0
#4 GSP 5-year Update		0
#5 Monitoring Improvement and Expansion		0
#6 Storm Water Capture and Infiltration Projects		0
#7 Water Use efficiency Strategic Plan		0
#8 Recycled Water Feasibility Study		0
Other Consultants		0

SUB-TOTAL ENGINEERING / ENVIRONMENTAL \$775,000

TOTAL EXPENSES		\$852,980
Expenses minus Income		\$166,410
Total Funding Required if Budget is Fully Funded		\$1,019,390

*1) 0.75 Level of Effort (LOE) for Plan Manager and Administrative Support

*2) \$300/month for bookkeeper and AP 2023 rates plus 3% COLA per year

*3) Assumes DWR will hold 10% retention until end of project, or 3rd Qtr 2026

THIS WRITTEN FEE CONTRACT ("Contract") is entered into on February 28th, 2024, by and between **SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY** ("Client") and **McMURTREY, HARTSOCK, WORTH & ST. LAWRENCE** ("Attorney").

1. Scope of Agreement: Client hires Attorney to provide legal services to Client in connection with and limited to the following:

To serve as general legal counsel, assisting Client regarding Board governance and providing general legal services. This shall include, but not be limited to, contract review/drafting and legal advice regarding SGMA compliance. Attorney shall perform work on an as-needed basis. This Contract does not include representation in any litigation or arbitration. In the event Client desires to retain Attorney's services for particular litigation, a separate legal services agreement must be agreed upon and executed.

2. Duties of Attorney and Client: Attorney shall provide those legal services reasonably required to represent Client as described in paragraph 1 of this Contract. Attorney shall also take reasonable steps to keep Client informed of significant developments and respond to Client's inquiries.

Client shall be truthful with Attorney, cooperate with Attorney, keep Attorney informed of developments, perform the obligations it has agreed to perform under this Contract, pay Attorney's bills in a timely manner, and keep Attorney apprised of its address, telephone number and whereabouts.

3. Billing Rates: Client agrees to pay for legal services at the following rates, which shall be subject to periodic revision and modification by Attorney:

	<u>Years of Experience General</u>	<u>Years of Experience Public Agency Law</u>	<u>Hourly Rate</u>
Attorneys:	15 or more	5 or more	\$308/hr
	10 to 15	5 or more	\$296/hr
	5 to 10	Fewer than 5	\$268/hr
	Fewer than 5	Fewer than 5	\$248/hr
Law Clerks:			\$176/hr
Paralegals:	10 or More	5 or More	\$132/hr
	Fewer than 10	Fewer than 5	\$124/hr

"Law Clerks" include law school students who have, at a minimum, successfully completed their first year of law school (including a course in legal research and writing) and graduates who have not yet been admitted to practice law in the State of California. "Paralegals" include in-house trained legal assistants and/or certified para-professionals. These rates are the complete fee for our services. No additional charges are made for the cost of long-distance telephone calls, xerox copies, clerical time, mileage, or the like.

4. Costs and Expenses: Client shall reimburse Attorney for all actual costs and expenses incurred by Attorney on behalf of Client, including, but not limited to, the following: electronic mail, messenger and other delivery fees, postage in excess of \$1.50 per item, parking fees; travel expenses (including air fare at coach rates, lodging, meals, and ground transportation), charges for computer research, charges for outside assisted legal research, investigation expenses, and consultants' fees.

Attorney shall itemize all costs incurred on each periodic statement.

Attorney shall obtain Client's consent before retaining outside investigators or consultants.

5. Statements: Attorney shall send Client a statement for fees and costs incurred every month. Client shall pay Attorney's statements within thirty (30) days after each statement's date. If Attorney is holding a deposit from Client, Attorney's statement shall indicate what portion of the sums due have been paid out of the deposit, and what portion, if any, are then due and owing from Client to Attorney.

Attorney's statements shall clearly state the basis thereof, including the amount, rate and basis for calculation (or other method of determination) of Attorney's fees.

Attorney shall provide a bill to Client, upon Client's request, no later than ten (10) days following the request. Client is entitled to make subsequent requests for bills at intervals of no less than thirty (30) days following the initial request.

6. Disclaimer of Guarantee: Attorney has made no promises or guarantees to Client about the outcome of any Client matter, and nothing in this Contract shall be construed as such a promise or guarantee.

7. Discharge and Withdrawal: Client may discharge Attorney at any time. Attorney may withdraw only for good cause. Among the facts constituting good cause are Client's breach of this Contract, Client's refusal to cooperate with Attorney or to follow his advice on a material matter, or any fact or circumstance that would render Attorney's continuing representation of Client unlawful or unethical.

Attorney and Client each agree to sign any documents reasonably necessary to complete Attorney's discharge or withdrawal.

8. Termination or Conclusion: Upon the termination or conclusion of Attorney's services, all unpaid charges for services rendered and costs incurred or advanced through the termination or conclusion date shall become immediately due and payable. Attorney acknowledges his obligation, upon Client's demand, to deliver Client's files to Client at or after the termination or conclusion of Attorney's services.

9. Retainer: At the time this Contract was entered into, Client WAS NOT required to pay a retainer. Services will be invoiced and paid as provided above.

ATTORNEY:

McMURTREY, HARTSOCK, WORTH &
ST. LAWRENCE

By: 
Isaac L. St. Lawrence

CLIENT:

Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency

By: William J. Buelow

Address:

P.O. Box 719

Santa Ynez, CA 93460

Email:

bbuelow@syrwcd.com

Phone #: 805-620-7985



Board of Directors:

Jeremy Ball, City of Lompoc
Chris Brooks, Vandenberg Village Community Services District
Joan Hartmann, Santa Barbara County Water Agency
Myron Heavin, Mission Hills Community Services District
Steve Jordan, Santa Ynez River Water Conservation District

P.O. Box 719
3669 Sagunto Street, Suite 101
Santa Ynez, California 93460

Telephone: (805) 693-1156

SantaYnezWater.com

Date: April 24, 2024
To: SYRVGB WMA GSA Board of Directors
FROM: Amber Thompson, Secretary to the Board
SUBJECT: Insurance Options for SYRVGB WMA GSA

Recommendation

Board of Directors review and discuss two insurance options for the WMA GSA: ACWA (Association of California Water Agencies) and GSRMA (Golden State Risk Management Authority).

Staff recommendation is to bind coverage with GSRMA for a pro-rated term effective May 1, 2024 thru July 1, 2024 and approve renewal of coverage for the July 1, 2024-2025 policy year.

Discussion

Annual Cost of Membership and Insurance

ACWA/ACWA JPIA: \$3,070, possible effective date of insurance August 2024 (or later)
GSRMA: \$5,017, effective date of insurance May 1, 2024.

The WMA GSA JPA needs to have its own liability insurance in place to release liability of individual member agencies from the GSA activities.

ACWA and ACWA JPIA:

ACWA JPIA required the GSA to have an approved membership in ACWA before quoting insurance coverage. The first year ACWA membership of \$375.84 was paid in February 2024 (pro-rated and included a special first-time member reduced rate of for the first year only). The second-year membership dues are expected to be \$820. ACWA JPIA Insurance requires one of the WMA GSA JPA members to be an active member of the ACWA JPIA Liability program in order to provide liability insurance to the GSA, requires a risk assessment which may take up to three months to complete before binding insurance coverage, and approval from the ACWA JPIA Board for the WMA GSA to join the insurance pool. ACWA JPIA insurance cost for a GSA similar to WMA GSA is estimated to be minimum of \$2,250 per year, based on payroll, but is not guaranteed until a full risk assessment is completed. Insurance for the WMA GSA JPA can be provided by ACWA JPIA in approximately August 2024 at a pro-rated cost of \$1,350.

GSRMA:

GSRMA does NOT require any of the following: a separate membership process or payment of dues, a GSA member agency also be an active liability program member, or a lengthy risk assessment to be completed prior to offering coverage. Insurance for the WMA GSA JPA can be provided by GSRMA as early as May 1, 2024 at a pro-rated cost of \$836.

Attachments: ACWA JPIA Coverage Proposal (April 4, 2024) and GSRMA Contribution Indication (April 11, 2024)

From: [Debbie Cruz](#)
To: [Amber Thompson](#)
Subject: ACWA JPIA Coverage Proposal
Date: Thursday, April 4, 2024 1:32:05 PM
Attachments: [JPIA Coverage Proposal 2023-2024.pdf](#)

Caution! This message was sent from outside your organization.

[Allow sender](#) | [Block sender](#)

Hi Amber,

Thank you for your patience. Attached is the ACWA JPIA Coverage proposal for the Santa Ynez River Valley Groundwater Basin WMA GSA. There are currently 340 agencies participating in one or more of our coverage programs. The ACWA JPIA provides no-cost services for its Members: risk control services, on-line and in-person training, video lending library, and access to Occu-Med services. All claims are administered in-house by JPIA staff.

A couple items worth noting: 1) the Liability Program date is October 1 through September 30; a new member may join midterm; 2) the proposal is based on our current 2023 rates.

Once Santa Ynez River Valley Groundwater Basin WMA GSA reviews the coverage proposal and decides to continue with its application, the next step will be to schedule the risk assessment. One of our risk advisors will spend time with your staff to review operations. Subject to a favorable risk assessment, the Agency's application will be presented to our Executive Committee for approval. If approved, the Agency's Board will need to pass a resolution to join ACWA JPIA in order to effect coverage. There is an initial 3-year commitment upon joining any program, as well as proof of ACWA Membership.

The entire application process can take up to four months. Please contact me should you have any questions regarding the coverage proposal.

Regards,



Debbie Cruz, AINS, AIS

ACWA JPIA

Lead Member Services Representative

(916) 786-5742 (Office)

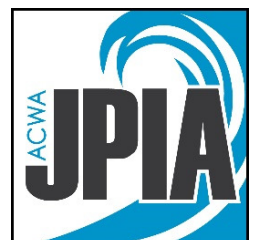
(916) 774-7050 x3117 (Direct)

dcruz@acwajpia.com | acwajpia.com



Coverage Proposal

SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN WMA GSA



APRIL 4, 2024

Introducing Your Best Protection



OUR MISSION

ACWA JPIA is dedicated to consistently and cost effectively providing the broadest possible affordable insurance coverage and related services to its member agencies.

FORMED BY WATER AGENCIES FOR WATER AGENCIES

Water agencies have a unique set of risks not every provider can cover. In 1979, water agencies banded together to share their risks and associated insurance costs. They empowered ACWA JPIA to provide the best coverage for their needs ... and we delivered.

Today, we are the leader in providing California public water agencies with liability, property, and workers' compensation loss coverage programs as well as employee benefits. Serving only water agencies, our experience, expertise and knowledge are highly tuned to our members' unique requirements.

We are a strong, innovative organization. We continually evolve to serve our members' ever-changing demands with programs designed by them and for them. As your partner, we always battle for your agency's rights and best protection.

ADVANTAGES AT A GLANCE

- Strong, stable risk-sharing pool with over 400 members
- 100 percent member governed, member driven and member focused
- Complete protection programs tailored specifically to water agencies
- Programs with cost savings of 20 to 30 percent compared to commercial insurance
- Value-added services to help reduce claims, keep costs low and protect members
- Trustworthy, reliable and knowledgeable staff dedicated to each member
- Tools, technology and resources to support your agency's needs
- Resourceful, in-house staff with expertise in every service area

WATER AGENCIES HAVE A CHAMPION IN THE JPIA

Public entities created pools beginning in the early 1970s. In fact, ACWA JPIA evolved in 1979 after most commercial insurers abandoned the public entity market. As a result, public entities formed risk pools to reduce and stabilize long-term insurance costs and ensure access to coverage and service critical for local government functions such as the acquisition, treatment and delivery of water.

As a California special district, ACWA JPIA operates as a public entity. We are member owned, member governed and member driven. Our Board of Directors includes a representative from each member’s board. Our Board elects an eight-member Executive Committee to work on its behalf with the JPIA management and staff.

Unlike the commercial insurance industry, which uses profits to measure success, ACWA JPIA provides services, coverage and risk management tools with the singular goal of servicing our members. We work closely with each of our members to provide customized programs, resources and services for their needs, no matter the agency size.

HOW WE WORK

Water Agencies must be a member of the Association of California Water Agencies to join the JPIA. Our Board and Executive Committee approve entry into the JPIA. Upon joining, members agree to share the cost of risk by contributing to pooled programs. This pool of funds pays for all member claims and, as a result, reduces the burden of long-term claim costs for all members. At the end of each program year, if claims costs are below anticipated levels, members may be eligible for refunds. ACWA JPIA is proud to be a partner with water agencies throughout California. Quite simply, ACWA JPIA is a proven source of innovation, expertise, education and financial stability.

PROTECTION – EXCLUSIVE TO MEMBERS	SERVICES – EXCLUSIVE TO MEMBERS
<p>PROPERTY PROGRAM</p> <ul style="list-style-type: none"> • \$500 million limits • Pooled retention to \$10,000,000 per loss • Includes boiler and machinery <p>GENERAL, AUTO, EPL AND PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY COVERAGE</p> <ul style="list-style-type: none"> • Up to \$55 million limits • Pooled retention to \$5 million per occurrence • Funded for catastrophic events • Excess premium returned to members • Employment Practices Liability <p>WORKERS’ COMPENSATION</p> <ul style="list-style-type: none"> • Over 6,000 employees covered • Statutory limits • Pooled retention \$2 million • No deductible • In-house claims examiners ranked #1 in California • Funded for catastrophic events <p>EMPLOYEE BENEFITS</p> <ul style="list-style-type: none"> • HMO, PPO and consumer-driven medical plans • HMO and PPO dental plans • Life insurance and disability plans • Employee assistance and wellness programs 	<p>RISK MANAGEMENT SERVICES</p> <ul style="list-style-type: none"> • Certified safety professionals on staff • On-site consultations and risk assessments • Assistance with safety policies <p>HUMAN RESOURCES SUPPORT</p> <ul style="list-style-type: none"> • Certified human resource professionals on staff • Employment practices hotline including free legal consultations • Regional HR group meetings and individual consultations • Employee handbook/policy reviews • Model water district job descriptions <p>EMPLOYEE BENEFITS SERVICES</p> <ul style="list-style-type: none"> • Advocacy and claim support • Legal compliance assistance • Electronic enrollment system <p>TRAINING RESOURCES</p> <ul style="list-style-type: none"> • On-site, local and regional classes • Online courses • Professional development programs <p>CLAIMS SERVICES</p> <ul style="list-style-type: none"> • In-house claims staff • Specialized legal counsel • Investigation and defense

EXCLUSIVE SERVICES TO MEMBERS

ACWA JPIA's commitment to your agency's protection does not stop with our liability, property, workers' compensation and employee benefits programs. We provide additional services and consultations to serve as your trusted, long-term partner.

HUMAN RESOURCES

- Employment hotline
- Employee handbook reviews
- Employment training
- Member advocacy
- Benefits Enrollment support
- Consultation and guidance
- Employee assistance
- Model policies
- Sample forms
- Job description manual (ADA compliant; over 70 water district jobs)
- Regional HR group meetings and networking forums
- Pre-employment physical referrals

TRAINING RESOURCES

- On-site, local and regional classes; annual training conferences
- Online training resources, including live and recorded water-industry specific webinars
- Training library with over 600 DVDs
- Professional development program offering certifications in human resources, operations and supervisor basics
- In-depth, year-long senior leadership certificate program
- Staff development
- In-person training

ACWA JPIA partners with a leading provider

for customized web based training specific to water agencies, including courses that are eligible for continuing education credits.

EXCLUSIVE SERVICES TO MEMBERS (CONTINUED)

ACWA JPIA's risk management staff partners with member agencies to cost effectively control exposures to potential losses in all insured programs.

RISK MANAGEMENT STAFF

- Certified Safety Professionals (CSPs)
 - Authorized to teach 10-hour OSHA and DOSH asbestos courses Staff
 - certified in water distribution, treatment and wastewater
 - On-staff electrical engineer
 - On-staff certified ergonomic assessment specialists
 - On-staff enterprise risk management PRIMA faculty trainer
 - On-staff property cost estimator
-

EMPLOYEE BENEFIT SERVICES

- California licensed life and health agent
 - Direct member advocacy for employees with questions or claim issues
 - Assistance with legal compliance – Affordable Care Act
 - Electronic benefits enrollment system allows self-enrollment, district oversight and robust reporting
-

CLAIMS SERVICES

- Experienced in-house claims staff and state-certified examiners experienced with JPIA member agencies
- Statewide claims resources including investigators, adjusters and specialized legal counsel
- Aggressive investigation and defense of questionable claims
- Diligent pursuit of subrogation rights



Liability Coverage Quotation

LIABILITY PROGRAM LIMIT \$55,000,000 *

SUB-LIMITS:

- \$ 5,000,000 - Terrorism
- \$10,000,000 – Communicable Disease
- \$45,000,000 – Subsidence
- \$45,000,000 – Lead
- \$45,000,000 – Mold

this is not an exhaustive list of all reinsurance/excess sublimits

INCLUDES:

- Bodily Injury
- Errors & Omissions
- Public Officials Errors & Omissions Liability
- Accidental Pollution Liability
- Property Damage
- Employment Practices Liability
- Inverse Condemnation
- Automobile Liability

**Coverage afforded for drones that follow FAA Rules and Regulations Part 107 of Title XIV*

ESTIMATED ANNUAL PAYROLL	EXPERIENCE MODIFIER	RETROSPECTIVE ALLOCATION POINT (RAP)	2023-24 ESTIMATED DEPOSIT PREMIUM
\$0	1.00	\$2,500	\$1,350

Retrospective Allocation Point (RAP)

Member agencies pay a deposit premium based on their estimated annual payroll. This deposit premium is used to pay the Member’s claims it sustains within the coverage period. For purposes of the retrospective premium adjustment, each member selects its own retrospective allocation point (RAP) level. This is the portion of each claim the Member is ultimately responsible for.

Retrospective Premium Adjustment

The first premium adjustment takes place approximately 4 years after the beginning of each coverage year. This process is called a Retrospective Premium Adjustment. The adjustment is determined by the following factors: actual payroll versus estimated payroll, losses within the member’s RAP level, a share of losses above the selected RAP level, a share of general and administrative costs, and a share of interest earned on the funds held. Once these factors have been calculated, the final premium is compared with the deposit premium to determine if a refund is due to the Member. Refunds are issued when the balance exceeds 70% of their current unmodified deposit premium. An annual statement is provided to each Member.



Premium Summary

Program	Estimated Annual Premium
Liability Coverage	\$ 1,350
TOTAL ESTIMATED ANNUAL PREMIUM	\$ 1,350

CONDITIONS:

1. Participation requires an initial three-year commitment;
2. Favorable risk assessment;
3. ACWA JPIA Executive Committee approval;
4. Signed the ACWA JPIA Agreement;
5. Proof of ACWA Membership;
6. Santa Ynez River Valley Groundwater Basin WMA
GSA Board Resolution to join ACWA JPIA Program.

April 11, 2024

Amber Thompson
Western Management Agency GSA
PO Box 719
Santa Ynez, CA 93460

Re: Indication for Coverage – Western Management Area GSA

Dear Amber,

Thank you for the opportunity to provide this proposal for Western Management Area Groundwater Sustainability Agency's membership in Golden State Risk Management Authority (GSRMA). GSRMA has proven to be an excellent risk-pooling option for California special districts.

Unless approved as an exception by the Board, GSRMA requires participation in all coverage programs applicable to your district. In doing so, GSRMA has been able to provide its members with stable rates, and high coverage limits, since 1979. GSRMA currently has over 300 member agencies throughout the State of California.

Please take a moment to review the attached indication which is based on the information you have provided. The following additional documentation is required before a final quote can be prepared and coverage bound:

- "No known loss" letter, or 10-year loss history, for all lines of coverage;
- Signed JPA Agreement (acceptance of, and agreement to abide by, the Golden State Risk Management Authority Joint Exercise of Powers Agreement, and the Golden State Risk Management Authority By-Laws).

Additionally, your Agency's information will be provided to PRISM, our excess carrier, for approval. PRISM must approve your Agency for membership before coverage can be bound. Note that this is an *indication* for coverage and estimates may be modified based on loss experience or change in circumstances.

We look forward to working with your agency. Please feel free to call with any questions.

Sincerely,



Elizabeth "Liz" Smith, CPCU, ARM
Underwriter
Golden State Risk Management Authority

2023-24 Coverage Summary and Limits

Comprehensive General Liability

\$50,000,000 Per Occurrence Limits

Broad Occurrence Coverage Including:

- First-dollar coverage – no member retention or deductible for liability losses
- Bodily Injury & Property Damage
- Personal Injury
- Public Officials Errors & Omissions
- Automobile Liability
- Contractual Liability
- Employment Practices Liability
- Excess coverage is provided through PRISM (Public Risk Innovation, Solutions, and Management), one of the largest and most respected public entity insurance programs in the nation.

Major Exclusions

- Airports/Aircraft
- Health Care Professional Liability (limited)
- Eminent Domain/Inverse Condemnation
- Failure to Supply Fuel, Water or Electricity
- Subsidence
- Nuclear Material
- Pollution (limited)
- Dam Failure (unless endorsed)
- Asbestos
- Fixed Route Transit (unless endorsed)
- Punitive Damages
- Fiduciary Liability
- Employment Retirement Income Security Act (ERISA)
- Care Custody and Control
- Benefits payable under an employee benefit plan
- Non-monetary damages
- Breach of Contract
- Unlawful Discrimination intentionally committed by, at the direction of, or with the consent of the Covered Party
- Violation of Economic or Trade Sanctions
- Strip Search (limited)
- Violation of Communication or Information Law
- Employee Benefits Limitation
- Fair Labor Standards Act
- Wrongful Incarceration - prior to being a member
- Cyber
- Organic Pathogen (Communicable Disease)
- Polyfluoroalkyl (PFAS)

2023-24 Coverage Summary and Limits

Cyber Liability*

\$16,000,000 Aggregate Limit

Claims Made and Reported Coverage Including:

- GSRMA members share a single sublimit of \$16,000,000 Aggregate for all coverages combined (including Claims Expenses)
- Additional sub limits may apply
- Member's Self Insured Retention is \$10,000 and there is an eight (8) hour waiting period for first party claims
- Coverage includes Breach Response
- Coverage includes First Party Loss (Business Interruption, Dependent Business Interruption, Cyber Extortion, Data Recovery)
- Coverage includes Third Party Liability (Data and Network, Regulatory Defense and Penalties, Payment Card Liabilities and Costs, Media Liability)
- Coverage includes eCrime (Fraudulent Instruction, Telephone Fraud)

Crime

\$20,000,000 Limit Occurrence

Coverage Including:

- GSRMA members have a \$2,500 deductible per occurrence
- Coverage includes Employee Theft including Faithful Performance of Duty (per loss coverage)
- Coverage includes Depositor's Forgery or Alteration including Credit, Debit or Charge Card Forgery
- Coverage includes Theft, Disappearance and Destruction – Inside and Outside the Premises
- Coverage includes Computer Fraud and Funds Transfer Fraud
- Coverage includes Money Orders and Counterfeit Paper Currency

Major Exclusions

- Exclusion information available upon request

*Not all members will qualify for Cyber coverage.



Contribution Indication

Policy Period: 2023-24
Coverage Dates: 5/1/2024-7/1/2024
Account No: WESTMAN

Customer Service
For Information on Your Account Visit:
www.mygsrma.org
GSRMA PO Box 706 Willows, CA 95988
Phone: 530-934-5633 Fax: 530-934-8133

Western Management Area Groundwater Sustainability Agency

COVERAGES	CONTRIBUTION
General Liability <i>Estimated Payroll</i> \$0	\$5,000
Crime Bond <i>Exposure</i> 1	\$18
TOTAL ESTIMATED ANNUAL CONTRIBUTION*	\$5,018
PRORATED CONTRIBUTION	\$836
DIVIDENDS	ADJUSTMENTS
Workers' Compensation	Not Applicable
General Liability	Not Applicable
TOTAL CONTRIBUTION ADJUSTMENT	\$0.00
TOTAL ESTIMATED PAYMENT	\$836

*Total Contribution is an ESTIMATE ONLY and may not be equal to the final Contribution amount when coverage is bound. Finance charges apply when paying in installments.

NOT AN INVOICE. INDICATION DATED 4/9/2024 DOES NOT BIND COVERAGE.

CONTRIBUTION INDICATION VALID FOR 60 DAYS FROM INDICATION DATE.



Contribution Comparison

Policy Period: 2023-24
Coverage Dates: 5/1/2024-7/1/2024
Account No: WESTMAN

Customer Service

For Information on Your Account Visit:

www.mygsrma.org

GSRMA
 PO Box 706
 Willows, CA 95988

Phone: 530-934-5633
 Fax: 530-934-8133

Western Management Area Groundwater Sustainability Agency

COVERAGE	CURRENT YEAR	PRIOR YEAR	DIFFERENCE	% CHANGE
General Liability	\$5,000	\$ 0	\$5,000	0%
<i>Estimated Payroll</i>	\$0	\$0	\$0	0%
<i>Effective Rate*</i>	\$0	0.00	\$0	0%
<i>Experience Ratio</i>	0	0.00	0	
Crime Bond	\$ 18	\$ 0	\$ 18	100%
<i># of Employees</i>	1	0	1	100%
TOTAL CONTRIBUTION **	\$5,018	\$0	\$5,018	100.0%

*Amounts are shown rounded to the nearest cents. Actual Effective Rate = Contribution / Payroll * 100
 **Total Contribution is an ESTIMATE ONLY and may not be equal to the final Contribution amount when coverage is bound.

Indication dated 4/9/2024



Disclosures/Disclaimers

Policy Period: 2023-2024
Coverage Dates: 5/1/2024-7/1/2024
Account No: WESTMAN

Customer Service
<i>For Information on Your Account Visit:</i>
www.mygsrma.org
GSRMA PO Box 706 Willows, CA 95988
Phone: 530-934-5633 Fax: 530-934-8133

This proposal for coverage is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, vehicle schedules, financial data and loss experience, is based on facts and representations supplied to Golden State Risk Management Authority by your agency. This proposal does not reflect any independent study or investigation by Golden State Risk Management Authority or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed coverage (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, GSRMA may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of coverage and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance your agency may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your coverage, please refer to the policy itself. Golden State Risk Management Authority will not be liable for any claims arising from or related to information included in or omitted from this proposal for coverage.

This proposal is valid for 60 days from the date of the Indication.

GOLDEN STATE RISK MANAGEMENT AUTHORITY
BYLAWS

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ARTICLE I.
DEFINITIONS

A. Unless the context otherwise requires, the designated terms in the Joint Powers Agreement and Bylaws have the following definitions:

1. “Authority” means the Golden State Risk Management Authority.
2. “Basic Risk Coverages” shall mean the protection package offered to all Member Agencies, consisting of protection for risks related to General Liability, Workers’ Compensation, Property, and Miscellaneous exposures, unless an exception has been made by the Board.
3. “Board” or “Governing Board” shall mean the governing board of the Authority;
4. “Certificate of Coverage” or “COC” is the document issued by the Authority to Member Agencies specifying the scope and amount of pooled protection provided to each Member Agency by the Authority.
5. “City” shall include cities, towns, and villages, whether incorporated or not. City does not include a County.
6. “Claim” shall mean any demand, action, suit or proceeding against a Member Agency arising out of an occurrence that falls within the Authority's Joint Protection Program.
7. “County” shall mean a political subdivision of the State of California or any other State of the United States of America. County does not include a City.
8. “Covered Loss” is a loss resulting from a Claim against a Member Agency, in excess of the Member Agency's deductible, retained limit or self-insured retention that falls within the Joint Protection Program, as prescribed by the pertinent Memorandum of Coverage and Certificate of Coverage.
9. “Excess Coverage” shall mean that coverage afforded by commercial insurance or any pooling arrangement purchased by the Authority to cover losses in excess of the Authority’s own deductible, retained limit or self-insured retention.
10. “Fiscal Year” is the period from the first day of July of each year to and including the thirtieth day of June of the following year.
11. “Incurred Loss” is the sum of moneys paid and reserved by the Authority that is necessary to investigate and defend a Claim and to satisfy a Covered Loss sustained by a Member Agency.

12. “Joint Protection Program” or “Program” shall mean the operation of the Authority under which the Member Agencies are protected against designated losses, through pooling of self-insured funds, joint purchase of commercial insurance, or any combination as determined by the Board.
13. "Member" means a member of the Board.
14. “Member Agency” means any public agency that is a party to this Agreement.
15. “Memorandum of Coverage” or “MOC” is the document issued by the Authority to Member Agencies specifying the limits of liability of the coverage provided to each Member Agency, including the Authority’s deductible or retention amount and Excess Coverage limits.
16. “Special District” shall mean special districts created pursuant to the law of the State of California or of any other state which provides any governmental service. Special Districts shall be treated as Member Agencies except that Special Districts governed through the Board of Supervisors of a County shall be represented on the Board by that County in accordance with Article III hereof.

ARTICLE II. **OFFICES**

The Authority’s principal office for the transaction of business is located at 243 West Sycamore Street, Willows, California. The Governing Board may change the location of the principal office from time to time.

ARTICLE III. **GOVERNING BOARD**

A. GOVERNING BOARD

The Authority shall be governed by a Board composed of seven (7) Members, all of whom shall be elected or appointed Members of the governing boards of Member Agencies. The Members of the Board shall be composed of: (1) two Members from the boards of supervisors of County Member Agencies; (2) one Member from the city council of a City Member Agency; (3) one Member from the board of trustees of a school district Member Agency; (4) one Member from the board of directors of a cemetery district Member Agency; (5) one Member from the board of directors of a fire protection district Member Agency; and (6) one member from the board of directors of a Special District Member Agency.

B. ELECTION OF BOARD MEMBERS

1. Annual elections are to be held to fill vacating positions on the Governing Board as described herein. The election process shall include the use of the Board Member Election Timeline. The Timeline shall be updated and approved by the Board annually. The Board Member Election Timeline shall be maintained as a separate document.

2. Vacancies for the Board alternate with representatives for cemetery districts, cities and school districts opening in even numbered years and representatives for fire districts and special districts opening in odd numbered years. Currently, two county representatives are appointed by the Glenn County Board of Supervisors on their own appointment schedule.

Districts in the above member groups will be invited to nominate themselves. The nomination will be for a particular district not for an individual person. If elected, the chosen district shall: (a) appoint a member of their governing board to serve on the Board, and also (b) appoint a second member of their governing board to serve as an alternate Board Member. In the absence of the appointed representative due to (a) resignation, or (b) inability to attend any Board meetings, the alternate representative shall (a) substitute for and replace the resigned representative, or (b) attend board meetings in the place and stead of the absent representative. If no nominations are received for a particular group, the Board shall appoint an individual meeting all requirements for representing that group to fill the opening for the duration of the term.

Once the nomination period has closed and the slate of nominated districts is approved by the Board, an election will be conducted. If a member is the only district nominated for a group, no election voting shall be held for that group and that district will be the considered the winner of the election.

During this election period, nominated districts may contact districts in their peer group to promote their desire to appoint a representative to the Board.

Each district will get one vote each. The vote will either be by board action or by the district representative (usually the district manager or primary contact) as authorized by the district board.

All communication to members will be through their preferred method of communication (email or USPS). Members may vote either electronically or via USPS or fax.

Vote count will not be disclosed to any party prior to the results being presented to the Board.

Election winners are determined by a simple majority of the votes cast. In case of a tie among those receiving the most votes, the winner will be decided by random selection from those candidates that are tied.

If a seated board member is no longer a member of their represented District's governing board, the governing board of that district shall appoint another representative from their governing board. If that board does not appoint a

member by the next meeting of the Board, the Board shall appoint an individual meeting all requirements for representing that group for the duration of the term.

If a chosen district has determined to and acted to withdraw from GSRMA, then: (a) when a withdrawal occurs before the term of the appointed representative begins, then the next highest vote getter shall be the chosen district in that member group; or (b) if the withdrawal occurs after the term has begun, the Board shall fill this vacancy by appointing another member agency in that member group to act as a chosen district and to appoint a member of their governing board to serve on the Board for the duration of the term.

C. TERMS OF OFFICE

1. The term of each Member shall be two years.
2. Each Member serves at the pleasure of his or her respective appointing governing body and may be replaced at any time. The County Members shall also represent all special districts that are governed by County boards of supervisors. No person who is an employee of any Member Agency shall be appointed to serve on the Governing Board.

D. VOTING AND COMPENSATION

1. Each Member has one vote.
2. Each district represented by a board member shall be entitled to \$5,000 per member per year of service on the Board. In addition, Members shall be entitled to reimbursement for transportation expenses incurred in connection with performance of duties as a Member pursuant to the Internal Revenue Service's established allowance. The Board may authorize additional reimbursement for other expenses incurred in connection with duties as a Member.

E. POWERS OF THE BOARD

The Board, consistent with the purposes of the Agreement and these Bylaws, has the power to:

1. Adopt and amend the Authority's Bylaws;
2. Adopt an Annual Operating Budget.
3. Approve or reject agencies applying to become Member Agencies;
4. Elect and remove the risk manager and officers of the Authority;

5. Establish an executive committee or any other committees and delegate to them functions not otherwise reserved to the Board;
6. Contract with consultants and other professional persons or firms, as it considers necessary to carry out the purposes of the Agreement;
7. Authorize risk management audits to review the participation of each Member Agency in the Program;
8. Authorize any officer, staff member, or agent of the Authority to execute any contract in the name of and on behalf of the Authority, and such authorization may be general or specific in nature; however, unless so authorized, no officer, staff member or agent shall have any power to bind the Authority by contract;
9. Approve loss analysis controls by use of statistical analysis, data processing, record and file keeping services in order to help identify high exposure operations and evaluate proper levels of self-retention and possible deductibles;
10. Approve plans to assist Member Agencies in maintaining current, complete, and accurate building and contents values by location for insured properties;
11. Conduct all necessary actions in concluding and dissolving the business affairs of the Authority, including determining the distributions to Member Agencies upon termination of the Authority;
12. Approve specific risks for which the Authority intends to provide protection;
13. Determine the necessity for and amount of any contribution surcharge that may be imposed because of circumstances described in Article X.C.1. and 2. of these Bylaws; and
14. Act in furtherance of the Agreement and these Bylaws.

F. **ADDITIONAL DUTIES OF THE BOARD**

In addition to duties specifically expressed in the Agreement or in the Bylaws, the Board shall:

1. Maintain membership in at least one (1) public risk management association.
2. Assign at least one (1) Member to attend an annual risk management conference.

ARTICLE IV.
OFFICERS

A. **PRESIDENT AND VICE-PRESIDENT**

The Board shall elect a president and vice-president from among its Members at its first meeting each calendar year. Thereafter, at its first meeting in each succeeding calendar year, the Board

shall elect a president and vice-president. The term of office of the president and vice president shall be for one (1) year. If either the president or vice-president ceases to be a Member, the resulting vacancy shall be filled at the next regular meeting of the Board which is held after the vacancy occurs. The president shall preside at and conduct all meetings of the Board. In the absence or inability of the president to act, the vice president acts as president. The president also serves as the treasurer of the Authority.

B. RISK MANAGER

The risk manager shall be selected and appointed by the Board. The position includes the functions of secretary, chief administrative officer of the Authority, and auditor. The risk manager shall be responsible to the Board for the performance of all functions of the Authority as provided in the Agreement and these Bylaws. In the absence of both the president and vice-president, the risk manager shall preside at and conduct meetings of the Board.

C. TREASURER AND AUDITOR

Other than prescribed above, the Board may appoint one of the Authority's officers or employees to serve in the position of either treasurer or auditor, or both of such positions. These offices may be held by separate officers or employees or combined and held by one officer or employee. Such person or persons appointed shall have the powers, duties, and responsibilities as set forth in Government Code Sections 6505, 6505.5 and 6505.6, including the duty to cause an independent annual audit to be made in compliance with Government Code Section 6505.

1. The treasurer shall:
 - a. Have the custody of the Authority's funds;
 - b. Disburse the Authority's funds pursuant to the Board's authority;
 - c. Invest and reinvest the Authority's funds in accordance with state law.
2. The auditor shall:
 - a. Draw warrants to pay demands against the Authority. The warrants drawn by the auditor shall be reviewed by the Board and approved and ratified at the first meeting of the Board following the draft of the warrants;
 - b. Establish and maintain the funds and accounts in accordance with acceptable accounting practices and shall maintain such other records as the Board requires;
 - c. Within one hundred twenty (120) days after the close of each Fiscal Year, give a complete written report of all financial activities for that Fiscal Year to the Authority for the annual audit by a certified public accountant.

D. ASSUMPTION OF DUTIES

Each officer shall assume the duties of his office upon election or appointment, unless otherwise declared by the Board.

E. OFFICIAL BOND

The Board shall require the risk manager, treasurer, and auditor to cause to be filed with the Authority an official bond in an amount to be fixed by the Board, but not less than \$500,000. The Authority shall pay the cost of the premiums for each bond required by it. In the alternative, the Authority may utilize and participate in bond coverage by means of a master bond jointly purchased by public agencies.

F. REMOVAL AND VACANCIES

The Board may remove an officer at any time. A vacancy in an officer position, because of death, resignation, removal, disqualification, or any other cause, shall be filled by election of the Board.

ARTICLE V.
LIABILITY OF GOVERNING BOARD, OFFICERS,
COMMITTEE MEMBERS AND LEGAL ADVISORS

A. Members, officers, committee members, and legal advisors to the Board or any committees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to the Agreement and Bylaws. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care, nor for loss incurred through investment of Authority funds, or failure to invest.

B. No Member, officer, committee member, or legal advisor to the Board or any committee shall be responsible for any action taken or omitted by any other Member, officer, committee member, or legal advisor to the Board or any committee. No Member, officer, committee member, or legal advisor to the Board or any committee shall be required to give a bond or other security to guarantee the faithful performance of their duties pursuant to the Agreement and Bylaws.

C. The Authority shall investigate and defend actions against, and pay on behalf of the Authority, the Board, the individual Members, the officers of the Authority, any committee, the individual committee members and any legal advisor to the Board within the scope of their assigned duties pursuant to Article IV, subject to a limit of liability within the discretion of the Board, all sums that they or any of them become legally obligated to pay as damages because of any act or omission in the performance of their respective duties as provided in the Agreement and in these Bylaws. This coverage shall not apply to intentionally dishonest or fraudulent acts,

or to punitive damages, penalties or sanctions. In the alternative, the Authority may purchase insurance coverage for these exposures, to the extent allowed by law.

D. The risk manager shall contract for all necessary investigation and shall select defense counsel under this Article.

ARTICLE VI. **BOARD MEETINGS**

A. REGULAR MEETINGS

1. The Board shall hold bi-monthly meetings. Unless otherwise notified pursuant to the Ralph M. Brown Act, these meetings shall be held at 6:00 p.m. on the second Wednesday of every other month (i.e. July, September, November, January, March, and May, or as determined by the Board. The Board may change the meeting date to accommodate any calendar conflicts or cancel a meeting if it's not needed.
2. Written notice of each regular meeting of the Board shall be delivered to each Member and/or alternate Member at least seven (7) days in advance of the meeting. The notice shall specify:
 - a. The place, date and hour of the meeting,
 - b. Those matters which are intended to be presented for action by the Board,
 - c. The general nature of any proposal for action by the Board concerning a change in the Agreement or these Bylaws, a change in the membership of the Authority, or any other matter substantially affecting the rights and obligations of the Member Agencies.

B. SPECIAL MEETINGS

1. A special meeting of the Board may be called at any time by the president of the Board, or by a majority of the Members or by the risk manager subject to the requirements for 24-hour written notice to the members and to requesting representatives of the media provided in Section 54956 of the California Government Code.
2. The notice of a special meeting shall specify the time and place of the meeting and the business to be transacted. No other business shall be considered at the meeting.

C. RALPH M. BROWN ACT AND CLOSED SESSIONS

1. Each meeting of the Board, including, without limitation, regular, adjourned regular and special meetings, including any closed session, shall be called,

noticed, held, and conducted in accordance with the Ralph M. Brown Act (Section 54950 et. seq. of the Government Code).

2. Closed sessions for pending litigation shall not be semi-closed. Interested members of the public shall not be admitted to a closed session. Closed sessions for pending litigation shall only be attended by Members, legal counsel to the Board, and necessary Authority staff. Persons without an official role in the meeting shall not be present.
3. The risk manager, or his alternate, shall attend closed sessions as the sole necessary or required member of the Authority staff.

D. PLACE OF MEETINGS

Each regular or special meeting of the Board shall be held at a place within the State of California designated by the Board at its preceding meeting or, if no such designation is made, as designated by the risk manager or the president of the Board.

E. RULES OF ORDER AND MINUTES

1. The risk manager shall keep minutes of all regular, adjourned regular and special meetings. Within sixty (60) days after the adoption of the minutes of a meeting, the risk manager shall have a copy of the adopted minutes made available online in the Authority's website accessible by each Member and by each Member Agency through their respective accounts. Alternatively, if a Member or a Member Agency has no internet access, the Authority shall provide a copy of said minutes to the Member or Member Agency upon written request.
2. All meetings of the Board, and of any committees of the Authority, shall be conducted in accordance with Robert's Rules of Order, provided that in the event of a conflict, such rules shall be superseded by the Agreement, these Bylaws, and California law.

F. QUORUM

No business may be transacted without a quorum of the Members being present. A quorum shall consist of four (4) Members. Four Members must vote in favor of a motion to approve it. The Board shall adopt appropriate rules, not inconsistent herewith, for the orderly transaction of its business.

G. ADJOURNED MEETINGS

1. The Board may adjourn any regular or special meeting to a time and place specified in the order of adjournment, whether or not a quorum has been

established. If a quorum is not established, no business other than adjournment may be conducted.

2. A copy of the order for adjournment shall be posted as required by Section 54955 of the California Government Code. No other notice of an adjourned meeting shall be necessary, unless the transacted adjournment is for a period of thirty (30) days or more, in which case notice of the adjourned meeting shall be given in the same manner as notice of the original meeting.

ARTICLE VII. MEMBERSHIP

A. NEW MEMBER AGENCIES

1. Public entities that have applied for membership may be approved by the Board and may be admitted to the Program at any time. The Board shall have the sole discretion to admit or reject new Member Agencies. In and through their application for, and acceptance of membership, new Member Agencies shall agree to accept, comply with, and be bound by all the provisions of the Agreement and Bylaws.
2. The agency requesting membership shall supply all loss experience and risk exposure data together with any other relevant information requested by the risk manager.

B. CANCELLATION

The Authority shall have the right to cancel any Member Agency's participation in the Program upon two-thirds vote of the Board. Any Member Agency so canceled shall, on the effective date of the cancellation, be treated the same as if the Member Agency had voluntarily withdrawn from the Program.

C. WITHDRAWAL

1. A Member Agency may withdraw only at the end of a Fiscal Year of the Authority, provided it has given the Authority a twelve-month written notice of its intent to withdraw from this Agreement and the Program, except as otherwise permitted by the Board.
2. Any Member Agency that withdraws as a party to this Agreement pursuant to this Article shall not be reconsidered for new membership until the expiration of five years from the Member Agency's withdrawal. However, the Board in its discretion may approve an exception to this rule for a particular applicant.

D. EFFECT OF WITHDRAWAL

1. The withdrawal of any Member Agency from this Agreement shall not terminate this Agreement and no Member Agency, by withdrawing, shall be entitled to payment or return of any contribution, consideration, or property paid or donated by the Member Agency to the Authority, or to any distribution of assets.
2. The withdrawal of any Member Agency after the effective date of the Program shall not terminate its responsibility to contribute its share of contributions to the program until all claims, or other unpaid liabilities, covering the period the Member Agency was signatory hereto have been finally resolved and a determination of the final amount of payments due by the Member Agency or credits to the Member Agency for the period of its membership has been made by the Board. In connection with this determination, the Board may exercise similar powers to those provided for in Article 10 (Termination) of the Agreement.

ARTICLE VIII.
ACCOUNTS, RECORDS, AND AUDITS

A. ACCESSIBILITY OF BOOKS AND RECORDS

Books and records of the Authority in the possession of the auditor shall be open to inspection at all reasonable times by designated representatives of the Member Agencies.

B. AUDITS

1. The Authority shall contract with a certified public accountant for an annual audit of the accounts and records of the Authority at the end of each Fiscal Year. The minimum requirements of the audit shall be those prescribed by the State Controller under Government Code Section 26909 and shall conform to generally accepted auditing standards.
2. Within six months after Board approval, the risk manager shall have a copy of the audit report accessible online in the Authority's website by Member Agencies through their accounts. Alternatively, if a Member Agency has no internet access, the Authority shall provide a copy of said Board-approved audit report to Member Agencies who request so in writing.
3. The Authority shall bear the costs of the audit. These costs are a charge against the operating funds of the Authority.

C. AUTHORIZATION OF PAYMENTS

Before payment by the treasurer of any invoices, billings, and claims for payment of losses, such documents must be approved and signed by the president, vice president, or the risk manager or his or her designee.

ARTICLE IX.
NOTICES

- A. Notice to a Member Agency under this Agreement and Bylaws shall be sufficient if made available online in the Authority's website accessible through the Member Agency's online account, or electronically mailed to the Member Agency's designated primary contact, or mailed to the office of the Governing Board of the Member Agency.
- B. Notice to the Authority shall be sufficient if mailed to the office of the risk manager.

ARTICLE X.
CONTRIBUTIONS

A. CONTRIBUTION CHARGE

1. The risk manager shall calculate annually the amount of the contribution charge for each Member Agency's Basic Risk Coverages. The risk manager may seek the assistance of an actuary, risk management consultant or other qualified person, in calculating the contribution charge for each Member Agency's Basic Risk Coverages. The risk manager shall make estimated calculations, obtain approval of the Board, and shall distribute the contribution charge bills at least thirty (30) days before the end of the Fiscal Year preceding the year for which the annual contribution charges apply.
2. The risk manager shall determine the annual contribution charge for each Member Agency for each type of coverage under Basic Risk Coverages upon the basis of a cost allocation plan and rating formula developed and approved by the Board. The annual contribution charge for each Member Agency shall include that Member Agency's prorated share of excess insurance contribution or premium and/or reinsurance costs; charge for pooled risk, recognizing the deductible selected and including a margin for contingencies as determined by the Board; claims adjusting and legal cost; and administrative costs and other costs to operate the Authority. The risk manager shall also consider each Member Agency's loss history and loss exposure together with the performance of each Program (coverage) in making the calculations of the annual contribution for each Member Agency.

B REBATES

The Board shall have the authority to rebate the proportionate shares of any surplus funds in a Fiscal Year to that Fiscal Year's Member Agencies. The Board may require that any such rebates be applied in reduction of future contributions.

C. CONTRIBUTION SURCHARGE

1. If the Authority experiences unusually severe losses or an unusually large number of losses under any part of the Program in a Fiscal Year, such that notwithstanding reinsurance coverage for large individual losses, the Authority's insurance funds for that part of the Program may be exhausted before the next annual contributions are due, the Board may, upon consultation with an actuary, impose contribution surcharges on all participating Member Agencies.
2. If it is determined by the Board, upon consultation with an actuary, that the Authority's insurance funds for a part of the Program are insufficient to (a) pay losses, (b) fund known estimated losses, and (c) fund estimated losses which have been incurred but not reported, the Board may impose a surcharge on all participating Member Agencies.
3. Contribution surcharges imposed pursuant to (1) and (2) above shall be in an amount which will assure adequate funds for the part(s) of the Program to be actuarially sound; provided that the contribution surcharge to any participating Member Agency shall not exceed an amount equal to three (3) times the Member Agency's annual contribution for that Fiscal Year, unless otherwise determined by the Board. No contribution surcharge in excess of three times the Member Agency's annual contribution for that Fiscal Year may be assessed, unless ninety days (90) prior to the Board taking action to determine the amount of the surcharge, the Authority provides notice pursuant to the Bylaws to each participating Member Agency of its recommendations regarding its intent to assess a contribution surcharge and the amount recommended to be assessed each Member Agency. The Authority shall, upon request by a Member Agency, provide the requesting Member Agency a copy of the actuarial study upon which the recommended contribution surcharge is based.
4. A Member Agency which has withdrawn or has been terminated at the time a contribution surcharge is assessed, but which was a participating Member Agency during the Fiscal Year(s) for which the contribution surcharge is being assessed, shall pay such contribution surcharges as it would have otherwise been assessed in accordance with the provisions of (1), (2) and (3) above.

D. INSTALLMENT PLANS

Member Agencies shall be permitted to pay their respective annual contribution charge in periodic installments consistent with Board-approved policy.

E. TIMELINESS OF PAYMENTS

1. A Member Agency's payment for the annual contribution charge is due and payable on or by July 1 of the Fiscal Year for which the Authority is providing Basic Risk Coverages. Unless the Board has authorized installment payments, failure of a Member Agency to pay its annual contribution charge in full by August 1 shall constitute sufficient grounds for the Board to immediately cancel the Member Agency's certificate of protection.
2. Any bill other than for the annual contribution charge is due to be paid within thirty (30) days from the date when said bill was mailed to the Member Agency.
3. The Board may adopt a penalty policy for any late payment of any bill, including, but not limited to, for contribution charges, contribution surcharges, and any adjustment. For the Authority to be able to impose a late-payment penalty against a Member Agency, the Authority, at least thirty (30) days prior to a bill's payment due date, must have provided notice of the adopted penalty policy to the Member Agency pursuant to the notice provisions in the Agreement and Bylaws. Any penalty policy adopted by the Board may be applied against a Member Agency, whether active, terminated or withdrawn.
4. Any and all costs and attorney's fees incurred by the Authority associated, in any way whatsoever, with the collection of contribution charges, contribution surcharges, adjustments, penalties, or any other bill shall be recoverable by the Authority. Upon approval by the Board, if a Member Agency does not pay a bill past due for at least ninety (90) days, the Authority may offset the amount due, in whole or in part, against one or more reimbursement requests submitted by the Member Agency.

ARTICLE XI. **COVERAGES**

A. BASIC RISK COVERAGES

The Basic Risk Coverages contribution charge referred to in Article X above is payment for the coverage provided by the Authority to each Member Agency for the Basic Risk Coverages specified in the Memoranda of Coverage and Certificates of Coverage. The Board may, but is not required, to use standard form policies. The scope of Basic Risk Coverages in the pool shall be determined by the Board. Each Member Agency by the act of paying the contribution charge accepts the Basic Risk Coverages provided by the Authority.

B. PROPERTY COVERAGE

In case of property coverage, such as fire, the policy limits shall be at or greater than the amount of the insurable replacement value of all the property of each of the Member Agencies which the

Member Agencies and Authority agree to be covered. The agreed valuation shall be updated annually according to the revised values to be furnished by each Member Agency, which have been obtained as prescribed in Article 9.A.6. of the JPA Agreement.

C. EFFECTIVE DATE

Pursuant to the payment of contributions by each Member Agency to the Authority, the Authority shall issue to each Member Agency a COC and MOC, indicating the coverage provided to the Member Agency by the Authority. The coverage provided by the policy begins for each Member Agency on such date as set forth in the MOC and shall expire at the end of each Fiscal Year of the Authority.

D. SUBROGATION

The Authority shall have the first right to any subrogation recovery. Each subrogation action shall be brought on behalf of both the Member Agency and the Authority. The Authority may pursue subrogation only as respects a Covered Loss.

E. SPECIAL COVERAGES

The Board may, from time to time, adopt special changes to cover additional or lesser risks. A reasonable surcharge may be imposed when the activities of a Member Agency increases the risk to the membership pool. A special change could also be made by the Board upon the request of one or more Member Agencies for additional coverage with the cost of such additional coverage to be paid by the requesting Member Agencies.

F. ADDITIONAL INSURANCE COVERAGES

The Authority shall have the power and authority to establish and offer to all public agencies, whether a Member Agency or not, programs consisting of additional insurance coverages, which may, but are not required to, involve employee fringe benefit plans. Participation in any proffered program of additional insurance coverage shall be voluntary on the part of any Member Agency and shall not affect their participation in the Basic Risk Coverages provided. Selection of particular programs or plans to be offered shall be made by the Governing Board. The Board shall establish the contribution charges including administration costs, method of payments of contributions, and manner and method of administering each such plan or program.

G. WORKERS' COMPENSATION PENALTIES

Any and all penalties assessed against the Authority by the Division of Workers' Compensation shall be paid as follows:

1. Penalties assessed due to the failure of a Member Agency (Employer) to comply with the time requirements or reporting requirements as stated in the Workers' Compensation law shall be paid by the Member Agency (Employer).

2. Penalties assessed due to the failure of the Authority (Insurer) to comply with the time requirements or reporting requirements as stated in the Workers' Compensation law shall be paid by the Authority.

ARTICLE XII.
SETTLEMENT AUTHORITY

A. The Authority shall have the power and authority to negotiate the settlement of any Claim against a Member Agency involving public entity liability or workers' compensation without the consent of the Member Agency, except that consent shall be necessary only if the settlement amount will exceed the Authority's limit of liability.

B. Affected Member Agencies shall have the right to provide the Board with any input or information desired on any pending Claim at any time. The Board shall consider this input in making its decisions on settlements.

ARTICLE XIII.
DISPUTE RESOLUTION

A. NEGOTIATION

The risk manager shall investigate the facts of the dispute and, if necessary, obtain a legal opinion from the Authority's counsel on any legal issues. The Member Agency may submit a factual statement and a legal opinion, together with any substantiation thereof, to the risk manager. The risk manager shall then attempt to negotiate a resolution of the dispute. Any negotiated resolution shall be taken to the Board for confirmation and approval. If negotiation fails, and the disputed matter is within the authority of the risk manager, the risk manager shall decide the matter in the best interests of the Authority.

B. APPEAL TO THE BOARD

1. If the Member Agency is dissatisfied with the decision of the risk manager, or if the dispute is unresolved because negotiation failed, the Member Agency may appeal in writing to the Board. This appeal shall be requested by the Member Agency within thirty (30) days of the date of the Risk Manger's decision, or of the date on which the risk manager notifies the Member Agency of the determination that negotiation had failed. Upon receipt of the appeal, the matter shall be set for hearing by the Board at the next available regular Board meeting.
2. The risk manager and the Member Agency shall each submit in writing, at least ten (10) days in advance of the Board meeting, a description of the dispute and any additional relevant facts, a factual and/or legal argument, and the desired resolution. The Board shall consider all information provided, including any oral presentations, in making its decision. The Board may require the Member Agency and/or the risk manager to provide additional information and, as necessary, may continue the hearing. Any Board member that is a member of the governing board of the appealing Member Agency shall be disqualified from participating in

the appeal. The Board shall direct that written notice of its decision be prepared and served by mail on the appealing member agency within ten (10) working days.

C. RECONSIDERATION

Within ten (10) days after notice of the decision by the Board, the Member Agency may request a hearing by the Board to reconsider its decision. This request for reconsideration shall be in writing and must be based solely upon newly discovered facts or other information not previously considered. The Member Agency shall submit this newly discovered information in writing for consideration by the Board at its next available Board meeting. The Board may allow oral presentations at the hearing. Any Board member that is a member of the governing board of the appealing Member Agency shall be disqualified from participating in the request for reconsideration.

D. ARBITRATION OR MEDIATION

If the Member Agency is not satisfied with the Board's decision on appeal, it may pursue arbitration or mediation. By means of mutual agreement between the Member Agency and the risk manager, the parties may select binding or non-binding arbitration, mediation, use of counsel in the proceedings, and other procedural matters. The cost of arbitration or mediation shall be borne equally by the Member Agency and the Authority, and each party shall be responsible for its own attorney(s) fees, if attorneys are utilized. Any decision in binding arbitration shall be final and complied with by the parties. Should the parties desire to submit the matter to mediation, the mediation shall be conducted as if court-ordered pursuant to California Code of Civil Procedure Section 1775, *et seq.* (without any monetary limitation). Should the parties desire that the matter be submitted to arbitration, the arbitration shall be conducted pursuant to the rules of the American Arbitration Association.

E. LITIGATION

If the Member Agency or the risk manager is not satisfied with the result in non-binding arbitration, or if mediation fails to produce a mutually satisfactory resolution of the dispute, either party may pursue litigation to resolve the dispute. The risk manager may not commence litigation without the approval of the Board. Any litigation shall be subject to the applicable claims and limitations requirements of the Tort Claims Act. The prevailing party in any such litigation shall be entitled to their reasonable attorney(s) fees and costs from the losing party.

ARTICLE XIV. **AMENDMENTS**

These Bylaws may be amended at any time by a majority vote of the Governing Board. Within thirty (30) days following adoption of amendments, the risk manager shall prepare a copy of the amended Bylaws and make it available pursuant to approved notice provisions.

Adopted: April 10, 1979

Amended: April 27, 1992

Amended: June 11, 1997

Amended: July 1, 2000

Amended: July 14, 2004

Amended: July 1, 2009

JOINT EXERCISE OF POWERS AGREEMENT
FOR PROVIDING LIABILITY, WORKERS' COMPENSATION,
PROPERTY AND OTHER COVERAGES

ENTERED INTO BY

PUBLIC AGENCIES WITHIN AND WITHOUT
THE STATE OF CALIFORNIA

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**JOINT EXERCISE OF POWERS AGREEMENT FOR PROVIDING
LIABILITY, WORKERS' COMPENSATION, PROPERTY
AND OTHER COVERAGES**

* * *

THIS AGREEMENT is dated, for convenience, July 1, 1979, as the date the Agreement was initially entered into among certain public agencies within the County of Glenn. Thereafter, this Agreement has been amended to include Public Agencies within or without the State of California. These public agencies are hereafter referred to as "Member Agencies" and listed in Appendix "A", which may be amended from time to time.

PREAMBLE

Golden State Risk Management Authority is established for the purpose of providing services and other functions necessary and appropriate for the creation, operation, and maintenance of liability, workers' compensation, property and other risk pooling and coverage plans for the Member Agencies that are parties hereof, and to provide a forum for discussion, study, development and implementation of recommendations of mutual interest regarding risk pooling and insured programs.

R E C I T A L S

This Agreement is predicated upon the following facts:

1. WHEREAS the Member Agencies are public agencies organized and operating under the laws of the State of California or other states of the United States;
2. WHEREAS, the following California state laws, among others, authorize the Member Agencies to enter into this agreement:
 - a. Labor Code Section 3700(c) allowing a local public entity to fund its own worker's compensation Claims;
 - b. Government Code Sections 989 and 990, *et seq.* and Education Code Sections 17566 and 17567 permitting a local public entity to insure itself against liability and other losses;
 - c. Government Code Section 990.4 permitting a local public entity to provide insurance and self-insurance in any desired combination;

d. Government Code Section 990.8 permitting two or more local public entities to enter into an agreement to jointly fund such expenditures under the authority of Government Code Sections 6500 *et seq.*;

e. Government Code Sections 6500, *et seq.* permitting two or more local public entities (including public agencies located outside the State of California) to jointly exercise under an agreement any power which is common to each of them.

3. WHEREAS, each of the parties to this Agreement desires to join together with the other parties for the purpose of developing an effective risk management program to reduce the amount and frequency of their losses, pooling their self-insured losses, and jointly purchasing excess insurance and administrative services in connection with a joint program for said parties; and

4. WHEREAS, a feasibility study has shown that it is economically feasible and practical for the parties to this Agreement to do so;

5. WHEREAS, this Authority was originally created and was known as the “Glenn County Joint Powers Authority”,

NOW, THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE 1 PURPOSES

This Agreement is entered into by Member Agencies pursuant to the provisions of California Government Code sections 990, 990.4, 990.8 and 6500 *et seq.* in order to develop an effective risk management program: (a) to reduce the amount and frequency of their losses, (b) to pool their self-insured losses, and (c) to jointly purchase excess insurance and administrative services in connection with a joint protection program for the Member Agencies.

These purposes shall be accomplished through the exercise of the powers of Member Agencies jointly in the creation of a separate entity, now know as “Golden State Risk Management Authority”, to administer a joint protection program wherein Member Agencies will pool their losses and Claims, jointly purchase excess insurance and administrative and other services, including Claims adjusting, data processing, risk management, loss prevention, legal and related services.

It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional public agencies organized and existing under the laws of the State of California or of any other state of the United States as may desire to

become parties to this Agreement and members of the Authority, subject to approval by the Board.

ARTICLE 2 RULES OF CONSTRUCTION

- A. The following rules of construction apply:
1. The present tense includes the past or future tense; the future tense includes the present tense.
 2. The singular includes the plural and the plural includes the singular.
 3. “Shall” is mandatory and “may” is permissive.
 4. The masculine gender includes the feminine and neuter.

ARTICLE 3 PARTIES TO AGREEMENT

Each party to this Agreement certifies that it intends to, and does contract with, all other parties who are signatories of this Agreement and, in addition, with such other parties as may later be added as parties to, and signatories of, this Agreement. Each party to this Agreement also certifies that the deletion of any party from this Agreement, by cancellation or withdrawal, shall not affect this Agreement nor the remaining parties' intent to contract as described above with the other parties to the Agreement then remaining.

ARTICLE 4 CREATION OF AUTHORITY

Pursuant to Section 6500 *et seq.* of the Government Code, the Authority, a public entity, separate and apart from the parties to this Agreement, is hereby created. The creation of a separate public entity is intended by this Agreement pursuant to Government Code Section 6507. The Authority shall be known as the Golden State Risk Management Authority. The Authority shall be governed by a Board whose composition, powers and duties are set forth in the Bylaws.

ARTICLE 5 TERM OF AGREEMENT

This Agreement is effective July 1, 1979, and continues until terminated as hereafter provided.

ARTICLE 6

BYLAWS

This Agreement fully incorporates the Bylaws, as adopted and which may be amended from time to time consistent with this Agreement, by the Board.

ARTICLE 7

POWERS OF THE AUTHORITY

A. The Authority is authorized, in its own name, to do all acts necessary for the exercise of those powers referred to in Recital 2 including, but not limited to each of the following:

1. Make and enter into contracts;
2. Incur debts, liabilities, and obligations; but no debt, liability, or obligation of the Authority is a debt, liability, or obligation of any Member Agency which is a party to this Agreement, except as otherwise provided in Article 8 herein and in Article IV of the Bylaws;
3. Acquire, hold or dispose of real and personal property;
4. Receive contributions and donations of property, funds, services, and other forms of assistance from any source;
5. Sue and be sued in its name;
6. Employ agents and employees;
7. Acquire, construct, manage, and maintain buildings;
8. Lease real or personal property including that of a Member Agency;
9. Receive, collect, invest, and disburse moneys; and
10. All other powers described in Government Code Sections 6508 and 6509.5 which sections are incorporated by reference.

These powers shall be exercised in the manner provided by law, and, except as expressly set forth in this Agreement, subject only to those restrictions upon the manner of exercising the powers which are imposed upon the County of Glenn in the exercise of similar powers.

ARTICLE 8
AUTHORITY FUNCTIONS AND RESPONSIBILITIES

A. The Authority shall perform the following functions in discharging its responsibilities under this Agreement:

1. Adopt an annual budget;
2. Establish such funds and accounts as required for efficient operation of the Authority and good accounting practices;
3. Maintain or have maintained accurate loss records for all covered risks, for all Claims paid, and for such other losses as the Board requires or directs be maintained;
4. Acquire protection against risks, as authorized by the Board, that may include, but are not limited to, general liability, public officials' errors and omissions liability, employment practices liability, pollution liability, automobile liability, watercraft liability, workers' compensation, property, and equipment breakdown, through, but not limited to, self-insurance funding, risk pooling and/or commercial insurance, for primary, excess and/or umbrella insurance coverage, by negotiation, bid, or purchase;
5. Provide loss prevention, safety and loss control services;
6. Provide Claims management services for covered risks;
7. Provide Claims recovery and subrogation services to investigate, pursue, and collect for damages resulting from Covered Losses that are caused, partly or totally, by the acts of others;
8. Select and retain legal counsel and Claims legal defense counsel;
9. Perform other functions for the purpose of accomplishing the goals of this Agreement.

ARTICLE 9
MEMBER AGENCY RESPONSIBILITIES

A. Each Member Agency has the following responsibilities:

1. Designate a primary contact for the Authority;

2. Pursuant to the procedures set forth in the Bylaws, appoint representatives to the Authority Board;
3. Pay timely all contribution charges, contribution surcharges, adjustments or any other fees or charges.
4. Notify and cooperate fully with the Authority in all matters relating to any and all Claims;
5. Provide annually all information required or requested by the Authority in order for the Authority to properly calculate contributions and to carry out the Joint Protection Program under this Agreement;
6. Provide annually current, complete, and accurate information of the values of buildings and contents covered by the Authority;
7. Maintain loss prevention and risk management policies that can reasonably be expected to reduce, or minimize, the Member Agency's losses;
8. Such other responsibilities as are provided elsewhere in this Agreement and as are established by the Board in order to carry out the purposes of this Agreement.

ARTICLE 10 TERMINATION

A. This Agreement may be terminated at any time by the written consent of three-fourths of the Member Agencies, provided, however, that this Agreement and the Authority shall continue to exist for the purpose of disposing of all Claims, distribution of assets and all other functions necessary to wind up the affairs of the Authority.

B. Upon termination of this Agreement, all assets of the Authority shall be distributed only among the parties that have been Member Agencies in the joint protection program, including any of those parties which previously withdrew, in accordance with and proportionate to their contribution payments made during the term of this Agreement. The Board shall determine such distribution within six months after the last pending Claim or loss covered by this Agreement has been finally adjusted, resolved and concluded.

C. The Board is vested with all powers for the purpose of concluding and dissolving the business affairs of the Authority. These powers shall include the power to assess current and former Member Agencies (Member Agencies at the time existing unpaid Claims arose or losses incurred), to pay any additional amounts necessary for the final disposition of all Claims and

losses covered by this Agreement. A Member Agency's share of such additional contribution shall be determined on the same basis as that provided for in Paragraph B. of this Article.

D. Termination of any Member Agency shall not be construed as a completion of the purpose of this Agreement and shall not require the repayment or return to any terminating Member Agency of all or any part of any contributions, payments or advances made until the Agreement is rescinded or terminated as to all parties.

E. The decision of the Board under this Article shall be final.

ARTICLE 11 PROHIBITION AGAINST ASSIGNMENT

No Member Agency may assign any right, claim, or interest it may have under this Agreement, and no creditor, assignee, or their party beneficiary of any Member Agency shall have any right, claim, or title to any part, share, interest, fund, contribution, or asset of the Authority.

ARTICLE 12 AMENDMENTS

This Agreement may be amended from time to time by an affirmative vote of more than 50% of the Member Agencies.

ARTICLE 13 ENFORCEMENT

The Authority is hereby granted the authority to enforce this Agreement. In the event any action is instituted concerning a dispute involving any provision of this Agreement, the prevailing party in such action shall be entitled to such sums as the court may fix as attorneys fees and costs.

ARTICLE 14 COUNTERPARTS

This Agreement may be executed in one or more counterparts and shall be as fully effective as though executed in one document.

ARTICLE 15
COMPLETE AGREEMENT

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

ARTICLE 16
FILING WITH SECRETARY OF STATE

The Risk Manager shall file a notice of this Agreement with the office of California Secretary of State within thirty (30) days of its effective date, as required by the Government Code section 6503.5 and within seventy (70) days of its effective date as required by Government Code section 53051.

SIGNATORIES

The original signatures for the Member Agencies are set forth in the original Joint Powers Agreement. The necessary signatures for Amendments to this Agreement are set forth with each Amended Agreement.

**AGREEMENT FOR ADMISSION OF NEW MEMBER
TO THE GOLDEN STATE RISK MANAGEMENT AUTHORITY**

Enclosures:

- 1) Golden State Risk Management Authority Joint Exercise of Powers Agreement;
- 2) Golden State Risk Management Authority Bylaws.

RECITALS

- 1. **Santa Ynez River Valley Basin Western Management Area Groundwater Sustainability Agency**, a public agency within Santa Barbara County, State of California, has applied for membership in the Golden State Risk Management Authority.
- 2. Said membership is contingent upon the acceptance of, and agreement to abide by, the Golden State Risk Management Authority Joint Exercise of Powers Agreement (Encl. 1), and the Golden State Risk Management Authority By-Laws (Encl. 2).

AGREEMENT

Therefore, the **Santa Ynez River Valley Basin Western Management Area Groundwater Sustainability Agency**, a public agency, has applied for membership in the Golden State Risk Management Authority. It hereby accepts and agrees to all provisions of the Joint Exercise of Powers Agreement (Encl. 1) and the Bylaws of the Golden State Risk Management Authority (Encl. 2), and agrees to abide by and comply with all the provisions contained therein.

Upon entering this Agreement, the **Santa Ynez River Valley Basin Western Management Area Groundwater Sustainability Agency** is accepted as a new member. Membership is effective as of the date of the prior conditional approval by the Board of Directors of the Golden State Risk Management Authority.

Dated: _____

William J. Buelow, Plan Manager
**Santa Ynez River Valley Basin Western
Management Area Groundwater Sustainability
Agency**

Dated: _____

President of the Board
Golden State Risk Management Authority

Approved as to form:

Doug Alliston, General Counsel
Golden State Risk Management Authority

Reviewed and Approved:

Scott Schimke, Risk Manager
Golden State Risk Management Authority

**SANTA YNEZ RIVER VALLE GROUNDWATER BASIN
WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY
CONFLICT OF INTEREST CODE**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency (Agency)**.

Designated employees may file their statements online using eDisclosure, which will submit the Form 700 to the County Clerk, Recorder and Assessor. Statements will be made available for public inspection and reproduction (Gov. Code Section 81008). The Agency's filing official can provide access to designated individuals.

Designated individuals who file using a paper Form 700 shall file with the Agency. Upon receipt of the Statement filed by a designated individual, the Agency shall retain a copy and forward the original shall be forwarded to the County Clerk, Recorder and Assessor.

PUBLIC OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

The following positions are not covered by the conflict of interest code because they must file statements under Section 87200 and therefore are listed for informational purposes only: Members of the Board of Directors.

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligation if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Section 87200.

**APPENDIX
DESIGNATED POSITIONS AND
DISCLOSURE CATEGORIES**

I. <u>Designated Position</u>	<u>Assigned Disclosure Category</u>
Directors	1, 2
Alternate Directors	1, 2
Secretary/Treasurer	1, 2
Plan Manager	1, 2
General Counsel	1, 2
Groundwater Sustainability Agency Staff	1, 2
Consultants/New Positions	*

Note: The positions of Auditor and General Counsel are filled by outside consultants who serve in a staff capacity.

*Consultants/New positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The Board may determine that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Board’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code (Gov. Code Section 81008).

Officials Who Manage Public Investments

The following positions are not covered by the conflict of interest code because they must file a statement of economic interests pursuant to Government Code Section 87200 and, therefore, are listed for information purposes only:

Members of the Board of Directors

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligation if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Section 87200.

II. Disclosure Categories:

Category 1

Designated positions in this category shall disclose income from any source, interests in real property, investments and all business positions in which the designated individual is a director, officer, partner, trustee, employee, or holds any position of management.

Category 2

Designated positions in this category shall disclose investments; business positions in business entities; and income (including gifts, loans, and travel payments), from sources engaged in providing services (e.g. accounting, auditing, engineering and environmental consulting), supplies, materials, machinery, or equipment of the type utilized by the agency.

**SANTA YNEZ RIVER VALLEY GROUNDWATER BASIN
WESTERN MANAGEMENT AREA GROUNDWATER SUSTAINABILITY AGENCY**

CONFLICT-OF-INTEREST CODE

POSITION DESCRIPTIONS – POSITIONS DESIGNATED BY THE CODE

Director: Adopts policies and procedures, establishes goals, exercises GSA powers, adopts GSA budgets, and is a member of the Board of Directors, the ultimate GSA authority.

Secretary: Maintains a record of GSA documents. Prepares and records meeting minutes of the Board of Directors of the GSA. Files documents relating to the GSA's affairs, provides notice of meetings of the GSA Board of Directors.

Treasurer: Maintains a record of all financial transactions of the GSA, reports on the financial condition of the GSA, and disburses funds as authorized by the Board of Directors.

Plan Manager: Oversees the day-to-day operations of the GSA, implements policies and procedures adopted by the Board of Directors, creates and monitors budgets, is the GSA's Point-of-Contact with DWR, spearheads GSP implementation, hires consultants, oversees and manages GSA Staff.

General Counsel: Advises the Board of Directors on legal matters, prepares and reviews contracts, agreements, and other legal documents, provides other legal assistance as needed.

Groundwater Sustainability Agency Staff: Reports to and supports the Plan Manager with technical or administrative matters of the GSA.

Consultants: Perform technical or administrative projects on behalf of the GSA at the direction of the Plan Manager.