

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

NOTICE OF SPECIAL MEETING*

NOTICE IS HEREBY GIVEN that the Mound Basin Groundwater Sustainability Agency (“Agency”) Board of Directors (“Board”) will hold a **Special Board Meeting** at **1:00 P.M. on Thursday, July 26, 2018** at Community Meeting Room, Ventura City Hall, 501 Poli Street, California 93001

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY BOARD OF DIRECTORS

AGENDA

Thursday, July 26, 2018

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. DIRECTOR ANNOUNCEMENTS

4. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

The Board will receive public comments on items not appearing on the agenda and within the subject matter jurisdiction of the Agency. The Board will not enter into a detailed discussion or take any action on any items presented during public comments. Such items may only be referred to the Executive Director or other staff for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on specific agenda items should do so at the time specified for those items. The presiding Chair shall limit public comments to three minutes.

5. CONSENT ITEMS

a. Approve Minutes from June 21, 2018 Regular Meeting

6. ACTION ITEMS

a. Long-term Budget and Funding Options Discussion

The ad hoc committee for long-term funding options will lead the Board in a discussion of the long-term budget and funding options for the Agency.

b. Schedule Public Hearing to Consider Imposition of Groundwater Extraction Fee

The Board will schedule a public meeting to discuss the Agency’s budget and a potential groundwater extraction fee under Water Code section 10730 to fund the Mound Basin GSA.

c. Bylaws Discussion

The Board will discuss the schedule for member agency review of the attached draft Bylaws.

** In compliance with the Americans with Disabilities Act, all possible accommodations will be made for individuals so they may attend and participate in meetings.*

d. Drug Free Workplace Policy

The Board will consider approving a drug free workplace policy, as required pursuant to Government Code Section 8355 and to satisfy GSP grant eligibility requirements.

7. EXECUTIVE DIRECTOR'S REPORT

- a. Conflict of Interest Code Update**
- b. Basin Boundary Modification Update**
- c. Website Update**
- d. GSP Grant Update**
- e. Stakeholder Director Terms**

8. PUBLIC BUDGET WORKSHOP (Time Certain: 2:30)

The Board will hold a public workshop to consider public comments regarding the development of the budget necessary to fund the Agency and develop the GSP. The Agency anticipates assessing a groundwater extraction fee on pumpers within the Basin and is seeking feedback from stakeholders.

9. ADJOURNMENT

Administrative Reports relating to this agenda are available in the City of Ventura City Clerk's Office, 501 Poli St., Room 204, Ventura, during normal business hours as well as on the City of Ventura's Web Site (<https://www.cityofventura.ca.gov/1075/Water-Sources>). Materials related to an agenda item submitted to the Agency after distribution of the agenda packet are available for public review at the City Clerk's Office.

This agenda was posted before 7/23/18 at 1:00 p.m. on the City of Ventura City Hall Public Notices Board and on the Internet.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the Ventura Water Office at (805) 652-4587 or the California Relay Service at (866) 735-2929. Notification by 7/24/18, at 12:00 p.m. will enable the Agency to make reasonable arrangements for accessibility to this meeting.

**MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY
DRAFT MINUTES OF REGULAR MEETING June 21, 2018**

Directors present were: Kevin Brown, Mike Mobley, Jim Chambers, and Conner Everts. Also present were: Interim Executive Director Jennifer Tribo. Public present were Dan Detmer, Tony Morgan, Kris Sofley, Neal Maguire, Anthony Emmert, and Bryan Bondy.

1. **CALL TO ORDER** – Chair Mobley called the meeting to order at 1:01 P.M.
2. **PLEDGE OF ALLEGIANCE** – Led by Chair Mobley
3. **DIRECTOR ANNOUNCEMENTS** – Director Brown announced that there would be a brief on potable reuse at the City Council meeting on July 9, 2018.

4. **PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**
None

5. **CONSENT ITEMS**

- a. **Approve Minutes from May 17, 2018 Regular Meeting.**

- Director Everts moved to approve the minutes. Seconded by Director Brown. Chair Mobley called a voice vote. Four ayes. None opposed.

6. **ACTION ITEMS**

- a. **Website Development**

- Chair Mobley summarized the staff report and the proposal from Ventura County to develop a website for the Agency. Director Chambers asked who would administer the website. Jennifer Tribo responded that it could either be County staff or the new Clerk of the Board, Kris Sofley.

- Director Everts moved to hire the County of Ventura to develop and maintain a website for the Agency. Seconded by Director Chambers. Chair Mobley called a voice vote. Four ayes. None opposed.

- b. **Executive Director/Program Manager**

- Chair Mobley reviewed the proposals received by Bryan Bondy (included in the agenda packet) and Anthony Emmert (provided at the meeting and attached to these minutes.) Mr. Bondy's proposal includes project management for GSP development, grant management tasks, Board meeting support, stakeholder coordination, coordination with UWCD, and assisting in procurement and contract management. His estimated cost for the proposal is \$50,000 per year. Mr. Emmert's proposal includes only administrative support services for Board meetings estimated at \$12,500 per year. Additional services could be provided for an additional fee. The proposed budget for FY2018-19 includes \$50,000 for an Executive Director/Program Manager.

- Mr. Bondy and Mr. Emmert both provided brief summaries of their proposals to the Board.

- The Board members discussed the merits of the two different proposals.

- Public Comments:

Tony Morgan asked if there was an RFP or solicitation process for this position. He also asked if there would be a conflict of interest clause for the Executive Director that would exclude the individual from doing other work within the Basin and if the hiring of the Executive Director was consistent with the Agency's Bylaws.

Neal Maguire added that there were discussions during the development of the JPA that the Mound Basin GSA should try to avoid institutional conflicts of interest similar to other groundwater management agencies in other basins. He expressed a preference for the Agency to hire an independent Executive Director.

Director Chambers moved to hire Bryan Bondy as the Executive Director/Program Manager. Seconded by Director Everts. Chair Mobley called a voice vote. Four ayes. None opposed.

c. Approval of Proposed Budget for Fiscal Year 2018/19

Jennifer Tribo presented the draft budget (included in the agenda) to the Board. Director Brown moved to approve the draft budget as proposed. Seconded by Director Everts. Chair Mobley called a voice vote. Four ayes. None opposed.

d. Long-term Funding Options Discussion

Chair Mobley reviewed the assumptions in the long-term budget. The monitoring well has been removed from the budget at this point. The Agency plans to pursue alternative funding for the well. Dan Detmer asked if costs for UWCD to run the model were included in the budget. The ad hoc committee will meet with Bryan to review the grant schedule and budget assumptions and bring back a proposed budget in July.

e. Schedule Public Meetings to Consider Imposition of Groundwater Extraction Fee

The Board discussed scheduling the next Board meeting July 26th which would include a budget workshop. The Board discussed scheduling the fee hearing for August 16th following the regular Board meeting.

f. Bylaws Discussion

Board members discussed having member agency legal counsel review the Bylaws and provide comments to the Board for consideration.

g. Basin Boundary Modification

Director Chambers provided an update on the Basin Boundary Modification. Director Shephard is looking into having UWCD provide technical support for the submission. Letters have been received from FCGMA and Ventura County Board of Supervisors. Director Everts moved to approve Resolution 2018-3 to initiate the basin boundary modification request process. Seconded by Director Chambers. Chair Mobley called a voice vote. Four ayes. None opposed.

h. Grant Agreement Conditions and Possible Amendments to DWR Prop 1 Grant for Mound Basin GSA

The Board directed staff to respond to DWR by today's deadline to inform them that the monitoring well will be removed from the grant budget and additional schedule changes will be submitted once the Agency finalizes its long-term budget.

i. Support Letter for Bureau of Reclamation Assistance

Director Brown provided the Board with an overview of the City's project at its request for Bureau of Reclamation Assistance.

Director Everts moved to authorize the Chair to sign a letter of support for the City of Ventura's application for assistance to plan, design and construct an innovative water recycling project under the Title XVI Program. Seconded by Director Chambers. Chair Mobley called a voice vote. Three ayes. None opposed. Director Brown abstained.

j. Draft 2018 SGMA Basin Prioritization

The Board discussed that DWR has proposed designating the Mound Basin as a "high" priority basin. The Board decided not to submit comments to DWR at this time.

7. EXECUTIVE DIRECTOR'S REPORT

- a. Conflict of Interest Code Update**
- b. Liability Insurance Update**
- c. Change to October meeting date/location**

8. ADJOURNMENT – 2:45 P.M.

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

Item No. 6(a)

DATE: July 26, 2018
TO: Board of Directors
FROM: Jennifer Tribo, Interim Executive Director
SUBJECT: Long-term Budget and Funding Options Discussion

SUMMARY

On December 21, 2017, the Board established an ad hoc committee to develop a framework for Agency funding options. Directors Mobley and Brown were selected to serve on the committee.

RECOMMENDED ACTION

The ad hoc committee for long-term funding options will lead the Board in a discussion of the long-term budget and funding options for the Agency.

BACKGROUND

At its November 16, 2017 meeting, the Board discussed funding options for the Mound Basin GSA under SGMA. On December 21, 2017, the Board established an ad hoc committee for long-term funding options. The ad hoc committee met on March 12, 2017.

At the March 15, 2018 Board meeting, the ad hoc committee presented information on the amount of pumping in the basin and discussed a potential fee that would support the Agency’s annual budget during development of the GSP.

At its June 21, 2018 meeting, the Board provided feedback to the ad hoc committee concerning adjustments to the GSP scope of work and schedule in order to reduce overall Agency costs and even out the budget from year to year. The ad hoc budget committee has consulted with the Executive Director/Program Manager, Bryan Bondy, and will present a revised long-term budget to the Board for discussion.

FISCAL SUMMARY

Depending on the direction of the Board, there could be a fiscal impact associated with this item.

Action: _____

Motion: _____ 2nd: _____

K. Brown ___ M. Mobley ___ G. Shephard ___ J. Chambers ___ C. Everts ___

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

Item No. 6(b)

DATE: July 26, 2018
TO: Board of Directors
FROM: Jennifer Tribo, Interim Executive Director
SUBJECT: Schedule Public Meeting to Consider Imposition of Groundwater Extraction Fees

SUMMARY

The ad hoc committee for long-term funding options was established by the Board on December 21, 2017 and has recommended that the Board assess a groundwater extraction fee on pumpers within the Mound Groundwater Basin. Legal counsel has advised that the Agency schedule a public meeting as required under Water Code section 10730 to allow for oral or written presentations regarding this fee.

RECOMMENDED ACTION

The Board will discuss and consider scheduling a public meeting to discuss the Agency's budget and a potential groundwater extraction fee to fund the Mound Basin GSA's preparation and adoption of a groundwater sustainability plan (GSP) as well as any other purposes allowed under Water Code section 10730.

BACKGROUND

Under SGMA, a GSA is authorized to impose fees to help finance development and implementation of a GSP. Prior to adoption of a GSP, SGMA allows a GSA to impose fees, including permit fees and fees on groundwater extraction "or other regulated activity," to fund the costs of a basin's groundwater sustainability program. (Wat. Code § 10730(a).) Fees may also be assessed to fund the preparation, adoption, or amendment of a GSP, and may also be used to fund investigations, inspection, enforcement, and program administration. (Wat. Code § 10730(a).)

In order to impose fees prior to GSP adoption, the GSA must hold a public meeting, at which interested parties must be able to give oral or written presentations. (Wat. Code § 10730(b)(1).) The GSA must provide notice of the time and place of the meeting pursuant to the requirements of Government Code section 6066. (Wat. Code § 10730(b)(2); see also Gov. Code § 6066 (requiring publication of notice once a week for two successive weeks).) The GSA must also post the notice on its website and mail the notice to all interested parties requesting notice by mail. (Wat. Code § 10730(b)(2).) At least 20 days prior to the meeting, the GSA must make available to the public all data upon which the proposed fee is based. (Wat. Code § 10730(b)(3).) Any action by the GSA to impose or increase fees must be done by ordinance or resolution. (Wat. Code § 10730(c).)

At its June 21, 2018 meeting, the Board requested that staff schedule public meetings in July and August. A public fee workshop has been scheduled for July 26, 2018. A public hearing has tentatively been scheduled for August 23, 2018

FISCAL SUMMARY

None.

Action: _____

Motion: _____ 2nd: _____

K. Brown___ M.Mobley___ G.Shephard___ J.Chambers___ C.Everts___

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

Item No. 6(c)

DATE: July 26, 2018
TO: Board of Directors
FROM: Jennifer Tribo, Interim Executive Director
SUBJECT: Bylaws Discussion

SUMMARY

The Joint Exercise of Powers Agreement (“JPA Agreement”) requires that the Agency adopt Bylaws pursuant to the schedule and provisions described below.

RECOMMENDED ACTION

The Board will discuss the schedule for member agency review of the attached draft Bylaws.

BACKGROUND

Article 11 of the of the JPA Agreement requires the Board of Directors to draft and approve Bylaws for the Agency to govern its day-to-day operations on or before the first anniversary of the Board’s first meeting, which is June 22, 2018.

Mound Basin GSA legal counsel drafted the attached Bylaws for the consideration of the Board. Legal counsel utilized the Bylaws of the Fillmore and Piru Basins GSA as a template since they are a similar agency, both GSAs have common member agencies which have already reviewed and approved the template, and the United Water Conservation District (UWCD) will be providing administrative services for both GSAs. Revisions were made to be consistent with the JPA Agreement for the Mound Basin GSA.

The Bylaws for the Fillmore and Piru Basins GSA were drafted by its legal counsel and reviewed by legal counsel for both the County of Ventura and UWCD. The Fillmore and Piru Basins GSA Board is expected to approve and sign its Bylaws at its meeting on June 19, 2018. Mound Basin legal counsel will prepare a “red-lined” version of Mound Basin’s draft bylaws to show the differences between the two sets of Bylaws upon approval of the final Bylaws by the Fillmore and Piru Basins GSA Board.

The Board discussed the draft Bylaws at its June 21, 2018 meeting, and suggested that member agencies request that their legal counsel review the draft Bylaws and provide comments back to the full Board.

FISCAL SUMMARY

No fiscal impact associated with this item.

Action: _____

Motion: _____ 2nd: _____

K. Brown ___ M. Mobley ___ G. Shephard ___ J. Chambers ___ C. Everts ___

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PREAMBLE

These Bylaws are adopted and effective as of ~~May 30, 2018, [DATE]~~, pursuant to the Joint Exercise of Powers Agreement of the ~~Fillmore and Piru Basins~~Mound Basin Groundwater Sustainability Agency of ~~April~~June 2017 (the "Agreement" or "~~JPA~~JPA") by and among the City of ~~Fillmore~~San Buenaventura, County of Ventura, and United Water Conservation District ("Members").

ARTICLE 1. THE ~~AGENCY~~AUTHORITY

1.1 ~~Name of Agency: NAME OF AUTHORITY.~~ The name of the Agency Authority created by the Agreement ~~is shall be~~ the ~~FILLMORE AND PIRU BASINS~~MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY ("Authority"). JPA, Preamble.

~~("Agency").~~

1.2 ~~Office of Agency: OFFICE OF AUTHORITY.~~ The principal office of the Agency Authority shall be ~~at 250 Central Ave, Fillmore, CA 93015, [ADDRESS]~~, or at such other location as the Board may designate by resolution. ~~JPA, Art. 7, Section 3.~~

1.3 ~~Powers POWERS.~~ The powers of the Agency Authority are vested in the governing board who reserve unto themselves the right to delegate by resolution such powers as are appropriate and permissible by law. ~~JPA, Art. 4.-~~ The governing board ("Board" or "Board of Directors") consists of: one (1) Member Director appointed by the City Council of the City of ~~Fillmore~~San Buenaventura who is a member of the City Council of ~~Fillmore~~San Buenaventura or a representative; one (1) Member Director appointed by the County of Ventura Board of Supervisors, who is a Supervisor or representative; one (1) Member Director appointed by the Board of Directors for United Water Conservation District, who is a member of United Water Conservation District's Board of Directors or a representative; one (1) ~~Piru Basin Pumper Stakeholder Director; one (1) Fillmore Basin Pumper~~Agricultural Stakeholder Director; and one (1) Environmental Stakeholder Director, to be nominated ~~and elected~~ by the environmental organizations outlined in the Article 6.3.5 of the Agreement. ~~JPA, Art. 6, Sections 4.1-4.4. and unanimously selected by the Member Directors. JPA, 6.3.1-3.5.~~

ARTICLE 2. BOARD OF DIRECTORS

2.1 BOARD. ~~-The Agency Authority shall be governed by a Board of Directors ("Board of Directors" or "Board"). -The Board shall consist of six (6) five (5) Directors comprised of representatives who shall be appointed in the manner set forth in Article 6 of the Agreement. JPA, Article 6, Section 1 JPA, 6.1, 6.3.~~

2.2 POWERS. -The business and affairs of the Agency Authority, and all of the powers of the Agency Authority, including without limitation all powers set forth in Article 4 of the Agreement, are reserved to, and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the Executive Director pursuant to the Bylaws, or by specific action of the Board of Directors.

2.3 MEMBER DIRECTORS.

2.3.1 Terms, Removal and Vacancies. -Member Directors will be appointed to serve for a term of two (2) years, except as set forth in Section 6.54 of the Joint Exercise of Powers Agreement. - A Member Director may be removed during his or her term or reappointed for multiple terms at the pleasure of the Member's governing agency. -The Member Director shall cease to be a Director when he or she is no longer a member of their governing ~~agency's board.~~ Agency's board or ceases to be an employee of the Member. JPA, 6.5. No individual Member Director may be removed in any other manner, including by affirmative vote of the other Directors. ~~JPA, Art. 6, Section 5.~~ A Member Director vacancy shall occur when a Director resigns, at the end of the Director's term, or when he or she is removed by his or her appointing governing body. Upon the vacancy of a Member Director, the seat shall remain open and vacant until a replacement Director is appointed as set forth in Section 6.4 of the Joint Exercise of Powers Agreement. ~~JPA, Art. 6, Section 6.3 of the Joint Exercise of Powers Agreement. Members shall submit any changes in Director positions to the Executive Director by written notice signed by an authorized representative of the Member. The written notice shall include a resolution of the governing body of the Member directing such change in the Director position. JPA, 6.5.~~

2.4 ~~FILLMORE BASIN AND PIRU BASIN PUMPER AGRICULTURAL~~ STAKEHOLDER DIRECTORS DIRECTOR

~~2.4.1~~ Terms, Removal and Vacancies. The ~~initial~~ term for the Pumper Agricultural Stakeholder Director ~~from the Piru Basin~~ shall be ~~three years.~~ ~~Subsequent terms for that Director will be two years. The initial term, and subsequent terms, for the Fillmore Basin Director shall be two years. JPA, Art. 6, Section 5. one (1) year.~~ A vacancy of a Pumperan Agricultural Stakeholder Director's seat shall occur upon a Director's resignation or at the end of the Director's term. ~~JPA, Art. 6, Section 6. JPA, 6.5.~~ Upon the vacancy of a Pumper the Agricultural Stakeholder Director, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.43 of the Joint Exercise of Powers Agreement. ~~JPA, Art. 6, Section 6. JPA, 6.5.~~

2.5 ENVIRONMENTAL STAKEHOLDER DIRECTORS

~~2.5.1~~ Terms, Removal and Vacancies. -The term for the Environmental Stakeholder Director shall be ~~two years. JPA, Art. 6, Section 5. one (1) year. JPA, 6.4.~~ A vacancy of an Environmental Stakeholder Director's seat shall occur upon a Director's resignation or at the end of the Director's term. ~~JPA, Art. 6, Section 6. JPA, 6.5.~~ Upon the vacancy of the Environmental Director, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.43 of the Joint Exercise of Powers Agreement. ~~JPA, Art. JPA, 6, Section 6. .5.~~

ARTICLE 3. MEETINGS

3.1 ~~Regular Meetings-~~REGULAR MEETINGS. The regular meetings of the Agency Authority shall be held at least quarterly on a date and time which the Agency Authority may designate as determined by the Board.- The Board will set the time and place of meetings in accordance with Government Code Section 54954. ~~-JPAA, Art. 8, Section JPA, 8.2.~~

3.2 ~~Quorum-~~QUORUM. A majority of the Directors of the Board shall constitute a quorum for the purpose of conducting Agency Authority business, exercising Agency Authority powers, and for all other purposes. -However, a smaller number may adjourn from time-to-time until the quorum is obtained. ~~JPAA, Art. JPA, 9, Section 1.~~

3.3 AGENDA. ~~Agency Authority~~ staff shall prepare the agenda. At least seventy-two hours before a regular meeting, or at least twenty-four hours prior to a special meeting, the Board Secretary shall post an agenda containing a brief, general description of each item of business to be transacted or discussed at the meeting, including the items to be discussed in closed session. The posting shall be freely accessible to the public.- The agenda shall include the opportunity for the public to address the Board prior to taking action on any matter. -The agenda for regular and adjourned regular meetings shall include the opportunity for the public to address the Board on matters within the jurisdiction of the Agency Authority but not on the agenda.- During public comment, a Director may request a matter be included on the agenda for a future meeting. Agency Authority staff shall arrange for the matter to be placed on a future agenda as promptly as feasible. No action shall be taken on matters not shown on the posted agenda, except that Directors may briefly respond to statements made or questions posed during public comment; respond to a request for clarification; provide a reference to staff or other resources for factual information; request staff to report back to the Board at a subsequent meeting or direct staff to place a matter of business on a future agenda. -The Board may add matters to the agenda upon a majority finding that an emergency exists or upon at least a two-thirds vote finding there is a need to take immediate action and the need for action came to the attention of the Agency Authority subsequent to the posting of the agenda.

3.4 ~~Voting-~~VOTING. Voting by the Board of Directors shall be made on the basis of one vote for each Director, ~~provided however that if the matter to be voted on exclusively concerns one of the Basins and not the other, the pumper Stakeholder Director representing pumper interests in the unaffected Basin may participate in Board discussions of the matter but shall not vote on the matter.~~ All decisions of the Board shall require the affirmative vote of a ~~quorum of the Board, unless one or more Directors is absent or conflicted from voting on the matter, or a pumper Stakeholder Director is prohibited from voting per this section, in which case a decision of the Board shall require the affirmative vote of at least~~ minimum of three (3) Directors. ~~JPAA, Art., except for the matters specified in Article 9, Section 2-.3 of the JPA which require special voting. JPA, 9.3.~~

3.5 ~~Rules of Order.~~RULES OF ORDER. All rules of order not otherwise provided for in ~~thesethe~~ Bylaws shall be determined, to the extent practicable, in accordance with "Rosenberg's Rules of Order", provided, however, that no action shall be invalidated, or its legality otherwise affected by the failure or omission to observe or follow "Rosenberg's Rules of Order."

ARTICLE 4. -OFFICERS

4.1 ~~Officers.~~OFFICERS. The officers of the Agency Authority shall consist of a Chair, a Vice Chair/Secretary, and a Treasurer. ~~JCAA, Art. JCA, 7, Section 1.~~ Officers shall be elected annually by, and serve at the pleasure of, the Board of Directors. Officers shall be elected at the first Board meeting, and thereafter at the first Board meeting following January 1st of each year. ~~JCAA, Art. JCA, 7, Section 2.~~

4.2 ~~Chair.~~CHAIR. The Chair shall preside at meetings of the Agency Authority. The Chair shall sign contracts, deeds, and other instruments made by the Agency Authority.

4.3 ~~Vice Chair.~~VICE CHAIR. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. ~~JCAA, Art. JCA, 7, Section 1.~~ The Vice Chair shall also act as Secretary and shall keep the administrative records of the Agency Authority, act as secretary at meetings of the Agency Authority, record all votes, and keep a record of the proceedings of the Agency Authority to be kept for such purpose, and perform all duties incident to the Secretary's office. -The Secretary shall maintain a record of all official proceedings of the board.

4.4 ~~TREASURER. The treasurer of one of the Members shall be the Treasurer of the Agency, to be the depository, and have custody of all money of the Agency from whatever source, provided that the Board of Directors may at any time select another Treasurer. The Treasurer shall possess the powers of~~ AND AUDITOR. ~~The Treasurer and Auditor shall be appointed in the manner,~~ and shall perform those functions required by Government Code Sections 6505, 6505.5, and all other applicable laws and regulations, including any subsequent amendments thereto. The Treasurer shall be bonded in accordance with the provisions of section 6505.1. ~~JCAA, Art. JCA, 13, Section 3.~~

4.5 ~~AUDITOR. An Auditor shall be of the same public agency as treasurer, and shall draw all warrants to pay demands against the Agency approved by the Board. JCAA, Art. 13, Section 3.~~

~~4.6 General Counsel.~~ GENERAL COUNSEL. The General Counsel shall be the chief legal officer of the Agency Authority. The General Counsel shall give advice or opinions in writing to the Chairman or other Agency Authority officers and shall prepare proposed resolutions, laws, rules, contracts, and other legal documents for the Agency Authority when requested to do so by the Agency Authority. The General Counsel shall attend to all lawsuits and other matters to which the Agency Authority is a part or in which the Agency Authority may be legally interested and do such other things pertaining to the General Counsel's office as the Agency Authority may request.

~~4.7—Officer Compensation-6~~ OFFICER COMPENSATION. The officers of the Agency Authority shall receive such compensation as the Agency Authority prescribes and in addition, shall receive their actual and necessary expenses, including traveling expenses incurred in the discharge of their duties.

4.8 EXPENSES. If previously approved by the Board, a Director shall receive actual, reasonable, and necessary reimbursement for travel, meals, lodging, registration, and similar expenses incurred on Agency Authority business.- The reimbursement rates for lodging shall not exceed the posted rates for a trade conference, but if a lodging at the posted rates is not available, the reimbursement rate shall be comparable to the posted rates. -For travel of 250 miles or less, Directors shall be reimbursed at the IRS rate.- For travel over 250 miles, Directors shall be reimbursed at the lowest available rate for public air transportation, as determined by the Administrator, or actual cost, whichever is less. -As used herein, “transportation” includes travel to and from terminals. -Automobile rental expenses shall be approved in advance.- Reimbursement for meals, other than alcoholic beverages, shall be at the rate established by the IRS or actual reasonable cost not to exceed \$60 per day. -Directors may declare the amount of the meal under penalty of perjury in lieu of receipts if the amount is less than the IRS rate. Claims for expense reimbursement shall be submitted to the Administrator of the Board on forms provided by the Agency Authority within 30-days after the expense has been incurred.- The Administrator shall determine whether the claim satisfies the requirements of this section and if the claim is denied, the claimant may appeal to the Board.

ARTICLE 5. COMMITTEES

5.1— Pursuant to Article 12 of the Agreement, the Board of Directors may from time to time appoint one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objectives of the Agency- Authority. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them. -Each standing or ad hoc committee shall include a Director as the chair thereof.- Other members of each committee may be composed of those individuals approved by the Board of Directors for participation on the committee. However, no committee or participant on such committee shall have any authority to act on behalf of the Agency- Authority. Permanent Committees will be given a specific role and, regardless of the number of Directors appointed, shall be subject to compliance with the Brown Act. All Committees will provide regular updates to the full Board about their activities and the progress of their work.

ARTICLE 6. EXECUTIVE DIRECTOR AND STAFF

6.1— ~~Executive Director-~~ EXECUTIVE DIRECTOR. The Board of Directors may appoint an Executive Director, who may be, though need not be, an officer, employee, or representative of one of the Members. The Executive Director shall have general supervision over the administration of Agency Authority business and affairs, subject to the direction of the Agency-

Authority. The Executive Director shall have the powers designated by the Board, and may execute contracts, deeds, and other documents and instruments as authorized by the Agency Authority. The Executive Director's compensation, if any, shall be determined by the Board of Directors. ~~JPA, Art. JPA, 10, Sections 1, 10.2.~~

6.2—_STAFF. The Executive Director may employ such additional full-time and/or part-time employees, assistants, and independent contractors who may be necessary from time to time to accomplish the purposes of the Agency Authority, subject to the approval of the Board of Directors. ~~JPA, Art. JPA, 10, Section 4.~~

ARTICLE 7. FINANCES

7.1 ~~Deposit And Disbursement Of Funds~~. DEPOSIT AND DISBURSEMENT OF FUNDS. All funds of the Agency Authority shall be deposited in one or more depository accounts as may be designated by the Board. Such accounts shall be independent of any account owned by or exclusively controlled by any of the Members. No disbursements of such funds shall be made unless the same shall have been approved in the annual operating budget, or otherwise specifically approved by the Board. Monthly, or at a time established by the Board, all disbursements shall be listed on a report by check number, vendor and amount, and approved by the Board prior to the issuance of a payment. ~~All check disbursements shall require dual signature that will include the Treasurer and Board Chair or Vice Chair.~~

7.2 ~~Budget~~ BUDGET. The Agency Authority shall operate pursuant to an operating budget to be adopted prior to the beginning of each new fiscal year. ~~JPA, Art. JPA, 14, Section 1.~~ The Agency shall endeavor to operate each year pursuant to an annually balanced budget so that projected annual expenses do not exceed projected annual revenues. Budget adjustments to the annual budget shall be reviewed and acted upon by the Board at a regularly scheduled Board meeting occurring after January 1 of each calendar year. The Board may take action to amend the budget at other times if circumstances require more immediate action.

ARTICLE 8. -DEBTS AND LIABILITIES

~~(a)~~ 8.1—_The debts, liabilities, and obligations of the Agency Authority are not and will not be the debts, liabilities, or obligations of any or all of the Members. ~~JPA, Art. JPA, 15, Section 1.~~ However, nothing in this Article or in the Agreement prevents, or impairs the ability of, a Member or Members, from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation, or liability of the Agency Authority, including but not limited to, any bond or other debt instrument issued by the Agency Authority.

ARTICLE 9. REGISTRATION OF FACILITIES

9.1— The Agency Authority may require registration of all groundwater extraction facilities within its management area pursuant to Wat. Code, § 10725.6. -The Agency Authority shall keep a register of wells drilled within its management area. It shall be the policy of the Agency Authority to have a standing request with the County of Ventura to be notified of any application or plan for a well or groundwater extraction facility within the Agency's Authority's jurisdiction.

ARTICLE 10. FEE ENFORCEMENT

10.1 Fee Enforcement is based on Wat. Code, § 10730.6:

(a) ___ Groundwater fees will be due and payable to the Agency Authority semi-annually by the Owner or Operator.- If the Owner or Operator fails to pay a groundwater fee within thirty (30) days of it becoming due, the Owner or Operator shall be liable to the Agency Authority for interest at the rate of one (1) percent per month on the delinquent amount of the groundwater fee and a ten (10) percent penalty.

(b) ___ Should the Agency Authority decide not to bring suit, the Agency Authority may collect any delinquent groundwater charge and any civil penalties and interest on the delinquent groundwater charge pursuant to the laws applicable to United Water Conservation District, County of Ventura, and City of ~~Fillmore~~ Buenaventura. Collection shall be in the same manner as it would be applicable to the collection of delinquent assessments, water charges, or tolls.

(c) ___ Additionally, the Agency Authority may, after a public hearing, order an Owner or Operator to cease extraction of groundwater until all delinquent fees are paid. The Agency Authority shall give notice to the Owner or Operator by certified mail at least fifteen (15) days in advance of the public hearing.

(d) ___ All remedies specified in this section for collecting and enforcing fees are cumulative and may be pursued alternatively or may be used consecutively as determined by the Agency's Authority's Board of Directors.

(e) ___ By an affirmative vote of ~~four (4) Directors, or three (3) Directors in,~~ the ~~event a Director is absent, conflicted or prohibited from voting pursuant to 9.3 of the JPAA agreement,~~ the Agency Authority may, in its sole discretion, waive any interest payments, penalties, or overdue fees.

ARTICLE 11. -RECORDS RETENTION

11.1 ~~Maintenance Of~~ MAINTENANCE OF THE AUTHORITY RECORDS. The Agency Records. ~~The Agency Authority~~ will keep:

(a) ___ All public records, as defined in Cal. Gov. Code Section 6252.

(b) All such records will be kept at the Agency's Authority's principal office.

11.2 ~~Records Retention Policy And Schedule~~. RECORDS RETENTION POLICY AND SCHEDULE. By ~~June 30~~ July 31, 2018,- the Board will review and adopt a Records Retention Policy and Schedule that specifies the retention period of different categories of materials. Implementation of this Policy will be the responsibility of Agency Authority staff.

11.3 ~~Inspection Rights~~ INSPECTION RIGHTS.

(a) Any member may inspect the accounting books and records and minutes of the proceedings of the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest.

(b) Any inspection and copying under this Section may be made in person or by an agent or attorney or the entity entitled thereto and the right of inspection includes the right to copy.

11.4 ~~Maintenance And Inspection Of Agreement And Bylaws~~. MAINTENANCE AND INSPECTION OF AGREEMENT AND BYLAWS. The Agency Authority will keep at its principal executive office the original or copy of the Agreement and these Bylaws as amended to date, which will be open to inspection by the Agency Authority or any Member at all reasonable times during office hours.

11.5 ~~Inspection By Directors~~. INSPECTION BY DIRECTORS. Every Director has the absolute right at any reasonable time to inspect all non-confidential books, records, and documents of every kind and the physical properties of the Agency Authority. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE 12. CODE OF ETHICS AND CONFLICTS OF INTEREST

12.1 DECLARATION OF POLICY.- The proper operation of democratic government requires that public officials and employees be independent, impartial and responsible to the people; that government decisions and policy be made in the proper channels of the governmental structure; that public office not be used for personal gain; and the public have confidence in the integrity of its government. -In recognition of these goals, there is hereby established a Code of Ethics for all officers and employees, whether elected or appointed, paid or unpaid. This Article establishes ethical standards of conduct for Agency Authority officers and employees by setting forth those acts or actions that are incompatible with the best interests of the Agency Authority and by directing the officers' disclosure of private financial or other interests in matters affecting the Agency Authority.

12.2 -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. -Pursuant to this, the Agency Authority adopted and promulgated a Resolution which constitutes the Conflict of Interest Code for the Agency Authority, and sets forth

designations of officials and employees, and establishes economic disclosure categories. -The Agency Authority will review its Conflict of Interest Code every other year as required by the Political Reform Act.

12.3 RESPONSIBILITIES OF PUBLIC OFFICE.- Public officials and employees are agents of public purpose and hold office for the benefit of the public. -They are bound to uphold the United States and State Constitution and to carry out impartially the laws of the nation, State, and the Agency Authority, thus to foster respect for all governments.- They are bound to observe, in their official acts, the highest standards of performance and to discharge faithfully the duties of their office, regardless of personal considerations. -Recognizing that the public interests must be their primary concern, their conduct in both their official and private affairs should be above reproach.

12.4 DEDICATED SERVICE. -Officers and employees owe a duty of loyalty to the political objectives expressed by the electorate and the programs developed by the Board to attain those objectives. -Appointive officers and employees should adhere to the rules of work and performance established as the standards for their positions by the appropriate Agency Authority. Officers and employees should not exceed their Agency Authority or breach the law, or ask others to do so, and owe a duty to cooperate fully with other public officers and employees unless prohibited from so doing by law or by the officially recognized confidentiality of their work.

12.5 FAIR AND EQUAL TREATMENT. Officers and employees shall not request or permit the use of Agency Authority-owned vehicles, equipment, materials, or property for personal convenience or profit, except when such services are available to the public generally or are provided for the use of such officer or employee in the conduct of official business. -Officers and employees shall not grant special consideration, treatment or advantage to a member of the public beyond what is available to every other member of the public.

12.6 POLITICAL ACTIVITIES. -Officers and employees shall not solicit or participate in soliciting ~~an~~ assessment; subscription of contribution to a political party during working hours on property owned by the Agency Authority and shall conform to Government Code Sections 3202 and 3203. Officers and employees shall not promise appointment to a position with the Agency Authority.

12.7- EX PARTE COMMUNICATIONS.- Any written communication received by an officer or employee relating to a matter to be discussed by the Agency Authority Board shall be made part of the record of decision.- A communication concerning only the status of a pending matter shall not be regarded as an ex parte communication.

12.8 AVOIDANCE OF IMPRESSIONS OF CORRUPTIBILITY. Officers and employees shall conduct their official and private affairs so as not to give a reasonable basis for the impression that they can be improperly influenced in performance of public duties. -Officers and employees should maintain public confidence in their performance of the public trust in the Agency Authority. They should not be a source of embarrassment to the Agency Authority and should avoid even the appearance of conflict between their public duties and private interests.

12.9 NO DISCRIMINATION IN APPOINTMENTS.-No person shall be appointed to, removed from, or in any way favored or discriminated against with respect to any appointive administrative office because of such person's race, color, age, religion, gender identification, national origin, political opinions, affiliations, or functional limitation as defined by applicable State or federal laws, if otherwise qualified for the position or office. -This provision shall not be construed to impair administrative discretion in determining the requirements of a position or in a job assignment of a person holding such a position, subject to review by the Board.

12.10 ~~AGENCY~~AUTHORITY ALLEGIANCE AND PROPER CONDUCT.- Officers and employees shall not engage in or accept any private employment, or render services for private interest, when such employment or service is incompatible with proper discharge of official duties or would tend to impair independence or judgment or action in the performance of those duties. Officers and employees shall not disclose confidential information concerning the property, government, or affairs of the ~~Agency~~Authority and shall not use confidential information for personal financial gain. -Officers and employees shall not accept a gift in excess of limits established by state law. -Officers and employees shall not accept any gift contingent upon a specific action by the Board.- Officers and employees shall not appear on behalf of business or private interests of another before the Board where such appearance would create a potential of having to abstain from officers participating on that matter or be incompatible with official duties. Officers and employees shall not represent a private interest of another person or entity in any action or proceeding against the interest of the ~~Agency~~Authority in any litigation to which the ~~Agency~~Authority is a party. -A Director may appear before the ~~Agency~~Authority on behalf of constituents in the course of duties as a representative of the electorate or in the performance of public or civic obligations.

12.11 PENALTIES. -In addition to any other penalties or remedies provided by law, violation of this ~~Chapter~~Article shall constitute a cause for suspension, removal from office or employment or other disciplinary action after notice and hearing conducted by the appropriate appointing Member or, in the case of the Board, an affirmative vote of four (4) Directors, or three (3) Directors in the event a Director is absent, conflicted or prohibited from voting pursuant to 9.3 of the ~~JPA~~JPA agreement.

ARTICLE 13. AMENDMENT

13.1— These Bylaws may be amended from time to time by resolution of the Board duly adopted upon majority of the Board at a regular or special meeting of the Board, provided, however, that no such amendment shall be adopted unless at least thirty (30) days written notice thereof has previously been given to all members of the Board. -Such notice shall identify the Article to be amended, the proposed amendment, and the reason for the proposed amendment. ~~JPA, Art.~~JPA, 11.- The Board may, upon unanimous consent, waive the thirty (30) day written notice period.

ARTICLE 14. PURCHASING POLICY

14.1 POLICY. –The Agency Authority will procure Goods and Services in support of its administrative, operational and capital improvement requirements. –It is the intent of the Agency Authority to engage in procurements that ensure it will receive Goods and Services of the appropriate quantity, of a satisfactory level of quality, delivered in a timely manner, and at a price that represents the best value to the Agency Authority, its Members, and other affected parties. Furthermore, it will employ procurement processes that are fair and equitable and will allow providers of Goods and Services the greatest opportunity to participate and compete for the Agency's Authority's procurement engagements.

14.2 DEFINITIONS.

—The following definitions shall apply to this ~~chapter~~Article:

- (a) Contract. A written document establishing terms and conditions between buyer and seller for the provision of Goods or Services, and includes Professional Service Agreements, General Service Agreements, and Purchase Orders.
- (b) Critical Repairs. Services performed on Agency facilities that are unplanned, unexpected and which are essential to the continued operation of the facilities, but do not rise to the level of “Emergency.”
- (c) Formal Competitive Solicitation. The issuance of a written Request for Bids, proposals or quotations.
- (d) Goods. Refers to all types of tangible personal property including materials, supplies, and equipment.
- (e) Material Change. A change to essential terms in a contract including, not limited to, consideration, scope of Services, insurance and indemnity obligations, and assignment.
- (f) Informal Competitive Solicitation. A written request for a bid, proposal, or quotation in accordance with written terms and conditions included in the request.
- (g) Public Works Construction Agreement. Agreement for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind and awarded in compliance with competitive bidding statutes.
- (h) Requisition. A document generated by staff to identify and establish a requirement for, and request authorization of, the procurement of Goods and Services.
- (i) Service(s). The labor, intellectual property or other work product provided by a Contractor or Consultant that is not tangible personal property.

14.3 PROCUREMENT OF GOODS AND SERVICES.

- (a) Procurement Authority. Procurement ~~Authority~~authority shall be exercised and performed by the Board of Directors through the approval of warrants presented to the Board. This authority includes both the authority to approve procurements and the authority to commit the Agency to procurements. The Board of Directors may delegate certain authorities to the Agency's management and staff. These delegated authorities shall be exercised and performed in accordance with applicable federal, state, and local laws and the policies contained herein.
- (b) Procurement of Goods, Professional Services and Non-Professional Services. The Agency may procure Goods and Services as authorized below:
- (1) Procurements of Goods, Professional Services and Non-Professional Services Less than \$500:
- (i) The Executive Director may expend up to \$500 to purchase necessary supplies and equipment without secondary approval.
- (2) Procurement of Goods, Professional Services and Non-Professional Services over \$500:
- (i) Requires Board approval of a Purchase Order.
- (ii) Signed by both the Board Chair and Treasurer.
- (3) Amendments/ Change Orders / Revisions: Material Changes to a contract document require authorization. Approval and execution is subject to the thresholds established above and based on the final value of the Contract document after the change is incorporated.
- (c) Leasing of Goods. Leasing of Goods is subject to the same requirements established for the procurement of Goods, as defined in section (b).
- ~~(d)~~ (d) Public Works. The procurement of Goods and Services for the construction of public works by the Agency shall be governed by California Public Contract Code sections 20640 et seq.
- ~~(e)~~ (e) Amendments/ Change Orders/ Revisions: Material Changes to a Contract document require authorization. Approval and execution is subject to the thresholds established above and based on the final value of the Contract document after the change is incorporated. Change Orders within preapproved funding amounts require execution by the Board of Directors.

14.4 EMERGENCY PURCHASES AND SERVICES.— In the event of an emergency, the Executive Director may make immediate purchases of Goods and Services pursuant to California Public Contract Code section 20640 *et seq.*. Emergency purchases include any purchase required to prevent imminent danger or to prevent or mitigate the loss or impairment of life, health,

property, or essential public services. -Every effort shall be made to obtain advance approvals or to obtain approvals as soon as possible following the purchase.

14.5 PROCUREMENT OF CRITICAL GOODS AND SERVICES.- When expenditures are made for the procurement of Critical Goods and Services, staff will use its best efforts to conform to the Informal Solicitation process, and shall not exceed \$1,000-~~00~~ per each critical repair or critical acquisition.- Any expenditure for these types of repairs will be brought to the Board of Directors at the next regularly scheduled Board meeting for ratification.

ARTICLE 15. DEFINITIONS AND CONSTRUCTION

15.1— Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement. If any term of these Bylaws conflicts with any term of the Agreement, the Agreement's terms shall prevail, and these Bylaws shall be amended to eliminate such conflict of terms. Unless the context or reference to the Agreement requires otherwise, the general provisions, rules of construction, and definitions in the California Civil Code will govern the construction of these Bylaws.

EFFECT. These bylaws shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED on [DATE], by the following votes:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chair

ATTEST:

Secretary

[Seal]

BYLAWS

of the

**Mound Basin
Groundwater Sustainability Agency**

_____, **2018**

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PREAMBLE

These Bylaws are adopted and effective as of **[DATE]**, pursuant to the Joint Exercise of Powers Agreement of the Mound Basin Groundwater Sustainability Agency of June 2017 (the "Agreement" or "JPA") by and among the City of San Buenaventura, County of Ventura, and United Water Conservation District ("Members").

ARTICLE 1. THE AUTHORITY

1.1 **NAME OF AUTHORITY.** The name of the Authority created by the Agreement shall be the MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY ("Authority"). JPA, Preamble.

1.2 **OFFICE OF AUTHORITY.** The principal office of the Authority shall be **[ADDRESS]**, or at such other location as the Board may designate by resolution. JPA, 7.3.

1.3 **POWERS.** The powers of the Authority are vested in the governing board who reserve unto themselves the right to delegate by resolution such powers as are appropriate and permissible by law. JPA, Art. 4. The governing board ("Board" or "Board of Directors") consists of: one (1) Member Director appointed by the City Council of the City of San Buenaventura who is a member of the City Council of San Buenaventura or a representative; one (1) Member Director appointed by the County of Ventura Board of Supervisors, who is a Supervisor or representative; one (1) Member Director appointed by the Board of Directors for United Water Conservation District, who is a member of United Water Conservation District's Board of Directors or a representative; one (1) Agricultural Stakeholder Director; and one (1) Environmental Stakeholder Director, to be nominated by the environmental organizations outlined in the Article 6.3.5 of the Agreement and unanimously selected by the Member Directors. JPA, 6.3.1-3.5.

ARTICLE 2. BOARD OF DIRECTORS

2.1 **BOARD.** The Authority shall be governed by a Board of Directors ("Board of Directors" or "Board"). The Board shall consist of five (5) Directors comprised of representatives who shall be appointed in the manner set forth in Article 6 of the Agreement. JPA, 6.1, 6.3.

2.2 **POWERS.** The business and affairs of the Authority, and all of the powers of the Authority, including without limitation all powers set forth in Article 4 of the Agreement, are reserved to, and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the Executive Director pursuant to the Bylaws, or by specific action of the Board of Directors.

2.3 **MEMBER DIRECTORS.**

2.3.1 Terms, Removal and Vacancies. Member Directors will be appointed to serve for a term of two (2) years, except as set forth in Section 6.4 of the Joint Exercise of Powers Agreement. A Member Director may be removed during his or her term or reappointed for multiple terms at the pleasure of the Member's governing agency. The Member Director shall cease to be a Director when he or she is no longer a member of their governing Agency's board or ceases to be an employee of the Member. JPA, 6.5. No individual Member Director may be removed in any other manner, including by affirmative vote of the other Directors. A Member Director vacancy shall occur when a Director resigns, at the end of the Director's term, or when he or she is removed by his or her appointing governing body. Upon the vacancy of a Member Director, the seat shall remain open and vacant until a replacement Director is appointed as set forth in Section 6.3 of the Joint Exercise of Powers Agreement. Members shall submit any changes in Director positions to the Executive Director by written notice signed by an authorized representative of the Member. The written notice shall include a resolution of the governing body of the Member directing such change in the Director position. JPA, 6.5.

2.4 AGRICULTURAL STAKEHOLDER DIRECTOR

2.4.1 Terms, Removal and Vacancies. The term for the Agricultural Stakeholder Director shall be one (1) year. A vacancy of an Agricultural Stakeholder Director's seat shall occur upon a Director's resignation or at the end of the Director's term. JPA, 6.5. Upon the vacancy of the Agricultural Stakeholder Director, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.3 of the Joint Exercise of Powers Agreement. JPA, 6.5.

2.5 ENVIRONMENTAL STAKEHOLDER DIRECTORS

2.5.1 Terms, Removal and Vacancies. The term for the Environmental Stakeholder Director shall be one (1) year. JPA, 6.4. A vacancy of an Environmental Stakeholder Director's seat shall occur upon a Director's resignation or at the end of the Director's term. JPA, 6.5. Upon the vacancy of the Environmental Director, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.3 of the Joint Exercise of Powers Agreement. JPA, 6.5.

ARTICLE 3. MEETINGS

3.1 REGULAR MEETINGS. The regular meetings of the Authority shall be held at least quarterly on a date and time which the Authority may designate as determined by the Board. The Board will set the time and place of meetings in accordance with Government Code Section 54954. JPA, 8.2.

3.2 QUORUM. A majority of the Directors of the Board shall constitute a quorum for the purpose of conducting Authority business, exercising Authority powers, and for all other purposes. However, a smaller number may adjourn from time-to-time until the quorum is obtained. JPA, 9.1.

3.3 AGENDA. Authority staff shall prepare the agenda. At least seventy-two hours before a regular meeting, or at least twenty-four hours prior to a special meeting, the Board Secretary shall post an agenda containing a brief, general description of each item of business to be transacted or discussed at the meeting, including the items to be discussed in closed session. The posting shall be freely accessible to the public. The agenda shall include the opportunity for the public to address the Board prior to taking action on any matter. The agenda for regular and adjourned regular meetings shall include the opportunity for the public to address the Board on matters within the jurisdiction of the Authority but not on the agenda. During public comment, a Director may request a matter be included on the agenda for a future meeting. Authority staff shall arrange for the matter to be placed on a future agenda as promptly as feasible. No action shall be taken on matters not shown on the posted agenda, except that Directors may briefly respond to statements made or questions posed during public comment; respond to a request for clarification; provide a reference to staff or other resources for factual information; request staff to report back to the Board at a subsequent meeting or direct staff to place a matter of business on a future agenda. The Board may add matters to the agenda upon a majority finding that an emergency exists or upon at least a two-thirds vote finding there is a need to take immediate action and the need for action came to the attention of the Authority subsequent to the posting of the agenda.

3.4 VOTING. Voting by the Board of Directors shall be made on the basis of one vote for each Director. All decisions of the Board shall require the affirmative vote of a minimum of three (3) Directors, except for the matters specified in Article 9.3 of the JPA which require special voting. JPA, 9.3.

3.5 RULES OF ORDER. All rules of order not otherwise provided for in the Bylaws shall be determined, to the extent practicable, in accordance with "Rosenberg's Rules of Order", provided, however, that no action shall be invalidated, or its legality otherwise affected by the failure or omission to observe or follow "Rosenberg's Rules of Order."

ARTICLE 4. OFFICERS

4.1 OFFICERS. The officers of the Authority shall consist of a Chair, a Vice Chair/Secretary, and a Treasurer. JPA, 7.1. Officers shall be elected annually by, and serve at the pleasure of, the Board of Directors. Officers shall be elected at the first Board meeting, and thereafter at the first Board meeting following January 1st of each year. JPA, 7.2.

4.2 CHAIR. The Chair shall preside at meetings of the Authority. The Chair shall sign contracts, deeds, and other instruments made by the Authority.

4.3 VICE CHAIR. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. JPA, 7.1. The Vice Chair shall also act as Secretary and shall keep the administrative records of the Authority, act as secretary at meetings of the Authority, record all votes, and keep a record of the proceedings of the Authority to be kept for such purpose, and

perform all duties incident to the Secretary's office. The Secretary shall maintain a record of all official proceedings of the board.

4.4 TREASURER AND AUDITOR. The Treasurer and Auditor shall be appointed in the manner, and shall perform those functions required by Government Code Sections 6505, 6505.5, and all other applicable laws and regulations, including any subsequent amendments thereto. The Treasurer shall be bonded in accordance with the provisions of section 6505.1. JPA, 13.3.

4.5 GENERAL COUNSEL. The General Counsel shall be the chief legal officer of the Authority. The General Counsel shall give advice or opinions in writing to the Chairman or other Authority officers and shall prepare proposed resolutions, laws, rules, contracts, and other legal documents for the Authority when requested to do so by the Authority. The General Counsel shall attend to all lawsuits and other matters to which the Authority is a part or in which the Authority may be legally interested and do such other things pertaining to the General Counsel's office as the Authority may request.

4.6 OFFICER COMPENSATION. The officers of the Authority shall receive such compensation as the Authority prescribes and in addition, shall receive their actual and necessary expenses, including traveling expenses incurred in the discharge of their duties.

4.7 EXPENSES. If previously approved by the Board, a Director shall receive actual, reasonable, and necessary reimbursement for travel, meals, lodging, registration, and similar expenses incurred on Authority business. The reimbursement rates for lodging shall not exceed the posted rates for a trade conference, but if a lodging at the posted rates is not available, the reimbursement rate shall be comparable to the posted rates. For travel of 250 miles or less, Directors shall be reimbursed at the IRS rate. For travel over 250 miles, Directors shall be reimbursed at the lowest available rate for public air transportation, as determined by the Administrator, or actual cost, whichever is less. As used herein, "transportation" includes travel to and from terminals. Automobile rental expenses shall be approved in advance. Reimbursement for meals, other than alcoholic beverages, shall be at the rate established by the IRS or actual reasonable cost not to exceed \$60 per day. Directors may declare the amount of the meal under penalty of perjury in lieu of receipts if the amount is less than the IRS rate. Claims for expense reimbursement shall be submitted to the Administrator of the Board on forms provided by the Authority within 30-days after the expense has been incurred. The Administrator shall determine whether the claim satisfies the requirements of this section and if the claim is denied, the claimant may appeal to the Board.

ARTICLE 5. COMMITTEES

5.1 Pursuant to Article 12 of the Agreement, the Board of Directors may from time to time appoint one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objectives of the Authority. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them. Each standing or ad hoc committee shall include a Director as the chair thereof. Other members

of each committee may be composed of those individuals approved by the Board of Directors for participation on the committee. However, no committee or participant on such committee shall have any authority to act on behalf of the Authority. Permanent Committees will be given a specific role and, regardless of the number of Directors appointed, shall be subject to compliance with the Brown Act. All Committees will provide regular updates to the full Board about their activities and the progress of their work.

ARTICLE 6. EXECUTIVE DIRECTOR AND STAFF

6.1 EXECUTIVE DIRECTOR. The Board of Directors may appoint an Executive Director, who may be, though need not be an officer, employee, or representative of one of the Members. The Executive Director shall have general supervision over the administration of Authority business and affairs, subject to the direction of the Authority. The Executive Director shall have the powers designated by the Board, and may execute contracts, deeds, and other documents and instruments as authorized by the Authority. The Executive Director's compensation, if any, shall be determined by the Board of Directors. JPA, 10.1-10.2.

6.2 STAFF. The Executive Director may employ such additional full-time and/or part-time employees, assistants, and independent contractors who may be necessary from time to time to accomplish the purposes of the Authority, subject to the approval of the Board of Directors. JPA, 10.4.

ARTICLE 7. FINANCES

7.1 DEPOSIT AND DISBURSEMENT OF FUNDS. All funds of the Authority shall be deposited in one or more depository accounts as may be designated by the Board. Such accounts shall be independent of any account owned by or exclusively controlled by any of the Members. No disbursements of such funds shall be made unless the same shall have been approved in the annual operating budget, or otherwise specifically approved by the Board. Monthly, or at a time established by the Board, all disbursements shall be listed on a report by check number, vendor and amount, and approved by the Board prior to the issuance of a payment. All check disbursements shall require dual signature that will include the Treasurer and Board Chair or Vice Chair.

7.2 BUDGET. The Authority shall operate pursuant to an operating budget to be adopted prior to the beginning of each new fiscal year. JPA, 14.1. The Agency shall endeavor to operate each year pursuant to an annually balanced budget so that projected annual expenses do not exceed projected annual revenues. Budget adjustments to the annual budget shall be reviewed and acted upon by the Board at a regularly scheduled Board meeting occurring after January 1 of each calendar year. The Board may take action to amend the budget at other times if circumstances require more immediate action.

ARTICLE 8. DEBTS AND LIABILITIES

8.1 The debts, liabilities, and obligations of the Authority are not and will not be the debts, liabilities, or obligations of any or all of the Members. JPA, 15.1. However, nothing in this Article or in the Agreement prevents, or impairs the ability of, a Member or Members, from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation, or liability of the Authority, including but not limited to, any bond or other debt instrument issued by the Authority.

ARTICLE 9. REGISTRATION OF FACILITIES

9.1 The Authority may require registration of all groundwater extraction facilities within its management area pursuant to Wat. Code, § 10725.6. The Authority shall keep a register of wells drilled within its management area. It shall be the policy of the Authority to have a standing request with the County of Ventura to be notified of any application or plan for a well or groundwater extraction facility within the Authority's jurisdiction.

ARTICLE 10. FEE ENFORCEMENT

10.1 Fee Enforcement is based on Wat. Code, § 10730.6:

(a) Groundwater fees will be due and payable to the Authority semi-annually by the Owner or Operator. If the Owner or Operator fails to pay a groundwater fee within thirty (30) days of it becoming due, the Owner or Operator shall be liable to the Authority for interest at the rate of one (1) percent per month on the delinquent amount of the groundwater fee and a ten (10) percent penalty.

(b) Should the Authority decide not to bring suit, the Authority may collect any delinquent groundwater charge and any civil penalties and interest on the delinquent groundwater charge pursuant to the laws applicable to United Water Conservation District, County of Ventura, and City of Buenaventura. Collection shall be in the same manner as it would be applicable to the collection of delinquent assessments, water charges, or tolls.

(c) Additionally, the Authority may, after a public hearing, order an Owner or Operator to cease extraction of groundwater until all delinquent fees are paid. The Authority shall give notice to the Owner or Operator by certified mail at least fifteen (15) days in advance of the public hearing.

(d) All remedies specified in this section for collecting and enforcing fees are cumulative and may be pursued alternatively or may be used consecutively as determined by the Authority's Board of Directors.

(e) By an affirmative vote of three (3) Directors, the Authority may, in its sole discretion, waive any interest payments, penalties, or overdue fees.

ARTICLE 11. RECORDS RETENTION

11.1 MAINTENANCE OF THE AUTHORITY RECORDS. The Authority will keep:

(a) All public records, as defined in Cal. Gov. Code Section 6252.

(b) All such records will be kept at the Authority's principal office.

11.2 RECORDS RETENTION POLICY AND SCHEDULE. By July 31, 2018, the Board will review and adopt a Records Retention Policy and Schedule that specifies the retention period of different categories of materials. Implementation of this Policy will be the responsibility of Authority staff.

11.3 INSPECTION RIGHTS.

(a) Any member may inspect the accounting books and records and minutes of the proceedings of the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest.

(b) Any inspection and copying under this Section may be made in person or by an agent or attorney or the entity entitled thereto and the right of inspection includes the right to copy.

11.4 MAINTENANCE AND INSPECTION OF AGREEMENT AND BYLAWS. The Authority will keep at its principal executive office the original or copy of the Agreement and these Bylaws as amended to date, which will be open to inspection by the Authority or any Member at all reasonable times during office hours.

11.5 INSPECTION BY DIRECTORS. Every Director has the absolute right at any reasonable time to inspect all non-confidential books, records, and documents of every kind and the physical properties of the Authority. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE 12. CODE OF ETHICS AND CONFLICTS OF INTEREST

12.1 DECLARATION OF POLICY. The proper operation of democratic government requires that public officials and employees be independent, impartial and responsible to the people; that government decisions and policy be made in the proper channels of the governmental structure; that public office not be used for personal gain; and the public have confidence in the integrity of its government. In recognition of these goals, there is hereby established a Code of Ethics for all

officers and employees, whether elected or appointed, paid or unpaid. This Article establishes ethical standards of conduct for Authority officers and employees by setting forth those acts or actions that are incompatible with the best interests of the Authority and by directing the officers' disclosure of private financial or other interests in matters affecting the Authority.

12.2 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. Pursuant to this, the Authority adopted and promulgated a Resolution which constitutes the Conflict of Interest Code for the Authority, and sets forth designations of officials and employees, and establishes economic disclosure categories. The Authority will review its Conflict of Interest Code every other year as required by the Political Reform Act.

12.3 RESPONSIBILITIES OF PUBLIC OFFICE. Public officials and employees are agents of public purpose and hold office for the benefit of the public. They are bound to uphold the United States and State Constitution and to carry out impartially the laws of the nation, State, and the Authority, thus to foster respect for all governments. They are bound to observe, in their official acts, the highest standards of performance and to discharge faithfully the duties of their office, regardless of personal considerations. Recognizing that the public interests must be their primary concern, their conduct in both their official and private affairs should be above reproach.

12.4 DEDICATED SERVICE. Officers and employees owe a duty of loyalty to the political objectives expressed by the electorate and the programs developed by the Board to attain those objectives. Appointive officers and employees should adhere to the rules of work and performance established as the standards for their positions by the appropriate Authority. Officers and employees should not exceed their Authority or breach the law, or ask others to do so, and owe a duty to cooperate fully with other public officers and employees unless prohibited from so doing by law or by the officially recognized confidentiality of their work.

12.5 FAIR AND EQUAL TREATMENT. Officers and employees shall not request or permit the use of Authority-owned vehicles, equipment, materials, or property for personal convenience or profit, except when such services are available to the public generally or are provided for the use of such officer or employee in the conduct of official business. Officers and employees shall not grant special consideration, treatment or advantage to a member of the public beyond what is available to every other member of the public.

12.6 POLITICAL ACTIVITIES. Officers and employees shall not solicit or participate in soliciting assessment; subscription of contribution to a political party during working hours on property owned by the Authority and shall conform to Government Code Sections 3202 and 3203. Officers and employees shall not promise appointment to a position with the Authority.

12.7 EX PARTE COMMUNICATIONS. Any written communication received by an officer or employee relating to a matter to be discussed by the Authority Board shall be made part of the record of decision. A communication concerning only the status of a pending matter shall not be regarded as an ex parte communication.

12.8 AVOIDANCE OF IMPRESSIONS OF CORRUPTIBILITY. Officers and employees shall conduct their official and private affairs so as not to give a reasonable basis for the impression that they can be improperly influenced in performance of public duties. Officers and employees should maintain public confidence in their performance of the public trust in the Authority. They should not be a source of embarrassment to the Authority and should avoid even the appearance of conflict between their public duties and private interests.

12.9 NO DISCRIMINATION IN APPOINTMENTS. No person shall be appointed to, removed from, or in any way favored or discriminated against with respect to any appointive administrative office because of such person's race, color, age, religion, gender identification, national origin, political opinions, affiliations, or functional limitation as defined by applicable State or federal laws, if otherwise qualified for the position or office. This provision shall not be construed to impair administrative discretion in determining the requirements of a position or in a job assignment of a person holding such a position, subject to review by the Board.

12.10 AUTHORITY ALLEGIANCE AND PROPER CONDUCT. Officers and employees shall not engage in or accept any private employment, or render services for private interest, when such employment or service is incompatible with proper discharge of official duties or would tend to impair independence or judgment or action in the performance of those duties. Officers and employees shall not disclose confidential information concerning the property, government, or affairs of the Authority and shall not use confidential information for personal financial gain. Officers and employees shall not accept a gift in excess of limits established by state law. Officers and employees shall not accept any gift contingent upon a specific action by the Board. Officers and employees shall not appear on behalf of business or private interests of another before the Board where such appearance would create a potential of having to abstain from officers participating on that matter or be incompatible with official duties. Officers and employees shall not represent a private interest of another person or entity in any action or proceeding against the interest of the Authority in any litigation to which the Authority is a party. A Director may appear before the Authority on behalf of constituents in the course of duties as a representative of the electorate or in the performance of public or civic obligations.

12.11 PENALTIES. In addition to any other penalties or remedies provided by law, violation of this Article shall constitute a cause for suspension, removal from office or employment or other disciplinary action after notice and hearing conducted by the appropriate appointing Member or, in the case of the Board, an affirmative vote of four (4) Directors, or three (3) Directors in the event a Director is absent, conflicted or prohibited from voting pursuant to 9.3 of the JPA agreement.

ARTICLE 13. AMENDMENT

13.1 These Bylaws may be amended from time to time by resolution of the Board duly adopted upon majority of the Board at a regular or special meeting of the Board, provided, however, that no such amendment shall be adopted unless at least thirty (30) days written notice thereof has previously been given to all members of the Board. Such notice shall identify the Article to be

amended, the proposed amendment, and the reason for the proposed amendment. JPA, 11. The Board may, upon unanimous consent, waive the thirty (30) day written notice period.

ARTICLE 14. PURCHASING POLICY

14.1 **POLICY.** The Authority will procure Goods and Services in support of its administrative, operational and capital improvement requirements. It is the intent of the Authority to engage in procurements that ensure it will receive Goods and Services of the appropriate quantity, of a satisfactory level of quality, delivered in a timely manner, and at a price that represents the best value to the Authority, its Members, and other affected parties. Furthermore, it will employ procurement processes that are fair and equitable and will allow providers of Goods and Services the greatest opportunity to participate and compete for the Authority's procurement engagements.

14.2 **DEFINITIONS.**

The following definitions shall apply to this Article:

- (a) Contract. A written document establishing terms and conditions between buyer and seller for the provision of Goods or Services, and includes Professional Service Agreements, General Service Agreements, and Purchase Orders.
- (b) Critical Repairs. Services performed on Agency facilities that are unplanned, unexpected and which are essential to the continued operation of the facilities, but do not rise to the level of "Emergency."
- (c) Formal Competitive Solicitation. The issuance of a written Request for Bids, proposals or quotations.
- (d) Goods. Refers to all types of tangible personal property including materials, supplies, and equipment.
- (e) Material Change. A change to essential terms in a contract including, not limited to, consideration, scope of Services, insurance and indemnity obligations, and assignment.
- (f) Informal Competitive Solicitation. A written request for a bid, proposal, or quotation in accordance with written terms and conditions included in the request.
- (g) Public Works Construction Agreement. Agreement for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind and awarded in compliance with competitive bidding statutes.
- (h) Requisition. A document generated by staff to identify and establish a requirement for, and request authorization of, the procurement of Goods and Services.

- (i) Service(s). The labor, intellectual property or other work product provided by a Contractor or Consultant that is not tangible personal property.

14.3 PROCUREMENT OF GOODS AND SERVICES.

- (a) Procurement Authority. Procurement authority shall be exercised and performed by the Board of Directors through the approval of warrants presented to the Board. This authority includes both the authority to approve procurements and the authority to commit the Agency to procurements. The Board of Directors may delegate certain authorities to the Agency's management and staff. These delegated authorities shall be exercised and performed in accordance with applicable federal, state, and local laws and the policies contained herein.
- (b) Procurement of Goods, Professional Services and Non-Professional Services. The Agency may procure Goods and Services as authorized below:
 - (1) Procurements of Goods, Professional Services and Non-Professional Services Less than \$500:
 - (i) The Executive Director may expend up to \$500 to purchase necessary supplies and equipment without secondary approval.
 - (2) Procurement of Goods, Professional Services and Non-Professional Services over \$500:
 - (i) Requires Board approval of a Purchase Order.
 - (ii) Signed by both the Board Chair and Treasurer.
 - (3) Amendments/ Change Orders / Revisions: Material Changes to a contract document require authorization. Approval and execution is subject to the thresholds established above and based on the final value of the Contract document after the change is incorporated.
- (c) Leasing of Goods. Leasing of Goods is subject to the same requirements established for the procurement of Goods, as defined in section (b).
- (d) Public Works. The procurement of Goods and Services for the construction of public works by the Agency shall be governed by California Public Contract Code sections 20640 et seq.
- (e) Amendments/ Change Orders/ Revisions: Material Changes to a Contract document require authorization. Approval and execution is subject to the thresholds established above and based on the final value of the Contract document after the change is incorporated. Change Orders within preapproved funding amounts require execution by the Board of Directors.

14.4 EMERGENCY PURCHASES AND SERVICES. In the event of an emergency, the Executive Director may make immediate purchases of Goods and Services pursuant to California Public Contract Code section 20640 *et seq.* Emergency purchases include any purchase required to prevent imminent danger or to prevent or mitigate the loss or impairment of life, health, property, or essential public services. Every effort shall be made to obtain advance approvals or to obtain approvals as soon as possible following the purchase.

14.5 PROCUREMENT OF CRITICAL GOODS AND SERVICES. When expenditures are made for the procurement of Critical Goods and Services, staff will use its best efforts to conform to the Informal Solicitation process, and shall not exceed \$1,000 per each critical repair or critical acquisition. Any expenditure for these types of repairs will be brought to the Board of Directors at the next regularly scheduled Board meeting for ratification.

ARTICLE 15. DEFINITIONS AND CONSTRUCTION

15.1 Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement. If any term of these Bylaws conflicts with any term of the Agreement, the Agreement's terms shall prevail, and these Bylaws shall be amended to eliminate such conflict of terms. Unless the context or reference to the Agreement requires otherwise, the general provisions, rules of construction, and definitions in the California Civil Code will govern the construction of these Bylaws.

EFFECT. These bylaws shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED on [DATE], by the following votes:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chair

ATTEST:

Secretary

[Seal]

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

Item No. 6(d)

DATE: July 26, 2018

TO: Board of Directors

FROM: Jennifer Tribo, Interim Executive Director

SUBJECT: Drug Free Workplace Policy

SUMMARY

Pursuant to Government Code Section 8355, the Agency is required to have a drug free workplace policy. The Agency must have a policy in place to move forward with the GSP grant.

Staff has prepared the attached policy, which is based on those used by other public agencies.

RECOMMENDED ACTION

It is recommended that the Board approve the attached Drug Free Workplace Policy.

BACKGROUND

A Drug Free Workplace Policy is required by DWR to receive grant funds. The attached Workplace Policy is excerpted from the Ventura River Water District policy.

FISCAL SUMMARY

Not applicable

Action: _____

Motion: _____ 2nd: _____

K. Brown___ M.Mobley___ G.Shephard___ J.Chambers___ C.Everts___

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

DRUG FREE WORKPLACE POLICY

ADOPTED July 26, 2018

A. POLICY

It is the policy of the Mound Basin Groundwater Sustainability Agency (Agency) to maintain a workplace environment free of drugs and alcohol.

B. APPLICATION

This Policy applies to all Agency employees, whether full or part-time and each employee is required to abide by its terms.

C. DRUG TESTING

An employee will be subject to alcohol and drug testing if there is reasonable suspicion the employee is under the influence of alcohol or legal or illegal drugs. An employee's refusal to consent to a drug or alcohol test may result in disciplinary action, up to and including termination.

D. VIOLATION OF POLICY

Any employee who is found through drug or alcohol testing to have in his or her body a detectable amount of an illegal or legal drug or of alcohol will be subject to either discharge or the issuance of a "Last Chance Agreement" for continued employment. An employee who has violated this Policy and has been offered a "Last Chance Agreement" may return to work under the following conditions: he or she has successfully completed a rehabilitation/treatment program; he or she has submitted to follow-up drug or alcohol testing, depending on the failed test; or he or she has received a verified negative test result.

E. DRUG TESTING

Lab procedures will be administered by a third party medical testing facility selected by the Agency. Alcohol testing will be conducted by using a breath-testing device approved by the National Highway Traffic Safety Administration. Drug testing will be conducted by obtaining a urine specimen from an employee. The specimen will be sent to the lab and screened. The Agency will test for the following substances: amphetamines/methamphetamines; cocaine; opiates; phencyclidine (PCP); and marijuana.

F. PERSONNEL

All records pertaining to drug and alcohol testing shall be in a confidential file kept under control of the Agency. The Agency shall provide each employee with a copy of the policy and obtain a written acknowledgement from each employee that the policy has been received and read. The Agency shall make any changes to this Policy at any time to ensure continued compliance with State and Federal laws or regulations.

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

Item No. 7

DATE: July 26, 2018
TO: Board of Directors
SUBJECT: Executive Director's Report

- a) Conflict of Interest Code Update**
- b) Basin Boundary Modification Update**
- c) Website Update**
- d) Stakeholder Director Terms**
- e) GSP Grant Update**

MOUND BASIN GROUNDWATER SUSTAINABILITY AGENCY

Item No. 8

DATE: July 26, 2018
TO: Board of Directors
FROM: Jennifer Tribo, Interim Executive Director
SUBJECT: Public Budget Workshop

SUMMARY

The Board anticipates assessing a groundwater extraction fee on pumpers within the Basin and is seeking feedback from stakeholders.

RECOMMENDED ACTION

The Board will hold a public workshop to consider public comments regarding the development of the budget necessary to fund the Agency and develop the GSP.

BACKGROUND

Under SGMA, a GSA is authorized to impose fees to help finance development and implementation of a GSP. Prior to adoption of a GSP, SGMA allows a GSA to impose fees, including permit fees and fees on groundwater extraction “or other regulated activity,” to fund the costs of a basin’s groundwater sustainability program. (Wat. Code § 10730(a).) Fees may also be assessed to fund the preparation, adoption, or amendment of a GSP, and may also be used to fund investigations, inspection, enforcement, and program administration. (Wat. Code § 10730(a).)

At its November 16, 2017 meeting, the Board discussed funding options for the Mound Basin GSA under SGMA. On December 21, 2017, the Board established an ad hoc committee for long-term funding options. The ad hoc committee met on March 12, 2017.

At the March 15, 2018 Board meeting, the ad hoc committee presented information on the amount of pumping in the basin and discussed a potential fee that would support the Agency’s annual budget during development of the GSP.

At its June 21, 2018 meeting, the Board provided feedback to the ad hoc committee concerning adjustments to the GSP scope of work and schedule in order to reduce overall Agency costs and even out the budget from year to year.

FISCAL SUMMARY

Depending on the direction of the Board, there could be a fiscal impact associated with this item.