

20th Antelope Valley IRWMP Stakeholder Meeting
Palmdale Water District
October 24, 2007

Meeting Highlights

Meeting Attendees:

Adam Ariki, LACWWD40,
Alexis Upton-Knittle, The Fernwood Group,
Alison Evans, Kennedy/Jenks,
Bob Beeby, SAIC,
Bob Large, The Lakes Town Council,
Brad Bones, LCID,
Brian Dietrick, LACSD,
Bruce Hamamoto, LADPW,
Chad Reed, Quartz Hill Water District,
Curtis Paxton, PWD,
Dave Rydman, LACWWD40,
David Pedersen, LACWWD40,
David Rizzo, AVEK,
Debra Gillis, Antelope Valley Resources Conservation District,
Dennis LaMoreaux, PWD,
Dick Wells, PWD,
Doug Burgis, Quartz Hill Town Council,
Gene Nebeker, Nebeker Ranch,
Gordon Phair, City of Palmdale,
Gretchen Gutierrez, Antelope Valley Building Industry Association,
Gunnar Hand, LA Dept. Regional Planning,
James Brooks, Sun Village Town Council,
James Welling, Kern County,
Johnny Argo, LACSD/Association of Rural Town Councils,
Jonathon Dale, Tybrin Corp., Edwards AFB,
Joseph DeFrancis, Community member,
Josh Mann, Antelope Valley Board of Trade,
Ken Kirby, Kirby Consulting Group
Laura Blank, LA County Farm Bureau,
Lauren Everett, Kennedy/Jenks,
Leon Swain, City of Palmdale,
Lloyd Cook, The Fernwood Group,
Mel Lawson, Rio Tinto Minerals,
Michael Bevins, City of California City,
Nicole West, City of Lancaster,
Peter Zorba, City of Lancaster,
Thomas Mele, Tybrin Corp., Edwards AFB,
TJ Kim, LACWWD40,
Tom Barnes, AVEK,
Vance Pomeroy, Juniper Hills Town Council,
Vickie Nelson, Antelope Acres Town Council,
Wendy Reed, Antelope Valley Conservancy,
Yvonne Malikowski, Lake Los Angeles Park Association,

Meeting Objectives

- ✓ Announcements & Updates
- ✓ Release of Final Draft IRWM Plan
- ✓ Items for Discussion
- ✓ Governance Subcommittee Recommendations
- ✓ Status of Prop 50 Step 2 Round 2 Grant Application
- ✓ Discuss Next Steps

Announcements & Updates

- ✓ DWR held IRWM Grant Program Workshops on Props 84 & 1E
 - DWR plans to release Draft Guidelines for Props 84/1E in December; Final in April '08
 - Comments on workshop content was due Oct. 19th
 - Plan to submit comments during the Draft Guideline comment period
 - No legislative appropriations of funding for fiscal year '07-'08
- ✓ DWR will hold a workshop on the Local Groundwater Assistance Grant Program in Nov
 - PSP expected to be released mid-Oct

Release of Final Draft IRWM Plan

- ✓ Released on October 17th to www.AVWaterPlan.org
- ✓ Last chance to submit comments before Plan is adopted
- ✓ Comments due by Oct 31st

General Comments

Wendy Reed: Thanked the stakeholders for their high prioritization ranking of Antelope Valley Conservancy's project, the Antelope -Fremont Watershed Assessment and Plan and asked why the Support column was not a "1".

****Action:** The Final Plan will be amended in Table to indicate that the Stakeholder group has broad support for the project by showing a "1" in the broad support column in Table 7-1.

Items for Discussion

Prop 50 Disclosure of Grant Application Being Effected by Adjudication

We have received comments that the Proposition 50 grant application does not adequately disclose how some of the proposed projects may be affected by legal proceedings related to the adjudication

****Action:** Include a statement in the Proposition 50 Step 2 Grant application that some of the proposed projects may be affected by legal proceedings related to the adjudication. Obtain and include specifics about request to enjoin certain actions made to the court.

Proposition 50 Step 2 Grant needs to include a statement that some of the projects proposed are subject to ongoing adjudication in the AV Basin (e.g., groundwater banking), and may

require changes to the design or concept after the settlement solution is established, and prior to implementation.

A.V. United Water Purveyors, Inc. Withdraws from IRWM Planning Process Until Adjudication is Complete

After conferring with its member mutual water companies, the A.V. United Water Purveyors, Inc. has withdrawn from further participation in the IRWMP at this time. Because of the adjudication in process, the Mutuals stated that they do not feel comfortable participating further until the legal process is completed.

CEQA

Options for CEQA compliance related to the IRWM Plan

- ✓ No CEQA document prepared or filed –IRWMP not subject to CEQA; or
- ✓ IRWMP determined to be a “project”, but Exempt under CEQA, a Notice of Exemption (NOE) to be filed.
 - Determine appropriate Lead Agency: LACWWD40? AVSWCA?
 - NOE to be filed on behalf of all RWMG Stakeholders; and/or
 - Each RWMG member to file separate NOE
- ✓ Prepare full Environmental Impact Report

**Action: LA County is willing to act as Lead Agency on behalf of the RWMG agencies, and will file a Notice of Exemption for preparation and adoption of the IRWMP. Each signatory to the MOU will also file an identical NOE, and clarifying language regarding the need for future CEQA compliance when any program actions are taken will be added into the Introduction of the Plan, as recommended by the City of Palmdale’s Assistant City Attorney.

Contract Authority for IRWMP Implementation

The AVSWCA Board of Directors has approved its acting as the Contract Authority (between the State and each project proponent) for administration efforts under the IRWMP Implementation (and with grants, etc.).

Adjudication

During a discussion about the recommended near-term governance structure to implement the IRWM Plan, the interactions between the adjudication and the IRWM Plan implementation were discussed. A few highlights:

Bob Beeby: Once the adjudication has been settled, and a Water Master identified, they will assume true legal authority for the use of groundwater in the Basin. How will this affect the Plan’s implementation or the interaction with the AVSWCA and other signatories to the MOU?

Ken Kirby: It is unknown who will be appointed as Water Master or how they will interact with the RWMG. Although the settlement will define who can use the water, and how much they can use, the adjudication is more of a “what happened in the past” discussion, and the IRWM Plan is more about “what we need to do to meet water management objectives in the future”. The adjudication is necessary to stabilize water management in the region, but not sufficient to meet future need.

Gene Nebeker: The adjudication will set forth the rules on a Physical Solution that is at the very crux of this IRWMP. Don't want to see the RWMG continue in the past spirit of aggressive actions as measures are being implemented in the future.

Question: Should more language be added into the Plan to clarify that the intent of the IRWMP is not to be a "part" of the adjudication in any manner, or should the language be strengthened to state that the IRWMP shouldn't even be considered by the Court?

Discussion: The separation between the two efforts (adjudication and IRWM Plan) should be made very apparent so each effort can proceed at their own pace. However, although the intent of the IRWMP is not to have information used out of context or in an adverse manner as part of court proceedings, we have no control over the use of the Plan since it is a public document.

****Decision:** Ken will review the language describing the intent in the Plan. If needed, he will revise the language to clearly state the intended separation of the efforts.

Prop 50, Step 2 Grant Application Project Information

- ✓ DWR Released updated Step 2 Schedule
 - Draft Call Back List in November
 - Final Call Back List in December
 - Application Due in January
- ✓ Step 2 evaluates the 7 identified projects (Step 1 evaluated the IRWM Plan)
 - Step 2 is a much greater effort than Step 1
 - Includes a detailed economic analysis
 - Requires quantification of water supply & water quality benefits
- ✓ Project Sponsors are working on updating project descriptions

A request for the formation of a subcommittee was made to refine and develop the WC-1 Conservation Program put forward in the Step 1 Grant Application, which currently is very general in nature and lacking specific detail.

Volunteers to the WC-1 Subcommittee include: Gretchen Gutierrez (AV Building Industry Association), Claudette Roberts (PWD), Laura Blank (Los Angeles County Farm Bureau), an Antelope Valley Conservancy representative, and Nicole West (City of Lancaster). These volunteers will join Melinda Barrett (LACWWD40) and Neil Weisenberger (AVWCC). K/J will coordinate and offer assistance to the subcommittee, as needed. The role of this subcommittee will be to help define what specific actions are planned as part of WC-1 for the Proposition 50 Step 2 grant application, and how all of the components will be tied/merged together to form a regional conservation effort/program.

The meeting minutes of the WC-1 Subcommittee will be publicized to the Stakeholder group.

Next Steps

- ✓ Take Final IRWM Plan to Boards for Adoption
 - Notice of Adoption & Resolution of Adoption Documents to be provided to RWMG
- ✓ Hold Adoption Hearings
- ✓ Complete Prop 50, Step 2 Grant Application
- ✓ Begin implementation meetings

For those agencies that are not RWMG, those agencies can write letters of endorsement to their Boards

Proposal for Additional Consulting Services

The consultant team introduced a proposal to the Stakeholder Group a proposal for scope of services to fund the first steps for implementation. The proposal included the following tasks:

- ✓ Assist in Adoption of IRWMP (CEQA assistance, etc.)
- ✓ Help Leadership Team with the Following:
 - Establish Work Plan and Budget for 2008
 - Select Staff
 - Set up Reporting Mechanism for Performance Measures
 - Formalize Procedures for Submitting Project Ideas and Plan Updates
 - Establish Outreach and Communications Plan
- ✓ Hold three meetings: Dec, Jan, and Feb

The fee for the proposed budget was \$57,000. The Regional Water Management Group (RWMG) members approved the proposal verbally during the meeting, noting that some members had to return to their respective boards for approval, and agreed to split the cost of the proposed work evenly among the 11 members.

LACWWD agreed to take lead on this contract and work with the AVSWA to eventually take on the role of contracting with consultants.

Governance Subcommittee Recommendations

The Governance Subcommittee recommended an expanded or new MOU to the Stakeholder Group outlining a collaborative governance structure to implement the IRWM Plan. Draft terms of the MOU agreement describing the organization, roles, and representation & decision making were discussed among the Stakeholders and the terms were agreed upon. Nominations for the Leadership Team were then held during the meeting according to the processes outlined in the draft terms of MOU agreement. (See attached.)

Leadership Team

- ✓ Nominate people to represent stakeholder views for the following categories:
 - Agriculture
 - Conservation, Environmental, and Water Quality
 - Industry and Commerce
 - Municipalities
 - Mutual Water Companies
 - Public / Land Owners / Rural Town Councils
 - Urban water suppliers

Question: Should the Mutual Water Company position remain open and not filled (with the idea that the A.V. United Water Purveyors, Inc. will return to the IRWMP process), or should the position be filled by another representative?

Discussion: Because there is so much work ahead in the upcoming months related to the Grant application and other implementation actions, it would be better to have 7 people on the working team rather than leaving one position open.

****Decision:** If a Stakeholder is willing and able to fill the position, and to act on behalf of the Mutual Water Company perspectives in the AV Region in helping to implement the Plan, then it should be filled. If (or when) John Ukkestad comes back to the table, the position can be revisited, if needed.

Nominations and Selection for Leadership Team

<i>Group</i>	<i>Nominee</i>	<i>Votes</i>
Agriculture:	Gene Nebeker	10
	<u>David Rizzo</u>	++
Conservation:	Dave Rydman (removed from consideration for this category)	
	Richard Campbell	7
	<u>Brian Dietrick</u>	++
Industry:	<u>Gretchen Gutierrez</u>	26
	Mel Lawson, Rio Tinto	8
Municipal:	Leon Swain	12
	<u>Randy Williams</u>	17
Mutual Water:	John Goit	15 / 11
	<u>Vickie Nelson</u>	14 / 18
Public/Rural TC:	<u>Wayne Argo</u>	29
	Vance Pomeroy (conceded his nomination to Wayne Argo)	
	Joe DeFrancis	5
Water Suppliers:	Curtis Paxton	15 / 12
	<u>Dave Rydman</u>	15 / 21

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- ✓ Begin implementation meetings

All Leadership Team meetings will be publicized to the stakeholder group, as well as the meeting minutes.

Draft Governance Recommendations

For Implementation of the Antelope Valley IRWM Plan

Offered by the Governance Subcommittee

October 24, 2007

Purpose of Subcommittee

The Governance Subcommittee was formed to prepare a recommendation for the Integrated Regional Water Management (IRWM) Plan Stakeholder Group about how to establish an effective governance structure to implement the IRWM Plan.

Considerations and Recommendations

Members of the Governance Subcommittee participated in a conference call on August 22, 2007 and met three times in person (August 29, 2007, September 12, 2007, and October 10, 2007) to discuss options and craft a recommendation. During these discussions, the Governance Subcommittee discussed and established priority objectives and recommended roles for the new governance. The Subcommittee also explored potential forms for the new governance while considering different time horizons. The group decided to recommend an approach that can be implemented quickly (by January 2008), with a commitment to evaluate the effectiveness of the new governance structure periodically. Once functioning, the governance group will reinitiate discussions about whether a more formal structure would be beneficial for implementation of the IRWM Plan over the long term.

Recommended Structure

The Governance Subcommittee recommends that governance continue through an amended or new Memorandum of Understanding (MOU) for the Regional Water Management Group (RWMG). The RWMG was formed in 2006 by MOU to develop the Antelope Valley IRWM Plan. The RWMG has worked together with a large, public stakeholder group using an approach called facilitated broad agreement.

This type of governance (MOU based) is voluntary on the part of the signatories to the MOU, and relies on the members of the RWMG to choose to collaborate. This approach has worked well during development of the IRWM Plan.

Draft Terms of MOU

The amended or new MOU agreement will address the following topics:

- Organization
- Roles
- Representation and Decision Making

Organization

The recommended Governance Structure for Implementation will include three groups:

1. **Regional Water Management Group** – an oversight body comprised of one representative from each signatory to the MOU
2. **Leadership Team** – a working group comprised of seven people nominated and elected from the Stakeholder Group to provide focused initiative and effort to accomplish the two-three year objectives for the Governance Structure. Members of the Leadership Team may or may not be members of the RWMG.
3. **Stakeholder Group** – an open group of interested people that participate in public meetings related to the update and implementation of the Antelope Valley IRWM Plan. Anyone may participate as part of the Stakeholder Group if they are willing to abide by the group's Code of Conduct.

Roles

1. The **Regional Water Management Group** will:
 - a. Promote regional cooperation among their respective agencies or organizations focused on implementing the IRWM Plan
 - b. Provide funding to support cooperative efforts focused on implementing the IRWM Plan
 - c. Provide financial oversight for efforts using shared funds
 - d. Approve (or deny) recommendations for use of shared funds made by the Leadership Team on behalf of the Stakeholder Group
 - e. Provide a decision mechanism (by majority vote where each representative has a single vote) in instances where facilitated broad agreement within the Stakeholder Group cannot be reached
 - f. Empower the Leadership Team to fulfill the roles outlined below
2. The **Leadership Team** will:
 - a. Collaborate with the Stakeholder Group and others
 - b. Call public / stakeholder meetings, set agendas, and lead meetings
 - c. Schedule and conduct at least six meetings with the Stakeholder Group during calendar year 2008
 - d. Provide quarterly progress reports and updates to the IRWM Plan
 - e. Initiate actions with the Stakeholder Group to identify, select, and apply for appropriate funding opportunities
 - f. Recommend to the Stakeholder Group, hire, and manage consultants as needed
 - g. Gather, compile and manage data as defined in IRWM Plan and any grant related contracts received to implement the IRWM Plan

- h. Identify and provide needed expertise when appropriate
- i. Prepare an annual budget each year and present to the Stakeholder Group and RWMG for approval
- j. Manage operating funds as provided by the approved budget
- k. Serve as central point of contact for RWMG and IRWM Plan Implementation. The Leadership Team will select one person to serve as the designated point of contact on behalf of the Implementation Governance Structure. This person may or may not be a member of the Leadership Team.
- l. Provide facilitation for implementation process
- m. Identify and coordinate with staff dedicated to supporting the roles of the Leadership Team
- n. Coordinate with a legal entity (e.g., Antelope Valley State Water Contractors Association) willing to act on behalf of the Stakeholder Group to:
 - i. Execute and manage contracts as approved by the RWMG and Stakeholder Group
 - ii. Oversee receipt and processing of financial transactions
 - iii. Provide annual audited reports of financial transactions according to accepted accounting practices
- o. Initiate discussions related to long-term governance preferences
- p. Provide spokesperson or advocate to represent the Stakeholder Group and RWMG related to implementation of the IRWM Plan

Representation and Decision Making

1. Regional Water Management Group:

- a. Each signatory of the current RWMG MOU will continue as members of the RWMG
- b. New entities may join the RWMG by becoming a signatory to the MOU if approved by existing members
- c. Each member of the RWMG will contribute at least 5% of annual budget for Leadership Team functions through cash or in-kind services
- d. Entities that are not members of the RWMG may contribute funding or in-kind services to support the activities of the Leadership Team without becoming signatories to the MOU
- e. Each organization that is a signatory to the MOU will appoint one representative to serve on the RWMG
- f. Each member of the RWMG will have one vote

- g. If broad agreement cannot be reached, actions may be taken by the RWMG based on a simple majority vote

2. Leadership Team:

- a. Shall consist of seven members selected by the Stakeholder Group to represent the following categories for staggered three year terms¹:
 - i. Agriculture (2010)
 - ii. Conservation, Environmental, and Water Quality (2011)
 - iii. Industry and Commerce (2009)
 - iv. Municipalities (2010)
 - v. Mutual Water Companies (2011)
 - vi. Public / Land owners / Rural Town Councils (2009)
 - vii. Urban water suppliers (2010)
- b. Nominations for each category can be made by any member of the Stakeholder Group and will be made during a Stakeholder Meeting
- c. If the person nominated is willing to serve on the Leadership Team as described, that person will be considered as a potential member by the Stakeholder Group
- d. Nominations for each open category will be discussed by the Stakeholder Group during a Stakeholder Meeting. When more than one qualified nomination is made per category, the Stakeholder Group will choose one team member per category. Selections will be made using facilitated broad agreement. If a selection cannot be made using broad agreement, a selection will be made based on simple majority vote. Each Stakeholder Group member present may cast one vote per category.
- e. If a Leadership Team position becomes vacant before the regularly scheduled reselection year, the same selection process described in this section will be used to select a replacement.
- f. Leadership Team members cannot designate an alternate.
- g. Members of the Leadership Team will strive to make decisions based on broad agreement. If broad agreement cannot be reached on a particular matter, a simple majority vote can be used to move forward.

¹ Members for each category will be reselected in the year shown and every three years following.

- h. If the Stakeholder Group is not satisfied with the performance of one or more Leadership Team members, one or more members of the Stakeholder Group can request that the RWMG conduct a new nomination and selection cycle for the category (or categories) not being served satisfactorily.

Priority Objectives for New Governance Structure

During the meeting on August 29, 2007 the Governance Subcommittee identified and prioritized the following draft objectives for the new governance structure to help accomplish within the next two – three years:

Draft Objective	Priority Vote (5 is highest Priority)
Provide leadership to implement IRWM Plan and conduct regular open stakeholder meetings and provide quarterly updates	5.0
Accomplish water recycling program at some level	4.7
Assume authoritative liaison with DWR and contract	4.7
Bank X acre-feet of water for regional benefit	4.7
Complete 3 high priority projects	4.7
Seek additional funding opportunities	4.7
Establish enforceable water conservation policies	4.5
Identify promising sites for groundwater recharge	4.5
Provide assistance to local agencies to implement projects that provide regional benefit (technical, financial, advisory, legal, grant writing, oversight assistance)	4.5
Gather and manage performance information for IRWM Plan (gather information to protect water quality)	4.0

Background Discussions by Governance Subcommittee

Recommended Roles for a New Governance Structure

During the meeting on August 29, 2007 the Governance Subcommittee identified recommended roles for a new governance structure to serve within first two - three years:

- Provide focused leadership for implementing and updating IRWM Plan
- Serve as contracting agency for state or federal grant funds related to implementation of IRWM Plan
- Track and report performance related to IRWM Plan goals
- Focus efforts to identify potential sources of outside funding and assist local entities to compete for those funds
- Provide leadership to focus cooperative efforts for broad regional planning and implementation efforts such as:
 - regional water recycling
 - regional water quality preservation
 - regional water conservation programs
 - regional data and information management
 - regional groundwater banking program

Factors Needed to Fulfill Objectives and Recommended Roles

The following factors must be provided within a new governance structure to accomplish successfully the draft goals and serve the recommended roles:

- People dedicated to provide leadership
 - Initiate actions
 - Collaborate with others
 - Call public / stakeholder meetings, set agendas, and lead meetings
 - Prepare documents for quarterly updates
 - Identify, select, and apply for appropriate funding opportunities
- Capability to gather, compile and manage data and information
- Ability to execute and manage contracts
- Ability to receive and process financial transactions and meet acceptable accounting standards
- Expertise
- Operating funds
- Point of contact
- Process facilitation

Meeting Code of Conduct

In order to foster open dialogue and meaningful discussion during our meeting, I promise to:

- Be willing – I choose to participate fully.
- Be kind – I choose to treat others with dignity and respect.
- Be open – I choose to consider new ideas and perspectives.
- Be truthful – I choose to share accurate facts about my situation.