

# WEST TURLOCK SUBBASIN GROUNDWATER SUSTAINABILITY AGENCY

February 02, 2017 - 6:00 PM  
Initial Meeting

Turlock Irrigation District, Board Room 105  
333 E. Canal Drive, Turlock, California

## AGENDA

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### BOARD MEMBERS

Chris Vierra, City of Ceres  
Dillard Worsham, Delhi County Water District  
David Odom, Denair Community Services District  
Curtis Jorritsma, Hilmar County Water District  
Jeremy Young, City of Hughson

Lloyd Pareira, Merced County  
Miguel Alvarez, City of Modesto  
Vito Chiesa, Stanislaus County  
Gary Soiseth, City of Turlock  
Joe Alamo, Turlock Irrigation District

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1. **CALL TO ORDER AND INTRODUCTION OF BOARD MEMBERS** *(Tou Her)*
2. **STAFF UPDATES**
  - Staff will provide a brief overview of the Sustainable Groundwater Management Act and the West Turlock Subbasin Groundwater Sustainability Agency (GSA) *(Tou Her)*
3. **PUBLIC COMMENT PERIOD**

Interested persons in the audience are welcome to introduce any topic within the Agency's jurisdiction. No action may be undertaken on any item not appearing on the posted agenda, except that the Board may briefly respond to the comments, refer the matter to staff, or request it be placed on a future agenda.
4. **ELECTION OF OFFICERS** *(Tou Her)*

The Joint Powers Agreement for the West Turlock Subbasin GSA requires that officers be elected at their initial meeting.

**ACTION:** Elect a Chair and Vice-Chair.

**5. GSA STAFFING** *(Tou Her)*

Staff will review four different approaches to staffing the West Turlock Subbasin GSA, and will provide a recommendation on the appointment of a Secretary and a Treasurer.

**ACTION:** Appoint a Secretary and a Treasurer.

The Board will discuss the positions of Executive Director and Legal Counsel, but will not take any formal action on these positions at this meeting.

**6. TECHNICAL ADVISORY COMMITTEE** *(Tou Her)*

Staff will discuss the need for a Technical Advisory Committee for the West Turlock Subbasin GSA. There will be discussion but no formal action taken by the Board

**7. AMEND EXHIBIT E OF THE JPA FORMING THE WEST TURLOCK SUBBASIN GSA** *(Tou Her)*

Staff will request the Board take action and amend Exhibit E of the JPA concerning the removal of the Monterey Park Tract Community Services District from the West Turlock Subbasin GSA.

**ACTION:** Motion to amend Exhibit E of the JPA forming the West Turlock Subbasin GSA to remove Monterey Park Tract Community Services District as an Associate Member of the GSA.

**8. BUDGET** *(Tou Her)*

Staff will review the requirement to adopt a budget and also provide a proposed initial budget for the Board's review and approval.

**ACTION:** Motion to adopt the Initial 2017 Budget of the West Turlock Subbasin GSA and directing the Treasurer to collect the annual membership fees from all Members and Associate Members.

**9. BYLAWS** *(Tou Her)*

Staff will review and ask for comments on the Draft Bylaws of the West Turlock Subbasin GSA. This item is for discussion purposes only, and no formal action will be taken by the Board.

**10. PUBLIC HEARING REGARDING GSA ELECTION** *(Tou Her)*

The Sustainable Groundwater Management Act requires a GSA to be successfully formed with the Dept. of Water Resources by June 30, 2017. A public hearing of the agency's intent to become a GSA must be scheduled and held as part of this process.

**ACTION:** Motion setting the public hearing date(s) and directing the Secretary to post a notice of the public hearing(s).

- 11. COORDINATION WITH EAST TURLOCK SUBBASIN GSA** *(Tou Her)*  
Staff will provide an update on coordination with the East Turlock Subbasin GSA to develop a single Groundwater Sustainability Plan. This item is for discussion purposes only and no formal action will be taken by the Board.
- 12. COMMENTS FROM THE BOARD**  
Board Members may provide a brief report on notable topics of interest. The Brown Act does not allow discussion or action by the Legislative Body.
- 13. ADJOURNMENT**

## WEST TURLOCK SUBBASIN GROUNDATER SUSTAINABILITY AGENCY

### STAFF REPORT

#### 1. CALL TO ORDER

#### 2. STAFF UPDATES (INFORMATIONAL)

The Sustainable Groundwater Management Act (SGMA) was passed in 2014 and became law on January 1, 2015. SGMA requires that all high and medium priority groundwater basins be managed by one or more groundwater sustainability agencies (GSA) and develop one or more groundwater sustainability plans (GSP). Each basin that is subject to SGMA must have all of its geographic area covered by one or more GSAs by June 30, 2017. Any public agency that has water or land use management authority may elect to be a GSA. Each GSA is responsible for developing a GSP or working with other GSAs in the basin to develop a collective GSP.

The Turlock Subbasin is considered a high priority groundwater subbasin and, therefore, is subject to SGMA. The agencies within the Turlock Subbasin that have water or land use management authority have agreed to form two GSAs, a West Turlock Subbasin GSA and an East Turlock Subbasin GSA. The signatory agencies of the two GSAs have committed to developing a single GSP.

Staff from the members of the West Turlock Subbasin GSA (Agency) worked collaboratively during 2016 to develop the Joint Powers Agreement forming the West Turlock Subbasin GSA (JPA). The JPA has been officially approved by all members of the Agency. Ten agencies have elected to be Members and four have elected to be Associate Members, as noted in the table below. Members have a Board seat and voting privileges while Associate Members do not have a Board seat or voting privileges, but can participate in committees.

The February 02, 2017 Board meeting is the initial Board meeting of the Agency.

#### Members and Associate Members

Agency Name	Membership Status
City of Ceres	Member
City of Hughson	Member
City of Modesto	Member
City of Turlock	Member
Delhi County Water District	Member
Denair Community Services District	Member

Hilmar County Water District	Member
Merced County	Member
Stanislaus County	Member
Turlock Irrigation District	Member
City of Waterford for Hickman	Associate Member
Monterey Park Tract Community Services District	Associate Member
Stevinson Water District	Associate Member
Keyes Community Services District	Associate Member

**3. PUBLIC COMMENT PERIOD**

**4. ELECTION OF OFFICERS (ACTION)**

The JPA for the Agency requires that the Board of Directors (Board) elect officers at its initial meeting. The officers that must be elected include: Chair and Vice-Chair. (JPA, at 8.1.)

Process of Election: Election of officers must be by a motion to nominate, supported by a second motion, and followed by a vote of the Board of Directors. Any person wishing to nominate themselves may do so. Such a nomination must receive a second motion and a vote.

Chair. The Chair must be a Board member. The duties of the Chair are to preside at all Board meetings.

Recommendation: Staff recommends opening the floor for nomination and approval of the Chair.

Vice-Chair. The Vice-Chair must be a Board member. The duties of the Vice-Chair include presiding over Board meetings in place of the Chair and otherwise acting in place of the Chair when the Chair is absent.

Recommendation: Staff recommends opening the floor for nomination and approval of the Vice-Chair.

**5. GSA STAFFING**

Staffing for joint powers authorities (Authority) often depend on the size of the Authority and complexity of the issues it was formed to address. So far, this group has been facilitated by TID staff with input and participation of all other members at a staff level.

Generally there are four different approaches for staffing an Authority :

- **Independent Employee:** The Authority is authorized to hire and employ its own staff. (JPA, at 10.3.) Such employees would work for the Authority; they do not work for any specific Member, but, rather, are directed by the Authority's Board of Directors. They would be paid out of the Authority's general budget.
- **Member with Reimbursement:** Often, the staff of an Agency Member may also fill a staffing role at the Authority. The Member pays its staff to cover the Authority's position and the Authority agrees to reimburse the Member for the costs covering the Member's work for the Authority.
- **Member without Reimbursement:** An Agency Member may allow its staff to fill a position at the Authority without being reimbursed. This often occurs when the Member has staff that would be working on issues covered by or overlapping with the Authority.
- **All Members/Committee Structure:** The Authority may choose to use all or a portion of the Members staff to work in a committee structure to perform work that may otherwise be performed by staff. For example, often when an Authority does not hire separate counsel employed by the Authority, a legal committee comprised of all of the Member's attorneys work collectively to represent the individual Members and take action collectively in the name of the Authority.

## **(ACTIONS)**

Secretary. The JPA considers the Secretary to be an officer of the Board. However, the Secretary does not need to be a Board member, but instead, can be a staff member of one of the Member agencies. The duties of the Secretary are to keep minutes of each Board meeting, provide the minutes to Board members for review, record votes for action items, facilitate signature of resolutions, and other administrative management.

Recommendation: Staff recommends the Board appoint Dorinda Soiseth from Turlock Irrigation District to act as interim Secretary, and approve reimbursement to TID for the costs to cover Ms. Soiseth's time working for the Agency.

Treasurer. The JPA states that TID will fill the role of Treasurer until the Agency appoints an independent Treasurer. The Treasurer of the Agency shall be the depositor and shall have custody of all Agency funds from whatever source.

Recommendation: Staff recommends the Board appoint Michael Clipper from Turlock Irrigation District to act as interim Treasurer, and approve reimbursement to TID for the costs to cover Mr. Clipper's time working for the Agency.

**(INFORMATIONAL)**

Executive Director. The JPA allows the Board to select an Executive Director at any time. In addition, the JPA provides that prior to the Board selecting an Executive Director, the Board may establish a committee which will generally perform the duties of an Executive Director. Per the different approaches set forth previously, the Board may hire an outside Executive Director, reimburse Member staff to act as Executive Director, allow Member staff to donate Executive Director services, or set up a committee to perform the duties of an Executive Director.

The Board may choose to appoint an Executive Director immediately or the Board may choose to have the Technical Advisory Committee perform the duties of the Executive Director, in which case, the Board may appoint a Chair and Vice-Chair to lead that committee.

Staff will provide a recommendation for the Board to consider at the next Board meeting.

Legal Counsel. The JPA allows the Board to hire legal counsel as it deems appropriate. It may be appropriate to consider both general and special SGMA counsel positions. A general counsel would provide counsel with regard to Brown Act matters, employment issues, JPA amendments, and other general business issues with the Agency. Special SGMA counsel would provide advice and guidance related to compliance with SGMA, including formation of GSA, coordination agreements, and development of a groundwater sustainability plan. Per the different approaches set forth above, the Board may hire an outside counsel, reimburse Member counsel to act as general and/or special counsel, allow Member counsel to donate general and/or special counsel services, or set up a legal committee to perform the duties of counsel.

Note that with the legal counsel position, conflict waivers may need to facilitate any specific Member's counsel that also represents the JPA in any capacity.

Staff will provide a recommendation for the Board to consider at the next Board meeting.

**6. TECHNICAL ADVISORY COMMITTEE (INFORMATIONAL)**

The JPA allows the Agency to establish internal committees comprised of the staff of the Members and Associate Members of the Agency. Prior to the execution of the JPA, staff from each of the agencies has been collaborating on GSA formation and SGMA compliance issues.

There is a need for staff to continue to engage regarding staff reports for the Agency and provide other recommendations to the Board with regard to SGMA compliance.

Staff will provide a recommendation for the Board to consider at the next Board meeting.

## **7. AMEND EXHIBIT E OF THE JPA FORMING THE WEST TURLOCK SUBBASIN GSA (ACTION)**

Subsequent to the approval of the JPA, Monterey Park Tract Community Services District decided that it does not need to participate further as an Associate Member of the JPA.

Article 18.1 of the JPA allows a Member or Associate Member to withdraw from the JPA without causing or requiring termination of this Agreement, effective after the Member has obtained alternative coverage under the Sustainable Groundwater Management Act through another groundwater sustainability agency.

On January 23, 2017, the Monterey Park Tract Community Services District Board of Directors approved a resolution electing not to be an Associate Member of the JPA and further electing not to become its own GSA or be a member of another GSA without first approaching the Agency. The Monterey Park Tract Community Services District and their service area will fall under the jurisdiction of the West Turlock Subbasin GSA.

Exhibit E of the JPA shows Monterey Park Tract Community Services District as an Associate Member with annual fees of \$2,000 per year.

Recommendation: Staff recommends the Board amend Exhibit E of the JPA to reflect removing Monterey Park Tract Community Services District as an Associate Member of the West Turlock Subbasin GSA.

## **8. BUDGET (ACTION)**

The JPA states that the Agency shall approve an initial budget at its first meeting. Article 16 of the JPA also sets out the required membership annual fees for all Members and Associate Members. Because the initial budget of the Agency is dependent on employment and reimbursement decisions of the Agency that have yet to be made, an initial budget is attached. This budget may be amended by the Board at future meetings upon notice and affirmative vote.

Recommendation: Staff recommends the Board adopt the Initial 2017 Budget and direct the Treasurer to collect the annual membership fees from all Members and Associate Members.

## **9. BYLAWS (INFORMATIONAL)**

DRAFT Bylaws are included with this Staff Report for review and consideration. These bylaws should be reviewed by each Member and Associate Member's legal counsels. After receiving input from legal counsels, the Bylaws will be finalized and presented to the Agency for adoption at a future Board meeting.



## **10. PUBLIC HEARING REGARDING GSA ELECTION (ACTION)**

The main purpose of the Agency is to comply with the Sustainable Groundwater Management Act (SGMA) and successfully elect to be a groundwater sustainability agency with the Department of Water Resources by June 30, 2017. There are several steps that an agency must take in order to elect to become a GSA. First, it must be a public agency, or a joint powers authority made up of public agencies. Second, the public agency must properly notice a public hearing of the agency's intent to become a GSA. Third, the public agency must hold a public hearing. Fourth, the public agency must provide the election package to DWR. Fifth, 90 days after a complete GSA application is provided to DWR, the agency is presumed to be the exclusive GSA over the areas it proposed to manage.

Recommendation: Staff recommends the Board set the public hearing date(s) and direct the Secretary to post notice of the public hearing(s) as determined.

## **11. COORDINATION WITH EAST TURLOCK SUBBASIN GSA (INFORMATIONAL)**

The Agency will manage groundwater resources in the western portion of the Turlock Subbasin. However, the eastern portion of the basin will be managed by the East Turlock Subbasin Groundwater Sustainability Agency. The two GSAs hope to work collaboratively to develop a single, basin-wide GSP. This can be accomplished through a Memorandum of Understanding (MOU) between the two GSAs. To the extent it is not possible to develop a single GSP for the basin, the two GSAs will be required to enter into a coordination agreement to assure the GSPs are coordinated.

## **12. COMMENTS FROM THE BOARD**

## **13. ADJOURNMENT**

## Exhibit E

### Annual Membership Fees

Agency Name	Membership Status	Annual Fees
City of Ceres	Member	\$10,000
City of Hughson	Member	\$10,000
City of Modesto	Member	\$10,000
City of Turlock	Member	\$10,000
Delhi County Water District	Member	\$10,000
Denair Community Services District	Member	\$10,000
Hilmar County Water District	Member	\$10,000
Merced County	Member	\$10,000
Stanislaus County	Member	\$10,000
Turlock Irrigation District	Member	\$10,000
City of Waterford for Hickman	Associate Member	\$2,000
Monterey Park Tract Community Services District	Associate Member	\$2,000
Stevinson Water District	Associate Member	\$2,000
Keyes Community Services District	Associate Member	\$2,000

## INITIAL 2017 BUDGET

### Annual Membership Fees

<b>Agency Name</b>	<b>Membership Status</b>	<b>Annual Fees</b>
City of Ceres	Member	\$10,000
City of Hughson	Member	\$10,000
City of Modesto	Member	\$10,000
City of Turlock	Member	\$10,000
Delhi County Water District	Member	\$10,000
Denair Community Services District	Member	\$10,000
Hilmar County Water District	Member	\$10,000
Merced County	Member	\$10,000
Stanislaus County	Member	\$10,000
Turlock Irrigation District	Member	\$10,000
City of Waterford for Hickman	Associate Member	\$2,000
Stevinson Water District	Associate Member	\$2,000
Keyes Community Services District	Associate Member	\$2,000
<b>TOTAL INITIAL BUDGET</b>		<b>\$106,000</b>

**BYLAWS FOR THE**

**WEST TURLOCK SUBBASIN  
GROUNDATER SUSTAINABILITY AGENCY**

**ADOPTED [DATE]**

**DRAFT**

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## **PREAMBLE**

These Bylaws are adopted and effective as of March xxx, 2017, pursuant to the Joint Powers Agreement of the WEST TURLOCK SUBBASIN GROUNDATER SUSTAINABILITY AGENCY (Agreement).

## **ARTICLE 1. THE AGENCY**

1.1 **NAME OF AGENCY.** The name of the Agency created by the Agreement shall be the West Turlock Subbasin Groundwater Sustainability Agency (Agency).

1.2 **OFFICE OF AGENCY.** The principal office of the Agency shall be at the Turlock Irrigation District, 333 E. Canal Drive, Turlock, CA 95380, or at such other location as the Board may designate by resolution.

1.3 **POWERS.** The powers of the Agency shall be as set forth in Article 4 of the Agreement.

## **ARTICLE 2. BOARD OF DIRECTORS**

2.1 **BOARD OF DIRECTORS.** The Agency shall be governed by a Board of Directors (Board) as set forth in Article 6 of the Agreement.

### **2.2 PROCEDURE FOR APPOINTMENT OF BOARD MEMBERS**

2.2.1 **Appointment.** Each Member Agency is responsible for appointing a Board Member and an alternate Board Member, pursuant to its own procedures and authorities.

2.2.2 **Notification.** Each Member shall notify the Agency when it appoints or changes its Board Member and/or alternate Board Member.

## **ARTICLE 3. BOARD MEETINGS**

3.1 **MEETINGS.** The Board shall meet regularly, at least once per quarter on the first Thursday of the month for the quarter, at 6:00 PM, at Turlock Irrigation District, 333 E. Canal Drive, Turlock, CA 95380 and more often as needed. Special meetings of the Board may be called by the Chair or any four directors by written request. Board meetings shall be conducted in

compliance with all applicable laws, and as further specified herein. Meeting agendas shall be posted 72 hours before each meeting in compliance with the requirements of the Ralph M. Brown Act.

3.2 QUORUM. In determining a quorum as defined by Section 9.1 of the Agreement, Alternate Directors attending meetings shall not be counted as part of any meeting quorum unless such Alternate Director is formally representing an absent appointed Director.

3.3 ORDER OF BUSINESS. In general, at the regular meetings of the Board, the following will be the order of business:

3.3.1 Call to Order.

3.3.2 Roll Call.

3.3.3 Approval of Minutes of the Previous Meeting.

3.3.4 Staff Updates.

3.3.5 Public Comment Period

3.3.6 Agenda Items, including any appropriate combination of consent items, regular business items, public hearing items or closed session items.

3.3.7 Comments from the Board.

3.3.8 Adjournment.

3.4 ACTION BY THE BOARD. Action by the Board on all resolutions or ordinances shall be taken using a roll- call vote and shall be recorded in writing, signed by the Chair, and attested to by the Secretary. All other actions of the Board shall be by motion recorded in written minutes. The Chair shall announce the results of the vote including the names of the Directors, if any, voting in the minority.

3.5 RULE OF ORDER. All rules of order not otherwise provided for In these Bylaws shall be determined, to the extent practicable, in accordance with "Rosenberg's Rules of Order;"



provided, however, that no action of the Board 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 Agency are the Chair, Vice-Chair, and Secretary, as provided for in Article 8 of the Agreement. All Directors are eligible to *serve* as an Officer. The Chair and the Vice Chair must be Directors.

4.2 ELECTION OF OFFICERS. At the first meeting of the Board, nominations for the Officers will be made and seconded by a Director. If more than two (2) Directors are nominated for any one office, voting occurs until a nominee receives a majority of the votes cast. The initial term of the elected Officers shall run from the date of their election to until the Board meeting two years after the election. Thereafter, each Officer shall *serve* a term of two (2) years. An Officer may succeed himself/herself and may serve any number of consecutive or non-consecutive terms.

4.3 REMOVAL OF OFFICERS. An Officer may be removed, with or without cause, by a majority vote of the Board at a regular or special meeting.

4.4 VACANCIES. Any vacancy in the offices because of death, resignation, removal, disqualification, or any other cause will be filled for the balance of the vacated term in the manner prescribed in these Bylaws for regular appointments to that office; provided, however, that such vacancies may be filled at any regular or special meeting of the Board.

4.5 RESIGNATION OF OFFICERS. Any Officer may resign at any time by giving written notice to the Board Chair or Secretary. Any resignation takes effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation is not necessary to make it effective.

4.6 RESPONSIBILITIES OF OFFICERS.

4.6.1 Chair of the Board. The Chair of the Board shall preside at meetings of the Board and exercise and perform such other powers and duties as may be assigned to him/her by the Board or prescribed by these Bylaws. The Chair shall have the power to enforce meeting decorum and rules of order consistent with Rosenberg's Rules, unless overruled

by the Board.

4.6.2 Vice-Chair of the Board. The Vice-Chair of the Board shall fulfill all the duties of the Chair in his/her absence and exercise and perform such other powers and duties as may be assigned to him/her by the Board.

4.6.3 Secretary. The Secretary shall perform duties assigned by the Board, such duties shall include, but not be limited to, the following:

- i. Book of Minutes. Keep or cause to be kept, at the principal executive office of the Agency or such other place as the Board may direct, a book of minutes of all meetings and actions of Directors and Committees of the Agency, with the time and place of holding the meeting, whether regular or special, and, if special, how authorized, the notice given, the names of those present and absent at such meetings and the proceedings of such meetings. Minutes will be in the form of Action Minutes and a meeting summary.
- ii. Notices and Other Duties. Prepare, give, or cause to be given, notice of, and agendas for, all meetings and/or hearings of the Board and committees of the Agency.
- iii. Exercise and perform such other powers and perform such other duties as may be assigned to him/her by the Board.

## **ARTICLE 5. BOARD COMMITTEES, WORKING GROUPS, AND ADVISORY COMMITTEES**

5.1 BOARD COMMITTEES. The Board may establish temporary or permanent Board Committees composed entirely of Board Members to facilitate conduct of its work. Temporary Board Committees will have a specific charge and operational duration not to exceed six months and are not subject to the Brown Act unless they include more than six Directors as Committee members. 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 Board Committees will provide regular updates to the full Board about their activities and the progress of their work.

5.2 WORKING GROUPS. Informal working groups may be formed from time to time to provide opportunities for a small subset of Directors to work with staff on specific planning, analytical, or community engagement activities. Such working groups will have a defined area as the focus for its work and may function for a duration of up to six months, and may include such membership as needed to accomplish the objectives for which the working group was created.

5.3 ADVISORY COMMITTEES. Pursuant to Section 13 of the Agreement, the Board may establish one or more advisory committees to assist in carrying out the purposes and objectives of the Agency.

5.3.1 In establishing an Advisory Committee, the Board shall provide specific direction to the Committee as to its charge, expected duration for completion of its charge, and a summary of the resources, including staff or consultant support available to the Committee in performing its work.

5.3.2 Advisory Committee membership and appointments shall be at the Board's discretion based on the creating the membership needed to meet the purpose for which the Advisory Committee was created.

5.3.3 Any advisory committee shall exercise such powers as may be delegated to it, except that no committee may:

- i. Take any final action on matters which, under the Agreement, require approval by a majority vote of the Board;
- ii. Amend or repeal the Bylaws or adopt new Bylaws;
- iii. Amend or repeal any resolution of the Board; or
- iv. Appoint any other committees of the Board or the members of these committees.

5.3.4 Advisory committees shall meet at the call of their respective committee chairs. All advisory committee meetings shall be conducted in accordance with the Ralph M. Brown Act (California Government Code sections 54950 et seq.). Minutes of committee meetings shall be recorded and upon approval shall be distributed to the Board.

## **ARTICLE 6. AGENCY ADMINISTRATION, MANAGEMENT AND STAFFING**

6.1 COLLABORATIVE MANAGEMENT. Except for the Agency's Treasurer function, Agency administration and management will be conducted using a collaborative staffing model in which the professional and technical staff of the member agencies work together to provide staff leadership, management and administration of the agency.

6.1.1 Staffing Support for Agency Officers and Board Members. Staff will work together to provide support for the Agency Officers and Board members. Board agenda and meeting materials will generally be prepared by or reviewed by one or more members of the staff prior to being finalized. Should member agency staff not be in agreement on any topic, the Agency Board Chair and Vice-Chair will be consulted to provide the necessary direction. Any issue not resolvable by staff and the Agency Board Chair and Vice-Chair will be referred to the full Board for decision.

6.1.2 Staffing for Development of GSA and GSP. Both staff from the Agreement member agencies and other professional and technical staff from the member agencies will be involved in providing staff support for the Agency. In addition, to the extent the Agency decides necessary, it may hire outside consultants and/or employ staff.

6.2 TREASURER. The Treasurer shall be the depository and have custody of all the money of the Agency from whatever source, and shall provide strict accountability of said funds in accordance with Government Code Sections 6505 and 6505.5. The Treasurer shall possess the powers of, 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.

6.2.1 The Board has appointed a staff member of the Turlock Irrigation District as Agency Treasurer and will reimburse the District for the staff's services for the Agency. Reimbursement will include necessary staff time as well as the purchase and maintenance of any necessary materials and/or equipment required by the Treasurer in order to complete the work.

6.2.2 Treasurer's Duties. Particularly, the Treasurer shall perform, but not be limited to, the following duties:

- i. Books of Account. Keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of Agency, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account will be open to inspection by any Director at all reasonable times.
- ii. Deposit and Disbursement of Money and Valuables. Consistent with the provisions of Article 9 of the Agreement, deposit all money and other valuables in the name and to the credit of the Agency within such depository funds and accounts as may be designated by the Board; disburse the funds of the Agency as may be ordered by the Board; and render to the Board, whenever requested, an account of all of his/her transactions as Treasurer and of the financial condition of the Agency.
- iii. On a quarterly basis provide the Directors with a Treasurer's report that includes a bank reconciliation report on cash, summary of revenue and expenditure activity to date for the current fiscal year.
- iv. Exercise and perform such other powers and perform such other duties as may be assigned to him/her by the Board.

**6.3 STAFFING STRATEGY REVIEW UPON COMPLETION OF THE GROUNDWATER SUSTAINABILITY PLAN.** The collaborative staffing model for the Agency will be reviewed and revised as needed. In particular, the performance of the collaborative staffing model in meeting the Agency's needs and the proposed role of the Agency in developing the GSA and GSP will be considered when determining the potential future staffing needs of the Agency.

## **ARTICLE 7. FINANCES**

**7.1 DEPOSIT AND DISBURSEMENT OF FUNDS.** All funds of the Agency 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 disbursements have been approved in the annual operating budget, or otherwise specifically approved by the Board. All disbursements shall be by check. Disbursements of not more than five thousand dollars (\$5,000) may be issued pursuant to the Treasurer's sole signature. Disbursements in excess of five thousand dollars

(\$5,000) may only be issued upon the signature of the Treasurer and Chair, or in the Chair's absence, the Vice-Chair. The Treasurer may establish and implement a protocol allowing for electronic signatures by the Chair or Vice-Chair in order to facilitate efficient operation of the Agency.

7.2 BUDGET. The Agency shall operate pursuant to an operating budget to be adopted prior to the beginning of each new fiscal year. 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 or specially 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**

The debts, liabilities and obligations of the Agency are not and will not be the debts, liabilities or obligations of any or all of the Members. 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, including but not limited to, any bond or other debt instrument issued by the Agency.

## **ARTICLE 9. RECORDS RETENTION**

9.1 MAINTENANCE OF THE AGENCY RECORDS. The Agency will keep:

9.1.1 Adequate and correct books and records of account; and of the Board.

9.1.2 Minutes in written form of the proceedings of its Board, and committees, and advisory committees, if any.

9.1.3 All such records will be kept at the Agency's principal office.

9.2 RECORDS RETENTION POLICY AND SCHEDULE. The Board may 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 staff.

### 9.3 INSPECTION RIGHTS.

9.3.1 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.

9.3.2 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.

9.4 MAINTENANCE AND INSPECTION OF AGREEMENT AND BYLAWS. The Agency 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 or any Member at all reasonable times during office hours.

9.5 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 Agency. 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.

9.6 PUBLIC RECORDS ACT REQUESTS.

## **ARTICLE 10. ETHICS AND CONFLICTS OF INTEREST**

The Agency shall be subject to the conflict of interest rules set forth in the Political Reform Act (commencing with Section 81000 of the Government Code of the State of California) and Sections 1090 et seq. of the Government Code of the State of California, and the Agency shall adopt an ethics policy as well as a conflict of interest code as required and as provided by the implementing regulations of the Political Reform Act.

## **ARTICLE 11. AMENDMENT**

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.

## **ARTICLE 12. DEFINITIONS AND CONSTRUCTION**

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.

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