

Port Hueneme Water Agency

250 North Ventura Road • Port Hueneme, CA 93041 • (805) 986-6563

PORT HUENEME WATER AGENCY BOARD OF DIRECTORS REGULAR MEETING

NOVEMBER 19, 2018
4:00 PM

PORT HUENEME CITY HALL - CITY COUNCIL CHAMBER
250 NORTH VENTURA ROAD
PORT HUENEME, CA 93041

AGENDA

1. **CALL TO ORDER, ROLL CALL**
2. **AGENDA:** (*Amend / Approve*)
3. **CONSENT ITEMS:**
 - A. **APPROVAL OF MINUTES**
Action: It is recommended the Board approve the Minutes of the September 17, 2018 Regular Meeting.
 - B. **CASH DISBURSEMENTS RATIFICATION**
Action: It is recommended the Board ratify the cash disbursements listing for the period August 18, 2018 through November 9, 2018.
4. **BUSINESS ITEMS:**
 - A. **BRACKISH WATER RECLAMATION DEMONSTRATION FACILITY OPERATIONAL REPORT**
Action: It is recommended the Board receive and file this report.
 - B. **GROUNDWATER SUSTAINABILITY PLAN DEVELOPMENT UPDATE (VERBAL)**
Action: Receive verbal report and provide feedback to staff.
5. **BOARD MEMBER REPORTS AND COMMENTS**
6. **EXECUTIVE DIRECTOR AND ASSISTANT EXECUTIVE DIRECTOR REPORTS AND COMMENTS**

**PORT HUENEME WATER AGENCY BOARD
REGULAR MEETING**

SEPTEMBER 17, 2018

MINUTES

Chair Spiegel called the meeting to order at 4:01 p.m. in the City Council Chamber at Port Hueneme City Hall, 250 North Ventura Road, Port Hueneme, California. The Agency Clerk called the roll:

PRESENT: Board Members, Will Berg, Bob Nast; Vice Chair Sylvia Muñoz Schnopp; Chair Ellen Spiegel.

ABSENT: Board Members, Tom Figg; Ex-Officio Member Robert Nordahl.

STAFF PRESENT: Rod Butler, Executive Director; Akbar Alikhan, Assistant Executive Director; Charles Green, Agency Counsel; Don Villafana, Public Works Director; Michele Kostenuik, Agency Clerk.

AGENDA:

Alternate Member Sharkey, seconded by, Member Berg, motion to approve the Agenda. Motion carried 5-0 (Figg absent).

CONSENT ITEMS:

A. APPROVAL OF MINUTES

Action: It is recommended the Board approve the Minutes of the July 16, 2018 Regular Meeting.

B. CASH DISBURSEMENTS RATIFICATION

Action: It is recommended the Board ratify the cash disbursements listing for the period June 9, 2018 through August 17, 2018.

C. BIENNIAL REVIEW OF THE CONFLICT OF INTEREST CODE AND ADOPTION OF RESOLUTION FOR THE PORT HUENEME WATER AGENCY

Action: It is recommended the Governing Board of Directors ("Board") adopt a resolution and authorize the Executive Director to sign and submit the attached 2018 Local Agency Biennial Notice, relative to amendments needed for the

3A

Conflict of Interest Code of the Port Hueneme Water Agency
("Agency").

RESOLUTION NO. 2018-01

A RESOLUTION OF THE GOVERNING BOARD OF DIRECTORS
OF THE PORT HUENEME WATER AGENCY AMENDING THE
CONFLICT OF INTEREST CODE OF THE PORT HUENEME
WATER AGENCY

Alternate Member Sharkey, seconded by, Member Berg, to approve the Consent Agenda. Motion carried 4-1-0 (Figg absent, Sharkey abstained).

BUSINESS ITEMS:

- A. BRACKISH WATER RECLAMATION DEMONSTRATION FACILITY
OPERATIONAL REPORT
Action: It is recommended the Board receive and file this report.

Don Villafana, Public Works Director, gave a report.

Alternate Member Sharkey, seconded by, Vice Chair Schnopp, to receive and file the report. Motion carried 5-0 (Figg absent).

- B. CONTRACT AMENDMENT FOR GROUNDWATER CONSULTING
SERVICES
Action: Approve Contract amendment with Hopkins Groundwater
Consultants and additional appropriation of \$20,000 for
consulting services.

Akbar Alikhan, Assistant Executive Director, gave a report. Discussion ensued among the Board and staff.

Alternate Member Sharkey, seconded by, Vice Chair Schnopp, motion to approve the item as presented. Motion carried 5-0 (Figg absent).

- C. GROUNDWATER SUSTAINABILITY PLAN DEVELOPMENT
UPDATE (VERBAL)
Action: Receive verbal report and provide feedback to staff.

Akbar Alikhan, Assistant Executive Director, gave a report. Discussion ensued among Board and staff.

- D. STRATEGIC PLANNING RESULTS PRESENTATION
Action: Presentation of Strategic Planning results.

Akbar Alikhan, Assistant Executive Director, introduced Ryan Gallagher from Gannett

Fleming. Mr. Gallagher gave a PowerPoint presentation of overview of the process and outcomes to date. Discussion ensued among Board and staff.

BOARD MEMBER REPORTS AND COMMENTS:

Member Nast made comments.

EXECUTIVE DIRECTOR AND ASSISTANT EXECUTIVE DIRECTOR REPORTS AND COMMENTS:

Rod Butler, Executive Director, gave an update on the Deputy Public Works Director position. He stated they will be conducting interviews of five finalist on September 27, 2018.

NEW BUSINESS TO BE AGENDIZED:

None.

OPEN FORUM:

None.

ADJOURNMENT:

Chair Spiegel, without objection, adjourned the meeting at 4:41 p.m. The next Regular Meeting will be held Monday, October 15, 2018 at 4:00 p.m. in the City Council Chamber.

Respectfully submitted,

Michele Kostenuik
Agency Clerk

APPROVED:

CHAIR ELLEN SPIEGEL

PORT HUENEME WATER AGENCY
CASH DISBURSEMENTS
For the period August 18, 2018 through November 9, 2018

November 19, 2018

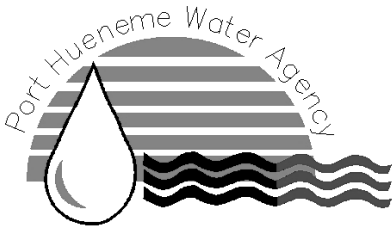
Presented are the cash disbursements issued by the Finance Dept. for the period August 18, 2018 through November 9, 2018. Shown are cash disbursements by date of occurrence and type of payment.

Date	Type of Payment	Attachment	Amount
August 18, 2018 - November 9, 2018			
	A/P Checks 5431-5439	A	\$830,283.20
Total			<u>\$830,283.20</u>

Transactions for 8/18/2018 - 11/9/2018

Date:11/14/2018

Vendor Name	Description	Check Date	Number	Amount
GREEN DE BORTNOWSKY, LLP	SERVICES THRU 7/31/18	8/27/2018	5431	1,200.00
UNITED WATER CONSERVATION DISTRICT	020-00090-00 HUE0001	8/27/2018	5432	34,334.08
UNITED WATER CONSERVATION DISTRICT	020-001100-00 CBC0001	8/27/2018	5432	1,893.68
UNITED WATER CONSERVATION DISTRICT	020-00115-00 PHW0001	8/27/2018	5432	21,923.75
UNITED WATER CONSERVATION DISTRICT	020-00125-00 PHW0002	8/27/2018	5432	136,458.12
CITY OF OXNARD	145/6194 UTIL BILL	9/6/2018	5433	132,673.42
GREEN DE BORTNOWSKY, LLP	SERVICES THRU 8/31/18	9/20/2018	5434	3,420.00
PORT HUENEME, CITY OF	248/253 UTIL BILL	9/20/2018	5435	3,431.36
UNITED WATER CONSERVATION DISTRICT	020-00090-00 HUE0001	9/20/2018	5436	34,334.08
UNITED WATER CONSERVATION DISTRICT	020-00110-00 CBC0001	9/20/2018	5436	1,380.14
UNITED WATER CONSERVATION DISTRICT	020-00125-00 PHW0002	9/20/2018	5436	147,354.67
CITY OF OXNARD	145/6194 UTIL BILL	10/8/2018	5437	125,330.92
GREEN DE BORTNOWSKY, LLP	SERVICES THRU 9/30/2018	10/22/2018	5438	1,138.56
UNITED WATER CONSERVATION DISTRICT	020-00090-00 HUE0001	10/22/2018	5439	34,334.08
UNITED WATER CONSERVATION DISTRICT	020-00110-00 CBC0001	10/22/2018	5439	1,540.63
UNITED WATER CONSERVATION DISTRICT	020-00125-00 PHW0002	10/22/2018	5439	149,535.71
				\$830,283.20



Port Hueneme Water Agency

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AGENCY AGENDA STAFF REPORT

TO: PHWA Board

FROM: Don Villafana, Public Works Director

SUBJECT: BRACKISH WATER RECLAMATION DEMONSTRATION FACILITY - OPERATIONAL REPORT

DATE: November 19, 2018

RECOMMENDATION:

It is recommended the Board receive and file this report.

BACKGROUND/ANALYSIS:

This report presents an update on the operational status of the Brackish Water Reclamation Demonstration Facility (BWRDF) from September 1, 2018 to September 30, 2018.

During this reporting period, the overall Port Hueneme Water Agency (PHWA) demand averaged 3.4 MGD which is less than the previous reporting period (3.6 MGD). The facility was operated in membrane production mode the majority of the time with United Water Conservation District (UWCD) supplying 79.64 percent and Calleguas Municipal Water District (CMWD) supplying 20.36 percent of the water demand during this reporting period. PHWA's water continues to meet all State and Federal regulatory standards.

The Silt Density Index (SDI) sampled once a day averaged 1.74 for the September which is an indication of Iron and Manganese levels entering BWRDF.

United Water conducted testing of their wells in preparation for the design of the new treatment plant starting September 25th. The SDI from the well water quality exceeded the threshold limit of 3.0 SDI causing the BWRDF to be shut down September 26th for the remainder of the month.

4A

WATER SUPPLY/ALLOCATION UPDATE:

United Water Supply:

- “Emergency Ordinance E” sets PHWA’s Temporary Emergency Allocation (TEA)
- Current TEA allocation = 3,470af/yr. Year current usage = 2,507.00 af

Calleguas Water Supply:

- State Water Project Allocation = 80% of 1,850af/yr. or 1,480af/yr.
- Water Supply Allocation Plan (WSAP) = No additional restriction

(On May 10, 2016, Metropolitan Water District of Southern California declared a Water Supply Condition 2 - Water Supply calling for member agencies (CMWD) to implement extraordinary conservation to mitigate use of storage reserves and suspended implementation of its Water Supply Allocation Plan. On May 18, 2016, CMWD by resolution declared a Stage 3 Shortage and suspended enforcement of member purveyor supply allocations).

Shortage Alert:

- At this time, staff does not anticipate a shortage of water supply for PHWA in the near future. However, once the “Safe Yield” of the basin has been identified and the Groundwater Sustainability Plan (GSP) has been adopted by FCGMA, mandatory reductions in groundwater pumping could occur.

Note: PHWA has historically been maximizing the UWCD allocation in order to preserve the right to groundwater and because of its lower cost compared to state water. If PHWA were to take less groundwater today, the groundwater sustainability plan (GSP) could lower our annual allocation because this agency would show that we can get by with less groundwater. If we show we can get by with less groundwater, then PHWA would be stuck paying the higher price for CMWD water to offset any loss of the UWCD water supply.

NEXT PHWA BOARD MEETING:

The next PHWA Board meeting is scheduled for Monday, December 17, 2018 at 4:00 p.m.

FISCAL IMPACT:

There is no fiscal impact of this action, if taken as recommended.

ATTACHMENT:

1.) Letter

November 8, 2018

Sent via E-mail

Mr. Jeff Pratt, P.E.
Executive Officer
Fox Canyon Groundwater Management Agency
800 S. Victoria Avenue
Ventura, CA 93009

Subject: M&I BASE PERIOD

Dear Mr. Pratt,

This purpose of this letter is to formally oppose the base period used for allocating the M&I share of the groundwater pool among the various M&I agencies. In May 2018, the M&I group tentatively agreed to use the “TEA Period” (2002-2013) to allocate the M&I pool. On several occasions, GMA staff has indicated that they are indifferent to the methodology employed by Ag or M&I to allocate their share of the basin, nor are Ag and M&I required to use the same methodology.

In the most recent draft ordinance, it states that the M&I portion of the basin will be allocated to each agency using the base period of 2005 – 2014 (“Pre-SGMA”). One can assume the Pre-SGMA base period was selected to be consistent with (1) the base period selected by Ag to allocate their share of the basin and (2) the base period used to determine the 60/40 split for the basin as a whole. While this consistency is convenient, it is not necessary. Mandating that M&I use the 2005 – 2014 base period is contrary to the GMA’s prior position that base periods within each pool do not need to be consistent, it creates fairness issues within the M&I group, and it disrupts the very premise under which the M&I agencies have negotiated between each other.

While this change might seem small, we would like to demonstrate how it affects the agencies involved, as shown in the table below.

TEA vs. Pre-SGMA: Agency Gains/Losses

	TEA Period	Pre-SGMA Period	% Gain/Loss	(AF) Gain/Loss over 20 yrs.
Camarillo	10.8%	11.1%	0.3%	1,665
Oxnard	49.6%	49.8%	0.1%	663
PHWA	15.0%	13.8%	-1.2%	(7,631)
Camrosa	2.4%	1.9%	-0.5%	(3,093)
Ventura	13.0%	14.7%	1.6%	10,326
Other M&I	9.1%	8.8%	-0.3%	(1,929)

Changing the base period to the Pre-SGMA years for M&I results in a loss of over 7,600 AF to PHWA. This represents a loss of about 10% of our total water portfolio annually. Similarly, Camrosa Water District would lose nearly 3,100 AF during the 2020 – 2040 period. Conversely, the City of Ventura benefits with a windfall of 10,000 additional AF. This ordinance would create major fairness issues among the M&I group if approved as currently written.

We are requesting that the GMA Board reconsider the base period for M&I and allow it to use the TEA Period to allocate its share of the basin, just as all M&I agencies agreed to do earlier this year.

Attached is the 20-year detail comparing of the two base periods (TEA vs. Pre-SGMA) and how it affects each M&I agency. Please feel free to contact me with any questions at aalikhan@cibcsd.com or by phone at 805 678 3183.

Thank you,



Akbar Alikhan
Assistant Exec Dir. for Port Hueneme Water Agency
General Manager for Channel Islands Beach CSD

C: Tony Stafford, Camrosa Water District

	TEA	PRE-SGMA
Camarillo	3,993 AF	3,994 AF
Oxnard	18,377 AF	17,981 AF
PHWA	5,559 AF	4,991 AF
Camrosa	888 AF	690 AF
Ventura	4,827 AF	5,304 AF
Other M&I	3,371 AF	3,181 AF
	37,015	36,141

M&I Pool	Camarillo		Oxnard		PHWA		Camrosa		Ventura		Other M&I	
	TEA	PRE-SGMA	TEA	PRE-SGMA	TEA	PRE-SGMA	TEA	PRE-SGMA	TEA	PRE-SGMA	TEA	PRE-SGMA
2019	3,899	3,994	17,943	17,981	5,428	4,991	867	690	4,713	5,304	3,291	3,181
2020	3,833	3,927	17,642	17,679	5,337	4,907	852	678	4,634	5,215	3,236	3,128
2021	3,768	3,860	17,340	17,377	5,245	4,823	838	667	4,555	5,126	3,181	3,074
2022	3,702	3,793	17,039	17,075	5,154	4,740	823	655	4,476	5,037	3,126	3,021
2023	3,637	3,726	16,738	16,773	5,063	4,656	809	644	4,396	4,948	3,070	2,967
2024	3,571	3,659	16,436	16,471	4,972	4,572	794	632	4,317	4,859	3,015	2,914
2025	3,506	3,591	16,135	16,169	4,881	4,488	780	620	4,238	4,769	2,960	2,860
2026	3,440	3,524	15,833	15,867	4,790	4,404	765	609	4,159	4,680	2,904	2,807
2027	3,375	3,457	15,532	15,565	4,698	4,320	751	597	4,080	4,591	2,849	2,754
2028	3,309	3,390	15,231	15,263	4,607	4,237	736	586	4,001	4,502	2,794	2,700
2029	3,244	3,323	14,929	14,961	4,516	4,153	721	574	3,921	4,413	2,739	2,647
2030	3,178	3,256	14,628	14,659	4,425	4,069	707	563	3,842	4,324	2,683	2,593
2031	3,113	3,189	14,326	14,357	4,334	3,985	692	551	3,763	4,235	2,628	2,540
2032	3,047	3,122	14,025	14,055	4,243	3,901	678	539	3,684	4,146	2,573	2,486
2033	2,982	3,055	13,724	13,753	4,151	3,817	663	528	3,605	4,057	2,517	2,433
2034	2,916	2,988	13,422	13,451	4,060	3,734	649	516	3,526	3,968	2,462	2,380
2035	2,851	2,921	13,121	13,149	3,969	3,650	634	505	3,446	3,879	2,407	2,326
2036	2,785	2,854	12,820	12,847	3,878	3,566	619	493	3,367	3,789	2,352	2,273
2037	2,720	2,786	12,518	12,545	3,787	3,482	605	481	3,288	3,700	2,296	2,219
2038	2,654	2,719	12,217	12,243	3,696	3,398	590	470	3,209	3,611	2,241	2,166
2039	2,589	2,652	11,915	11,941	3,604	3,314	576	458	3,130	3,522	2,186	2,112
Total	631,481	1,665	663	(7,631)	(3,093)	10,326	(1,929)	0				