

FOX CANYON GROUNDWATER MANAGEMENT AGENCY

A STATE OF CALIFORNIA WATER AGENCY



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MINUTES

Minutes of the Fox Canyon Groundwater Management Agency's (FCGMA) Executive Committee Meeting held **Monday, October 03, 2016** in the Pacific Conference Room, of the Ventura County Government Center, Hall of Administration, 800 South Victoria Avenue, Ventura, California.

A. Call to Order

B. Chair Maulhardt called the meeting to order at 10:02 a.m.

C. Introductions

D. In attendance were: (1) Lynn Maulhardt, FCGMA Executive Committee Chair; (2) Charlotte Craven, FCGMA Executive Committee Co-Chair; (3) Arne Anselm, Deputy Director, Water Resources (4) Kim Loeb, Groundwater Manager; (5) Alma Quezada, Groundwater Specialist; (6) Kathleen Riedel, Groundwater Specialist; (7) Keely Royas, Clerk of the Board; (8) Carol Schoen, Zone Mutual Water Co.; (9) Daryl Smith, Grower; (10) Edgar Terry, Terry Farms; (11) Matthew Fienup, CLU, Water Market Group; (12) Ian Prichard, Camrosa Water District; (13) Bryan Bondy, Calleguas Mutual Water District; (14) William A. Miller, grower.

E. Public Comments

No public comments were made.

F. Meeting Minutes

Chair Lynn Maulhardt approved the minutes from the July 15, 2016 Executive Committee Meeting with the change that Co-Chair Charlotte Craven was not in attendance.

G. AMI Discussion

Alma Quezada, Groundwater Specialist, presented the challenges and opportunities of Advanced Metering Infrastructure (AMI) and a proposed implementation approach for the Executive Committee's feedback. Ms. Quezada discussed the challenges and findings of the AMI Proof-of-Concept (POC) Program that was implemented in February 2016. The POC Program's vendors had concerns in being able to deliver a product that could meet the for the FCGMA's needs. As a result, the vendors decided to discontinue working with the Agency.

Subsequently, FCGMA staff reached out to stakeholders and learned that AMI systems were already in use with some farmers. After putting together a requirements list, three vendors were identified that could potentially meet the basic requirements to automate groundwater extraction data. Those three vendors were invited to present at a workshop before a group of growers on August 11, 2016. Two main consensus items from the stakeholders arose from the vendor

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presentation workshop. First, stakeholders want flexibility in choosing a vendor rather than being restricted to a single FCGMA vendor, and secondly, stakeholders expressed a desire for the FCGMA to provide an incentive for AMI implementation.

Chair Maulhardt presented a question regarding the grower's workshop. He wanted to know how many growers attended, from what areas and what property types. A discussion ensued to answer Chair Maulhardt's question and comments were heard from: (1) Matthew Fienup, CLU, Water market Group; (2) Bryan Bondy, CMWD and (3) Carol Schoen, Zone Mutual Water Co.

They explained that it was a well-represented diversity of growers that included orchards, row crops and leasee farmers. Chair Maulhardt also asked the question whether the stakeholders wanted the flexibility to choose from the list or the ability to go outside of the list as well. Ms. Quezada stated that they wanted the flexibility to go outside of the list. The discussion continued with Chair Maulhardt, Mr. Fienup, Mr. Bondy and Ms. Schoen about where data would be stored and who would have access once collected.

Ms. Quezada stated that the Water Market Group wanted to implement a Water Market Pilot Test. One single vendor utilizing 50 wells with a \$1,000 incentive per well.

Chair Maulhardt suggested hearing the next Item on the Agenda, Water Market Pilot, as it directly related to the AMI discussion.

H. Water Market Pilot

Matthew Fienup, CLU, Water Market Group, proposed a test market in the Oxnard Plain and Forebay Basins that included actual transfers and pumping allocations facilitated by an AMI component. Water Market participants will still report under the IAI as required, but would be issued a market allocation that can be transferred among the water market pilot participants. Mr. Fienup stated that AMI implementation was required for establishment of a water market.

Mr. Fienup discussed the goals of the Water Market Pilot:

- Give water users flexibility to adapt to the existing regulations.
- Incentivize water conservation.
- Explore what the preliminary market value of water is.
- Gather insight of what are the appropriate rules.
- Gather insight of what role AMI plays and how to use that for proper monitoring.
- Refine the accounting and paperwork of market transactions.

The market allocations would be equal to the amount of water pumped in the 2014-2015 year. Type and location of trades are one year temporary transfers of that market allocation. A trading desk for buyers and sellers would be located at a local non-profit organization. The term of the pilot program is the end of the current water year.

Co-Chair Craven asked what would happen if the AMI equipment were to fail. Kim Loeb, Groundwater Manager, discussed the different ways that AMI can be read. Depending on the technology, parameters could be set so when readings are viewed anything that looks out of range would indicate an inaccurate reading or malfunction. He stated that it also depends on the frequency of recordings.

Chair Maulhardt expressed his satisfaction that all four entities are working together towards a common goal and facing the current reality. He stated that the pilot concept needs to be done, but he recommended that the Water Market Pilot project proposal be done in a multi-phase design. For example, for the first phase, select 10 of the 50 water users so that errors in data could be fixed before moving to the next phase. Map out a timeline to eventually include 50 users in the pilot test. Chair Maulhardt stated that it should be the policy of the Board that the FCGMA needs to be in charge of storing the accurate data. He recommended that the Water Market Group make a proposal to FCGMA staff with phasing guidelines such as the project ultimately needs 50 wells and it is going to cost \$50,000. He also stated that for the next meeting there needs to be a presentation of what the test objectives are, including what the FCGMA and growers get. Chair Maulhardt explained that the back-end needs to be ready before the test is ready to go, the Beta test needs to validate the requirement list of AMI and the trading desk will be set-up with an existing local non-profit organization subject to the approval of the board. He stated that before any water market trading can begin, the FCGMA needs to validate the AMI requirements list, the back end needs to be set up to get data and the data location is confirmed set and secure.

Comments were heard from: (1) Ian Prichard, Camrosa Water District; (2) Bryan Bondy, CMWD; (3) Carol Schoen, Zone Mutual; (4) Daryl Smith, grower.

I. Adjourn the Executive Committee Meeting

Chair Maulhardt adjourned the Executive Committee meeting at 11:40 a.m.

Submitted by:

Keely Royas
Clerk of the Board