



Bear Valley Basin
Groundwater Sustainability Agency (BVBGSA)
C/O City of Big Bear Lake, Department of Water and Power
Attention: Reginald A. Lamson
41972 Garstin Drive Big Bear Lake, CA 92315

Meeting Agenda
June 22, 2021, at 5:00 pm

BOARD MEMBERS

Bob Ludecke, Chair
John Green, Vice Chair
Craig Hjorth, Treasurer
James Miller, Secretary

Pursuant to the Governor Newsom's Executive Orders N-25-20 and N-29-20, this meeting will be held via video conference and the public may call into the meeting in order to reduce the risk of spreading COVID-19. All votes taken during this video conference meeting will be by roll call vote, and the vote will be publicly reported.

MEETING ACCESS INFORMATION

No physical location from which members of the public may observe the meeting and offer public comment will be provided. Please view the meeting, which will be live streamed at <https://us02web.zoom.us/j/82072479595>
Note: a password is required. **Password: bigbear**

Meeting ID for reference: **820 7247 9595**

You may call into the meeting by dialing one of the phone numbers below, entering the meeting ID, and entering the password. **Meeting ID: 820 7247 9595 Password: 5561224**

- +1 669 900 9128 US (San Jose)
- +1 253 215 8782 US (Tacoma)
- +1 346 248 7799 US (Houston)
- +1 301 715 8592 US (Germantown)
- +1 312 626 6799 US (Chicago)
- +1 646 558 8656 US (New York)

HOW TO PARTICIPATE IN THE PUBLIC FORUM PORTION OF THE MEETING

If you would like to participate in the public forum portion of the meeting, send an email to leagleson@bbldwp.com before the meeting begins and your name will be added to a list for public comments. You must be present at the Zoom meeting to be recognized by the Chair.

OPEN SESSION

CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC FORUM

All remarks shall be addressed to the Board as a body only. There is a three-minute maximum time limit when addressing the Board. Please note that California law prohibits the Board from taking action on any item not appearing on the agenda.

1. PUBLIC HEARING

1.1 Resolution No. 2021-XX Budget for Fiscal Year 2021/22

Board to review and consider adopting Resolution No. 2021-XX approving the budget for Fiscal Year 2021/22.

2. CONSENT CALENDAR

2.1 Approve Minutes of the Board Meeting Dated June 29, 2020

3. ITEMS REMOVED FROM CONSENT CALENDAR

4. DISCUSSION/ACTION ITEMS

4.1 Approval of Claims Payments

Board to review and consider approving the claims payments from July 1, 2020, to June 9, 2021.

4.2 Resolution No. 2021-XX Carryforward Encumbrances and Appropriations

Board to review and consider approving Resolution No. 2021-XX to Carryforward Encumbrances and Appropriations.

4.3 Consider Extension of Audit Services Contract

Board to review and consider extension of the Audit Services Contract.

4.4 Financial Update FY 2020/21

Board to review and discuss the financial update for FY 2020/21.

4.5 Resolutions No. 2021-XX - Insurance for Agency through the Association of California Water Agencies Joint Powers Insurance Authority

Board to review and consider approving Resolutions No. 2021-XX obtaining Insurance for the Agency through the Association of California Water Agencies Joint Powers Insurance Authority

4.6 Replenish Big Bear Update

Board to review and discuss the Replenish Big Bear Update.

4.7 Management and Board Member Discussion

Board members and/or staff to identify matters for future BVBGSA Agenda Items.

ADJOURNMENT



Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 22, 2021
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: Public Hearing and Resolution No. 2021-XX Budget FY 2021/22

Background & Discussion:

Pursuant to section 12 and 13 of the Joint Powers Agreement for the Formation of the Bear Valley Basin Groundwater Sustainability Agency (BVBGSA), and pursuant to Article 7.3 of the Bylaws of Bear Valley Basin Groundwater Sustainability Agency, the Board is to adopt an annual budget by “resolution or otherwise.”

Attached for the Board’s consideration is the proposed Budget for FY 2021/22. The budget is balanced and reflects member agency contributions for administrative costs. The proposed budget reflects the Board’s adoption Addendum No.1 to the Amended and Restated Memorandum of Understanding on June 16, 2020. Accordingly, cost associated with Replenish Big Bear are now billed directly to the member agencies, eliminating the BVBGSA clearinghouse process.

Administrative costs include estimated costs for bank fees, legal and audit fees. Costs and grant revenues related to the Ground Water Sustainability Plan will be carried from fiscal year 2020/21.

Financial Impact:

The Budget is balanced and remains within the funding authorized by the member agencies.

Recommendation:

- 1) Conduct Public Hearing to adopt the BVBGSA Budget for FY 2021/22.
- 2) Adopt Resolution No. 2021-XX adopting the Budget for FY 2021/22.

Attachment:

- 1) Resolution No. 2021-XX Adopting the BVBGSA Budget for FY 2021/22
- 2) BVBGSA Draft Budget FY 2021/22

RESOLUTION NO. 2021-XX

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA,
APPROVING THE FISCAL YEAR 2021/22 BUDGET**

WHEREAS, on May 25, 2017, the Bear Valley Basin Groundwater Sustainability Agency (BVBGSA) was formed; and

WHEREAS, on October 18, 2017, the Board of Directors (Board) acknowledged the updated Joint Powers Agreement (JPA) by and among the City of Big Bear Lake Department of Water and Power, the Big Bear City Community Services District, the Big Bear Municipal Water District, and the Big Bear Regional Wastewater Agency for the BVBGSA; and

WHEREAS, pursuant to the Sections 12 and 13 of the JPA, the Board shall adopt a budget as specified in the bylaws, by resolution or otherwise; and

WHEREAS, on October 18, 2017, the Board adopted the BVBGSA Bylaws and pursuant to the Article 7.3 of the Bylaws, the BVBGSA shall operate pursuant to an operating fund/budget adopted in accordance with Sections 12 and 13 of the Agreement; and

WHEREAS, the Directors have conducted a public hearing and adopted the Fiscal Year 2021-22 Departmental Budget as follows:

- 1. General Fund appropriated resources in the amount of \$9,810 and appropriated uses in the amount of \$9,810;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of BVBGSA does hereby approve the Fiscal Year 2021/22 Budget attached hereto.

PASSED, APPROVED, and ADOPTED this 22nd day of June, 2021

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Robert C. Ludecke, President,
Board of Directors

ATTEST:

James Miller, Secretary
Board of Directors

**BEAR VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY**

**FISCAL YEAR ENDING JUNE 30, 2022
BUDGET**

DRAFT





BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

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Bear Valley Basin

Groundwater Sustainability Agency

C/O City of Big Bear Lake, Department of Water
 Attention: Reginald A. Lamson
 PO Box 1929 Big Bear Lake, CA 92315

DATE: June 22, 2021
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: Fiscal Year 2021/22 Budget

In Fiscal Year 2021/22, the Bear Valley Basin Groundwater Sustainability Agency (BVBGSA) will continue to pursue two main objectives:

1. Continue to support the efforts of the Replenish Big Bear Project
2. Working toward completion of the Bear Valley Basin Groundwater Sustainability Plan

Replenish Big Bear

Replenish Big Bear (the Project) is a forward-looking water supply project that protects our community's water supplies well into the future. Upon completion it will supplement the Valley's essential water supplies with hundreds of millions of gallons of clean water each year.

The clean water produced through Replenish Big Bear will be used to enhance water levels throughout the Valley, supporting the area's unique and diverse fish and wildlife. Replenished water levels support the community's recreation and tourism industry and protect the community's drinking water supplies, keeping Big Bear a great place to visit and live.

The member agencies (Big Bear Area Regional Wastewater Management Agency - BBARWA, Big Bear Municipal Water District - BBMWD, Big Bear City Community Services District - BBCCSD, and the City of Big Bear Lake Department of Water and Power - BBLDWP) will continue to move the project through regulatory review and work toward obtaining funding so that the project will be both beneficial to and affordable for the community. In Fiscal Year 2019/20 BBARWA was awarded a grant for \$500,000 for Replenish Big Bear. A second BBARWA grant application for over \$4.5 million has been approved by the Department of Water Resources. BBARWA is finalizing the paperwork for this grant. This grant funding is expected to support regulatory review, design, piloting and potentially cover some construction costs as the Project moves forward.

In Fiscal Year 2018/19 each member agency pledged \$250,000 in funding for preliminary design and environmental services. In Fiscal Year 2019/20 an additional \$250,000 was pledged by each member agency. As Fiscal Year 2020/21 draws to a close, funding from these pledges remains available to continue support for Replenish Big Bear and will be carried forward to, or otherwise reauthorized by the member agencies for use in Fiscal Year 2021/22. The above \$500,000 grant will provide \$125,000 reimbursement to each of the four member agencies.

Bear Valley Basin Groundwater Sustainability Plan

The Bear Valley Basin Groundwater Sustainability Plan (the Plan) is planning document that may facilitate obtaining future funding for Replenish Big Bear and complies with the Sustainable Groundwater Management Act (SGMA). The Plan is fully funded through a \$177,000 grant from the California Department of Water Resources under Proposition 1. BBLDWP will advance funding for the Plan and be reimbursed with Prop 1 grant proceeds as those are received. The Plan is expected to be completed by the end of calendar year 2021. Funding was appropriated for the Plan in Fiscal Year 2019/20. Residual funding and encumbrances from Fiscal Year 2019/20 was carried forward from Fiscal Year 2019/20 to Fiscal Year 2020/21. Residual funding and encumbrances from Fiscal Year 2020/21 will be carried forward from Fiscal Year 2020/21 to Fiscal Year 2021/22.

CHANGE IN NET ASSETS						(A)	(B)	(C)=(B)-(A)	(C)/(A)	
Bear Valley Basin Groundwater Sustainability Agency					FY 2020-21		FY 2021-22			
		FY 2017-18	FY 2018-19	FY 2019-20	Adopted	FY 2020-21	Proposed			
		Actual	Actual	Actual	Budget	Projected	Budget	Change	%	Explanation
	Member Agency Contributions	\$ 89,973	\$ 311,616	\$ 520,757	\$ 14,030	\$ 8,560	\$ 9,810	\$ (4,220)	-30%	Administrative Reimbursements
	Grants			87,389	-	36,000	-	-	--	Available grant funding from prior years will carry forward to next fiscal year
	Total Contributions and Revenues	89,973	311,616	608,146	\$ 14,030	44,560	9,810	(4,220)	-9%	
	Expenditures	\$ (89,973)	\$ (311,616)	\$ (608,146)	\$ (14,030)	\$ (44,560)	\$ (9,810)	\$ 4,220	-9%	
	Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	--	

CONTRIBUTIONS						(A)	(B)	(C)=(B)-(A)	(C)/(A)	
Bear Valley Basin Groundwater Sustainability Agency							FY 2021-22			
		FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Adopted Budget	FY 2020-21 Projected	Proposed Budget	Change	%	Explanation
40-00-7910	BBLDWP	\$ 27,899	\$ 103,066	\$ 172,511	\$ 3,758	\$ 2,140	\$ 2,515	\$ (1,243)	-33%	Share of administrative expenses
40-00-7911	BBMWD	19,777	103,066	172,597	3,758	2,140	2,515	(1,243)	-33%	"
40-00-7912	BBARWA	19,777	103,066	2,972	2,758	2,140	2,265	(493)	-18%	"
40-00-7913	BBCCSD	22,520	2,418	172,677	3,758	2,140	2,515	(1,243)	-33%	"
Totals		\$ 89,973	\$ 311,616	\$ 520,757	\$ 14,030	\$ 8,560	\$ 9,810	\$ (4,220)	-30%	

REVENUES AND INFLOWS						(A)	(B)	(C)=(B)-(A)	(C)/(A)	
Bear Valley Basin Groundwater Sustainability Agency							FY 2021-22			
		FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Adopted Budget	FY 2020-21 Projected	Proposed Budget	Change	%	Explanation
40-00-7505	Prop 1 - Ground water Sustainability Plan			\$ 87,389	\$ -	\$ 5,866	\$ -	\$ -	--	Available grant funding from prior years will carry forward to next fiscal year
	Grants Receivable					\$ 30,134		\$ -	--	Estimated
	Totals	\$ -	\$ -	\$ 87,389	\$ -	\$ 36,000	\$ -	\$ -	--	

EXPENDITURE SUMMARY						(A)	(B)	(C)=(B)-(A)	(C)/(A)	
Bear Valley Basin Groundwater Sustainability Agency							FY 2021-22			
Department	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Adopted Budget	FY 2020-21 Projected	Proposed Budget	Change	%	Explanation	
1 Administration	\$ 89,713	\$ 9,673	\$ 108,727	\$ 14,030	\$ 44,560	\$ 9,810	\$ (4,220)	-30%	Legal, Audit and miscellaneous costs	
2 Replenish Big Bear	260	301,943	499,418	-	-	-	\$ -	--		
Totals	\$ 89,973	\$ 311,616	\$ 608,146	\$ 14,030	\$ 44,560	\$ 9,810	\$ (4,220)	-30%		

Bear Valley Basin Groundwater Sustainability Agency						(A)	(B)	(C)=(B)-(A)	(C)/(A)	Explanation
		FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Adopted Budget	FY 2020-21 Projected	FY 2021-22 Proposed Budget	Change	%	
40-98-6114	Administration Office Supplies/Printing	\$ -	\$ 254	\$ -	\$ 500	\$ -	\$ -	\$ (500)	-100%	
40-98-6315	Computers/Software			1,600	-	-	-	-	--	
40-98-6335	Bank Charges	-	3,243	4,053	4,400	3,571	3,800	(600)	-14%	Based upon current trends
40-98-6400	Professional Services	31,582	-	87,389	-	36,000	-	-	--	
40-98-6480	Professional Services - Audit	-	3,900	3,910	4,130	3,989	4,260	130	3%	Based upon pending proposal
40-98-6485	Professional Services - Legal	58,131	2,276	2,629	5,000	1,000	1,750	(3,250)	-65%	Based upon current trends
40-98-6486	Legal Fees - GSA			9,066	-	-		-	--	
40-98-6910				80	-			-	--	
Totals		\$ 89,713	\$ 9,673	\$ 108,727	\$ 14,030	\$ 44,560	\$ 9,810	\$ (4,220)	-30%	

Bear Valley Basin Groundwater Sustainability Agency						(A)	(B)	(C)=(B)-(A)	(C)/(A)	Explanation
						FY 2021-22				
Replenish Big Bear Project		FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Adopted Budget	FY 2020-21 Projected	Proposed Budget	Change	%	
45-50-9010	Outlay - Professional Services -Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	--	BBARWA directly bills member agencies effective 7/1/20
45-50-9025	Outlay - Professional Services - Other	\$ 260	\$ 301,943	499,418	-	-	\$ -	\$ -	--	"
45-50-9250	Outlay - Source of Supply	-	-	-	-	-	-	-	--	"
Totals		\$ 260	\$ 301,943	\$ 499,418	\$ -	\$ -	\$ -	\$ -	--	

**BOARD OF BEAR VALLEY BASIN
GROUNDWATER SUSTAINABILITY AGENCY
MEETING MINUTES
June 29, 2020**

OPEN SESSION

A meeting of the Bear Valley Basin Groundwater Sustainability Agency Board of Directors was called to order at 4:00 p.m. on June 29, 2020 by Chairman Ludecke by Zoom conference call.

BOARD MEMBERS PRESENT:

Bob Ludecke, Chair
John Green, Vice Chair
Craig Hjorth, Treasurer
Jim Miller, Secretary

PLEDGE OF ALLEGIANCE

Jim Miller, Secretary

PUBLIC FORUM:

No comments from the public.

1. PUBLIC HEARING**1.1 Resolution No. 2020-04 – Budget for Fiscal Year 2019/20**

Motion made by Vice Chair Green, seconded by Secretary Miller and carried 4-0 to adopt Resolution No. 2020-04, approving the Fiscal Year 2019/20 budget.

AYES: Green, Hjorth, Ludecke, Miller

NOES: -

ABSTAIN: -

1.2 Resolution No. 2020-05 – Budget for Fiscal Year 2020/21

Motion made by Treasurer Hjorth, seconded by Vice-Chair Green and carried 4-0 to adopt Resolution No. 2020-05, approving the Fiscal Year 2020/21 budget.

AYES: Green, Hjorth, Ludecke, Miller

NOES: -

ABSTAIN: -

2. CONSENT CALENDAR**2.1 Approve Minutes of Board Meeting Dated June 16, 2020**

Motion made by Vice Chair Green, seconded by Secretary Miller and carried 4-0 to approve the Consent Calendar.

AYES: Green, Hjorth, Ludecke, Miller

NOES: -

ABSTAIN: -

3. ITEMS REMOVED FROM CONSENT CALENDAR

None

4. DISCUSSION/ACTION ITEMS

4.1 Resolution No. 2020-06 – First Amendment to the BVBGSA Bylaws

Motion made by Treasurer Hjorth, seconded by Vice-Chair Green and carried 4-0 to adopt Resolution No. 2020-06 approving the First Amendment to the BVBGSA Bylaws.

AYES: Green, Hjorth, Ludecke, Miller

NOES: -

ABSTAIN: -

4.2 Approval of Claims Payments

Motion made by Secretary Miller, seconded by Treasurer Hjorth and carried 4-0 to approve the claims payments as presented in Check Registers 1 & 2.

AYES: Green, Hjorth, Ludecke, Miller

NOES: -

ABSTAIN: -

4.3 Management and Board Members Discussion

Chair Ludecke inquired into when the BVBGSA Board expects to have another Board meeting and what will be discussed. Administrator, Reggie Lamson, responded that after Dr. Anderson completes the lake water quality modeling and we have answers to respond to the Department of Water Resources' (DWR) questions, we will set up a public workshop with the BVBGSA Board and other local agencies to discuss the results. Secretary Miller inquired into whether Dr. Anderson will attend the workshop. Reggie responded that Dr. Anderson will be asked to attend as requested. Dani McGee stated that the Board may need to hold a meeting to approve the carry forward of encumbrances from fiscal year 2019/20. Chair Ludecke inquired into the necessity of Board approval. Reggie responded that research will be performed on whether Board approved is required.

ADJOURN

No additional business came before the Board. At 4:19 p.m., Chair Ludecke adjourned the meeting.

Jim Miller, Secretary to the Board



Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 22, 2021
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: **Approval of Claims Payments**

Background & Discussion:

Pursuant to paragraph 7.2 of the Bylaws of Bear Valley Basin Groundwater Sustainability Agency, the Board shall approve all claims payments. All checks issued for payment of claims have been signed by the Treasurer and the Administrator.

Recommendation:

Approve the claims payments as presented in the attached check register.

Attachments:

Check Register July 1, 2020 - June 9, 2021

Bear Valley Basin GSA
VENDOR CHECK REGISTER REPORT

From: To:
Check Date 7/1/2020 6/9/2021

Check Number	Vendor Check Name	Check Date	Checkbook ID	Amount
1052	Best Best & Krieger LLP	7/16/2020	OPERATING	\$1,752.40
1053	Thomas Harder & Co. , Inc.	7/16/2020	OPERATING	\$2,420.00
1054	Big Bear Area Regional Wastewa	8/13/2020	OPERATING	\$42,286.68
1055	Thomas Harder & Co. , Inc.	8/13/2020	OPERATING	\$9,413.75
1056	City of Big Bear Lake Department of Water and Power	8/27/2020	OPERATING	\$80.44
1057	Thomas Harder & Co. , Inc.	9/10/2020	OPERATING	\$4,593.49
1058	Thomas Harder & Co. , Inc.	10/8/2020	OPERATING	\$2,785.00
1059	Thomas Harder & Co. , Inc.	11/19/2020	OPERATING	\$7,296.44
1060	Lance, Soll & Lunghard, LLP	12/3/2020	OPERATING	\$300.00
1061	Thomas Harder & Co. , Inc.	12/17/2020	OPERATING	\$5,355.00
1062	Thomas Harder & Co. , Inc.	1/14/2021	OPERATING	\$2,778.64
1063	Lance, Soll & Lunghard, LLP	1/14/2021	OPERATING	\$989.00
1064	Thomas Harder & Co. , Inc.	2/11/2021	OPERATING	\$1,280.88
1065	City of Big Bear Lake Departme	6/7/2021	OPERATING	\$2,699.00

Total Checks: 14 Total Amount of Checks: \$84,030.72



Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 22, 2021
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: **Resolution No. 2021-XX Carryforward Encumbrances and Appropriations**

Background & Discussion:

On June 29, 2020, the Board of Directors of BVBGSA adopted Resolution No. 2020-05 approving the Budget for Fiscal Year 2020/21. The FY 2020/21 Budget included on-going recurring spending and projects expected to be initiated in FY 2020/21. Previously approved spending for purchases not yet delivered, and contracts authorized in FY 2019/20, or before, but not yet completed by year-end, require an amendment to the FY 2020/21 Budget to authorize on-going payments for those encumbrances and appropriation of prior year earnings for spending authorized in the prior fiscal year.

Additionally, grant revenues and expected proceeds from the issuance of debt that were budgeted for FY 19/20 but not received or accrued as of June 30, 2020, will require a budget carry over to FY 20/21.

The Administrator is proposing a budget adjustment to reflect the costs and expected inflows to be carried over based upon current estimates.

Financial Impact:

The purpose of the carry over process is to authorize payment of agreed upon expenditures from the preceding fiscal year in the new fiscal year. No unplanned spending results from the proposed carryover of encumbrances and prior appropriations. Grant and loan funding included in the carryforward process results in an increase in net revenues in FY 20/21.

Unused Prop 1 Grant funding exceeds the encumbrances carryforward by \$8,849.

Recommendation:

1. Adopt Resolution No. 2021-XX authorizing the proposed budget adjustment attached as Exhibit A.

RESOLUTION NO. 2021-XX

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA,
APPROVING THE CARRYOVER OF APPROPRIATED FUNDING AND ENCUMBERED
PURCHASE ORDERS FROM FY 2019/20 TO FY 2020/21**

WHEREAS, on May 25, 2017, the Bear Valley Basin Groundwater Sustainability Agency (BVBGSA) was formed; and

WHEREAS, on October 18, 2017, the Board of Directors (Board) acknowledged the updated Joint Powers Agreement (JPA) by and among the City of Big Bear Lake Department of Water and Power, the Big Bear City Community Services District, the Big Bear Municipal Water District, and the Big Bear Regional Wastewater Agency for the BVBGSA; and

WHEREAS, on June 29, 2020, the Board adopted the Budget for Fiscal Year 2020/21; and

WHEREAS, there is a need to transfer appropriations and encumbrances from FY 2019/20 to FY 2020/21;

NOW, THEREFORE BE IT RESOLVED that the Board does hereby modify and adopt the adjustments in appropriations and encumbrances for the FY 2020/21 approved budget as shown in Exhibit A, attached hereto.

PASSED, APPROVED, and ADOPTED this 22nd day of June, 2021

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Robert C. Ludecke, President,
Board of Directors

ATTEST:

James Miller, Secretary
Board of Directors

BJV # _____

BUDGET ADJUSTMENTS - FY 2020-21

Contact Person: Reginald Lamson
 Date Submitted: 6/22/2021

NET REVENUE CHANGED:
 YES: X NO: _____

Board Amendment: X
 Admin. Amendment: _____

Amount +/-:
\$ 8,849

General Manager Signature: _____

Source:
Prop 1 Grant

Description of Amendment:

Carry forward un-utilized grant funding and encumbrances from FY 2019/20

<i>NAME</i>	<i>DESCRIPTION</i>	<i>ACCOUNT #</i>	<i>PRIOR BUDGET</i>	<i>CHANGE +/-</i>	<i>AMENDED BUDGET</i>
Non-Federal Grants	Prop 1 Grant for Sustainability Plan	40-00-7505	\$ -	\$ (89,611)	\$ (89,611)
Professional Services	Balance of Groundwater Sustainability Plan Costs	40-98-6400	\$ -	\$ 80,763	\$ 80,763
					\$ -
Total			\$ -	\$ (8,849)	\$ (8,849)

Comments:

Carry Forward Encumbrances from FY 19/20 to FY 20/21

Exhibit "B"

Purchase Order Number	Vendor	Date Issued	GL Account	Description	Original Balance	Carry Forward Amount
19-00001	Thomas Harder & Co. Groundwater Consulting	10/14/2019	40-98-6400	Preparation of Groundwater Sustainability Plan	\$ 177,000.00	\$ 80,762.50

Funding Sources Carry Forward from FY 19/20 to FY 20/21

Exhibit "C"

GL Account	Issuer	Program	Total Award	Received / Accrued	Balance to Carry Forward to FY 20/21
40-00-7505	State of California, Department of Water Resources	Proposition 1	\$ 177,000.00	\$ 87,388.60	\$ 89,611.40



Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 22, 2021
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: **Consider Extension of Audit Services Contract**

Background & Discussion:

In May 2019, the Board of Directors considered the result of a request for proposal (RFP) for audit services. Four firms had responded to the RFP and the Board awarded the contract to Lance. Sol and Lunghard, LLP (LSL). LSL ranked highest for the quality of its proposal and was also the lowest cost (30% less than the next lowest proposal). The original three-year contract was quoted “not to exceed” with a 3% escalation each year. Actual hours billed were less than the original quote for the FY 19/20 audit. LSL has provided excellent professional services during the three-year term which expires with the completion of the Audit for FY 20/21.

In light of the exemplary services received from LSL and reasonable pricing, we requested a quote for an extension of services in the event the Board wishes to extend the existing contract. The alternative would be to begin another proposal process.

The proposal for a 3-year extension is attached as Exhibit “A”. The proposal includes an increase of 2.6% in the base audit fees (\$80) and an increase in Controller’s Report fees of 6% (\$60). The prices are fixed for three years with no escalation.

Financial Impact:

If the contract is extended, there would be an increase in audit costs of up to \$140 for FY 21/22 and no increases for the subsequent two years.

To prepare a new RFP and evaluate the proposals requires volunteer hours from DWP staff and the cost to advertise the RFP would be approximately \$180.

Recommendation:

1. Authorize the Administrator to extend the contracted services and accept the attached quote.

RESOLUTION NO. 2021-XX

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA,
EXTENDING APPOINTMENT OF AUDITOR**

WHEREAS, Government Code § 6505 requires the Bear Valley Basin Groundwater Sustainability Agency (“Agency”) to make an annual audit of the accounts and records of the Agency, unless the Member Agencies elect to conduct the audit for a two (2) year period, and

WHEREAS, the minimum requirements of the audit shall be those proscribed by the State Controller for special districts pursuant to Government Code § 26909 and shall conform to generally accepted accounting principles, and

WHEREAS, Section 11 of the Joint Powers Agreement establishing the Agency requires the use of an outside, independent certified public accountant to make the annual audit of the accounts and records of the Agency, and

WHEREAS, the outside independent certified public accountant selected by the Agency as auditor is required to be formally designated by a resolution adopted by the Board of Directors stating the effective date of the appointment and the term of the appointment, and

WHEREAS, the Agency appointed Lance, Soll & Lunghard LLP, an outside and independent accounting firm, to conduct the annual audit of the accounts and records of the Agency effective May 7, 2019, and

WHEREAS, the Agency wishes to continue to retain the services of Lance, Soll & Lunghard LLP as its outside and independent accounting firm, to conduct the annual audit of the accounts for an additional three years.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY as follows:

1. The Agency finds and declares the foregoing recitals to be true and correct.
2. Lance, Soll & Lunghard LLP is hereby reappointed as the Agency’s auditor subject to the terms outlined in the Services Agreement executed on November 12, 2019, and incorporated herein by reference, which Services Agreement was approved by the Agency Board of Directors, as amended by the quote attached as Exhibit “A”.
3. The effective date of appointment is June 22, 2021, and shall be for a term of three years for the fiscal years ending June 30, 2022 – June 30, 2024.

PASSED, APPROVED, and ADOPTED this 22nd day of June, 2021

AYES:

NOES:

ABSTAIN:

ABSENT:

Robert C. Ludecke, President,
Board of Directors

ATTEST:

James Miller, Secretary
Board of Directors

EXHIBIT A

**SERVICES AGREEMENT BETWEEN THE BEAR VALLEY BASIN GROUNDWATER
SUSTAINABILITY AGENCY AND LANCE, SOLL, & LUNGHARD LLP**

[ATTACHED]



June 3, 2021

Bear Valley Basin Groundwater Sustainability Agency
 c/o Mr. Reginald Lamson, General Manager
 City of Big Bear Lake Department of Water and Power

Dear Mr. Lamson,

Thank you for the opportunity to provide a quote to Bear Valley Basin Groundwater Sustainability Agency (BVBGSA) for auditing services for an additional three fiscal years beginning with June 30, 2022. This quote for services is provided to describe the scope of work and fees for each service to be provided to the BVBGSA within that scope. As in the prior contract, we would propose to perform the following scope of work:

1. A financial audit, in accordance with *Government Auditing Standards*, of the BVBGSA's Annual Financial Report and assist BVBGSA staff in the preparation of that report.
2. A Single Audit, if necessary, in accordance with Title 2, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).
3. Preparation of the Financial Transactions Report required by the State Controller's Office.

We will make it an *absolute priority* to provide the BVBGSA with the same level of care and service that we have provided in the past. Since LSL specializes in the audits of local governments and has an extensive government services staff, we provide experienced, knowledgeable staff on the engagement so that the BVBGSA will continue receive a thorough look at its system and records.

Please see the attached Appendix A for our proposed fees for the next year. The fees are based on our standard billing rates with no changes to estimated hours from our original contract. The services to be performed, fee structure and billing methods would remain unchanged from our original agreement.

Again, LSL CPAs looks forward to providing quality services to the BVBGSA. Please sign below to acknowledge your acceptance of this agreement and return to my attention. Should you or any other representative of the BVBGSA have additional questions regarding this agreement, please do not hesitate to contact Bryan Gruber, Managing Partner, at (714) 672-0022.

Very truly yours,

A handwritten signature in cursive script that reads "Lance, Soll & Loughard, LLP".

 Signature

 Date



BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

LSL CPAs – Quote for Audit Services

Appendix A

SERVICE	ANNUAL FEES
BVBGSA Audit and Related Reports	\$3,200
BVBGSA Single Audit, if applicable *	\$2,000
BVBGSA State Controller's Report	\$1,060
Annual Total	\$6,260
Three-Year Total	\$18,780

* Single Audit becomes applicable if BVBGSA expends more than \$750,000 in federal grant awards during a given fiscal year.

Should the BVBGSA request additional services not included within the scope of services of this quote, the following billing rates will be used in the calculation of the fees for additional services:

LEVEL	HOURLY RATE
Partner	\$290
Senior Manager	\$200
Manager	\$165
Supervisor	\$140
Senior Accountant	\$120
Experienced Staff Accountant	\$120
Staff Accountant	\$90
Clerical	\$75



Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 22, 2021
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: **Financial Update FY 2020/21**

Informational Report

Contributions and Grants

Member contributions as of June 9, 2021, totaled \$6,780. Based upon current trends, it is expected that required member contributions will be approximately 50% of the amount of the amount budgeted.

Grant revenues (Proposition 1 Grant) related to the Bear Valley Basin Groundwater Sustainability Plan (the Plan) as of June 9, 2021, totaled \$32,938. The available balance of the Proposition 1 Grant is \$56,673, and most of this balance will carry forward to FY 2021/22 because finalization of the Plan requires additional information related to the Replenish Big Bear Project.

Expenditures

Total expenditures as of June 9, 2021, totaled \$39,718. Bank Fees are projected to be approximately \$1,000 under budget at the close of the fiscal year. Legal fees have not been incurred to date; however, activity may occur in June as a result of this Board Meeting and the Joint Session scheduled for June 23rd that could result in some spending.

06/09/21
Accrual Basis

Bear Valley Basin GSA
Statement of Change in Net Assets
July 1, 2020 through June 9, 2021

	Actual Jul 1, '20 - Jun 9, 21	Budget Jul 1, '20 - Jun 9, 21	Pending Carry Forwards	Budget Amended	Budget Remaining	%
Contributions						
Income						
0007910 · Contributions fm BBLDWP	\$ 1,695	\$ 3,758		\$ 3,758	\$ 2,063	55%
0007911 · Contributions fm BBMWD	1,695	3,758		3,758	2,063	55%
0007912 · Contributions fm BBARWA	1,695	2,758		2,758	1,063	39%
0007913 · Contributions fm BBCCSD	1,695	3,758		3,758	2,063	55%
Total Contributions	6,780	14,030	-	14,030	7,250	52%
Other Revenue						
0007505 · Non-federal Grants	32,938	-	89,611	89,611	56,673	63%
Total Other Revenue	32,938	-	89,611	89,611	56,673	63%
Contributions and Other Revenue	39,718	14,030	89,611	103,641	63,923	62%
Expenditures						
0986114 - Office Supplies	-	500		500	500	100%
0986335 · Bank Charges & Misc. Fees	2,792	4,400		4,400	1,608	37%
0986400 · Professional Services	32,938	-	80,763	80,763	47,824	59%
0986480 · Prof Svc - Audit	3,988	4,130		4,130	142	3%
0986486 · Legal Fees - GSA	-	5,000		5,000	5,000	100%
Total Expenditures	39,718	14,030	80,763	94,793	55,074	58%
Change in Net Assets	\$ -	\$ -	\$ 8,849	\$ 8,849	\$ 8,849	



Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 22, 2021

TO: Board of Directors

FROM: Reginald A. Lamson, Administrator

RE: **Resolutions No. 2021-XX - Insurance for Agency through Association of California Water Agencies Joint Powers Insurance Authority**

Background:

At the June 16, 2020 BVBGSA Board Meeting, the Board adopted Resolution No. 2020-03 approving Amendment No. 1 to the BVBGSA Joint Powers Agreement to modify the language in Section 20 which enables the Board discretion on whether or not to obtain insurance for the Agency. One of the member agencies of the Board was uncomfortable with this decision and requested additional research into insurance options for the Agency.

In October 2020, the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) provided the Agency with an estimated annual Liability Coverage Quotation of \$1,700 for the following coverage limits:

Terrorism	\$ 5,000,000
Communicable Disease	\$10,000,000
Subsidence, Lead, and Mold	\$35,000,000

The liability coverage includes the following: bodily injury, property damage, errors & omissions, employment practices liability, public official’s errors & omissions liability, inverse condemnation, accidental pollution liability, and automobile liability.

To make an informed decision, the Board should know that insurance coverage through ACWA JPIA requires membership in ACWA JPIA and a minimum three-year commitment. The 2021 ACWA membership dues are based on 2% of the BVBGSA’s FY 2018/19 operation and maintenance (Net O&M) expenses or a minimum of \$750.

Financial Impact:

The financial impact over three years is approximately \$6,000 for liability coverage assuming increases in costs and \$2,400 in ACWA membership dues assuming dues of approximately \$800/year.

Recommendation:

1. Board to discuss and consider obtaining insurance for the BVBGSA through ACWA JPIA.
2. If the Board agrees to obtain insurance through ACWA JPIA:
 - a. Adopt Resolution No. 2021-XX –Approving a 3-year Membership with Association of California Water Agencies Joint Powers Insurance Authority.
 - b. Adopt Resolution No. 2021-XX – Insurance for Agency through Association of California Water Agencies Joint Powers Insurance Authority.
 - c. Designate a JPIA Director Representative and an Alternate Representative in accordance with Article 7 of the ACWA JPIA Joint Powers Agreement.

RESOLUTION NO. 2021-XX

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA CONSENTING TO JOIN
THE ASSOCIATION OF CALIFORNIA WATER AGENCIES**

WHEREAS, on May 25, 2017, the Bear Valley Basin Groundwater Sustainability Agency (BVBGSA) was formed; and

WHEREAS, the BVBGSA Board adopted Resolution No. 2020-03, approving Amendment No. 1 to the BVBGSA Joint Powers Agreement to modify the language in Section 20 which enables the Board discretion on whether or not to obtain insurance for the Agency; and

WHEREAS, the BVBGSA Board obtained an estimated quote for liability coverage from the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA); and

WHEREAS, ACWA JPIA liability coverage requires membership in ACWA; and

WHEREAS, ACWA JPIA liability coverage also requires a three-year commitment; and

WHEREAS, the BVBGSA Board discussed liability coverage through ACWA JPIA;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of BVBGSA:

Section 1. That BVBGSA hereby consents to join ACWA.

Section 2. That BVBGSA understands and agrees to remain a member of ACWA for three years.

Section 3. That BVBGSA hereby agrees to pay ACWA in accordance with ACWA’s annual Agency Member Dues Schedule for three years.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

James Miller, Secretary
Board of Directors

Robert C. Ludecke, President
Board of Directors

RESOLUTION NO. 2021-XX

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAR VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA CONSENTING TO ENTER
THE JOINT PROTECTION
PROGRAMS OF THE ASSOCIATION OF CALIFORNIA
WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY**

WHEREAS, on May 25, 2017, the Bear Valley Basin Groundwater Sustainability Agency (BVBGSA) was formed; and

WHEREAS, pursuant to the provisions of Section 990, 990.4, 990.8, and 6500 of the Government Code, this Agency wishes to enter into an agreement with various other agencies entitled "Joint Powers Agreement: Creating the Association of California Water Agencies/Joint Powers Insurance Authority" (the Authority), for the purpose of participating in the Joint Powers Insurance Authority created thereby, which since its formation has provided for and administered joint protection programs as more fully set forth in said agreement; and

WHEREAS, said joint protection programs offer significant advantages to this Agency in terms of cost, liability protection, property protection, workers' compensation protection, and services, and entering such programs, on the conditions hereinafter set forth, appears to be in the best interest of the Agency.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of BVBGSA:

Section 1. That BVBGSA hereby consents pursuant to the above-mentioned Joint Powers Agreement, and the resolutions and policies enacted in implementation of such Agreement, to enter said joint protection programs.

Section 2. That the Agency hereby elects to join the Liability Program sponsored by the Authority.

Section 3. That the Treasurer of this Agency is hereby authorized to pay to the ACWA/Joint Powers Insurance Authority its first deposit premium.

Section 4. That the Secretary of the Board of Directors of this Agency is directed to certify a copy of this resolution and to forward the same resolution and the signed Joint Powers Agreement promptly by mail to the Association of California Water Agencies/Joint Powers Insurance Authority, go down P.O. Box 619082, Roseville, California, 95661, at which time coverage will commence the _____ day of _____, 20_____.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021 by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

James Miller, Secretary
Board of Directors

Robert C. Ludecke, President
Board of Directors



Coverage Proposal

Bear Valley Basin Groundwater Sustainability Agency



OCTOBER 28, 2020

Introducing Your Best Protection



OUR MISSION

ACWA JPIA is dedicated to consistently and cost effectively providing the broadest possible affordable insurance coverage and related services to its member agencies.

FORMED BY WATER AGENCIES FOR WATER AGENCIES

Water agencies have a unique set of risks not every provider can cover. In 1979, water agencies banded together to share their risks and associated insurance costs. They empowered ACWA JPIA to provide the best coverage for their needs ... and we delivered.

Today, we are the leader in providing California public water agencies with liability, property, and workers' compensation loss coverage programs as well as employee benefits. Serving only water agencies, our experience, expertise and knowledge are highly tuned to our members' unique requirements.

We are a strong, innovative organization. We continually evolve to serve our members' ever-changing demands with programs designed by them and for them. As your partner, we always battle for your agency's rights and best protection.

ADVANTAGES AT A GLANCE

- Strong, stable risk-sharing pool with over 360 members
- 100 percent member governed, member driven and member focused
- Complete protection programs tailored specifically to water agencies
- Programs with cost savings of 20 to 30 percent compared to commercial insurance
- Value-added services to help reduce claims, keep costs low and protect members
- Trustworthy, reliable and knowledgeable staff dedicated to each member
- Tools, technology and resources to support your agency's needs
- Resourceful, in-house staff with expertise in every service area

WATER AGENCIES HAVE A CHAMPION IN THE JPIA

Public entities created pools beginning in the early 1970s. In fact, ACWA JPIA evolved in 1979 after most commercial insurers abandoned the public entity market. As a result, public entities formed risk pools to reduce and stabilize long-term insurance costs and ensure access to coverage and service critical for local government functions such as the acquisition, treatment and delivery of water.

As a California special district, ACWA JPIA operates as a public entity. We are member owned, member governed and member driven. Our Board of Directors includes a representative from each member’s board. Our Board elects an eight-member Executive Committee to work on its behalf with the JPIA management and staff.

Unlike the commercial insurance industry, which uses profits to measure success, ACWA JPIA provides services, coverage and risk management tools with the singular goal of servicing our members. We work closely with each of our members to provide customized programs, resources and services for their needs, no matter the agency size.

HOW WE WORK

Water Agencies must be a member of the Association of California Water Agencies to join the JPIA. Our Board and Executive Committee approve entry into the JPIA. Upon joining, members agree to share the cost of risk by contributing to pooled programs. This pool of funds pays for all member claims and, as a result, reduces the burden of long-term claim costs for all members. At the end of each program year, if claims costs are below anticipated levels, members may be eligible for refunds. ACWA JPIA is proud to be a partner with water agencies throughout California. Quite simply, ACWA JPIA is a proven source of innovation, expertise, education and financial stability.

PROTECTION – EXCLUSIVE TO MEMBERS	SERVICES – EXCLUSIVE TO MEMBERS
<p>PROPERTY PROGRAM</p> <ul style="list-style-type: none"> • \$500 million limits • Pooled retention to \$100,000 per loss • Includes boiler and machinery <p>GENERAL, AUTO, EPL AND PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY COVERAGE</p> <ul style="list-style-type: none"> • Up to \$55 million limits • Pooled retention to \$5 million per occurrence • Funded for catastrophic events • Excess premium returned to members • Employment Practices Liability <p>WORKERS' COMPENSATION</p> <ul style="list-style-type: none"> • Over 6,000 employees covered • Statutory limits • Pooled retention \$2 million • No deductible • In-house claims examiners ranked #1 in California • Funded for catastrophic events <p>EMPLOYEE BENEFITS</p> <ul style="list-style-type: none"> • HMO, PPO and consumer-driven medical plans • HMO and PPO dental plans • Life insurance and disability plans • Employee assistance and wellness programs 	<p>RISK MANAGEMENT SERVICES</p> <ul style="list-style-type: none"> • Certified safety professionals on staff • On-site consultations and risk assessments • Assistance with safety policies <p>HUMAN RESOURCES SUPPORT</p> <ul style="list-style-type: none"> • Certified human resource professionals on staff • Employment practices hotline including free legal consultations • Regional HR group meetings and individual consultations • Employee handbook/policy reviews • Model water district job descriptions <p>EMPLOYEE BENEFITS SERVICES</p> <ul style="list-style-type: none"> • Advocacy and claim support • Legal compliance assistance • Electronic enrollment system <p>TRAINING RESOURCES</p> <ul style="list-style-type: none"> • On-site, local and regional classes • Online courses • Professional development programs <p>CLAIMS SERVICES</p> <ul style="list-style-type: none"> • In-house claims staff • Specialized legal counsel • Investigation and defense

Services

SERVING WATER AGENCIES WITH
THE BEST COVERAGES AND BENEFITS



EXCLUSIVE SERVICES TO MEMBERS

ACWA JPIA's commitment to your agency's protection does not stop with our liability, property, workers' compensation and employee benefits programs. We provide additional services and consultations to serve as your trusted, long-term partner.

HUMAN RESOURCES

- Employment hotline
- Employee handbook reviews
- Employment training
- Member advocacy
- Benefits Enrollment support
- Consultation and guidance
- Employee assistance
- Model policies
- Sample forms
- Job description manual (ADA compliant; over 70 water district jobs)
- Regional HR group meetings and networking forums
- Pre-employment physical referrals

TRAINING RESOURCES

- On-site, local and regional classes; annual training conferences
- Online training resources, including live and recorded water-industry specific webinars
- Training library with over 600 DVDs
- Professional development program offering certifications in human resources, operations and supervisor basics
- In-depth, year-long senior leadership certificate program
- Staff development
- In-person training

ACWA JPIA partners with a leading provider for customized web based training specific to water agencies, including courses that are eligible for continuing education credits.

EXCLUSIVE SERVICES TO MEMBERS (CONTINUED)

ACWA JPIA's risk management staff partners with member agencies to cost effectively control exposures to potential losses in all insured programs.

RISK MANAGEMENT STAFF

- Certified Safety Professionals (CSPs)
- Authorized to teach 10 and 30-hour OSHA and DOSH asbestos courses
- Staff certified in water distribution, treatment and wastewater
- On-staff electrical engineer
- On-staff certified disability management professional
- On-staff certified industrial hygienist
- On-staff certified ergonomic assessment specialists
- On-staff enterprise risk management PRIMA faculty trainer
- On-staff chartered industrial gas consultant
- On-staff property appraisers

EMPLOYEE BENEFIT SERVICES

- California licensed life and health agent
- Direct member advocacy for employees with questions or claim issues
- Assistance with legal compliance – Affordable Care Act
- Electronic benefits enrollment system allows self-enrollment, district oversight and robust reporting

CLAIMS SERVICES

- Experienced in-house claims staff and state-certified examiners experienced with JPIA member agencies
- Statewide claims resources including investigators, adjusters and specialized legal counsel
- Aggressive investigation and defense of questionable claims
- Diligent pursuit of subrogation rights



Liability Coverage Quotation

LIABILITY PROGRAM LIMIT\$55,000,000 *

SUB-LIMITS:

- \$ 5,000,000 – Terrorism
- \$10,000,000 – Communicable Disease
- \$35,000,000 – Subsidence; Lead; Mold

INCLUDES:

- | | |
|-----------------------------------------------|--------------------------------|
| Bodily Injury | Property Damage |
| Errors & Omissions | Employment Practices Liability |
| Public Officials Errors & Omissions Liability | Inverse Condemnation |
| Accidental Pollution Liability | Automobile Liability |

**Coverage afforded for drones that follow FAA Rules and Regulations Part 107 of Title XIV*

Retrospective Allocation Point (RAP) **\$2,500**

10/1/20 TO 10/1/21 ESTIMATED DEPOSIT PREMIUM: \$1,688

Deposit premium based on estimated annual payroll. For purposes of the retrospective premium calculation, each member may select its own retrospective allocation point (RAP).

Cyber and Technology Liability Coverage

Included with participation in the Property Program

Limit of Coverage..... **\$3,000,000 per claim**
 **\$5,000,000 policy aggregate**

INCLUDES

- Third Party Liability Coverage
- First Party Coverage

RETENTION SCHEDULE

Total Asset Values:

<\$5,000,000.....	\$10,000
\$5,000,000 to \$25,000,000	\$25,000
>\$25,000,000.....	\$50,000



Premium Summary

Program	Estimated Annual Premium
Liability Coverage	\$ 1,688
TOTAL ESTIMATED ANNUAL PREMIUM	\$ 1,688

CONDITIONS:

1. Participation requires an initial three-year commitment;
2. New applications require ACWA JPIA Executive Committee approval;
3. Membership in ACWA.

Joint Powers Agreement

Creating The

Association of California Water Agencies Joint Powers Insurance Authority

Adopted May 9, 1979
Revised on May 7, 2012

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Joint Powers Agreement

Creating The

Association Of California Water Agencies Joint Powers Insurance Authority

THIS AGREEMENT is made and entered into in the County of Placer, State of California, by and among the water districts and agencies (hereinafter "Districts") and other public entities (hereinafter "Friends of ACWA") organized and existing under the laws of the State of California, which are parties signatory to this Agreement and listed in Appendix "A", which is attached hereto and made a part hereof. Said Districts and Friends of ACWA are sometimes referred to herein as "parties" or "Members".

Recitals

WHEREAS, California Government Code Section 6500 *et seq.* provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus lines broker, or any combination of these; and

WHEREAS, California Government Code Section 990.8 provides that two or more local entities may, by a joint powers agreement, provide insurance or reinsurance for any purpose by any one or more of the methods specified in Government Code Section 990.4; and

WHEREAS, the parties to this Agreement desire to join together for the purpose of establishing pools for self-insured losses and purchasing excess insurance or reinsurance and administrative services in connection with joint protection programs for said parties; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so;

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

Article 1 — Definitions

The following definitions shall apply to the provisions of this Agreement:

- (a) **"Auditor/Controller"** shall mean that person, designated by the Executive Committee who is required to draw, or cause to be drawn, checks, warrants, and electronic payments on behalf of the Authority, and to provide for an annual audit.
- (b) **"Authority"** shall mean the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) created by this Agreement.
- (c) **"Board of Directors" or "Board"** shall mean the governing body of the Authority.
- (d) **"Chief Executive Officer"** shall mean that employee of the Authority who is so appointed by the Executive Committee and ratified by the Board of Directors at the next meeting, unless approved unanimously by the Executive Committee.
- (e) **"Claims"** shall mean demands made against Members which are within the Authority's joint protection programs as developed by the Board of Directors.
- (f) **"Deposit Premium"** shall mean the amount determined by the Executive Committee annually, as necessary to fund each joint protection program of the Authority.
- (g) **"Director"** shall mean that individual selected by the Member, from its governing body, to represent the Member on the ACWA/JPIA Board of Directors.
- (h) **"District"** shall mean those entities of local government empowered by law to replenish ground waters, distribute, control, treat, develop, acquire, use, store or supply water, or empowered by laws to protect, drain or reclaim lands within the State of California, including but not limited to irrigation districts, California water districts, municipal water districts, county water districts, municipal utility districts, and drainage, water replenishment, reclamation districts, flood control districts, conservation districts, sanitation districts, sanitary districts, special act districts, cities, and joint powers authorities which are signatories to this Agreement and are members of the Association of California Water Agencies (ACWA), or are affiliated with ACWA based on their meeting the criteria currently specified by ACWA for ACWA Affiliates – "Friends of ACWA".
- (i) **"Duly Constituted Board Meeting"** shall mean any Board of Directors meeting noticed and held in the required manner and at which a Quorum was determined to be present at the beginning of the meeting.

- (j) **"Excess Insurance"** shall mean that insurance or reinsurance which may be purchased on behalf of the Authority to protect the funds of the Members.
- (k) **"Executive Committee"** shall mean the Executive Committee of the Board of Directors of the Authority.
- (l) **"Finance and Audit Committee"** shall mean the committee of the Authority composed of financial staff of districts appointed by the Board President and ratified by their Districts.
- (m) **"Fiscal Year"** shall mean that period of twelve (12) months which is established as the fiscal year of the Authority.
- (n) **"Friends of ACWA"** shall mean those public agencies that do not meet the definition of **"District"** who are members of the ACWA or are affiliated with ACWA based on their meeting the criteria currently specified by ACWA for ACWA Affiliates – "Friends of ACWA," and which are also signatories to this Agreement.
- (o) **"Insurance"** shall mean and include a joint protection program, self-insurance through a funded program, and/or any commercial insurance or reinsurance contract.
- (p) **"Member"** shall mean either a **"Friend of ACWA"** or a **"District"** which is a signatory to this Agreement.
- (q) **"Policy Year"** shall mean a period of time, usually twelve (12) months, determined by the Executive Committee into which each joint protection program is segregated for ease in determining deposit premiums, incurred losses, and retrospective premium calculations.
- (r) **"Retrospective Premium Adjustment"** shall include the terms "Retrospective Premium" and "Retrospective Adjustment" and shall mean the amount determined by the cost allocation plans and formulas adopted from time to time by the Board as a Member's share of losses, expenses, and contribution to the catastrophe fund or other reserve.
- (s) **"Secretary"** shall mean the person appointed by the Executive Committee to record or cause to be recorded, and keep or cause to be kept, at the principal executive office or such other place as the Executive Committee may order, a book of minutes of actions taken at all meetings of the Board of Directors and Executive Committee.
- (t) **"Treasurer"** shall mean the person appointed by the Executive Committee to keep and maintain, or cause to be kept and maintained, adequate and correct financial records of the Authority.

Article 2 — Purposes

This Agreement is entered into by Members pursuant to the provisions of California Government Code sections 990, 990.4, 990.8 and 6500 *et seq.*, in order to provide comprehensive and economical public liability, workers' compensation, unemployment, health, accident and/or dental, and property coverage, or coverage for other risks to which the Board of Directors may agree.

Additional purposes are to reduce the amount and frequency of losses, and to decrease the cost incurred by Members in the handling and litigation of claims. These purposes shall be accomplished through the exercise of the powers of such Members jointly in the creation of a separate entity, the Association of California Water Agencies Joint Powers Insurance Authority (the Authority), to administer joint protection programs wherein Districts and Friends of ACWA will separately pool their losses and claims, and jointly purchase excess insurance and/or reinsurance and administrative and other services, including claims adjusting, data processing, risk management consulting, loss prevention, legal, and other related services.

It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional Members organized and existing under the laws of the State of California as may desire to become parties to the Agreement and members of the Authority, subject to approval by the Board of Directors.

Article 3 — Parties To Agreement

Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories to this Agreement and, in addition, with such other parties as may later be added as parties to and signatories to this Agreement pursuant to Article 21. Each party to this Agreement also certifies that the deletion of any party from this Agreement, pursuant to Article 22 or Article 23, shall not affect this Agreement or such party's intent to contract as described above with the other parties to the Agreement then remaining.

Article 4 — Term Of Agreement

This Agreement became effective on the date of execution hereof by the last of sixty (60) Districts with a combined 1978/79 liability policy premium of \$2 million, and it shall continue until and unless terminated as hereinafter provided.

Article 5 — Creation Of Authority

Pursuant to Section 6500 *et seq.* of the California Government Code, there is hereby created a public entity separate and apart from the parties hereto, to be known as the Association of California Water Agencies Joint Powers Insurance Authority. Pursuant to Government Code Section 6508.1, the debts, liabilities and

obligations of the Authority shall not constitute debts, liabilities or obligations of any party to this Agreement or of any District or Friend of ACWA.

Article 6 — Powers Of Authority

- (a) The Authority shall have the powers common to Members and is hereby authorized to do all acts necessary for the exercise of said common powers, including, but not limited to, any or all of the following:
 - (1) To make and enter into contracts;
 - (2) To incur debts, liabilities or obligations;
 - (3) To acquire, hold or dispose of property, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
 - (4) To sue and be sued in its own name; and
 - (5) To exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or otherwise authorized by law.
- (b) Said powers shall be exercised pursuant to the terms hereof and in the manner provided by law, and in accordance with Government Code Section 6509, the foregoing powers shall be subject to the restrictions upon the manner of exercising such powers pertaining to the Walnut Valley Water District as specified in The California Water District Law (California Water Code Sections 34000 *et seq.*).

Article 7 — Board Of Directors

- (a) The Authority shall be governed by the Board of Directors which is hereby established and which shall be composed of one representative from each Member, who shall be a Member director selected by the governing board of that Member. Each Member, in addition to appointing its member of the Board, shall appoint at least one alternate who shall be an officer, member of the governing board, or employee of that Member. The alternate appointed by a Member shall have the authority to attend and participate in any meeting of the Board when the regular member for whom he or she is an alternate is absent from said meeting.
- (b) Each Director or alternate of the Board shall serve until a successor is appointed. Each Director or alternate shall serve at the pleasure of the Member by which he or she has been appointed.
- (c) Each Director representing a Member, or his or her alternate, shall have one vote.

Article 8 — Powers Of The Board Of Directors

The Board of Directors of the Authority shall have the following powers and functions:

- (a) The Board shall elect from its voting members pursuant to Article 10 of this Agreement an Executive Committee.
- (b) The Board may review all acts of the Executive Committee, and shall have the power to modify and/or reverse any decision or action of the Executive Committee upon a majority vote of the voting Directors present at any Duly Constituted Board Meeting.
- (c) The Board shall review, modify if necessary, and approve the annual operating budget of the Authority, prepared by the Executive Committee pursuant to Article 11 (d).
- (d) The Board shall receive and review periodic accountings of all funds under Articles 17 and 18 of this Agreement.
- (e) The Board shall have the power to conduct on behalf of the Authority all business of the Authority, including that assigned to the Executive Committee, which the Authority may conduct under the provisions hereof and pursuant to law.
- (f) The Board shall have such other powers and functions as are provided for in this Agreement or in the Bylaws.

Article 9 — Meetings Of The Board Of Directors

- (a) **Meetings.** The Board shall provide for at least one annual regular meeting. It may also provide for adjourned regular meetings, special meetings, or meetings upon call of the President of the Board.
- (b) **Minutes.** The Secretary of the Authority shall cause minutes of regular, adjourned regular, and special meetings (but not of any closed-session portion of any such meeting) to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to each Member.
- (c) **Quorum.** Any fifty (50) voting members of the Board present when the meeting is called to order shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. A vote of the majority of those voting members present and voting in the prescribed manner at any Duly Constituted Board Meeting shall be sufficient to constitute action by the Board except as otherwise specifically set forth in this Agreement or in the Bylaws.

- (d) **Compliance with the Brown Act.** All meetings of the Board, including, without limitation, regular, adjourned regular, and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code Section 54950 *et seq.*

Article 10 — Executive Committee

- (a) There shall be an Executive Committee of the Board of Directors which shall consist of nine (9) members, as provided in the Bylaws. Eight (8) members of the Executive Committee shall be elected by the Board of Directors from its voting members as provided in the Bylaws. The ninth member of the Executive Committee shall be the Vice President of the Association of California Water Agencies, who shall be an *ex officio* member of the Executive Committee.
- (b) The Executive Committee shall appoint a President and a Vice President of the Board of Directors from among the eight (8) Executive Committee members elected by the Board of Directors, as provided in the Bylaws. The President of the Board, or the Vice President in his or her absence, shall serve as the Chair of the Executive Committee.
- (c) The unexcused absence of a member of the Executive Committee, other than the Vice President of the Association of California Water Agencies, from two consecutive meetings may be cause for the removal of said member by the Executive Committee.
- (d) Vacancies on the Executive Committee shall be filled as provided in the Bylaws.

Article 11 — Powers Of The Executive Committee

The Executive Committee shall have the following powers:

- (a) The Executive Committee shall determine details of and select the joint protection program or programs of the Authority.
- (b) The Executive Committee shall determine and select all insurance, including excess insurance and reinsurance, necessary to carry out the joint protection program or programs of the Authority.
- (c) The Executive Committee shall have authority to contract for or develop various services for the Authority, including, but not limited to, claims adjusting, loss control and risk management consulting.
- (d) The Executive Committee shall cause to be prepared the operating budget of the Authority for each fiscal year, subject to review, modification and approval by the Board, as provided for in Article 8 (c).

- (e) The Executive Committee shall receive and act upon reports of all other committees and from the Chief Executive Officer.
- (f) The Executive Committee shall appoint the President, Vice President, Chief Executive Officer, Secretary, Treasurer, and Auditor/Controller of the Authority.
- (g) The Executive Committee shall have the authority to engage, retain, and discharge persons, firms, or other organizations as the Executive Committee deems necessary for the administration of the Authority. The Executive Committee may delegate this authority to the Chief Executive Officer of the Authority.
- (h) The Executive Committee shall exercise general supervisory control of and provide policy to the Chief Executive Officer.
- (i) Additional committees and sub-committees shall be established by the Executive Committee as it deems necessary to best serve the interests of the Authority.
- (j) The Executive Committee shall have such other powers and functions as are provided for pursuant to this Agreement.

Article 12 — Meetings Of The Executive Committee

The meetings of the Executive Committee shall be held and conducted as provided in the Bylaws. The Committee shall make periodic reports to the Board of Directors, advising the Board of its decisions and activities.

Article 13 — Officers Of The Authority

- (a) **President and Vice President.** The President and Vice President of the Board shall be appointed by the Executive Committee from among the Executive Committee's eight (8) elected members. In the event the President or Vice President so appointed ceases to be a member of the Board, the resulting vacancy in the office of President or Vice President may be filled on either an interim or a permanent basis at the next regular meeting of the Executive Committee held after such vacancy occurs. In the absence or inability of the President to act, the Vice President shall act as President. The President, or in his or her absence the Vice President, shall preside at and conduct all meetings of the Board, and shall chair the Executive Committee.
- (b) **Chief Executive Officer.** The Chief Executive Officer shall have the general administrative responsibility for the activities of the Authority and shall appoint all necessary employees thereof, subject to prior authorization of

each position by the Executive Committee and shall perform such other duties as may be assigned by the Executive Committee.

- (c) **Auditor/Controller.** The Auditor/Controller shall be appointed by the Executive Committee. The duties of the Auditor/Controller shall be as set forth in Articles 17 and 18 of this Agreement.
- (d) **Secretary.** The Secretary shall be appointed by the Executive Committee and shall be responsible for all minutes, notices, and records of the Authority.
- (e) **Treasurer.** The Treasurer shall be appointed by the Executive Committee. The duties of the Treasurer shall be as set forth in Articles 17 and 18 of this Agreement.
- (f) The Executive Committee shall have the power to appoint such other officers as may be necessary to carry out the purposes of this Agreement.

Article 14 — Standing Committees

The Board or the Executive Committee may establish standing committees from time to time, as provided in the Bylaws.

Article 15 — Insurance Coverage

- (a) The Authority shall maintain such levels of insurance coverage for Members as may be determined by the Executive Committee. Such coverage may provide for binding arbitration before an independent arbitration panel of any disputes concerning coverage between the Authority and a Member.
- (b) The Insurance coverages provided for Members by the Authority may include protection for comprehensive and economical public liability, property, workers' compensation, employee benefits, or coverage for other risks which the Executive Committee may determine to be advisable.
- (c) The Executive Committee may arrange for group policies to be issued for Members interested in obtaining additional coverage, at an additional cost to those participating Members.
- (d) The Executive Committee may arrange for the purchase of Excess Insurance. The Executive Committee may discontinue purchase of this Excess Insurance, if at a future time it is no longer needed to protect the Authority's funds.

Article 16 — Implementation Of The Joint Protection Program

- (a) The Board of Directors shall establish the insurance coverages provided for in Article 15, the amount of deposit premiums, and the precise cost

allocation plans and formulas, and shall provide for the handling of claims, and the pro forma financial statements of each joint protection program, and shall specify the amounts and types of Excess Insurance or reinsurance to be procured.

- (b) The Deposit Premium for each Member for each joint protection program shall be determined by the Executive Committee.
 - (1) Deposit Premiums shall be based on estimated costs for a given program year. Costs shall include estimates for claims, excess insurance/reinsurance, general & administrative expenses, program reserves and include an estimate for interest earnings.
 - (2) Each Member's share of the Deposit Premium for the given program year shall generally be based on its payroll and past loss history for the Liability, Workers' Compensation, and Employee Benefits Programs and scheduled values for the Property Program.

The Executive Committee may make retrospective premium adjustments to prior program years.

- (c) The Retrospective Premium Adjustment, and all other adjustments to the Authority's financial records respecting each Member, shall be made annually. All premiums shall be due and payable within thirty (30) days after the invoice date.
- (d) Inasmuch as some Members may experience an unusually high dollar value of losses during a single Policy Year, which would increase their Retrospective Premium substantially above the Deposit Premium for that joint protection program for that Policy Year and cause budgetary problems, the Executive Committee may allow for payment of a portion of such additional Retrospective Premium to be made over a period of time, not to exceed five years, with reasonable interest.
- (e) The Executive Committee shall have the power to disburse or distribute reserve funds for their intended purposes.

Article 17 — Accounts And Records

- (a) **Annual Budget.** The Authority shall annually adopt an operating budget, pursuant to Article 8 (c) of this Agreement.
- (b) **Funds and Accounts.** The Treasurer of the Authority shall establish and maintain such funds and accounts as required by the Executive Committee and as required by generally accepted accounting principles. Books and records of the Authority shall be open to any inspection at all reasonable times by authorized representatives of Members as otherwise required by law.

- (c) **Treasurer's Report.** The Treasurer shall present a complete written report of all investment activities for the most recently completed fiscal year to the Board at its regularly scheduled meeting.
- (d) **Annual Audit.** The Auditor/Controller shall provide for a certified, annual audit of the accounts and records of the authority, which audit shall be made by a certified public accountant and shall conform to generally accepted auditing standards. Such report shall be presented to the Executive Committee and, following its approval by the Executive Committee, shall be presented to the Board of Directors for concurrence.

Article 18 — Responsibility For Monies

- (a) The Treasurer of the Authority shall have the authority to delegate the signatory function of Treasurer to such persons as are authorized by resolution of the Executive Committee.
- (b) A bond in the amount determined adequate by the Executive Committee shall be required of all officers and personnel authorized to disburse funds of the Authority, such bond to be paid for by the Authority.
- (c) The Treasurer of the Authority shall assume the duties described in California Government Code Section 6505.5, including:
 - (1) Receive and acknowledge receipt for all money of the Authority and place it in the treasury of the Authority;
 - (2) Be responsible upon his or her official bond for the safekeeping and disbursement of all of the Authority's money so held by him or her;
 - (3) Pay, when due, out of money of the Authority so held by him or her, all sums payable on outstanding bonds and coupons of the Authority;
 - (4) Pay any other sums due from Authority money only upon checks, warrants, or electronic payments approved by the Chief Executive Officer or his or her designee. The checks, warrants, or electronic payments shall be reviewed by the President of the Board and the Chair of the Finance & Audit Committee.

Article 19 — Responsibilities Of The Authority

The Authority shall perform the following functions in discharging its responsibilities under this Agreement:

- (a) Provide insurance coverage as necessary, including but not limited to a self-insurance fund and commercial insurance, as well as excess coverage, reinsurance, and umbrella insurance, by negotiation or bid, and purchase, as necessary.

- (b) Assist Members in obtaining insurance coverage for risks not included within the coverage of the Authority.
- (c) Assist each Member's designated risk manager with the implementation of that risk management function as it relates to risks covered by the joint protection programs within the Member.
- (d) Provide loss prevention and safety consulting services to Members as required.
- (e) Provide claims adjusting and subrogation services for Claims covered by the Authority's joint protection programs.
- (f) Provide loss analysis and control by the use of statistical analysis, data processing, and record and file keeping services, in order to identify high exposure operations and to evaluate proper levels of self-retention and deductibles.
- (g) Review Member contracts to determine sufficiency of indemnity and insurance provisions when requested.
- (h) Conduct risk assessments for each Member.
- (i) The Authority shall have such other responsibilities as deemed necessary by the Board of Directors or Executive Committee.

Article 20 — Responsibilities Of Members

Members shall have the following responsibilities:

- (a) The governing board of each Member shall appoint a representative and at least one alternate representative to the Board of Directors, pursuant to Article 7 of this Agreement.
- (b) Each Member shall appoint an employee of the Member to be responsible for the risk management function within that Member and to serve as a liaison between the Member and the Authority as to risk management.
- (c) It is recommended that each Member maintain an active safety officer and/or committee. Each Member shall consider all recommendations of the Authority concerning unsafe practices.
- (d) Each Member shall pay its deposit premium and premium adjustments, including any Retrospective Adjustment, within thirty (30) days after the invoice date. After withdrawal or termination, each Member or former Member or its successor shall pay within 45 days to the Authority its share of any additional premium, when and if required of it by the Executive Committee under Article 24 or Article 25 of this Agreement.

- (e) Each Member shall provide the Authority with such other information or assistance as may be necessary for the Authority to carry out the joint protection programs under this Agreement.
- (f) Each Member shall in any and all ways cooperate with and assist the Authority, and any insurer or reinsurer of the Authority, in all matters relating to this Agreement and covered claims, and shall also comply with all Bylaws, rules and regulations adopted by the Board of Directors and Executive Committee.

Article 21 — New Members

The Authority shall allow new Members entry into its joint protection programs only upon approval by the Board, or by the Executive Committee if specifically delegated such authority by resolution of the Board, which resolution may impose such conditions or limitations upon such authority of the Executive Committee as the Board deems appropriate. Members entering under this Article may be required to pay their share of the organizational expenses as determined by the Executive Committee, including expenses necessary to analyze their loss data and determine their Deposit Premiums.

Article 22 — Withdrawal

- (a) A Member may withdraw as a party to this Agreement any time prior to its consenting in writing to enter the joint protection program.
- (b) A Member that does not consent in writing to enter the joint protection program must withdraw as a party to this Agreement prior to the effective date of the program, or it will be considered to have voluntarily withdrawn upon such effective date.
- (c) As respects to coverage Programs of the Authority, other than the Employee Benefits Program:
 - (1) A Member that enters or has entered any pooled joint protection program may not withdraw as a participant of that program, as a party to this Agreement, or as a Member of the Authority, for a three-year period commencing on the Member's date of entry into said pooled joint protection program.
 - (2) After the initial three-year non-cancellable commitment to each pooled joint protection program, a Member may withdraw only at the end of said program's Policy Year, provided it has given the Authority a twelve-month written notice of its intent to withdraw from said pooled joint protection program.

- (i) No later than ninety (90) days prior to the end of said pooled joint protection program's Policy Year, any Member having given an Article 22 (d) conditional notice shall make clear to the Authority its final decision on withdrawal. Final notice of actual withdrawal must be given and received by that date in clear, unambiguous form. The staff is instructed to rely on such final notice received on or before ninety (90) days prior to the end of the program's Policy Year, and no rescission of such final notice can be made after close of business ninety (90) days prior to the end of the program's Policy Year. If no such final notice is received by close of business on the required date, staff shall treat the original notice with all its conditions and ambiguities as final notice of withdrawal.
 - (ii) Any participation by a former Member must be effected as a new Member. No benefits will be held over from the withdrawing Member's former status as a previous program participant.
- (3) Members may withdraw from any group purchase program at the conclusion of its Policy Year, without being required to give the twelve-month written notice required for withdrawal from pooled joint protection programs.
- (d) Members may withdraw as a party of the Employee Benefits Program to be effective on the first day of any month by providing written intention of withdrawing to the Authority at least 60 days prior to the proposed effective date of the withdrawal. Any such withdrawal shall be effective only upon receipt of the notice of withdrawal by the Authority which shall acknowledge receipt of such notice of the withdrawal in writing effective upon the proposed filing date, or such other date as the Executive Committee may designate which is not more than 90 nor less than 60 days from the notice in order to bring such notice of withdrawal in compliance with the terms hereof.
 - (e) A Member may not withdraw as a party to this Agreement nor as a member of the Authority until it has withdrawn from all of the programs of the Authority.

Article 23 — Cancellation Of Membership Or Participation

- (a) Notwithstanding the provisions of Article 22, the Authority shall have the right to cancel any Member's participation in any joint protection program upon a two-thirds vote of the voting Directors present at any Duly Constituted Board Meeting, provided that a reasonable time shall be afforded, at the discretion of the Board of Directors, to place coverage elsewhere.
- (b) Notwithstanding any other provisions of this Agreement, the participation of any Member of the Authority, including participation in any of the Authority's

programs, shall cease and be canceled automatically at the end of the next complete Policy Year for each program whenever such Member's membership in the Association of California Water Agencies, or its affiliation with said Association based on its meeting the criteria currently specified by ACWA for ACWA Affiliates – "Friends of ACWA," ceases. Such automatic cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 24 (b).

- (c) Notwithstanding any other provisions of this Agreement, the participation of any Member of the Authority, including participation in any of the Authority's programs, may be canceled at the discretion of the Executive Committee whenever such Member is dissolved, consolidated, merged or annexed. A reasonable time shall be afforded, in the discretion of the Executive Committee, to place coverage elsewhere. Any such cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 24 (b).

Article 24 — Effect Of Withdrawal Or Cancellation

- (a) The withdrawal or cancellation of any Member from this Agreement shall not terminate the same and a Member by withdrawing or being canceled shall not be entitled to payment or return of any premium, consideration or property paid, or donated by the Member to the Authority, or to any distribution of assets, except as provided in Article 25 (c).
- (b) The withdrawal or cancellation of any Member after the effective date of any joint protection program shall not terminate its responsibility to contribute its share of deposit premium, premium adjustments or funds to any funds or insurance program(s) created by the Authority until all claims, or other unpaid liabilities, covering the Program period any part of which the Member was signatory thereto have been finally resolved and a determination of the final amount of payments due by the Member or credits to the Member for the period of its participation has been made by the Executive Committee. In connection with this determination, the Executive Committee may exercise similar powers to those provided for in Article 25 (b) of this Agreement.

Article 25 — Termination And Distribution

- (a) This Agreement may be terminated at any time by the written consent of three-fourths (3/4) of the voting Members, provided, however, that this Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distribution of assets and all other functions necessary to wind up the affairs of the Authority.
- (b) The Executive Committee is vested with all powers of the Authority for the purpose of winding up and dissolving the business affairs of the Authority. These powers shall include the power to require Members and former

Members, including those which were signatory hereto at the time the Claim arose or was incurred, to pay their share of any additional amount of premium in accordance with loss allocation formulas for final disposition of all Claims and losses covered by this Agreement. A Member's or former Member's share of such additional premium shall be determined on the same basis as that provided for Retrospective Premiums in Article 16 of this Agreement.

- (c) Upon termination of this Agreement all assets of the Authority shall be distributed only among the Members that have been signatories hereto, including any of those Members which previously withdrew pursuant to Article 22 (d) or were canceled pursuant to Article 23 of this Agreement, in accordance with and proportionate to their cash contributions (including premium payments and property at market value when received) made during the term of this Agreement. The Executive Committee shall determine such distribution within six (6) months after disposal of the last pending Claim or loss covered by this Agreement.
- (d) In the absence of an Executive Committee, the Chief Executive Officer shall exercise all powers and authority under this Article. The decision of the Executive Committee or Chief Executive Officer under this Article shall be final.

Article 26 — Provision For Bylaws And Manuals

As soon as practicable after the first meeting of the Board of Directors, the Board shall cause to be developed Authority Bylaws and a Mission Statement.

Article 27 — Notices

Notices to Members hereunder shall be sufficient if delivered to the principal office of the respective Member.

Article 28 — Amendment

This Agreement may be amended at any time by a two-thirds (2/3) vote of the voting Directors present at any Duly Constituted Board Meeting.

Article 29 — Prohibition Against Assignment

No Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Member shall have any right, claim or title or any part, share, interest, fund, premium or asset of the Authority.

Article 30 — Agreement Complete

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

IN WITNESS WHEREOF, the parties hereto have first executed this Agreement by authorized officials thereof on the date indicated below:

DATE: _____

_____ Member

BY:

Signature of Authorized Representative

JPIA Board of Directors - Member/Alternate

An excerpt from the JPIA Agreement:

"Article 7 - Board of Directors"

- (a) The Authority shall be governed by the Board of Directors which is hereby established and which shall be composed of one representative from each Member, who shall be a Member director selected by the governing board of that Member. Each Member, in addition to appointing its member of the Board, shall appoint at least one alternate who shall be an officer, member of the governing board, or employee of that Member. The alternate appointed by a Member shall have the authority to attend and participate in any meeting of the Board when the regular member for whom he or she is an alternate is absent from said meeting.
- (b) Each Director or alternate of the Board shall serve until a successor is appointed. Each Director or alternate shall serve at the pleasure of the Member by which he or she has been appointed.
- (c) Each Director representing a Member, or his or her alternate, shall have one vote.

Please have your agency's Board of Directors designate a JPIA Director Representative and Alternate Representative.

Member Agency: _____

JPIA Director Representative: _____

Must be a member of the agency's board of directors.

Preferred mailing address: _____

E-mail address: _____

Phone number: _____

Assuming office date: _____

JPIA Alternate Representative: _____

Preferred mailing address: _____

E-mail address: _____

Phone number: _____

Please mail form to: Attn: Bobbette Wells, ACWA/JPIA, PO Box 619082, Roseville, CA 95661-9082

or FAX to: (916) 774-7040



AGENCY MEMBER DUES SCHEDULE | 2021

The dues formula shall be based on adjusted operation and maintenance expense for the following activities of a district:

- water;
- waste water;
- electric;
- land reclamation and levee maintenance;
- flood control and water conservation; and
- drainage and drainage maintenance.

2021 ACWA dues are based on the 2018-2019 fiscal year. Members joining after the beginning of the calendar year shall have their dues pro-rated for the remainder of the year. Members joining after October 1 will have their dues pro-rated for the current year and will be billed concurrently for the following year's dues.

NET O & M (2019 FY)	2021 DUES
\$1	\$750
\$37,501	2% max*
\$140,001	\$2,800
\$200,001	\$3,260
\$300,001	\$3,715
\$400,001	\$4,180
\$500,001	\$4,645
\$600,001	\$5,110
\$700,001	\$5,585
\$800,001	\$6,030
\$900,001	\$6,495
\$1,000,001	\$7,105
\$1,100,001	\$7,580
\$1,200,001	\$8,065
\$1,300,001	\$8,535
\$1,400,001	\$9,000
\$1,500,001	\$9,735
\$2,000,000	\$10,920
\$2,500,001	\$11,900
\$3,000,001	\$12,905
\$3,500,001	\$13,900
\$4,000,001	\$14,885
\$4,500,001	\$15,870
\$5,000,001	\$16,860
\$5,500,001	\$17,855

NET O & M (2019 FY)	2021 DUES
\$6,000,001	\$18,850
\$7,000,001	\$19,835
\$8,000,001	\$20,845
\$9,000,001	\$21,825
\$10,000,001	\$23,240
\$15,000,001	\$24,245
\$20,000,001	\$25,255
\$25,000,001	\$26,275
\$30,000,001	\$27,270
\$35,000,001	\$28,280
\$40,000,001	\$30,105
\$50,000,001	\$31,145
\$60,000,001	\$33,210
\$70,000,001	\$35,305
\$80,000,001	\$37,365
\$90,000,001	\$39,440
\$100,000,001	\$41,520
\$150,000,001	\$43,595
\$200,000,001	\$45,665
\$250,000,001	\$47,750
\$300,000,001	\$49,820
\$350,000,001	\$51,900
\$400,000,001	\$53,970
\$500,000,001	\$58,120

*Subject to a 2% max of O&M

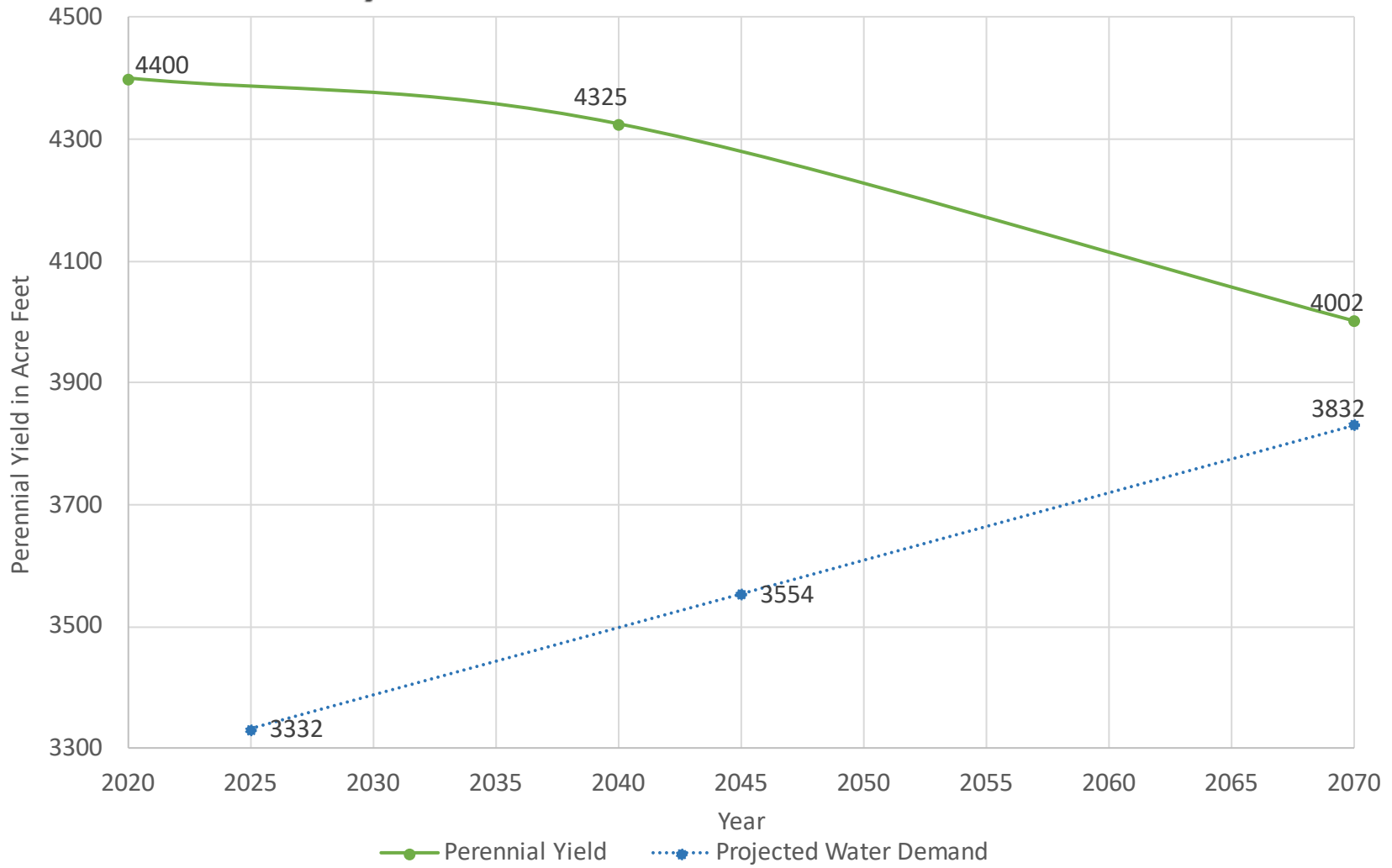


Bear Valley Basin Groundwater Sustainability Agency Agenda Report

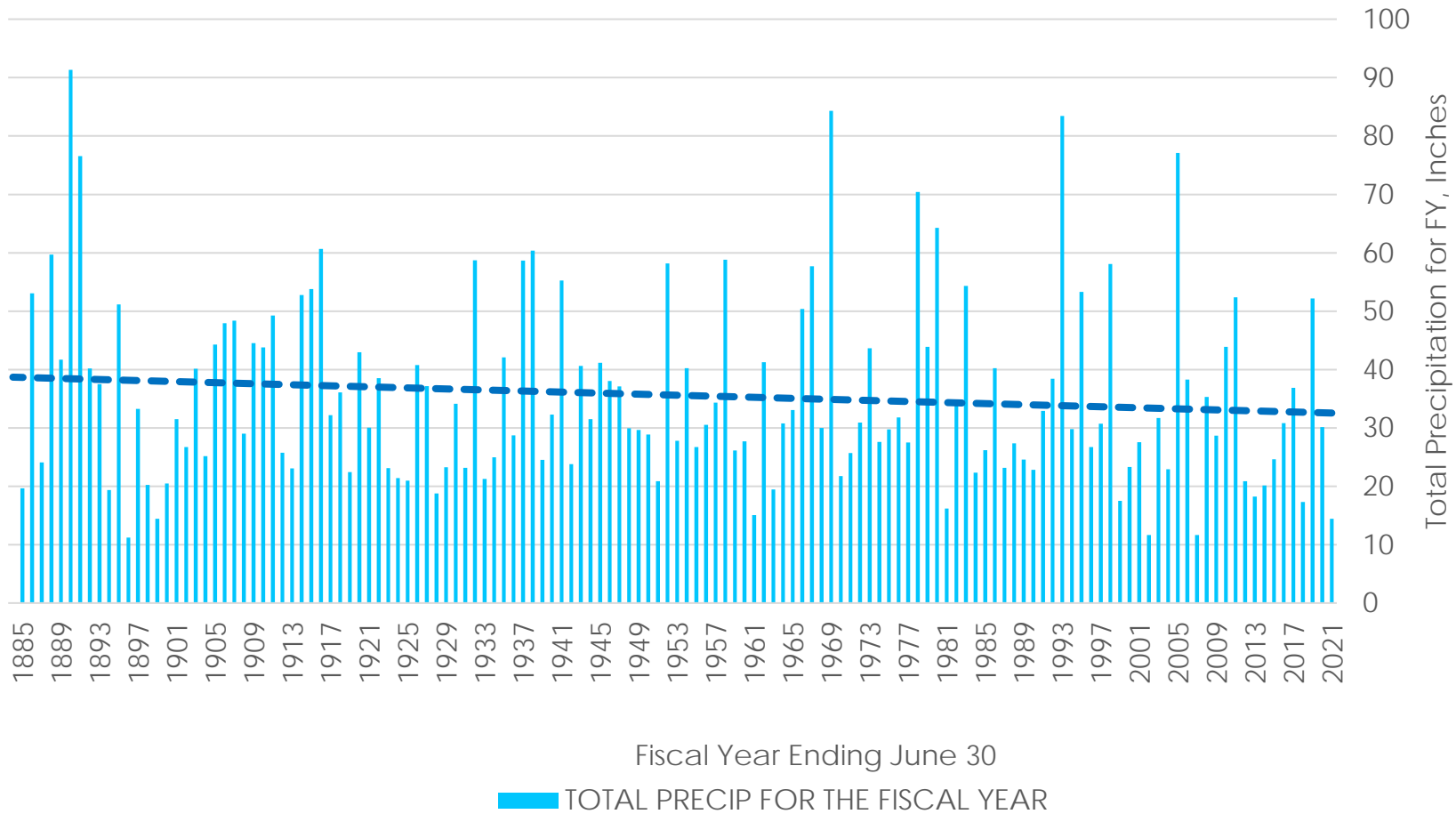
DATE: June 22, 2021
TO: Board of Directors
FROM: Reginald A. Lamson, Administrator
RE: **Replenish Big Bear Update**

- Regional Board
- Division of Drinking Water
- Project
- Stakeholders

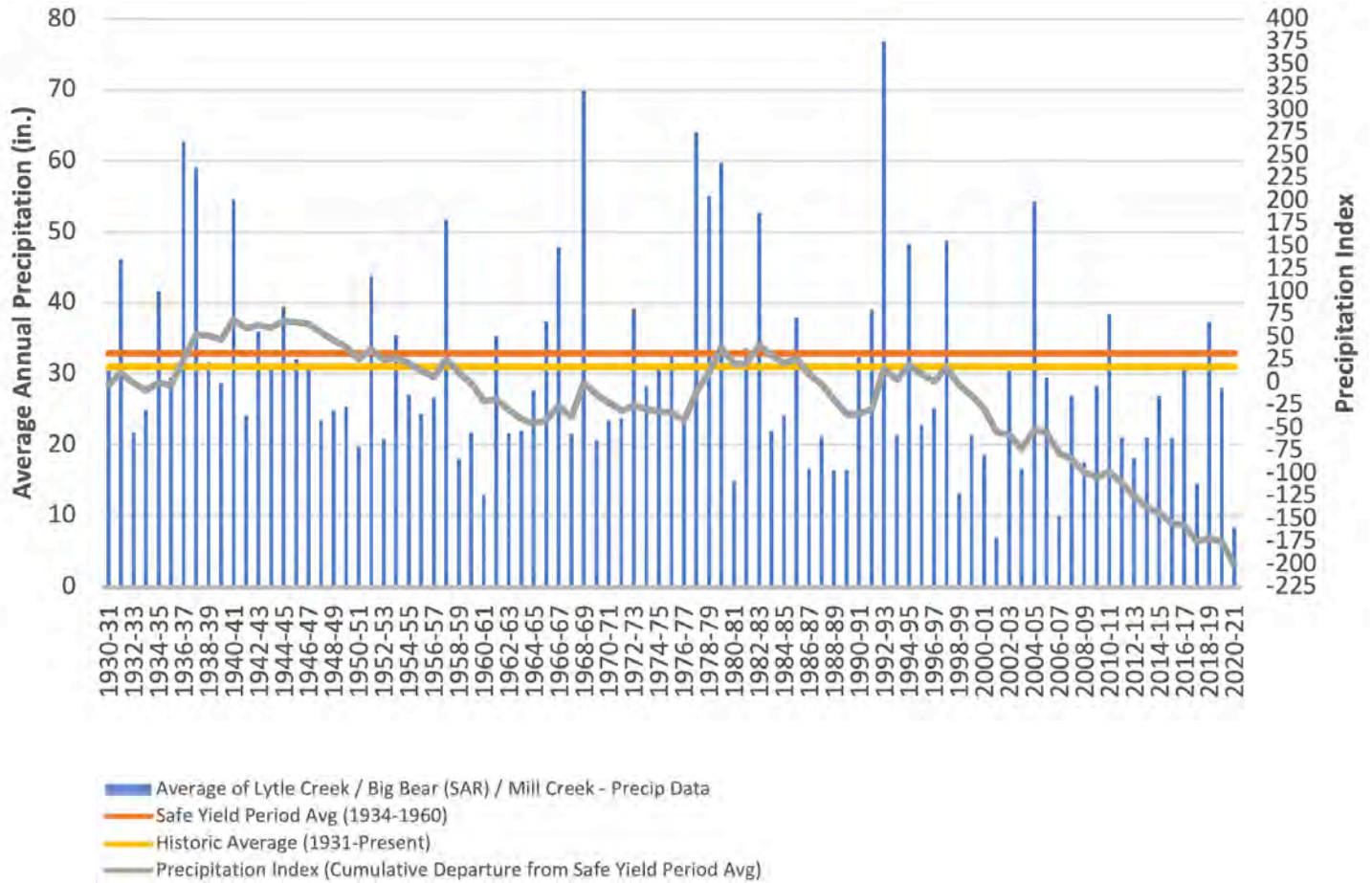
Bear Valley Perennial Yield vs. Water Demand



Long Term Precipitation Trend at Big Bear Dam



Climate in the Region is characterized by relatively hot, dry summers and cool winters with intermittent precipitation. The historical record indicates that periods of above or below-average precipitation can last more than 30 years, such as the recent dry period that extended from 1947 to 1977, and the ongoing dry period that began around 1998.





Bear Valley Basin Groundwater Sustainability Agency Agenda Report

DATE: June 22, 2021
TO: Board of Directors
RE: **Management and Board Member Discussion**

Board Members:

Bob Ludecke, Chairman
John Green, Vice Chairman
Craig Hjorth, Treasurer
James Miller, Secretary

Management:

David Lawrence, General Manager BBARWA
Mike Stephenson, General Manager MWD
Mary Reeves, General Manager CSD
Reginald Lamson, GSA Administrator/General Manager DWP