



1. Minutes – April 12, 2023 and May 16, 2023
2. Cash Transaction Report – April 2023

Director Chavez asked for a status update regarding the comments noted in the draft minutes and provided at the May 16, 2023 Board meeting relating to GSA boundaries. Mr. Beaman clarified staff is coordinating and discussing potential solutions with MSGSA staff. In the meantime, staff has included a line item relating to a potential boundary update in the proposed budget to be discussed and presented later during the meeting.

On a motion by Director Vinson, seconded by Director Elwin; the Board voted unanimously to adopt the Consent Calendar, as presented. The votes were as follows:

Ayes:	Eltal, Elwin, Vinson, Chavez, Chavez, Benavidez
Noes:	None
Abstain:	None
Absent:	Valencia

## **REPORTS**

Mr. Beaman noted Merced County staff contacted all GSAs within Merced County to discuss amendments to the County’s groundwater export policy. Mr. Beaman noted when Merced’s groundwater ordinance was adopted in approximately 2015, language was included that prohibited groundwater exports. He said the County is in the process of drafting language to clarify as the current policy creates some challenges and to remain consistent with the GSP. Mr. Beaman presented draft language and noted it is not final but would be discussed in a meeting with the County later this afternoon. He noted draft language is currently under review.

Mr. Beaman said the County has proposed amending the existing groundwater export policy to include an exception to exports under certain circumstances to maintain consistency with the GSP. He noted to be eligible for an exemption, in addition to other requirements, the exemption would require a determination from GSAs be provided before the County may approve a groundwater export project. He said the County intends to provide additional notice and opportunity to comment to the GSAs and other interested parties.

The Board and staff engaged in a lengthy discussion regarding groundwater exports and potential impacts to the GSA. They also discussed how the comments, if provided, might be treated.

Ms. Breanne Vandenberg with the Merced County Farm Bureau noted she continues to have questions regarding the process.

Chair Eltal noted an upcoming meeting where the item is anticipated to be discussed at length. Mr. Beaman noted he would keep the Board updated as the item progresses.

## **ACTION/DISCUSSION**

Chair Eltal provided a brief overview regarding the status of the development of draft rules and regulations, and policies for MIUGSA and implementation of the GSP within MIUGSA. Mr. Beaman discussed a general timeline for continued development and eventually bringing the rules and regulations, and policies to the Board for review and comments. He noted staff is hoping to place the item, including the development of supplemental rules, on the Board’s agenda in August. He noted staff is continuing to work on some general policies as well.

Both Mr. Beaman and Chair Eltal noted they would like to begin discussions with urban groundwater users within MIUGSA over the next couple of months. Chair Eltal suggested the development of an ad hoc committee to discuss MIUGSA's efforts moving forward. The Board discussed briefly, then provided direction to proceed with forming the committee. The Board determined Mr. Elwin, Mr. Valencia, and Mr. Eltal would be best suited to attend any meetings and report to the Board.

Mr. Beaman discussed and provided the Board with a presentation and overview of the proposed budget and fees for FY 2024. He reminded the Board of discussion regarding items to be included in the proposed budget at the Board's meeting last month. He then discussed anticipated revenue and expenses in comparison with that of the previous fiscal year. He noted changes include an increase in costs associated with anticipated staffing, professional service needs, a potential boundary adjustment, reporting, regulatory compliance, and the purchase of 1 vehicle. Mr. Beaman then discussed potential grant funding and cost sharing amongst MIUGSA member agencies and an overall budget of approximately \$1.6 million for FY 2024.

The Board discussed the process for boundary adjustments and potential annexation for GSAs at length. Chair Eltal asked for direction regarding the development of a potential ad hoc committee to continue the discussion, especially regarding logistics of the process for boundary modification. The Board indicated their preference to continue the discussion in Board meetings to start with, but as the discussion gets more detailed, they may form an ad hoc committee to assist.

Following the Board's discussion, Mr. Beaman provide further information regarding the FY 2024 regulatory fee. He provided projections through FY 2026. He noted a recommendation to increase the regulatory fee for FY 2024 based off the CPI, with no additional increases recommended at this time. He noted annual fee increases based on CPI were built into the fees when initially adopted by the Board.

The Board discussed both items with staff. Most discussion related generally to planned tasks for FY 2024.

Upon further discussion, Mr. Beaman made a recommendation the Board take action to adopt Resolution 2023-03 and adopt the agency's budget for FY 2024, as well as take action to adopt Resolution 2023-04 and adopt the regulatory fees for FY 2024, each as recommended and presented.

On motion by Director Chavez, seconded by Director Elwin; the Board voted unanimously to adopt the MIUGSA budget, as well as the regulatory fee for FY 2024, both as presented. The votes were as follows:

Ayes:	Eltal, Elwin, Vinson, Chavez, Chavez, Benavidez
Noes:	None
Abstain:	None
Absent:	Valencia

## **ADJOURN**

The meeting was adjourned at approximately 10:10AM.