



**City Council  
Successor Redevelopment Agency  
Financing Authority  
Housing Authority**

**AGENDA**

**Wednesday**

**Regular**

**Closed Session 5:30 p.m.  
Regular Session 6:00 p.m.**

**August 3, 2016**

**City Hall  
100 West California Avenue  
Ridgecrest CA 93555**

**(760) 499-5000**

**Peggy Breeden, Mayor  
James Sanders, Mayor Pro Tempore  
Lori Acton, Vice Mayor  
Eddie B. Thomas, Council Member  
Mike Mower, Council Member**

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CITY OF RIDGECREST  
Telephone 760 499-5000  
FAX 499-1500

100 West California Avenue, Ridgecrest, California 93555-4054

**NOTICE AND CALL OF SPECIAL CLOSED SESSION MEETING OF THE  
RIDGECREST CITY COUNCIL / SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AGENCY**

**TO THE MEMBERS OF THE RIDGECREST CITY COUNCIL / SUCCESSOR  
REDEVELOPMENT AGENCY/FINANCING AUTHORITY / HOUSING AGENCY AND CITY  
CLERK:**

**PUBLIC NOTICE** that a **SPECIAL CLOSED SESSION MEETING** of the Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Agency is hereby called to be held on **Wednesday, August 3, 2016, at 5:30 p.m.**, in the **Council Chambers Conference Room**, 100 W. California Avenue, Ridgecrest, California.

Said **SPECIAL CLOSED SESSION MEETING** shall be for the purpose of:

GC54956.9(d)(4) Conference With Legal Counsel – Existing Litigation – City Of Ridgecrest v. Cohen

GC54956.9(d)(4) Conference With Legal Counsel – Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest

Dated: July 28, 2016

Peggy Breeden, Mayor / Chair

**PUBLIC NOTICE** that a **SPECIAL CLOSED SESSION MEETING** of the Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Agency is hereby called to be held on **Wednesday, August 3, 2016, at 5:30 p.m.**, in the **Council Chambers Conference Room**, 100 W. California Avenue, Ridgecrest, California.

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Dated: July 28, 2016

Rachel J. Ford, CMC, City Clerk

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# AMENDED



LAST ORDINANCE NO. 16-01  
LAST RESOLUTION CITY COUNCIL NO. 16-90

## CITY OF RIDGECREST

### **CITY COUNCIL REDEVELOPMENT SUCCESSOR AGENCY HOUSING AUTHORITY FINANCING AUTHORITY**

#### **AGENDA**

Regular Council  
Wednesday August 3, 2016

#### **CITY COUNCIL CHAMBERS CITY HALL**

100 West California Avenue  
Ridgecrest, CA 93555

**Closed Session – 5:30 p.m.**  
**Regular Session – 6:00 p.m.**

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the City Clerk (499-5002) five working days in advance of the meeting.

In compliance with SB 343. City Council Agenda and corresponding writings of open session items are available for public inspection at the following locations:

1. City of Ridgecrest City Hall, 100 W. California Ave., Ridgecrest, CA 93555
2. Kern County Library – Ridgecrest Branch, 131 E. Las Flores Avenue, Ridgecrest, CA 93555
3. City of Ridgecrest official website at <http://ci.ridgecrest.ca.us>

**CALL TO ORDER**

**ROLL CALL**

**APPROVAL OF AGENDA**

**PUBLIC COMMENT – CLOSED SESSION**

## CLOSED SESSION

- GC54956.9(d)(4) Conference With Legal Counsel – Existing Litigation – City Of Ridgecrest v. Cohen
- GC54956.9(d)(4) Conference With Legal Counsel – Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest
- GC54956.9(d)(4) Conference With Legal Counsel – Potential Litigation – Public Disclosure Of Potential Litigant Would Prejudice The City Of Ridgecrest

## REGULAR SESSION – 6:00 p.m.

- Pledge Of Allegiance
- Invocation

## CITY ATTORNEY REPORT

- Closed Session
- Other

## PUBLIC COMMENT

## COUNCIL ANNOUNCEMENTS

## CONSENT CALENDAR

1. Proposed Action To Approve A Resolution Awarding A Construction Contract To Downing Construction Inc. In The Amount Two Million Forty-Six Thousand Four Hundred Sixty-Six Dollars (2,046,466.00) For The Phase I Sewer System Rehabilitation Project And Authorize The City Manager, Dennis Speer, To Execute The Contract Speer
2. Proposed Action To Approve A Resolution Authorizing The City Manager To Sign The Notice Of Completion On The Kerr McGee Youth Sports Complex Concession/Restroom Project, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention In The Amount Of Eighteen Thousand Three Dollars And Seventy Four Cents (18,003.74) Thirty Five Days After The Recordation Of The Notice Of Completion Patin
3. Proposed Action To Approve Draft Minutes Of The City Of Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Minutes Dated July 20, 2016 Ford

## DISCUSSION AND OTHER ACTION ITEMS

4. **Nomination And Appointment To Planning Commission** Ford
5. **Discussion And Proposed Actions To Adopt A Resolution Approving A Joint Exercise Of Powers Agreement To Create The Indian Wells Valley Groundwater Authority, Authorizing The Mayor To Sign The Agreement, And Authorizing Payment Of The City Of Ridgecrest Portion Of Initial Capital Funding In The Amount Of Fifteen Thousand Dollars (\$15,000)**  
Lemieux
6. **Proposed Action To Nominate And Appoint A Member Of The City Council As A General Member And An Alternate Member Of The Indian Wells Valley Groundwater Authority** Lemieux

## COMMITTEE REPORTS

*(Committee Meeting dates are subject to change and will be announced on the City website)*

### **City Organization and Services Committee**

Members: Lori Acton; Mike Mower  
Meeting: 4<sup>th</sup> Wednesday each month at 5:00 p.m. as needed  
Location: Council Conference Room B

### **Infrastructure Committee**

Members: Jim Sanders; Mike Mower  
Meeting: 4<sup>th</sup> Thursday each month at 5:00 p.m. as needed  
Location: Council Conference Room B

### **❖ Ad Hoc Water Conservation Committee**

Members: Jim Sanders; Peggy Breeden  
Meeting: 1<sup>st</sup> Monday each month at 5:00 p.m. as needed  
Location: Conference Room B

### **Parks, Recreation, and Quality of Life Committee**

Members: Eddie Thomas; Lori Acton  
Meeting: 1<sup>st</sup> Tuesday each month at 12:00 p.m. as needed  
Location: Kerr-McGee Center Meeting Rooms

### **❖ Ad Hoc Youth Advisory Council**

Members: Eddie Thomas  
Meeting: 2<sup>nd</sup> Wednesday of each month, 12:00 p.m. as needed  
Location: Kerr-McGee Center Meeting Rooms

### **Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)**

Members: Eddie Thomas; Lori Acton  
Meeting: 3<sup>rd</sup> Tuesday every other month at 4:00 p.m. as needed  
Location: Kerr McGee Center Meeting Rooms

**Ridgecrest Area Convention And Visitors Bureau (RACVB)**

Members: Lori Acton and Eddie Thomas  
Meetings: 1<sup>st</sup> Wednesday Of The Month, 8:00 A.M.  
Next Meeting: To Be Announced

**OTHER COMMITTEES, BOARDS, OR COMMISSIONS**

**CITY MANAGER REPORT**

**MAYOR AND COUNCIL COMMENTS**

**ADJOURNMENT**



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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:** Award A Construction Contract to Downing Construction Inc. In The Amount Two Million Forty-Six Thousand Four Hundred Sixty-Six Dollars (2,046,466.00) For The Phase I Sewer System Rehabilitation Project And Authorize The City Manager, Dennis Speer, To Execute The Contract

**PRESENTED BY:**

Dennis Speer, Public Works Director

**SUMMARY:**

On Wednesday, July 6, 2016 bids were opened for the construction of improvements to the Phase 1 Sewer System Rehabilitation Project. This project consists of sewer improvements to six (6) segments of the city sewer system on 6 different streets, and a pavement overlay of Church Avenue. The sites of the work is located in the following locations: Church Avenue from Downs Street to China Lake Boulevard, Sunset Place from Church Avenue to about 400 feet north, Robertson Road from Norma Street to China Lake Boulevard, Wilson Avenue from 400-feet west of Norma Street to China Lake Boulevard, Haloid Avenue from Norma Street to China Lake Boulevard, Norma Street from Church Avenue to Upjohn Avenue.

A total of four bids were received as follows:

<u>Bidder</u>	<u>Base Bid</u>
Downing Construction Inc.	\$ 2,046,466.00
Weka Inc.	\$ 2,374,557.00
Sully-Miller Contracting Company	\$ 2,612,000.00
Griffith Construction Company	\$ 3,089,803.00

The bids were reviewed by the engineering firm of Willdan Engineering and the Resident Engineers, Ray Wellington and Shelia McCracken. Based on this review, it is recommended that the contract be awarded to the lowest responsible and responsive bidder, Downing Construction Inc. with the low bid of Two Million Forty-Six Thousand Four Hundred Sixty-Six Dollars (2,046,466.00). A purchase order will be issued to Downing Construction Inc. in a total amount of Two Million Forty-Six Thousand Four Hundred Sixty-Six Dollars (2,046,466.00) for the construction of improvements to the Phase 1 Sewer System Rehabilitation Project. An amount of Three Hundred Six Thousand Nine Hundred Sixty-Nine Dollars and Ninety Cents (\$306,969.90) or fifteen percent (15%) is needed for contingencies. The funding for this project is through our Wastewater Enterprise Fund.

Funding for the contract shall come from the capital improvement account 005-4552-455-4601 project WW16-07.

**FISCAL IMPACT:**

\$2,353,435.90

Reviewed by Finance Director

**ACTION REQUESTED:** Award A Construction Contract to Downing Construction Inc. In The Amount Two Million Forty Six Thousand Four Hundred Sixty Six Dollars (2,046,466.00) For The Phase I Sewer System Rehabilitation Project And Authorize The City Manager, Dennis Speer, To Execute The Contract

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Karen Harker  
(Rev. 02/13/12)

Action Date: August 3, 2016

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**RESOLUTION NO. 16-XX**

**AWARD A CONSTRUCTION CONTRACT TO DOWNING CONSTRUCTION INC. IN THE AMOUNT TWO MILLION FORTY- SIX THOUSAND FOUR HUNDRED SIXTY-SIX DOLLARS (2,046,466.00) FOR THE PHASE I SEWER SYSTEM REHABILITATION PROJECT AND AUTHORIZE THE CITY MANAGER, DENNIS SPEER, TO EXECUTE THE CONTRACT**

**WHEREAS**, on Wednesday July 6, 2016, bids were opened for the construction of improvements to the Phase 1 Sewer System Rehabilitation Project; and

**WHEREAS**, This project consists of sewer improvements to six (6) segments of the city sewer system on 6 different streets, and a pavement overlay of Church Avenue; and

**WHEREAS**, The site of the work is located in the following locations: Church Avenue from Downs Street to China Lake Boulevard, Sunset Place from Church Avenue to about 400 feet north, Robertson Road from Norma Street to China Lake Boulevard, Wilson Avenue from 400-feet west of Norma Street to China Lake Boulevard, Haloid Avenue from Norma Street to China Lake Boulevard, Norma Street from Church Avenue to Upjohn Avenue; and

**WHEREAS**, a total of four bids were received and the results are follows:

<u>Bidder</u>	<u>Base Bid</u>
Downing Construction Inc.	\$ 2,046,466.00
Weka Inc.	\$ 2,374,557.00
Sully-Miller Contracting Company	\$ 2,612,000.00
Griffith Construction Company	\$ 3,089,803.00

**WHEREAS**, these bids were reviewed by the engineering firm Willdan Engineering and Resident Engineer, Ray Wellington and Shelia McCracken for a determination of the lowest responsible and responsive bidder; and

**WHEREAS**, it was determined that Downing Construction Inc. was the low bidder with the low bid of Two Million Forty-Six Thousand Four Hundred Sixty-Six Dollars (2,046,466.00); and

**WHEREAS**, a purchase order will be issued to Downing Construction Inc. in a total amount of Two Million Forty-Six Thousand Four Hundred Sixty-Six Dollars (2,046,466.00) for the construction of improvements to the Phase 1 Sewer System Rehabilitation Project; and

**WHEREAS**, Three Hundred Six Thousand Nine Hundred Sixty-Nine Dollars and Ninety Cents (\$306,969.90) or fifteen percent (15%) is needed for contingencies; and

**WHEREAS**, The funding for this project is through our Wastewater Enterprise Fund; and

**WHEREAS**, the funding for the execution of the contract shall come from capital improvement account 005-4552-455-4601 project SWW 16-07.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Ridgecrest hereby:

1. Authorizes the award of the contract to Downing Construction Inc. for the construction of improvements to the Phase 1 Sewer System Rehabilitation Project in the amount of Two Million Forty-Six Thousand Four Hundred Sixty-Six Dollars (2,046,466.00).
2. Authorizes the Finance Director to amend the budget to reflect all appropriate capital, revenue and transfer accounts.
3. Authorizes the City Manager, Dennis Speer, to execute the contract

**APPROVED AND ADOPTED** this 3<sup>rd</sup> day August 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Peggy Breeden, Mayor

ATTEST:

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Rachel J. Ford, CMC  
City Clerk



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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

A Resolution Authorizing The City Manager To Sign The Notice Of Completion On the Kerr McGee Youth Sports Complex Concession Restroom Project, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention In The Amount Of Eighteen Thousand Three Dollars And Seventy Four Cents (\$18,003.74) Thirty Five Days After Recordation Of The Notice Of Completion.

**PRESENTED BY:**

Jason Patin, Parks And Recreation

**SUMMARY:**

The Contractor, JTS Construction has finished the project that consisted of constructing a new concession/restroom facility located at The Kerr McGee Youth Sports Complex.

With the work being completed and, with the exception of retention in the amount of Eighteen Thousand Three Dollars And Seventy Four Cents (\$18,003.74) the contractor, JTS Construction has been paid in full.

This construction project was funded by a combination of insurance claim money and Tax Allocation Bond Funds (TAB) and the project was completed on June 14, 2016.

The City will authorize release of retention thirty-five days from the filing of the Notice of Completion as long as no claims have been filed against the retained funds and the City of Ridgecrest has accepted all work.

**FISCAL IMPACT:**

\$18,003.74 (No Impact to the General Fund)

Reviewed by Finance Director

**ACTION REQUESTED:**

Adopt A Resolution Authorizing The City Manager To Sign The Notice Of Completion On the Kerr McGee Youth Sports Complex Concession/Restroom Project, Authorizing The City Clerk To File The Notice Of Completion And Authorizing The Release Of Retention In the Amount Of Eighteen Thousand Three Dollars and Seventy Four Cents (\$18,003.74) Thirty-Five Days After Recordation Of The Notice Of Completion.

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Jason Patin  
(Rev. 02/13/12)

Action Date: August 3, 2016

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**RESOLUTION NO. 16-XX**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN THE NOTICE OF COMPLETION ON THE KERR MCGEE YOUTH SPORTS COMPLEX CONCESSION/RESTROOM PROJECT, AUTHORIZING THE CITY CLERK TO FILE THE NOTICE OF COMPLETION AND AUTHORIZING THE RELEASE OF RETENTION IN THE AMOUNT OF EIGHTEEN THOUSAND THREE DOLLARS AND SEVENTY FOUR CENTS (18,003.74) THIRTY FIVE DAYS AFTER THE RECORDATION OF THE NOTICE OF COMPLETION**

**WHEREAS**, The Contractor, JTS Construction has finished the project that consisted of constructing a new concession/restroom facility; and

**WHEREAS**, The construction locations was The Kerr McGee Youth Sports Complex; and

**WHEREAS**, With the work being completed and with the exception of retention in the amount of Eighteen Thousand Three Dollars and Seventy Four Cents (\$18,003.74) the contractor, JTS Construction has been paid in full; and

**WHEREAS**, This construction project was funded by a combination of Insurance monies and Tax Allocation Bond Funds (TAB) and the project was completed on June 14, 2016; and

**WHEREAS**, The City will authorize release of retention thirty-five days from the filing of the Notice of Completion as long as no claims have been filed against the retained funds and the City of Ridgecrest has accepted all work.

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Ridgecrest hereby:

1. Authorizes the City Manager to sign the Notice of Completion.
2. Authorizes the City Clerk to file the notice of completion for recordation on the Kerr McGee Youth Sports Complex Concession/Restroom Project.
3. Authorizes City Staff to release the retained funds in the amount of Eighteen Thousand Three Dollars and Seventy Four Cents (\$18,003.74) thirty-five (35) days after recordation of the notice of completion providing no claims have been filed against said retained funds.

**APPROVED AND ADOPTED** this 3<sup>rd</sup> day of August 2016 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Peggy Breeden, Mayor

ATTEST:

\_\_\_\_\_  
Rachel J. Ford, CMC, City Clerk

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
HOUSING AUTHORITY/FINANCING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of July 20, 2016

**PRESENTED BY:**

Rachel J. Ford, City Clerk

**SUMMARY:**

Draft Minutes of the Regular City Council/Successor Redevelopment Agency/Housing Authority/Financing Authority Meeting of July 20, 2016

**FISCAL IMPACT:**

None

Reviewed by Finance Director:

**ACTION REQUESTED:**

Approve minutes

**CITY MANAGER 'S RECOMMENDATION:**

Action as requested: Approve Draft Minutes

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**MINUTES OF THE REGULAR MEETING OF THE  
RIDGECREST CITY SUCCESSOR AGENCY,  
FINANCING AUTHORITY, AND HOUSING AUTHORITY**

**City Council Chambers  
100 West California Avenue  
Ridgecrest, California 93555**

**July 20, 2016  
6:00 p.m.**

This meeting was recorded and will be on file in the Office of the City Clerk for a certain period of time from date of approval by City Council/Redevelopment Agency. Meetings are recorded solely for the purpose of preparation of minutes.

**Pursuant To California Government Code 54953 (B) (1) An Additional Call In Location Has Been Established For A Council Member Who Will Attend This Meeting Via Teleconference At 20825 Timber Lane Drive, Elkhorn, NE 68022**

**CALL TO ORDER – 6:00 p.m.**

**ROLL CALL**

Council Present: Mayor Peggy Breeden; Vice Mayor Lori Acton; Council Members Eddie B. Thomas, and Mike Mower (via Teleconference)

Council Absent: Council Member Sanders (running a few minutes late)

Staff Present: City Manager Dennis Speer; City Clerk Rachel J. Ford; City Attorney Michael Silander, and other staff

**APPROVAL OF AGENDA**

*Motion To Approve Agenda Made By Council Member Acton, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 4 Ayes (Mayor Breeden, Council Members Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 1 Absent (Council Member Sanders).*

**REGULAR SESSION – 6:00 p.m.**

- Pledge Of Allegiance
- Invocation

**CITY ATTORNEY REPORT**

- Other
  - None

**Council Member Sanders arrived at 6:04 p.m.**

**PUBLIC COMMENT** (*Regular Session*)

Mike Cash

- Thanked everyone involved in the Blue Lives Matter event last week.
- Spoke on Assembly Member Shannon Grove conversation regarding the support Ridgecrest gave to fire victims in Lake Isabella. Thanked the community for continued support. 21 veterans burned out and supporting them.
  - Mayor Breeden – collected \$35,000 sent to Lake Isabella, additional \$5,000 received and \$10,000 committed. Will need more as the families rebuild.

Stan Rajtora

- Commented on requests for financial data, asking how to get the information requested.
- Commented on wastewater fees raised for the past 4 years. Reviewed comments made. Reviewed totals in the wastewater fund and loan to the City yet to be repaid. Reviewed assumptions made in the most recent rate study. Stated the rate study is flawed and requested Council initiates a new rate study.

Mike Neel

- Concurs with Mr. Rajtora request for a new rate study.
- Record request statements made.

Tom Wiknich

- Requested time for selection of the sewer plant plan.
  - Dennis Speer – responded with process

Ron Porter

- Spoke on due process to stop the overreach of government and to allow jury's to protect individuals rights. Exemplified the right to have a driver's license if a person meets criteria.
- Commented on the emails and public records act.

Dave Matthews

- Seconded Mr. Porter's comments and spoke on due process. Exemplified court processes.

Marilyn Neel

- Supported Mr. Porter's comments and asked Council to listen.
- Commented on the role of government in infrastructure and public defense.
- Requested the public water fountain be repaired.

## COUNCIL ANNOUNCEMENTS

Peggy Breeden

- Shared discussion with other City Manager regarding setting goals for the City. Referenced previous strategic plan and requested it be brought before Council for review and amendment. Asked City Manager to send to Council for review and then set a time to discuss again.

## CONSENT CALENDAR

1. Proposed Action To Approve A Resolution Award A Construction Contract To Griffith Construction Company To Pave The Dirt Road On North Warner Street Between Drummond Avenue To West Howell Avenue In The Amount Of Two Hundred Two Thousand Two Hundred Two Dollars (\$202,202.00) And Authorize The City Manager, Dennis Speer, To Execute The Contract  
Speer
2. Proposed Action To Approve A Resolution To Award A Construction Contract To Griffith Construction Company To Pave The Eastbound Graaf Avenue From North Sierra View To North Norma Street In The Amount Of Two Hundred Twenty Seven Thousand Six Hundred Twenty Two Dollars (\$227,622.00) And Authorizing The City Manager, Dennis Speer, To Execute The Contract  
Speer
3. Proposed Action To Approve A Resolution For Change Order Number One To Add Ten Thousand Dollars (\$10,000.00) To The Contract Amount In The Professional Service Agreement With Quad Knopf Engineering, For (1) Additional Design And Engineering For Expanded Area, (2) Additional Ada Ramp Design, (3) Construction Easement Exhibits For Drive Approaches On The East Drummond Project  
Speer
4. Proposed Action To Approve A Renewal Contract With York Risk Services For Third Party Administration Of The City Of Ridgecrest Workers Compensation Program  
Ford
5. Proposed Action To Approve Draft Minutes Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Special Meeting Dated June 29, 2016  
Ford
6. Proposed Action To Approve Draft Minutes Of The Ridgecrest City Council/Successor Redevelopment Agency/Financing Authority/Housing Authority Regular Meeting Dated July 6, 2016  
Ford

Items Pulled From Consent Calendar:

- Item Nos. 1, 2, 3, and 4

*Motion To Approve Consent Calendar Item Nos. 5 And 6 Made By Council Member Sanders, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

Item No. 1 Discussion

Dave Matthew

- Commented on the road not being suitable for paving and asked if this was included.

Ron Porter

- Asked about the selection process and the need for an independent inspector needed to watch over the contractor. Questioned inspector reports and certification to the City.

*Motion To Approve Consent Calendar Item No. 1 Made By Council Member Mower, Second By Council Member Thomas. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

Item No. 2 Discussion

- Questions answered during Item No. 1 discussion

*Motion To Approve Consent Calendar Item No. 2 Made By Council Member Acton, Second By Council Member Mower. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

Item No. 3 Discussion

Tom Wiknich

- Questioned QuadKnopf requirement to have a local business license.

*Motion To Approve Consent Calendar Item No. 3 Made By Council Member Thomas, Second By Council Member Sanders. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

Item No. 4 Discussion

Eddie Thomas

- Questioned contract term and possibility of bidding new company.

Ron Porter

- Requested clarification of self-insurance

*Motion To Approve Consent Calendar Item No. 4 Made By Council Member Acton, Second By Council Member Sanders. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breedon, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

**DISCUSSION AND OTHER ACTION ITEMS**

**7. Proposed Action To Appoint A Planning Commissioner To Replace A Vacancy On The Board** Ford

Jim Sanders

- Not ready to make appointment so tabled to next meeting.

**8. Proposed Action To Approve A Resolution And Introduction And First Reading, An Ordinance Of The City Council Of The City Of Ridgecrest Amending The Ridgecrest Municipal Code By Establishing A Temporary Transactions And Use Tax To Be Administered By The State Board Of Equalization And Placing The Measure On The Election Ballot For November 8, 2016** Speer

Dennis Speer

- Presented staff report and PowerPoint presentation summarizing the proposed sales tax measure to be placed on the election ballot for the November 8, 2016 General Municipal Election.

Mike Mower

- Questioned the 12 year term and was it the best percentage of support.
  - Dennis Speer – recommended by consultant based on survey results. Had more support for longer period than 5 year.
  - Lori Acton – both amount and term received the most support.

Peggy Breeden

- Questioned what happens at 7 years if we find the amount isn't enough. Can Council go back and change.
  - Dennis Speer – would have to go back to the voters.
- Not happy with the 12 year term. Think it is difficult to go 5 years. Have concerns about trying to go back and change it. Want to do it right with knowledge and forethought.

Jim Sanders

- Similar thoughts. 5 years was a trial period and makes sense to go longer. Want to hear what public think of the term limit, open to either changing or keeping the same.

Lori Acton

- Did not have problem with 12 years and if we get industry could go back and eliminate the tax. With public input can decide whether to go back to voters. Ok either way.

Eddie Thomas

- Had similar reservations about the 12 years.

Warren Cox

- Requested clarification of legality, local municipalities can only get a maximum of 2% and 1% is our maximum. What we don't use the County can use it. There are boundaries and when discussing should consider the security of hiring officers on longer terms and the additional expense of putting it on the ballot. State has arranged it that county and city combined can only take total of 2% combined so what the City does not take the County will. At this time City limit is 1% maximum.

Mike Mower

- Good point on officers relying on the funding. 5 years is too short but not convinced 12 years is right. Requested other term limits surveyed.

Peggy Breeden

- Suggested 8 years equivalent to 2 terms of Council. Not tied to a number but 12 is a long time.

Lori Acton

- Questioned original measure set at 5 years and discussions of making it permanent.

#### Mike Neel

- Responded to Ms. Acton's inquiry as we would do it for 5 and if we can't fix our problem then do another 5. Always presented to public as a temporary sales tax. Asked about the survey results and cost for study.
- Questioned methodology and what were the basic response.
  - Random phone, internet, and door-to-door, sample size of 412 households
- Commented on the sampling size as insufficient.
- Questioned the attorney about procedure and objected to the process of not bringing the ordinance before the public for two readings. Suggested the item should have come before the public sooner.
- Reviewed the term of the effective date as overlapping and requested language about repealing the original tax when this goes into effect.
  - Michael Silander – on the record this ordinance is not to run concurrent with the other, if we need to amend the language to make it clearer we can do so.
  - Peggy Breeden – it is not the intent to double tax anyone.
- Commented on the percentage. Original intent was to maintain streets and funds are not being spent but carried forward.
  - Lori Acton – clarified paving seasons and grant match funding.
- Stated percentage should not be raised when the current percentage is sufficient.
- Disagreed with the 12 year term. Spoke on message being sent to public.
- Suggested 4 year cycle with general election.

#### Ron Porter

- Responded to Lori Acton's question of this should have been temporary due to the State taking funding from city's such as roads taxes etc.
- Original intent was for streets and police was to be a small piece of this. Council stated not to pay for officers. Was not meant to supplement the general fund by paying for officers that were already paid by general fund.
- Commented on lack of trust of governments. No reason to increase this and maximum of 4 years is sufficient. Commented on state taking funds and referenced sewer tax sold to public to build new plant and not maintenance. Reviewed Kerr McGee park property purchase and promise to bring to public before spending funds on the property. Promises made by previous Council's and new Council should honor it or bring back before public.
- Commented on the survey and cost of \$25,000.
- Restated 4 year maximum term, and second reading. This process does not meet the intent and spirit of the law.
- Commented on continuing to add taxes and questioned when we would go back to state and request our money back. Commented on property tax percentage being lower than other counties.
- Stated original intent was majority of funds were to go to roads.

Lindsey Stevens

- Expressed gratitude for police and requested the survey be posted on website.
- Concerned the 12 years may affect the vote.
- Commented on different stories of what was promised previously. Requested clarification of what was actually promised. Requested a brief summary be provided.
- Requested delay of vote until survey results can be viewed by public
- Asked about pavement management study

Warren Cox

- Suggested not putting on the general election but a mid-term election
- Suggested educating public on funds lost to the state and how to fill the gap.
- If we drop to 75% the county will take the other 25% so no one will save any money.
- Questioned how we can help public understand. Hear complaints but no solutions.

Ron Porter

- Commented on state requirements and mandates that incur additional costs. City should go after this additional cost.

Dave Matthews

- Suggestion to put on a mid-term election would create a period of not receiving any money.
- Commented on the sample being too small.
- Suggested there should be 3 items on ballot rather than one. 1) Do you want to renew, 2) Do you want the amount increased, 3) Do you want term increased?
- Don't like taxes but this is the kind of tax I support because it is collected here and spent here. County, State, and Federal don't get it and then decide how much we can have. Don't want to lose any funding by delaying on a mid-term ballot. Next year is a special election. Support the renewal but don't think I would support 12 years. Need to resolve these tonight.

Steven Morgan

- Spoke on previous attempts for measures before Measure 'L' was that more would be spent on roads. However, times change and in this community public safety has always been number one concern so do not fault where the money is being segmented. Believe 12 years is far too long and would have a problem supporting it. We have system put forward through Council, infrastructure, and public for a pavement management study. Have a good idea of what we are going to do for 3 years and Council will have difficulty discussing with public how to justify a 12 year term. Would like to assume revenues will increase and we can wean ourselves off the measure, but has not been the case. Public have seen maintenance of police and streets. By using pavement management system and set amount of dollars you can justify the term length.

Steve Morgan *(continued)*

- 12 years would be wonderful but if you look at the revenues and assume \$2 million per year can you reasonably justify the expenditure of that amount of money. People are not going to like it regardless of the percentage and term. Percentage seems correct but getting numbers better defined is important and would request considering a shorter term, 6-8 year time frame. Have demonstrated to public the money is being appropriately used but be careful of getting into arguments you cannot win. Recalled a first and second reading of ordinance. Thanked Council for what they are doing, will not be easy to discuss during the election. Need to change the language so there is no double taxation. Supports 1% and shorter term.

Mike Cash

- Do not understand the nuts and bolts but do feel rushed.
- Listed 4 areas money is spent. Military, schools, infrastructure, public safety. 49 citizens met who were not surveyed but want to make sure they know where citizens are coming from. Want to right-size the police department. Spoke on attempts to save the jail. Rarely hear about the safety of the men and women who defend our country or protect our city. Want the tax to be the right amount for the right amount of years so we don't have the same problems the county is facing. Proud of our police and improved roads and willing to pay for it. We are not sure what the right amount is. Want Council to find out and inform us. Thanked oversight committee for doing a great job. Support public safety and roads and the right number and kind to keep all of us safe. Want police to be proud to be here and not worried about looking for another job because of fear the money won't be there to pay them. Let's do the right thing for our community.

Stan Rajtora

- Neither for or against the proposed measure.
- Requested more information of fiscal impact.
- Will this permit repayment of wastewater loans and GSA, employee raises.
  - Jim Sanders – Police and Roads only
- Asked Council to consider these three issues when considering this measure.
- Referenced general fund expenditure increases and revenue decreases in the past 6 years.
- Commented this is not going to solve the problems, was intended as a temporary tax and we are in worse shape today than we were. Have a significant problem.
- Had hoped in the 4 year term we would do something to better our position.
- Commented on the resolution language and non-measure 'I' expenditures
- Need to control the growth of non-measure 'I' expenditures.
- Feel 12 years is too long and assumes there will be no economic growth for 12 years. Need to do something about economy now, can't wait 6 years or 12 years. Would like to see a plan that combines a tax increase with how we intend to get more economic growth. Suggested a 4 year term.

Stan Rajtora *(continued)*

- Can't continue the way we have been going for the past 15 years. Need to get out of the hole we are in and while this may be part of the solution; it can't be the whole solution. Need a total economic growth program.
- Referenced suggestion in 2008 that an economic development plan be added to the general plan. Need to grow and be economically stable. This tax is a band aid. If we have to go beyond 12 years then we might as well go back to the County.
- Need to keep this at the forefront every month.
  - Lori Acton – this is the most aggressive Council toward economic development but regardless we have been devastated by legislation sent down by the State that affected our general fund revenues. Questioned if there was a correlation to budget fluctuations.
- Referenced personal analysis of budget expenditures. Praised police for doing more with less as their budget has stayed the same.

Mike Neel

- Commented on survey statistics and costs and suggested paying Justin O'Neill for these types of surveys and save money.
- Suggested putting language that specifies percentages for streets and police. Commented on complaints heard around town.

Lindsey Stevens

- Requested PowerPoint from previous meetings *(Generated by Former City Manager Kurt Wilson)*

Mike Mower

- In favor of 1% for 8 years

Jim Sanders

- Feel comment of two measures overlapping is a good one and want to ensure language clarifies no overlapping.

Mike Mower

- Suggested language this replaces measure 'I'

Jim Sanders

- Propose we add the clarifying language of no overlapping

Jim Sanders *(continued)*

- Agree the current state at the time was this was a temporary fix but prior to the abolition of redevelopment agency. Nobody thought the state could legally abolish redevelopment agency and left us with an enormous budget deficit that we had to take care of. What began as a temporary problem became a permanent problem with respect to Measure 'L'. The goal was to supplement police and public safety and the best we could do was maintain it. Intent was real and sincere but when things change because of new problems then not in favor of defining a split because in 1 to 2 years don't know what Council will be dealing with and would be unfair to future Council's.
- It is irresponsible to go to voters and ask them to pass a tax without having an idea of what they want. The survey was helpful in understanding what citizens wanted. 911 response and pothole repair was high on the list and focused equally on police and roads.
- With regard to the term, am leaning away from the 12 year period and thinking 8 years is sufficient which gives 2 full terms of election cycles. 6 years is the lowest I would go.

Lori Acton

- Scary how things have changed in the law enforcement world
- Remember the tax was to keep the police whole and then everything else should go to roads and feel we have done this.
- Concerned with upcoming legislation because of past legislation. Commented about California city rape and murder along with other problems. Their police department was not as proactive as ours and do not want anything to affect us that way. None of us foresaw the jail closing and other propositions letting criminals out. Concerned with what the county can do if we don't do it. Looks like the county can take what we don't.
- Not in agreement with 12 year term. Need to work thru things as a city and enhance economic development.

Eddie Thomas

- Spoke on investigating by legal to make sure we can do 1% and add language to ensure the public understands we are not double taxing.
- Offended by the Cal-Compton remarks and stereo-typing people. Know the point trying to be made but want to move forward.
- Support the 6 or 8 year time because of Council Member office terms.
- Commented on statements made to advisory board that this was a temporary solution and it has evolved into other things. Should strive to get on our own two feet and not look at taxing as a way to get what we need. Need to find a better solution.

Peggy Breeden

- Clarified election schedule and requested changes.
- Called for motion.

### **Three Motions Required**

- a. Motion To Approve A Resolution, As Amended, Of The City Council Of The City Of Ridgecrest Ordering The Submission To The Qualified Electors Of The City Of Ridgecrest A Measure Relating To The Establishment Of A Temporary Transactions And Use Tax (Sales Tax) At The General Election To Be Held On November 8, 2016, As Called By Resolution No. 16-49 Made By Council Member Mower, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*
- b. Motion To Waive Reading In Full Of An Ordinance, As Amended, Of The City Council Of The City Of Ridgecrest Amending The Ridgecrest Municipal Code Concerning A Temporary Transactions And Use Tax To Be Administered By The State Board Of Equalization Made By Council Member Mower, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*
- c. Motion To Introduce, By Title Only, An Ordinance, As Amended , Of The City Council Of The City Of Ridgecrest Amending The Ridgecrest Municipal Code Concerning A Temporary Transactions And Use Tax To Be Administered By The State Board Of Equalization Made By Council Member Mower, Second By Council Member Acton. Motion Carried By Roll Call Vote Of 5 Ayes (Mayor Breeden, Council Members Sanders, Acton, Thomas, And Mower); 0 Noes; 0 Abstain; And 0 Absent.*

### **COMMITTEE REPORTS**

*(Committee Meeting dates are subject to change and will be announced on the City website)*

#### **City Organization and Services Committee**

Members: Lori Acton; Mike Mower  
Meeting: 4<sup>th</sup> Wednesday each month at 5:00 p.m. as needed  
Location: Council Conference Room B

- No Report

#### **Infrastructure Committee**

Members: Jim Sanders; Mike Mower  
Meeting: 4<sup>th</sup> Thursday each month at 5:00 p.m. as needed  
Location: Council Conference Room B

- No Report

❖ **Ad Hoc Water Conservation Committee**

Members: Jim Sanders; Peggy Breeden  
Meeting: 1<sup>st</sup> Monday each month at 5:00 p.m. as needed  
Location: Conference Room B

- No Report

**Parks, Recreation, and Quality of Life Committee**

Members: Eddie Thomas; Lori Acton  
Meeting: 1<sup>st</sup> Tuesday each month at 12:00 p.m. as needed  
Location: Kerr-McGee Center Meeting Rooms

- No Report

❖ **Ad Hoc Youth Advisory Council**

Members: Eddie Thomas  
Meeting: 2<sup>nd</sup> Wednesday of each month, 12:00 p.m. as needed  
Location: Kerr-McGee Center Meeting Rooms

- No Report

**Activate Community Talents and Interventions For Optimal Neighborhoods Task Force (ACTION)**

Members: Eddie Thomas; Lori Acton  
Meeting: 3<sup>rd</sup> Tuesday every other month at 4:00 p.m. as needed  
Location: Kerr McGee Center Meeting Rooms

- No Report

**Ridgecrest Area Convention And Visitors Bureau (RACVB)**

Members: Lori Acton and Eddie Thomas  
Meetings: 1<sup>st</sup> Wednesday Of The Month, 8:00 A.M.  
Next Meeting: To Be Announced

- No Report

**OTHER COMMITTEES, BOARDS, OR COMMISSIONS**

Lori Acton

- BLM 4<sup>th</sup> Thursday of the month at 6:00 p.m. at the BLM building
- Will discuss the Erskine fire, Mojave trails monument committee meeting September 9-10 in Ridgecrest
- For those who don't have the data, 7.1 million recreational visitors to the Ridgecrest area so OHV means a lot to us. Read article about reducing the OHV department at the State level. Spoke on residents needing to support keeping the OHV department staffed and the impact. Need to fight for our money which goes into maintaining our facilities.

Peggy Breeden

- Groundwater management and kern cog tomorrow and kern air quality board on Thursday

## **CITY MANAGER REPORT**

Dennis Speer

- Read press release for paving season and noted Gateway Blvd. and east Drummond Avenue which will require road closures. Reviewed other projects which will not require road closures. Posted on City website.

## **MAYOR AND COUNCIL COMMENTS**

Jim Sanders

- none

Lori Acton

- The community contributed greatly to the victims of the Erskine fire and relaying their appreciation to Ridgecrest. Many victims are retired and did not have fire insurance so contributions are greatly appreciated.
- Apologized to Police for missing media event due to medical emergency of sister.

Eddie Thomas

- Blue Lives Matter event should be All Lives Matter and challenge is to set up a forum for people to speak with Council Members about things they see going on in the City. Invite anyone who does not feel their voice is being heard to come down and let us listen to your concerns. Asked Mayor's assistance with getting this started
- Thanked Mr. Neel for information. Thanked Dennis and staff who are working hard to get information to the public.
- Adopt-a-cop program is going on so see Mrs. Tunget to participate.

Peggy Breeden

- I think with Measure 'L' going on the ballot, we have a huge responsibility to understand and find a way to make things grow in this community and help people spend their dollars locally to help this community.

**ADJOURNMENT at 9:34 p.m.**

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Rachel J. Ford, CMC, City Clerk



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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY**  
**FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Nomination and Appointment to fill a vacancy on the Planning Commission

**PRESENTED BY:**

Rachel J. Ford – City Clerk

**SUMMARY:**

City of Ridgecrest has received a letter of resignation from Planning Commissioner Scott Davis.

Mr. Davis was appointed by Mayor Pro Tempore Jim Sanders therefore Mr. Sanders will be nominating a replacement to fill the vacancy until expiration of the term in December 2016.

A new Planning Commission will be appointed in January 2017 after the General Municipal Election.

**FISCAL IMPACT:**

None

Reviewed by Finance Director

**ACTION REQUESTED:**

Nomination and confirmation of appointment to planning commission

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

Submitted by: Rachel J. Ford  
(Rev. 6/12/09)

Action Date: August 3, 2016

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Proposed Action to adopt a resolution authorizing A Joint Exercise Of Powers Agreement to establish The Indian Wells Valley Groundwater Authority and authorize initial payment in the amount of \$15,000

**PRESENTED BY:**

Wayne Lemieux – City Attorney

**SUMMARY:**

The Indian Wells Valley Groundwater Basin basin underlies 382,000 acres of land primarily in Kern County (Kern), but also includes the northwestern corner of San Bernardino (SB) and Inyo (Inyo) Counties. (“Basin”) The Basin is currently the sole source of potable water for the City's residents. The primary retail water supplier is the Indian Wells Valley Water District (District) that serves the City and the surrounding area. Additionally, private domestic, commercial, agricultural and governmental users pump groundwater from the Basin, including the Naval Air Weapons Station – China Lake and Searles Valley Minerals. Based on prior studies of the Basin, the annual use of Basin groundwater (an estimated 23,700 acre feet in 2013) may exceed the annual natural recharge of the Basin with rain and snow melt (an estimated 7,300 acre feet in 2013) by as much as 225%. It is also estimated that the groundwater level in the Basin is dropping one to two feet each year.

In September 2014, Governor Brown signed into law the Sustainable Groundwater Management Act (SGMA), which requires local agencies to draft plans to bring groundwater aquifers into balanced levels of pumping and recharge. In January 2016, DWR designated the Basin as a Critically Overdrafted Basin, requiring the GSA for the Basin to submit a GSP by January 31, 2020. Since October 2015, Kern has, with the assistance of an outside facilitator, led discussions amongst the local agencies with overlying jurisdiction in the Basin about the formation of a collaborative GSA with the goal of cost effective sustainable groundwater management. These discussions produced the recommended Agreement between the City, Kern, Inyo, San Bernardino, and the District as General Members and United States Navy and United States Department of the Interior Bureau of Land Management as Associate Members.

Under the provisions of the recommended Agreement, each General Member will have one voting seat on the Authority Board. The federal Associate Members may participate in all Board discussions, but will not have a vote. Aside from very routine matters, Authority Board decisions require a majority vote of the Board Directors and the concurrence of no less than two of the Board Directors for the City, Kern, and/or the District. The adoption or modification of a GSP will require a super majority vote. The Agreement also enables General Members to withdraw from the Authority without assuming fiscal liability for an objectionable budget or budget item, provided the General Member's Director submits written notice within 14 days of the adoption or modification of the budget or a budget item that the Director intends to recommend to his/her governing body that the General Member withdraw from the Authority, and the General Member's governing body formally votes to withdraw from the Authority within 60 days of the adoption or modification of the budget or budget item.

Each General Member's governing body is scheduled to consider the Agreement by August 3, 2016, and the effective date of the Agreement was set as July 15, 2016, or the earliest date following that by which at least two General Members had approved the Agreement. This agreement has already been approved by each of the General Members except for the City and therefore is already effective as to those parties. Joining the Authority as a General Member will enable the City to serve as a member of the GSA and participate in the development of a Groundwater Sustainability Plan (GSP) for the Basin that considers the interests and concerns of all of the parties that rely upon the Basin for their water supply.

**FISCAL IMPACT:**

Approval of this item will require the use of additional funds. The Joint Exercise of Powers Agreement (Agreement) to create the Indian Wells Valley Groundwater Authority (Authority) requires each of the five General Members to contribute \$15,000 by August 15, 2016, to provide the initial capital needed to finance the operations of the Authority through December 31, 2016.

Kern has initially estimated the Authority's total cost to operate through 2020 at \$2,210,000 to form a Groundwater Sustainability Agency (GSA) and develop a plan to sustainably manage the Indian Wells Valley Groundwater Basin (Basin) as mandated by State law. Future revenue sources to finance these expenses may include grants; assessments, such as one levied on groundwater extraction; and additional proportional contributions from the Authority's five General Members. Kern has received a \$250,000 grant award notification from the State to help finance the Authority's efforts. (If the City were to object to an adopted or modified budget, or a budget item, the Agreement provides the City with the ability to withdraw from the Authority without assuming fiscal liability for the objectionable budget or budget item.)

**ACTION REQUESTED:**

Adopt resolution approving a Joint Exercise of Powers Agreement, amongst the following five General Members, to create the Indian Wells Valley Groundwater Authority for the purpose of achieving groundwater sustainability in the Indian Wells Valley Groundwater Basin

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested:

## RESOLUTION NO. 16-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST APPROVING A JOINT EXERCISE OF POWERS AGREEMENT WITH FIVE AGENCIES TO CREATE THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY FOR THE PURPOSE OF ACHIEVING GROUNDWATER SUSTAINABILITY IN THE INDIAN WELLS VALLEY GROUNDWATER BASIN, AUTHORIZING THE MAYOR TO SIGN THE JOINT EXERCISE OF POWERS AGREEMENT, AND AUTHORIZING RIDGECREST PORTION OF INITIAL CAPITAL PAYMENT IN THE AMOUNT OF FIFTEEN THOUSAND (\$15,000.00)**

**WHEREAS**, In September 2014, Governor Brown signed into law the Sustainable Groundwater Management Act (SGMA), which requires local agencies to draft plans to bring groundwater aquifers into balanced levels of pumping and recharge, and;

**WHEREAS**, The Indian Wells Valley Groundwater Basin underlies 382,000 acres of land primarily in Kern County (Kern) and In January 2016, DWR designated the Basin as a Critically Over drafted Basin, requiring the GSA for the Basin to submit a GSP by January 31, 2020, and;

**WHEREAS**, Since October 2015, Kern has, with the assistance of an outside facilitator, led discussions amongst the local agencies with overlying jurisdiction in the Basin about the formation of a collaborative GSA with the goal of cost effective sustainable groundwater management. These discussions produced the recommended Agreement between the City, Kern, Inyo, San Bernardino, and the District as General Members and United States Navy and United States Department of the Interior Bureau of Land Management as Associate Members, and;

**WHEREAS**, the City of Ridgecrest desires to participate as a voting General Member of the Indian Wells Valley Groundwater Authority, and;

**WHEREAS**, Approval of this item will require the use of additional funds. The Joint Exercise of Powers Agreement (Agreement) to create the Indian Wells Valley Groundwater Authority (Authority) requires each of the five General Members to contribute \$15,000 by August 15, 2016, to provide the initial capital needed to finance the operations of the Authority through December 31, 2016.

**NOW THEREFORE BE IT RESOLVED** the City Council of the City of Ridgecrest does hereby:

1. Approves the Joint Exercise of Powers Agreement to create the Indian Wells Valley Groundwater Authority. (Exhibit A)
2. Authorizes the Mayor to sign the Joint Exercise of Powers Agreement with the Indian Wells Valley Groundwater Authority.
3. Authorizes City of Ridgecrest portion of the initial capital payment to the Indian Wells Valley Groundwater Authority in the amount of \$15,000

**APPROVED AND ADOPTED** this 3rd day of August, 2016 by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Peggy Breeden, Mayor

ATTEST:

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Rachel J. Ford, CMC  
City Clerk

**JOINT EXERCISE OF  
POWERS AGREEMENT**

creating the

**INDIAN WELLS VALLEY  
GROUNDWATER AUTHORITY**

## TABLE OF CONTENTS

<b>Article I: Definitions</b> .....	2
<b>Section 1.01 – Definitions</b> .....	2
<b>Article II: Authority Creation</b> .....	3
<b>Section 2.01 – Creation of the Authority</b> .....	3
<b>Section 2.02 – Purpose of the Authority</b> .....	3
<b>Article III: Term</b> .....	4
<b>Section 3.01 – Term</b> .....	4
<b>Article IV: Powers</b> .....	4
<b>Section 4.01 – Powers</b> .....	4
<b>Section 4.02 – Exercise of Powers</b> .....	6
<b>Section 4.03 – Water Rights and Consideration of all Beneficial Uses and Users of Groundwater in the Basin</b> .....	6
<b>Section 4.04 – Preservation of Police Powers</b> .....	6
<b>Article V: Membership</b> .....	6
<b>Section 5.01 – General Members</b> .....	6
<b>Section 5.02 – New General Members</b> .....	7
<b>Section 5.03 – Associate Members</b> .....	7
<b>Article VI: Directors and Officers</b> .....	7
<b>Section 6.01 – Board of Directors</b> .....	7
<b>Section 6.02 – Directors and Alternates</b> .....	7
<b>Section 6.03 – Officers of the Board</b> .....	8
<b>Section 6.04 – Appointment of Officers of the Board</b> .....	8
<b>Article VII: Board Meetings and Actions</b> .....	8
<b>Section 7.01 – Initial Meeting</b> .....	8
<b>Section 7.02 – Regular Meeting Schedule</b> .....	8
<b>Section 7.03 – Special Meetings</b> .....	8
<b>Section 7.04 – Committees of the Board</b> .....	8
<b>Section 7.05 – Conduct of Board and Committees of the Board Meetings</b> .....	9
<b>Section 7.06 – Quorum</b> .....	9
<b>Section 7.07 – Voting</b> .....	9
<b>Section 7.08 – GSP Adoption, Modification, or Alteration</b> .....	10
<b>Section 7.09 – Minutes</b> .....	10
<b>Article VIII: Operations and Management</b> .....	10
<b>Section 8.01 – Administrator</b> .....	10
<b>Section 8.02 – Legal Counsel and Other Officers</b> .....	10
<b>Section 8.03 – Employees and Management</b> .....	10

<b>Section 8.04 – Principal Office .....</b>	<b>10</b>
<b>Section 8.05 – Bylaws .....</b>	<b>11</b>
<b>Section 8.06 – Official Seal and Letterhead .....</b>	<b>11</b>
<b>Section 8.07 – Conflict of Interest Code .....</b>	<b>11</b>
<b>Article IX: Financial Provisions.....</b>	<b>11</b>
<b>Section 9.01 – Establishment of Funds .....</b>	<b>11</b>
<b>Section 9.02 – Initial Funding Payments .....</b>	<b>11</b>
<b>Section 9.03 – Fiscal Year. ....</b>	<b>11</b>
<b>Section 9.04 – Fiscal Agent and Treasurer.....</b>	<b>11</b>
<b>Section 9.05 – Funds; Property; Bonds .....</b>	<b>12</b>
<b>Section 9.06 – Audit Duties.....</b>	<b>12</b>
<b>Section 9.07 – Budget .....</b>	<b>12</b>
<b>Section 9.08 – Payments To The Authority.....</b>	<b>12</b>
<b>Article X: Special Activities.....</b>	<b>13</b>
<b>Section 10.01 – Special Activities .....</b>	<b>13</b>
<b>Article XI: Relationship of Authority And Its Members.....</b>	<b>13</b>
<b>Section 11.01 – Separate Entity .....</b>	<b>13</b>
<b>Section 11.02 – Liabilities .....</b>	<b>13</b>
<b>Section 11.03 – Indemnity.....</b>	<b>13</b>
<b>Section 11.04 – Withdrawal of Members .....</b>	<b>14</b>
<b>Section 11.05 – Termination of Members .....</b>	<b>14</b>
<b>Section 11.06 – Continuing Obligations upon Withdrawal or Termination.....</b>	<b>14</b>
<b>Section 11.07 – Dissolution .....</b>	<b>14</b>
<b>Section 11.08 – Disposition of Property Upon Termination of Authority or Board Determination of Surplus .....</b>	<b>15</b>
<b>Article XII: Miscellaneous Provisions .....</b>	<b>15</b>
<b>Section 12.01 – Agreement Complete .....</b>	<b>15</b>
<b>Section 12.02 – Amendment .....</b>	<b>15</b>
<b>Section 12.03 – Assignment.....</b>	<b>15</b>
<b>Section 12.04 – Dispute Resolution .....</b>	<b>15</b>
<b>Section 12.05 – Execution In Parts Or Counterparts.....</b>	<b>16</b>
<b>Section 12.06 – Member Authorization.....</b>	<b>16</b>
<b>Section 12.07 – No Predetermination or Irretrievable Commitment of Resources .....</b>	<b>16</b>
<b>Section 12.08 – Notices .....</b>	<b>16</b>
<b>Section 12.09 – Severability And Validity Of Agreement.....</b>	<b>16</b>
<b>Section 12.10 – Singular Includes Plural.....</b>	<b>16</b>
<b>Exhibit A .....</b>	<b>19</b>
<b>Exhibit B .....</b>	<b>20</b>

# INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

## JOINT EXERCISE OF POWERS AGREEMENT

**THIS JOINT EXERCISE OF POWERS AGREEMENT (“Agreement”)** forming the Indian Wells Valley Groundwater Authority (“**Authority**”) is made and entered into as of July 15, 2016 (“**Effective Date**”), by and among the public agencies listed on the attached Exhibit “A” (collectively “**General Members**” and individually “**General Member**”) for the purpose of forming a Groundwater Sustainable Agency (“**GSA**”) and achieving groundwater sustainability in the Indian Wells Valley Groundwater Basin.

### RECITALS

**WHEREAS**, the comprehensive groundwater legislation collectively enacted and referred to as the “Sustainable Groundwater Management Act” (“**SGMA**”) initially became effective on January 1, 2015.

**WHEREAS**, the stated purpose of SGMA, as set forth in California Water Code section 10720.1, is to provide for the sustainable management of groundwater basins at a local level by providing local groundwater agencies with the authority and technical and financial assistance necessary to sustainably manage groundwater.

**WHEREAS**, SGMA further provides for and anticipates that the local groundwater agencies and federal governmental entities overlying a basin will form Groundwater Sustainable Agencies (“**GSAs**”) for the purpose of achieving groundwater sustainability through the adoption and implementation of Groundwater Sustainability Plans (“**GSPs**”) for the basin.

**WHEREAS**, each of the General and Associate Members overlie a portion of the Indian Wells Valley Groundwater Basin (“**Basin**”) which is designated basin number 6-54 in Department of Water Resources Bulletin No. 118 and which is included on the list of critically overdrafted basins.

**WHEREAS**, SGMA requires that the Basin have a designated GSA by no later than June 30, 2017 and an adopted GSP by no later than January 31, 2020.

**WHEREAS**, the General Members are authorized by the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) (“**Act**”) to create the Authority for the purpose of jointly exercising those powers granted by the Act and any additional powers which are common among them.

**WHEREAS**, the General and Associate Members, individually and collectively, have the goal of cost effective sustainable groundwater management that considers the interests and concerns of all of the communities and parties that rely upon the Basin for their water supply.

**WHEREAS**, the General Members hereby enter into this Agreement to establish this Joint Powers Authority to undertake the management of groundwater resources pursuant to SMGA.

**AGREEMENT TERMS**

**NOW THEREFORE**, in consideration of the matters recited and the mutual promises, covenants, and conditions set forth in this Agreement, the Associate Members having expressed their intent to enter into a memorandum of understanding with the Joint Powers Authority delineating their participation in the Authority, the General Members hereby agree as follows:

**Article I: Definitions**

**Section 1.01 – Definitions.**

As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

(a) “Act” shall mean the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title 1 of the California Government Code, sections 6500, *et seq.*, including all laws supplemental thereto.

(b) “Agreement” means this Indian Wells Valley Ground Water Authority Joint Exercise of Powers Agreement.

(c) “Associate Member” or “Associate Members” shall refer to those federal governmental entities listed in the attached Exhibit “B”. Associate Members shall only consist of those federal governmental entities overlying the Basin who are authorized to participate in a GSA and whose willful participation is necessary because of, and limited by, legal principles such as sovereign immunity and/or the preemption doctrine. To the extent permitted by law and/or federal rules and regulations as they may be amended, “Associate Members” shall be afforded a representative non-Director’s seat on the Authority’s Board of Directors which will entitle them to full participation in the meetings and discussions of the Board. However, Associate Members shall not appoint Directors and they shall not have the power to vote on any action to be taken by the Authority or to become an officer of the Authority.

(d) “Authority” shall mean the Indian Wells Valley Groundwater Authority, which is a separate entity created by this Agreement pursuant to the provisions of California Government Code sections 6500 *et seq.*

(e) “Basin” shall mean the Indian Wells Valley Groundwater Basin which is designated basin number 6-54 in Department of Water Resources’ Bulletin No. 118 and as its boundaries may be modified from time to time through the procedures described in California Water Code section 10722.2.

(f) “Board of Directors” or “Board” shall mean the governing body of the Authority as established by Section 6.01 of this Agreement.

(g) “Bylaws” shall mean the bylaws adopted by the Board of Directors pursuant to Section 8.5 of this Agreement to govern the day-to-day operations of the Authority.

(h) “Fiscal Year” shall mean that period of 12 months established as the Fiscal Year of the Authority pursuant to Section 9.03 of this Agreement.

(i) “General Member” or “General Members” shall mean the eligible agencies listed in the attached Exhibit “A” that have executed this Agreement, including any new General Members that may subsequently join this Authority with the authorization of the Board, pursuant to Section 5.02 of this Agreement.

(j) “Groundwater Sustainability Agency” or “GSA” shall have the meaning set forth in California Water Code section 10721(j).

(k) “Groundwater Sustainability Plan” or “GSP” shall have the meaning set forth in California Water Code section 10721(k).

(l) “Primary Director” and “Alternate Director” shall mean a Primary Director or Alternate Director appointed by a General Member pursuant to Section 6.02 of this Agreement.

(m) “Regular Monthly Receivables” shall mean those costs and bills of the Authority, which are routine in nature and which have not been objected to by any Director either at the meeting or in writing prior to the meeting.

(n) “Special Activities” shall mean activities that are consistent with the purpose of this Agreement and which are done in the name of the Authority pursuant to Section 10.01 of this Agreement, but which are undertaken by fewer than all the General Members.

(o) “Sustainable Groundwater Management Act” or “SGMA” shall mean the comprehensive groundwater legislation collectively enacted and referred to as the “Sustainable Groundwater Management Act” (“SGMA”) as codified in California Water Code sections 10720 *et seq.* and as may be amended in the future.

## **Article II: Authority Creation**

### **Section 2.01 – Creation of the Authority.**

There is hereby created a joint powers agency known as the Indian Wells Valley Groundwater Authority (“Authority”). The Authority shall be, to the extent provided by law, a public entity separate from the General Members of this Agreement.

### **Section 2.02 – Purpose of the Authority.**

The purpose of this Agreement, and the creation of the Authority, is to provide for the joint exercise of powers common to the General Members, and those additional powers granted by SGMA, for the purpose of cooperatively carrying out the requirements of SGMA, including, but not limited to, serving as the GSA for the Basin and developing, adopting and implementing a GSP that achieves groundwater sustainability in the Basin.

### **Article III: Term**

#### **Section 3.01 – Term.**

This Agreement shall become operative on the Effective Date provided that at least two of the General Members listed in Exhibit A have executed this Agreement by said date. If an eligible agency listed in Exhibit A has not executed this Agreement and paid their initial funding contribution called for in Section 9.02 by August 15, 2016, they will lose their right to join through execution of this Agreement and their membership will be subject to the process for inclusion of new General Members set forth in Section 5.02.

This Agreement shall remain in effect until terminated by the unanimous written consent of all then active General Members or there are less than two General Members remaining in the Authority; provided, however, that this Agreement shall remain in effect during the term of any contractual obligation or indebtedness of the Authority that was previously approved by the Board.

### **Article IV: Powers**

#### **Section 4.01 – Powers.**

The Authority shall possess the ability to exercise those powers specifically granted by the Act. Additionally, the Authority shall possess the ability to exercise the common powers of its Members related to the purposes of the Authority, including and limited to the following:

- 4.01.1 To designate itself the GSA for the Basin pursuant to SGMA.
- 4.01.2 To develop, adopt and implement a GSP for the Basin pursuant to SGMA.
- 4.01.3 To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority and the adoption and implementation of the GSP.
- 4.01.4 To contract for the services of engineers, attorneys, planners, financial consultants, and separate and apart therefrom to appoint agents and representatives to employ such other staff persons as necessary.
- 4.01.5 To collect and monitor all data related and beneficial to the development, adoption and implementation of the GSP for the Basin
- 4.01.6 To issue revenue bonds or other appropriate public or private debt and incur debts, liabilities or obligations in connection with the operation, maintenance, administration and management of any facilities required to carry out these purposes.
- 4.01.7 To levy assessments, charges and fees as provided in SGMA.

- 4.01.8 To regulate and monitor groundwater extractions as permitted by SGMA, provided that this provision does not extend to a General or Associate Member's operation of its system to distribute water once extracted or otherwise obtained, unless and to the extent required by other laws.
- 4.01.9 To establish and administer water banking programs for the benefit of the Basin.
- 4.01.10 To establish and administer water recycling, recapturing or purifying programs for the benefit of the Basin.
- 4.01.11 To cooperate, act in conjunction and contract with the United States, the State of California, or any agency thereof, counties, municipalities, public and private corporations of any kind (including without limitation, investor-owned utilities), and individuals, or any of them, for any and all purposes necessary or convenient for the full exercise of the powers of the Authority.
- 4.01.12 To accumulate operating and reserve funds and invest the same as allowed by law for the purposes of the Authority.
- 4.01.13 To apply for and accept grants, contributions, donations and loans under any federal, state or local programs for assistance in developing or implementing any of its projects or programs in connection with any project undertaken in the Authority's name for the purposes of the Authority.
- 4.01.14 To acquire by negotiation or condemnation, lease, purchase, construct, hold, manage, maintain, operate and dispose of any buildings, property, water rights, works or improvements within and without the respective boundaries of the General Members necessary to accomplish the purposes described herein.
- 4.01.15 To sue or be sued in its own name.
- 4.01.16 To invest funds pursuant to California Government Code section 6509.5 or other applicable State Law.
- 4.01.17 Any power necessary or incidental to the foregoing powers in the manner and according to the procedures provided for under the law applicable to the General Members to this Agreement.
- 4.01.18 Any additional powers conferred under SGMA or the Act or under applicable law, insofar as such powers are needed to accomplish the purposes of SGMA, including all powers granted to the Authority under Article 4 of the Act which are in addition to the common powers of the General Members, including the power to issue bonds or otherwise

incur debts, liabilities or obligations to the extent authorized by the Act or any other applicable provision of law and to pledge any property or revenues of the rights thereto as security for such bonds and other indebtedness.

**Section 4.02 – Exercise of Powers.**

In accordance with California Government Code section 6509, the foregoing powers shall be subject to the restrictions upon the manner of exercising such powers pertaining to the County of Kern.

**Section 4.03 – Water Rights and Consideration of all Beneficial Uses and Users of Groundwater in the Basin.**

As set forth in California Water Code section 10723.2, and any future amendments to SGMA, the GSA shall consider the interests of all beneficial uses and users of groundwater in the Basin, as well as those responsible for implementing the GSP. Additionally, as set forth in California Water Code section 10720.5(a), and any future amendments to SGMA, any GSP adopted pursuant to this Agreement shall be consistent with Section 2 of Article X of the California Constitution and nothing in this Agreement modifies the rights or priorities to use or store groundwater consistent with Section 2 of Article X of the California Constitution, with the exception that no extraction of groundwater between January 1, 2015 and the date the GSP is adopted may be used as evidence of, or to establish or defend against, any claim of prescription. Likewise, as set forth in California Water Code section 10720.5(b), and any future amendments to SGMA, nothing in this Agreement or any GSP adopted pursuant to this Agreement determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights.

**Section 4.04 – Preservation of Police Powers.**

Nothing set forth in this Agreement shall be deemed to modify or otherwise limit a county's or city's police powers in any way or its authority to regulate groundwater under existing law or any amendment thereto. The adopted GSP shall not authorize any water supply augmentation to the Basin with groundwater extracted from another groundwater basin within the jurisdiction of a General Member without the express approval of the Primary Director representing that General Member.

**Article V: Membership**

**Section 5.01 – General Members.**

The General Members of the Authority shall be the public agencies listed on the attached Exhibit "A", so long as their Membership has not been withdrawn or terminated pursuant to the provisions Article XI of this Agreement.

**Section 5.02 – New General Members.**

The Board may approve an application for a new General Member to the Authority through a vote of the Board so long as: 1) the new General Member is a public agency that is qualified to join the Authority under the provisions of SGMA and the Act; and, 2) the new General Member agrees to or has met any other conditions that the Board may establish from time to time.

Once an application is approved by the Board of Directors, the governing bodies for each of the General Members shall be sent the application for consideration and possible approval. For a new General Member to be admitted, the application must be approved by each of the governing bodies for the General Members. Upon final approval, the attached Exhibit “A” shall be amended to reflect the new General Member.

**Section 5.03 – Associate Members.**

The Associate Members of the Authority shall be those Federal Governmental Entities listed on the attached Exhibit “B” so long as their Membership has not been withdrawn or terminated pursuant to the provisions Article XI of this Agreement. Associate Members shall be afforded a representative non-voting seat on the Authority’s Board of Directors which will entitle the representative to full participation in the meetings and discussions of the Board. However, representatives of Associate Members shall not be Directors, nor shall they become officers of the Authority and they shall not have the power to vote on any action and or proposal before the Board of Directors.

**Article VI: Directors and Officers**

**Section 6.01 – Board of Directors.**

The Authority shall be governed and administered by a Board of Directors (“Board”) which is hereby established and which shall be composed of one voting seat per General Member. To the extent permitted by law and/or federal rules and regulations as they may be amended, Associate Members shall not be allowed to vote on any matter before the Board but they shall be afforded a representative non-voting seat on the Board, which will entitle them to full participation in the meetings and discussions of the Board and any Committees established by the Board.

**Section 6.02 – Directors and Alternates.**

Each General Member’s governing body shall appoint one Primary Director and one Alternate Director. The Alternate Director shall serve and assume the rights and duties of the Primary Director when the Primary Director is unable to attend a Board meeting. The Primary and Alternate Directors for the County of Kern, Indian Wells Valley Water District and the City of Ridgecrest shall be elected members of their governing bodies. Primary Directors and Alternate Directors shall serve at the pleasure of the governing body appointing them and they may be removed at any time, with or without cause, in the sole discretion of their governing body. Each Primary Director and Alternate Director shall hold office until their successor is selected by their governing body and the Authority has been notified of the succession.

**Section 6.03 – Officers of the Board.**

Officers of the Authority’s Board shall consist of a Chairperson and Vice-Chairperson. The Chairperson shall preside at all meetings of the Board, while the Vice-Chairperson shall perform the duties of the Chairperson in the absence or disability of the Chairperson. The Chairperson and Vice-Chairperson shall exercise and perform such other powers and duties as may be assigned by the Board.

**Section 6.04 – Appointment of Officers of the Board.**

The Board shall annually elect the Officers of the Board from the Primary Directors. Officers of the Board shall hold office for a term of one year commencing on January 1 of each and every calendar year and they may serve for multiple consecutive terms. Officers of the Board may be removed and replaced at any time, with or without cause by a Board vote. In the event that an Officer of the Board loses their position as a Primary Director, that Officer of the Board position shall become vacant and Board shall elect a new individual to serve the remaining term.

**Article VII: Board Meetings and Actions**

**Section 7.01 – Initial Meeting.**

The initial meeting of the Board shall be held at a location overlying the Basin within forty five days (45) days of the Effective Date of this Agreement.

**Section 7.02 – Regular Meeting Schedule.**

The Board shall establish a regular meeting time and place at the initial meeting of the Board. The Board may vote to change the regular meeting time and place provided that the new location remains at a place overlying the Basin.

**Section 7.03 – Special Meetings.**

Special meetings of the Board shall be conducted pursuant to California Government Code section 54956 and they may be called by the Chairperson, or by the concurrence of any two Primary Directors.

**Section 7.04 – Committees of the Board.**

The Board may from time to time establish advisory committees for the purpose of making recommendations to the Board on the various activities of the Authority. The establishment of any committee and its duties shall require the vote of the Board of Directors and the activities of the committee shall be subject to the provisions of the Ralph M. Brown Act (California Government Code sections 54950, *et seq.*). Committees shall exist for the term specified in the action creating the committee and the Board may dissolve a committee at any time through a vote of the Board of Directors.

The Board shall ensure that the development of the GSP includes the meaningful participation of all water users in the Basin including but not limited to the General Members, Associate Members, regulated public water utilities, mutual water companies and other private well pumpers. The Board shall ensure this meaningful participation through the establishment of one or more committees which will contain members from the above groups so long as their participation does not violate the State ethics and conflict of interest laws, including California Government Code sections 1090 *et seq.*, or any other law.

**Section 7.05 – Conduct of Board and Committees of the Board Meetings.**

All meetings of the Board of Directors, including special meetings and Board committee meetings, shall be noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act (California Government Code sections 54950, *et seq.*). The Board may use teleconferencing in connection with any meeting in conformance with, and to the extent authorized by, applicable law. The Board may further establish rules of conduct for its meetings provided that said rules do not conflict with the Ralph M. Brown Act or other applicable law.

All meetings of Committees of the Board that are formed in accordance with Section 7.04 shall be noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act (California Government Code sections 54950, *et seq.*). A Committee may use teleconferencing in connection with any meeting in conformance with, and to the extent authorized by, applicable law. The Board may further establish rules of conduct for Committees of the Board meetings provided that said rules do not conflict with the Ralph M. Brown Act or other applicable law.

**Section 7.06 – Quorum.**

A quorum of the Board shall consist of majority of the Directors representing the then active General Members. In the absence of a quorum, no business may be transacted beyond the adjournment of a meeting by the remaining Directors. A Director shall be deemed present for the determination of a quorum if the Director is present at the meeting in person or if they participate in the meeting telephonically as provided for by Ralph M. Brown Act.

**Section 7.07 – Voting.**

The affirmative vote of a majority of the Board shall be required for the approval of any Board action. In addition, no action may be approved by the Board unless it receives the affirmative vote from no less than two of the then voting Directors representing the County of Kern, the City of Ridgecrest and/or the Indian Wells Valley Water District.

Notwithstanding the foregoing, the Board may approve the Regular Monthly Receivables by a simple majority vote so long as the routine costs and bills making up the Regular Monthly Receivables have not been objected to by any Director. While a Director may voice an oral objection at the meeting, a Director's presence is not required and they may also file an objection in writing prior to the meeting. Likewise, any meeting of the Board may be adjourned by a simple majority vote of the then present Directors.

**Section 7.08 – GSP Adoption, Modification, or Alteration.**

The final adoption of a GSP and the modification and/or alteration of any adopted GSP shall require the affirmative vote of at least 4/5ths of the General Members on the Board, unless a General Member's Director abstains or recuses himself or herself from the matter. In the event a General Member's Director abstains or recuses himself or herself, the voting requirement shall become 3/4ths. In the event that two General Member Directors abstain and/or recuse themselves, the voting requirement shall become 2/3rds.

**Section 7.09 – Minutes.**

The Board shall cause minutes to be kept of all public meetings of the Board and any Board appointed Committees. The Board shall further cause a copy of draft minutes to be forwarded to each Director and to each General Member Agency.

**Article VIII: Operations and Management**

**Section 8.01 – Administrator.**

The Authority may appoint an Administrator, from time-to-time as and when it deems appropriate. If appointed, the Administrator shall serve at the pleasure of the Board of Directors and their duties and responsibilities shall be set forth via a vote of the Board.

**Section 8.02 – Legal Counsel and Other Officers.**

The Authority may appoint General Legal Counsel who shall serve at the pleasure of the Board via a vote of the Board. Subject to the limits of the Authority's approved budget, the Board shall also have the power to appoint and contract via a vote of the Board for the services of other officers, consultants, advisers and independent contractors as it may deem necessary or convenient for the business of the Authority, all of whom shall serve at the pleasure of the Board.

**Section 8.03 – Employees and Management.**

In addition to, or in lieu of, hiring employees, the Authority may engage one or more General Members to manage any or all of the business of the Authority on terms and conditions acceptable to the Board of Directors. Any General Member so engaged shall have such responsibilities as are set forth in the contract for such General Member's services, which shall be approved by a majority vote of the Directors representing the non-contracting Members.

**Section 8.04 – Principal Office.**

At the initial meeting of Board, the Board shall establish a principal office for the Authority, which shall be located at a place overlying the Basin. The Board may change the principal office from time to time as the Board sees fit so long as that principal office remains at a location overlying the Basin.

**Section 8.05 – Bylaws.**

The Board shall adopt Bylaws governing the conduct of meetings and the day-to-day operations of the Authority on or before the first anniversary of the Effective Date. The Bylaws may be amended from time to time as the Board deems necessary.

**Section 8.06 – Official Seal and Letterhead.**

The Board may adopt, and/or amend, an official seal and letterhead for the Authority by a vote of the Directors.

**Section 8.07 – Conflict of Interest Code.**

At the initial meeting of Board, the Board shall begin the process for the adoption and filing of a Conflict of Interest Code pursuant to the provisions of the Political Reform Act of 1974.

**Article IX: Financial Provisions**

**Section 9.01 – Establishment of Funds.**

The Board shall establish and maintain such funds and accounts as may be required by generally accepted public agency accounting practices. The Authority shall maintain strict accountability of all funds and report of all receipts and disbursements of the Authority.

**Section 9.02 – Initial Funding Payments.**

In order to provide the needed capital to initially fund the Authority, the General Members shall each provide an initial contribution of \$15,000 due upon their execution of this Agreement. To the extent the Authority is able to secure other funding sources in the future, and to the extent permitted by law, the Authority shall reimburse the initial contributions on a proportionate basis.

Notwithstanding the equal amount of initial funds contributed by each of the General Members, the parties intend for future funding contributions to be allocated on a fair, proportional basis (e.g., irrigated acreage, groundwater pumping, population, and/or number of wells).

**Section 9.03 – Fiscal Year.**

The Fiscal Year of the Authority shall be from January 1 through December 31 of each year. If the Board so desires, it may change the Fiscal Year.

**Section 9.04 – Fiscal Agent and Treasurer.**

The County of Kern shall serve as the Fiscal Agent and Treasurer for the Authority unless otherwise directed by a vote of the Board of Directors. The Fiscal Agent shall be responsible for all money of the Authority from whatever source. All funds of the Authority shall be strictly and separately accounted for and regular reports shall be rendered of all receipts

and disbursements during the Fiscal Year as designated by the Board. The books and records of the Authority shall be open to inspection by the General Members.

**Section 9.05 – Funds; Property; Bonds.**

The Board shall from time to time designate the officers and persons, in addition to those specified in Section 9.04 above, who shall have charge of, handle, or have access to any funds and/or property of the Authority. Each such officer and person shall file a bond in an amount designated by the Board.

**Section 9.06 – Audit Duties.**

The Board shall contract with a certified public accountant to audit the accounts and records of the Authority as required by applicable accounting practices and the Act.

**Section 9.07 – Budget.**

By a date no later than January 1, 2017, and sixty (60) days before the end of each Fiscal Year thereafter, the Board shall adopt a budget for the Authority for the ensuing Fiscal Year. The Board may authorize mid-year budget adjustments, as needed.

Notwithstanding Section 11.04, a General Member shall not be fiscally liable for any adopted or modified budget or budget item(s) provided that the General Member's Director provides written notice within fourteen (14) days of the adoption or modification of the budget or a budget item that the Director intends to recommend to their board that the General Member withdraw from this Agreement. The notice provided in this section shall serve to limit the General Member's fiscal liability for the contested budget or budget item(s) so long as the General Member's board formally votes to withdraw from this Agreement within sixty (60) days of the adoption or modification of the budget or budget item(s).

**Section 9.08 – Payments To The Authority.**

(a) All fees, costs and expenses incurred by the Authority shall be funded from: (i) voluntary contributions from third parties, such as grants; (ii) assessments on the General Members, levied from time to time by the Board to carry out the activities of the Authority generally applicable to all Members; and, (iii) assessments, fees and/or charges levied by the Authority under the provisions of SGMA.

(b) No General Member shall be bound, financially or otherwise, by any obligation, contract or activity undertaken by the Authority unless and except to the extent agreed upon by the General Member, except that each General Member shall be obligated to fund its then current annual share of the general basic budget of the Authority, provided such budgets are otherwise approved as provided herein. Funding of other matters shall be through Special Activity agreements or as otherwise agreed to by the General and Associate Members.

(c) The Associate Members cannot contribute direct funding to the Authority however they will assist in project development technical support, and information sharing including field studies/data, as appropriate.

## **Article X: Special Activities**

### **Section 10.01 – Special Activities.**

With the prior approval of the Board, General Members may undertake Special Activities in the name of the Authority. Prior to undertaking a Special Activity, the General Members electing to participate in the Special Activity shall enter into an activity agreement. Such activity agreement shall provide that: (i) no Special Activity undertaken pursuant to such agreement shall conflict with the terms of this Agreement; and, (ii) the General Members to the activity agreement shall indemnify, defend and hold the other parties to this Agreement and the Authority harmless from and against any liabilities, costs or expenses of any kind arising as a result of the Special Activity described in the activity agreement. All assets, rights, benefits, debts, liabilities and obligations attributable to a Special Activity shall be assets, rights, benefits, debts, liabilities and obligations solely of the General Members that have entered into the activity agreement for that Special Activity, in accordance with the terms of the activity agreement, and shall not be the assets, rights, benefits, debts, liabilities and obligations of those General and Associate Members that have not executed the activity agreement. General and Associate Members not electing to participate in the Special Activity shall have no rights, benefits, debts, liabilities or obligations attributable to such Special Activity.

## **Article XI: Relationship of Authority And Its Members**

### **Section 11.01 – Separate Entity.**

In accordance with California Government Code Sections 6506 and 6507, the Authority shall be a public entity separate and apart from the parties to this Agreement.

### **Section 11.02 – Liabilities.**

The General Members do not intend hereby to be obligated either jointly or severally for the debts, liabilities or obligations of the Authority, except as may be specifically provided for in California Government Code Section 895.2 as amended or supplemented. Therefore unless, and to the extent otherwise required by law or agreed to herein by the General Members, the debts, liabilities and obligations of the Authority shall not be debts, liabilities or obligations of the General Member entities. The Authority shall own and hold title to all funds, property and works acquired by it during the term of this Agreement.

### **Section 11.03 – Indemnity.**

Funds of the Authority may be used to defend, indemnify, and hold harmless the Authority, each General Member, each Director, and any officers, agents and employees of the Authority for their actions taken within the course and scope of their duties while acting on behalf of the Authority. Other than for gross negligence or intentional acts, to the fullest extent permitted by law, the Authority agrees to save, indemnify, defend and hold harmless each General Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are attributable in whole or in part, to

negligent acts or omissions of the Authority or its employees, officers or agents or the employees, officers or agents of any General Member, while acting within the course and scope of a General Member relationship with the Authority.

**Section 11.04 – Withdrawal of Members.**

Any General and/or Associate Member shall the have the ability to withdraw by providing forty-five (45) days written notice of its intention to withdraw. Said notice shall be given to the Board and to each of the other General and Associate Members. In the event of a withdrawal, this Agreement shall continue in full force and effect among the remaining members as set forth in Section 11.06 below.

**Section 11.05 – Termination of Members.**

The Board may vote to terminate any Member for cause including, but not limited to, the failure to meet its funding obligations set forth in this Agreement or future actions of the Board. In the event of a termination, this Agreement shall continue in full force and effect among the remaining members as set forth in Section 11.06 below.

**Section 11.06 – Continuing Obligations upon Withdrawal or Termination.**

Except as provided for in Section 9.07, any withdrawal or termination of a General Member, shall not relieve the General Member of its financial obligations (including, but not limited to, indemnity obligations, capital costs, debt obligations, CalPERS unfunded Liability, or any net operations and maintenance costs resulting from such withdrawal) arising under this Agreement prior to the effective date of the withdrawal or termination.

The withdrawal or termination of one or more General Members, shall not terminate this Agreement or result in the dissolution of the Authority. This Agreement shall remain in full force and effect among the remaining members, following the withdrawal or termination of any General Member, and the Authority shall remain in operation provided that there are at least two General Members remaining in this Agreement.

**Section 11.07 – Dissolution.**

The Authority may be dissolved at any time upon the unanimous vote of the Board and approval of the General Members' governing boards. However, the Authority shall not be dissolved until all debts and liabilities of the Authority have been eliminated. Upon dissolution of the Authority, each General Member shall receive its proportionate share of any remaining assets after all Authority liabilities and obligations have been paid in full. The distribution of remaining assets may be made "in kind" or assets may be sold and the proceeds thereof distributed to the General Members. This distribution shall occur within a reasonable time after dissolution. No former member which previously withdrew or was terminated shall be entitled to a distribution upon dissolution.

**Section 11.08 – Disposition of Property Upon Termination of Authority or Board Determination of Surplus.**

Upon termination of this Agreement or upon determination by the Board that any surplus money is on hand, such surplus money shall be returned to the then General Members of the Authority that contributed such monies in proportion to their contributions. The Board shall first offer any surplus properties, works, rights and interests of the Authority for sale to the individual General Member and the sale shall be based on highest bid. If no such sale is consummated, the Board shall offer the surplus properties, works, rights and interests of the Authority for sale in accordance with applicable law to any governmental agency, private entity or persons for good and adequate consideration.

**Article XII: Miscellaneous Provisions**

**Section 12.01 – Agreement Complete.**

The foregoing constitutes the full and complete Agreement of the General Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

**Section 12.02 – Amendment.**

This Agreement may be amended from time to time by the unanimous consent of the General Members, acting through their governing bodies.

**Section 12.03 – Assignment.**

Except as otherwise provided in this Agreement, the rights and duties of the General Members may not be assigned or delegated without the advance written consent of all the other General Members, and any attempt to assign or delegate such rights or duties in contravention of this section shall be null and void. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of any contracts, resolutions or indentures of the Authority then in effect. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the General Members hereto. This section does not prohibit a General Member from entering into an independent agreement with another agency regarding the financing of that General Member's contributions to the Authority or the disposition of proceeds, which that General Member receives under this Agreement so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the General Members under this Agreement.

**Section 12.04 – Dispute Resolution.**

In the event there are disputes and/or controversies relating to the interpretation, construction, performance, termination, breach of, or withdrawal from this Agreement, the General Members involved shall in good faith meet and confer amongst themselves in an attempt to informally resolve such matter(s). If the General Members are unsuccessful in resolving such matter(s) through an informal meeting process, they shall attempt to resolve such matter(s) through mediation. If they are unable to resolve such matter(s) through mediation, they may

attempt to settle such issue(s) by arbitration under the rules and regulations of the American Arbitration Association or they may exercise whatever other legal rights and remedies they may have in court. Any party requesting arbitration under this Agreement must make a request on the other General Members by registered or certified mail with a copy to the American Arbitration Association.

**Section 12.05 – Execution In Parts Or Counterparts.**

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the General Members hereto. Facsimile or electronic signatures shall be binding.

**Section 12.06 – Member Authorization.**

The governing bodies of the General Members have each authorized execution of this Agreement, as evidenced by their respective signatures below.

**Section 12.07 – No Predetermination or Irretrievable Commitment of Resources.**

Nothing herein shall constitute a determination by the Authority or any of its General and Associate Members that any action shall be undertaken or that any unconditional or irretrievable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, have been completed.

**Section 12.08 – Notices.**

Notices authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the addresses set forth for each of the Members hereto on Exhibit “A” of this Agreement, or to such other changed addresses communicated to the Authority and the General and Associate Members in writing.

**Section 12.09 – Severability And Validity Of Agreement.**

Should the participation of any General and/or Associate Member to this Agreement, or any part, term or provision of this Agreement be decided by the courts or the legislature to be illegal, in excess of that Member’s authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Member hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

**Section 12.10 – Singular Includes Plural.**

Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

**IN WITNESS WHEREOF**, the Members hereto, pursuant to resolutions duly and regularly adopted by their respective Board of Directors or governing board, have caused their names to be affixed by their proper and respective officers as of the day and year first above-written.

**CITY OF RIDGECREST**

By: \_\_\_\_\_  
Peggy Breeden, Mayor

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

ATTEST:

By: \_\_\_\_\_  
Secretary

**COUNTY OF INYO**

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Jeff Griffiths, Chairman  
County of Inyo Board of Supervisors

By: \_\_\_\_\_  
Marshall Rudolph, County Counsel

**COUNTY OF KERN**

APPROVED AS TO FORM:  
OFFICE OF COUNTY COUNSEL

By: \_\_\_\_\_  
Mick Gleason, Chairman  
County of Kern Board of Supervisors

By: \_\_\_\_\_  
Phillip Hall, Deputy County Counsel

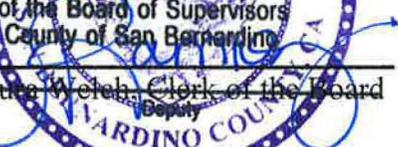
APPROVED AND RECOMMENDED:  
COUNTY ADMINISTRATIVE OFFICE

By: \_\_\_\_\_  
Alan Christensen, Chief Deputy  
CAO for Water Resources

**COUNTY OF SAN BERNARDINO**

By:   
James Ramos, Chairman JUL 12 2016  
County of San Bernardino Board of Supervisors

SIGNED AND CERTIFIED THAT A COPY OF  
THIS DOCUMENT HAS BEEN DELIVERED  
TO THE CHAIRMAN OF THE BOARD  
LAURA H. WELCH  
Clerk of the Board of Supervisors  
of the County of San Bernardino

By:   
By Laura Welch, Clerk of the Board  
Deputy

**INDIAN WELLS VALLEY  
WATER DISTRICT**

By: \_\_\_\_\_  
Don Cortichiato, President of the Board  
of Directors

APPROVED AS TO FORM:  
OFFICE OF COUNTY COUNSEL

By:   
for Sophie Akins, Deputy County Counsel

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James A. Worth, General Counsel

# **EXHIBIT A**

## **GENERAL MEMBERS**

### **City of Ridgecrest**

City Clerk  
100 W. California Avenue  
Ridgecrest, CA 93555

### **County of Inyo**

Clerk of the Board of Supervisors  
P.O. Drawer N  
Independence, CA 93526

### **County of Kern**

Clerk of the Board of Supervisors,  
Administrative Center  
1115 Truxtun Avenue, 5<sup>th</sup> Floor  
Bakersfield CA 93301

### **County of San Bernardino**

Clerk of the Board of Supervisors  
385 N. Arrowhead Ave, 2<sup>nd</sup> Floor  
San Bernardino, CA 92415-0130

### **Indian Wells Valley Water District**

General Manager  
500 W. Ridgecrest Boulevard  
Ridgecrest, CA 93555

**EXHIBIT B**

**ASSOCIATE MEMBERS**

**United States Department of the Interior  
Bureau of Land Management**

**United States Navy  
Naval Air Weapons Station China Lake**

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**CITY COUNCIL/SUCCESSOR REDEVELOPMENT AGENCY/  
FINANCING AUTHORITY/HOUSING AUTHORITY AGENDA ITEM**

**SUBJECT:**

Appoint a representative and alternate director to the Indian Wells Valley Groundwater Authority pursuant to the Joint Exercise of Powers Agreement

**PRESENTED BY:**

Wayne Lemieux, Sr, City Attorney

**SUMMARY:**

Under the provisions of the Indian Wells Valley Groundwater Authority Joint Exercise of Powers Agreement each General Member has one voting seat on the Authority Board. The City must appoint one member to sit on the board as well as one alternate member. It is anticipated that the Indian Wells Valley Groundwater Authority will hold its first meeting in August, 2016.

**FISCAL IMPACT:**

None.

Reviewed by Finance Director

**ACTION REQUESTED:**

Appoint a representative and alternate director to the Indian Wells Valley Groundwater Authority pursuant to the Joint Exercise of Powers Agreement

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Action as requested

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