

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Wednesday, September 9, 2015; 9:00 am

10060 Goethe Road

Sacramento, CA 95827

(SASD South Conference Room No. 1212 – Sunset Maple)

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda, but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.

1. CALL TO ORDER AND ROLL CALL – 9:00 a.m.

2. PUBLIC COMMENT: Members of the audience may comment on any item of interest to the public within the subject matter jurisdiction of the Groundwater Authority. Each person will be allowed three minutes, or less if a large number of requests are received on a particular subject. No action may be taken on non-agendized items raised under “Public Comment” until the matter has been specifically included on an agenda as an action item. If a member of the public wants a response to a specific question, they are encouraged to contact any member of the Board or the Executive Director at any time. Members of the audience wishing to address a specific agendized item are encouraged to offer their public comment during consideration of that item.

3. CONSENT CALENDAR

- Minutes of the July 8, 2015 Board meeting and minutes of the July 29, 2015 and August 19, 2015 SGMA Subcommittee meetings.

Action: Approve Consent Calendar items

4. OMOCHUMNE-HARTNELL WATER DISTRICT PROPOSAL TO WITHDRAW FROM SCGA

- Presentation by Mike Wackman with Omochumne-Hartnell Water District and Rebecca Smith with Downey-Brand.

Action: Information item.

5. SGMA SUBCOMMITTEE REPORT

- Status report and recommendations from the SGMA Subcommittee.
Actions: Direct staff to prepare an amendment to the Joint Powers Agreement and Authority Policies and Procedures to adjust the boundary of SCGA to be coextensive with the South American Subbasin as defined in Bulletin 118; and, direct staff to take actions necessary for SCGA to become the Groundwater Sustainability Agency within the South American Subbasin.

6. SCGA FUNDING SUBCOMMITTEE

- Current funding for SCGA activities is based on a formula set forth in the JPA. Changes in groundwater usage and requirements for developing and implementing SGMA have changed the rationale behind how current funding is determined.

Action: Establish a subcommittee to evaluate changes in the way annual revenue is calculated and collected for SCGA and make recommendations for adjustment to the Board.

7. EXECUTIVE DIRECTOR'S REPORT

- a) Government Affairs Update
- b) Proposition 1 Sustainable Groundwater Planning Grant Program Draft Guidelines and Proposal Solicitation Package for Counties with Stressed Basins
- c) GAP Committee Meeting

8. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, November 4, 2015, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

AGENDA ITEM 3: CONSENT CALENDER

BACKGROUND:

Minutes of the July 8, 2015 Board meeting and minutes of the July 29, 2015 and August 19, 2015 SGMA Subcommittee meetings.

STAFF RECOMMENDATION:

Action: Approve Consent Calendar items.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Draft Minutes
July 8, 2015

LOCATION: 10060 Goethe Road, Room 1212
Sacramento, CA 95827
9:00 a.m. to 11:00 a.m.

MINUTES:

1. CALL TO ORDER AND ROLL CALL

Dave Ocenosak called the meeting to order at 9:00 a.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Tom Mahon, Agricultural Interests
Richard Shepard, City of Elk Grove
Mark Madison, Florin Resource Conservation District/Elk Grove Water District
Rick Bettis, Conservation Landowners
Christine Thompson, Public Agencies Self Supplied
Dave Ocenosak, Sacramento Regional County Sanitation District
Paul Schubert, Golden State Water Company

Board Members (Alternate Rep):

Britton Snipes, City of Rancho Cordova
Brett Ewart, City of Sacramento
Forrest Williams, Sacramento County
José Ramirez, Sacramento Regional County Sanitation District

Staff Members:

Darrell Eck, Executive Director
Ping Chen, SCGA
Ramon Roybal, SCGA

Others in Attendance:

Brian Frাগiao, City of Elk Grove
Tom Nelson, Florin Resource Conservation District/Elk Grove Water District
Rodney Fricke, Aerojet Rocketdyne
Ali Taghavi, RMC Water and Environment
Jim Blanke, RMC Water and Environment
Jafar Faghieh, HDR
Lauren Simonich, Sacramento County Farm Bureau

Carl Werder, Resident
Rob Swartz, Sacramento Groundwater Authority (SGA)
Mark Salmon, Parsons Brinckerhoff

Member Agencies Absent

City of Folsom
Rancho Murieta CSD
Agricultural-Residential
Omochumne-Hartnell Water District
Commercial/Industrial Self-Supplied
California-American Water Company

2. PUBLIC COMMENT

Tom Nelson introduced himself and stated that he had been the nominee to represent the Agricultural-Residential groundwater users but that since he also served as a board member for the Florin Resource Conservation District (FRCD) which was also represented on the SCGA Board, the FRCD attorney pointed out that it would have been a conflict of interest. Furthermore, the FRCD attorney also pointed out that per the SCGA JPA the FRCD/EGWD representative must have been a member of their board. The current FRCD representatives were not and Mr. Nelson then announced that he had been nominated as representative for FRCD/EGWD subject to the approval of Elk Grove City Council which was set to convene July 8, 2015.

Mr. Eck followed up by reporting that Omochumne-Hartnell Water District and Rancho Murieta CSD were subject to the same provision of the JPA requiring elected board members to represent those groups and that they were taking steps to comply.

3. CONSENT CALENDAR

The draft meeting minutes for the May 13, 2015 Board meeting were reviewed for final approval.

Motion/Second/Carried – Mr. Schubert moved, seconded by Mr. Williams, the motion carried unanimously to approve the minutes.

4. UPDATE ON BASIN MANAGEMENT OBJECTIVE THRESHOLD DEVELOPMENT AND RECHARGE MAPPING PROJECT

Jim Blanke from RMC Water and Environment was introduced to give a presentation on the BMO threshold development component of BMO Threshold and Recharge Mapping Project. Mr. Blanke had given a presentation on the recharge mapping component of the project at the March 11, 2015 Board meeting. (*Note: Mr. Blanke's presentation can be viewed on the Authority's website for the July 8, 2015 meeting date*)

Mr. Blanke's presentation included steps taken to develop the BMO thresholds and recommendations for improving reliability in the future.

Steps taken to develop the BOM thresholds were:

- Identify groupings of areas that behave similarly
- Utilize updated SacIWRM Future Conditions Baseline
- Revised urban footprint based on General Plans and other available planning documents Added Folsom Plan Area and Cordova Hills
- Revised non-urban water demands using CropScape
- Revised urban water demands and supplies using UWMP/WSMP
- CASGEM wells incorporated as the most representative of basin conditions
- Historical well data analyzed for applicability
- Thresholds based on future conditions baseline
- Recognized the need to avoid penalizing future benefits yet to be realized
- Placed BMO thresholds in the context of GMP trigger levels

Recommendations for future improvements included:

- Investigate incorporating additional information into bandwidths
 - Current and historical data
 - Physically based thresholds
- Recognize Vineyard SWTP as an existing Trigger Action yet to be fully realized
- Historical groundwater elevations: adjust bandwidth to incorporate all historical data within the 100 - 0% range.
 - Justification – Historical conditions considered appropriate without requiring acquisition of supplemental water supplies and constructing infrastructure
- Current groundwater elevations: Adjust lower threshold so well is within the 100 - 25% range.
 - Justification – Existing conditions considered appropriate without levying assessments
- Utilize available physical thresholds
 - Depth of private wells
 - Historical conditions near rivers

Project Next Steps included:

- Incorporate additional information into bandwidths
- Share revisions with SCGA staff
- Present revisions to Board as part of September 9, 2015 board meeting
- Present information in a draft and final TM
- Implement BMOs under GWMP or GSP

Mr. Bettis asked if update land-use information was utilized to account for future planned development near the Jackson and Mather areas. Mr. Blanke replied that when the future conditions model was updated that they received the latest land-use information from SCWA that included changes in water demands for those footprints.

Mr. Ocenosak asked if the forthcoming SB88 trailer bills which required increased groundwater elevations reporting would include agricultural wells and if so, would such data be available to enhance the groundwater model and thus improve the accuracy of the BMO Thresholds. Mr. Eck replied that in terms of SCGA's CASGEM implementation he did not foresee any significant changes as it concerned that bill.

Mr. Madison asked if there were wells or areas where the groundwater declines had increased to a point that exceeded certain triggers, could it result in the assessments against individual users and would those assessments would be levied before the groundwater sustainability plans were developed or would it be folded into a later groundwater sustainability plan. Mr. Eck replied that the current JPA already enabled the Board to exercise police powers. It would be a matter of the Board choosing to exercise such powers. Such a decision would not be made without the input of the non-JPA signatory representatives.

Mr. Bettis asked Mr. Blanke if he noticed any significant evidence of perched aquifers during development of the thresholds. Mr. Blanke responded that it was not something was analyzed.

5. GROUNDWATER SUSTAINABILITY AGENCY

Mr. Eck provided an overview of the process required for SCGA to become a Groundwater Sustainability Agency (GSA) under the Sustainable Groundwater Management Act (SGMA). The process included consideration of interested stakeholders, identification of basin boundaries, development of coordination agreements with adjacent programs, development of the groundwater sustainability plan, and assessment of regulatory authorities within existing JPA. Mr. Eck then reported that staff had been working with GEI on a roadmap that would identify the milestones that would lead SCGA to become the GSA for the South American Subbasin. Mr. Eck announced that Jon Goetz with GEI would make a presentation addressing those issues. *(Note: Mr. Goetz's presentation can be viewed on the Authority's website for the July 8, 2015 meeting date.)*

Mr. Eck stated that in order to fully develop and complete the tasks necessary to become a groundwater sustainability agency, staff believed that a SGMA committee should be formed to reach out to the various stakeholders, to strategize on the potential boundary issues, to discuss potential coordination issues, and to discuss and make recommendations for potential changes to the governing JPA. The committee would report back to the Board on a regular basis with status reports and for additional direction.

Mr. Bettis asked for discussion on potential challenges that might arise with a district being split between multiple GSA's. Mr. Goetz explained that there was nothing wrong with being split and that it might actually be a positive arrangement as it would enable a district to have a seat on both sides and could serve as a liaison between the two. Mr. Goetz stated that it was occurring with multiple agencies throughout the state.

Mr. Goetz stated that the frequency of the SCGA Board meetings was an important factor on how it would move forward with SGMA. Once the committee is formed, you would

immediately identify stakeholders as changing the SCGA boundary would require significant stakeholder involvement with the boundary expanding in some areas while other areas would be removed. Mr. Goetz said that the GSA process would also involve actions by the respective boards and councils of member SCGA agencies. Then we adopt an agency agreement in terms of a Resolution. Mr. Goetz reiterated that there was not a lot of time remaining for the amount of effort needed for GSA formation. It was envisioned that the sub-committee could meet bi-weekly with a plan to report back to the Board in September. Mr. Goetz stated that SCGA should work to ensure that DWR recognized its past efforts in order to avoid having to go through a similar level of effort that was previously undertaken during the Water Forum process. Mr. Goetz also mentioned that it would be important to monitor for potential grant funding opportunities.

Mr. Eck added that it would be expected that the current representative organizations of the Board would outreach to other related stakeholders that they represent. As an example Mr. Eck said that the Board would rely on the Farm Bureau representative to outreach to others in the agricultural community or for the Industrial Self-Supplied representative to outreach to other similar users such as cemetery districts.

Mr. Ocenosak asked if there might be a need for the Board to meet monthly in order to make timely decisions and actions. Mr. Eck replied that there was language in the JPA that enabled the Board to set the frequency of Board meetings. Mr. Eck suggested that frequency of Board meetings could be assessed by the sub-committee and a recommendation to the Board could be made if necessary.

Mr. Ewart stated that the notion of moving the Authority's boundary to align with Bulletin 118 may have implications on the Water Forum Agreements and sustainable yield. Mr. Goetz responded that the sustainable yield would need to be reevaluated. He stated that recent updates to land-use data and the groundwater model which were conducted through work related to AB 303 grants would facilitate the effort.

Mr. Sheppard asked how groundwater management plans going forward would be made to reconcile with water surface rights. He expressed a concern that there might be big hurdles to achieve such reconciliation. Mr. Goetz replied that the State was focused on groundwater and surface water integration and that the State was creating a new world where it would not allow groundwater operations to impact surface water flows. He further pointed out that the issue was called out in the SGMA legislation.

Mr. Madison asked what would be the final action to solidify or codify the formation of a GSA by the SCGA. He said his understanding of SGMA was that CA DWR would formally accept, but not necessarily approve the final party or parties to become the GSA. Both Mr. Goetz and then Mr. Swartz stated that it was their belief that during the evaluation process of GSA applications DWR would be emphasizing cooperation amongst local interests as an overriding factor to go along with compliance with all other aspects of the legislation and sound technical arguments.

Mr. Goetz commented that the level of resources required by SCGA to operate a GSA under SGMA, along with the makeup of the Board and staffing would significantly increase compared current levels because of the coordination and reporting requirements.

Mr. Bettis said he was curious about the requirement for coordination with adjacent basins and that he understood that the north and central basins are well along in groundwater management efforts and working towards SGMA compliance but was curious about the status of the south basin. Mr. Eck replied that the Cosumnes Subbasin stakeholders had been working on putting together a JPA that they felt was necessary to move that process forward. That JPA document was supposed to go to their respective Boards in the August timeframe. Mr. Eck then mentioned that he was paying attention to the Delta region of Sacramento County which belonged to the Solano Subbasin and that they were in the early stages of organization.

Mr. Ocenosak asked for volunteers to serve on the SGMA sub-committee. Mr. Nelson, Mr. Ewart, Mr. Bettis, Mr. Mahon, Mr. Williams, and Mr. Schubert volunteered.

Motion/Second/Carried – Ms. Thompson moved, seconded by Mr. Sheppard, the motion carried unanimously to establish a subcommittee to assist in the process of establishing SCGA as the groundwater sustainability agency for the South American Sub-basin.

6. EXECUTIVE DIRECTOR'S REPORT

- a) Government Affairs Update – There are numerous bills that have been introduced in the legislature that would amend the Sustainable Groundwater Management Act or otherwise change water law. The Regional Water Authority is tracking bills that relate to local and regional issues. A summary of tracked bills can be found at rwah2o.org. Of interest is AB 617 (Perea) which includes a number of key amendments including no CEQA requirement for the formation of a GSA and allowing private mutual water companies to joint GSAs. SB 385 (Hueso) passed unanimously in the Senate and moves to the Assembly. The bill will provide the opportunity for agencies to have a compliance period to meet the standard for hexavalent chromium. The issue of confidentiality of well logs has been a debate for many years in the Legislature. The issue passed as part of the budget trailer bill. The Department of Water Resources continues to meet with stakeholders in the process of developing regulations to implement the SGMA. Draft regulations relating to basin boundary revisions are expected to be released and presented to the California Water Commission on July 15, 2015. Work is beginning on the regulations for coordination agreements among multiple agencies in a basin and for evaluating groundwater sustainability plans. DWR will convene the Practitioner Advisory Panel (PAP) in June, July, and August to solicit input on the regulations. John Woodling from RWA/SGA is serving as Chair of the PAP and will be working closely with DWR staff to ensure the panel's input is incorporated into the regulations.
- b) June 3, 2015 RWA/SGA Workshop – SGA and RWA convened a meeting on June 3, 2105 of water providers and county government officials in Sacramento, Placer, and Sutter Counties that overlie the North American, South American, and Cosumnes subbasins. Over 40 people attended to discuss and coordinate on implementation of the SGMA in the region. SGMA will require a higher level of coordination among the various groundwater management entities in the future. The group discussed potential changes to basin boundaries as well as the expected make up of groundwater

sustainability agencies (GSA) and their geographic areas. The group decided to meet quarterly to discuss progress. In addition, the group will meet July 16th to discuss the draft regulations for basin boundary revisions.

- c) GAP Committee Meeting – Mr. Eck announced that the committee would meet as planned following the Board meeting.

7. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, September 9, 2015, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

Chairperson

Date

Date

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
SUSTAINABLE GROUNDWATER MANAGEMENT ACT SUB-COMMITTEE
MEETING**

Wednesday, July 29, 2015; 1:30 PM

10060 Goethe Road

Sacramento, CA 95827

SRCSD/SASD Office Building – Valley Oak Community Room

MINUTES:

1. CALL TO ORDER AND ROLL CALL

Darrell Eck called the meeting to order at 1:30 p.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Tom Mahon, Agricultural Interests

Rick Bettis, Conservation Landowners

Tom Nelson, Florin Resource Conservation District/Elk Grove Water District

Board Members (Alternate Rep):

Brett Ewart, City of Sacramento

Staff Members:

Ping Chen, SCGA

Ramon Roybal, Acting Clerk

Others in Attendance:

Mark Madison, Florin Resource Conservation District/Elk Grove Water District

Bruce Kamilos, Florin Resource Conservation District/Elk Grove Water District

Jon Goetz, GEI

2. SUB-COMMITTEE PURPOSE

Mr. Eck welcomed everyone and announced that the meeting format would follow a PowerPoint presentation given by Jon Goetz from GEI. Mr. Eck stated that the emphasis of the meeting would focus on the boundary adjustment process as determined by State DWR (DWR).

Mr. Goetz began by describing his role in SCGA's SGMA compliance process as providing the technical background and understanding of the process in addition to documentation of the process for submission to DWR at the time SCGA applies for designation as a Groundwater Sustainability Agency (GSA).

The sub-committee purpose was identified as follows:

- Reach out to potential stakeholders
- Strategize on potential boundary adjustments
- Discuss potential coordination issues
- Discuss and make recommendations on potential changes to the governing JPA
- Other elements relative to the formation of a GSA

Concerning reach out to potential stakeholders, Mr. Goetz explained that the SCGA could rely on the outreach done as part of the Water Forum process which resulted in the creation of SCGA as a significant portion of the outreach required by SGMA. However, since SCGA would be adjusting its boundary to align with Bulletin 118, outreach would be necessary in those areas which would be added to SCGA. Mr. Goetz explained that the outreach would occur at the SCGA Board of Director meetings and that it was the sub-committee's role to identify potential stakeholders and to initiate their participation at said meetings.

Concerning potential boundary adjustments Mr. Goetz explained that it not only concerned SCGA's own boundary but the boundaries of entities adjacent to SCGA.

Mr. Goetz described the coordination issues as relating to how SCGA would get through the SGMA process specifically, how it would reach all of the required milestones in a timely manner.

Mr. Goetz detailed potential changes to the JPA as necessary actions designed to enable SCGA to formally adjust its boundary and to enable a transition to a GSA.

3. SCGA BOUNDARY ADJUSTMENT

Mr. Goetz provided a summary of DWR's boundary regulations as follows:

- DWR prefers Bulletin 118
- Changes to basin boundary shall be consistent with State's interest
- Types of Basin Modifications
 - Scientific
 - Jurisdictional
- Requires significant supporting information (Article 5 in Draft Boundary Regs)
- High likelihood of basin modification triggering a "Basis for Denial"

Draft Basin Boundary Regulations were released at the end of July to be followed with a public comment period set to close September 1, 2015. Basin Boundary Regulations to be adopted January 1, 2016. Any Basin Modifications are to be submitted within ninety days of adoption of regulations. Every boundary modification proposal must also go through the California Water Commission.

Mr. Goetz stated that his interpretation of the Draft Regulations made it clear that DWR was determined to use Bulletin 118 boundary definitions and that the process described by DWR for a Boundary Modification was extremely time consuming and costly. Mr. Goetz further explained that any potential Boundary Modification was subject to public consensus as well as adjacent agency consensus in addition to strict DWR and Water Commission scrutiny.

Mr. Ewart asked if the South American Subbasin was determined on a scientific or jurisdictional basis or a mixture of both. Mr. Eck replied that he believed it to be based on a scientific rationale. Mr. Ewart asked if the eastern boundary, particularly in the vicinity of the City of Folsom was also based on a scientific rationale. Mr. Goetz replied that it seemed as though it was and that DWR had attempted to include the recharge areas where alluvial deposits met bedrock in that vicinity. Mr. Goetz added that perhaps the subbasin boundary in the Delta region was arbitrary due to the nature of trying to define the geologic features of the area.

Mr. Goetz went through the various types of boundary modifications allowed under the Draft Basin Boundary Regulations. The Scientific Modification was to be based solely on a hydrogeologic justification. The Jurisdictional Modification allowed for three types of modifications: Internal, Consolidation, and Sudvision. Mr. Goetz stated that adoption of a Bulletin 118 boundary as is would require no additional actions to satisfy the Boundary Regulations.

Mr. Madison asked if there was anyone who would object to SCGA adjusting its boundary to align with Bulletin 118. Mr. Madison brought up Omochumen-Hartnell Water District (OHWD) as an example of an entity that may have objections. Mr. Eck replied that he had met with Mike Wackman, OHWD General Manager, but did not get an indication as to whether or not they were going to push for a boundary definition other than Bulletin 118. Mr. Mahon pointed out that OHWD viewed itself as an agricultural interest and that it viewed the Cosumnes Subbasin as more of an agricultural region and the South American subbasin as more inclined towards commercial interests. Mr. Eck replied that such a view might be correct but that in any arrangement, the implementation of a GSA would have to be supported and funded by the stakeholders be they agricultural or commercial.

Mr. Goetz proceeded to identify the particular Boundary Modification process that the Cosumnes Subbasin would be required to follow as a Jurisdictional-Internal modification. Mr. Goetz pointed out that along the entire process public consensus would be required in addition a demonstration of historical groundwater management within the proposed boundary. Additionally, Mr. Goetz highlighted the requirement that such a modification would also require the support of all affected agencies. This implied that SCGA would have to support the proposed modification.

The consensus of the sub-committee was to proceed with a recommendation to the Board that SCGA proceed with adoption of the Bulletin 118 boundary definition for the South American Subbasin and in the event that the Cosumnes Subbasin pursued a Boundary Modification to its basin, SCGA would not support it.

Mr. Goetz summarized that SCGA would proceed with adopting the Bulletin 118 boundary definition and would support any agency who also chose to adopt Bulletin 118 while keeping

an eye on all adjacent groundwater basins with an understanding that SCGA must work with them and to do so without conflict.

Mr. Goetz then stated that additional steps related to adoption of the Bulletin 118 boundary would entail outreach to the stakeholders who would be removed from the SCGA management area and those who would be added. In the case of stakeholders to be removed, Mr. Goetz raised the issue of the Agricultural Water Authority's management area and potential coordination with them on the proper authority via their JPA process to ensure the area is managed appropriately absent of SCGA. In the case of areas to be added to SCGA, Mr. Goetz addressed the delta region and the need to identify and educate affected stakeholders.

Mr. Ewart stated that before a formal recommendation was made to the Board to pursue an adjustment to adopt the Bulletin 118 boundary definition, he would need to vet it with others within the City of Sacramento.

4. STAKEHOLDER OUTREACH

Mr. Nelson asked if a new stakeholder attended one of SCGA's public outreach meetings, what would be their level of participation assuming they would not have an actual vote. Mr. Eck replied that a majority of the new stakeholders could presumably be represented by an existing stakeholder group or organization already on the SCGA Board and that those groups would be responsible for communicating and soliciting for their concerns and opinions. Mr. Eck then stated that Rob Swartz with the Sacramento Groundwater Authority (SGA) had suggested the use of an advisory committee. Mr. Eck said that such a committee may become necessary to provide a mechanism for everyone to have a meaningful voice while maintaining an efficient and effective Board meeting.

Mr. Madison inquired as to the targeted timeline for GSA application and suggested that a widespread outreach effort be made via the newspaper and other channels and to conduct town hall style meetings to educate the public on the ramifications of SGMA. Mr. Eck replied that in order to conduct such an effort you would need to know what you expected from it. Mr. Madison stated that he feared if such efforts were not taken then there was a potential for running into crippling opposition. Mr. Goetz clarified that the process was designed to satisfy SGMA and not to justify the actions of SCGA and that if a person or group had an issue with the specifics of what SCGA was attempting to implement, then it was an issue for the State to justify in relation to SGMA. Mr. Goetz then stated that all public outreach including the type suggested by Mr. Madison would be looked upon favorably by the State and that the State should be included in all such meetings. Mr. Goetz then said that all options should be on the table but that an examination of the resources available to conduct outreach in concert with meeting the required deadlines may determine what level of outreach is most appropriate.

With respect to the question of the targeted timeline for GSA application, Mr. Goetz alluded to the June 30, 2017 date established by the legislation but expressed concern over the process of amending the JPA and the establishment of cooperation agreements. Mr. Goetz

stated that three months prior to the June 30, 2017 date would be an appropriate goal for completing all GSA formation tasks to allow time for the intention to establish a GSA to be noticed.

Mr. Madison then asked when Prop. 1 funding would become available. Mr. Goetz replied that it would be at the beginning of 2016. Mr. Madison stated his belief that if SCGA could form a GSA earlier, then it may be placed in a better position to receive Prop. 1 funding which could then be used for public outreach efforts, JPA amendment, and updating the groundwater management plan (GMP). Mr. Goetz replied that his firm was closely tracking developments concerning that source of funding and that he would notify Mr. Eck as soon as it became clear that it was to become available. Mr. Eck then reiterated Mr. Madison's question asking if a local agency must already have formed a GSA in order to be eligible for Prop. 1 funding. Mr. Nelson piggybacked on the question to ask if Prop. 1 funding would be made available for actual GSA formation. Mr. Goetz replied that the State had not necessarily made a decision regarding the funding of GSA formation but that it did recognize that agricultural areas and disadvantaged communities would require assistance in the GSA formation process and therefore such monies would probably become available.

Mr. Goetz then laid out the timeframe for stakeholder identification and outreach for GSA formation as August 2015 to January 2016. Identification of stakeholder issues and building of consensus among stakeholders would run from January 2016 to January 2017. Mr. Goetz also identified parallel issues as it related to the jurisdictional boundary adjustment to Bulletin 118 definition. They included the potential for LAFCo approval, amendment of the JPA, and determination of a water budget, sustainable yield and development of the GSP.

Mr. Goetz pointed out that through the stakeholder identification and outreach effort, existing groups on the SCGA Board may have to expand the extent of their current communication. Mr. Eck stated that SCGA would also have to outreach to stakeholders that had been contacted in the past but who had not shown interest in participating. Mr. Ewart stated that the City of Sacramento had relationships with Tokay Park and Fruitridge Vista Water Companies.

5. ACTION ITEMS/NEXT STEPS ASSIGNMENTS

- 1) Committee members to vet the concept with their respective organizations of lending support to making a formal recommendation to the SCGA Board of Directors to adopt the Bulletin 118 boundary definition of the South American Subbasin as the SCGA boundary. Develop appropriate language for said recommendation.
- 2) Committee members and staff to identify additional stakeholder groups. Acquire contact information.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, September 9, 2015, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

Chairperson

Date

Date

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
SUSTAINABLE GROUNDWATER MANAGEMENT ACT SUB-COMMITTEE
MEETING**

Wednesday, August 19, 2015; 1:30 PM
10060 Goethe Road
Sacramento, CA 95827
SRCSD/SASD Office Building – Room 1212 Sunset Maple

MINUTES:

1. CALL TO ORDER AND ROLL CALL

Darrell Eck called the meeting to order at 1:30 p.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Tom Mahon, Agricultural Interests

Rick Bettis, Conservation Landowners

Tom Nelson, Florin Resource Conservation District/Elk Grove Water District

Board Members (Alternate Rep):

Brett Ewart, City of Sacramento

Forrest Williams, County of Sacramento/Sacramento County Water Agency

Staff Members:

Ping Chen, SCGA

Others in Attendance:

Sarah Britton, Deputy County Counsel – County of Sacramento

Mark Madison, Florin Resource Conservation District/Elk Grove Water District

Bruce Kamilos, Florin Resource Conservation District/Elk Grove Water District

Jon Goetz, GEI

2. REPORT BACK ON OUTREACH ACTIVITIES

Mr. Eck reported that he attended a workshop for the Solano Subbasin group on July 22, 2015. Mr. Eck stated that the group was just getting started and was in the process of identifying appropriate interested parties and the frequency of meetings. The Solano group had not begun discussions on arrangement of GSA formation within the subbasin. Mr. Eck pointed out that the Solano Subbasin shared a common boundary with SCGA along the Sacramento River and that the County of Sacramento fell within the subbasin along the Delta portion of the County.

Mr. Nelson asked if the Solano Subbasin was high priority. Mr. Eck responded that it was a medium priority basin.

Mr. Bettis asked for clarification on the “white areas” within the basin. Mr. Eck replied that those areas were regions within the basin not covered by an active groundwater management plan.

Mr. Madison and Mr. Kamilos asked for clarification on SCGA’s role as it related to the Solano Subbasin. Mr. Eck replied that because the South American Subbasin shared a hydro geologic boundary with the Solano Subbasin, SCGA as the GSA for the South American Subbasin would have to coordinate with Solano Subbasin GSA’s to ensure that neither side would adversely affect the other by their respective management actions.

Mr. Eck then summarized the RWA/SGA workshop that took place on July 30, 2015. The workshop was intended to assess and facilitate South American and North American Subbasin SGMA activities and to discuss the internal SGMA development of the North American Subbasin. Mr. Eck reported that the major issue related to the fact that the North American Subbasin spanned Sacramento, Sutter, and Placer Counties and the existing relationships of the various municipalities.

Next was discussion of the Southeast Sacramento County Agricultural Water Authority (SSCAWA) Board meeting from August 11, 2015. Mr. Madison asked which entities comprised that group. Mr. Eck responded that it was Omochumne-Hartnell Water District (OHWD), Galt Irrigation District, and Clay Irrigation District. Mr. Eck stated that the SSCAWA had expressed an interest in forming a GSA for that subbasin and discussed altering its JPA to include Sloughhouse RCD, City of Galt, and County of Sacramento to facilitate their participation in the effort.

Mr. Goetz then brought up the San Joaquin County SGMA meeting from August 12, 2015. He mentioned that SSCAWA was not in attendance at the meeting although they are a part of the same subbasin. Mr. Eck described the meeting as more of a kickoff type event with discussion on assessment of interested parties and the formation of a working group which was scheduled to meet for the first time on September 9, 2015 at the same time as the next SCGA Board meeting. Mr. Eck reported that some of the stakeholders had expressed an interest in splitting the subbasin at the Dry Creek boundary of Sacramento County with the intention that the area to the south would belong to the San Joaquin Subbasin. Mr. Eck said that others at the meeting expressed opposition to the idea while arguing that it might not be worth the effort. Mr. Eck then pointed out the South American and San Joaquin Subbasins shared a relatively short boundary with each other. Mr. Eck also pointed out that the San Joaquin Subbasin was considered ‘critically over drafted’ by DWR and that there was a question as to whether adjoining basins may be affected by the management of such a basin.

Mr. Eck then reported on the SGA Board meeting from August 13, 2015. The SGA Board voted to give direction to staff to proceed with GSA formation by filing a Notice of Intent with DWR.

Mr. Kamilos asked if SGA had intended to modify the basin boundary as part of its Notice of Intent to include only its current management area. Mr. Goetz replied that they were not, that the State allowed for multiple GSA’s within a single basin and that SGA would be pursuing

that arrangement. Mr. Ewart stated that he believed there could ultimately be three GSA's within the North American Subbasin.

3. BASIN BOUNDARY DISCUSSION

Mr. Eck, Mr. Goetz, and Ms. Britton met with representatives from OHWD on August 12, 2015 to discuss basin boundary issues and DWR's basin boundary regulations. Mr. Goetz reported that during the discussion there was disagreement from representatives of OHWD regarding what constituted a basin boundary. After discussion of the basin boundary regulations OHWD decided to table pursuit of a basin boundary adjustment yet remained concerned about two issues. Mr. Eck described those issues as; 1) concern over being split between two future GSA's (SCGA and SSCAWA) and 2) a desire to be affiliated with the SSCAWA due to the perception that they are more closely aligned to agricultural interests.

Mr. Goetz discussed OHWD's proposed solution to join an SSCAWA GSA. It could result in two GSA's (SCGA and SSCAWA) within the South American Subbasin and three within the Cosumnes Subbasin (SSCAWA, San Joaquin County, and Amador County). Mr. Goetz stated that it might become very complex to coordinate Groundwater Sustainability Plans (GSP) and development of data sets that would cover the entirety of the South American Subbasin as required by SGMA.

Ms. Britton stated she had a discussion with OHWD legal counsel after the meeting in which they discussed OHWD's ability to withdraw from the SCGA JPA. Ms. Britton stated that OHWD could unilaterally decide to withdraw in which case SCGA would have two choices:

- 1) Change the SCGA jurisdictional boundary (amend JPA defined boundary) to excise OHWD.
- 2) Keep the SCGA jurisdictional boundary as is and replace OHWD with the County of Sacramento as the representative for the area commensurate with the OHWD area. Ms. Britton stated that the scenario could result in overlapping or competing GSA's if SSCAWA decided to proceed as the GSA for the entire OHWD boundary. Ms. Britton explained that there was no law or regulation that reconciled such a conflict and that in any case the responsibility of sustainable groundwater management remained with the local governing entities.

Regarding potential GSP arrangements within the South American Subbasin, Ms. Britton clarified that there could be a single plan for the entire basin developed and adopted by SCGA with the cooperation and enforcement of an SSCAWA GSA within the OHWD portion of the basin or there could be two GSP's, one encompassing SCGA's GSA boundary and another for SSCAWA's GSA boundary.

Mr. Mahon asked if given the mandated requirements of a GSP would allow for significant differences in the design of GSP's for adjoining areas. Mr. Eck replied that plans for two separate subbasins could vary significantly but two plans addressing the same basin would have to cooperate.

Mr. Madison expressed a concern over the risk associated with SSCAWA taking steps to develop a GSA and GSP within the South American Subbasin and what would happen if the effort failed or they found themselves unable to comply with all aspects of SGMA. As an example, he asked who would be responsible for completing a GSP to account for the entire basin. Mr. Eck pointed out that any potential failure on the part of SSCAWA's GSA formation or implementation process, that also included inclusion of a portion of the South American Subbasin, could put the entire subbasin at risk of being considered a "probationary basin" by the State. Mr. Goetz then produced a draft list of assurances that SCGA would need from SSCAWA. They included:

- Schedule and milestones for completing SGMA process
- Agree to GSA and Bulletin 118 boundary
- Complete revised SSCAWA JPA
- Establish reliable funding
- Begin discussions on formal coordination agreement including development of the GSP for the South American Subbasin
- CASGEM compliance

Ms. Britton mentioned that OHWD had not agreed to a timeline for providing those assurances. She also communicated OHWD counsel's plan to provide a memo to SSCAWA identifying funding sources for GSA and GSP development as it was a potential problem for their effort.

Mr. Ewart expressed the opinion that SGMA sub-committee proceed with a recommendation to the SCGA Board to submit an NOI for GSA formation for the entire South American Subbasin and pursue development of one GSP for the basin. Mr. Ewart further stated that if the SSCAWA GSA/GSP formation became a reality, SCGA would adjust its course of action at that time. The remainder of the committee members expressed their concurrence.

Mr. Mahon said that another motivation for SSCAWA's move to include the OHWD boundary would be to benefit from the higher water table levels along the stretch of the Cosumnes River in that area, in terms of GSP reporting. Mr. Eck replied that irrespective of how SSCAWA may interpret that phenomenon, the fact would remain that much of that area is within the South American Subbasin as described by Bulletin 118 and that any water level data would be subsumed as such.

Mr. Nelson stated that SCGA should take steps to alleviate OHWD's concern that it has a minority voice with respect the urban stakeholders on the Board and perhaps provide assurances that agricultural interests will not be compromised in the future. It may convince OHWD to remain a part of SCGA. Mr. Eck responded that it was important for everyone to recognize that they shared the same basin and that the actions of each had an effect on the others. Mr. Eck went on to point out that the State was increasingly requiring that all sources of demand be quantified and reported so that all users would necessarily become more accountable.

Mr. Nelson proposed that SCGA tie the assurances it would need from SSCAWA to the direction it would take for its own GSA/GSP development. If SSCAWA met SCGA's stated assurances then SCGA would proceed under the scenario that the OHWD area would belong to a SSCAWA GSA, if not, SCGA would proceed as planned.

4. STAKEHOLDER OUTREACH

Mr. Goetz estimated that there may be as many as fifty additional stakeholders plus the public for SCGA to outreach to. The outreach plan would engage SCGA Board members to assist in a targeted effort where appropriate and to utilize city council meetings of the various cities on the Board to outreach to the public at large. Invitations of interested parties to SCGA Board meetings would also be utilized as documented outreach efforts.

Out of basin interests that may require coordination were Yolo Subbasin (Yolo County), Solano Subbasin (Solano County), Cosumnes Subbasin (San Joaquin & Amador Counties), and North American Subbasin (Sutter and Placer Counties). Staff as well as sub-committee members would be expected to participate in the SGMA compliance efforts of those groups.

Mr. Goetz presented a list of key components related to SCGA's outreach efforts:

- Purpose to have everybody educated on SCGA's role as one of the GSAs in the South American River Subbasin
- Consistent talking points
- Single Presentation
- "Fact" Sheet with Essential SGMA Information
- Board Review of Presentation and Fact Sheet (Sept 9 Board Hearing?)
- Both the presentation and fact sheet used as documentation in Public Outreach for SCGA

Mr. Eck reiterated the idea that that all SCGA Board members are responsible for communicating with the broader groups that they represent and that it would be critical for SCGA's stakeholder outreach effort.

Mr. Madison expressed that it would be effective to conduct at least four strategically spaced stakeholder meetings that would be conducted by SCGA staff to ensure that the message was consistent and delivered appropriately.

Mr. Goetz then addressed the steps needed for the filing of a Notice of Intent:

- Request Board to initiate process to submit a Notice of Intent (at September 9, 2015 Board Meeting)
- Publication of notification pursuant to § 6066 of Government Code
- Hold public hearing
- Submit NOI to State DWR
- 90 Day Waiting Period – GSA submitting NOI presumed to be exclusive GSA
- Should SCGA maintain its GSA boundaries as the entire South American River Subbasin?

Mr. Nelson asked what would be the target date for publishing the NOI. Mr. Goetz responded that if direction was given to proceed at the September Board meeting that work on developing the NOI document would occur at the next SGMA sub-committee meeting.

Mr. Eck added that the timing of publishing the NOI should account for receiving feedback from OHWD and SSCAWA concerning their desire to encompass OHWD in a SSCAWA GSA. Ms. Britton followed up by stating that if OHWD and SSCAWA were not allowed to provide feedback during the development of the SCGA NOI, then in her opinion those groups would likely protest during the 90 day waiting period prescribed by the legislation.

Mr. Kamilos asked if the JPA would have to be amended to reflect the new boundary prior to submission of the NOI. Ms. Britton responded that it made the most sense to amend the JPA first so that it could be used as a reference in the NOI. She further stated that an NOI based on the current JPA would be limited to the current jurisdictional boundary.

5. ACTION ITEMS/NEXT STEPS ASSIGNMENTS

Next Steps:

- 1) Discuss necessary Considerations & Assurances from OHWD and SSCAWA if separation occurs at September 9, 2015 Board meeting.
- 2) Discuss SCGA JPA amendment requirements supporting OHWD boundary change and separation at September 9, 2015 Board meeting.
- 3) Make recommendation to SCGA Board to proceed with NOI to form GSA.
- 4) Make recommendation to SCGA Board to approve public outreach program, fact sheet, and presentation.
- 5) Ms. Britton to contact OHWD counsel to inform of SGMA sub-committee's plan to present recommendations to the SCGA Board at the September 9th meeting and ask their counsel if OHWD intended to make a statement or request or would be prepared to make a timed presentation.

Action Items:

- 1) Discussion of Board Actions
- 2) Regional Outreach Items
- 3) Review Outreach Presentation and Fact Sheet
- 4) Status and Review of NOI Submittal
- 5) JPA Amendment Requirements
- 6) Next Subcommittee Meeting – September 16.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, September 9, 2015, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

Chairperson

Date

Date

**AGENDA ITEM 4: OMOCHUMNE-HARTNELL WATER DISTRICT
PROPOSAL TO WITHDRAW FROM SCGA**

BACKGROUND:

At the request of Omochumne-Hartnell Water District (Omochumne) a meeting was held on August 12, 2015 at which representatives of Omochumne indicated that they wished to separate themselves from SCGA indicating that organizationally they felt more connected with the Southeast Sacramento County Agricultural Water Authority (Ag Water Authority). Omochumne has requested an opportunity to present their proposal to the Board.

Today's presentation will be by Mike Wackman representing the Omochumne-Hartnell Water District and Rebecca Smith with Downey-Brand.

STAFF RECOMMENDATION:

Action: Information item.

AGENDA ITEM 5: SGMA SUBCOMMITTEE REPORT

BACKGROUND:

At the July 8, 2015 Board meeting the SGMA subcommittee was established to assist in a process to fully develop and complete the various tasks necessary to become a groundwater sustainability agency and ultimately be part of the development of a groundwater sustainability plan. The first tasks identified were reaching out to potential stakeholders, strategizing on potential boundary adjustment issues, discussion of potential coordination issues and criteria, and make recommendations on potential changes to the governing JPA. The subcommittee was then charged to report back to the Board on a regular basis with status reports and for additional direction.

Since its formation the SGMA subcommittee has met twice, on July 29, 2015 and August 19, 2015. The first meeting focused primarily on the issue of basin boundaries. SGMA legislation focuses on a preference of the definition of a basin boundary based on Bulletin 118; the current boundaries of SCGA are based on a delineation made by the Water Forum which does not follow the boundaries set forth for the South American Subbasin in Bulletin 118. While two rationales for basin boundary adjustments are identified in draft State regulations, the sense of the subcommittee was that applying for an adjustment on either a jurisdictional or scientific basis would be time consuming, costly, and that ultimately of uncertain outcome. The subcommittee agreed to recommendation should be made to the Board that SCGA's boundary should be adjusted to align with the South American Subbasin as identified in Bulletin 118. This realignment would also require a modification to the JPA's boundaries and expand the area in which the Authority would need to identify interested parties to establish itself as a Groundwater Sustainability Agency (GSA).

At the request of Omochumne-Hartnell Water District (Omochumne) a meeting was held on August 12, 2015 at which representatives of Omochumne indicated that they wished to separate themselves from SCGA indicating that organizationally they felt more connected with the Southeast Sacramento County Agricultural Water Authority (Ag Water Authority). While there was disagreement on where the hydrologic boundary between the South American and Cosumnes Subbasins was located, parties agreed that the pursuit of a Bulletin 118 boundary change was not likely to be successful. Omochumne proposed developing a GSA under the direction of the Ag Water Authority that would extend into the South American Subbasin to include Omochumne.

The August 19, 2015 subcommittee meeting primarily focused on the August 12 meeting with Omochumne. Of specific concern to the subcommittee was the likelihood of the Ag Water Authority's successful completion of the GSA and Groundwater Sustainability Plan (GSP) process. Because the Ag Water Authority's GSA would extend into the South American Subbasin, failure by the Ag Water Authority in SGMA compliance could mean that the entire South American Subbasin could become a "probationary

basin” and initiate involvement by the State. After considerable discussion, it was agreed that the original recommendation made at the July 29, 2015 subcommittee meeting, that SCGA’s boundary should be adjusted to align with the South American Subbasin as identified in Bulletin 118, should stand and that SCGA counsel should work with Omochumne counsel to determine appropriate assurances that provides a reasonable probability to SCGA that the Ag Water Authority will successfully complete and implement the GSA and GSP process per SGMA.

After discussing the boundary issue the subcommittee discussed initial steps towards meeting the public outreach component of SGMA. To maximize SCGA’s outreach, Board members will be asked to act as spokespersons for the SGMA process and reach out to interested parties that they may already have a connection with and to their respective organizations. Staff will also participate in this process by reaching out to identified interested parties by meeting with them and inviting them to attend SCGA Board Meetings if desired. The outreach process will include developing a consistent message and presentation in conjunction with the subcommittee. All outreach materials developed through this process will be e-mailed to the Board members at least one week prior to the Board meeting for their review and comment.

GSA formation is governed by Section 10723 et seq of the California Water Code. The process includes a public notice pursuant to Section 6066 of the Government Code, followed by a public hearing. Water Code Section 10723.2 identifies a list of interest groups that must be considered, and Section 10723.4 requires maintaining a list of parties interested in groundwater management. If SCGA elects to become the GSA for our portion of the basin, the Authority would notify the State Department of Water Resources (DWR), which posts the notice on its Web site. Staff is seeking direction from the Board to undertake actions necessary to allow the Board to consider filing a notice of intention to be the GSA for the entire South American Subbasin at the January meeting of the SCGA Board. These actions include preparing and publishing a public notice, outreach to potentially interested parties, creation of a list of interested persons, and development of information necessary to provide notification to DWR.

STAFF RECOMMENDATION:

Action: Direct staff to prepare an amendment to the Joint Powers Agreement and Authority Policies and Procedures to adjust the boundary of SCGA to be coextensive with the South American Subbasin as defined in Bulletin 118; and, direct staff to take actions necessary for SCGA to become the Groundwater Sustainability Agency within the South American Subbasin.

AGENDA ITEM 6: SCGA FUNDING SUBCOMMITTEE

BACKGROUND:

At the April 29, 2015 Budget Subcommittee meeting and at the May 13, 2015 Board meeting staff discussed the current funding model for SCGA as described in the JPA. In these discussions it was recognized that changes in groundwater usage and the new requirements set forth for the development and implementation of SGMA would require the Authority to revisit how annual funding is determined.

STAFF RECOMMENDATION:

Action: Establish a subcommittee to evaluate changes in the way annual revenue is calculated and collected for SCGA and make recommendations for adjustment to the Board.

AGENDA ITEM 7: EXECUTIVE DIRECTOR'S REPORT

- a) Government Affairs Update
- b) Proposition 1 Sustainable Groundwater Planning Grant Program Draft Guidelines and Proposal Solicitation Package for Counties with Stressed Basins
- c) GAP Committee Meeting

September 9, 2015

TO: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY BOARD

FROM: DARRELL ECK

RE: EXECUTIVE DIRECTOR'S REPORT

- a) **Government Affairs Update** – There are numerous bills that have been introduced in the legislature that would amend the Sustainable Groundwater Management Act or otherwise change water law. The Regional Water Authority is tracking bills that relate to local and regional issues. A summary of tracked bills (groundwater and otherwise) is attached and can be found at rwah2o.org.
- b) **Proposition 1 Sustainable Groundwater Planning Grant Program Draft Guidelines and Proposal Solicitation Package for Counties with Stressed Basins** – State DWR released Draft Guidelines and the PSP in August. According to the Draft Guidelines, “A local cost share of not less than 50% of the total project costs is required by Proposition 1.” Special considerations will also be given to disadvantaged communities and economically distressed areas. The Guidelines also describe specific program preferences and statewide priorities.

The eligibility criterion for the above PSP is focused on counties. The PSP states:

- The applicant must be a County government.
 - The groundwater basin(s) addressed by the proposal must not be adjudicated.
 - The County must be applying for funding to address sustainability of a stressed groundwater basin.
- c) **GAP Committee** – The GAP Committee will meet immediately following today's Board meeting.