

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

Wednesday, February 10, 2016; 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 January 13, 2016 Board meeting and minutes of the January 25, 2016 SGMA/Financial Subcommittee meeting.  
*Action: Approve Consent Calendar items*

**4. SCGA THE WATER FORUM AND SGMA**

- The Water Forum Agreement is the foundational document for the development of SCGA. The SGMA process for development of GSAs and GSPs are rooted in the Water Forum Agreement. Tom Gohring, Executive Director of the Water Forum Successor Effort, will be making the presentation.  
*Action: Information presentation.*

**5. ALTERNATIVE PLAN INVESTIGATION**

- Report back on progress on the Alternative Plan investigation.  
*Action: Information presentation.*

**6. SLOUGHHOUSE RESOURCE CONSERVATION DISTRICT GSA**

- Sloughhouse RCD has scheduled a public hearing on February 9, 2016 to determine whether to elect to become a groundwater sustainability agency. A

second meeting is scheduled for February 10, 2016 for the Sloughhouse RCD Board to deliberate and potentially adopt one or more resolution(s) electing to become a GSA. SCGA has provided both written and verbal comments to the proposed action and the SCGA Board has provided direction based on said actions.

***Action: Direct staff to conduct public outreach, notice and hearing required to file a Notice of GSA Formation for SCGA service area and submit said Notice of Formation to the State Department of Water Resources in accordance with SGMA should Sloughhouse RCD's Board include any portion of the South American Subbasin as part of their GSA filing.***

## **7. OMOCHUMNE-HARTNELL WATER DISTRICT**

- Omochumne-Hartnell Water District has posted their intention to seek a Bulletin 118 boundary adjustment moving a portion of the South American Subbasin into the Cosumnes Subbasin. Previous action taken by the SCGA Board opposes any relocation of the hydrogeologic boundary between the South American Subbasin and the Cosumnes Subbasin.

***Action: Direct the Executive Director to send a letter in opposition to OHWD's proposed boundary adjustment in accordance with the requirements of SGMA.***

## **8. SGMA/FINANCE SUBCOMMITTEE REPORT**

- Status report and recommendation from the SGMA/Finance Subcommittee.

***Action: The SGMA Subcommittee recommends the chair of the Board form a budget subcommittee to finalize work on the SCGA Interim Finance Model and to prepare a budget recommendation for the Authority's 2016-2017 annual budget.***

## **9. EXECUTIVE DIRECTOR'S REPORT**

- a) Update on regional groundwater activities
- b) Form 700

## **10. DIRECTOR'S COMMENTS**

## **ADJOURNMENT**

**Upcoming meetings –**

**Next SCGA Board of Directors Meeting –** Wednesday, March 9, 2016, 9 am;  
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

### **AGENDA ITEM 3: CONSENT CALENDER**

#### **BACKGROUND:**

Minutes of the January 13, 2016 Board meeting and minutes of the January 25, 2016 SGMA/Finance Subcommittee meeting.

#### **STAFF RECOMMENDATION:**

*Action: Approve Consent Calendar items.*

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)**  
**Governing Board Meeting**  
**Draft Minutes**  
**January 13, 2016**

**LOCATION:** 10060 Goethe Road, Room 1205  
Sacramento, CA 95827  
9:00 a.m. to 11:00 a.m.

**MINUTES:**

**1. CALL TO ORDER AND ROLL CALL**

Brett Ewart called the meeting to order at 9:00 a.m.

Mr. Ewart announced that staff had asked to reverse the order of agenda items number six and seven. There were no oppositions.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Tom Nelson, Florin Resource Conservation District/Elk Grove Water District  
Tom Mahon, Agricultural Interests  
Rick Bettis, Conservation Landowners  
Christine Thompson, Public Agencies Self-Supplied  
Dave Ocenosak, Sacramento Regional County Sanitation District  
Paul Schubert, Golden State Water Company  
Carl Werder, Agricultural-Residential

Board Members (Alternate Rep):

Todd Eising, City of Folsom  
Brett Ewart, City of Sacramento  
Forrest Williams, Sacramento County  
José Ramirez, Sacramento Regional County Sanitation District  
Charlotte Mitchell, Agricultural Interests  
Ward Winchell, Public Agencies Self-Supplied  
Brian Frাগiao, City of Elk Grove

Staff Members:

Darrell Eck, Executive Director  
Sarah Britton, Legal Counsel  
Heather Peek, Clerk of the Board  
Ping Chen, SCGA  
Ramon Roybal, SCGA

Others in Attendance:

Hong Lin, California State Department of Water Resources  
Jonathan Goetz, GEI  
Kerry Schmitz, Sacramento County Water Agency  
Mark Madison, Florin Resource Conservation District/Elk Grove Water District  
Bruce Kamilos, Florin Resource Conservation District/Elk Grove Water District  
Cesar Montes De Oca, City of Rancho Cordova  
Jim Blanke, RMC Water and Environment  
Mark Roberson, Water Forum  
Rob Swartz, Sacramento Groundwater Authority (SGA)  
Jesse Roseman, The Nature Conservancy  
Rodney Fricke, Public  
Darlene Gillum, Rancho Murieta CSD  
Joe Zilles, Kleinfelder  
Leland Schneider, Omochochumne-Hartnell Water District  
Herb Garms, Sloughhouse RCD  
Jay Schneider, Sloughhouse RCD  
Mark Salmon, Parsons Brinckerhoff

Member Agencies Absent

*City of Rancho Cordova*  
*Rancho Murieta CSD*  
*Omochochumne-Hartnell Water District*  
*Commercial/Industrial Self-Supplied*  
*California-American Water Company*

**2. PUBLIC COMMENT**

None.

**3. CONSENT CALENDAR**

The draft meeting minutes for the November 4, 2015 Board meeting, were reviewed for final approval.

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

**4. REPORT BACK ON 2X2 MEETING WITH OMOCHUMNE-HARTNELL WATER DISTRICT**

Mr. Nelson reported that he and Ms. Thompson had met with two representatives from Omochochumne-Hartnell Water District (OHWD) on December 21<sup>st</sup> and that his take away from the meeting was that OHWD was very firm in their plan to form their own GSA.

Leland Schneider, Board Member OHWD, confirmed Mr. Nelson's report stating that OHWD sought to form its own GSA while working collaboratively with SCGA on managing the water in the Consumnes River basin and with recharging areas within the American River watershed. Mr. Schneider stated that his impression from the meeting was that SCGA was willing to work collaboratively with OHWD on the SGMA process.

Mr. Nelson stated that he communicated to the OHWD representatives that the cost of GSP implementation was going to be significant and suggested that it would make sense to remain within the larger group that formed SCGA.

Ms. Thompson stated that she also discussed the advantages staying within the Sacramento SCGA from a cost perspective and to benefit from work had been done by SCGA to date. Ms. Thompson also stated that she had stressed the importance of both organizations to work collaboratively.

Mr. Werder commented that if OHWD was not successful in meeting all of the requirements of SGMA, that they ran the risk of being taken over by the State.

Mr. Eising reiterated an opinion he had expressed at a previous SCGA Board meeting regarding OHWD, in which he stated that generally more success could be had when forming and maintaining local alliances, particularly when it came to applying for grant funding.

Mr. Eck recalled that it was mentioned during the 2x2 meeting that OHWD had not set a date to file as a GSA as yet and that it had released a Request for Proposal (RFP) to evaluate the feasibility of a Bulletin 118 boundary change. Mr. Eck stated that OHWD expressed clearly that it sought to remain intact and felt like they did not want to be taken over. Mr. Eck stated that the primary concern was with the Bulletin 118 boundary change proposal and what types of impacts that could have relative to sustainably managing the groundwater basin.

Mr. Schneider said that OHWD was in the process of hiring engineers to ensure the boundary lines were correct and that it would not change their water management. Mr. Ewart stated that with regard to any proposed Bulletin 118 boundary adjustment, the direction had previously been given by the Board to staff to oppose any such action. Jay Schneider, member of the public representing Sloughhouse RCD, stated that what was being investigated was a scientific boundary adjustment as opposed to a jurisdictional adjustment. Mr. Nelson replied that there could be multiple scientific studies produced to establish an argument for or against moving the boundary. Mr. Ewart directed staff to, if sufficient scientific studies were performed regarding Bulletin 118 boundaries in the region, return and present them to the Board.

Leland Schneider stated that OHWD's actions were being done with the intention of protecting its constituent's groundwater rights. Mr. Schubert replied that the formation of a GSA did not mean a forfeiture of water rights and that no one was seeking take away anyone else's water rights. Mr. Schubert stated that the goal of the Authority was to manage

groundwater basin in a way so as to protect the groundwater resource and rights of the basin stakeholders.

Jesse Roseman, member of the public representing The Nature Conservancy, asked if OHWD would be proposing a GSA just for itself or for the whole Southeast Agriculture Water Authority area, including Clay and Galt Water Districts. Mr. Schneider replied that OHWD would be applying as a GSA for itself but hoped that the other entities would work together to manage the basin.

## **5. SGMA/FINANCE SUBCOMMITTEE REPORT**

Mr. Eck provided a recap of the December 16, 2015 and December 22, 2015 SGMA subcommittee meetings. The primary topics were the ongoing discussions related to JPA revisions and the SCGA financial model. Mr. Eck reported that staff had been coordinating with the North Delta Water Agency (NDWA), the Local Agencies of the North Delta (LAND), OHWD, Sloughouse RCD, and the South Sacramento Agricultural Water Authority. Mr. Eck reported that the subcommittee members had expressed concerns that the any entity filing for as a GSA within the South American Subbasin absent negotiations with SCGA would be detrimental to SCGA and its members. Additionally, the subcommittee felt that absent negotiations, the filing of a competing or overlapping GSA notification would be an appropriate response and provide an opportunity for negotiations and an opportunity to reconcile any unresolved issues in accordance with SGMA. Mr. Eck then reported that the subcommittee recommended that the Board discuss the prospect of filing a competing or overlapping GSA notification in the event that significant unresolved issues exist between SCGA and any other interest who intended to file for a GSA in the South American Subbasin.

Mr. Winchell, General Manager, Southgate Recreation and Park District, stated that under the old contribution structure for SCGA membership, agencies that pumped less than five thousand acre-feet were not required to pay for participation but that under the proposed contribution model they would be charged ten thousand dollars. Mr. Winchell stated that that level of a contribution was more that his district paid in membership dues for all of the organizations that it belonged to combined, and that it would result in his district not being able to participate with SCGA as a voting member in the future. Mr. Winchell asked that the Board consider that during its discussions of future funding. Mr. Winchell stated that organizations like his represented a group of stakeholders and that asking his lone organization to pay for representation of the entire group was too cumbersome and that it might be considered that his organization and others like it on the SCGA Board might be considered to pay a respective portion of the entire represented stakeholder group's contribution. Mr. Eck thanked Mr. Winchell for his comments and stated that what was discussed and presented by the finance subcommittee was just the first iteration and that the committee sought input from the larger board and other stakeholders in the basin.

Mr. Bettis stated that at the subcommittee meeting that it was explained that Zone 13 paid for some of SCGA's stakeholder group's participation such as the agricultural group. Mr.

Betting asked Mr. Eck to reiterate it for the Board. Mr. Eck said that when the Groundwater Authority was formed, the decision was made that in the case of Agricultural Interests and Agricultural-Residential, the funding for those stakeholder groups would be provided through the Sacramento County Water Agency's (SCWA) Zone 13. Mr. Eck stated that a similar arrangement was open for discussion and needed to be part of the conversation going forward.

Mr. Nelson asked who has control over Zone 13 funds. Mr. Eck explained that Zone 13 was a zone created by SCWA to address regional water supply and drainage issues and that groundwater management was considered to be a regional water issue.

Mr. Ewart invited Mr. Winchell and any other stakeholder to submit written comments to staff regarding the development of future SCGA funding.

***Motion/Second/Carried*** – Ms. Thompson moved, seconded by Mr. Williams, the motion carried unanimously to recommend conducting the public outreach, notice, and hearing required to file a Notice of GSA Formation for the SCGA service area if a separate local agency files for GSA formation within the SCGA jurisdictional boundaries without outreach and engagement with SCGA and resolution of pertinent issues thereto.

## **6. INTRODUCTION OF PRE-DRAFT GSP REGULATION CONCEPTS**

Jon Goetz, GEI, provided an informational update of the proposed GSP regulations scheduled for release in early February 2016 (*Note: Mr Goetz's presentation can be viewed on the Authority's website for the January 13, 2016 meeting date*). Mr. Goetz introduced Hong Lin as a representative from the State Department of Water Resources (DWR) who could answer questions related to SGMA.

Mr. Werder asked if coordination between every GSA in the region would be required and if it were that it would entail a significant amount of effort to do so. Mr. Goetz replied that coordination would be required between all affected GSAs both in basin and in adjacent basins and thus more GSAs would mean greater levels of coordination.

Mr. Bettis asked in the basins that were being discussed were the basins as defined by Bulletin 118 and that some groups in the region that were pursuing adjustments to those basins. Ms. Lin replied in the affirmative and added that DWR was in the midst of a three month window of accepting proposed Bulletin 118 boundary modifications and would be processing those proposals around September 2016. Mr. Werder asked if there would be an extension of the window to submit a boundary modification proposal. Ms. Lin replied that the current process for consideration of basin boundary adjustments was just the first window which would lead to a 2017 interim update of Bulletin 118 and that subsequent opportunities would be available during preparation of a comprehensive Bulletin 118 update which was planned for 2020. Ms. Lin noted that the window for the 2020 update for modification proposals would be the 2018-2019 timeframe. Ms. Lin then stated that with each update to Bulletin 118, a subsequent update to the basin priority rankings would occur.



Mr. Ewart asked Mr. Goetz to comment on whether or not a scientific definition of a basin based on a hydrologic versus a hydrogeologic interpretation could cause a significant source of friction for future coordination of GSPs. Mr. Goetz replied that from a purely technical engineering perspective he could not reconcile the definition of a groundwater basin boundary on hydrogeologic terms. Mr. Goetz noted that the Board had stated that it would support a basin boundary definition as determined by DWR and mutually agreed upon by interests on both sides of a boundary. Ms. Lin commented that DWR would be evaluating two types of basin boundary modification proposals, jurisdictional and scientific. Ms. Lin explained that DWR would ultimately make such determinations based on the expertise of its technical staff. Ms. Lin reminded that DWR's priority was basin sustainability and that coordination between local interests was a key factor. Ms. Lin stated that funding opportunities via mechanisms such as Prop. 1 would become available and that collaborative efforts would be in a more favorable position to benefit.

Mr. Schubert asked for clarification regarding the filing of an alternative plan asking if it would save significant resources and time by utilizing the existing GMP during the GSA/GSP process. Mr. Goetz replied that it would and that under an alternative plan an agency would not be required to form a GSA although it could volunteer to do so. Mr. Nelson asked if a GMP would have to be developed by January 2017 to qualify for an alternative plan. Mr. Goetz replied that SCGA could utilize its existing GMP while also accounting for the requirements called for in the SGMA legislation. Ms. Lin commented that although the existing GMP could be utilized, DWR would be analyzing for compliance with all of the technical requirements under SGMA and that it was likely that SCGA's GMP would need to be significantly enhanced in order to meet those requirements. Ms. Lin stated that those specific requirements would be published as draft regulations by DWR during the first part of February 2016. Mr. Goetz stated that until the draft regulations were published, an accurate estimate of the level of effort needed to meet the requirements of an alternative plan could not be made.

## **7. SGMA IMPLEMENTATION UPDATE**

Mr. Eck recalled that at the November 4, 2015 Board meeting staff was directed to work with the County on an MOU that would address representation for that portion of the South American Subbasin that generally lies west of Interstate 5. Since that time staff had engaged in conversations with the North Delta Water Agency and LAND. Both of those entities had expressed an interest in this portion of the South American Subbasin. Staff proposed to continue working with those entities further, prior to pursuing an MOU with the County. Mr. Eck then stated that SGMA contained provisions for recognizing existing groundwater management organizations that appeared to allow a more advantageous approach to SGMA compliance. Mr. Eck said it appeared that additional clarification on that approach would be part of the draft regulations to be released in February. Mr. Eck announced that staff would like to have the opportunity to consult with DWR regarding that approach in the January/February timeframe and if necessary assess feasibility, timing, and potential cost implications.

Mr. Eck then mentioned that OHWD had released a request for proposal to determine the feasibility of relocating the Bulletin 118 boundary to be coextensive with its north district boundary.

***Motion/Second/Carried*** – Mr. Schubert moved, seconded by Mr. Williams, the motion carried unanimously to direct staff to consult with DWR regarding the feasibility of an alternate approach to SGMA compliance.

## **8. SLOUGHHOUSE RESOURCE CONSERVATION DISTRICT GSA**

Mr. Eck reported that Sloughhouse Resource Conservation District had scheduled a public hearing on January 13, 2016 at 6:30 pm at the Wilton Fire House to elect whether to become a groundwater sustainability agency and that part of Sloughhouse RCD's proposal included portions of the South American Subbasin. Mr. Eck then reported that due to issues with the public notice Sloughhouse RCD legal counsel had announced that the item regarding the GSA notice would not be heard and that the meeting would serve as a mechanism for receiving public comment. Mr. Eck stated that staff proposed to submit a comment letter to the Sloughhouse RCD providing a background on SCGA's development and management history and requesting an open dialogue regarding the GSA/GSP process.

It was suggested that the comment letter be submitted via US Mail. Ms. Britton then commented that because of the deficient noticing, the Sloughhouse RCD meeting would not suffice as a public hearing in accordance with SGMA to conduct the election to become a GSA, however they did properly notice their public meeting and properly agendized the item as a staff report. Ms. Britton continued to say that she had information from their counsel that Sloughhouse RCD did not intend to present that staff report and intended to continue the item but their counsel did indicate that they would allow public comment on the matter. Ms. Britton recommended that the Board consider whether or not a representative would be needed at that meeting in order hear any public comment and respond to that item.

***Motion/Second/Carried*** – Mr. Williams moved, seconded by Mr. Bettis, the motion carried unanimously to approve the proposed comment letter, authorize the Executive Director to execute the comment letter on behalf of SCGA, and direct the Executive Director to attend the Sloughhouse RCD public meeting on January 13, 2016, lodge the comment letter, and provide public comment on SCGA's statements articulated therein.

## **9. MEETINGS OF THE BOARD**

Mr. Eck referred to Section 3.09(b) of the Rules of Procedure which set the schedule of Board meetings on the second Wednesday of odd numbered months. Mr. Eck stated that because of issues related to SGMA compliance and associated coordination efforts the Board might need to meet during even numbered months through calendar year 2016. Mr. Eck then reported that staff had arranged for meeting facilities for 9 a.m. to 11 a.m. on the following days:

February 10, 2016  
April 20, 2016  
June 8, 2016  
August 10, 2016  
October 12, 2016  
December 14, 2016

***Motion/Second/Carried*** – Mr. Schubert moved, seconded by Mr. Williams, the motion carried unanimously to approve a deviation from Section 3.09(b) of the Rules of Procedure and set meeting dates for even numbered months through 2016. If a meeting is found to be unnecessary staff is authorized to provide a notification canceling said meeting.

## **10. DIRECTORS' COMMENTS**

Mr. Nelson asked to be informed about the Groundwater Accounting Program (GAP) Subcommittee. Mr. Eck provided an explanation and then reported that with the enactment of SGMA the GAP Subcommittee had not been meeting. Mr. Eck stated that staff had begun meeting with different consultants to identify one that could be brought on to assist with finalizing the GAP framework documents at which time the GAP committee would be reconvened. Mr. Eck expected that it would occur within the next few months.

Mr. Ewart stated that staff should consider that the current meeting room was causing difficult acoustics for board members and the public and for staff to consider it for future meetings.

Mr. Schubert suggested that the Chair consider placing an item on the next agenda for establishing a budget subcommittee given the extra work that the subcommittee would have to take on in consideration of issues related to SGMA.

Mr. Werder asked if staff had received any feedback regarding SCGA's SGMA information pamphlet. Mr. Eck responded that no comments had been received since it was last presented to the Board.

Mr. Williams pointed out that the map on the SCGA SGMA pamphlet would have to be updated depending on the outcome of OHWD's actions. Mr. Williams then thanked staff for their hard work and stated that implementation of SGMA was going to be demanding for every agency and should not be seen as an unfair burden for any single agency.

Mr. Eising asked if the board should place an item on the next agenda regarding appropriate actions in response to the actions of OHWD. The board decided to have the issue discussed at the next SGMA subcommittee meeting.

## **ADJOURNMENT**

Brett Ewart adjourned the meeting at 10:50 a.m.

**Upcoming Meetings –**

**Next SCGA Board of Directors Meeting** – Wednesday, February 10, 2016, 9 am;  
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

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Chairperson

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Date

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Date

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)**  
**Sustainable Groundwater Management Act Sub-Committee**  
**Meeting**  
**Draft Minutes**  
**January 25, 2016**

**LOCATION:** 10060 Goethe Road, Room 1213  
Sacramento, CA 95827  
1:30 p.m. to 3:30 p.m.

**MINUTES:**

**1. Call to Order and Roll Call**

Paul Schubert called the meeting to order at 1:30 p.m.

The following meeting participants were in attendance:

Board Members:

Paul Schubert, Golden State Water Company  
Tom Nelson, FRCD/EGWD  
Tom Mahon, Agricultural Interests  
Brett Ewart, City of Sacramento  
Rick Bettis, Conservation Landowners

Staff Members:

Darrell Eck, SCGA  
Sarah Britton, Legal Counsel  
Ping Chen, SCGA

Others in Attendance:

Mark Madison, FRCD/EGWD  
Bruce Kamilos, FRCD/EGWD  
Jonathan Goetz, GEI  
Mike Wackman, Omochochumne-Hartnell Water District  
Amanda Platt, Sloughhouse RCD

**2. Public Comment**

None

**3. SCGA Funding**

Mr. Goetz led a discussion via a PowerPoint presentation that was based on a continuation of the discussion from the previous SGMA subcommittee meeting regarding an update to SCGA funding. Mr. Goetz reported that he had incorporated the comments

suggested at the previous meeting relative to the methodology of contributions for funding SCGA in addition to incorporating estimates of program costs. Mr. Goetz stated that the goal of the current process was to develop a proposal that could be taken to each agency's respective boards for approval of the proposed changes to the SCGA funding structure. Mr. Goetz then reviewed what was discussed at the previous meeting including the fact that under the current funding model, as prescribed by the SCGA JPA, the Authority would quickly run out of funding during the GSA/GSP development process. Mr. Goetz also reminded that a switch to a model more closely resembling that implemented by SGA was discussed and that during the discussion the concept of a minimum charge for a seat on the board was introduced by a member of the committee. Lastly, Mr. Goetz recalled that the subcommittee discussed maintaining the staffing arrangement with the County of Sacramento as opposed to forming a 'standalone' organizational structure.

Mr. Kamilos asked for clarification on the need to modify the SCGA JPA in order to change its funding structure. Ms. Britton explained that the JPA described a process for initial funding of the Authority and allowed for modification of that process to accommodate changes in program costs. Mr. Kamilos stated that it was confusing that the numbers would change so drastically yet no modification to the JPA would occur. Mr. Goetz reminded that what was being discussed was an interim funding strategy to allow SCGA to continue operating its program while transitioning to a GSA and that at a later date a change to the JPA would likely become necessary.

Mr. Madison asked if there would be a conflict with the JPA if one of the represented Authority board members were unwilling or unable to pay their contribution. Mr. Madison pointed out that the JPA addresses a procedure for the JPA signatories but not for the other board members. Ms. Britton replied that there was potential for a modification to the governing document becoming necessary in order to reconcile the payment of annual contributions being connected to the exercise of membership rights described in other sections of the JPA. Mr. Eck stated that historically those types of issues had been negotiated during the process of forming the Authority. Mr. Schubert recommended shelving the concept for a later discussion.

Mr. Nelson asked what the annual budget for SCWA's Zone 13 was and expressed a concern that the increases in contributions being discussed for SCGA would result in increased disbursement from Zone 13. Mr. Nelson also asked how the Zone 13 funds were apportioned and who made those decisions. Mr. Eck referred to an SCWA Board of Directors Letter from May 5, 2015 regarding projects and levy of assessments within Zone 13 for Fiscal Year 2015-16 for answers and stated that additional clarification regarding Zone 13 would need to be directed to the Zone 13 fund manager Kerry Schmitz.

During discussion of the 'Nexus Categories' PowerPoint slide, Mr. Schubert commented that he was not in favor of describing the payment for a seat on the board as having the ability to vote. It was determined that it would be better articulated as a 'contribution towards the sustainable management of the groundwater resource'.

Mr. Ewart asked, relative to the Base Fee being proposed to be calculated based on the number of water service accounts, if it had ever been considered to base the calculation on a fixed threshold of potential volume of water extracted. Mr. Ewart stated that a mechanism such as the Groundwater Accounting Program might facilitate such a calculation but that for an agency for the City of Sacramento that changes its surface water and groundwater use depending on the water year classification, it may be a more accurate accounting methodology. Mr. Eck responded that such a discussion had not occurred previously.

During the discussion of inflationary adjustments for the annual budget Mr. Schubert stated that he was not in favor of automatic/indexed adjustments. Mr. Schubert explained that he preferred an annual budget process in which the budget committee would determine the needs and costs for the upcoming fiscal year and base a budget on those terms. Mr. Schubert further explained that the use of inflationary indices and construction cost indices would be pertinent for planning ahead two or three budget cycles for rate stabilization purposes.

During the discussion regarding estimated level of effort and costs Mr. Madison asked Mr. Goetz if pursuit of an alternative plan document would save the Authority money compared to the full GSP development process. Mr. Goetz responded in the affirmative. Mr. Madison then asked what the magnitude of savings would be. Mr. Goetz replied that he would hesitate to put a dollar amount on it but stated that the total time of development from the beginning of the Water Forum process through the end of the Central Groundwater Forum process was about fifteen years and millions of dollars in absorbed costs. Mr. Goetz explained that an important part of a potential pursuit of an alternative plan document would be the recognition on the part of the State of the significant effort invested during the Water Forum and Central Groundwater Forum processes.

Mr. Nelson asked the existing GMP would serve as the alternative plan. Mr. Goetz replied that likely a combination of the GMP with other supporting technical data would be sufficient to demonstrate an ability to account for all of the potential undesirable results identified in the legislation. Mr. Nelson then asked about the likelihood of completing all the necessary work prior to January 2017. Mr. Goetz replied that it was a reasonable concern but that a clearer idea could not be gained until the draft regulations from the State were published in early February.

Mr. Goetz then presented the finance model assumptions stating that SCGA would be required to meet the requirements of SGMA regardless of the amount of groundwater pumped from the basin. General business and recurring tasks would form the absolute minimum level of effort thus the base contribution plus the seat contributions should be greater than the minimum effort. The total contribution would consist of a base, seat, and usage contributions with non-purveyors not being required to pay the base contribution. A twenty-five percent pumping reduction was applied to ag in order to effect no change in its contributions with the addition of a seat contribution. Florin County, Tokay Park, and Fruitridge Vista water districts were not accounted for nor were inflationary

increases. A minimum fund balance sufficient to cover six months operating expenses or \$100,000, whichever was greater, was included.

The committee discussed the need to incorporate Fruitridge Vista and Florin County water districts into a SCGA GSA effort. Mr. Madison reminded that the current plan being discussed was an interim plan and that in the future a different funding structure would likely be developed that could include a way to collect contributions or fees directly from customers rather than through organizations. The committee discussed how direct fee collection could be a method to ensure more equity to individual land owners. Mr. Madison asked if Prop. 218 applied to SGMA. Ms. Britton replied that it did.

Mr. Ewart stated that he supported the direction of the finance model development but would like to discuss in the future the idea of basing the usage contribution on access to a long-term pumping yield or threshold as opposed to number of connections. Mr. Ewart added that he would also like to continue looking at methods to facilitate Fruitridge Vista and Florin County's participation as it was an important component of the equitability issue.

Mr. Madison stated that in terms of the equitability issue, he needed a better explanation and understanding of how Zone 13 worked so that he could make sure that the urban customers of the Elk Grove Water District (EGWD) were not subsidizing agricultural users. Mr. Madison stated that he would likely have to answer that question from the FRCD Board when it came time to request the increased contribution for SCGA. Mr. Madison said he would need assistance in being able to answer those questions. Mr. Eck stated that those discussions would best be coordinated with SCWA.

#### **4. Action Items/Next Steps/Assignments**

Mr. Goetz recommended that the next steps include:

- Counsel review of proposed changes
- Determine role of Budget Subcommittee
- Determine Stakeholder review process/approval
- Seek approval by SCGA Board

Mr. Goetz then asked for suggestions regarding what was presented. Mr. Schubert suggested naming the model the 'SCGA Interim Finance Model'.

Mr. Madison suggested that at the next SGMA subcommittee meeting Zone 13 be discussed in detail as an equitable revenue collection vehicle. Mr. Madison then asked that an alternative plan process be discussed in order to determine the viability of pursuing that as an option rather than the full GSP process.



Mr. Schubert requested an update on the three issues that were interfering with SCGA's filing for a GSA and suggested that they should be a standing agenda item until they are resolved. The three issues were:

- a. Negotiations between the County of Sacramento and OHWD
- b. Actions of Sloughhouse RCD
- c. Status of the Delta

Committee then discussed scheduling of proposed budget approval by the SCGA Board. Mr. Schubert asked what the process was for public agencies to have the proposal vetted through their respective boards. Mr. Madison replied that he would introduce the proposal as an informational item at a board meeting and then present it for a vote at a subsequent meeting. Based on Mr. Madison's response the committee discussed a plan to have a Budget Subcommittee formed at the February SCGA Board meeting, the Budget Subcommittee would then present a draft budget proposal at the April SCGA Board as an informational piece so that the public agencies could then present the information to their respective boards so that by the May timeframe the public agencies could provide the necessary authority for their SCGA representatives to vote to adopt the interim budget structure and budget at the June SCGA Board meeting.

## ADJOURNMENT

### Upcoming meetings –

**Next SCGA Board of Directors Meeting** – Wednesday, February 10, 2016, 9:00 am;  
SASD South Conference Room 1212, Sunset Maple.

By:

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Chairperson

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Date

---

Date

## **AGENDA ITEM 4: SCGA THE WATER FORUM AND SGMA**

### **BACKGROUND:**

The Water Forum consists of a diverse group of business and agricultural leaders, citizens groups, environmentalists, water managers, and local governments in Sacramento County. At the time of the Water Forum's formation, this group of community leaders and water experts determined that unless immediate action was taken, the larger Sacramento region would face water shortages, environmental degradation, groundwater contamination, threats to groundwater reliability, and limits to economic prosperity. The crisis came to a head when well-intentioned but separate efforts by individual stakeholders effectively left the region in gridlock.

Joining together in 1993, these leaders devoted tens of thousands of hours researching the causes of this gridlock, agreeing on principles to guide development of a regional solution and negotiating the Water Forum Agreement (WFA) in an interest-based public stakeholder process founded on consensus between the negotiating parties.

Between 1993 and 1999, stakeholder representatives continually presented draft proposals to their boards to obtain their ongoing feedback. In addition, the Water Forum conducted over one hundred meetings with community organizations, chambers of commerce, citizen advisory groups, resource agencies, statewide environmental groups, and federal and state water users to solicit their input to the proposals under consideration.

Since 2000, the WFA continues to allow the region to move forward in a balanced way through implementation of its seven elements. These elements include detailed understandings among stakeholder organizations on how the Sacramento region deals with key issues such as groundwater management, water diversions, dry year water supplies, water conservation, and protection of the Lower American River.

All of the hard-earned understandings forged through the Water Forum process have been included in the Memorandum of Understanding (MOU) for the WFA. Signed by each of the stakeholder organizations, this MOU creates the overall political and moral commitment to the WFA. By becoming a signatory to the WFA, each signatory is assured of the appropriate representation in specific actions such as contracts, joint powers authorities, water rights actions, etc.

The Groundwater Management Element of the WFA states:

*“Our vital groundwater resource supplies over half the water used in the region. The purpose of a groundwater management plan is to protect the viability of that resource for both current and future users. To do so requires monitoring the amount of water withdrawn from the groundwater basin and promoting the use of groundwater in*

*conjunction with surface water supplies to maximize the availability of both. This must be accomplished by creating publically accountable governance structures which respect the rights of all groundwater users.”*

The WFA goes on to state:

*“This document contains recommendations by which to monitor the amount of groundwater which can be pumped from the basin over a long period without damaging the aquifer (sustainable yield). In the South Area [that area south of the American River]... negotiations for specific groundwater management arrangement will continue employing the principles of interest-based negotiation to provide all community interests the opportunity to participate in tailoring a groundwater management plan to fit each area’s unique needs.”*

The Central Sacramento County Groundwater Forum (Groundwater Forum) was formed in late 2001 and began holding meetings in February 2002. The Groundwater Forum was responsible for the development of the Central Sacramento County Groundwater Management Plan, its associated joint powers agreement, and the Sacramento Central Groundwater Authority (SCGA). In developing SCGA the Groundwater Forum adhered to the following guiding principles.

- Include representation of agricultural interests, agricultural/residential groundwater users, business, environmental/community interests, local government/public agencies, and water purveyors;
- Promote water conservation and prudent resource management;
- Employ the best scientific information available;
- Support sustainable economic vitality of the central County area as well as the surrounding region;
- Support equitable conjunctive use of surface water and groundwater supplies;
- Support the protection and optimization of existing water rights and entitlements;
- Consider the impacts of existing federal, state, and local laws and regulations;
- Take into account the provisions agreed upon and the obligations undertaken as a result of the Water Forum Agreement;
- Respect the autonomy of the water purveyors which serve the central County area; and
- Strive to promote countywide cooperation in groundwater management.

### **SCGA Governing Board**

City of Elk Grove  
City of Folsom\*  
City of Rancho Cordova  
City of Sacramento\*  
County of Sacramento\*  
Agriculture\*

Commercial/Industrial Self Supplied\*  
Conservation Landowners\*  
Public Agencies Self Supplied  
Omochumne-Hartnell Water District\*  
Rancho Murieta CSD\*  
Cal-Am Water\*

Agriculture-Residential  
Florin Resource Conservation District\*  
*\*Denotes signatory to the Water Forum Agreement*

Regional Sanitation District  
Golden State Water Company\*

In developing SGMA state law makers used the template devised by the Water Forum and memorialized in the WFA as the best means to build consensus when developing Groundwater Sustainability Agencies and Groundwater Sustainability Plans. Compliance with SGMA should not be a project started from scratch, but a process that builds on the success of SCGA, the Water Forum and the WFA.

Tom Gohring, Executive Director of the Water Forum Successor Effort, will be making the presentation.

**STAFF RECOMMENDATION:**

***Action: Information update.***

## **AGENDA ITEM 5: ALTERNATIVE PLAN INVESTIGATION**

### **BACKGROUND:**

At the January 13, 2016 Board meeting staff discussed an “alternative plan” approach to complying with the requirements of SGMA. As presently understood, the “alternative plan” would allow SCGA to more fully take advantage of all the work that was done regionally through the Water Forum including processes utilized during the development and approval of the current groundwater management plan and joint powers agreement. At the January 13, 2016 Board meeting staff was directed to consult with DWR regarding the feasibility of the “alternative plan” as it would relate to SCGA.

Staff had a teleconference with DWR staff on January 22, 2016 to discuss general concepts regarding the “alternative plan” process. During this conversation DWR staff was not very encouraging but also acknowledged that it was difficult to fully engage in a meaningful conversation on the subject without the draft GSP regulations. Further complicating matters was a lack of understanding by DWR on the background of SCGA and its relationship to the Water Forum process and agreement. Another potential problem identified during the discussion was the need to resolve certain boundary line issues. One of these involves the western boundary of SCGA where it generally follows along Interstate 5. This adjustment is necessary because the “alternative plan” process requires that SCGA’s overlies its current boundary within the South American Subbasin.

With respect to this issue staff has been engaged in conversations with representatives of both the North Delta Water Agency and the Local Agencies of the North Delta (LAND). During these conversations both entities have expressed an interest in the portion of the South American Subbasin that lies generally to the west of Interstate 5. Staff proposes to continue working with these entities to see if a solution can be worked out relative to a boundary line adjustment roughly following Interstate 5.

Additionally, as the draft GSP regulations have not been released staff will to continue to consult with DWR to determine the feasibility of an “alternative plan” for the South American Subbasin.

### **STAFF RECOMMENDATION:**

***Action: Information presentation.***

## **AGENDA ITEM 6: SLOUGHHOUSE RESOURCE CONSERVATION DISTRICT GSA**

### **BACKGROUND:**

The Sloughhouse Resource Conservation District has scheduled a public hearing on February 9, 2016 at 6:30 pm at the Wilton Fire House, 9800 Dillard Road, Wilton, CA to determine to elect whether to become a groundwater sustainability agency. Part of Sloughhouse RCD's proposal includes portions of the South American Subbasin as represented by Potential Boundary 4 on the attached map. This meeting will be followed by a regular Board meeting to be held on February 10, 2016 at 11:30 am at the Sloughhouse Inn, 12700 Meiss Road, Sloughhouse, CA; according to the agenda the "RCD Board deliberation and potential adoption of one or more resolution(s) electing to become a GSA for all or certain areas within the District's boundaries.

At the January 13, 2016 Board meeting the Board approved a comment letter on the proposed GSA formation by Sloughhouse RCD and directed the Executive Director to attend the Sloughhouse RCD public hearing on January 13, 2016, lodge the comment letter, and provide public comment on SCGA's statements articulated therein. This comment letter establishes SCGA's presence as the groundwater management entity for the area in question since its inception (see SRCD GSA Potential Boundary 4 on attached map). Furthermore, the letter states that the governing parties have invested almost 30 years of resources and commitment toward subbasin management. The letter then requests that, "SRCD engage and begin a collaborative public process with SCGA and its governing parties prior to taking independent governance proposal action." No such action has taken place.

At the January 13, 2016 Board meeting the Board took the following action: Staff is directed to conduct the public outreach, notice and hearing required to file a Notice of GSA Formation for SCGA service area if a separate local agency files for GSA formation within SCGA jurisdictional boundaries without outreach and engagement with SCGA and resolution of pertinent issues thereto.

Staff recommends that the Board direct staff to conduct public outreach, notice and hearing required to file a Notice of GSA Formation for SCGA service area in accordance with the requirements of the Sustainable Groundwater Management Act of 2014 should Sloughhouse RCD's Board include a portion of the South American Subbasin as part of their GSA filing.

### **STAFF RECOMMENDATION:**

***Action: Direct staff to conduct public outreach, notice and hearing required to file a Notice of GSA Formation for SCGA service area in accordance with SGMA should***

***Sloughhouse RCD's Board include any portion of the South American Subbasin as part of their GSA filing.***



## Sloughhouse Resource Conservation District

8698 Elk Grove Blvd. Suite 1-207, Elk Grove, CA 95624

Phone: (916)612-5163 Fax: (916) 647-0520

[SloughhouseRCD@gmail.com](mailto:SloughhouseRCD@gmail.com)

Secretary contact: [amanda-platt@carcd.org](mailto:amanda-platt@carcd.org)

### NOTICE AND CALL OF PUBLIC and SPECIAL MEETING

Notice is hereby given that I, Jay Schneider, President of the Board of Directors of the Sloughhouse Resource Conservation District, have called a SPECIAL MEETING of the Agency's Board of Directors. Said SPECIAL MEETING of the Board to be held on:

**Tuesday, February 9<sup>th</sup>, 2016 at 6:30 P.M.**

Wilton Fire House  
9800 Dillard Road  
Wilton, CA 95693

Enclosed with and as part of this Notice and Call is an agenda for the meeting.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

*Jay Schneider*  
*2-2-16*





## Sloughhouse Resource Conservation District

8698 Elk Grove Blvd. Suite 1-207, Elk Grove, CA 95624

Phone: (916)612-5163 Fax: (916) 647-0520

[SloughhouseRCD@gmail.com](mailto:SloughhouseRCD@gmail.com)

Secretary contact: [amanda-platt@carcd.org](mailto:amanda-platt@carcd.org)

### **PUBLIC HEARING and SPECIAL MEETING of the Board of Directors of the Sloughhouse Resource Conservation District**

When: Tuesday, February 9<sup>th</sup>, 2016

Where: Wilton Fire House, 9800 Dillard Road, Wilton, CA 95693

Time: 6:30 pm

#### **AGENDA**

1. Call to Order of special meeting of the Board of Directors (Board) of the Sloughhouse Resource Conservation District (RCD or District).\*
2. Presentation on Sustainable Groundwater Management Act (SGMA), formation of Groundwater Sustainability Agencies (GSA) under SGMA, and potential options for the RCD to elect to become GSA and participate in implementation of SGMA for basins within its territorial boundaries.
3. PUBLIC HEARING on potential election by RCD to become GSA (receipt of oral or written comments and testimony)(Water Code § 10723(b)).
4. Board deliberation and potential adoption of resolution(s) electing to become GSA for areas within District's boundaries, including, but not limited to the following:
  - i. That portion of the Cosumnes subbasin of the San Joaquin Valley groundwater basin that is within the RCD's jurisdictional boundary, but excluding those areas that are within the territories of the Clay Water District, Galt Irrigation District, and Omochumne-Hartnell Water District.
  - ii. That portion of the Cosumnes subbasin of the San Joaquin Valley groundwater basin within both the RCD's jurisdictional boundary and the territory of Clay Water District.
  - iii. That portion of the Cosumnes subbasin of the San Joaquin Valley groundwater basin within both the RCD's jurisdictional boundary and the territory of Galt Irrigation District.
  - iv. That portion of the South American subbasin of the Sacramento Valley groundwater basin within the RCD's jurisdictional boundary, but excluding the area that is within the territory of the Omochumne-Hartnell Water District.

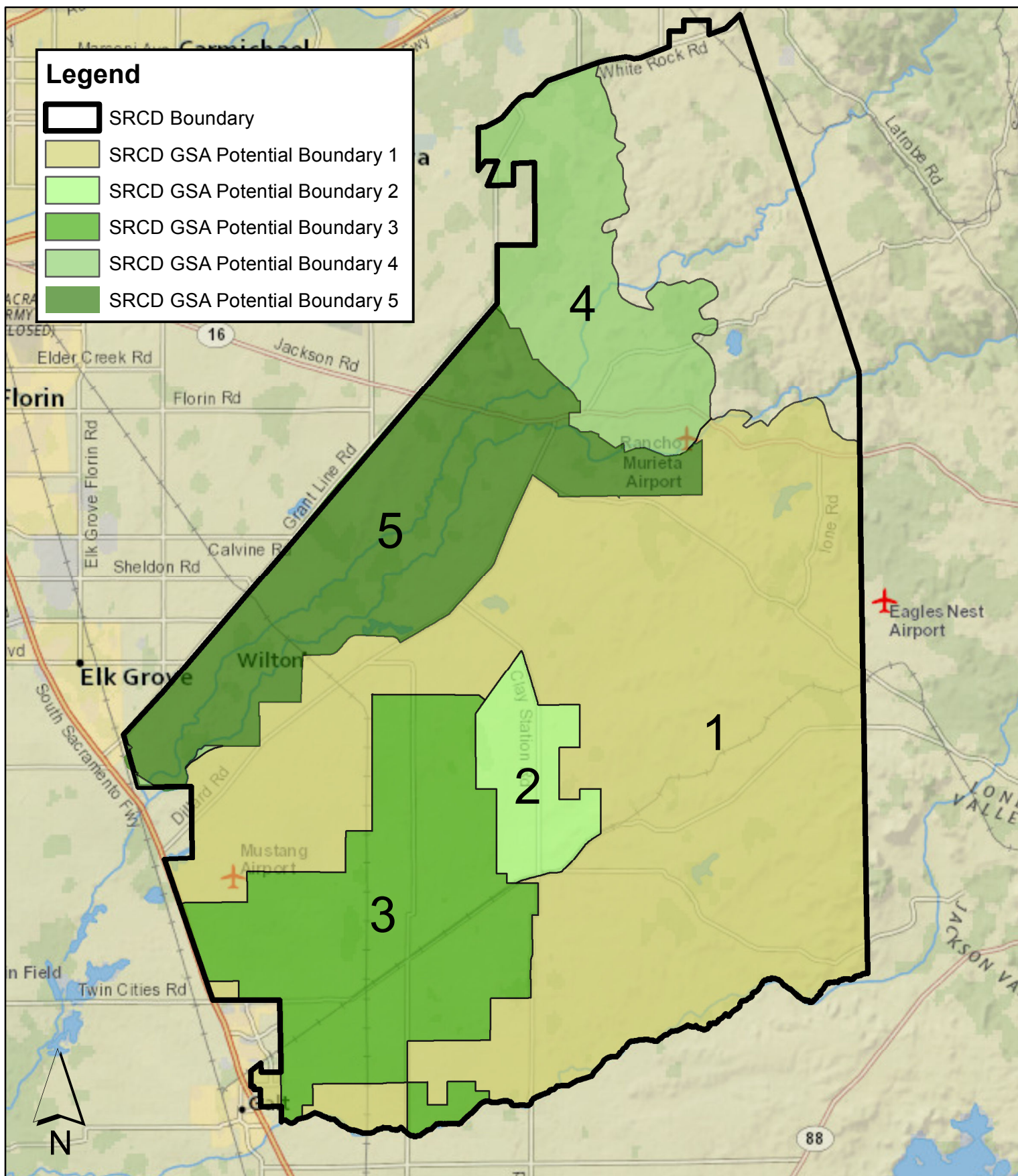
- v. That portion of the South American subbasin of the Sacramento Valley groundwater basin and the Cosumnes subbasin of the San Joaquin Valley groundwater basin that is within both the RCD's jurisdictional boundary and the territory of the Omochochumne-Hartnell Water District.

5. Adjourn.

**\*Notices:**

- 1) The Board reserves the right to discuss or take action on all of the above agenda items.
- 2) Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (916)612-5163, or writing Sloughhouse Resource Conservation District at 8698 Elk Grove Blvd. Suite 1-207, Elk Grove, CA 95624. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the RCD to provide the requested accommodation.
- 3) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the 8698 Elk Grove Blvd. Suite 1-207, Elk Grove, CA 95624, during regular business hours. When practical, these public records will also be made available via email to members of the public on the District's public notice email distribution list. To be placed on the District's public email distribution list, please notify RCD Secretary Amanda Platt at: [amanda-platt@carcd.org](mailto:amanda-platt@carcd.org).

# Sloughhouse Resource Conservation District Proposed Groundwater Sustainability Agency Boundaries



## **AGENDA ITEM 7: OMOCHUMNE-HARTNELL WATER DISTRICT**

### **BACKGROUND:**

At the November 4, 2015 Board meeting Mike Wackman, General Manager of the Omochumne-Hartnell Water District (OHWD), stated that OHWD planned on issuing an RFP to look into the feasibility of a boundary change that would result in adjusting the Cosumnes Subbasin to match the northern boundary of OHWD. Later in this same meeting Jon Goetz with GEI made a presentation on the importance of the current boundary remaining along the Cosumnes River for sustainable groundwater management in the South American Subbasin.

At the November 4, 2015 Board meeting the Board voted unanimously to oppose any relocation of the hydrologic boundary between the South American Subbasin and the Cosumnes Subbasin as defined by State DWR Bulletin 118.

On January 27, 2016 OHWD posted their intention to request a jurisdictional boundary change supported by scientific evidence in accordance with §343.9 of the California Code of Regulations (Code). The Code also requires that the requesting agency (OHWD) include Local Agency Input (§344.8). §344.8(b) states:

(b) Any affected agency or affected system that elects to support or oppose the proposed boundary modification shall provide the requesting agency one of the following:

- (1) A copy of a resolution formally adopted by the decision making body of the affected agency or affected system.
- (2) A letter signed by an executive officer or other official with appropriate delegated authority who represents the affected agency or affected system.

§344.8(c) follows with a requirement for supporting documentation.

(c) The level of detail provided by an affected agency or affected system in support or opposition to a proposed boundary modification need not be as comprehensive as that contained in the request, but the support or opposition must rely on similar scientific and technical information as the particular boundary modification request to which it is addressed, and will be evaluated by the Department using the same criteria.

Staff recommends that the Board direct the Executive Director to file a letter in opposition to OHWD's proposed boundary in accordance with the requirements of SGMA. Staff will work with SCGA's consultant GEI to develop the necessary documentation to accompany the letter.

### **STAFF RECOMMENDATION:**

***Action: Direct the Executive Director to file a letter in opposition to OHWD's proposed boundary adjustment in accordance with the requirements of SGMA.***



Department of Water Resources  
Basin Boundary Modification Request System

## Initial Notification of Potential Basin Boundary Modification Request

### Print View of Individual Request

#### 1. Local agency information

Name	Omochumne-Hartnell Water District		
Address	P.O. Box 211		
City	Wilton	Zip	95693-0211
Phone(Work)	(916) 682-5958	Phone(Cell)	
Email	info@ohwd.org	Fax	

#### 2. Local agency Point of Contact information

Name	Michael Wackman		
Address	P.O. Box 211		
City	Wilton	Zip	95693-0211
Phone(Work)	(916) 682-5958	Phone(Cell)	
Email	info@ohwd.org	Fax	

#### 3. Link(s) to local agency's Internet Web Site where general information regarding potential basin boundary modification process is posted or will be posted

<http://ohwd.org/Basinboundary.html>

#### 4. Brief description of potential basin boundary modification request

Omochumne-Hartnell Water District (OHWD) is seeking a jurisdictional modification to extend the boundary of the Cosumnes sub-basin (5-22.16) north to include all of OHWD. The new northern boundary of the Cosumnes Subbasin would follow the OHWD boundary along the District's eastern and western boundaries and along the district's northern boundary which coincides with Grant Line Road. This modification will remove Omochumne-Hartnell Water District from the South American Subbasin (5-



22.65) and place all of OHWD into the Cosumnes Subbasin.

5. Potential Basin(s)/Subbasin(s)

5-22.16 SAN JOAQUIN VALLEY - COSUMNES

5-21.65 SACRAMENTO VALLEY - SOUTH AMERICAN

6. Map or document of potential basin boundary modification



Uploaded document: [OHWD boundary modification\\_160125.pdf](#)

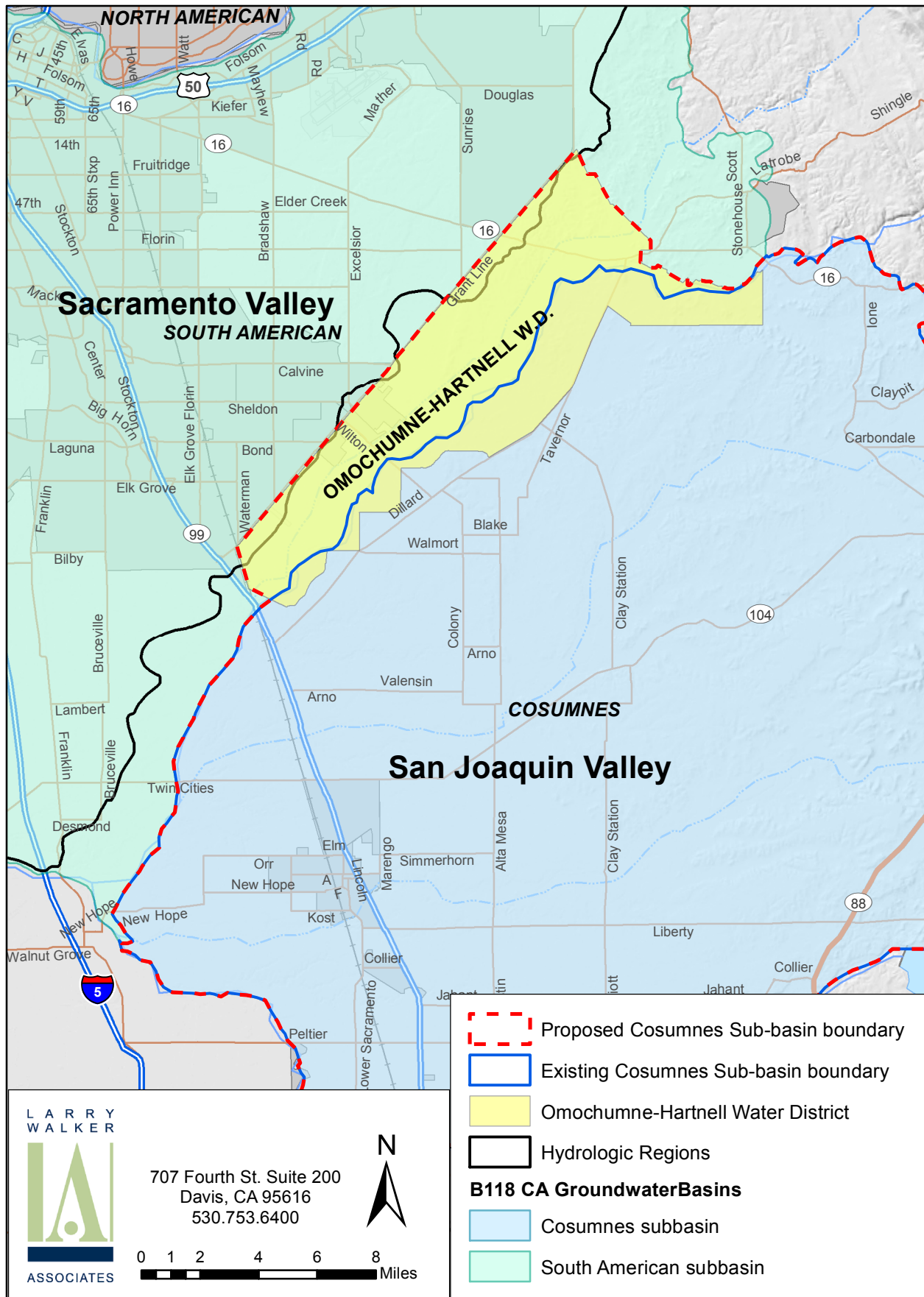


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## **AGENDA ITEM 8: SGMA/FINANCE SUBCOMMITTEE REPORT**

### **BACKGROUND:**

At the July 8, 2015 Board meeting the SGMA Subcommittee (Subcommittee) was established to assist in a process to fully develop and complete the various tasks necessary to become a groundwater sustainability agency and be part of the development of a groundwater sustainability plan. The first tasks identified were reaching out to potential interested parties, strategizing on boundary adjustment issues, discussion of various coordination issues and criteria, and to 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, recommendations, and for additional direction.

The discussion at the January 25, 2016 SGMA Subcommittee meeting was a continuation of the December 22, 2015 Subcommittee meeting related to the development of an interim funding model for SCGA. The previous discussion focused primarily on a modification of the SGA contribution structure which included the concept of a Seat, Base, and Usage contribution. Program cost estimates were included in the discussion at the January 25th meeting as well as increased definition of the contribution structure. The Seat and Base fee was set at a level that would fund various administrative tasks. The usage contribution component would cover costs associated with project development and implementation. Non-purveyors would not be required to pay the base contribution. The individual contribution components were defined as:

#### **Seat**

- JPA Appointed Members pay a fixed amount
- Signatory Members pay 2 times Appointed Members amount

#### **Base** (applies only to water purveyors)

- Water purveyors pay a fee if number of service connections exceeds a fixed amount
- A set minimum fee amount
- A set unit cost per water service connection + minimum fee amount
- Base contribution is greater of the two

#### **Usage**

- Average groundwater extraction defined by average pumping over last 3 years
- Ag/Ag-Res Pumping Adjustment set to equate to 25%
- A set unit cost per acre-foot multiplied by the average adjusted groundwater extraction amount

Other key concepts discussed were a desire to maintain an annual expense-based budgetary model, how to incorporate historically non-participatory agencies such as Fruitridge Vista Water Company and Florin County Water District, the role of SCWA's Zone 13 as a contribution source, and how to ensure equitability of program funding in the future.

The subcommittee decided to refer to the proposed funding structure as the 'SCGA Interim Finance Model' as a means to indicate that the model was a mechanism to bridge SCGA governance and activities to those required under SGMA.

The subcommittee would like to move the proposed funding structure forward and recommends that the chair of Board form a Budget Subcommittee that would assume responsibility of finalizing the SCGA Interim Finance Model and developing the Authority's Fiscal Year 2016-2017 annual budget.

**STAFF RECOMMENDATIONS:**

***Action: The SGMA Subcommittee recommends the chair of the Board form a budget subcommittee to finalize work on the SCGA Interim Finance Model and to prepare a budget recommendation for the Authority's 2016-2017 annual budget.***

## **AGENDA ITEM 9: EXECUTIVE DIRECTOR'S REPORT**

- a) Update on regional groundwater activities
- b) Form 700

February 10, 2016

TO: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY BOARD

FROM: DARRELL ECK, EXECUTIVE DIRECTOR

RE: EXECUTIVE DIRECTOR'S REPORT

- a) **Update of regional groundwater activities** – Provide an update on the activities of various groups in the region relative to SGMA compliance.
- b) **Form 700** - At the beginning of each year the State of California requires designated positions within the Groundwater Authority to file a Conflict of Interest Form 700 (see Groundwater Authority Policy 100.2 for disclosure categories). The forms are to be submitted to the SCGA office no later than April 1, 2016. Please address them c/o Ramon Roybal, 827 Seventh Street, Room 301, Sacramento, CA 95814. Forms can be located on line at the following website:  
<http://www.fppc.ca.gov/index.php?id=500/>