

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

Wednesday, March 9, 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 February 10, 2016 Board 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. REQUEST BY FLORIN RESOURCE CONSERVATION DISTRICT FOR A NEW JOINT POWERS AGREEMENT

- The Florin Resource Conservation District has requested that a new joint powers agreement replace the existing joint powers agreement.

Action: Informational item.

6. BOUNDARY CHANGE REQUEST

- Progress on the Alternative Plan option described in SGMA regulations and associated actions.

Action: Direct staff to submit an initial notice of intent to file a scientific basin boundary modification and follow-up with supporting actions in accordance with the required components of the Basin Boundary Regulations.

7. DEVELOPMENT OF A STORMWATER RESOURCE PLAN FOR THE AMERICAN RIVER BASIN

- The State Water Code requires public agencies to develop a Stormwater Resource Plan to encourage the use of storm water and dry weather runoff as a resource to improve surface water quality, reduce localized flooding, and increase water supplies for beneficial uses.

Action: Direct the Executive Director to provide a letter of support and authorize the provision of in-kind services as appropriate.

8. GROUNDWATER PROGRAM UPDATE

- Update on groundwater management activities.

Action: Information update.

9. EXECUTIVE DIRECTOR'S REPORT

- a) Update on regional groundwater activities
- b) Next Board meeting April 20th.
- c) Form 700
- d) Omochumne-Hartnell Water District meeting March 18, 2016

10. DIRECTOR'S COMMENTS

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, April 20, 2016, 9 am;
10060 Goethe Road, South Conference Room No. 1207 (Valley Oak).

AGENDA ITEM 3: CONSENT CALENDER

BACKGROUND:

Minutes of the February 10, 2016 Board meeting.

STAFF RECOMMENDATION:

Action: Approve Consent Calendar items.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Draft Minutes
February 10, 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
Ron Lowry, Omochumne-Hartnell Water District

Board Members (Alternate Rep):

Todd Eising, City of Folsom
Forrest Williams, Sacramento County
Brian Fragio, City of Elk Grove

Staff Members:

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

Others in Attendance:

Jonathan Goetz, GEI
Bob Murdoch, City of Elk Grove
Mark Madison, Florin Resource Conservation District/Elk Grove Water District

Bruce Kamilos, Florin Resource Conservation District/Elk Grove Water District
Jesse Roseman, The Nature Conservancy
Rodney Fricke, Public
Darlene Gillum, Rancho Murieta CSD
Eric Vanderbilt, Sacramento County Waste Management
Keith Goodrich, Sacramento County Waste Management
Mike Wackman, Omochumne-Hartnell Water District
Mike Eaton, Public
Tim Leo, Montgomery and Associates
Danielle Moss, Larry Walker Associates
Scott Goulart, Aerojet Rocketdyne
Herb Garms, Sloughhouse RCD
Jay Schneider, Sloughhouse RCD

Member Agencies Absent

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

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The draft meeting minutes for the January 13, 2016 Board meeting and January 25, 2016 SGMA Subcommittee, were reviewed for final approval.

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

4. SCGA THE WATER FORUM AND SGMA

Mr. Eck announced that the guest presenter, Tom Gohring, Water Forum, was sick and unable to attend the meeting. The board discussed postponing the presentation to the next board meeting.

Motion/Second/Carried – Mr. Schubert moved, seconded by Mr. Ocenosak, the motion carried postpone Tom Gohring's presentation on SCGA and the Water Forum to the next board meeting.

5. ALTERNATIVE PLAN INVESTIGATION

Mr. Eck announced that staff held a teleconference with DWR staff on January 22, 2016 to discuss general concepts regarding the “alternative plan” process. Mr. Eck stated that during the 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 those involved the western boundary of SCGA where it generally follows along Interstate 5. Mr. Eck reported that the adjustment would be necessary because the “alternative plan” process required that SCGA’s overly its current boundary within the South American Subbasin. Mr. Eck then stated that with regard to the boundary issue, staff had been engaged in conversations with representatives of both the North Delta Water Agency and the Local Agencies of the North Delta (LAND). During those conversations both entities had expressed an interest in the portion of the South American Subbasin that lies generally to the west of Interstate 5. Staff proposed to continue working with those entities to see if a solution could be worked out relative to a boundary line adjustment roughly following Interstate 5. Mr. Eck finished by stating that as the draft GSP regulations had not yet been released; staff would continue to consult with DWR to determine the feasibility of an “alternative plan” for the South American Subbasin.

Mr. Nelson asked Mr. Eck to further explain how DWR was not very encouraging during the teleconference. Mr. Eck replied that many of the issues raised by DWR were issues that had already been addressed through the Water Forum process which was the process by which SCGA was formed. Much of the issues related to stakeholder outreach. Mr. Eck stated that after the draft GSP regulations were published that staff would look to meet with DWR staff again to make them aware of SCGA’s development through the Water Forum process and how it would be relevant to satisfying the GSP regulations.

6. SLOUGHHOUSE RESOURCE CONSERVATION DISTRICT GSA

Mr. Eck reported that Sloughhouse RCD held a public hearing on February 9, 2016 to determine whether to elect to become a groundwater sustainability agency at which time the Sloughhouse board decided to continue the deliberation. Mr. Eck then announced that Sloughhouse RCD was going to hold another public meeting on February 10, 2016 at 11:30 am with an agenda item to deliberate on the potential adoption of one or more resolutions electing to become a GSA for all or certain areas within the District’s boundaries.

Mr. Eck then recalled that at the January 13, 2016 SCGA 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 to lodge the comment letter and provide public comment on SCGA’s statements articulated therein. The comment letter established SCGA’s presence as the groundwater management entity for the area in question since its inception. Mr. Eck went on to remind that the letter stated that the governing parties had invested almost 30 years of resources and commitment toward subbasin management and that letter then requested that SRCD engage and begin a

collaborative public process with SCGA and its governing parties prior to taking independent governance proposal action. Mr. Eck then reported that no such action had taken place. Mr. Eck then stated that at the January 13, 2016 Board meeting the Board also took an action to direct staff 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 filed for GSA formation within SCGA jurisdictional boundaries without outreach and engagement with SCGA and resolution of pertinent issues thereto. Mr. Eck reported that staff recommended that the Board direct staff to follow through with its previous direction 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.

Ms. Britton then provided legal clarification on the proposed action stating that it was correct and legally sound but wanted to point out that the item would need to be considered again by the Board at a public hearing at which time it could decide to adopt a resolution forming a GSA prior to staff filing a notice of GSA formation with the State.

Mr. Nelson asked how the current proposed action related to the action taken by the Board in September 2015 to allow Omoichumne-Hartnell Water District (OHWD) to form a GSA. Mr. Eck replied that the Board decision in September was to allow OHWD to form a GSA within the South American subbasin with the understanding that OHWD would return to the SCGA Board with its roadmap for SGMA/GSA/GSP implementation. Mr. Eck said that in the meantime not only had OHWD decided to form its own GSA but had also decided to pursue a basin boundary modification to remove OHWD from the South American subbasin. Mr. Eck reported that OHWD's actions since the September 2015 meeting had resulted in some of SCGA's board members reconsideration of their decision at that time.

Jay Schneider, representing Sloughhouse RCD, stated as member of the public that the Sloughhouse RCD board had decided to postpone its decision regarding GSA formation in order to conduct outreach to agencies and stakeholders that might be affected by their actions.

Mr. Eising asked if the proposed action would conflict with the action that the SCGA Board took at the September 2015 meeting regarding the exclusion of OHWD from an SCGA GSA. Ms. Britton clarified that the action would simply direct staff to commence with the public outreach and noticing requirements in response to specific actions taken by Sloughhouse RCD in its GSA formation. Ms. Britton stated that SCGA would then have to hold a public hearing at which the Board would consider one or more options for GSA formation that may or may not include the area covered by OHWD.

Motion/Second/Carried – Mr. Eising moved, seconded by Ms. Thompson, the motion carried unanimously to direct staff to conduct public outreach, notice, and hearing required to file a Notice of GSA Formation for the SCGA service area, within the South American subbasin, in accordance with SGMA should Sloughhouse RCD's Board include any portion of the South American Subbasin as part of their GSA filing.

7. OMOICHUMNE-HARTNELL WATER DISTRICT

Mr. Eck recalled that at the November 4, 2015 SCGA Board meeting, Jon Goetz from GEI gave a technical presentation on the importance of maintaining the current location of the hydrogeological boundary along the Cosumnes River in order to provide that Board with information to support its decision to oppose OHWD's proposed boundary modification. Mr. Goetz was then introduced to provide a similar presentation in order to refresh Board member's recollection of the information provided at the November 4, 2015 meeting (*Note: Mr. Goetz's presentation can be viewed on the Authority's website for the February 10, 2016 meeting date*).

Mr. Werder asked why the distinction between establishing the basin boundary at the Cosumnes River versus Grant Line Road was so important especially when considering that SCGA might pursue a boundary change in in the Delta region to coincide with Interstate 5. Mr. Williams responded that the Delta boundary and the Cosumnes River boundaries were two distinct areas of discussion that would be dealt with at the appropriate time but that from SCGA's perspective as a management entity that would be implementing a GSP, there was a compelling argument to keeping the boundary as the center-line of the Cosumnes River. Mr. Ocenosak stated that it would be important for projects that are implemented within the defined basin that resulted in increased groundwater levels, such as SRCSD's planned South County Ag Program, that those generated benefits be attributed to the actual basin from which they were implemented. Mr. Schubert stated that he agreed with Mr. Werder in that it would be important to have a clear understanding of the distinction for why SCGA would seek to have the Cosumnes River remain as the subbasin boundary while at the same time it sought to adjust the boundary in the Delta to Interstate 5.

Mr. Mahon stated that OHWD had the potential to recharge a massive amount of water by drawing water from the Cosumnes River during periods of high flow and spreading that water over sandy areas adjacent to the river. Mr. Mahon then remarked that it may make sense for OHWD to have the boundary adjusted per their notification. Mr. Williams pointed out that maintaining the boundary at the centerline of the Cosumnes River would not prevent OHWD from implementing the project that Mr. Mahon had described.

Mr. Ocenosak commented that the Cosumnes River should not be viewed as a dividing line rather the focus should be on cooperative efforts to rebuild the hydraulic connectivity of the river so that in the future, benefits of management activities on each side of the river would be realized on each respective side of the river instead of the groundwater flowing into the Cosumnes subbasin.

Mr. Wackman, General Manager for OHWD, commented as a member of the public that the groundwater would behave independently of the placement of the subbasin boundary line. Mr. Wackman further stated that Bulletin 118 lines had changed over time and would likely change in the future. Mr. Wackman said that OHWD would present scientific information to support a change as well as the jurisdictional argument to keep OHWD completely within one basin and under one GSP. Mr. Wackman then reminded that GSPs on either side of the river would have to coordinate.

Mike Eaton then commented as a member of the public that he was previously involved with the development of SCGA as a representative for the Nature Conservancy. Mr. Eaton stated that management for the benefit of the river as required by SGMA would require a

collaborative process by those on both sides of it and believed that it could be done although he did not necessarily agree with defining the boundary at its centerline. Mr. Eaton stated that would be interested in following and becoming involved in the development of management of the Cosumnes River under the implementation of SGMA.

Mark Madison, General Manager of FRCD, commented that if agencies on the north side of the Cosumnes River spent money on groundwater recharge projects that ended up benefitting the groundwater table on the south side of the river, the issue may need to be addressed of having the agencies on the south side of the river compensating those on the north for those benefits.

Jesse Roseman, from the Nature Conservancy, commented that the current SCGA structure had been effective and could be presumed to be effective moving forward as a GSA. Mr. Roseman stated that to change the structure might be disruptive to the effective management of the basin and that any change should be done such that benefit to the basin and the Cosumnes River was not compromised.

Ms. Thompson asked which of the two boundary modifications, scientific or jurisdictional, was more difficult to have approved by DWR. Mr. Eck responded that even with a jurisdictional boundary modification request there would need to be some discussion of scientific rationale. Mr. Eck further stated that SCGA's opposition letter to OHWD's request would include scientific justification much of which would be derived from work done during the Water Forum process.

Mr. Eck mentioned that Sloughhouse RCD had announced at its February 8th meeting that it would be working in collaboration with OHWD on a basin boundary modification request.

Mr. Schubert asked for clarification on the type of modification that OHWD would be pursuing. Mr. Wackman responded that there was a mistake in their original notification and that it determination of the type of modification would depend on the outcome of the work by their consultant Larry Walker and Associates.

Motion/Second/Carried – Mr. Eising moved, seconded by Mr. Ocenosak, the motion carried by majority to direct the Executive Director to file a letter in opposition to OHWD's and Sloughhouse RCD's proposed boundary adjustment in accordance with the requirements of SGMA. Mr. Lowry and Mr. Mahon opposed the motion.

8. SGMA/FINANCE SUBCOMMITTEE REPORT

Mr. Eck provided a review of the discussion at the January 25, 2016 SGMA/Finance subcommittee and reported that the subcommittee had developed a funding model that was intended to serve as a mechanism to bridge SCGA governance and activities to those required under SGMA. Mr. Eck stated that the subcommittee had labelled the proposed funding model the 'SCGA Interim Finance Model' and recommended that the chair of Board form a Budget Subcommittee that would assume responsibility of finalizing the SCGA Interim Finance Model and development of the Authority's Fiscal Year 2016-2017 annual budget.

Mr. Williams announced that Mr. Werder had expressed his desire to sit on the subcommittee.

Mr. Williams then asked for other volunteers to serve on the Budget subcommittee. Mr. Eck stated that there was a suggestion to have the subcommittee include those members who represented JPA signatories that were not part of the SGMA/Finance subcommittee since their approval of the proposed budget and interim finance model would be necessary for final approval by the Board.

Mr. Nelson volunteered but asked Ms. Britton if he could designate Bruce Kamilos to sit on the committee in his stead. Ms. Britton replied that she would have to follow up with an answer later. Mr. Nelson stated if the answer was no then he would sit on the committee himself. Mr. Bettis, Mr. Schubert, and Mr. Williams volunteered. Mr. Williams, as the Chair, then named Mr. Eising to the subcommittee.

Motion/Second/Carried – Mr. Schubert moved, seconded by Mr. Nelson, the motion carried unanimously to form a budget subcommittee consisting of the volunteers and member appointed by the Chair, 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

Mr. Eck provided an update on regional groundwater activities. Mr. Eck mentioned that interests in the Solano Subbasin overlying the Delta portion of Sacramento County, namely the North Delta Water Agency and Local Agencies of the North Delta, were contemplating formation of a GSA for that area. Mr. Eck reported that those groups seemed to be in favor of establishing the subbasin boundary at Interstate 5 and mentioned that the roots of establishing the boundary along Interstate 5 were from the Water Forum Agreement. Mr. Eck explained that when the Water Forum was contemplating the regional groundwater basins it attempted to consider the specific challenges confronted by each basin and recognized that the Delta region was completely unique relative to the remainder of the region. Mr. Eck then stated that Interstate 5 largely serves as the delineation as identified in the legal description of the Delta.

Mr. Eck then announced that Statement of Economic Interest Form 700 for calendar year 2015 were due by April 1, 2016 from all SCGA Board members.

10. DIRECTORS’ COMMENTS

Mr. Nelson expressed an interest in getting more information on the specifics of Zone 13 and suggested that the Zone 13 fund manager present information on the fund to the Board specifically on the fund’s roll with SCGA’s compliance with SGMA. Mr. Williams suggested that specific questions be sent to Mr. Eck to facilitate the request.

ADJOURNMENT

Forrest Williams adjourned the meeting at 11:00 a.m.

Upcoming Meetings –

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

By:

Chairperson

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*

The total cost of developing the Sacramento Central Groundwater Management Plan and the associated joint powers authority is in excess of \$1,000,000.

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: REQUEST BY FLORIN RESOURCE CONSERVATION DISTRICT FOR A NEW JOINT POWERS AGREEMENT

BACKGROUND:

On March 2, 2016 staff received correspondence from the Florin Resource Conservation District (Florin RCD) requesting that an item be placed on the March 8, 2016 Board agenda. This item proposes replacing the current Joint Powers Agreement (JPA) with a new management and finance structure. Staff contacted Florin RCD on March 3, 2016, and reached concurrence with Florin RCD that the item would be agendized on March 8, 2016 for the Board's informational purposes, but referred to the next SGMA Subcommittee meeting for March 9, 2016.

STAFF RECOMMENDATION:

Action: Informational item.

JOINT POWERS AGREEMENT BETWEEN THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF RANCHO CORDOVA, THE CITY OF SACRAMENTO, THE COUNTY OF SACRAMENTO, THE FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT, THE OMOCHUMNE-HARTNELL WATER DISTRICT, THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT, THE GOLDEN STATE WATER COMPANY, AND THE CALIFORNIA-AMERICAN WATER COMPANY CREATING THE SACRAMENTO CENTRAL GROUNDWATER SUSTAINABILITY AUTHORITY

This Agreement is made and entered into this ___ day of _____, 2016, by and between the City of Elk Grove, a municipal corporation, the City of Folsom, a municipal corporation, the City of Rancho Cordova, a municipal corporation, the City of Sacramento, a municipal corporation, the County of Sacramento, a political subdivision of the State of California, the Florin Resource Conservation District/Elk Grove Water District, a political subdivision of the State of California, the Omochumne-Hartnell Water District, a political subdivision of the State of California, the Rancho Murieta Community Services District, a political subdivision of the State of California, the Golden State Water Company, a water corporation regulated by the Public Utilities Commission, and the California-American Water Company, a water corporation regulated by the Public Utilities Commission (each a “Party” and collectively, the “Parties”).

RECITALS

WHEREAS, in 2014, the Sustainable Groundwater Management Act (“SGMA”) established a statewide framework for the sustainable management of groundwater resources, by granting new authorities and responsibility to local agencies while holding those agencies accountable in the event that they do not meet SGMA’s requirements; and

WHEREAS, the California Legislature enacted SGMA to support the “protection, management, and reasonable beneficial use of the water resources of the state” by “provid[ing] local and regional agencies the authority to sustainably manage groundwater,” while recognizing that state intervention may be required where a local groundwater management agency is not sustainably managing groundwater; and

WHEREAS, in designated groundwater basins, SGMA provides for state intervention where no Groundwater Sustainability Agency (“GSA”) has been established, or where no Groundwater Sustainability Plan (“GSP”) is in place before certain statutory deadlines; and

WHEREAS, each of the Parties overlies, in whole or in part, portions of the Sacramento Valley South American Subbasin, identified in California Department of Water Resources’ Bulletin 118 as basin number 5-21.65; and

WHEREAS, the Sacramento Valley South American Subbasin, has been classified as a High Priority Basin in which GSAs must be formed by June 30, 2017, and in which a GSP, or multiple coordinated GSPs, must be in place to sustainably manage the basin by January 31, 2022; and

WHEREAS, the Parties have participated in the Sacramento Central Groundwater Authority (“SCGA”), including in the development of the Central Sacramento Groundwater Management Plan (“GMP”) adopted by SCGA in 2006, and this GMP is considered to be a useful and cost effective tool in completing a GSP in the Sacramento Valley South American Subbasin; and

WHEREAS, the Parties wish to build upon their existing groundwater management efforts; to collaborate with each other on water management issues within the groundwater basin underlying their boundaries (“Basin”), including in the development of a GSP; to comply with SGMA and to avoid state intervention in the Basin; and

WHEREAS, each of the parties to this Agreement is a public agency authorized to enter into a Joint Powers Agreement under the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title I of the California Government Code), pursuant to which two or more public agencies may by agreement jointly exercise any power held in common by the agencies entering into such an agreement; and

WHEREAS, each of the Parties is additionally a “local agency” as defined by Water Code section 10721, and therefore holds in common the authority to serve as a GSA for its own boundaries, including the authority to develop and implement a GSP; and

WHEREAS, the Parties intend to form the Sacramento Central Groundwater Sustainability Authority, a new joint powers authority and the successor public agency to the SCGA, which will assume all of the SCGA’s assets, obligations, debts, and liabilities, and shall serve as the GSA for its own boundaries; and

WHEREAS, the Parties intend through this Joint Powers Agreement to provide a framework and governance structure for the Authority, including the interim means of funding, until a GSP is completed.

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, the Parties hereby agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.
2. **Term.** This Agreement and the Authority created under it shall become effective upon execution by the Parties, and shall remain in effect until terminated pursuant to Section 23 of this Agreement.
3. **Establishment of the Authority.** There is hereby established pursuant to the Joint Exercise of Powers Act a joint powers authority which shall be a public entity separate from the parties to this Agreement. The name of such entity shall be the Sacramento Central Groundwater Sustainability Authority, the boundaries of which are more precisely depicted in the boundary map, attached hereto and incorporated herein as Exhibit A.
4. **Assignment of Rights under SCGA JPA.** All rights, entitlements and obligations under the August 2006 Joint Powers Agreement entered into by and between the City of Elk Grove, the City of Rancho Cordova, the City of Sacramento, the City of Folsom, and the

County of Sacramento (“SCGA JPA”) are hereby assigned to and assumed by the Authority. This Agreement supersedes and rescinds the SCGA JPA.

5. **Definitions.** As used in this Agreement, the following words and phrases shall have the meanings set forth below unless the context clearly indicates otherwise.

a. “Authority” shall mean the Sacramento Central Groundwater Sustainability Authority that is established pursuant to the Joint Powers Act and this Agreement.

b. “Annual pumping” for purposes of determining assessments, fees or charges for management and operations of the Authority shall mean the total amount of groundwater produced within the boundaries of the Authority by each retail provider, by agricultural interests, by agricultural-residential groundwater users, by commercial/industrial self-supplied groundwater users and by public agency self-supplied groundwater users, for use within the boundaries of the Authority and other areas approved by the Authority's Board of Directors.

c. “Board” shall mean the governing board of the Sacramento Central Groundwater Sustainability Authority.

d. “Central Basin” shall mean the groundwater basin underlying the area within the boundaries of the Authority.

e. “Conjunctive use” shall mean the planned management and use of both groundwater and surface water in order to improve or maintain the sustainable yield of the Central Basin.

f. “Conservation land owner” shall mean a non-profit land trust holding a fee or easement interest in two thousand five hundred (2500) acres or more of land located within the boundaries of the Authority, as defined in Section 4 below.

g. “GMP” means the Central Sacramento Groundwater Management Plan produced by the Central Sacramento County Groundwater Forum and dated February 2006.

h. “Sustainable yield” shall have the same meaning as defined by Water Code section 10721(v), and shall mean the maximum quantity of water, calculated over a base period representative of long-term conditions in the basin and including any temporary surplus, that can be withdrawn annually from a groundwater supply without causing an undesirable result.

6. **Purpose and Objectives of the Authority.** The purpose of this Agreement is to provide for the joint exercise, through the Authority, of powers common to each of the Parties to achieve the following objectives:

a. To establish the Authority as the GSA for its boundaries, including facilitating community outreach, conducting appropriate hearings, and funding the GSA declaration process.

b. To develop, adopt and implement a GSP for sustainable groundwater management within the Basin, consistent with the requirements of SGMA.

c. To build upon the work of the Parties and other area stakeholders regarding groundwater management in the region, including the continued implementation of the Basin

Management Objectives identified in the 2006 GMP.

d. To facilitate implementation of an appropriate conjunctive use program by water purveyors.

e. To coordinate efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality.

f. To work collaboratively with other entities, including the Sacramento Groundwater Authority, the Southeast Sacramento County Agriculture Water Authority and other groundwater management authorities that may be formed in the County of Sacramento and adjacent political jurisdictions, in order to promote coordination of policies and activities throughout the region.

7. **Powers of the Authority.** Subject to the limitations set forth in this Agreement, the Authority shall have and may exercise any and all powers commonly held by the Parties in pursuit of the Authority's objectives, as set forth in section 6 of this Agreement, including but not limited to the power:

a. To exercise jointly the common powers of the Parties in studying, planning, and cooperatively managing groundwater within its boundaries and implementing the requirements of the SGMA within the boundaries of the Authority including, but not limited to the power: to develop and implement a GSP; to collect and monitor data on groundwater extraction and quality in the Central Basin; to facilitate or promote conjunctive use programs; and to carry on technical and other investigations as necessary to further the purposes of the Authority.

b. To sue and be sued in its own name; to provide for the prosecution of, defense of, or other participation in actions or proceedings at law or in public hearings in which it may have an interest; and to employ counsel and other expert assistance for these purposes.

c. To adopt a seal and alter it at its discretion.

d. To act jointly, or cooperate, with the Federal government or any agency thereof, the state, or any county or agency thereof, or any political subdivision or district therein, including flood control districts, private and public corporations, and any person, so that the powers of the Authority may be fully and economically exercised.

e. To accept all assets, debts, obligations and liabilities of SCGA.

f. To make and enter contracts, to retain employees and consultants, to designate officers and agents, and to do all acts necessary for the full exercise of the Authority's powers.

g. To apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid from any agency of the United States, the State of California, or other public or private entity necessary or appropriate for the Authority's full exercise of its powers.

h. To incur debts, liabilities or obligations, to issue bonds, notes, certificates of participation, guarantees, equipment leases, reimbursement obligations and other indebtedness, and to cause taxes, assessments, fees or charges to be levied in accordance with applicable State law, and in a manner consistent with the SGMA to accomplish the purposes of the Authority.

i. To apply for, accept and receive licenses, permits, water rights, approvals, agreements, grants, loans, gifts, contributions, donations or other aid from any agency of the United States of America, the State of California or other public or private person or entity necessary for the Authority's full exercise of its powers.

j. To acquire and to hold and dispose of property and any other assets to the extent necessary to the full exercise of its powers.

k. To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority.

l. To perform all acts necessary or proper to carry out fully the purposes of this Agreement; and to exercise all other powers necessary and incidental to the implementation of the powers set forth herein. Notwithstanding that authority, the Authority shall have no power to regulate land use or to engage in the retail sale of water.

8. **Membership Of The Board.** The governing body of the Authority shall be a Board of Directors of sixteen (16) members consisting of the following representatives, who shall be appointed in the manner set forth in Section 10 of this Agreement. Each member of the Board shall have an alternate, who shall be appointed in the manner set forth in Section 10 of this Agreement.

a. An elected member of the governing board, or designated representative, of each of the Parties and of Sacramento Regional County Sanitation District.

b. A member of the board of directors, or designated representative, representing each of the following private water purveyors or investor owned utilities: the California-American Water Company, and the Golden State Water Company.

c. One representative of agricultural interests within the boundaries of the Authority.

d. One representative of agriculture-residential groundwater users within the boundaries of the Authority.

e. One representative of commercial/industrial self-supplied groundwater users within the boundaries of the Authority.

f. One representative of conservation landowners within the boundaries of the Authority.

g. One representative of public agencies that are self-supplied groundwater users within the boundaries of the Authority.

9. **Adjustment To Composition Of The Board.** Should circumstances change in the future, any person or entity may petition the Parties hereto to amend this Agreement so as to add or delete representatives to the Board to accurately reflect groundwater usage within the

boundaries of the Authority.

10. **Appointment Of Members To The Board.** The members of the Board of Directors of the Authority and their alternates shall be appointed as follows:

a. The City of Elk Grove representative and alternate shall be appointed by the Elk Grove City Council.

b. The City of Folsom representative and alternate shall be appointed by the Folsom City Council.

c. The City of Rancho Cordova representative and alternate shall be appointed by the Rancho Cordova City Council.

d. The City of Sacramento representative and alternate shall be appointed by the Sacramento City Council.

e. The Florin Resource Conservation District/Elk Grove Water District representative and alternate shall be appointed by the Florin Resource Conservation District/Elk Grove Water District Board of Directors.

f. The Omochumne-Hartnell Water District representative and alternate shall be appointed by the Omochumne-Hartnell Water District Board of Directors.

g. The Rancho Murrieta Community Service District representative and alternate shall be appointed by the Rancho Murieta Community Service District Board of Directors.

h. The Golden State Water Company representative and alternate shall be appointed by the President of the Golden State Water Company.

i. The California-American Water Company representative and alternate shall be appointed by the President of the California-American Water Company.

j. The County of Sacramento representative and alternate shall be appointed by the Sacramento County Board of Supervisors.

k. The Sacramento County Board of Supervisors shall additionally appoint the following representatives and their alternates, following the recommendations of the local stakeholders identified below. The Board of Supervisors shall give consideration to such recommendations, but shall retain the absolute discretion to appoint any person satisfying the criteria for appointment set forth in Section 8 of this Agreement.

i. *Agricultural interests.* After considering the nomination by the Sacramento County Farm Bureau, the Sacramento County Board of Supervisors shall appoint the representative and alternate of agricultural interests.

ii. *Agriculture-residential groundwater users.* After considering the nomination by the Vineyard Community Advisory Council in consultation with adjacent Councils within the Central Basin, the Sacramento County Board of Supervisors shall appoint the representative and alternate of agricultural/residential groundwater users.

iii. *Commercial/industrial self-supplied groundwater users.* After considering the joint nomination by the Sacramento Metropolitan Chamber of Commerce and the Building Industry Association, the Sacramento County Board of Supervisors shall appoint the representative and alternate of commercial/industrial self-supplied groundwater users.

iv. *Conservation landowners.* After considering the nomination by conservation landowners holding a fee or easement interest in two thousand five hundred (2500) acres or more within the Central Basin in consultation with environmental and community organizations that are signatories to the Water Forum Agreement, the Sacramento County Board of Supervisors shall appoint the representative and alternate of conservation landowners.

v. *Public agencies that are self-supplied groundwater users.* After considering the nomination by the Southgate Recreation and Park District in consultation with other public agencies which are self-supplied groundwater users, the Sacramento County Board of Supervisors shall appoint the representative and alternate of public agencies that are self-supplied groundwater users.

vi. *Sacramento Regional County Sanitation District.* After considering the nomination by the Sacramento Regional County Sanitation District, the Sacramento County Board of Supervisors shall appoint the representative and alternate of the Sacramento Regional County Sanitation District.

11. **Terms Of Office.** The term of office of each member of the Board shall be for a period of four (4) years. For the purpose of providing staggered terms of office, the term of the initial representatives and alternates appointed by the County of Sacramento as described in Section 1010.k) shall be for a period of two (2) years. Thereafter, the term of office of each representative and alternate appointed by the County of Sacramento as described in Section 1010.k) shall be for a period of four (4) years. Each member of the Board shall serve at the pleasure of the appointing body and may be removed as a member of the Board by the appointing body at any time. If at any time a vacancy occurs on the governing board, a replacement shall be appointed to fill the unexpired term of the previous representative pursuant to the provisions of Section 8 of this Agreement within ninety (90) days of the date that such position becomes vacant.

12. **Board Voting Requirements.** Each member of the Board of the Authority, or their alternate, shall have one vote. With the exception of fiscal items as set forth in subsections (12) and (a) below, an affirmative vote by a majority of all members of the governing board is required to approve any item presented to the Board for its consideration.

a. Fiscal items, including, but not limited to, approval of the annual budget of the Authority and any expenditures, shall require an affirmative vote by at least two-thirds of

members of the Board present.

b. Any change in annual contributions necessary to support the work of the Authority as set forth in Section 11 below, shall require an affirmative vote of two-thirds of the members of the Board present.

13. **Funding.** The Authority shall initially be funded as follows:

a. An annual “seat” contribution by the Parties in the amount of twenty thousand dollars (\$20,000.00) each.

b. An annual “seat” contribution by each member represented on the Board, other than the Parties, in the amount of ten thousand dollars (\$10,000.00).

c. An annual “base” contribution by each of those water purveyors represented on the Board, which are the City of Folsom, City of Sacramento, Florin Resource Conservation District/Elk Grove Water District, Rancho Murieta Community Service District, Cal-Am Water Company, and Golden State Water Company. Additionally, the Sacramento County Water Agency (SCWA) shall pay a base contribution. The base contribution is comprised of a minimum base fee of \$8,000 plus a fee based on the water purveyor’s number of connections in excess of 6,000 calculated at sixty-three cents (\$0.63) per connection.

d. An annual “usage” contribution by each groundwater user represented on the Board. The usage contribution is based on the average groundwater extraction defined by the average pumping amount in acre-feet over the last three (3) years. The usage contribution is calculated at two dollars and ninety-one cents (\$2.91) per acre-feet. Agriculture and Agriculture/Residential groundwater users are computed at nineteen percent (19%) of the estimated annual pumping (as determined by the Sacramento County Water Agency) at the rate of two dollars and nine-one cents (\$2.91) per acre foot.

e. For those members of the Board whose constituents pay SCWA Zone 13 funds, contributions listed in Sections 13(a), (b), and (c) shall be paid for using SCWA Zone 13 funds.

f. All annual funds shall be paid by July 1 of each year. The annual fee for the first year after the effective date of this Agreement shall be prorated from the date of the last signatory approval establishing the Authority.

g. The Board of the Authority may, at its discretion, adjust the funding contributions set forth above, subject to compliance with the voting requirements prescribed in Section 12 above.

14. **Principal Office.** The Board shall establish the principal office of the Authority. The Board is hereby granted full power and authority to change its principal office from one location to another within the boundaries of the Authority.

15. **Quorum.** A majority of the members of the Board shall constitute a quorum for purposes of transacting business, except less than a quorum may vote to adjourn a meeting.

16. **Conflicts Of Interest.** All Board members shall comply with the Conflicts of

Interest Code of the Fair Political Practices Commission, found in Title 2, section 189730 of the California Code of Regulations.

17. **Organization of Board of the Authority.** The Board of the Authority shall elect a chair, a vice chair and such other officers as the Board shall find appropriate. Such officers shall serve for a term of one (1) year unless sooner terminated at the pleasure of the Board. The Board may also form committees to oversee various Authority activities and provide input and make recommendations to the Board. Such committees may include an Executive Committee, a Finance Committee or a Technical Committee, and these shall include no more than seven Board members at a time.

18. **Treasurer, Controller, Clerk and Legal Counsel.** The County of Sacramento Director of Finance shall act as treasurer and controller for the Authority. The controller of the Authority shall cause an independent annual audit of the Authority's finances to be made by a certified public accountant in compliance with Government Code Section 6505. The treasurer of the Authority shall be the depositor and shall have custody of all money of the Authority from whatever source. The controller of the Authority shall draw warrants to pay demands against the Authority when the demands have been approved by the Authority or by its authorized representative pursuant to any delegation of authority adopted by the Authority. The treasurer and controller shall comply strictly with the provisions of statutes relating to their duties found in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code. The Board of the Authority may also appoint a clerk and legal counsel as it deems appropriate.

19. **Executive Director.** The Board of the Authority shall appoint an Executive Director who shall be responsible to the Board for the proper and efficient administration of the Authority as directed by the Board pursuant to the provisions of this Agreement or of any ordinance, resolution or order of the Board. In addition to any other duties which may be assigned, the Executive Director shall have the following authority:

a. under the policy direction of the Board, to plan, organize and direct all Authority activities;

b. to authorize expenditures within the designations and limitations of the budget approved by the Board;

c. to make recommendations to and requests of the Board concerning any matter which is to be performed, done or carried out by the Board;

d. to have the authority to appoint, discipline, assign and otherwise supervise and control the activities of any employees or contractors which may be hired or retained by the Authority; and

e. to have charge of, handle and have access to any property of the Authority.

20. **Meetings.** The Authority shall provide for regular and special meetings in accordance with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code) or with any successor provision.

21. **Minutes.** The clerk appointed by the governing body of the Authority shall keep

minutes of all meetings of the Board, and shall cause a copy of such minutes to be forwarded to each member of the Board and their alternates.

22. **Budgets.** Within ninety (90) days after the first meeting of the Board, and thereafter prior to the commencement of each fiscal year (defined as July 1 through June 30), the Board shall adopt a budget for the Authority for the ensuing fiscal year.

23. **Termination.** This Agreement shall remain in effect until terminated pursuant to this section. This Agreement, and the Authority may be terminated by an affirmative vote of the governing boards of a majority of the Parties, except during the outstanding term of any Authority indebtedness. Nothing in this Agreement shall prevent a Party from withdrawing as provided in this Agreement, or from entering into other joint exercise of power agreements.

24. **Withdrawal.** A Party may unilaterally withdraw from this Authority, effective upon ninety days' written notice to the Authority, provided that (a) the withdrawing Party shall remain responsible for any indebtedness incurred by the Party; and (b) the withdrawing Party pays or agrees to pay its share of debts, liabilities and obligations incurred by the Authority prior to the effective date of its withdrawal. In the event the withdrawing Party has any rights in any property or has incurred obligations to the Authority, the Party cannot sell, lease or transfer such rights or be relieved of its obligations, except in accordance with a written agreement executed by it and the Authority. The Authority may not sell, lease, transfer or use any rights of a Party who has withdrawn without first obtaining the written consent of the withdrawing Party.

25. **Disposition Of Authority Assets Upon Termination.** In the event of the termination of the Authority where there will be a successor public entity which will carry on the functions of the Authority and assume its assets, the assets of the Authority shall be transferred to the successor public entity. If there is no successor public entity which will carry on the functions of the Authority and assume its assets, the assets shall be returned to each of the Parties hereto in proportion to the contribution of each Party during the term of this Agreement. If there is a successor public entity which will carry on some of the functions of the Authority and assume some of its assets, the assets of the Authority shall be allocated by the Board of the Authority between the successor public entity and the Parties hereto.

26. **Liabilities.** The debts, liabilities and obligations of the Authority shall be the debts, liabilities and obligations of the Authority alone, and not of the Parties to this Agreement.

27. **Rules.** The Board may adopt from time to time such rules and regulations for the conduct of its affairs as it deems necessary and appropriate.

28. **Amendments.** This Agreement may be amended or modified only by a written instrument executed by each of the Parties to this Agreement, pursuant to an affirmative vote of the governing bodies of all of the Parties.

29. **Liberal Construction.** The provisions of this Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Authority.

30. **Liability of Board, Officers and Employees.** The members of the Board, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers, and in the performance of their duties pursuant to this Agreement. They

shall not be liable to the Parties to this Agreement for any mistake of judgment or other action made, taken, or omitted by them in good faith, nor for any action made, taken, or omitted by any agent, employee, or independent contractor selected with reasonable care, nor for loss incurred through the investment of the Authority's funds, or failure to invest the same. To the extent authorized by California law, no member of the Board, officer, or employee of the Authority shall be responsible for any action made, taken, or omitted, by any other member of the Board, officer, or employee. No member of the Board, officer, or employee of the Authority shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement. The funds of the Authority shall be used to defend, indemnify, and hold harmless the Authority and any member of the Board, officer, or employee of the Authority for actions taken in good faith and within the scope of his or her authority. Nothing herein shall limit the right of the Authority to purchase insurance or to create a self-insurance mechanism to provide coverage for the foregoing indemnity.

31. **Binding on Successors.** Except as otherwise provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the approval of two-thirds of the Parties. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties hereto.

32. **Notices.** Any notices to the parties required by this Agreement shall be delivered or mailed, United States Mail first class, postage prepaid, addressed as follows:

CITY OF ELK GROVE
8380 Laguna Palms Way
Elk Grove, CA 95758
Attn: City Engineer

CITY OF FOLSOM
50 Natoma Street
Folsom, CA 95630
Attn: Director of Utilities

CITY OF RANCHO CORDOVA
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Attn: Public Works Director

CITY OF SACRAMENTO
1395 35th Avenue
Sacramento, CA 95822
Attn: Director, Department of Utilities

COUNTY OF SACRAMENTO
827 7th St., Rm 301
Sacramento, CA 95814
Attn: Director, Department of Water Resources

FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER
DISTRICT
9257 Elk Grove Blvd.
Elk Grove, CA 95624
Attn: General Manager

OMUCHUMNE-HARTNELL WATER DISTRICT
P.O. Box 211
7513 Sloughhouse Rd.
Elk Grove, CA 95624
Attn: General Manager

RANCHO MURIETA COMMUNITY SERVICES DISTRICT
P.O. Box 1050
15610 Jackson Rd.
Rancho Murieta, CA 95683
Attn: General Manager

GOLDEN STATE WATER COMPANY
3005 Gold Canal Dr.
Rancho Cordova, CA 95670
Attn: General Manager

CALIFORNIA-AMERICAN WATER COMPANY
4701 Beloit Dr.
Sacramento, CA 95838
Attn: General Manager

Notices given under this Agreement shall be deemed to have been received at the earlier of actual receipt, or the second business day following deposit in the United States mail, as required above. Any Party may amend its address for notice by notifying the other Parties pursuant to this Section.

33. **Counterparts.** This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original. All such counterparts shall together constitute but one and the same instrument.

34. **Choice of Law.** This Lease shall be interpreted according to the laws and regulations of the State of California (not including California's choice-of-law rules) and any applicable Federal laws or regulations.

35. **Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement is held to be unlawful, invalid or unenforceable, the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provisions shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

36. **Headings.** The paragraph headings used in this Agreement are intended for convenience only and shall not be used in interpreting this Agreement or in determining any of the rights or obligations of the Parties to this Agreement.

37. **Construction and Interpretation.** This Agreement has been arrived at through negotiation and each Party has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved

against the drafting Party shall not apply in the construction or interpretation of this Agreement.

38. **Authority.** Each signatory to this Agreement represents that s/he is authorized to execute this Agreement on behalf of one of the Parties to this Agreement. Each Party represents that it has legal authority to enter into this Agreement and to perform all obligations under this Agreement.

39. **Third-Party Beneficiaries.** This Agreement shall not create any right or interest in any non-Party or in any member of the public as a third-party beneficiary.

40. **Waiver.** No waiver of any violation or breach of this Lease shall be considered to be a waiver or breach of any other violation or breach of this Lease, and forbearance to enforce one or more of the remedies provided in this Lease shall not be deemed to be a waiver of that remedy.

41. **Attorneys' Fees and Costs.** The prevailing Party in any litigation or other action to enforce or interpret this Lease shall be entitled to reasonable attorneys' fees, expert witnesses' fees, costs and necessary disbursements in addition to any other relief.

42. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes any prior oral or written agreement, understanding, or representation relating to the subject matter of this Agreement.

43. **Partial Invalidity.** If, after the date of execution of this Agreement, any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, such provision shall be fully severable. However, in lieu thereof, there shall be added a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

44. **Necessary Actions.** Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Agreement.

45. **Compliance with Law.** In performing their respective obligations under this Agreement, the Parties shall comply with and conform to all applicable laws, rules, regulations and ordinances.

IN WITNESS WHEREOF, the parties hereto execute this Agreement on the date first written above.

CITY OF ELK GROVE

Dated: _____

By _____

Gary Davis,
Mayor

Attest:

Approved As To Form:

Jason Lindgren,
City Clerk

John Hobbs,
City Attorney

CITY OF FOLSOM

Dated: _____

By _____

Steve Miklos,
Mayor

Attest:

Approved As To Form:

Christa Saunders,
City Clerk

Bruce C. Cline,
City Attorney

CITY OF RANCHO CORDOVA

Dated: _____

By _____

David M. Sander,
Mayor

Attest:

Approved As To Form:

Lillian Mindy Cuppy
City Clerk

Adam Lindgren,
City Attorney

CITY OF SACRAMENTO

Dated: _____

By _____

Kevin Johnson,
Mayor

Attest:

Approved As To Form:

Shirley Concolino,
City Clerk

James C. Sanchez,
City Attorney

COUNTY OF SACRAMENTO

Dated: _____

By _____

Phil Serna,
Chair, Board of Supervisors

Attest:

Approved As To Form:

Donna Allred,
County Clerk/Recorder

John F. Whisenhunt,
Assistant County Counsel

FLORIN RESOURCE CONSERVATION
DISTRICT/ELK GROVE WATER DISTRICT

Dated: _____

By _____

Chuck Dawson,
Chair, Board of Directors

Attest:

Approved As To Form:

Stefani Phillips,
Board Secretary

Ann Siprelle,
General Counsel

OMOCHUMNE-HARTNELL WATER DISTRICT

Dated: _____

By _____

Leland Schneider,
Chair, Board of Directors

Attest:

Approved As To Form:

Cynthia Luellen,
Secretary

Rebecca Smith,
General Counsel

RANCHO MURIETA COMMUNITY SERVICES DISTRICT

Dated: _____

By _____

Gerald Pasek,
Chair, Board of Directors

Attest:

Approved As To Form:

Suzanne Lindenfield,
District Secretary

Richard Shanahan
General Counsel

GOLDEN STATE WATER COMPANY

Dated: _____

By _____

[Name To Be Provided],
[Title To Be Provided]

Attest:

Approved As To Form:

[Name To Be Provided],
[Title To Be Provided]

[Name To Be Provided]
General Counsel

CALIFORNIA-AMERICAN WATER
COMPANY

Dated: _____

By _____

[Name To Be Provided],
[Title To Be Provided]

Attest:

Approved As To Form:

[Name To Be Provided],
[Title To Be Provided]

[Name To Be Provided]
General Counsel

AGENDA ITEM 6: BOUNDARY CHANGE REQUEST

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. Because this conversation took place prior to the February 18th release of the Draft Emergency Regulations for GSPs and Alternatives, DWR staff acknowledged that it was difficult to fully engage in a meaningful conversation on the subject. Further complicating matters was the uncertainty by DWR staff on the background of SCGA and its relationship to the Water Forum process and agreement.

Sections 358.4 and 358.6 of the emergency draft regulations outline the “alternative plan” submittal and DWR review process, respectively. As discussed with DWR in our January teleconference, certain boundary line issues regarding the scientific definition of the Delta, could create a condition where SCGA’s service area does not cover the entire South American Subbasin; especially, the western boundary of SCGA where it generally follows along Interstate 5 is the scientific boundary of the Delta used by the Water Forum, and is the jurisdictional eastern boundary of the North Delta Water Agency (NDWA) and its partnering Reclamation Districts. This basin boundary modification is necessary because SGMA statute defines the “alternative plan” process such that SCGA 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 NDWA and the Local Agencies of the North Delta (LAND). During these conversations both entities have expressed an interest in the portion of the current South American Subbasin that lies generally to the west of Interstate 5, inclusive of all Delta reclamation districts and federal wetlands.

Staff proposes to submit an initial notice of intent to file a scientific basin boundary modification, and follow-up with supporting actions in accordance with the required components of the Basin Boundary Regulations. Staff will continue to consult with NDWA, LAND, Solano County Water Agency, Solano County, DWR, and the Water Forum in this process, and explore the feasibility of submitting a SCGA “alternative plan” for the South American Subbasin.

STAFF RECOMMENDATION:

Action: Direct staff to submit an initial notice of intent to file a scientific basin boundary modification and follow-up with supporting actions in accordance with the required components of the Basin Boundary Regulations.

AGENDA ITEM 7: DEVELOPMENT OF A STORMWATER RESOURCE PLAN FOR THE AMERICAN RIVER BASIN

BACKGROUND:

Water Code section 10563 (as amended by Senate Bill 985) requires public agencies to develop a Stormwater Resource Plan (SWRP) intended to encourage the use of storm water and dry weather runoff as a resource to improve water quality, reduce localized flooding, and increase water supplies for beneficial uses and the environment.

Stakeholders within the Sacramento region of northern California, led by Sacramento State's Office of Water Programs (OWP), are collaborating to develop a SWRP for the American River Basin. The Office of Water Programs at Sacramento State is submitting an application to receive a planning grant from the State Water Resources Control Board through its Proposition 1, Round 1 Planning and Implementation Stormwater Grant Program (SWGPP). The project will involve coordinating with various cooperating entities and regional stakeholders, developing maps and spreadsheet tools for prioritizing and quantifying project benefits, and writing the plan. The ARB SWRP will be developed in accordance with the SWRP Guidelines issued by the State Water Board and, upon completion, adopted into the ARB Integrated Regional Water Management Plan (IRWMP). Project collaborators include staff members from multiple regional agencies/organizations, including: City of Sacramento Department of Utilities, County of Sacramento Stormwater Program, City of Roseville Stormwater Management Program, City of Elk Grove, Regional Water Authority, and the Valley Foothill Watershed Collaborative.

SCGA benefits include better definition of potential areas of groundwater recharge, support for and opportunities for additional groundwater recharge that would support long-term sustainability, and supporting development of the Groundwater Sustainability Plan for the subbasin.

The presentation will be given by Barbara Washburn with the California Office of Environmental Health Hazard Assessment and Maureen Kerner with the Sacramento State Office of Water Programs.

STAFF RECOMMENDATION:

Action: Direct the Executive Director to provide a letter of support and authorize the provision of in-kind services as appropriate.

Development of a Stormwater Resource Plan (SWRP) for the American River Basin

Maureen Kerner, P.E.
Office of Water Programs
California State University, Sacramento



SACRAMENTO
STATE





Overview

- What is a SWRP?
- SWRP requirements
- Proposed American River Basin SWRP
- Request for Collaboration
- Next Steps

What is a SWRP?

- Manages stormwater and dry weather runoff on a watershed scale
- Required to receive grants for runoff capture projects
 - Water Code §10563 /Senate Bill 985
 - Incentive to use runoff as a resource to:
 - improve water quality
 - reduce localized flooding
 - increase water supplies for beneficial uses

SWRP Requirements

- Define Watershed
- Involve Stakeholders
- List WQ Compliance Requirements
- Develop Quantitative Methods for:
 - Water quality benefits
 - Water supply and flood management benefits
 - Environmental and community benefits
- Identify and Prioritize Projects
- Describe Implementation
 - Strategy & schedule
 - Stakeholder involvement

Storm Water Resource Plan Guidelines



December 15, 2015

STATE WATER RESOURCES CONTROL BOARD
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY



Proposed ARB SWRP - Contents

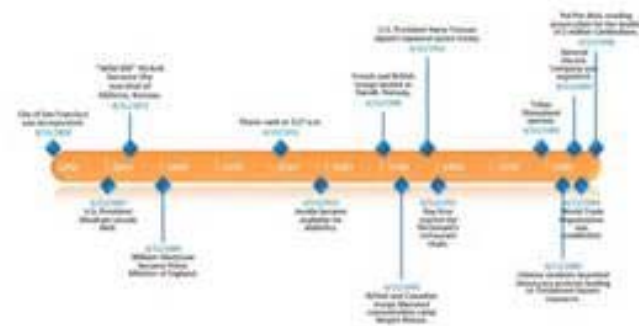
- Watershed
 - Expanded ARB IRWMP boundaries
- Stakeholder Involvement
 - Project collaborators – monthly meetings
 - Other stakeholders – IRWMP process
- WQ Compliance
 - TMDLs & NPDES/MS4 Permits
- Quantitative Methods
 - Tool box of spreadsheet calculations
- Projects and Prioritization
 - Develop maps, identify opportunities, define process
- Implementation
 - Strategy & schedule – TBD
 - Stakeholder involvement – IRWMP process



Figure 2-2. Watersheds and Surface Water Bodies

Proposed ARB SWRP - Timeline

- May – June 2016
 - Grant award and agreement development
- July 2016 – October 2017
 - Planning
 - Tool box & map development
 - SWRP writing and reviews
 - OPTI updates
- November –December 2017
 - IRWMP adoption
 - Grant close out
- January – September 2018
 - SWRP implementation
 - Planning for Prop 1, Round 2 implementation grants



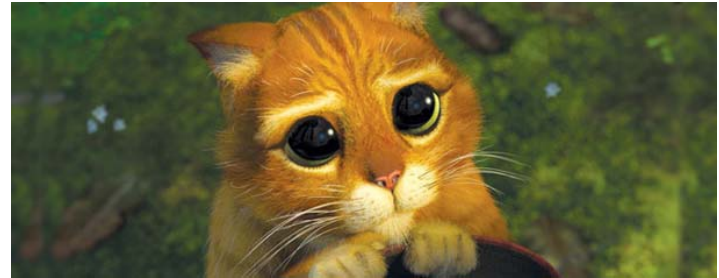
Proposed ARB SWRP - Funding

- SWRCB Prop 1 SWGP
 - Round 1 Planning and Implementation
- Collaborating Entities:
 - Regional Water Authority
 - Valley Foothill Watershed Collaborative
 - Sacramento Stormwater Quality Partnership
 - Placer Regional Stormwater Cooperating Group
 - Florin RCD
 - SAFCA
- Match Requirement – 50%
 - \$700K total project cost
 - \$350K match
- Matching Sources
 - RWA (\$10K for OPTI update)
 - In-kind labor from collaborating entities



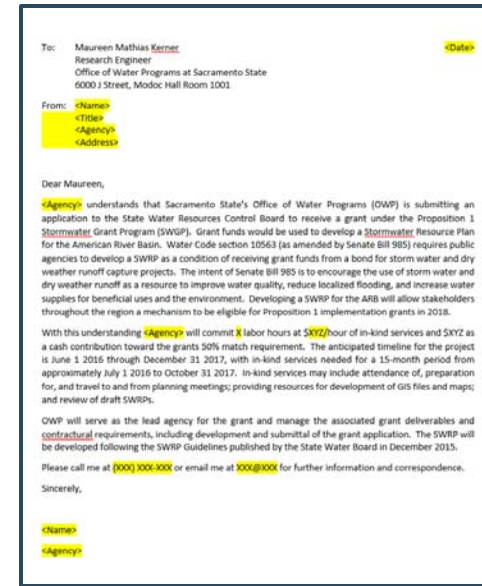
Request for Support

- **Benefits/Opportunities**
 - Permit compliance
 - Future grant funding
 - Project/program collaboration (shared costs)
- **Needs**
 - **In-kind services**
 - Attend monthly planning meetings
 - Review draft documents
 - Assist in stakeholder outreach
 - Provide resources for GIS files/maps
 - **Cash contributions**



Current Steps

- Gather Matching Commitments
- Gather Support Letters
- Submit Application
 - OWP is project lead
 - Due March 18 2016
 - Kickoff July 2016?
- Questions?
 - Maureen.kerner@owp.csus.edu
 - 916-278-8117



In-Kind Commitments for Development of a Stormwater Resource Plan for the American River Basin									
2/3/2016									
Identifier	Agency Name	Contact Name	Contact Email	Staff Title	In-Kind Hourly Rate (Direct Costs Only)	In-Kind Hours	Committed Labor Cost	Committed Cash Match	Total Match Commitment
1							\$0.00		\$0.00
2							\$0.00		\$0.00
3							\$0.00		\$0.00
4							\$0.00		\$0.00
5							\$0.00		\$0.00
6							\$0.00		\$0.00
7							\$0.00		\$0.00
8							\$0.00		\$0.00
9							\$0.00		\$0.00
10							\$0.00		\$0.00
11							\$0.00		\$0.00
12							\$0.00		\$0.00
13							\$0.00		\$0.00
14							\$0.00		\$0.00
15							\$0.00		\$0.00
16							\$0.00		\$0.00
17							\$0.00		\$0.00
18							\$0.00		\$0.00
19							\$0.00		\$0.00
20							\$0.00		\$0.00
21							\$0.00		\$0.00
22							\$0.00		\$0.00
23							\$0.00		\$0.00
								Total In-Kind	\$0.00

*Assumes approximately 14 month planning and review period

In-Kind Services Examples

- Attend Planning Meetings (up to 10)
- Review and comment on SWRP drafts (up to 4)
- Review and comment on OPTI Update
- Provide information for GIS files and maps (e.g., Native Habitats, Creeks, Lakes, Rivers, Parks, and other Natural/ Open Space)

AGENDA ITEM 8: GROUNDWATER PROGRAM UPDATE

BACKGROUND:

Staff will provide an update on groundwater elevation monitoring.

STAFF RECOMMENDATIONS:

Action: Information update.

AGENDA ITEM 9: EXECUTIVE DIRECTOR'S REPORT

- a) Update on regional groundwater activities
- b) Next Board meeting April 20
- c) Form 700
- d) Omochumne-Hartnell Water District meeting March 18, 2016

March 9, 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) **As a reminder the next Board meeting of the SCGA Board will be on April 20, 2016** – see the bottom of the agenda for details.
- c) **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/>

As part of the fiscal year 2014/2015 audit it was determined that a significant deficiency existed in that there were three Board members who did not submit a Form 700. Staff has worked diligently to encourage all Board members to file their Form 700 in a timely manner. Before the official audit report can be released a corrective action plan needs to be submitted to the auditor. The Fair Political Practices Commission (FPPC) outlines a process for those who do not file a Form 700; this process will be submitted to the auditor as the corrective action plan. Going forward, the filing officer will file a Statement of Economic Interests Form 700 Non-Filer Enforcement Referral form with the FPPC for those who do not file their Form 700.

- d) **Omochumne-Hartnell Water District meeting March 18, 2016** - While there is an exception to the Brown Act meeting requirements to allow for more than a quorum of a legislative body to attend an open and publicized meeting of another local agency (Gov Code 54952.2(c)(4)), Board members are advised that 1) they may not discuss among themselves business or issues within SCGA subject matter jurisdiction at the OHWD meeting (and should not do so until the appointed time at a SCGA meeting), and 2) should carefully consider any public comment/testimony they might offer that could be considered trying to influence a future decision by SCGA's Board or as pre-decisional before the collective SCGA Board has taken action.