

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Final 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

Forrest Williams called the meeting to order at 9:00 a.m.

Mr. Williams 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 Omochumne-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. OMOCHUMNE-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. Ocnosak 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. Ocnosak 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.

Mr. Werder departed the meeting prior to the conclusion of the discussion for this item.

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. Mr. Werder was not present for the vote.

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 prior to his departure from the meeting.

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. Mr. Werder was not present for the vote.

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 3/10/16



Date 3/10/16

