



Sacramento Central Groundwater Authority
*Managing Groundwater Resources
 in Central Sacramento County*

827 7th St, Rm 301
 Sacramento, CA 95814

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Darrell K. Eck
 Executive Director

May 11, 2017

- California-American Water Company
- City of Elk Grove
- City of Folsom
- City of Rancho Cordova
- City of Sacramento
- County of Sacramento
- Florin Resource Conservation District/Elk Grove Water Service
- Golden State Water Company
- Omochumne-Hartnell Water District
- Rancho Murieta Community Services District
- Sacramento Regional County Sanitation District
- Agricultural Representative
- Agricultural-Residential Representative
- Commercial/Industrial Representative
- Conservation Landowners
- Public Agencies/Self-Supplied Representative

California Secretary of State
 Special Filings
 PO Box 942870
 Sacramento, California 94277-2870

RE: Notice of Sacramento Central Groundwater Authority (SCGA) Joint Powers Agreement (JPA) First Amendment (California Government Code 6503.5)

To Whom It May Concern,

SCGA was formed as a Joint Powers Authority in 2006 pursuant to a joint powers agreement to manage groundwater resources within an area of Sacramento County. Pursuant to SCGA Resolution 2016-05, SCGA recommended on June 8, 2016 the five (5) signatories of the SCGA JPA (County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom, and City of Rancho Cordova) approve its First Amendment. The First Amendment will allow non-elected staff of three of SCGA's member entities to be nominated and appointed as a SCGA Board member. The First Amendment was approved and fully executed by the five (5) signatories on April 21, 2017. A fully executed copy of the First Amendment is enclosed, along with copies of the fully executed original JPA and resolutions of the governing bodies of the signatories approving its First Amendment.

Please contact Ramon Roybal at (916) 874-6826 if you have any questions or need further information.

Sincerely,

Darrell K. Eck
 Executive Director

Enclosures:

1. First Amendment to the Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento Creating the Sacramento Central Groundwater Authority
2. Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento Creating the Sacramento Central Groundwater Authority dated August 29, 2006
3. SCGA Resolution 2016-05 and Cities of Elk Grove, Folsom, Rancho Cordova, and Sacramento and County of Sacramento resolutions approving the First Amendment

Cc:

California State Controller
300 Capitol Mall, Suite 1850
Sacramento, California 95814

Sacramento Local Agency Formation Commission
1112 I Street, Suite 100
Sacramento, California 95814

Clerk of Sacramento Central Groundwater Authority
Via email only



State of California Secretary of State

FILE NO. _____

AMENDMENT OF A JOINT POWERS AGREEMENT

(Government Code section 6503.5)

Instructions:

1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870.
2. Include filing fee of \$1.00.
3. Do not include attachments.
4. A copy of the full text of the joint powers agreement and amendments, if any, must be submitted to the State Controller's office. For address information, contact the State Controller's office at www.sco.ca.gov.

(Office Use Only)

Date of filing initial notice with the Secretary of State: 12/28/2006

File number of initial notice: 2006

Name of the agency or entity created under the agreement and responsible for the administration of the agreement:
Sacramento Central Groundwater Authority

Agency's or Entity's Mailing Address: 827 7th Street, Room 301, Sacramento, CA 95814

Title of the agreement: First Amendment To The Joint Powers Agreement Between The City Of Elk Grove, The City Of Folsom, The City Of Rancho Cordova, The City Of Sacramento And The County Of Sacramento Creating The Sacramento Central Groundwater Authority

Complete one or more boxes below. The agreement has been amended to:

- Change the parties to the agreement as follows: _____
- Change the name of the administering agency or entity as follows: _____
- Change the purpose of the agreement or the powers to be exercised as follows: _____
- Change the short title of the agreement as follows: _____
- Make other changes to the agreement as follows: To incorporate a change to the Authority's governing board membership eligibility.

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME

ADDRESS

CITY/STATE/ZIP

5/11/2017

Date

Signature

Darrell Eck, Executive Director

Typed Name and Title

Enclosure 1:

First Amendment to the Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento
Creating the Sacramento Central Groundwater Authority

EXHIBIT 1

FIRST AMENDMENT TO THE JOINT POWERS AGREEMENT BETWEEN THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF RANCHO CORDOVA, THE CITY OF SACRAMENTO AND THE COUNTY OF SACRAMENTO CREATING THE SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

This First Amendment to the Joint Powers Agreement (“First Amendment”) 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, and the County of Sacramento, a political subdivision of the State of California (collectively the “Parties”) is made and entered into this ___ day of _____, 2017

WHEREAS, each of the Parties to this First Amendment is a local government entity functioning within the County of Sacramento; and

WHEREAS, the Parties entered into a Joint Powers Agreement dated August 29, 2006 (“Agreement”) pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code) to establish the Sacramento Central Groundwater Authority (“Authority”) and jointly exercise any power held in common by the agencies entering into such an Agreement; and

WHEREAS, each of the Parties hereto has under its police power the authority to regulate groundwater; and

WHEREAS, the Parties desire to amend the Agreement to incorporate a change to the Authority’s governing board membership eligibility;

WHEREAS, the amendment of the Agreement requires the affirmative vote of all governing bodies of the Parties;

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, and the City of Sacramento and the County of Sacramento hereby agree as follows:

- 1. Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.

EXHIBIT 1

2. **All Other Terms in Full Force and Effect.** The Parties shall continue to be bound by all terms and conditions of the Agreement, all of which are expressly incorporated into this First Amendment by this reference, except as expressly changed by this First Amendment.
3. **Section 5 of the Agreement.** The Parties agree to replace Section 5 of the Agreement in its entirety as specified herein:

“Membership Of The Governing 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 7 of the Agreement:

 - (a) An elected member of the governing board or designated employee of each of the following public agencies: the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, the County of Sacramento and the Sacramento Regional County Sanitation District.
 - (b) An elected member of the governing board or designated employee of each of the following public agencies: the Florin Resource Conservation District/Elk Grove Water Service, the Omochumne-Hartnell Water District, and the Rancho Murieta Community Services District.
 - (c) A member of the board of directors, or designee thereof, of each of the following private water purveyors or investor owned utilities: the California-American Water Company, and the Golden State Water Company.
 - (d) One representative of agricultural interests within the boundaries of the Authority.
 - (e) One representative of agriculture-residential groundwater users within the boundaries of the Authority.
 - (f) One representative of commercial/industrial self-supplied groundwater users within the boundaries of the Authority.

EXHIBIT 1

(g) One representative of conservation landowners within the boundaries of the Authority.

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

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

Dated: January 11, 2017
By [Signature]
Mayor

CITY OF ELK GROVE

Attest:
[Signature]
City Clerk

Approved As To Form:
[Signature]
City Attorney



Dated: 4/21/17
By [Signature]
Andrew J. Morin, Mayor

CITY OF FOLSOM

Attest:
[Signature]
Christa Freemantle, City Clerk

Approved As To Form:
[Signature]
Steven Wang, City Attorney

Dated: 2/10/17
By [Signature]
Mayor

CITY OF RANCHO CORDOVA

Attest:
[Signature]
City Clerk

Approved As To Form:
[Signature] Katherine Cook, Deputy City Atty
FOR City Attorney [Signature] Adam Lindgren



EXHIBIT 1

CITY OF SACRAMENTO

Dated: 4-4-17

By [Signature]
For: Howard Chan, City Manager

Attest:

[Signature]
ant City Clerk

Approved As To Form:

[Signature]
City Attorney

COUNTY OF SACRAMENTO

Dated: 2/16/17

By [Signature]
Chairperson, Board of Supervisors

Attest:

[Signature]
Clerk of the Board

Approved As To Form:

[Signature]
County Counsel

Enclosure 2:

Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento Creating the Sacramento Central Groundwater Authority dated August 29, 2006

JOINT POWERS AGREEMENT BETWEEN THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF RANCHO CORDOVA, THE CITY OF SACRAMENTO AND THE COUNTY OF SACRAMENTO CREATING THE SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

This Agreement is made and entered into this 29TH day of AUGUST, 2006, 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, and the County of Sacramento, a political subdivision of the State of California.

RECITALS

WHEREAS, each of the parties to this Agreement is a local government entity functioning within the County of Sacramento; and

WHEREAS, pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code), 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 hereto has under its police power the authority to regulate groundwater; and

WHEREAS, the parties are cognizant of the process commonly referred to as the Sacramento Area Water Forum (Water Forum) and of the Water Forum Agreement (WFA); and

WHEREAS, the WFA provided for the creation of a collaborative process composed of stakeholders in the Central Sacramento County Groundwater Basin (then known as the South Basin) to develop a groundwater management plan (GMP) for the basin and make recommendations on how and by whom the basin should be managed and the GMP implemented; and

WHEREAS, in accordance with the provisions of the WFA, the Sacramento Area Water Forum Successor Effort convened such a collaborative process, known as the Central Sacramento County Groundwater Forum (CSCGF); and

CITY AGREEMENT NO. 2006-0972

CITY 2006-0972
AGREEMENT NO. _____

WHEREAS, the CSCGF has completed its work on the GMP and recommended the establishment of a joint powers authority to manage the basin and implement the plan; and

WHEREAS, the parties hereto find that it is to their mutual advantage and benefit, and in the public interest, to establish such an authority pursuant to this Agreement in order to implement the GMP developed by the CSCGF; and

WHEREAS, the parties hereto find and declare that the conservation of groundwater resources within the Central Basin for agricultural and municipal and industrial uses is in the public interest and for the common benefit of all water users within the County of Sacramento; and

WHEREAS, one of the primary purposes of the joint powers authority established pursuant to this Agreement is to maintain the sustainable yield of the Central Basin as set forth in the GMP; and

WHEREAS, it is the desire of the parties hereto to use the groundwater management powers which they have in common that are necessary and appropriate to further the purposes for which the joint powers authority is being established; and

WHEREAS, the parties hereto may amend this Agreement in the future to incorporate changes that may be the result of discussions with other public agencies both inside and outside the County of Sacramento which have a specific and relevant interest in the Central Basin.

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, and the City of Sacramento and the County of Sacramento hereby agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.

2. **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 Authority that is established pursuant to the Joint Powers Act and this Agreement.
- (b) “Conjunctive use” shall mean the planned management and use of both groundwater and surface water in order to maintain the sustainable yield of the Central Basin.
- (c) “Central Basin” shall mean the groundwater basin underlying the area within the boundaries of the Authority.
- (d) “Sustainable yield” shall mean the amount of groundwater which can be safely extracted from the Central Basin on an estimated average annual basis while maintaining groundwater elevations and groundwater quality at acceptable levels as set forth in the Groundwater Management Plan. Sustainable yield requires a balance between extraction and basin recharge and is expressed as the number of acre feet of groundwater per year which can be extracted from the Central Basin on an average annual basis as set forth in the GMP.
- (e) “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.
- (f) “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 excluding the first five thousand (5000) acre-feet of groundwater pumping by each such user.

(g) "GMP" means the Central Sacramento Groundwater Management Plan produced by the Central Sacramento County Groundwater Forum and dated February 2006.

3. **Purpose.** This Agreement is being entered into in order to establish a joint powers authority for the following purposes:

- (a) to maintain the long-term sustainable yield of the Central Basin;
- (b) to ensure implementation of the Basin Management Objectives that are prescribed by the GMP;
- (c) to oversee the operation of any Well Protection Program that may be prescribed by the GMP;
- (d) to manage the use of groundwater in the Central Basin and 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; and
- (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.

4. **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 Authority. The boundaries of the Authority shall be as follows: on the north, the boundary shall be the American River; bounded on the south by the southern boundary of the Omochumne-Hartnell Water District; on the west by the Sacramento River and Interstate 5 and on the east by the Sacramento – El Dorado County line, as further and more precisely depicted in the boundary map, attached hereto and incorporated herein as Exhibit A.

5. **Membership Of The Governing 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 7 of this Agreement:

- (a) An elected member of the governing board or designated employee of each of the following public agencies: the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, the County of Sacramento and the Sacramento Regional County Sanitation District.
- (b) An elected member of the governing board of each of the following public agencies: the Florin Resource Conservation District/Elk Grove Water Service, the Omochumne-Hartnell Water District, and the Rancho Murieta Community Services District.
- (c) A member of the board of directors, or designee thereof, of each of the following private water purveyors or investor owned utilities: the California-American Water Company, and the Golden State Water Company.
- (d) One representative of agricultural interests within the boundaries of the Authority.
- (e) One representative of agriculture-residential groundwater users within the boundaries of the Authority.
- (f) One representative of commercial/industrial self-supplied groundwater users within the boundaries of the Authority.

- (g) One representative of conservation landowners within the boundaries of the Authority.
- (h) One representative of public agencies that are self-supplied groundwater users within the boundaries of the Authority.

6. **Adjustment To Composition Of Governing 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 governing board to accurately reflect groundwater production within the boundaries of the Authority.

7. **Appointment Of Members Of Governing Board.**

- (a) The members of the governing board of the Authority shall be appointed as follows:
 - (i) The City of Elk Grove representative shall be appointed by the Elk Grove City Council.
 - (ii) The City of Folsom representative shall be appointed by the Folsom City Council.
 - (iii) The City of Rancho Cordova representative shall be appointed by the Rancho Cordova City Council.
 - (iv) The City of Sacramento representative shall be appointed by the Sacramento City Council.
 - (v) The County of Sacramento representative shall be appointed by the Sacramento County Board of Supervisors ("Board").
 - (vi) The Florin Resource Conservation District/Elk Grove Water Service representative shall be appointed by the Elk Grove City Council.
 - (vii) The Golden State Water Company representative shall be appointed by the Rancho Cordova City Council.

(viii) The California-American Water Company representative shall be appointed by the Sacramento County Board of Supervisors.

(ix) In addition to the representative of the County of Sacramento provided for in Section 7 (a)(v), the following representatives shall be appointed by the Board:

1. Agricultural interests. After considering the nomination by the Sacramento County Farm Bureau, as required by sub-section (b) of this Section, the Board shall appoint the representative of agricultural interests.
2. Agriculture-residential groundwater users. After considering the nomination by the Vineyard Community Advisory Council in consultation with adjacent Councils within the Central Basin, as required by sub-section (b) of this Section, the Board shall appoint the representative of agricultural/ residential groundwater users.
3. Commercial/industrial self-supplied groundwater users. After considering the joint nomination by the Sacramento Metropolitan Chamber of Commerce and the Building Industry Association in consultation with commercial/industrial self-supplied groundwater users and business organizations that are signatories to the Water Forum Agreement, as required by sub-section (b) of this Section, the Board shall appoint the representative of commercial/industrial self-supplied groundwater users.
4. 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, as required by sub-section (b) of this Section, the Board shall appoint the representative of conservation land owners.

5. Omochumne-Hartnell Water District. After considering the nomination by the Omochumne-Hartnell Board of Directors, as required by sub-section (b) of this Section, the Board shall appoint the representative of the Omochumne-Hartnell Water District.
6. 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, as required by sub-section (b) of this Section, the Board shall appoint the representative of public agencies that are self-supplied groundwater users.
7. Rancho Murieta Community Services District. After considering the nomination by the Rancho Murieta Community Services District, as required by sub-section (b) of this Section 7, the Board shall appoint the representative of the Rancho Murieta Community Services District.
8. Sacramento Regional County Sanitation District. After considering the nomination by the Sacramento Regional County Sanitation District, as required by sub-section (b) of this Section, the Board

shall appoint the representative of the Sacramento Regional
County Sanitation District.

(b) Prior to the appointment of the representatives of the entities described in subsections (a)(vi) through (a)(ix) above, those entities shall submit a recommended appointment for their respective representatives to the appointing authority identified in subsections (a)(vi) through (a)(ix) of this Section 7. The appointing authority 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 5 of this Agreement.

8. Governing Board Voting Requirements.

(a) Each member of the governing board of the Authority shall have one vote. With the exception of fiscal items as set forth in subsections (b) and (c) below, an affirmative vote by a majority of all members of the governing board is required to approve any item related to implementation of the Groundwater Management Plan.

(b) Fiscal items, including, but not limited to, approval of the annual budget of the Authority and any expenditures, shall require an affirmative vote by a majority of all the members of the governing board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento.

(c) Any change in annual contributions necessary to support the work of the Authority as set forth in subsection (d) below, shall require an affirmative vote of eleven of the sixteen members of the governing board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento.

- (d) The Authority shall initially be funded as follows:
- (i) An annual contribution by the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento in the amount of ten thousand dollars (\$10,000.00) each. (These entities shall not be required to pay any additional fee or assessment, such as that described in subsection (d)(ii) below.)
 - (ii) An annual contribution by each of those water purveyors represented on the Governing Board, other than the entities listed in subsection (d)(i) above, that purvey surface water in the amount of six thousand dollars (\$6,000.00).
 - (iii) An annual contribution by each of those water purveyors represented on the Governing Board, other than the entities listed in subsection (d)(i) above, that utilize groundwater, calculated at the rate of two dollars and seven cents (\$2.07) per acre foot of groundwater pumped from the basin, averaged over the three previous years and excluding the first five thousand (5000) acre feet pumped in each of those years.
 - (iv) An annual contribution by agriculture computed at twenty five percent (25%) of the estimated annual pumping (as determined by the Sacramento County Water Agency) at the rate of two dollars and seven cents (\$2.07) per acre foot and paid out of SCWA Zone 13 funds.
 - (v) An annual contribution by agriculture/residential groundwater users computed at twenty five percent (25%) of the estimated annual pumping (as determined by the Sacramento County Water Agency) at the rate of

two dollars and seven cents (\$2.07) per acre foot and paid out of SCWA Zone 13 funds.

(vi) All annual funds shall be paid by July 1 of each year, commencing on July 1, 2006. 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.

(e) The governing board of the Authority may, at its discretion, adjust the funding contributions set forth in sub-section (d) above, subject to compliance with the voting requirements prescribed in sub-section (c) above.

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

10. **Terms Of Office.** With the exception of the initial term of the representatives appointed by the County of Sacramento as described in Section 7 (a)(ix), the term of office of each member of the governing board the Authority shall be for a period of four (4) years. For the purpose of providing staggered terms of office, the term of the initial representatives appointed by the County of Sacramento as described in Section 7 (a)(ix) shall be for a period of two (2) years. Thereafter, the term of office of each representative appointed by the County of Sacramento as described in Section 7 (a)(ix) shall be for a period of four (4) years. Each member of the governing board shall serve at the pleasure of the appointing body and may be removed as a member of the governing 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 7 of this Agreement within ninety (90) days of the date that such position becomes vacant.

11. Alternates. The City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento and the County of Sacramento, in addition to their regular appointments, shall appoint one or more persons with the required qualifications to serve as alternate members of the governing board of the Authority. The other entities described in Section 7 (a) (vi) through (a) (ix), which may nominate their respective representatives, may also nominate one or more persons with the required qualifications to serve as alternate members of the governing board of the Authority and such alternates shall be appointed pursuant to the procedure for regular appointments set forth in Section 7(b) of this Agreement. Any such alternates who are appointed as alternates by the appointing authorities specified in Section 7(a)(vi) through (a)(ix) shall be empowered to cast votes in the absence of the regular members or, in the event of a conflict of interest preventing the regular member from voting, to vote because of such a conflict of interest.

12. Organization Of The Authority. The governing board of the Authority shall elect a chair, a vice chair and such other officers as the governing board shall find appropriate. Such officers shall serve for a term of one (1) year unless sooner terminated at the pleasure of the governing board.

13. Treasurer, Controller, Clerk and Legal Counsel.

(a) 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.

(b) The governing board of the Authority shall appoint a clerk and legal counsel as it deems appropriate.

14. Executive Director. The governing board of the Authority, with the concurrence of the Sacramento County Water Agency, shall appoint an Executive Director who shall be responsible to the governing board for the proper and efficient administration of the Authority as directed by the governing board pursuant to the provisions of this Agreement or of any ordinance, resolution or order of the governing 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 governing board, to plan, organize and direct all Authority activities;
- (b) to authorize expenditures within the designations and limitations of the budget approved by the governing board;
- (c) to make recommendations to and requests of the governing board concerning any matter which is to be performed, done or carried out by the governing 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.

15. 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 1 of Division 2 of Title 5 of the Government Code) or with any successor provision.

16. **Minutes.** The clerk appointed by the governing body of the Authority shall cause to be kept minutes of all meetings of the governing board, and shall cause a copy of such minutes to be forwarded to each member of the governing board, alternates and to the chief administrative officer of each of the signatory agencies.

17. **Powers and Functions.**

(a) The Authority shall have no power to regulate land use or to engage in the retail sale of water.

(b) Subject to the limitations set forth in subsection (a), the Authority shall have any and all powers commonly held by the parties hereto necessary or appropriate to regulate groundwater within the boundaries of the Authority including, but not limited to, the following powers:

(i) Collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Central Basin;

(ii) Facilitate any Conjunctive Use program the purpose of which is to maintain the sustainable yield in the Central Basin consistent with the GMP;

(iii) Distribute water in exchange for ceasing or reducing groundwater extractions;

(iv) Spread, sink and inject water into the Central Basin;

(v) Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the Authority;

(vi) Study and plan ways and means to implement any or all of the foregoing powers.

(c) For purposes of exercising the authority set forth in subsection (b), and subject to the limitations set forth in subsection (a), the Authority shall have the following corporate and political powers:

- (i) To sue and be sued in all actions and proceedings in all courts and tribunals.
- (ii) To adopt a seal and alter it at its discretion.
- (iii) For the common benefit of the Authority, to store water in underground water basins or reservoirs within and outside the Authority, to appropriate water and acquire water rights within or outside the Authority, to import water into the Authority, and to conserve, or cause the conservation of, water within or outside the Authority.
- (iv) 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.
- (v) To cause taxes, assessments, fees or charges to be levied in accordance with applicable State law, and in a manner consistent with the GMP to accomplish the purposes of the Authority.
- (vi) To require the permitting of groundwater extraction facilities within the boundaries of the Authority, to maintain a record of extraction with respect to any such facilities, and to require the installation of meters on groundwater extraction facilities for the purpose of determining the amount of groundwater being extracted from the Central Basin.

- (vii) To make contracts, employ labor and to do all acts necessary for the full exercise of the Authority's powers.
- (viii) To carry on technical and other investigations of all kinds necessary to further the purposes of the Authority.
- (ix) To fix rates at which water acquired by the Authority shall be sold for replenishment purposes, and to establish different rates for different classes of service or conditions of service, provided that the rates shall be uniform for like classes and conditions of service.
- (x) To participate in any contract under which producers may voluntarily agree to use surface water in lieu of groundwater, and to that end the Authority may become a party to the contract and pay from Authority funds that portion of the cost of the surface water as will encourage the purchase and use of that water in lieu of pumping so long as persons or property within the boundaries of the Authority are directly or indirectly benefitted by the resulting replenishment of the Central Basin.
- (xi) 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.

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

19. Adoption of the Central Sacramento County Groundwater Management

Plan. Within sixty (60) days after the first meeting of the governing board of the Authority, the governing board shall consider for adoption the Central Sacramento County Groundwater Management Plan (CSCGMP) negotiated by the Central Sacramento County Groundwater Forum and dated February, 2006. The governing board of the Authority may revise the CSCGMP subsequent to its adoption as it deems appropriate.

20. Implementation of the Well Protection Program. In order to facilitate the implementation of the Well Protection Program described in the Central Sacramento County Groundwater Management Plan, within sixty (60) days after the first meeting of the governing board of the Authority, the governing board shall submit to each of the entities who are signatories to this Agreement, and who have land use authority for areas within the boundaries of the Authority where new development will or may be served by groundwater, a draft Well Protection Plan ordinance to consider for adoption.

21. Termination. This Agreement shall remain in effect until terminated by one of the parties hereto pursuant to this section. This Agreement may be terminated by any of the parties hereto at any time and for any reason by providing ninety (90) days written notice of termination to the other parties.

22. Disposition Of Authority Assets Upon Termination.

(a) 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.

(b) 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 the parties hereto in proportion to the contribution of each party during the term of this Agreement.

(c) 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 governing board of the Authority between the successor public entity and the parties hereto.

23. **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.

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

25. **Effective Date.** This agreement and the Authority created under it shall become effective when the governing bodies of all of the parties shall have authorized its execution.

26. **Amendments.** This Agreement may only be amended by the affirmative vote of the governing bodies of all of the parties hereto.

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

29. **Liability of Board, Officers and Employees.**

(a) 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.

(b) 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.

(c) 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.

30. 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
Att: City Engineer

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

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

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

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

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.

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

Dated: August 9, 2006

CITY OF ELK GROVE

By *Rick Soares*
Rick Soares,
Mayor

Attest:

Peggy E. Jackson
Peggy E. Jackson,
City Clerk

Approved As To Form:

Anthony B. Manzanetti
Anthony B. Manzanetti,
City Attorney

Dated: 8-25-06

CITY OF FOLSOM

By *Andy Morin*
Andy Morin,
Mayor

Attest:

Christa Schmidt
Christa Schmidt,
City Clerk

Approved As To Form:

Bruce C. Cline 8/24/06
Bruce C. Cline,
City Attorney

Dated: August 24, 2006

CITY OF RANCHO CORDOVA

By *Robert J. McGarvey*
Robert J. McGarvey,
Mayor

Attest:

Lillian Hare
Lillian Hare,
City Clerk

Approved As To Form:

Steve Myers
Steve Myers,
City Attorney



CITY AGREEMENT NO. 2006-0972

CITY OF SACRAMENTO

Dated: 9-5-06

By Heather Fargo
Heather Fargo,
Mayor

Attest:

Shirley Concolino
Shirley Concolino,
City Clerk

Approved As To Form:

Eileen Teichert
Eileen Teichert,
City Attorney



8 2006

COUNTY OF SACRAMENTO

By Roberta MacGlashan
Roberta MacGlashan
Chairperson, Board of Supervisors

Attest:

Cindy H. Turner
Cindy H. Turner,
Clerk of the Board

Approved As To Form:

John F. Whit
John Whisenhunt
Assistant County Counsel

CITY
AGREEMENT NO. 2006-0972

RESOLUTION NO. 2006-635

Adopted by the Sacramento City Council

August 29, 2006

JOINT POWERS AGREEMENT CREATING THE CENTRAL SACRAMENTO GROUNDWATER AUTHORITY AND APPOINTING REPRESENTATIVES TO THE AUTHORITY

BACKGROUND

- A. In April 2000, the City signed the Water Forum Agreement.
- B. The Central Sacramento County Groundwater Forum (CSCGF) was initiated in 2002 by the Water Forum to, among other things, recommend a governance structure for the central Sacramento County groundwater basin.
- C. Stakeholders in the CSCGF have recommended the formulation of a joint powers agreement to create an independent board of directors to manage the basin. Signatories to the JPA are recommended to be the cities of Sacramento, Elk Grove, Folsom, Rancho Cordova and the County of Sacramento.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Joint Powers Agreement creating the Central Sacramento Groundwater Authority (CSGA) is hereby approved.
- Section 2. The City Manager, or his authorized designee, is hereby appointed as the representative to the CSGA.
- Section 3. The City Manager's authorized designee is hereby appointed as the alternate representative to the CSGA.

Adopted by the City of Sacramento City Council on August 29, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: None.

Heather Fargo
Mayor, Heather Fargo

Attest:
Shirley Concolino
Shirley Concolino, City Clerk

Enclosure 3:

SCGA Resolution 2016-05 and Cities of Elk Grove, Folsom, Rancho Cordova, and Sacramento and County of Sacramento resolutions approving the First Amendment

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

RESOLUTION NO. 2016- 05

RESOLUTION RECOMMENDING THE FIRST AMENDED AND RESTATED JOINT POWERS AGREEMENT BETWEEN THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF RANCHO CORDOVA, THE CITY OF SACRAMENTO AND THE COUNTY OF SACRAMENTO CREATING THE SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

WHEREAS, the Sacramento Central Groundwater Authority (“SCGA”) was established on August 29, 2006 pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code) by agreement of the County of Sacramento and the cities of Elk Grove, Folsom, Rancho Cordova, and Sacramento (“Parties”) to regulate groundwater by a collaborative process composed of stakeholders in the Central Sacramento County Groundwater Basin (“Central Basin”) and to develop and implement a groundwater management plan (“GMP”) to promote the use of groundwater resources within the Central Basin for agricultural and municipal and industrial uses in the public interest and for the common benefit of all water users within the County of Sacramento (“Agreement”); and

WHEREAS, the Agreement identifies SCGA’s governing body as a Board of Directors of sixteen (16) members representing various public agencies and interests; and,

WHEREAS, SCGA desires to amend and restate the Agreement to modify its governing board membership eligibility; and,

WHEREAS, any amendment of the Agreement requires the affirmative vote of all governing bodies of the Parties;

NOW, THEREFORE, BE IT RESOLVED the SCGA Board of Directors:

1. Recommends that the governing bodies of the Parties consider and approve the First Amended and Restated Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento Creating the Sacramento Central Groundwater Authority (“First Amended and Restated Agreement”), in the form attached hereto as Exhibit 1; and
2. Directs the Executive Director of SCGA, if requested, to assist in presentation of the First Amended and Restated Agreement to the governing bodies of the Parties.

ON A MOTION by Director WERDER, and seconded by Director THOMPSON, the foregoing resolution was passed and adopted by the Board of Directors of SCGA this 8th day of June, 2016, by the following vote, to wit:

AYES: Directors, FRAGIAD, EISING, QUINN, EWART, NELSON, MAHON, WERDER, BETTIS, LOWRY, RAMIREZ, ANDERSON

NOES: Directors,

RECUSAL: Directors,
(PER POLITICAL REFORM ACT (§ 18702.5))

ABSENT: Directors, MARTEL

ABSTAIN: Directors,


Chair of the Board of Directors
of the Sacramento Central Groundwater Authority,
a duly formed Joint Powers Authority



TESTEST: 
Clerk of the Board of Directors of
the Sacramento Central Groundwater Authority

EXHIBIT 1

FINAL VERSION

FIRST AMENDED AND RESTATED JOINT POWERS AGREEMENT BETWEEN THE CITY OF ELK GROVE, THE CITY OF FOLSOM, THE CITY OF RANCHO CORDOVA, THE CITY OF SACRAMENTO AND THE COUNTY OF SACRAMENTO CREATING THE SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

This First Amended and Restated Joint Powers Agreement (“First Amended and Restated Agreement”) 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, and the County of Sacramento, a political subdivision of the State of California (collectively the “Parties”) is made and entered into this ___ day of _____, 2016, and supersedes the original Joint Powers Agreement dated August 29, 2006.

RECITALS

WHEREAS, each of the Parties to this First Amended and Restated Agreement is a local government entity functioning within the County of Sacramento; and

WHEREAS, the Parties entered into a Joint Powers Agreement dated August 29, 2006 (“Agreement”) pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code) to establish the Sacramento Central Groundwater Authority (“Authority”) and jointly exercise any power held in common by the agencies entering into such an Agreement; and

WHEREAS, each of the Parties hereto has under its police power the authority to regulate groundwater; and

WHEREAS, the Parties are cognizant of the process commonly referred to as the Sacramento Area Water Forum (“Water Forum”) and of the Water Forum Agreement (“WFA”); and

WHEREAS, the WFA provided for the creation of a collaborative process composed of stakeholders in the Central Sacramento County Groundwater Basin (then known as the South

Basin) to develop a groundwater management plan (“GMP”) for the basin and make recommendations on how and by whom the basin should be managed and the GMP implemented; and

WHEREAS, in accordance with the provisions of the WFA, the Sacramento Area Water Forum Successor Effort convened such a collaborative process, known as the Central Sacramento County Groundwater Forum (“CSCGF”); and

WHEREAS, the CSCGF has completed its work on the GMP and recommended the establishment of a joint powers authority to manage the basin and implement the plan; and

WHEREAS, the Parties hereto find that it is to their mutual advantage and benefit, and in the public interest, to establish such an authority pursuant to this Agreement in order to implement the GMP developed by the CSCGF; and

WHEREAS, the Parties hereto find and declare that the conservation of groundwater resources within the Central Basin for agricultural and municipal and industrial uses is in the public interest and for the common benefit of all water users within the County of Sacramento; and

WHEREAS, one of the primary purposes of the joint powers authority established pursuant to the Agreement is to maintain the sustainable yield of the Central Basin as set forth in the GMP; and

WHEREAS, it is the desire of the Parties hereto to use the groundwater management powers which they have in common that are necessary and appropriate to further the purposes for which the joint powers authority is established; and

WHEREAS, the Parties desire amend and restate the Agreement to incorporate changes to the Authority’s governing board membership eligibility;

WHEREAS, the amendment of the Agreement requires the affirmative vote of all governing bodies of the Parties;

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, and the City of Sacramento and the County of Sacramento hereby agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.

2. **Definitions.** As used in this First Amended and Restated 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 Authority that is established pursuant to the Joint Powers Act, the Agreement, and this First Amended and Restated Agreement.

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

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

(d) “Sustainable yield” shall mean the amount of groundwater which can be safely extracted from the Central Basin on an estimated average annual basis while maintaining groundwater elevations and groundwater quality at acceptable levels as set forth in the Groundwater Management Plan. Sustainable yield requires a balance between extraction and basin recharge and is expressed as the number of acre feet of groundwater per year

which can be extracted from the Central Basin on an average annual basis as set forth in the GMP.

(e) “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.

(f) “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 excluding the first five thousand (5000) acre-feet of groundwater pumping by each such user.

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

3. Purpose. This First Amended and Restated Agreement is being entered into in order to establish a joint powers authority for the following purposes:

- (a) to maintain the long-term sustainable yield of the Central Basin;
- (b) to ensure implementation of the Basin Management Objectives that are prescribed by the GMP;
- (c) to oversee the operation of any Well Protection Program that may be prescribed by the GMP;
- (d) to manage the use of groundwater in the Central Basin and 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; and

(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.

4. **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 First Amended and Restated Agreement. The name of such entity shall be the Central Sacramento Basin Groundwater Authority. The boundaries of the Authority shall be as follows: on the north, the boundary shall be the American River; bounded on the south by the southern boundary of the Omochumne-Hartnell Water District; on the west by the Sacramento River and Interstate 5 and on the east by the Sacramento – El Dorado County line, as further and more precisely depicted in the boundary map, attached hereto and incorporated herein as Exhibit A.

5. **Membership Of The Governing 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 7 of this First Amended and Restated Agreement:

(a) An elected member of the governing board or designated employee of each of the following public agencies: the City of Elk Grove, the City of Folsom, the City of Rancho

Cordova, the City of Sacramento, the County of Sacramento and the Sacramento Regional County Sanitation District.

- (b) An elected member of the governing board or designated employee of each of the following public agencies: the Florin Resource Conservation District/Elk Grove Water Service, the Omochumne-Hartnell Water District, and the Rancho Murieta Community Services District.
- (c) A member of the board of directors, or designee thereof, of each of the following private water purveyors or investor owned utilities the California-American Water Company, and the Golden State Water Company.
- (d) One representative of agricultural interests within the boundaries of the Authority.
- (e) One representative of agriculture-residential groundwater users within the boundaries of the Authority.
- (f) One representative of commercial/industrial self-supplied groundwater users within the boundaries of the Authority.
- (g) One representative of conservation landowners within the boundaries of the Authority.
- (h) One representative of public agencies that are self-supplied groundwater users within the boundaries of the Authority.

6. **Adjustment To Composition Of Governing Board.** Should circumstances change in the future, any person or entity may petition the parties hereto to amend this First Amended and Restated Agreement so as to add or delete representatives to the governing board to accurately reflect groundwater production within the boundaries of the Authority.

7. **Appointment Of Members Of Governing Board.**

- (a) The members of the governing board of the Authority shall be appointed as follows:

- (i) The City of Elk Grove representative shall be appointed by the Elk Grove City Council.
- (ii) The City of Folsom representative shall be appointed by the Folsom City Council.
- (iii) The City of Rancho Cordova representative shall be appointed by the Rancho Cordova City Council.
- (iv) The City of Sacramento representative shall be appointed by the Sacramento City Council.
- (v) The County of Sacramento representative shall be appointed by the Sacramento County Board of Supervisors (“Board”).
- (vi) The Florin Resource Conservation District/Elk Grove Water Service representative shall be appointed by the Elk Grove City Council.
- (vii) The Golden State Water Company representative shall be appointed by the Rancho Cordova City Council.
- (viii) The California-American Water Company representative shall be appointed by the Sacramento County Board of Supervisors.
- (ix) In addition to the representative of the County of Sacramento provided for in Section 7 (a)(v), the following representatives shall be appointed by the Board:
 - 1. Agricultural interests. After considering the nomination by the Sacramento County Farm Bureau, as required by sub-section (b) of this Section, the Board shall appoint the representative of agricultural interests.

2. Agriculture-residential groundwater users. After considering the nomination by the Vineyard Community Advisory Council in consultation with adjacent Councils within the Central Basin, as required by sub-section (b) of this Section, the Board shall appoint the representative of agricultural/ residential groundwater users.
3. Commercial/industrial self-supplied groundwater users. After considering the joint nomination by the Sacramento Metropolitan Chamber of Commerce and the Building Industry Association in consultation with commercial/industrial self-supplied groundwater users and business organizations that are signatories to the Water Forum Agreement, as required by sub-section (b) of this Section, the Board shall appoint the representative of commercial/industrial self-supplied groundwater users.
4. 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, as required by sub-section (b) of this Section, the Board shall appoint the representative of conservation land owners.
5. Omochumne-Hartnell Water District. After considering the nomination by the Omochumne-Hartnell Board of Directors, as required by sub-section (b) of this Section, the Board shall appoint the representative of the Omochumne-Hartnell Water District.

6. 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, as required by sub-section (b) of this Section, the Board shall appoint the representative of public agencies that are self-supplied groundwater users.
7. Rancho Murieta Community Services District. After considering the nomination by the Rancho Murieta Community Services District, as required by sub-section (b) of this Section 7, the Board shall appoint the representative of the Rancho Murieta Community Services District.
8. Sacramento Regional County Sanitation District. After considering the nomination by the Sacramento Regional County Sanitation District, as required by sub-section (b) of this Section, the Board shall appoint the representative of the Sacramento Regional County Sanitation District.

(b) Prior to the appointment of the representatives of the entities described in subsections (a)(vi) through (a)(ix) above, those entities shall submit a recommended appointment for their respective representatives to the appointing authority identified in subsections (a)(vi) through (a)(ix) of this Section 7. The appointing authority 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 5 of this Agreement.

8. **Governing Board Voting Requirements.**

- (a) Each member of the governing board of the Authority shall have one vote. With the exception of fiscal items as set forth in subsections (b) and (c) below, an affirmative vote by a majority of all members of the governing board is required to approve any item related to implementation of the Groundwater Management Plan.
- (b) Fiscal items, including, but not limited to, approval of the annual budget of the Authority and any expenditures, shall require an affirmative vote by a majority of all the members of the governing board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento.
- (c) Any change in annual contributions necessary to support the work of the Authority as set forth in subsection (d) below, shall require an affirmative vote of eleven of the sixteen members of the governing board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento.
- (d) The Authority was initially funded as follows:
 - (i) An annual contribution by the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento in the amount of ten thousand dollars (\$10,000.00) each. (These entities shall not be required to pay any additional fee or assessment, such as that described in subsection (d)(ii) below.)
 - (ii) An annual contribution by each of those water purveyors represented on the Governing Board, other than the entities listed in subsection (d)(i) above, that purvey surface water in the amount of six thousand dollars (\$6,000.00).

- (iii) An annual contribution by each of those water purveyors represented on the Governing Board, other than the entities listed in subsection (d)(i) above, that utilize groundwater, calculated at the rate of two dollars and seven cents (\$2.07) per acre foot of groundwater pumped from the basin, averaged over the three previous years and excluding the first five thousand (5000) acre feet pumped in each of those years.
 - (iv) An annual contribution by agriculture computed at twenty five percent (25%) of the estimated annual pumping (as determined by the Sacramento County Water Agency) at the rate of two dollars and seven cents (\$2.07) per acre foot and paid out of SCWA Zone 13 funds.
 - (v) An annual contribution by agriculture/residential groundwater users computed at twenty five percent (25%) of the estimated annual pumping (as determined by the Sacramento County Water Agency) at the rate of two dollars and seven cents (\$2.07) per acre foot and paid out of SCWA Zone 13 funds.
 - (vi) All annual funds shall be paid by July 1 of each year, commencing on July 1, 2006. The annual fee for the first year after the effective date of the Agreement shall be prorated from the date of the last signatory approval establishing the Authority.
- (e) The governing board of the Authority may, at its discretion, adjust the funding contributions set forth in sub-section (d) above, subject to compliance with the voting requirements prescribed in sub-section (c) above.

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

10. **Terms Of Office.** With the exception of the initial term of the representatives appointed by the County of Sacramento as described in Section 7 (a)(ix), the term of office of each member of the governing board the Authority shall be for a period of four (4) years. For the purpose of providing staggered terms of office, the term of the initial representatives appointed by the County of Sacramento as described in Section 7 (a)(ix) shall be for a period of two (2) years. Thereafter, the term of office of each representative appointed by the County of Sacramento as described in Section 7 (a)(ix) shall be for a period of four (4) years. Each member of the governing board shall serve at the pleasure of the appointing body and may be removed as a member of the governing 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 7 of this First Amended and Restated Agreement within ninety (90) days of the date that such position becomes vacant.

11. **Alternates.** The City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento and the County of Sacramento, in addition to their regular appointments, shall appoint one or more persons with the required qualifications to serve as alternate members of the governing board of the Authority. The other entities described in Section 7 (a) (vi) through (a) (ix), which may nominate their respective representatives, may also nominate one or more persons with the required qualifications to serve as alternate members of the governing board of the Authority and such alternates shall be appointed pursuant to the procedure for regular appointments set forth in Section 7(b) of this First Amended and Restated Agreement. Any such alternates who are appointed as alternates by the appointing authorities

specified in Section 7(a)(vi) through (a)(ix) shall be empowered to cast votes in the absence of the regular members or, in the event of a conflict of interest preventing the regular member from voting, to vote because of such a conflict of interest.

12. **Organization Of The Authority.** The governing board of the Authority shall elect a chair, a vice chair and such other officers as the governing board shall find appropriate. Such officers shall serve for a term of one (1) year unless sooner terminated at the pleasure of the governing board.

13. **Treasurer, Controller, Clerk and Legal Counsel.**

(a) 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.

(b) The governing board of the Authority shall appoint a clerk and legal counsel as it deems appropriate.

14. **Executive Director.** The governing board of the Authority, with the concurrence of the Sacramento County Water Agency, shall appoint an Executive Director who shall be responsible to the governing board for the proper and efficient administration of the Authority as directed by the governing board pursuant to the provisions of this First Amended and Restated

Agreement or of any ordinance, resolution or order of the governing 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 governing board, to plan, organize and direct all Authority activities;
- (b) to authorize expenditures within the designations and limitations of the budget approved by the governing board;
- (c) to make recommendations to and requests of the governing board concerning any matter which is to be performed, done or carried out by the governing 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.

15. 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 1 of Division 2 of Title 5 of the Government Code) or with any successor provision.

16. Minutes. The clerk appointed by the governing body of the Authority shall cause to be kept minutes of all meetings of the governing board, and shall cause a copy of such minutes to be forwarded to each member of the governing board and to the chief administrative officer of each of the signatory agencies.

17. Powers and Functions.

- (a) The Authority shall have no power to regulate land use or to engage in the retail sale of water.
- (b) Subject to the limitations set forth in subsection (a), the Authority shall have any and all powers commonly held by the parties hereto necessary or appropriate to regulate

groundwater within the boundaries of the Authority including, but not limited to, the following powers:

- (i) Collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Central Basin;
 - (ii) Facilitate any Conjunctive Use program the purpose of which is to maintain the Sustainable yields in the Central Basin consistent with the GMP;
 - (iii) Distribute water in exchange for ceasing or reducing groundwater extractions;
 - (iv) Spread, sink and inject water into the Central Basin;
 - (v) Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the Authority;
 - (vi) Study and plan ways and means to implement any or all of the foregoing powers.
- (c) For purposes of exercising the authority set forth in subsection (b), and subject to the limitations set forth in subsection (a), the Authority shall have the following corporate and political powers:
- (i) To sue and be sued in all actions and proceedings in all courts and tribunals.
 - (ii) To adopt a seal and alter it at its discretion.
 - (iii) For the common benefit of the Authority, to store water in underground water basins or reservoirs within and outside the Authority, to appropriate water and acquire water rights within or outside the Authority, to import water into the Authority, and to conserve, or cause the conservation of, water within or outside the Authority.

- (iv) 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.
- (v) To cause taxes, assessments, fees or charges to be levied in accordance with applicable State law, and in a manner consistent with the GMP to accomplish the purposes of the Authority.
- (vi) To require the permitting of groundwater extraction facilities within the boundaries of the Authority, to maintain a record of extraction with respect to any such facilities, and to require the installation of meters on groundwater extraction facilities for the purpose of determining the amount of groundwater being extracted from the Central Basin.
- (vii) To make contracts, employ labor and to do all acts necessary for the full exercise of the Authority's powers.
- (viii) To carry on technical and other investigations of all kinds necessary to further the purposes of the Authority.
- (ix) To fix rates at which water acquired by the Authority shall be sold for replenishment purposes, and to establish different rates for different classes of service or conditions of service, provided that the rates shall be uniform for like classes and conditions of service.
- (x) To participate in any contract under which producers may voluntarily agree to use surface water in lieu of groundwater, and to that end the Authority may become a party to the contract and pay from Authority funds that portion of

the cost of the surface water as will encourage the purchase and use of that water in lieu of pumping so long as persons or property within the boundaries of the Authority are directly or indirectly benefitted by the resulting replenishment of the Central Basin.

(xi) 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.

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

19. **Adoption of the Central Sacramento County Groundwater Management Plan.** Within sixty (60) days after the first meeting of the governing board of the Authority, the governing board considered for adoption the Central Sacramento County Groundwater Management Plan (CSCGMP) negotiated by the Central Sacramento County Groundwater Forum and dated February, 2006. The governing board of the Authority may revise the CSCGMP subsequent to its adoption as it deems appropriate.

20. **Implementation of the Well Protection Program.** In order to facilitate the implementation of the Well Protection Program described in the Central Sacramento County Groundwater Management Plan, within sixty (60) days after the first meeting of the governing board of the Authority, the governing board submitted to each of the entities who are signatories to the Agreement, and who have land use authority for areas within the boundaries of the

Authority where new development will or may be served by groundwater, a draft Well Protection Plan ordinance to consider for adoption.

21. Termination. This First Amended and Restated Agreement shall remain in effect until terminated by one of the parties hereto pursuant to this section. This First Amended and Restated Agreement may be terminated by any of the parties hereto at any time and for any reason by providing ninety (90) days written notice of termination to the other parties.

22. Disposition Of Authority Assets Upon Termination.

(a) 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.

(b) 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 the parties hereto in proportion to the contribution of each party during the term of this First Amended and Restated Agreement.

(c) 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 governing board of the Authority between the successor public entity and the parties hereto.

23. 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 First Amended and Restated Agreement.

24. Rules. The governing board of the Authority may adopt from time to time such rules and regulations for the conduct of its affairs as it deems necessary and appropriate.

25. **Effective Date.** This First Amended and Restated Agreement shall become effective when the governing bodies of all of the parties shall have authorized its execution.

26. **Amendments.** This First Amended and Restated Agreement may only be amended by the affirmative vote of the governing bodies of all of the parties hereto.

28. **Liberal Construction.** The provisions of this First Amended and Restated Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Authority.

29. **Liability of Board, Officers and Employees.**

(a) 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 First Amended and Restated Agreement. They shall not be liable to the parties to this First Amended and Restated Agreement for of 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.

(b) 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 First Amended and Restated Agreement.

(c) 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.

30. **Notices.** Any notices to the parties required by this First Amended and Restated 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 Ave
Sacramento, CA 95822
Attn: Director, Department of Utilities

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

Notices given under this First Amended and Restated 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.

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

CITY OF ELK GROVE

Dated: _____

By _____
Mayor

Attest:

Approved As To Form:

City Clerk

City Attorney

CITY OF FOLSOM

Dated: _____

By _____
Mayor

Attest:

Approved As To Form:

City Clerk

City Attorney

CITY OF RANCHO CORDOVA

Dated: _____

By _____
Mayor

Attest:

Approved As To Form:

City Clerk

City Attorney

CITY OF SACRAMENTO

Dated: _____

By _____
Mayor

Attest:

Approved As To Form:

City Clerk

City Attorney

COUNTY OF SACRAMENTO

Dated: _____

By _____
Chairperson, Board of Supervisors

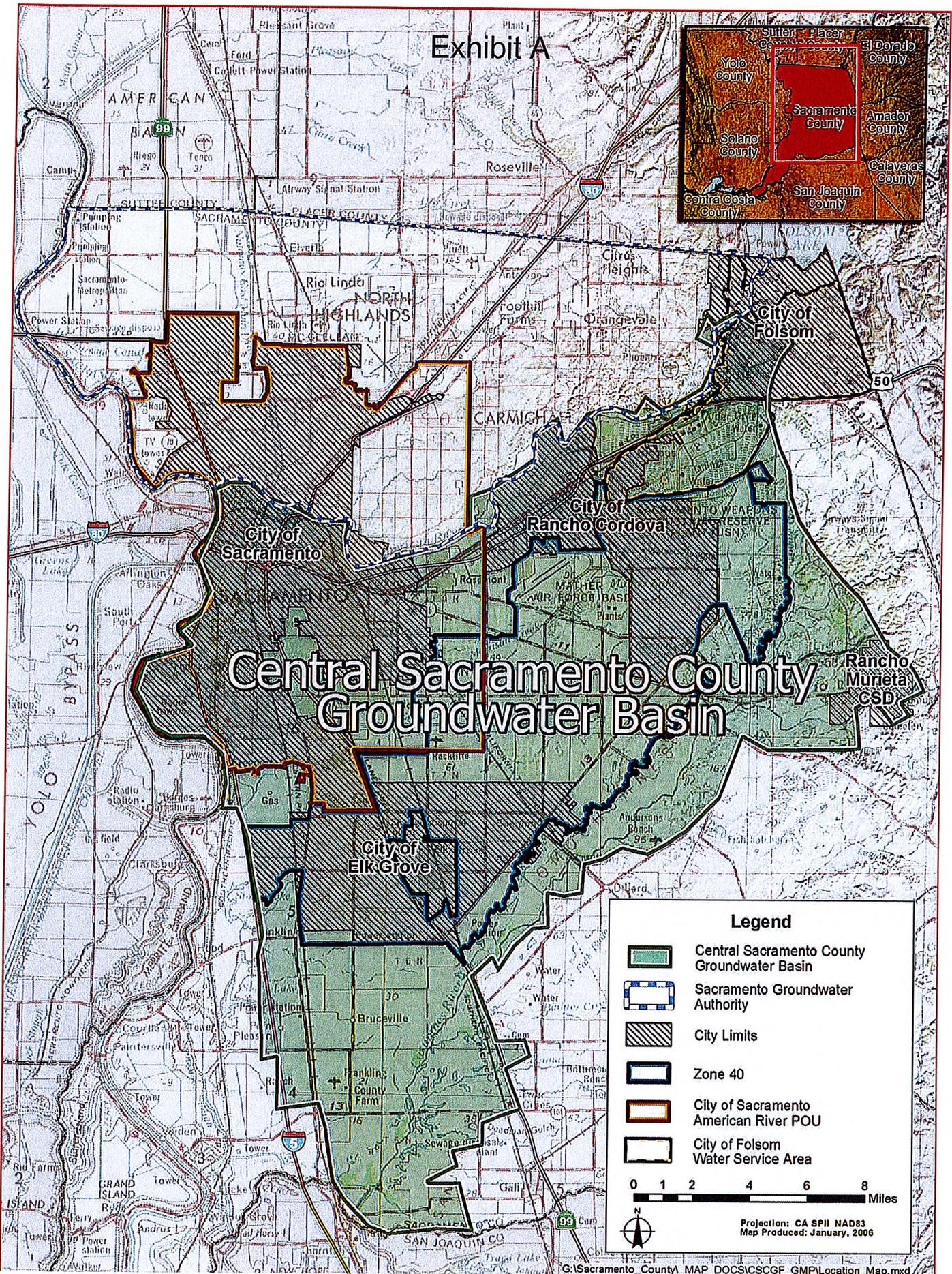
Attest:

Approved As To Form:

Clerk of the Board

County Counsel

Exhibit A



Central Sacramento County Groundwater Basin

Legend

- Central Sacramento County Groundwater Basin
- Sacramento Groundwater Authority
- City Limits
- Zone 40
- City of Sacramento American River POU
- City of Folsom Water Service Area

0 1 2 4 6 8 Miles

Projection: CA SPTI NAD83
Map Produced: January, 2006