

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY  
CALIFORNIA

5b

For the Agenda of:  
May 14, 2008

**APPROVED**  
**BOARD OF DIRECTORS**

To: Board of Directors  
Sacramento Central Groundwater Authority

Date 5/14/08

From: Staff

By Sharon Andrews  
Clerk of the Board

Subject: Adoption Of The Fiscal Year 2008-2009 Sacramento Central Groundwater Authority Budget, Authorize The Collection Of Annual Contributions, Establish The Well Protection Program Trust Fund And Adoption Of The Fiscal Year 2008-2009 Well Protection Program Budget

Contact: Darrell K. Eck, Executive Director, 874-5039

**Overview**

The Sacramento Central Groundwater Authority (Authority) was established to maintain the long-term sustainable yield of the Central Sacramento County Groundwater Basin (Central Basin) according to the provisions of the Central Sacramento County Groundwater Management Plan (Central Basin GMP). The Joint Powers Agreement (JPA) 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 Authority provides the funding mechanism necessary to implement this program. Collection of the contributions described in the JPA and adoption of the Authority's 2008-2009 fiscal year budget will provide the means for the Authority to implement this program. The Central Basin GMP also makes provision for a Well Protection Program (WPP). The JPA provides for the operation of any WPP that may be prescribed by the Central Basin GMP.

**Recommendations**

Staff recommends that your Board:

Adopt Resolution No. 2008-01 to fund Authority's administrative and program budget for fiscal year 2008-2009 and provide for the collection of the annual contributions described in the JPA; establish the WPP Trust Fund and fund the WPP for fiscal year 2008-2009.

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**BACKGROUND:**

In February 2006 the Central Basin GMP was completed and accepted by the Groundwater Forum. The Central Basin GMP reviews current and future water supply and demands and contains basin management objectives (BMOs) that address the rate of groundwater extraction, groundwater elevation, land surface subsidence, surface water flows and groundwater contamination. The Central Basin GMP also contains “trigger points” and remedies to ensure full implementation of the BMOs. It also provides for the protection of groundwater wells and establishes cooperative relationships with Sacramento County’s Environmental Management Department and other regulatory agencies to address groundwater contamination.

On August 29, 2006 the Cities of Folsom, Elk Grove, Rancho Cordova and Sacramento and the County of Sacramento executed a joint powers agreement creating the Sacramento Central Groundwater Authority (Authority). The purpose of the Authority is to maintain the long-term sustainable yield of the Central Basin; ensure implementation of the BMOs that are prescribed by the Central Basin GMP; oversee the operation of Well Protection Program prescribed by the Central Basin GMP; manage the use of groundwater in the Central Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors; 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 work collaboratively with other entities, including 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.

On November 8, 2006 the Board adopted the Central Basin GMP. The Central Basin GMP describes Basin Management Objectives that focus on managing and monitoring the basin to benefit all groundwater users within the basin. The Central Basin GMP also describes a Well Protection Program that when implemented will provide a means whereby the costs for deepening or replacing any existing operable agricultural or private domestic well within the basin that is dewatered as a result of future development.

**DISCUSSION:**

The proposed 2008-2009 fiscal year budget was developed based on the program requirements outlined in the Central Basin GMP. During the development of the Central Basin GMP the stakeholders determined that the WPP be self-sustaining and this is one of the Program’s objectives. Funds have been made available in the Authority’s budget to complete development of the WPP Ordinance. In anticipation of completion of the WPP Ordinance in early 2009 staff is seeking authorization from the Board to establish the WPP Trust Fund and to provide a short term loan in the amount of \$50,000 to initiate the registration process in advance of the collection of fees. This \$50,000 would be repaid to the Authority once sufficient fees have been collected to establish the self-sufficiency of the WPP Trust Fund.

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The proposed budget for SCGA and WPP was presented, discussed and approved by the SCGA Budget Committee on May 5, 2008. Budget Committee members include Ed Crouse, Herb Niederberger and Walt Sadler.

**Attachment:**

Resolution

Attachment A – The Fiscal Year 2008-2009 Authority’s Budget

Attachment B – The Fiscal Year 2008-2009 Well Protection Program Budget

Attachment C – The Fiscal Year 2008-2009 Annual Contribution

Attachment D – The Fiscal Year 2008-2009 Authority’s Budget Detail

Attachment E – The Fiscal Year 2008-2009 Well Protection Program Budget Detail

**RESOLUTION NO. 2008-01**

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY  
RESOLUTION ADOPTING AND ASSIGNING COSTS TO FUND SCGA'S  
ADMINISTRATIVE AND PROGRAM BUDGETS FOR FISCAL YEAR 2008-2009 AND  
PROVIDE FOR THE COLLECTION OF ANNUAL CONTRIBUTIONS,  
ESTABLISHING THE WELL PROTECTION PROGRAM TRUST FUND AND  
ADOPTING AND ASSIGNING COSTS FOR FISCAL YEAR 2008-2009 FOR THE  
WELL PROTECTION PROGRAM**

**WHEREAS**, on August 29, 2006 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 ("JPA") established a separate public entity identified as the Sacramento Central Groundwater Authority ("AUTHORITY") with its own Board of Directors ("BOARD"); and

**WHEREAS**, the AUTHORITY was created to maintain the long-term sustainable yield of the Central Basin in accordance with the Central Sacramento County Groundwater Management Plan; and

**WHEREAS**, the JPA provides for the collection of annual contributions to fund implementation of the Central Sacramento County Groundwater Management Plan;

**WHEREAS**, the JPA provides for the operation of any Well Protection Program that may be prescribed by the GMP; and

**WHEREAS**, the AUTHORITY's administrative budget for fiscal year 2008-2009 is specified in Attachment A. The budget includes projections of revenues, staff expenses, consultant expenses, office expenses and Groundwater Management Plan related expenses. The administrative budget is required to finance the administrative activities necessary to manage the Central Groundwater Basin; and

**WHEREAS**, the Well Protection Program's administrative and program budget for fiscal year 2008-2009 is specified in Attachment B. The budget includes projections of revenues, registration expenses, and well replacement cost expenses. The administrative and program budget is required to finance activities necessary to implement the Central Basin Well Protection Program

**NOW, THEREFORE**, be it resolved by the BOARD as follows:

Resolution Adopting And Assigning Costs To Fund SCGA's Administrative And Program Budgets For Fiscal Year 2008-2009 And Provide For The Collection Of Annual Contribution, Establishing The Well Protection Program Trust Fund and Adopting and Assigning Costs for Fiscal Year 2008-2009 for The Well Protection Program  
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1. The above recitals are correct and the BOARD so finds and determines.
2. The BOARD finds and determines that:
  - a. The SCGA administrative budget for fiscal year 2008-2009 as specified in Attachment A is hereby adopted; and
  - b. The Well Protection Program Trust Fund is hereby established; and
  - c. The Well Protection Program Trust Fund administrative and program budget for fiscal year 2008-2009 as specified in Attachment B is hereby adopted; and
  - d. The annual contribution for the SCGA administrative budget for fiscal year 2008-2009 budget will be collected from the contributors as directed in the JPA pursuant to Attachment C; and
  - e. Billing for the annual contribution shall be mailed not later than thirty (30) days following the adoption of this resolution with payment to be made within thirty (30) days of receipt of billing.

**PASSED AND ADOPTED** by the BOARD at their regular board meeting on May 14, 2008.



By: David D. Fox  
Chair

ATTACHMENT A - Fiscal Year 2008-2009 Authority's Budget

FUND: Sacramento Central Groundwater Authority (096B)  
 ACTIVITY: Groundwater Supply Operations (0960001)  
 FISCAL YEAR: 2008-09

	Actual 2006-07	Adopted 2007-08	Estimate 2007-08	Requested 2008-09
<b>MEANS OF FINANCING</b>				
Prior Year Fund Balance	0	190,514	190,514	270,000
Revenues:				
Contributions from other Agencies	214,740	262,971	270,471	263,336
Interfund Charges (Transfer In / Out) reimbursement from SCGA WPP fund	0	0	0	50,000
Interest Income	0	0	15,000	12,780
<b>Total Means of Financing</b>	<b>214,740</b>	<b>453,485</b>	<b>475,985</b>	<b>596,116</b>
<b>FINANCING USES</b>				
Salaries / Benefits	0	0	0	0
Services & Supplies	24,226	365,000	205,985	386,500
Other Charges	0	0	0	0
<b>Total Financing Uses</b>	<b>24,226</b>	<b>365,000</b>	<b>205,985</b>	<b>386,500</b>
<b>ENDING FUND BALANCE</b>	<b>190,514</b>	<b>88,485</b>	<b>270,000</b>	<b>209,616</b>

See Attachment D for Budget Detail

**ATTACHMENT B - Fiscal Year 2008-2009 Well Protection Program Budget**

**FUND:** SCGA - Well Protection Program Trust (09##)  
**ACTIVITY:** Well Protection Program Operations (096####)  
**FISCAL YEAR:** 2008-09

	Actual 2006-07	Adopted 2007-08	Estimate 2007-08	Requested 2008-09
<b>MEANS OF FINANCING</b>				
Prior Year Fund Balance	0	0	0	0
Revenues:				
Contributions from other Agencies	0	0	0	134,000
Interfund Charges (Transfer In / Out)	0	0	0	0
Interest Income	0	0	0	0
<b>Total Means of Financing</b>	0	0	0	134,000
<b>FINANCING USES</b>				
Salaries / Benefits	0	0	0	0
Services & Supplies	0	0	0	56,600
Other Charges	0	0	0	0
Interfund Charges (Transfer In / Out) reimbursement to SCGA fund	0	0	0	50,000
<b>Total Financing Uses</b>	0	0	0	106,600
<b>ENDING FUND BALANCE</b>	0	0	0	27,400

See Attachment E for Budget Detail

### ATTACHMENT C

Sacramento Central Groundwater Authority Annual Contribution  
(2008-2009)

	Annual Contribution / Paragraph 8(d)(i)	Annual Contribution/Surface Water Paragraph 8(d)(ii)	Annual Contribution/Groundwater Paragraph 8(d)(iii)	Annual Contribution/Ag Paragraph 8(d)(iv)	Annual Contribution/Ag/Res Paragraph 8(d)(v)	Total Annual Contribution
<b>Board Members</b>						
City of Folsom	\$ 10,000.00					\$ 10,000.00
City of Rancho Cordova	\$ 10,000.00					\$ 10,000.00
City of Sacramento	\$ 10,000.00					\$ 10,000.00
City of Elk Grove	\$ 10,000.00					\$ 10,000.00
County of Sacramento	\$ 10,000.00					\$ 10,000.00
Agricultural Interests				\$ 88,493.00	\$ 3,881.00	\$ 88,493.00
Agriculture-Residential						\$ 3,881.00
Commercial/Industrial Self Supplied						\$ -
Conservation Landowners						\$ -
Public Agencies/Self Supplied						\$ -
Elk Grove Water Service			\$ 1,200.60			\$ 1,200.60
Orochumne-Hartnell Water District						\$ -
Rancho Muireta CSD	\$ 6,000.00					\$ 6,000.00
California-American Water Co.	\$ 37,818.90					\$ 37,818.90
Golden State Water Company	\$ 14,158.80					\$ 14,158.80
Sacramento County Water Agency	\$ 6,000.00		\$ 49,783.50			\$ 55,783.50
Sacramento Regional County Sanitation District						\$ -
<b>Total</b>	\$ 50,000.00	\$ 18,000.00	\$ 102,961.80	\$ 88,493.00	\$ 3,881.00	\$ 263,335.80
Annual Contribution/Groundwater is \$2.07/acre-foot of groundwater pumped from the basin averaged over previous three calendar years and excluding the first 5000 acre-feet						
Annual Contribution by Agriculture is 25-percent of the estimated annual pumping (as determined by SCWA) at the rate of \$2.07/acre-foot and paid out of SCWA Zone 13 funds						
Annual Contribution by Agriculture/Residential is 25-percent of the estimated annual pumping (as determined by SCWA) at the rate of \$2.07/acre-foot and paid out of SCWA Zone 13 funds						
<b>Groundwater/Purveyors</b>						
Commercial/Industrial Self Supplied	0	0	0	2.07	-	
Public Agencies/Self Supplied	0	0	0	2.07	-	
Elk Grove Water Service	5580	5000	580	2.07	1,200.60	
Orochumne-Hartnell Water District	0	0	0	2.07	-	
Rancho Muireta CSD	0	0	0	2.07	-	
California-American Water Co.	23270	5000	18270	2.07	37,818.90	
Golden State Water Company	11840	5000	6840	2.07	14,158.80	
Sacramento County Water Agency - Zone 41	29050	5000	24050	2.07	49,783.50	
<b>Groundwater/Ag</b>						
		25% of estimated pumping				
Agricultural Interests	171000	0.25	42750	2.07	88,493.00	
Conservation Landowners	0	0.25	0	2.07	-	
<b>Groundwater/Ag/Res</b>						
Agriculture-Residential	7500	0.25	1875	2.07	3,881.00	



ATTACHMENT D - Fiscal Year 2008-2009 Authority's Budget Detail

<b>MEANS OF FINANCING</b>		
Prior Year Fund Balance	\$	270,000
Revenues:		
Contributions from Other Agencies		
Annual Contribution	\$	50,000
Surface Water Contribution	\$	18,000
Groundwater Contribution	\$	102,962
Agricultural Contribution	\$	88,493
Ag/Res Contribution	\$	3,881
Subtotal of Contributions	\$	263,336
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Interfund Charges (Transfer In/Out)		
Reimbursement from SCGA WPP Fund	\$	50,000
Interest Income	\$	12,780
<b>Total Means of Financing</b>	<b>\$</b>	<b>596,116</b>
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<b>FINANCING USES</b>		
Salaries/Benefits	\$	-
Services & Supplies:		
Staff Expenses	\$	74,000
Consultant Expenses	\$	40,000
Office Expenses	\$	18,200
GMP Related Expenses	\$	79,300
Well Protection Program	\$	150,000
Reporting Expenses	\$	25,000
Other Charges	\$	-
<b>Total Financing Uses</b>	<b>\$</b>	<b>386,500</b>
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<b>ENDING FUND BALANCE</b>	<b>\$</b>	<b>209,616</b>

ATTACHMENT E - Fiscal Year 2008-2009 Well Protection Program Budget Detail

<b>MEANS OF FINANCING</b>		
Prior Year Fund Balance	\$	-
Revenues:		
Well Protection Fee Collection	\$	134,000
Interfund Charges (Transfer In/Out)	\$	-
Interest Income	\$	-
<b>Total Means of Financing</b>	<b>\$</b>	<b>134,000</b>
<b>FINANCING USES</b>		
Salaries/Benefits	\$	-
Services & Supplies		
Well Impact Claims	\$	31,600
Well Registration	\$	25,000
Subtotal of Services & Supplies	\$	56,600
Other Charges	\$	-
Interfund Charges (Transfer In/Out)		
Reimburse to SCGA Fund	\$	50,000
<b>Total Financing Uses</b>	<b>\$</b>	<b>106,600</b>
<b>ENDING FUND BALANCE</b>	<b>\$</b>	<b>27,400</b>