

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)**

**Governing Board Meeting**

**Final Minutes**

**February 11, 2009**

**LOCATION:** 10545 Armstrong Avenue, Suite 101  
Mather, CA 95655  
9:00 a.m. to 10:30 a.m.

**MINUTES:**

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

Chair Scott Fort called the meeting to order at 9:00 a.m.

The following meeting participants were in attendance:

Board Members (Primary Rep.):

Stuart Helfand, Agricultural-Residential  
Rick Bettis, Conservation Landowners  
Edwin Smith, Public Agencies Self-Supplied  
Ron Lowry, Omochumne-Hartnell Water District  
Ed Crouse, Rancho Murieta Community Services District  
Andy Soulé, California-American Water Supply  
Ruben Robles, Sacramento Regional County Sanitation District  
Scott Fort, Golden State Water Company

Board Members (Alternate Rep.):

Clarence Korhonen, City of Elk Grove  
Walt Sadler, City of Folsom  
Herb Niederberger, Sacramento County Water Agency  
Albert Stricker, City of Rancho Cordova  
Leo Havener, Elk Grove Water Service

Staff Members:

Darrell Eck, Executive Director, Sacramento Central Groundwater Authority  
Heather Hawke, Clerk, Sacramento Central Groundwater Authority  
Ping Chen, Sacramento Central Groundwater Authority  
Brian Gallucci, Sacramento Central Groundwater Authority

Others in Attendance:

Rob Schwartz, SGA  
Rodney Fricke, Aerojet

## **2. PUBLIC COMMENT**

None.

## **3. CONSENT CALENDAR**

### **Minutes of December, 10, 2008 Board meeting**

Mr. Fort asked to approve the consent to the calendar items.

Motion/Second/Carried – Mr. Fort moved and Mr. Niederberger seconded and the motion carried unanimously to approve the minutes.

## **4. APPOINTMENT OF THE CLERK OF THE BOARD**

Heather Hawke was appointed as the clerk of the Board. Ms. Hawke is also an employee of Sacramento County Department of Water Resources.

Motion/Second/Carried – Mr. Fort moved, Mr. Helfand seconded and the motion carried unanimously.

## **5. CURTIS HANFORD PRESENTATION**

- Information Presentation – Proposal to Sell Percolated Flood Waters to Municipal Users:

Curtis Hanford presented his proposal to sell “percolated flood water,” which would be “banked” on his property, to municipal users. Mr. Hanford’s property is located between the Cosumnes River and Deer Creek and is approximately 100 acres; a portion of the property was previously used to mine gravel. It was indicated that the location of the property makes it subject to flooding approximately seven times a year. The property is an ideal site for groundwater banking because of the high permeability of the soil and the presence of an abandoned gravel mining pit. It was suggested that if more of the flood water could be retained on the property it would substantially increase the amount of water that would percolate into the ground. If the project were to move forward it was estimated that the amount of water that could be banked would be between 5,000 and 10,000 AFY. To secure the County’s assistance in obtaining the necessary permits for the project and in finding a purchaser of the water, Mr. Hanford offered to donate 50 acres of the property to the County for a park.

- Discussion:

The following questions were asked by Board members following the presentation -

- Who would be the municipal customer and how would you address questions of availability/reliability?
- What are the requirements (e.g., permits, EIR, water accounting, etc.)?
- Nature of Recharge – artificial or natural recharge?
- Permitting – what permits would be required (e.g., State Water Right permit, etc.)?

- Ways to Measure/Monitor – how would the amount of water recharged be measured? How much could be extracted? How does this relate to the Central Basin's proposed Water Accounting Framework?
  - What would the cost be?
  - Funding Sources – any possibility of securing state grant funding (e.g., AB 303, Proposition 84, etc.)?
- Board Direction

The Board directed staff to coordinate with Mr. Hanford and his consultant, Robert Campbell to further develop the concepts discussed in today's presentation, further investigate the issues identified in the Discussion section, and to report back to the Board on their findings and any recommendations.

## **6. WELL PROTECTION PROGRAM UPDATE**

- Draft Ordinance – Land Use Agencies

Because of Proposition 218 requirements the Board decided at their December meeting to take a different direction in developing the Central basin Well Protection Program (WPP). This change will require the land use agencies to establish the WPP fee by ordinance rather than the Authority. According to Counsel opinion, the Authority can take an approach similar to that used by the Cosumnes CSD. Based on this opinion, staff drafted a document containing general provisions that the land use authorities could use to draft their individual ordinances. Many of the general provisions contained in this document were taken from the draft ordinance that was crafted by the Board during their WPP workshops last year. Staff will have Counsel review the draft document to ensure its consistency with the Nexus Study and that it generally meets the requirements for setting a development impact fee. Staff will report back to the Board on the results of this review.

- Draft Nexus Study

The draft nexus study for the WPP fee has been prepared by staff and will be sent to Counsel for review along with the draft ordinance language. This is to ensure compliance with Government Code Section 66000 relative to establishing a development impact fee. Staff will report back to the Board on the results of this review.

- Revision to the Work Plan

As discussed at the December 2008 Board meeting, the County had charged the Cosumnes CSD \$15,000 to assist them in setting up their development impact fee. Will the land use authorities expect to charge a similar fee to assist the Authority in setting up the WPP? Staff would like to hear back from the land use authority representatives if they expect that there would be such a cost.

Mr. Helfand suggested the Authority put the WPP on the “back burner” given the current state of the economy. Mr. Niederberger responded that the recommendation is prudent; the Authority should complete the work on the draft ordinance and the Nexus Study and then put the process on the “back burner” until the economy turns around. Mr. Havener concurred. Mr. Niederberger added that given the present state of the economy the BIA would oppose any increase in fees.

- Board Direction

The Board directed staff to continue to work on the draft ordinance language and the Nexus Study with Counsel and the land use agencies and then set the project aside until the economy turns around.

## 7. AB 303 GRANT/DMS UPDATE/WRIME CONTRACT

- Status

Staff was notified by State DWR in January that all bond funds were frozen until there was a resolution to the State budget problem. Even after a new budget is signed it is expected that it may take some time before bond money is available. This creates a significant problem for the Authority relative to the work being done by WRIME to update the Data Management System (DMS). While the Authority has some funds available in our Fund Balance, there is insufficient funding available to continue working on the project at the present rate absent reimbursement from the State. To date, WRIME has invoiced the Authority for \$59, 720 for the DMS update. If the Authority pays the outstanding invoice from the Fund Balance (and accounting for the required 20-percent reserve identified in the Authority’s Policies and Procedures) there would be \$97, 229 available to continue the work with until bond money became available.

Given this situation, there would appear to be three alternatives that the Authority could take relative to the present and future availability of State bond money:

- *Alternative 1* - Stop all work. Resume work when bond money is available.
- *Alternative 2* - Continue work at a reduced level of effort, focusing on those tasks that provide the Authority the biggest benefit.
- *Alternative 3* - Continue to work at original pace assuming the budget problems would be solved quickly.

Under Alternative 2 it is estimated that work could continue until mid-October. Under Alternative 3, until mid-July.

Mr. Lowry commented that once the budget impasse was resolved it could be four to twelve months before bond funds would be available. Mr. Niederberger said that he is not in favor of Alternative 1, but would rather choose the reduced level of effort alternative

Mr. Fort agreed and proposed that the issue be revisited after working a couple of months at the reduced level. Mr. Helfand countered that that he would like to stop everything

until WRIME could provide more detailed information on what the reduced level of effort would be and then have the Board vote on it. Mr. Crouse suggested that he would like to see if the local funding could support an interim version of the product that could benefit the Authority's on-going basin management activities.

- Board Direction

The Board directed staff work with WRIME to develop a plan for an interim mid-year deliverable of the DMS project and present it to the Board at the March 2009 meeting.

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

- Annual Groundwater Pumping Requests

The purveyors were informed that pumping data requests would be sent out shortly. This information is used to determine each purveyors contribution for the next fiscal year. Purveyors were asked to coordinate with staff (Brian Gallucci) on this request.

- Financial Status Report

With 60-percent of the fiscal year complete, expenditures to date are approximately 30-percent of the approved budget. This disparity is because money budgeted for the WPP well registration process has not been spent due to changes in program development.

- Conflict of Interest Statement

Board member were reminded to submit their Form 700 to Brian Gallucci by March 15.

- Primary Board Members

Board members and associates were reminded that if the primary Board member's position has been vacated, the position must be filled by the appointing authority within 90 days of when it was vacated.

- South Area Water Council (SAWC) Update

SAWC has recently completed the initial draft of their Water Resources Setting document - part of the groundwater management plan for basin. Work is currently on hold because of the freeze on bond funding.

- Natural Heritage Institute (NHI)

Craig Crouch with NHI has been making the rounds to various parties who have expressed an interest in groundwater banking in the Central Basin. Mr. Crouch indicated that he would eventually like to make a presentation to the Board once the concept has been developed more fully.

In looking into some background information on the NHI it was noted in their 2005-2010 Strategic Plan that, "Recent scholarly analysis now suggests that the State Water Board's jurisdiction is sufficiently broad to allow it to curtail groundwater pumping that is adversely affecting flow-dependent environmental assets. However, the State Board has declined to apply that reasoning. To force this issue, NHI is exploring bringing a test case, ultimately

before the California Supreme Court to attempt to integrate tributary groundwater into the existing surface rights administration system.” Given this position, it will be helpful and instructive for the Board members to have an understanding of NHI’s position as discussions on these type of proposals move forward. Staff will email a copy of the strategic plan to those who are interested.

**9. DIRECTORS’ COMMENTS:**

Mr. Soule mentioned Tom Glover, Cal-AM’s General Manager, has left and that Mr. Seibeld is the new acting General Manager.

Adjourned at 10:30 a.m.

By:

Walter Eschler  
Chairperson

11 Mar 09  
Date

Heather Hafe

11 Mar 09  
Date

