

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Final Minutes
November 4, 2015

LOCATION: 10060 Goethe Road, Room 1212
Sacramento, CA 95827
9:00 a.m. to 11:00 a.m.

MINUTES:

1. CALL TO ORDER AND ROLL CALL

Dave Ocenosak called the meeting to order at 9:00 a.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Richard Shepard, City of Elk Grove
Tom Nelson, Florin Resource Conservation District/Elk Grove Water District
Tom Mahon, Agricultural Interests
Rick Bettis, Conservation Landowners
Christine Thompson, Public Agencies Self Supplied
Dave Ocenosak, Sacramento Regional County Sanitation District
Paul Schubert, Golden State Water Company
Carl Werder, Agricultural-Residential

Board Members (Alternate Rep):

Todd Eising, City of Folsom
Brett Ewart, City of Sacramento
Forrest Williams, Sacramento County
José Ramirez, Sacramento Regional County Sanitation District
Charlotte Mitchell, Agricultural Interests
Brian Fragio, City of Elk Grove
Amittoj Thandi, City of Elk Grove

Staff Members:

Darrell Eck, Executive Director
Sarah Britton, Legal Counsel
Ping Chen, SCGA
Ramon Roybal, SCGA

Others in Attendance:

Hong Lin, California State Department of Water Resources
Jonathan Goetz, GEI

Mark Madison, Florin Resource Conservation District/Elk Grove Water District
Bruce Kamilos, Florin Resource Conservation District/Elk Grove Water District
Cesar Montes De Oca, City of Rancho Cordova
Mike Wackman, Omochochumne-Hartnell Water District
Jim Blanke, RMC Water and Environment
Mark Roberson, Water Forum
Rob Swartz, Sacramento Groundwater Authority (SGA)
Jesse Roseman, The Nature Conservancy

Member Agencies Absent

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

2. PUBLIC COMMENT

Mr. Ocenosak announced that there were speaker forms available for members of the public to fill out prior to making a comment on any of the agenda items. Mr. Ocenosak explained that the forms were intended to bring consistency to the public comment process and were not intended to inhibit anyone's opinion.

Mark Madison, FRCD/EGWD, announced that he had received a phone call from Mr. Ocenosak informing him that complaints had been received indicated that comments Mr. Madison had made at a previous SCGA Board meeting that may have made some of the Board members uncomfortable. Mr. Madison stated that if he had done anything inappropriate that he apologized. Mr. Madison went on to state that although he agreed that having and organized process for public comments was the correct way to run the meeting, he felt that he was being placed under a gag order along with his colleague from FRCD, Bruce Kamilos. Mr. Madison stated that the Board needed to be aware of its actions relative to its ability to garner the public's trust as it transitioned from the SCGA to a GSA.

Mr. Madison then suggested that Item #8 be removed from the agenda as it was his opinion that the item was not ready for the Board's action. Mr. Madison's reasoning was that there was no proposal or scope of services attached to the item and that the item should have been amended to include an action to waive the non-competitive bid process as the current action called for sole sourcing for an amount over the executive officer's authority.

Mr. Nelson suggested that Item #6 Subcommittee Report be switched in order with Item #7 Omochochumne-Hartnell Water District. Mr. Williams expressed his opinion that the agenda order remain unchanged and that there was important information in the SGMA Subcommittee report under Item #6 that would help inform the Board for consideration

during Item #7. Mr. Ocenosak decided to switch the order of the two items due to the fact that informational Item #7 could facilitate the Board actions called for in Item #6.

3. CONSENT CALENDAR

The draft meeting minutes for the September 9, 2015 Board meeting, September 16, 2015 SGMA Sub-Committee meeting, September 29, 2015 SGMA Sub-Committee meeting, and October 16, 2015 SGMA Sub-Committee meeting were reviewed for final approval.

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

4. ELECTION OF OFFICERS

Mr. Williams nominated Brett Ewart to serve as Chair of the Board of Directors for the calendar year 2016. Mr. Schubert then nominated Mr. Williams to serve as Vice-Chair for the calendar 2016. Mr. Ocenosak then called for a vote of ayes and nays from the Board. The Board voted unanimously to elect Mr. Ewart to serve as Chair and Mr. Williams to serve as Vice-Chair for the calendar year 2016.

5. UPDATE ON BASIN MANAGEMENT OBJECTIVE THRESHOLD DEVELOPMENT AND RECHARGE MAPPING PROJECT

Jim Blanke, RMC Water and Environment, provided an update on the BMO Threshold and Recharge Mapping Project (*Note: Mr. Blanke's presentation can be viewed on the Authority's website for the November 4, 2015 meeting date.*) Mr. Blanke discussed adjusting the of establishment the BMO Thresholds to incorporate all historical data within a 0-100% range while adjusting the lower thresholds to fall within the 0-75% range based on current data assuming that they satisfy appropriate current conditions so as to avoid triggering the levying of assessments. Mr. Blanke described the methodology of dividing the SCGA management area into six management zones based on similar hydrologic responses and presented the current threshold status and trends for each. Mr. Blanke explained that the a threshold percentage of 25-50% was to serve as “informational”, in terms of a management response, while a 50-75% threshold would serve to initiate a requirement to collect a fee. Mr. Blanke then presented potential responses to the thresholds which included monitoring to track benefits from increased use of the Vineyard SWTP and separate drought impacts from long-term storage changes, and to develop physically-based threshold accounting for depth of private wells and historical conditions near rivers.

Mr. Nelson pointed out that there were a few gaps in the monitoring network used for determining the thresholds that needed to be filled particularly in the Lower Cosumnes area and in the areas where SCGA may expand as a result of GSA formation under SGMA. Mr. Eck pointed out that the current SCGA monitoring network was put together with State DWR's input and approval under CASGEM but that SGMA called for more robust monitoring and reporting actions and that it was likely that the network would be augmented in the future to satisfy those requirements.

Mr. Eising stated the importance of setting thresholds that would support the sustainability of the basin while avoiding undue scrutiny by State regulatory agencies.

General Board discussion of the long-term declining groundwater trend shown in the report for the Upper Cosumnes management area. Mr. Mahon pointed out that there was a lot of variability in the topography of the region and that the representative wells in the report may not reflect an accurate behavior of the groundwater levels near the Cosumnes River. Mr. Ocenosak noted that the current presentation was an informational item but that it would be important to bring the issue back to the board for additional discussion and possible action because the decline in that region was significant over a long period and should be a priority of the Groundwater Authority.

Mr. Schubert requested that the Technical Memo be distributed to the board once it was finalized.

6. OMOCHUMNE-HARTNELL WATER DISTRICT

Mike Wackman, General Manager, Omochumne-Hartnell Water District (OHWD), reported on the actions taken by the OHWD board related to SGMA at its previous meeting. Mr. Wackman stated that his board directed staff to put together the necessary documentation to conduct a public hearing for discussion of OHWD's application to become a GSA for the area within its boundaries. Additionally, the OHWD board directed staff to issue a Request For Proposal (RFP) that have an engineering firm look into what it would take to have the Bulletin 118 boundary adjusted such that OHWD would lay entirely within the Cosumnes Subbasin. Mr. Wackman then stated that since his board had made those decisions it had come to his attention that the Sacramento County Water Agency's Zone 41 overlaid a portion of the OHWD area and thus discussions had begun with the County to gather its input on OHWD's actions to become a GSA. Mr. Wackman reported that the OHWD board felt that it was important that OHWD be in charge of its own destiny with respect to SGMA and with becoming its own GSA while at the same time acknowledging the responsibility of formalizing a cooperative relationship with the other entities with the basin.

Mr. Nelson stated that he would like to see OHWD remain as a member of SCGA. He stated that he felt that they were a valuable member of the Authority especially when considering the work that OHWD had done with groundwater recharge. Mr. Wackman responded that the OHWD board and its constituents underlying concern with remaining a part of the SCGA was the potential for the assessment of fees under a future GSA management program. The feeling was that those decisions should be made by the locally elected district representatives.

Mr. Werder stated that it was important for OHWD to remain with SCGA in order to maintain the voice of the farmers on issues addressed by SCGA. Mr. Werder asked if there was any possibility to have representatives of OHWD meet with representatives of SCGA to discuss remaining a part of SCGA. Mr. Werder added that another benefit of remaining with SCGA would be to take advantage of the program it already had in place rather than spending a significant amount money to establish a new program. Mr. Wackman responded that those talks needed to occur and that he would be recommending to his board that discussions with the County of Sacramento and with SCGA were necessary due to the

regulations called for by DWR and the Water Board requiring local agencies to coordinate and resolve issues of conflicting boundaries.

Ms. Thompson asked what it would take on SCGA's part in order to make OHWD feel comfortable with moving forward with possibly remaining a part of SCGA. Mr. Wackman responded that the most appropriate format would be a two by two meeting so as not to come into conflict with Brown Act requirements. Mr. Wackman further added that his board would have to be convinced that remaining with SCGA would not result in forfeiture of its rights and authority to SCGA. Ms. Thompson stated that OHWD shared the authority of SCGA under the current arrangement.

Mr. Nelson asked if OHWD had done an analysis of the administrative costs of forming a GSA split between two subbasins while implementing future GSPs and taking into consideration that much of those efforts would have to be done in coordination with SCGA regardless. Mr. Nelson stated that it may be more cost effective to remain with SCGA given those considerations. Mr. Eising added that there was strength in numbers when considering things like future funding opportunities from the State. He stated that the State typically gave more favorable consideration to grant applications when made by groups partnered together as opposed to an individual organization. Mr. Eising stated that when considering the evidence of long-term groundwater decline in the vicinity of the OHWD area it made sense to remain with SCGA in order to more effectively benefit from the programs and projects that will be funded by SCGA going forward as opposed to tackling those problems alone. Mr. Eising added that when considering those issues, OHWD's argument that it feared being assessed fees by SCGA did not make sense. Mr. Wackman responded that the modeling work that OHWD had done would indicate that groundwater declines were a basin wide issue and were the cause of the Cosumnes River losing water to the surrounding basin.

Mr. Williams pointed out that a proposed OHWD Bulletin 118 boundary adjustment would be opposed by the Sacramento County Water Agency (SCWA). Mr. Williams explained that it would result in splitting SCWA between two subbasins which ironically was one of the justifications (OHWD being entirely within one basin) for OHWD's investigation into moving the boundary.

Mr. Nelson stated that another reason he wanted OHWD to remain with SCGA was OHWD's unique position between the South American and Cosumnes subbasins and its integral role in coordination between the two basins.

Mr. Madison asked for clarification on if OHWD was proposing to form a GSA within its boundary or was additionally seeking a basin boundary change. Mr. Wackman responded that OHWD was planning to apply as a GSA for the current jurisdictional area and was planning to produce an RFP to look into the requirements of a boundary change that would result in adjusting the Cosumnes Subbasin to match the northern boundary of OHWD.

Mr. Ewart inquired if given the basin boundaries remained unchanged, and if OHWD became its own GSA, did OHWD propose to participate in a single GSA within the South American Subbasin or would it want to develop its own GSP resulting in two GSPs within the South American Subbasin. Mr. Wackman responded that his board had not discussed that issue but that his recommendation to the OHWD board would be for a single GSP.

Mr. Ocenosak stated that he agreed with the sentiment of the SCGA board that it would be advantageous for OHWD to remain with the larger group represented by SCGA. Mr. Ocenosak then stated that he personally feared that OHWD was setting itself up to be dominated by a narrow interest group that may advocate for allowing increased groundwater pumping and may be enabled to do so with lesser opposition on a smaller board. Mr. Ocenosak stated that The Nature Conservancy had a strong interest in the Cosumnes River and would presumably have an opinion about the long-term decline of groundwater in that region. Mr. Ocenosak then made the point that increased monitoring points will likely support those observations and that the closer the monitoring points are to the river the more they indicate stream flow and are less indicative of groundwater. Mr. Wackman responded that OHWD had past discussions with The Nature Conservancy regarding the Cosumnes River and expected to continue to have discussions in the future. Jesse Roseman from The Nature Conservancy commented that they would support any process that would lead to the resolution of the issues facing the Cosumnes River.

Mr. Nelson and Ms. Thompson agreed to be the SCGA's representatives to meet with OHWD in the proposed two by two meeting.

7. SCGA SUBCOMMITTEE REPORT

Mr. Eck provided a review of the activities of the SGMA subcommittee reporting that the committee had met three times since the previous SCGA Board meeting. The meeting dates were September 16th, September 29th, and October 16th. Those meetings focused potential JPA revisions, GSA boundary adjustments, Bulletin 118 boundary adjustments, continued interested party identification, and development of stakeholder outreach materials. Mr. Eck then stated that legal counsel indicated that no immediate amendments to the JPA were necessary to file for GSA formation with the State. However, in order to file for a GSA that would be coextensive with the South American Subbasin as described in Bulletin 118, it would be necessary to partner with an entity whose jurisdiction included the portions of the Bulletin 118 boundary not currently encompassed by the Groundwater Authority. Filing to become a GSA would then be done jointly between SCGA and said entity under an MOU which would include a statement that SCGA would act to amend its JPA, after GSA acceptance by the State, to be coextensive with the Bulletin 118 boundary. Mr. Eck reported that relative to additional revisions to the JPA, the subcommittee requested that legal counsel conduct an analysis that would compare the currently held police powers of the land-use authorities under the existing JPA structure with those powers that would be granted through SGMA but under a structure that included signatories without police powers. Mr. Eck reported that the first recommendation of the subcommittee to the SCGA Board was to support counsel's opinion regarding the process to file to become a GSA. Additionally, the subcommittee requested that staff develop a timeline of critical dates and Board actions necessary for SGMA compliance. Mr. Eck presented the timeline to the Board.

Mr. Schubert asked for clarification on whether it was absolutely necessary to amend the JPA in order to form a GSA or if it was possible to form the GSA and keep an MOU in place for those areas outside of the current JPA boundary. Ms. Britton confirmed that it was possible

to form the GSA without amending the JPA as Mr. Schubert described. Mr. Eck clarified that the area in question was the portion of the South American Subbasin laying to the west of Interstate 5 and the current SCGA boundary. Mr. Eck also clarified that the current plan was for the SCGA GSA to exclude the OHWD area.

Mr. Werder asked who the interest groups or individuals were in the area west of Interstate 5. Mr. Eck responded that there was a Federal agency operating in that area, along with the North Delta Water Agency, and Reclamation Districts. Mr. Eck reported that no one in the area had expressed a desire as yet to form a separate GSA. Mr. Nelson pointed out that the Lower Cosumnes RCD was in that area as well.

Mr. Madison commented that there was significant discussion during the subcommittee meetings of reversing the recommendation to exclude OHWD from the SCGA GSA due to the importance of the hydrologic importance of Cosumnes River to the South American Subbasin and future management activities that may be undertaken by SCGA. Mr. Eck added that a part of that discussion was the identification of the potential risks of a multiple GSA subbasin in the event that one of the GSA's did not fulfill its responsibilities under SGMA. Mr. Eck stated that there were clear risks particularly with specific triggers of State intervention for non-compliance of SGMA, inadequacy of a GSP, or determination of a basin being in a state of long-term overdraft. Mr. Eck stated that a strategy for how to address those potential risks would be needed. Mr. Eck mentioned that one such strategy was through mutual coordination with OHWD prior to GSA formation while another strategy could be through forced negotiations that would result from competing GSA applications in which the State would deny both applications until the conflict was resolved.

Jon Goetz with GEI then gave a presentation on the importance of the Cosumnes River as a hydrologic boundary between the South American and Cosumnes Subbasins in order to facilitate the Board's decision in supporting recommended action number two to direct staff to oppose any relocation of the hydrogeologic boundary between the South American Subbasin and the Cosumnes Subbasin as defined by Bulletin 118. Ms. Thompson expressed a concern that the action was in direct conflict to OHWD's stated intentions and suggested that a conversation with OHWD should occur prior to taking the action. Mr. Schubert stated that the action was a separate issue from OHWD's wish to form its own GSA and that OHWD had only indicated that it planned to look into a basin boundary change and that by taking the proposed action the SCGA Board would actually be helping OHWD by indicating its position on the subject.

Mr. Eck then presented a draft SCGA SGMA Fact Sheet to the Board for its consideration. Mr. Eck asked for input from the board on the content of the Fact Sheet while keeping in mind that it was designed to be concise. Ms. Thompson requested additional copies as she intended to outreach to Tokay Park, Fruitridge Vista, and Florin County water districts. The board decided to forgo the proposed action to approve the Fact Sheet and moved to carry the approval of the fact sheet to the next board meeting so as to give board members time to review and comment.

Motion/Second/Carried – Mr. Schubert moved, seconded by Mr. Williams, the motion carried unanimously to direct staff to coordinate with Counsel to develop an MOU in conjunction with the County of Sacramento to cover that portion of the South American Subbasin that is not currently within the jurisdiction of the Groundwater Authority. Mr. Ewart moved, seconded by Mr. Schubert, the motion carried unanimously to direct staff to oppose any relocation of the hydrologic boundary between the South American Subbasin and the Cosumnes Subbasin as defined by Bulletin 118. Mr. Williams moved, seconded by Ms. Thompson, the motion carried unanimously to carry the action to approve the SGMA Fact Sheet developed for the GSA outreach program to the next regular board meeting.

8. ON-CALL SERVICE CONTRACT EXTENTION WITH GEI FOR SUPPORT RELATED TO SGMA COMPLIANCE

Ms. Britton made a recommendation to amend the proposed action to include language addressing SCGA Policy Number 300.2 which described the procedure for waiving the competitive bid process.

Mr. Madison commented that the Authority needed to be sure to follow the correct legal procedures related to amending the existing service contract and waiving the competitive bidding process. The board discussed the issue and agreed that since it was an on-call service contract the proposed authorization was legal. Mr. Nelson requested more information on similar items in the future. Mr. Eck stated that as the various Task Orders were developed they would be presented to the Board for its consideration prior to being executed.

Motion/Second/Carried – Mr. Ocnosak moved, seconded by Mr. Williams, the motion carried unanimously to authorize the Executive Director to extend the current service contract with GEI (Contract No. 94167) with an additional budget of \$180,000 in compliance with SCGA Policy 300.2.

9. MEETINGS OF THE BOARD

Mr. Eck referred to Section 3.09(b) of the Rules of Procedure which set the schedule of Board meetings. Mr. Eck stated that because of issues related to SGMA and preparations for filing as a GSA, the Groundwater Authority Board may need to meet in December. If the meeting was not deemed to be necessary it would be cancelled.

Motion/Second/Carried – Mr. Ewart moved, seconded by Ms. Thompson, the motion carried unanimously to approve a deviation from Section 3.09(b) of the Rules of Procedure and set the date of December 9, 2015 as the next meeting date. If this meeting is found to be unnecessary staff is authorized to provide a notification canceling said meeting.

10. EXECUTIVE DIRECTOR'S REPORT

- a) Government Affairs Update – Mr. Eck reported that there were numerous bills that had been introduced in the legislature that would amend the Sustainable Groundwater

Management Act or otherwise change water law. Mr. Eck reported that the Regional Water Authority was tracking bills that related to local and regional issues. A summary of tracked bills (groundwater and otherwise) was attached and could be found at rwah2o.org.

- b) Mr. Eck stated that the financial report for the period ending on September 30, 2015 was attached to the Board package.

11. DIRECTORS' COMMENTS


Mr. Williams announced that on November 10, 2015 the County of Sacramento Board of Supervisors would be considering an item to approve County Groundwater Management Principles. Mr. Williams reported that there were three proposed principles including, an endorsement of a single GSA within a subbasin or portion of a subbasin located within the County as the most efficient governance structure to manage resources and for coordination between land-use agencies for accountability under all aspects of SGMA compliance, the County would support current Bulletin 118 boundary definitions within the County and would not endorse any Bulletin 118 boundary revisions that would result in increased burden on the County as related to SGMA compliance, and the County would consider becoming a member or pursuing a leadership position within any future GSAs formed within the County.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, December 9, 2015, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

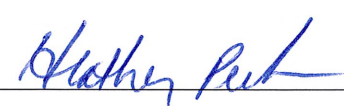
By:



Chairperson

1-13-16

Date



Date

1-13-16

Date