SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)

Governing Board Meeting Final Minutes April 20, 2016

LOCATION: 10060 Goethe Road, Room 1205

Sacramento, CA 95827 9:00 a.m. to 11:00 a.m.

MINUTES:

1. CALL TO ORDER AND ROLL CALL

Brett Ewart called the meeting to order at 9:00 a.m. Mr. Ewart announced that Darrell Eck could not attend the meeting due to an emergency and that Ramon Roybal would serve in his place for the meeting.

The following meeting participants were in attendance:

Board Members (Primary Rep):

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

Board Members (Alternate Rep):

Brett Ewart, City of Sacramento Forrest Williams, Sacramento County Amittoj Thandi, City of Elk Grove José Ramirez, Sacramento Regional County Sanitation District Allen Quynn, City of Rancho Cordova

Staff Members:

Sarah Britton, Legal Counsel Ping Chen Ramon Roybal Vicki Brennan, Clerk of the Board SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Governing Board Meeting Final Minutes – Page 2 April 20, 2016

Others in Attendance:

Jonathan Goetz, GEI

Mark Madison, Florin Resource Conservation District/Elk Grove Water District

Bruce Kamilos, Florin Resource Conservation District/Elk Grove Water District

Jesse Roseman, The Nature Conservancy

Rodney Fricke, Public

Darlene Gillum, Rancho Murieta CSD

Hong Lin, State DWR

Mike Wackman, Omochumne-Hartnell Water District

Leland Schneider, Omochumne-Hartnell Water District

Mike Eaton, Cosumnes Coalition

Melinda Frost-Hurzel, Cosumnes Coalition

Jay Schneider, Sloughhouse RCD

Herb Garms, Sloughhouse RCD

Hanspeter Walter, Sloughhouse RCD

Mike Koza, Sacramento County Department of Waste Management

Joe Turner, Kleinfelder

Jim Blanke, RMC Water and Environment

Lisa Dills, Southgate Recreation and Park District

Suzanne Pecci, Domestic Well Owner Elk Grove

Ron Pecci, Domestic Well Owner Elk Grove

Scott Goulart, Aerojet Rockdyne

Kerry Schmitz, Sacramento County Water Agency

Fred Hegge, Cosumnes CPAC

Madeleine Morton, Sacramento County Water Agency

Bill Konigsmark, Sacramento County Water Agency

Member Agencies Absent

Rancho Murieta CSD Commercial/Industrial Self-Supplied California-American Water Company

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The draft meeting minutes for the March 9, 2016 Board meeting, minutes of the March 10, 2016 SGMA Subcommittee meeting, minutes of the March 30, 2016 Budget Subcommittee, and minutes of the April 7, 2016 SGMA Subcommittee meeting were reviewed for final approval.

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

4. SCGA UPDATE ON DRAFT GROUNDWATER SUSTAINABILITY PLAN (GSP) EMERGENCY REGULATIONS

Jon Goetz with GEI provided a review of the draft GSP regulations addressing their purpose, importance, and current status relative to their June 1, 2016 adoption (*Note: Mr. Goetz's review can be viewed on the Authority's website for the 4/20/2106 meeting date*). Mr. Goetz reported SCGA's concurrence with the Association of California Water Agencies proposed "General Principles" regarding comments relative to the draft regulations and presented SCGA staff's four focus areas of comments which were, honoring existing programs, ensuring integration of Alternative Submittal, external agency coordination, and the State's technical and financial assistance. Mr. Goetz then stated that staff would continue to monitor development of the regulations and mentioned that individual SCGA member organizations were also monitoring the regulations.

Mr. Bettis asked how DWR would be responding to the comments that were received. Hong Lin, with State DWR, replied that SGMA did not require that DWR provide a written response to comments received but that the comments would be considered in the further development of the draft regulations. Ms. Lin stated that the DWR was making a presentation to the State Water Commission that morning to review the nature of the comments. Ms. Lin reported that a total of 153 comments were received by DWR from various interests. Ms. Lin stated that DWR planned to present the regulations to the Water Commission on May 18, 2016 for final adoption.

5. SGMA SUBCOMMITTEE REPORT BACK AND RECOMMENDATIONS

Mr. Schubert, chair of the SGMA Subcommittee, provided a report of the subcommittee's activities. Mr. Schubert stated that the subcommittee had met twice since the last board meeting and had mainly discussed the various impacts of Omochumne-Hartnell Water District (OHWD) and Sloughhouse RCD's GSA applications and proposed basin boundary modification, specifically its impact on SCGA's current management program, impact on the Alternative Plan submittal process, and financial impact. Mr. Schubert stated that had reviewed the basin boundary modification application as submitted by OHWD and Sloughhouse RCD to DWR and remained in opposition to the modification for both jurisdictional and scientific reasons. Mr. Schubert reported that JPA issues had also been discussed and that the proposed JPA brought forth by FRCD would be discussed at the next SGMA Subcommittee meeting.

Mr. Mahon commented as a member of the SGMA Subcommittee that consideration should be given relative to San Joaquin's proposed boundary modification as it was almost a mirror image of OHWD and Sloughhouse RCD's proposed modification. Mr. Mahon stated that thought should be given towards allowing for the agricultural areas of the South American Subbasin to join with like interests in the Cosumnes Subbasin.

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Mr. Ewart commented that he respected the idea of local control and had no interest in interfering with the actions of another agency but that his opinion and that of the City of Sacramento was to support the concept of a collaborative process and that to go it alone introduced the risk of prolonged conflict. Mr. Ewart referred to the SCGA model that each member entity of its board had an equal vote and stated that it should be remembered. Mr. Ewart said that the OHWD and Sloughhouse RCD basin boundary modification application was posted on the DWR website for review. Mr. Ewart stated that the City of Sacramento remained in opposition of the modification.

Mr. Williams stated that the County of Sacramento recognized and supported SCGA as an existing groundwater management agency and as the most appropriate structure to move forward towards SGMA implementation for the subbasin.

6. <u>INITIATE "ALTERNATIVE" PLAN SUBMITTAL PROCESS AND DELEGATE PREPARTORY ACTIONS TO STAFF</u>

Mr. Roybal reminded the board that the idea of an alternative plan submittal was first introduced at the January 13, 2015 board meeting and was again discussed at the March 9. 2015 board meeting at which time staff announced the need for the submittal to cover the entire groundwater basin over which the submitting agency was applying. Mr. Roybal then reported that the draft GSP regulations clarified that an alternative submittal may include agreements with local public agencies in areas not covered by the submitting agency's jurisdiction which in the case of SCGA included that area of the South American Subbasin west of Interstate 5. Mr. Roybal stated that initially, the alternative submittal would include the existing SCGA service area as depicted in the Water Forum Agreement and the SCGA GMP. There were two reasons for keeping SCGA whole through the alternative submittal process; the first was to ensure the relationship between the regional groundwater management goals of the Water Forum Agreement in the management area titled, "South Sacramento Groundwater Zone." The second was to show SCGA service area portions to be included in existing or proposed GSA governance structures at the time of submittal. Mr. Roybal reported that an alternative plan must be submitted by January 1, 2017 and given that the GSP regulations would not be adopted until June 1, 2016, staff would have six months to complete the application. Mr. Roybal stated that proposed resolution delegated authority to staff to begin the effort by initiating outreach to other local agencies and stakeholders outside of SCGA's jurisdiction to discuss an alternative plan submittal, to seek potentially necessary agreements, and upon State DWR's adoption of the GSP Regulations, to modify and supplement the GMP and other SCGA resources as may be required to develop a successful submittal.

Mr. Goetz then gave a presentation on the technical reasoning for SCGA's existing boundary and how the alternative submittal process could proceed (*Note: Mr. Goetz's review can be viewed on the Authority's website for the 4/20/2106 meeting date*). Mr. Goetz also compared the GSP process with the alternative plan submittal process and provided some pros and cons for an alternative submittal.

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Mr. Nelson asked if the alternative submittal process would interfere with OHWD's GSA formation process. Ms. Britton responded that the regulations were still vague but that an alternative plan could be developed for an entire basin but that the governance of the plan via GSA's overlying that basin would have to come to some kind of agreement relative to how it governance and implementation of the plan would function. Ms. Britton presumed that DWR would consider an alternative plan only if there was reconciliation between the plan itself and governance of the plan but that development of an alternative plan did not necessarily preclude the development of any GSAs within a subbasin.

Mr. Werder expressed a concern regarding the second item of the Resolution which directed staff to modify and supplement the GMP and other SCGA resources as may be required by adopted GSP regulations to develop an alternative plan submittal. Mr. Werder stated that he was concerned that it may give staff the ability to over spend or otherwise make modifications in excess of what was necessary. Ms. Britton advised that before an alternative plan was submitted to the State that it be brought back to the SCGA board for its review and a resolution approving its final submittal. Ms. Britton stated that the language delegated a lot of responsibility to staff but did not delegate a blank check. Ms. Britton also stated that the language of the resolution had to consider the tight timeframes under SGMA and to allow staff and the board flexibility to operate within the time constraints. Mr. Schubert stated that staff would also be subject to operating within the parameters of the approved SCGA budget and that any additional funding would have to come to the board for approval.

Mr. Nelson asked if the alternative plan submittal process would conflict with FRCD's proposed changes to the JPA. Ms. Britton responded that the alternative submittal process would be put at risk if there was no management structure identified to implement the plan. If the existing JPA was nullified without agreements in place that would address those management issues it could be a problem. Ms. Britton stated that an amendment to the existing JPA that did not interfere with the management of the basin might not be an issue.

Ms. Lin stated that an alternative plan had to cover the entirety of a subbasin and that if there was an exclusive GSA with its own GSP for a portion of that subbasin, an alternative plan would have to have a coordination agreement with the exclusive GSA to reconcile the two plans.

Mr. Ocenosak stated his contention that where the groundwater flowed should determine who should be included in the management of that resource. Mr. Ocenosak stated that Mr. Goetz had done a good job during previous presentations to the board to explain how the groundwater flowed in the South American Subbasin and that in his opinion, the information presented as a part of OHWD and Sloughhouse RCD's basin modification application supported what Mr. Goetz had explained. Mr. Ocenosak stated his support of the alternative plan submittal process.

Jay Schneider, Vice Chairman Sloughhouse RCD, commented as a member of the public. Mr. Schneider stated in response to the presentation, that the scientific study conducted on behalf of his organization provided conclusive proof that the connectivity between the American River and the Cosumnes was divided, that there was no connectivity down to the two hundred fifty foot grades, and that, that barrier generally followed the watershed line until about the Wilton or Sheldon area where it made a semi-circle, westerly outreach. Mr.

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Schneider then stated that one of the requirements of the alternative plan was to scientifically prove that not only was your own basin sustainable for ten years but that it would not have any harm on the adjacent basin. Mr. Schneider said that the lines that were drawn were based on the assumption that there was underlying connectivity but that in fact it was more like two swimming pools. Mr. Schneider stated that you could draw a line connecting two swimming pools and their various heights based on which one was higher or lower but that because there was no connectivity they did not relate to one another and that is what the science proved. Mr. Schneider said SCGA could do its own study and could include Sloughhouse's study which would have to be done when SCGA did its study to prove that it could manage. Mr. Schneider requested that SCGA support OHWD and Sloughhouse RCD's jurisdictional boundary change that would follow the watershed boundary. Mr. Schneider then requested that SCGA support Sloughhouse RCD's GSA application and to not obstruct its right to form a GSA. Mr. Schneider stated that until SCGA recognized interests in the south basin no negotiations could take place.

Mike Wackman, General Manager, OHWD, asked Mr. Goetz if the alternative plan would include those portions of OHWD and the current SCGA boundary that extended south of the Cosumnes River. Mr. Goetz replied that the alternative plan would have to include those areas as those areas supported the ten plus years of data collection, modeling, and groundwater management that would be considered for the alternative plan. Mr. Wackman replied that OHWD did not object to the SCGA's alternative plan proposal but that it did have concerns that an alternative plan could interfere with its plans for management as a GSA. Mr. Wackman stated that the process could work if the GSP regulations allowed for agreements and coordination to be developed that would enable an alternative plan that did not conflict with OHWD's GSA management and any plan that it sought to implement. Mr. Wackman further stated support of the SCGA's GMP, data collection, and technical studies and that he agreed that those efforts should be utilized going forward and that OHWD had used some of those resources in developing its basin boundary modification application. Ms. Britton stated that she envisioned that the GSP regulations would ultimately allow for OHWD to develop its own GSP as an exclusive GSA and that any areas that overlapped with SCGA's alternative plan, they would be reconciled via a coordination agreement. Ms. Britton stated that the process would also not preclude SCGA staff from outreaching to OHWD regarding OHWD's management of an alternative plan as developed by SCGA.

Jesse Roseman, Project Manager for The Nature Conservancy and the Cosumnes River Preserve, stated that no matter the outcome of the management arrangement for the region encompassing the Cosumnes River, there needed to be coordination such that the river was managed as a whole with equal consideration of upstream and downstream impacts and benefits.

Mark Madison, General Manager of Florin Resource Conservation District, stated that his agency was in support of the concept of an alternative plan submittal but that it was concerned that the process might preclude the consideration and adoption of the structural changes that it had proposed to the existing JPA Agreement.

Leland Schneider, alternate to Ron Lowry as representative for OHWD, commented that OHWD was formed in the 1950's by the residents of the Cosumnes River area form

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management of the groundwater and river. Mr. Schneider stated that significant resources and money had been invested by the residents of OHWD. He then stated that management of Cosumnes River actually dated back to 1913 with the installation of the first dam diversion to spread water along the sides of the river and in the 1940's with the development of local farm bureaus. Mr. Schneider mentioned that OHWD had started a JPA in 1997. Mr. Schneider stated that SCGA had formed over the top of OHWD and its JPA and now wanted to form a GSA over the top of an OHWD GSA and asked that SCGA reconsider doing so.

Motion/Second/Carried – Ms. Thompson moved, seconded by Mr. Williams, the motion carried to adopt the proposed resolution. Mr. Lowry, Mr. Mahon, and Mr. Nelson opposed the motion.

7. INITIATE THE PROCESS TO BECOME A GROUNDWATER SUSTAINABILITY AGENCY WITHIN IDENTIFIED AREAS OF SCGA'S JURISDICTION IN THE SOUTH AMERICAN SUBBASIN

Mr. Roybal explained that the proposed resolution was another outcome of discussion and recommendation from the SGMA Subcommittee. Mr. Roybal reported that a principle concern that motivated recommendation of the resolution were the actions by OHWD and Sloughhouse RCD to move forward with notice of GSA formation of area within the South American Subbasin and SCGA's existing management area. Mr. Roybal reported that the recommendation for SCGA to proceed with its own notice of GSA formation was not done as a means to compete over management area but as a method to halt the GSA process to allow time for necessary coordination to occur or potentially for a formal mediation process that would allow SCGA the opportunity to preserve its past management efforts.

Mr. Goetz then provided a review of past SCGA board actions relative to GSA formation, a review of OHWD and Sloughhouse RCD's actions, and reiterated that SCGA's initiating to become a GSA would be done in order to preserve its ability to file an alternative plan submittal. Mr. Goetz then reviewed the proposed SCGA GSA areas described in the resolution (Note: Mr. Goetz's review can be viewed on the Authority's website for the 4/20/2106 meeting date).

Mr. Nelson asked if it was necessary to begin the GSA formation process at the current time. Ms. Britton explained that both the OHWD and Sloughhouse RCD boards had taken formal actions to notice GSA formation in areas within the South American Subbasin and although neither of the notices had been posted to DWR it could be reasonably assumed that they would do so thus beginning a 90 day period after which they would become the exclusive GSA's for those areas.

Ms. Lin stated that Sloughhouse RCD's GSA notification had been posted to DWR's website and that the ninety day period for a competing GSA to be filed had begun. Ms. Britton asked for clarification as to whether the ninety day period would continue to run if Sloughhouse RCD had subsequently notified for GSA formation in the area within the South American Subbasin as its board had voted to do under its amended GSA board action. Ms. Lin replied that she would have to check with someone else from DWR.

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Mr. Ewart asked for clarification with respect to breaking up the SCGA GSA notification into three subareas. Mr. Ewart wanted to clarify that it was done to allow for the flexibility to move forward in uncontested areas while the contested areas were worked out. Ms. Britton replied that it provided a tool for SCGA to use while it continued to negotiate with other entities within the subbasin and with State DWR as the deadline for GSA formation approached. Ms. Britton stated that the proposed resolution was intended to be a formal written clarification of prior SCGA board actions accounting for nuanced changes that had occurred since those actions. Ms. Britton reminded that a formal process as prescribed by the SGMA legislation would still have to be followed for GSA formation.

Jay Schneider stated that Sloughhouse RCD requested that SCGA limit its GSA notification to Area 1 and to abandon Areas 2 and 3. Mr. Schneider stated that if SCGA did as requested the process would be much smoother and less adversarial.

Mr. Nelson asked if the clock had started or not with respect to OHWD and Sloughhouse RCD's GSA notices and if not why start the process for SCGA. Mr. Schubert pointed out that the boards for those entities had taken actions to proceed with the notices and that it would take a separate action for them to do something different. Mr. Schubert concluded that absent any indication otherwise that those processes were proceeding. Ms. Britton pointed out the SCGA board had taken previous action directing staff to proceed with a notice of GSA formation in response to Sloughhouse RCD noticing of GSA formation within the South American Subbasin and thus obligating staff to do so. Ms. Britton stated that another previous action by the board provided similar direction if any entity filed for GSA formation within SCGA's jurisdictional boundaries. Ms. Britton stated the decision before the board was whether or not OHWD's action to notice a GSA formation should result in directing staff to proceed with GSA formation in Area 2. Mr. Ewart stated that there was an interest for SCGA to extend the 90 day period to allow for further negotiation through the services offered through the Water Forum. Mr. Williams stated that he felt that there had not been sufficient outreach and negotiation on the part of OHWD and Sloughhouse RCD to convince SCGA that their proposals should be supported. Mr. Williams said that those entities were the ones who initiated the GSA formation process and that SCGA was now forced to initiate its own GSA formation process in order to defend its program.

Mr. Wackman urged the board to remember that it had decided previously to allow OHWD to form a GSA although he understood that other actions since then may have changed people's feelings. Mr. Wackman stated that OHWD was active in groundwater management and in its participation with SCGA and was not seeking to operate in an isolated manner. Mr. Wackman stated that SGMA required substantial coordination regardless of what the final management arrangement would be.

Suzanne Pecci commented as a private well owner within the City of Elk grove that she was in support of SCGA becoming a GSA over the entire subbasin and was against the OHWD and Sloughhouse RCD efforts to become exclusive GSA's within the South American subbasin. Ms. Pecci explained that her opposition to OHWD and Sloughhouse RCD mainly stemmed from their lack of public outreach and lack of disclosure and explanation regarding their plans for the future under SGMA. Ms. Pecci then stated that much of the area under discussion was also urban or planned for urban development along with a significant number

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of existing domestic well users and that it needed to be discussed within that context along with the agricultural interests. Ms. Pecci stated that she agreed with the sentiment of what was the rush for OHWD and Sloughhouse RCD to move forward with the GSA process given the number of issues that still needed to be negotiated. Ms. Pecci then said that she had urged the City of Elk Grove to become more active in the SGMA process particularly with public involvement and that the City had planned for a discussion during an upcoming City Council meeting at which a member of the County would provide information. Ms. Pecci then urged for more outreach to the public at large.

Hanspeter Walter, legal counsel for Sloughhouse RCD, commented that outreach and dialogue should be conducted equally with Sloughhouse RCD and not exclusively with OHWD as had occurred. Mr. Walter added that discussions that SCGA has with DWR should include all parties to avoid the potential for illegal side-lobbying. Mr. Walter stated that the tight timeframe for resolving all of the issues was due to the law itself and that Sloughhouse RCD desired to become a GSA and had decided to move forward. Mr. Walter stated that Sloughhouse RCD did not see it as rushing and that the issues could still be discussed. Mr. Walter stated that he was trying to understand the pertinent issues alluded to in previous SCGA board actions as needing to be resolved. Mr. Walter stated that he had asked for an explanation and was referred to technical documentation on the Authority's website which he felt was not a reasonable direction. Mr. Walter requested that SCGA staff be directed to provide those issues in writing to Sloughhouse RCD.

Motion/Second/Carried — Ms. Thompson moved, seconded by Mr. Williams, the motion carried to adopt the proposed resolution. Mr. Lowry, Mr. Mahon, and Mr. Nelson opposed the motion. Mr. Eising had departed the meeting and was not present for the vote.

8. COSUMNES COALITION OUTREACH TO SCGA

Melinda Frost-Hurzel and Mike Eaton gave a presentation on the Cosumnes Coalition in an effort to establish a stakeholder partnership with SCGA with the goal of working toward effective approaches to support aquifer and river health (*Note: Ms. Frost-Hurzel's presentation can be viewed on the Authority's website for the 4/20/2106 meeting date*).

Mr. Schubert expressed an interest in gaining more understanding of the Coalition and its efforts in the future.

9. <u>2014/2015 AUDIT REPORT</u>

Bill Konigsmark distributed and provided a review of the 2014/2015 Audit Report. Mr. Konigsmark reported that the budgetary and fiscal portion of the audit contained no issues or findings. Mr. Konigsmark reported that release of the Audit Report was held up due to a finding related to Internal Controls specifically due to the non-filing of Form 700 by members of the board. The auditors had pointed out the non-filing of Form 700 the previous year with the warning that it would be treated as a finding if it occurred again. Mr. Konigsmark pointed out that the issue was not necessarily with the non-filing of the forms

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but that there was not a system in place to reconcile the non-filing with the Fair Political Practices Commission. Mr. Konigsmark explained that a corrective action had been developed and recorded in the Audit Report.

Mr. Madison asked if the audit report required a board action to be received and filed. Ms. Britton stated that the item was agendized as an informational item and that she was not aware of how it was handled in the past. Mr. Roybal stated that he did not recollect the board taking formal action in the past to receive the audit report but that the question would be looked into.

10. EXECUTIVE DIRECTOR'S REPORT

Mr. Roybal announced that the City of Rancho Cordova City Council had appointed Albert Stricker as representative and Allen Quynn as alternate on May 21, 2016.

Mr. Roybal then announced that staff would be sending out a data request to member purveyors and other groundwater users in the basin in preparation for the development of the biannual basin management report.

11. DIRECTORS' COMMENTS

Mr. Ewart encouraged board members to look at the presentation for the March 30, 2016 Budget Subcommittee that contained a description of significant changes to the funding structure of the Authority that were being considered for recommendation to the board. Mr. Ewart suggested that any comments regarding those proposed changes be directed to staff.

ADJOURNMENT

Brett Ewart adjourned the meeting at 12:00 p.m.

Upcoming Meetings –

Next SCGA Board of Directors Meeting - Wednesday, May 11, 2016, 9 am; 10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

Chairperson

FORMED AUGUST 29, 2006 SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Governing Board Meeting Final Minutes – Page 11 April 20, 2016

Date

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Mr. Nelson asked if the alternative plan submittal process would conflict with FRCD's proposed changes to the JPA. Ms. Britton responded that the alternative submittal process would be put at risk if there was no management structure identified to implement the plan. If the existing JPA was nullified without agreements in place that would address those management issues it could be a problem. Ms. Britton stated that an amendment to the existing JPA that did not interfere with the management of the basin might not be an issue.

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Mr. Ocenosak stated his contention that where the groundwater flowed should determine who should be included in the management of that resource. Mr. Ocenosak stated that Mr. Goetz had done a good job during previous presentations to the board to explain how the groundwater flowed in the South American Subbasin and that in his opinion, the information presented as a part of OHWD and Sloughhouse RCD's basin modification application supported what Mr. Goetz had explained. Mr. Ocenosak stated his support of the alternative plan submittal process.

Jay Schneider, Vice Chairman Sloughhouse RCD, commented as a member of the public. Mr. Schneider stated in response to the presentation, that the scientific studies study conducted as a part of OHWD and Sloughhouse RCD's basin boundary modification application on behalf of his organization demonstrated conclusively provided conclusive proof that the connectivity between the American River and the Cosumnes was divided, that there was no connectivity down to the two hundred fifty foot grades, and that, that barrier

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generally followed the watershed line until about the Wilton or Sheldon area where it made a semi-circle, westerly outreach. Mr. Schneider then stated that one of the requirements of the alternative plan was to scientifically prove that not only was your own basin sustainable for ten years but that it would not have any harm on the adjacent basin. Mr. Schneider said that the lines that were drawn were based on the assumption that there was underlying connectivity but that in fact it was more like two swimming pools. Mr. Schneider stated that you could draw a line connecting two swimming pools and their various heights based on which one was higher or lower but that because there was no connectivity they did not relate to one another and that is what the science proved. Mr. Schneider said SCGA could do its own study and could include Sloughhouse's study which would have to be done when SCGA did its study to prove that it could manage. there was no subsurface connection between the American River and Cosumnes River and that the two basins where similar adjacent swimming pools. Mr. Schneider requested that SCGA support OHWD and Sloughhouse RCD's jurisdictional boundary change that would follow the watershed boundary. Mr. Schneider then requested that SCGA support Sloughhouse RCD's GSA application and to not obstruct its right to form a GSA. Mr. Schneider stated that until SCGA recognized interests in the south basin no negotiations could take place.

Mike Wackman, General Manager, OHWD, asked Mr. Goetz if the alternative plan would include those portions of OHWD and the current SCGA boundary that extended south of the Cosumnes River. Mr. Goetz replied that the alternative plan would have to include those areas as those areas supported the ten plus years of data collection, modeling, and groundwater management that would be considered for the alternative plan. Mr. Wackman replied that OHWD did not object to the SCGA's alternative plan proposal but that it did have concerns that an alternative plan could interfere with its plans for management as a GSA. Mr. Wackman stated that the process could work if the GSP regulations allowed for agreements and coordination to be developed that would enable an alternative plan that did not conflict with OHWD's GSA management and any plan that it sought to implement. Mr. Wackman further stated support of the SCGA's GMP, data collection, and technical studies and that he agreed that those efforts should be utilized going forward and that OHWD had used some of those resources in developing its basin boundary modification application. Ms. Britton stated that she envisioned that the GSP regulations would ultimately allow for OHWD to develop its own GSP as an exclusive GSA and that any areas that overlapped with SCGA's alternative plan, they would be reconciled via a coordination agreement. Ms. Britton stated that the process would also not preclude SCGA staff from outreaching to OHWD regarding OHWD's management of an alternative plan as developed by SCGA.

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