

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Sustainable Groundwater Management Act Sub-Committee Meeting
Final Minutes
April 21, 2016

LOCATION: 10060 Goethe Road, Room 1213
Sacramento, CA 95827
1:00 p.m. to 3:00 p.m.

MINUTES:

1. Call to Order and Roll Call

Paul Schubert called the meeting to order at 1:00 p.m.

The following meeting participants were in attendance:

Board Members:

Paul Schubert, Golden State Water Company
Tom Nelson, FRCD/EGWD
Tom Mahon, Agricultural Interests
Brett Ewart, City of Sacramento
Forrest Williams, County of Sacramento

Staff Members:

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

Others in Attendance:

Mark Madison, FRCD/EGWD
Bruce Kamilos, FRCD/EGWD
David Aladjem, FRCD/EGWD
Jonathan Goetz, GEI
Kerry Schmitz, Sacramento County Water Agency
Rodney Fricke, Consulting Hydrogeologist
Jay Schneider, Sloughhouse RCD
Amanda Platt, Sloughhouse RCD
Joe Turner, Kleinfelder
Suzanne Pecci, Domestic Well Owner Elk Grove
Ron Pecci, Domestic Well Owner Elk Grove

2. Public Comment

None

3. Request by Florin Resource Conservation District for a New Joint Powers Agreement

Tom Nelson stated the need for SCGA to accept change in response to SGMA and that the JPA proposed by FRCD included some of the needed changes. Mr. Nelson then introduced Mark Madison to discuss the proposal in more detail.

Mr. Madison introduced himself, Mr. Nelson, Bruce Kamilos, and the FRCD attorney, David Aladjem. Mr. Madison stated that governance was the most important issue facing SCGA in order to set the ground rules for how the organization would function under SGMA. Mr. Madison stated that the current JPA had functioned well to date but that there were some problems that they had identified. Mr. Madison said that the underlying theme being promoted with their proposed JPA was equality because the existing JPA did not. The next issue was the termination clause which allowed for any of the signatories to opt out and terminate the agreement. Mr. Madison then mentioned issues with voting particularly as it concerned fiscal items. Mr. stated that the proposed JPA addressed concerns over powers under a different signature arrangement and that Mr. Aladjem had ensured that the proposed JPA would provide full powers for SGMA compliance. Mr. Madison then mentioned that the proposed JPA addressed issues concerning funding of the Authority and accommodation of a new rate structure as had been discussed by the Budget Subcommittee. Mr. Madison then stated that the proposed JPA was intended to be an interim agreement to be effective until SCGA began GSP implementation after which it was envisioned that a new governance structure would take effect hopefully for a stand-alone agency. Mr. Madison stated that the proposed JPA did not contemplate implementation under an alternative plan. Mr. Madison announced the title of the organization would be changed by the proposed agreement to the Sacramento Central Groundwater Sustainability Authority. Mr. Madison that said that all public agencies would be signatory to the proposed agreement and further discussion could look into possibly having private utilities as signatories. Mr. Madison said that all signatories would be able to appoint their own representatives.

Mr. Ewart asked what specifically FRCD was not able to accomplish under the existing JPA. Mr. Madison replied that there was nothing that they had not been able to accomplish and that the existing JPA had worked well to date but that it did not mean that it would not be better to make a change going forward. Mr. Madison stated that the proposed JPA might alleviate feelings of inequality and mistrust and might offer the best opportunity to keep the SCGA board together especially in consideration of OHWD's actions.

Mr. Williams stated that the appropriate time for addressing changes to the JPA was during the GSP process and that to do so currently would compromise more pressing issues that needed to be addressed. Mr. Schubert stated that he thought it had been decided to table discussion of changes to the JPA until the GSP process because that would be the time when the elements of governance under SGMA would become

apparent. Mr. Schubert stated that an interim step would not accomplish much other than addressing FRCD's specific issues. Mr. Schubert then asked if a letter amendment could be made to the current JPA to address some of FRCD's more pressing procedural issues. Ms. Britton responded that there was a process for amending the JPA but that it would take additional analysis to determine if certain entities were required to have elected members of those organizations as representatives to the board.

Mr. Schubert stated that opening up the JPA would take a substantial amount of time to work through and may extend past the time that the GSP would be completed. Mr. Schubert explained that it was likely that if the JPA was opened up that many if not all potential signatories would take the opportunity to conduct their own legal review and provide comments and that a drawn out negotiation process would follow. Mr. Madison stated that the proposal was not radical in nature. He asked that besides a potential issue of a dilution of power what were the elements of the proposal that would cause a disruption. Mr. Schubert stated that his role on the board was to protect the groundwater basin not his agency's power on the board and that the proposed JPA did not augment the protection of the groundwater basin.

Mr. Ewart stated he would not be in favor of opening up the entire JPA but saw the importance of looking into accommodating some of the functional issues that FRCD had in its role with SCGA such as how and who was appointed to represent FRCD. He also stated that the current termination clause was concerning.

Mr. Aladjem suggested that he and Ms. Britton could confer and produce a tight set of amendments that would be technical and not disrupt the basic police power of the Authority and would address the appointment process and clarify the termination clause. Mr. Aladjem suggested holding off on the discussion concerning who could be signatory and interpretations on the dilution of powers that may or may not result. Mr. Aladjem asked if there was consensus amongst the committee on what he had proposed.

Mr. Madison clarified the three most important issues that FRCD had as 1) becoming a signatory to the JPA, 2) not requiring the approval of another agency for appointment to the board, and 3) the ability to appoint whoever it wished.

Mr. Madison suggested that a rate study be conducted as a part of the restructuring of the budget to ensure that contributions were to be collected equitably and legally. Specifically, Mr. Madison expressed a concern over the collection of the Zone 13 fee and its contribution to the SCGA budget and whether or not there was a double collection of fees being contributed to SCGA. Ms. Britton responded that it might be more appropriate for the individual agencies that make contributions to SCGA conduct a rate study if necessary.

Mr. Schubert recommended that the first item that would change the signatory structure of the JPA should be brought before the board for consideration but that items two and three should be analyzed by SCGA and FRCD legal counsel to determine if those changes could be codified into an amendment without compromising the powers of the

Authority. If so, that language would then be brought to the SGMA Subcommittee for its consideration and possible recommendation to the full board for adoption. Mr. Mahon supported the recommendation saying that it was important to address those specific issues. Mr. Williams and Mr. Ewart also expressed their support.

Suzanne Pecci, domestic well owner in the City of Elk Grove commented that she was in support of SCGA's actions from the previous day's board meeting to move forward with GSA formation and an alternative plan and stated that if FRCD's proposal interfered with those actions then she would not support it. Ms. Pecci then stated that there was a lot of change occurring in the region and in the City of Elk Grove especially as it concerned SGMA and that stability and a measured approach to the change was needed and that the SCGA board represented that. She then commended the members of the subcommittee for their comportment during discussion of FRCD's proposal. Ms. Pecci then mentioned if there was a concern regarding the collection of fees for contribution to SCGA then there should be a concern over the passing of legal fees, on the part of FRCD, onto its customers to develop a fast-tracked interim plan.

Jay Schneider with the Sloughhouse RCD commented that SCGA should recognize and allow OHWD to form its own GSA. Mr. Schneider then advocated for the rights of the local residents of the Sloughhouse RCD to self-govern and to form their own GSA without interference from SCGA.

4. Update of Draft Emergency Regulations for Groundwater Sustainability Plans and Alternatives

Mr. Goetz provided a review of the California Water Commission hearing from the previous day during which comments regarding the draft emergency GSP regulations were discussed. Mr. Goetz reported that the next Water Commission hearing was set for May 18, 2016 and that the final draft GSP regulations would be considered during that hearing.

Amanda Platt with the Sloughhouse RCD commented that her board sought to be supportive of the alternative plan process as they recognized its benefits to SCGA and the South American Subbasin. Ms. Platt stated that Sloughhouse RCD was not involved in the development of the current SCGA GMP but that going forward, Sloughhouse RCD wished to be included in negotiations and development the alternative plan, specifically as it may affect its ability to comply with SGMA.

5. Action Items/Next Steps Assignments

The subcommittee agreed to reconvene on May 16, 2016 at 1 pm.


ADJOURNMENT

Mr. Schubert adjourned the meeting at 2:57 pm


Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, May 11, 2016, 9:00 am; SASD
South Conference Room 1212, Sunset Maple.

By:

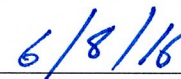


Chairperson



Date





Date

