

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)

Governing Board Meeting

Final Minutes

July 10, 2013

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

Bruce Kamilos called the meeting to order at 9:00 a.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Tom Mahon, Agricultural Interests
Rick Bettis, Conservation Landowners
Ed Crouse, Rancho Murieta Community Services District
Dave Ocenosak, Sacramento Regional County Sanitation District
Ron Lowry, Omochumne-Hartnell Water District
David Armand, California-American Water Company

Board Members (Alternate Rep):

Bruce Kamilos, Elk Grove Water District
Darren Wilson, City of Elk Grove
Paul Schubert, Golden State Water Company

Staff Members:

Darrell Eck, Executive Director
Heather Peek, Clerk
Ping Chen, SCGA
Ramon Roybal, SCGA

Others in Attendance:

Brett Ewart, City of Sacramento
Mark Roberson, Water Forum
Rob Swartz, SGA
Jim Blanke, RMC Inc.

Member Agencies Absent

City of Folsom

*City of Rancho Cordova
City of Sacramento
County of Sacramento/Sacramento County Water Agency
Agricultural Residential
Public Agencies Self-Supplied*

2. PUBLIC COMMENT

Rob Swartz with Sacramento Groundwater Authority (SGA) made an announcement that the Regional Water Authority (RWA) Board of Directors was going to consider adopting the Integrated Regional Water management Plan (ARB IRWMP) for the American River Basin at its board meeting the following day at 9 am. He reminded that RWA had given presentations regarding the ARB IRWMP to the SCGA Board a couple of times in the past and many board members had participated in developing a vision for the plan its goals, objectives, and strategies and had included projects in the plan. Mr. Swartz stated that the plan was meant to be a living document and there would be ongoing quarterly-based opportunities to modify strategies and add projects into the plan. He also mentioned that adopting the plan was just the beginning and that the real work of implementation was ahead.

3. CONSENT CALENDAR

The draft meeting minutes for the June 12, 2013 Board meeting were reviewed for final approval.

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

4. LIABILITY INSURANCE PROPOSAL

Mr. Eck recalled the independent auditor's report dated March 7, 2012 and presented to the Board on March 14, 2012, which indicated that the Groundwater Authority was exposed to various risks of loss related to torts; errors and omissions; and natural disasters. Since that time staff had worked with both the ACWA JPIA and the County of Sacramento's Risk Management Office to determine the best level of liability coverage to meet the needs of the Groundwater Authority and to satisfy the concerns of the independent auditor. Part of the challenge of determining the extent and appropriate levels of the coverage needed for the groundwater authority is based on staffing in the County of Sacramento. It was this complication that ultimately caused the JPIA to withdraw their proposal for liability coverage for the Groundwater Authority which was originally quoted at \$10,000, plus the cost of joining ACWA. Mr. Eck reported that staff then worked with the County Risk Management Office who, after reviewing the Groundwater Authority's JPA and policies and procedures, obtained an insurance proposal through the County's insurance broker (Alliant Insurance Services) on behalf of SCGA. Mr. Eck reported that Risk Management expressed their confidence that the proposal provided the appropriate coverage for the Groundwater Authority. Mr. Eck stated that the insurance policy itself would cost just over \$5,500 a year

in addition to ten percent charge assessed by Risk Management, bringing the total cost to \$6,103.38.

Mr. Schubert asked for clarification for the section of the proposed policy that included “Public Officials Errors and Omissions” and “Directors and Officers” under “Major Exclusions”. Mr. Eck replied that staff would look into it for clarification.

Mr. Lowry asked if there the County solicited RFP’s from potential insurance carriers as a part of the selection process. Mr. Eck responded that Risk Management had a number of insurance carriers that they worked with and based on their specific analysis of the JPA and policies and procedures manual, they recommended the program offering the most appropriate level of coverage.

Mr. Ocnosak moved to approve the proposal with the caveat that clarification of the major exclusions be reconciled first. Mr. Eck stated that the item could be approved pending clarification of the exclusions clause.

Action: Authorize the Executive Director to proceed with obtaining liability insurance for the Groundwater Authority through the County of Sacramento’s Risk Management Office.

5. REVIEW OF POLICIES AND PROCEDURES

Mr. Eck recalled that at the May 8, 2013 meeting there was interest in taking time to go through the Groundwater Authority’s adopted Policies and Procedures document as significant time had passed since its initial adoption. Mr. Eck reminded the Board that most of the policies and procedures were rooted in the Joint Powers Agreement (JPA). The Board reviewed *Chapter 1* of the Policies and Procedures document and decided upon the following edits:

§ 1.23 Definitions

- (b) “Agricultural Interests” refers to all persons or entities that pump groundwater within the boundaries of the Authority for agricultural purposes, other than a Retail Provider, and that are represented on the Board by the agricultural representative nominated by the Sacramento County Farm Bureau and appointed by the Sacramento County Board of Supervisors. ~~The Board shall establish by resolution a minimum quantity of water that must be produced annually by such agricultural pumpers to qualify as an “Agricultural Interest” under these Rules and the Joint Powers Agreement.~~
- (k) “Conservation Landowner” refers to a non-profit land trust holding a fee or easement interest in two thousand five hundred (2500) acres or more of land located within the boundaries of the Authority *in consultation with environmental and community organizations that are signatories to the Water Forum Agreement, as required by Joint*

Powers Agreement §7(b), the Board shall appoint the representative of conservation land owners.

- (n) “Groundwater Management Plan” refers to the document adopted by the Board which sets forth the Authority’s plan to manage groundwater quantity and quality in the Central Basin. ~~The Groundwater Management Plan may include various components, such as Conjunctive Use and regulatory components.~~

During the review process it became apparent that corresponding edits may be necessary for the JPA. Mr. Schubert suggested keeping a e list of those potential changes in a separate document.

During discussion of *Section 1.02 Boundaries of the Authority*, Mr. Lowry raised the question of the appropriateness of the southern limit following the boundary of the Omochumne-Hartnell Water District as opposed to following the path of the Cosumnes River such as the northern boundary follows that of the American River. Mr. Eck responded that such a consideration would require an analysis of many issues, including its effect on the sustainable yield of the basin, and that it would have to be discussed in more detail at a later time.

Item (i) of *Section 1.23*, relating to Commercial/Industrial Self-supplied Users, contained similar language to item (b) which was deleted from that item. It was decided that the language in section (i) should remain in place until such time as there was a representative on the Board for Commercial/Industrial Self-supplied, who could then decide if the language was appropriate or not.

Action: Make recommendations as necessary.

6. EXECUTIVE DIRECTOR’S REPORT

Mr. Eck provided the following report:

- a) Local Groundwater Assistance Grant – Based on conversations with DWR staff it appears that the Groundwater Authority will receive a \$200,000 local groundwater assistance grant. No specific information is available on DWR’s website specifying when grant agreements will be made available or when they will ultimately be executed.
- b) El Dorado Water and Power Authority - The El Dorado Water and Power Authority (EDWPA) has a pending water rights application with the State Board for 40,000 AFA of water from the SMUD Upper American River Project for the West Slope of El Dorado County. EDWPA has been working with SGA members and some SCGA member

an interim basis until El Dorado County needs the water over time. Dave Eggerton, Executive Director of EDWPA, met with representatives of SCWA on June 11, 2013 to discuss what they've been working on and how it may fit into SCWA and SCGA's long term goals and objectives. Mr. Eggerton was invited to make a presentation to the Board regarding their proposal by scheduling conflicts prevented this from happening.

7. DIRECTORS' COMMENTS

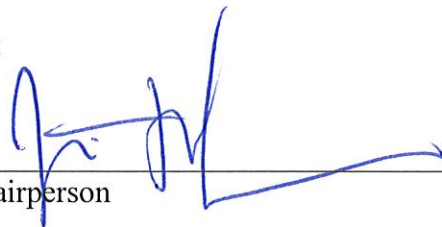
None

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, September 11, 2013, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:



Chairperson

9.11.2013

Date

Heather Peck

Chairperson

9.11.2013

Date

