

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Wednesday, November 13, 2013; 9:00 am

10060 Goethe Road

Sacramento, CA 95827

(SASD South Conference Room No. 1212 – Sunset Maple)

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda, but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.

The public shall have the opportunity to directly address the Board on any item of interest before and during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker.

- 1. CALL TO ORDER AND ROLL CALL – 9:00 a.m.**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.
- 3. CONSENT CALENDAR**
 - Minutes of September 11, 2013 Board meeting.
Action: Approve Consent Calendar items
- 4. ELECTION OF OFFICERS**
 - Election of Chair and Vice Chair of the Board of Directors
Action: Elect Chair and Vice Chair of the Board of Directors of the Sacramento Central Groundwater Authority for calendar year 2014 in accordance with Section 3.06(a) of the Rules of Procedure.
- 5. LOW IMPACT DEVELOPMENT (LID) – DRY WELLS**
 - Presentation by Barbara Washburn with the Office of Environmental Health Hazard Assessment on a study of the use of dry wells in the City of Elk Grove for localized stormwater management and potential groundwater recharge.
Action: Information presentation.
- 6. REVIEW OF POLICIES AND PROCEDURES**
 - Information presentation – Chapters 4 (Officers and Employees) and 5 (Finance): SCGA staff.
Action: Make recommendations as necessary.
- 7. EXECUTIVE DIRECTOR'S REPORT**
 - a) Local Groundwater Assistance Grant
 - b) Questionnaire for the Groundwater Accounting Program (GAP)
 - c) Question Regarding Posting of Meeting Agenda
- 8. DIRECTORS' COMMENTS**

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, January 8, 2014, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

AGENDA ITEM 3: CONSENT CALENDER

BACKGROUND:

Minutes of the September 11, 2013 SCGA Board meeting.

STAFF RECOMMENDATION:

Action: Approve Consent Calendar items.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Draft Minutes
September 11, 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

Chair Jim Peifer 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
Christine Thompson, Public Agencies Self-Supplied
Ron Lowry, Omochumne-Hartnell Water District
Ed Crouse, Rancho Murieta Community Services District

Board Members (Alternate Rep):

Todd Eising, City of Folsom
Britton Snipes, City of Rancho Cordova
Jim Peifer, City of Sacramento
Bruce, Kamilos, Elk Grove Water District
José Ramirez, Sacramento Regional County Sanitation District

Staff Members:

Heather Peek, Clerk, SCGA
Ping Chen, SCGA
Ramon Roybal, SCGA

Others in Attendance:

Mark Roberson, Water Forum
Rodney Fricke, Aerojet Corporation
Brett Ewart, City of Sacramento
Ali Taghavi, RMC
Jonathan Goetz, GEI Consultants
Jafar Faghieh, HDR

Member Agencies Absent

City of Elk Grove

County of Sacramento/ Sacramento County Water Agency

Agricultural-Residential

Commercial/Industrial Self Supplied

California-American Water Company

Golden State Water Company

2. PUBLIC COMMENT

Rodney Fricke, Aerojet Corp., announced that a Groundwater Resources Association meeting would be held that evening at the Aviator Restaurant beginning with a 5:30 pm social hour followed by dinner. He then announced Dr. John Jansen as the key speaker for whose topic would be groundwater sustainability.

3. CONSENT CALENDAR

The draft meeting minutes for the July 10, 2013 Board meeting were reviewed for final approval.

Mr. Lowry suggested an edit to the minutes on page four, regarding agenda item five where a reference to the “American River” should have read “Cosumnes River” and further along finishing with a reference to the “American River” as the northern boundary of the Central Basin.

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

4. SCGA AG WATER DEMAND EVALUATION AND 2011-2012 BIENNIAL BASIN MANAGEMENT REPORT CONTRACT

Mr. Eck reported that as part of the Groundwater Authority’s current budget, provisions were made to hire a consultant to assist staff in developing a methodology for estimating agricultural and ag/res groundwater demands on a regular basis so that the information could be used as part of the Authority’s Groundwater Accounting Program (currently under development), and in providing more accurate groundwater usage data in the Authority’s biennial reports. Mr. Eck then added that in addition to the work on agricultural water demands, staff would like the same consultant to prepare the Authority’s 2011-2012 Biennial Report. It was originally anticipated that staff would have sufficient time this fiscal year to complete the report but it is no longer the case. To address the problem staff proposed to take the \$20,000 previously allocated for staff to prepare the Biennial Report, and reallocate

it to consultant expenses. The reallocation would not change the total approved budget for the fiscal year.

Mr. Eck then reported that staff was currently reviewing proposals submitted by GEI Consultants, RMC, HDR, and MWH. Mr. Eck stated that staff anticipated completing a review of the proposals and selecting a consultant by September 20, 2013. Staff would then like to move forward with the process of placing the consultant under contract.

Mr. Eising asked who was involved in evaluating the proposals. Mr. Eck replied that staff was reviewing them along with Mark Roberson from the Water Forum. Mr. Eising then asked if typically anyone from the Board was involved in the process. Mr. Eck said not generally, however for projects of much greater magnitude Board members may be included in the selection process.

Motion/Second/Carried – Mr. Kamilos moved, seconded by Mr. Lowry, the motion carried unanimously to authorize the Executive Director to enter into an agreement with a consultant based on an evaluation of requests for proposals issued by the Groundwater Authority; contract amount not to exceed \$60,000.

5. REVIEW OF POLICIES AND PROCEDURES

Mr. Eck recalled that at the May 8, 2013 Board meeting, it was mentioned that a significant amount of time had passed since the Board had adopted the Policies and Procedures for the Groundwater Authority and that there should be a process that would provide for a regular assessment. Mr. Eck further recalled that at the July 10, 2013 Board meeting staff reviewed and received comments from the Board on Chapter 1 of the Rules of Procedure Governing the SCGA with the Board. Staff made the recommended changes to Chapter 1 and provided copies of both a strike out and final copy of the document as part of the Board package. Mr. Eck then stated the intent to review Chapter 2, Preliminary Matters, and Chapter 3, Board of Directors as an opportunity for Board members to become more familiar with the Rules of Procedure and to make recommendations for revisions as necessary.

Mr. Peifer asked for clarification as to why the Board was reviewing the policies and procedures. Mr. Eck's replied that it was in response to a request that came about by the Board to do so and that periodically issues come up and a reference is made to the requirements that are specified in the policies and procedures and so thus was a sense that there needed to be an opportunity to go through and review them. Mr. Eck stated that it was something that the Sacramento Groundwater Authority did on a regular basis. Mr. Eck pointed out that for the SCGA, the policies and procedures were approved six years previous and that there had some turn over in Board membership. Mr. Peifer asked if there were specific instances where the procedures were problematic for the Authority. Mr. Eck replied that there were a few edits recommended for chapter one however, chapters two and three appeared to mirror the language of the Joint Powers Agreement (JPA) and unless there was a strong desire to also amend the JPA, it would be possible skip over those aspects of the

policies and procedures. It was decided to briefly review chapters two and three and to record any recommended changes suggested by the Board.

With respect to Section 3.11 Meeting Agendas, Mr. Peifer asked if it was legal counsel's opinion to have the meeting agenda posted at every member agency's location and if the Board could change that or not. Mr. Eck replied that the posting requirements were determined by the Brown Act and that it may be possible that there were allowances within those requirements that do not require such action. Mr. Peifer mentioned it did not seem as though it were a requirement for the Sacramento Groundwater Authority and that it would be his preference to post the agenda at just the County Administration building. Mr. Eising asked for clarification as to where it was currently expected for the agenda to be posted. Mr. Eck replied that the expectation was that it would be posted at the offices of each of the JPA signatories. Mr. Eck then stated that he would look into whether the agenda had to be posted at each of those locations or if posting it solely at the County Administration building would satisfy the Brown Act requirements.

Mr. Eck asked if anyone had any additional questions. Mr. Crouse said from his perspective everything looked all right. Mr. Peifer asked if the Board needed to take an action on the item. Mr. Eck replied that it was informational and a way to get feedback from the Board.

6. EXECUTIVE DIRECTOR'S REPORT

- a) Local Groundwater Assistance Grant – Mr. Eck announced that CA DWR had notified staff that SCGA would receive \$199,824 from a local groundwater assistance grant and that staff was working with DWR to prepare and approve the grant funding agreement after which the process of selecting a consultant would begin.
- b) Election of Chair and Vice Chair for 2014 – Mr. Eck announced that the election of new chair positions would take place at the next meeting in November.
- c) New Board Members – Mr. Eck introduced Britton Snipes, with the City of Rancho Cordova who replaced Elizabeth Sparkman and Travis Anderson, with Golden State Water Company, who replaced Scott Fort.
- d) Questionnaire for the Groundwater Accounting Program (GAP) – Mr. Eck said the Board had established a subcommittee to talk about the creation of groundwater accounting program for the Groundwater Authority. The need for stakeholder feedback regarding the fundamental elements of a GAP had become apparent. Staff was working on a questionnaire that would assist in the development of the program. The questionnaire will be vetted through the GAP subcommittee in October.
- e) Boundary Change Question – Mr. Eck recalled that at the July 10, 2013 Board meeting a question was raised regarding the boundary between the Central and South basins. The current boundary, as described in the Groundwater Management Plan and the JPA, was established by the Water Forum. There are several significant issues that would need to be addressed prior to making this consideration. First, what would be the benefit to the Central Basin in making this change? Second, what

changes would be required in various documents that describe the Central Basin (e.g., the Water Forum Agreement, the Central Sacramento County Groundwater Management Plan, the Joint Powers Agreement, the CASGEM Monitoring Program, etc.)? Third, what would be the change to the sustainable yield and what would be the modeling requirements necessary to address that change? Fourth, what would be the cost and who would bear that cost? Mr. Eck called for the Board members to consider those factors if the issue was to be pursued further.

7. DIRECTORS' COMMENTS

Ms. Thompson expressed an interest in outreaching to other public agency self-supplied stakeholders to participate in SCGA.

Mr. Bettis inquired about the timeframe of when the ag demand estimate would be completed. Mr. Eck replied that the project was targeted to be completed four months after the award of the contract. Mr. Bettis then asked for an email/summary regarding the project goals of the upcoming local groundwater assistance grant project. Mr. Eck replied that staff would provide a summary as soon as the grant award process was finalized.

Mr. Lowry stated that he felt as though there should be Board member involvement in the consultant selection process for projects of a certain dollar amount. He stated that he was unsure of the threshold for the dollar amount but that it should trigger the formation of a subcommittee to review the staff's selection process and the committee would have final say in consultant selection. The topic was discussed by the Board with some members expressing a concern to not interfere with staff's ability to complete its tasks. Others expressed that staff reports its intentions to the Board and should be afforded the ability to choose the consultants that they feel they will work with most effectively. The Board did agree that for very high dollar contracts, perhaps of \$100,000 or greater, that as has been done in the past, a staff report be provided to the Board of the selection process and if the Board felt it necessary at that time, a sub-committee could be formed.

Mr. Kamilos related that the Florin Resource Conservation District had recently determined to incorporate groundwater banking opportunities as a part of its conservation management element in managing the Elk Grove Water District (EGWD). Mr. Kamilos reported that the EGWD General Manager was going to begin focusing on groundwater banking and would be interested in partnering up with other groups on those opportunities.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, November 13th, 2013. 10060 Goethe Road, Sacramento, CA; SASD South Conference Room 1212 (Sunset Maple).

By:

Chairperson

Date

Date

AGENDA ITEM 4: ELECTION OF OFFICERS

BACKGROUND:

Section 3.06(a) of the Groundwater Authority's Rules of Procedure provides that the Chair and Vice Chair serve for a term of one calendar year.

STAFF RECOMMENDATION:

Action: Elect Chair and Vice Chair of the Board of Directors of the Sacramento Central Groundwater Authority for calendar year 2014 in accordance with Section 3.06(a) of the Rules of Procedure.

AGENDA ITEM 5: LOW IMPACT DEVELOPMENT (LID) – DRYWELLS

BACKGROUND:

Barbara Washburn with the Office of Environmental Health Hazard Assessment will make a presentation on a study of the use of dry wells in the City of Elk Grove for localized stormwater management and potential groundwater recharge.

STAFF RECOMMENDATION:

Action: Information presentation.

AGENDA ITEM 6: REVIEW OF POLICIES AND PROCEDURES

BACKGROUND:

At the May 8, 2013 Board meeting it was stated that there were a number of new Board members that were unfamiliar with the Authority's Policies and Procedures and that existing Board members could use a refresher on its content. This would also provide an opportunity to assess Policies and Procedures and make changes as necessary. At the July 10, 2013 Board meeting staff reviewed and received comments from the Board on Chapter 1 and a review of Chapters 2 and 3 was conducted on September 11, 2013. No changes to these chapters were suggested. Today's review will cover Chapter 4, Officers and Employees, and Chapter 5, Finance.

STAFF RECOMMENDATION:

Action: Make recommendations as necessary.

**CHAPTER 4.
OFFICERS AND EMPLOYEES**

§ 4.01 General

- (a) The Board of the Authority shall appoint an Executive Director and Legal Counsel, and may appoint, commission, employ, contract with, or retain contractors as the Board deems appropriate to carry out the administration and management of the Authority. The appointment of the Controller and Treasurer shall be as set forth in section 4.03 of these Rules and in the Joint Powers Agreement.
- (b) All officers, the Executive Director, Legal Counsel, and contractors, except the Controller and Treasurer, shall serve at the pleasure of the Board.

§ 4.02 Executive Director

- (a) The Board of the Authority, with the concurrence of the Sacramento County Water Agency, shall appoint an Executive Director who shall be responsible to the Board for the proper and efficient administration of the Authority as directed by the Board pursuant to the terms and provisions of the Joint Powers Agreement, these Rules, and any ordinance, resolution, order or motion of the Board.
- (b) In addition to other duties and authority which may be assigned by the Board, the Executive Director shall have the following authority:
 - (1) To plan, organize and direct all Authority activities, pursuant to the policy direction of the Board;
 - (2) To authorize expenditures within the designation and limitations of the budget approved by the Board;
 - (3) To make recommendations to and requests of the Board concerning any matter which is to be performed, done or carried out by the Board;
 - (4) To have the authority to appoint, discipline, assign, promote, and otherwise supervise and control the activities of any employees or contractors which may be hired or retained by the Authority; and
 - (5) To have charge of, handle and have access to any property of the Authority.

§ 4.03 Controller and Treasurer

- (a) The County of Sacramento Director of Finance shall act as treasurer and controller for the Authority.
- (b) The Controller of the Authority shall cause an independent annual audit of the Authority's finances to be made by a certified public accountant in compliance with California Government Code Section 6505. The Controller shall draw warrants to pay demands against the Authority when the demands have been approved by the Authority or by its authorized representative pursuant to any delegation of authority adopted by the Authority. The Controller shall comply strictly with the provisions of statutes relating to the duties found in Chapter 5

(commencing with Section 6500) of Division 7 of Title 1 of the California Government Code.

- (c) The Treasurer of the Authority shall be the depositor and shall have custody of all money of the Authority from whatever source. The Treasurer shall comply strictly with the provisions of statutes relating to the duties found in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the California Government Code.
- (d) The Sacramento County Department of Water Resources is authorized to set up appropriate funds with the Treasurer and Controller of the Authority and to administer these funds as necessary to accomplish the goals and objectives of the Authority.

§ 4.04 Staff

- (a) The Signatory Parties may assign employees to perform services for the Authority at their exclusive discretion in which case the services of such assigned employees shall be at the expense of the respective Signatory Party with any reimbursement for the value of the services provided by such assigned employee to be subject to an agreement between the contributing Signatory Party and the Board. The Board may also at its discretion enter into appropriate contracts for staff services or employ staff directly.
- (b) The Board shall adopt a Personnel Policy for the administration and management of Authority employees and personnel as it deems appropriate.

§ 4.05 Clerk and Legal Counsel

- (a) The Board shall appoint a clerk and legal counsel as it deems appropriate. The clerk and legal counsel serve at the pleasure of the Board.
- (b) Legal Counsel retained by the Board is directly accountable to the Board, and shall provide legal advice and services as requested by the Board, including legal advice to the Executive Director and other officers of the Authority. Legal Counsel retained by the Board represents the Authority, and shall not represent individual Directors, officers or employees unless authorized by the Board in writing.
- (c) The duties of the clerk shall be directed by the Board.

§ 4.06 Compensation

The compensation of officers, employees, agents, counsel and contractors shall be established by the Board as it deems appropriate.

**CHAPTER 5.
FINANCE**

**ARTICLE 1.
BUDGET**

§ 5.01 Establishment of Budget

- (a) Prior to the commencement of each fiscal year, the Board shall adopt a budget for the Authority for the ensuing fiscal year.
- (b) The Executive Director shall present to the Board a proposed budget no later than the last regularly scheduled meeting before the commencement of the ensuing fiscal year.
- (c) The Board shall direct that a copy of the budget be filed with the Controller within a reasonable time after adoption.
- (d) The Executive Director shall recommend modifications of the budget to the Board if the approved budget is inadequate due to events occurring subsequent to the approval of the budget. The Board shall consider the recommended modifications and shall vote to adopt the amended budget as it deems appropriate. The amended budget shall be filed with the Controller within a reasonable time after adoption.
- (e) The Executive Director shall implement the budgets and amended budgets approved by the Board. Expenditures of the Authority shall be made in accordance with the procedures set forth in Article 3 of this Chapter.
- (f) The fiscal year for the Authority is July 1 through June 30.

**ARTICLE 2.
ASSESSMENTS, FEES, AND CHARGES**

§ 5.21 General

Assessments, fees and charges shall be approved, levied, collected and spent consistent with these Rules and all applicable laws and constitutional limitations.

§ 5.22 Adoption of Assessments, Fees and Charges

- (a) The Board shall establish assessments, fees, and/or charges sufficient to recover the costs of services provided by the Authority. Assessments, fees, and charges shall not exceed the reasonable cost of the services provided.
- (b) The Board shall conduct at least one public meeting and one public hearing prior to adopting or increasing an assessment, fee, or charge. Notice of the meeting and hearing shall be provided as specified in these Rules of Procedure and as required by law.

- (c) Prior to adopting or increasing an assessment, fee, or charge, the Board shall make a finding that the proposed assessment, fee, or charge is reasonable in relation to the services provided and the costs of those services. The finding shall be adopted by resolution of the Board.
- (d) The Board shall review its assessments, fees, or charges annually, and shall modify such assessments, fees and charges consistent with the findings made in the Board's annual review.
- (e) The Authority shall be initially funded as follows:
 - (1) An annual contribution by the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento in the amount of ten thousand dollars (\$10,000.00) each. (These entities shall not be required to pay any additional fee or assessment, such as that described in subsection (e)(2) below.)
 - (2) An annual contribution by each of those water purveyors represented on the Board, other than those listed in subsection (e)(1) above, that purvey surface water in the amount of six thousand dollars (\$6,000.00).
 - (3) An annual contribution by each of those water purveyors represented on the Board, other than those entities listed in subsection (e)(1) above, that utilize groundwater, calculated at the rate of two dollars and seven cents (\$2.07) per acre foot of groundwater pumped from the basin, averaged over the three (3) previous years and excluding the first five thousand (5000) acre feet pumped in each of those years.
 - (4) An annual contribution by agriculture computed at twenty five percent (25 %) of the estimated annual pumping (as determined by the Sacramento County Water Agency) at the rate of two dollars and seven cents (\$2.07) per acre foot and paid out of Sacramento County Water Agency (SCWA) Zone 13 funds.
 - (5) An annual contribution by agricultural/residential groundwater users computed at twenty five percent (25%) of the estimated annual pumping (as determined by SCWA) at the rate of two dollars and seven cents (\$2.07) per acre foot and paid out of SCWA Zone 13 funds.
 - (6) All annual funds shall be paid by July 1 of each year, commencing on July 1, 2006. The annual fee for the first year after the effective date of the JPA shall be prorated from the last signatory approval establishing the Authority.
- (f) The Board of the Authority may, at its discretion, adjust the funding contributions set forth in subsection (e) above, subject to compliance with the voting requirements prescribed in section 3.13 subsection (d) above.

§ 5.23 Adoption of Assessments, Fees and Charges for Water Costs

- (a) The Board shall establish, approve, levy, and collect assessments, fees and/or charges for Water Costs incurred by the Authority. Consistent with applicable law and constitutional limitations, the Board may establish, as it deems appropriate, specific formulas, categories and/or rates applicable to such assessments, fees or charges.

- (b) Consistent with applicable law, constitutional limitations, and the Joint Powers Agreement, the Board may establish specific formulas, categories and/or rates for setting assessments, fees or charges necessary to create incentives and disincentives for the use or non-use of the groundwater resources within the boundaries of the Authority.

§ 5.24 Variances from Assessments, Fees and Charges by the Authority

In its discretion, and consistent with applicable law and constitutional limitations, the Board may establish procedures and criteria for issuing variances from assessments, fees and charges levied by the Authority.

§ 5.25 Challenges to Assessments, Fees and Charges by the Authority

In its discretion, and consistent with applicable law and constitutional limitations, the Board may establish procedures and administrative remedies governing challenges to assessments, fees and charges imposed and levied by the Authority.

**ARTICLE 3.
PURCHASING AND EXPENDITURES**

§ 5.31 Deposits

- (a) The Authority shall establish one or more deposit accounts with State or national banks or savings associations upon such terms and conditions as may be agreed upon. The Chair and Treasurer shall establish or cause to be established such accounts in the name of the Authority for general fund expenditures.
- (b) Upon maturity, investments shall be deposited into the Authority's checking or savings accounts on the approval of either the Chair or the Treasurer.

§ 5.32 Safety Deposit Boxes

The Executive Director may obtain safety deposit boxes at State or national banks or savings associations for use of the Authority.

§ 5.33 Petty Cash Account

The Chair and Treasurer may create and the Authority may maintain a fund, known as the petty cash account, in an amount to be recommended by the Executive Director and approved by the Board. If a petty cash account is created, the Executive Director shall report to the Board on disbursements from the petty cash account.

§ 5.34 Revolving Account

- (a) The Chair and Treasurer shall create and the Authority shall maintain a fund, known as the “revolving account”, in an amount to be recommended by the Executive Director and approved by the Board. Withdrawals from the revolving account shall be made upon the signature of the Executive Director without prior Board approval. The revolving account may be used for the payment of:
 - (1) payroll;
 - (2) Public Employees Retirement System payments;
 - (3) payroll withholding taxes;
 - (4) insurance premiums and benefits;
 - (5) deferred compensation payments;
 - (6) Social Security payments;
 - (7) other payroll credit union deductions; and
 - (8) Other payments necessary to fulfill contractual and other SCGA obligations, consistent with the approved budget.
- (b) The revolving account may also be used to make emergency expenditures. Withdrawals from the revolving account shall be made upon the signature of the Chair of the Board or the Executive Director without prior Board approval.
- (c) The Executive Director shall report to the Board on all disbursements from the revolving account.

§ 5.35 Accounting Practices

- (a) The Authority shall maintain books of account in accordance with generally accepted accounting practices as promulgated by the governmental accounting standards board, showing the status of monies received and disbursed.
- (b) Funds and accounts shall be maintained as necessary to accomplish this purpose, as follows:
 - (1) General (may be used for any lawful purpose):
 - (i) Petty cash;
 - (ii) Revolving; and
 - (iii) Other.
 - (2) Special (may be used for specific purposes):
 - (i) Tax, assessment, fee, charge, or grant proceeds.

§ 5.36 Check Register

- (a) A check register showing the check number, payee, amount, the fund upon which it is drawn, and the purpose of each check shall be maintained by the Treasurer, and shall be available for inspection by the Board at regular Board meetings. Invoices and other supporting documents will be available with the checks at the meetings for inspection by any Director.
- (b) Checks to pay for items and services approved by the Board in the Authority’s annual budget, emergencies, and invoices subject to discount and inter-fund transfers may be disbursed prior to Board approval if such amounts are included in the budget approved by the Board. Such items shall be set forth on the check register and made available for inspection by the Board at its regular Board meeting.

- (c) Checks drawn to pay demands which have been approved by the Board shall be signed by the Executive Director or the Chair.

§ 5.37 Other

- (a) Transactions described herein, including opening or closing checking accounts, shall be accomplished by the designated officer in the name of the Authority. Action by the Board is required for each transaction unless otherwise indicated in other sections of this Chapter. Withdrawals shall be supported by receipts indicating the purpose of the withdrawal, the amount, and the employee responsible for the withdrawal.
- (b) An officer may receive non-negotiable instruments on behalf of the Authority but such instruments shall be forthwith remitted to the Treasurer for handling.

AGENDA ITEM 7: EXECUTIVE DIRECTOR'S REPORT

- a) Local Groundwater Assistance Grant
- b) Questionnaire for the Groundwater Accounting Program (GAP)
- c) Question Regarding Posting of Meeting Agenda

November 13, 2013

TO: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY BOARD

FROM: DARRELL ECK

RE: EXECUTIVE DIRECTOR'S REPORT

- a) **Local Groundwater Assistance Grant** – DWR has notified the Groundwater Authority that it would receive a \$199,824 local groundwater assistance grant. According to DWR the grant funding agreement should be completed sometime this month.

- b) **Questionnaire for the Groundwater Accounting Program (GAP)** – Staff has developed a “first stage” stakeholder questionnaire that will assist in better defining the GAP and facilitating future discussions on its content and purpose. The questionnaire was vetted through the GAP subcommittee in October. The questionnaire is attached to the Board package, please take the opportunity to discuss the questions with your respective organizations and return your responses to Ramon Roybal at Sacramento Central Groundwater Authority, 827 Seventh Street, Room 301, Sacramento CA 95814 or via e-mail at roybalr@saccounty.net

- c) **Question Regarding Posting of Meeting Agenda** – At the September 11, 2013 Board meeting it was asked whether the meeting agenda needed to be posted at every member agency’s location. According to counsel, the meeting agenda should be posted at the building where the meeting is held and on the Authority’s website at least 72 hours prior to the meeting.

SCGA Groundwater Accounting Program – Stakeholder Questionnaire

Basis of Groundwater Accounting Program

During the August 14, 2013 Groundwater Accounting Program (GAP) sub-committee meeting two fundamental components of groundwater accounting and exchange in the Central Basin were identified and discussed. These fundamental components include; **1) meeting the needs of in-basin stakeholders and, 2) accommodating groundwater banking operations.** During the course of the discussion the importance of developing and implementing a GAP that was based on a fair and empirical methodology was stressed by committee members. The following is a description of the two previously mentioned components.

Meeting the needs of the in-basin stakeholders

In order to ensure the sustainability of the Central Basin groundwater resource the groundwater management plan's *Basin Management Objective No. 1 (BMO 1 – see Section 3.1.1)* prescribes maintaining the long-term average extraction rate at or below 273,000 acre-feet per year (af/year). This is accomplished, in part, through *Program Component No. 4: Groundwater Sustainability (see Section 3.2.4)*, which calls for the Groundwater Authority to “seek to maintain or increase the amount of groundwater stored in the basin over the long term.” Recognized activities to accomplish this include: implementation of conjunctive use programs, use of recycled water, and implementation of water conservation programs. Program Component No. 4 also points out that conjunctive management (of the basin) is a program that includes both conjunctive use and the development of banking and exchange opportunities with local in-basin partners after local needs are met. It follows then, that a critical “first step” in basin management and in the establishment of the GAP would be to determine the current and future operational requirements of the basin based on clearly articulated stakeholder needs. Basically, in order to account for future growth and to facilitate in-basin or out of basin banking and exchange operations, individual stakeholders must define their portion of basin sustainability (i.e., groundwater pumping goals) to serve as a baseline going forward.

Accommodating groundwater banking operations

Once in-basin stakeholder needs have been identified, it becomes possible to structure groundwater banking and exchange operational requirements that are within the limits of the long-term average extraction rate of the basin. Various options identified in

Program Component No. 4 include direct recharge (e.g., the use of recharge basins or Aquifer Storage and Recovery) or in-lieu recharge (e.g., provision of raw or treated surface water or recycled water to municipal and/or agricultural users in lieu of pumping groundwater).

Currently, the Sacramento County Water Agency operates a conjunctive use program in the Central Basin. SCWA's program is based on the operation of their groundwater facilities in tandem with surface water from the Freeport Regional Water Authority (FRWA) intake and pipeline and the Vineyard Surface Water Treatment Plant (VSWTP). These operations are based on hydrologic year and constitute an in-lieu groundwater banking program. Golden State Water Company implements a conjunctive use program that includes both the Central and North basins. Cal-Am purchases surface water from the City of Sacramento to off-set groundwater demands in some of their Central Basin systems.

In order to expand conjunctive use within the basin it will be necessary to identify a means to convey and possibly treat additional sources of surface water. Most discussions to date have focused on use of FRWA facilities as a possible means for bringing additional surface water into the basin and if treatment is required use of the VSWTP. While this would seem to be the logical approach there has been no work done to ascertain whether available capacity exists in these facilities to support such a program. Other diversion and treatment facilities exist that could possibly be used to implement a broader basin wide conjunctive use program but they would potentially be subject to the same limitations (or perceived limitations) that the FRWA and VSWTP facilities are.

Need to gauge basin stakeholder interest

Ultimately, these questions will need to be answered if a broad basin wide conjunctive use program is to become part of the GAP. Prior to determining if additional surface water can be brought into the basin it is necessary to determine whether or not there is an interest by the various stakeholders in pursuing a basin wide conjunctive use program. In light of this, the committee determined that it would be appropriate to provide this questionnaire to the Central Basin stakeholders to gauge interest and willingness to move forward with development of this component of the GAP.

Questionnaire

Meeting the needs of in-basin stakeholders:

Would your organization agree to an annual groundwater pumping goal?

Facilitating groundwater banking operations:

Is your organization interested in discussing participation in a regional conjunctive-use program?

Is your organization interested in becoming an in-lieu pumping partner (customer)?

Is your organization interested in becoming a direct recharge partner (customer)?

Is your organization be interested in supporting the development of technical studies that may be necessary to implement a regional conjunctive use program?