

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
CALIFORNIA**

4

For the Agenda of:
July 11, 2007

APPROVED
BOARD OF DIRECTORS

Date July 11, 2007

By Michelle Fiorino
Clerk of the Board

To: Board of Directors
Sacramento Central Groundwater Authority

From: Staff

Subject: Adoption Of The Fiscal Year 2007-2008 Sacramento Central Groundwater
Authority Budget And Authorize The Collection Of Annual Contributions

Contact: Darrell K. Eck, Executive Director, 874-5039

Overview

The Sacramento Central Groundwater Authority (Authority) was established to maintain the long-term sustainable yield of the Central Sacramento County Groundwater Basin (Central Basin) according to the provisions of the Central Sacramento County Groundwater Management Plan (Central Basin GMP). The Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento and the County of Sacramento Creating the Sacramento Central Groundwater Authority (JPA) provides the funding mechanism necessary to implement this program. Collection of the contributions described in the JPA and adoption of the Authority's 2007-2008 fiscal year budget will provide the means for the Authority to implement this program.

Recommendations

Staff recommends that your Board:

Adopt Resolution No. 2007-02 to fund the administrative and program budgets for fiscal year 2007-2008 and provide for the collection of the annual contributions described in the JPA.

Adoption Of The Fiscal Year 2007-2008 Sacramento Central Groundwater Authority Budget
And Authorize The Collection Of Annual Contributions

Page 2

BACKGROUND:

In February 2006 the Central Basin GMP was completed and accepted by the Groundwater Forum. The Central Basin GMP reviews current and future water supply and demands and contains basin management objectives (BMOs) that address the rate of groundwater extraction, groundwater elevation, land surface subsidence, surface water flows and groundwater contamination. The Central Basin GMP also contains "trigger points" and remedies to ensure full implementation of the BMOs. It also provides for the protection of groundwater wells and establishes cooperative relationships with Sacramento County's Environmental Management Department and other regulatory agencies to address groundwater contamination.

On August 29, 2006 the Cities of Folsom, Elk Grove, Rancho Cordova and Sacramento and the County of Sacramento executed a joint powers agreement creating the Sacramento Central Groundwater Authority (Authority). The purpose of the Authority is to maintain the long-term sustainable yield of the Central Basin; ensure implementation of the BMOs that are prescribed by the Central Basin GMP; oversee the operation of any Well Protection Program that may be prescribed by the Central Basin GMP; manage the use of groundwater in the Central Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors; coordinate efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and work collaboratively with other entities, including the Sacramento Groundwater Authority, the Southeast Sacramento County Agriculture Water Authority and other groundwater management authorities that may be formed in the County of Sacramento and adjacent political jurisdictions, in order to promote coordination of policies and activities throughout the region.

On November 8, 2006 the Board adopted the Central Basin GMP. The Central Basin GMP describes Basin Management Objectives that focus on managing and monitoring the basin to benefit all groundwater users within the basin. The Central Basin GMP also describes a Well Protection Program that when implemented will provide a means whereby the costs for deepening or replacing any existing operable agricultural or domestic well within the basin that is dewatered as a result of future development.

DISCUSSION:

The proposed 2007-2008 fiscal year budget was developed based on the program requirements outlined in the Central Basin GMP. During the development of the Central Basin GMP the stakeholders determined that the Well Protection Program be self-sustaining and this is one of the Program's objectives. However, as funds necessary to support the Well Protection Program are currently unavailable through the Trust Fund the costs for development, initial implementation and potential claims for the Program have been included in this fiscal year's budget. This initial funding for the Well Protection Program will come from a fund balance in the Authority's general fund. These funds will need to be repaid as soon as the Trust Fund is able.

**Adoption Of The Fiscal Year 2007-2008 Sacramento Central Groundwater Authority Budget
And Authorize The Collection Of Annual Contributions**

Page 3

The proposed budget was presented, discussed and approved by the SCGA Budget Committee on June 15, 2007. Budget Committee members include Ken Payne, Ed Crouse, Herb Niederberger and Leo Havener. Other participants included Andy Soule and Walt Sadler.

Attachment:

Resolution

Attachment A – 2007-2008 Budget

Attachment B – 2007-2008 Fund Balance, Revenues and Expenditures

Attachment C – 2007-2008 Annual Contribution

RESOLUTION NO. 2007-02

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
RESOLUTION ADOPTING AND ASSIGNING COSTS TO FUND THE
ADMINISTRATIVE AND PROGRAM BUDGETS FOR FISCAL YEAR 2007-2008 AND
PROVIDE FOR THE COLLECTION OF ANNUAL CONTRIBUTIONS**

WHEREAS, on August 29, 2006 the Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento and the County of Sacramento Creating the Sacramento Central Groundwater Authority (“JPA”) established a separate public entity identified as the Sacramento Central Groundwater Authority (“AUTHORITY”) with its own Board of Directors (“BOARD”); and

WHEREAS, the AUTHORITY was created to maintain the long-term sustainable yield of the Central Basin in accordance with the Central Sacramento County Groundwater Management Plan; and

WHEREAS, the JPA provides for the collection of annual contributions to fund implementation of the Central Sacramento County Groundwater Management Plan; and

WHEREAS, the AUTHORITY’s administrative budget for fiscal year 2007-2008 is specified in Attachment A. The budget includes projections of revenues, staff expenses, consultant expenses, office expenses and Groundwater Management Plan related expenses. The administrative budget is required to finance the administrative activities necessary to manage the Central Groundwater Basin.

NOW, THEREFORE, be it resolved by the BOARD as follows:

1. The above recitals are correct and the BOARD so finds and determines.
2. The BOARD finds and determines that:
 - a. The SCGA administrative budget for fiscal year 2007-2008 as specified in Attachment A is hereby adopted; and
 - b. The annual contribution for fiscal year 2007-2008 budget will be collected from the contributors as directed in the JPA pursuant to Attachment B; and

Resolution Adopting And Assigning Costs To Fund The Administrative And Program Budgets
For Fiscal Year 2007-2008 And Provide For The Collection Of Annual Contribution

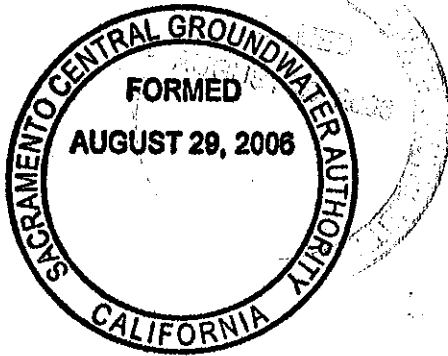
Page 2

- c. Billing for the annual contribution shall be mailed not later than thirty (30) days following the adoption of this resolution with payment to be made within thirty (30) days of receipt of billing.

PASSED AND ADOPTED by the BOARD at their regular board meeting on July 11, 2007.

By: _____

Chair



ATTACHMENT A
Sacramento Central Groundwater Authority
2007-2008 Budget

Operating Expenses	Jul 07 - Sep 07	Oct 07 - Dec 07	Jan 08 - Mar 08	Apr 08 - Jun 08	Total
1. Staff Expenses					
Executive Director	12,000	12,000	12,000	12,000	\$ 48,000.00
Administration Support	1,500	1,500	1,500	1,500	\$ 6,000.00
Legal Counsel	1,500	1,500	1,500	1,500	\$ 6,000.00
Financial	1,000	1,000	1,000	1,000	\$ 4,000.00
Total Staff Expenses	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00	\$ 64,000.00
2. Consultant Expenses					
Grant Application Assistance	15,500	1,500	1,500	1,500	\$ 20,000.00
Water Quality Testing	0	6,000	0	12,000	\$ 18,000.00
Total Consultant Expenses	\$ 15,500.00	\$ 7,500.00	\$ 1,500.00	\$ 13,500.00	\$ 38,000.00
3. Office Expenses					
General Liability Insurance	2,500	2,500	2,500	2,500	\$ 10,000.00
Office Supplies/Postage	100	100	100	100	\$ 400.00
Printing	200	5,200	200	200	\$ 5,800.00
Website Development/Hosting	500	500	500	500	\$ 2,000.00
Total Office Expenses	\$ 3,300.00	\$ 8,300.00	\$ 3,300.00	\$ 3,300.00	\$ 18,200.00
4. GMP Related Expenses					
A. Stakeholder Involvement					
Public Outreach Plan	500	500	500	500	\$ 2,000.00
Adjacent Basin Coordination	500	500	1,000	1,000	\$ 3,000.00
Agency Outreach Program	700	700	700	700	\$ 2,800.00
Advisory Committee	0	1,000	0	0	\$ 1,000.00
B. GW Resource Protection					
Construction/Abandonment Ord	500	1,000	1,500	1,500	\$ 4,500.00
Protection Measures	0	500	750	750	\$ 2,000.00
Control of Contaminants	500	500	750	750	\$ 2,500.00
C. Monitoring Program					
Protocols for GW Data	0	1,000	1,000	1,000	\$ 3,000.00
Data Management System	2,000	3,000	5,000	5,000	\$ 15,000.00
Groundwater Elevation	0	7,000	0	10,000	\$ 17,000.00
Groundwater Quality	0	3,000	0	8,000	\$ 11,000.00
D. Planning Integration					
DWSAP/Urban Mgt/Land Use	500	500	7,500	7,500	\$ 16,000.00
Total GMP Expenses	\$ 5,200.00	\$ 19,200.00	\$ 18,700.00	\$ 36,700.00	\$ 79,800.00
5. Well Protection Program					
Ordinance Development	\$ 10,000.00	\$ 6,000.00			\$ 16,000.00
Registration	\$ 5,000.00	\$ 14,000.00	\$ 35,000.00	\$ 35,000.00	\$ 89,000.00
Replacement Fund				\$ 35,000.00	\$ 35,000.00
Total GMP Expenses	\$ 15,000.00	\$ 20,000.00	\$ 35,000.00	\$ 70,000.00	\$ 140,000.00
6. Reporting Expenses					
State of the Basin Report	0	0	5,000	20,000	\$ 25,000.00
Total Reporting Expenses	\$ -	\$ -	\$ 5,000.00	\$ 20,000.00	\$ 25,000.00
Estimated Expenses	\$ 55,000.00	\$ 71,000.00	\$ 79,500.00	\$ 159,500.00	\$ 365,000.00

ATTACHMENT B
Sacramento Central Groundwater Authority
2007-2008 Budget

FUND BALANCE (as of June 30, 2007)	\$ 190,689.00
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REVENUES	Annual Contribution
Annual Contribution	\$ 50,000.00
Surface Water Contribution	\$ 18,000.00
Groundwater Contribution	\$ 102,597.00
Agricultural Contribution	\$ 88,493.00
Ag/Res Contribution	\$ 3,881.00
Interest Income	\$ -
TOTAL REVENUES	\$ 262,971.00

OPERATING EXPENDITURES	Annual Expenditure
Staff Expenses	\$ 64,000.00
Consultant Expenses	\$ 38,000.00
Office Expenses	\$ 18,200.00
GMP Related Expenses	\$ 79,800.00
Well Protection Program	\$ 140,000.00
Reporting Expenses	\$ 25,000.00
TOTAL OPERATING EXPENSES	\$ 365,000.00

ATTACHMENT C
Sacramento Central Groundwater Authority
Annual Contribution 2007-2008

AGENCY	Contributions Invoiced Jul 07 to Jun 08	
City of Folsom	\$	10,000.00
City of Rancho Cordova	\$	10,000.00
City of Sacramento	\$	10,000.00
City of Elk Grove	\$	10,000.00
County of Sacramento	\$	10,000.00
Agricultural Interests	\$	88,492.50
Agriculture-Residential	\$	3,881.25
Commercial/Industrial Self Supplied	\$	-
Conservation Landowners	\$	-
Public Agencies/Self Supplied	\$	-
Elk Grove Water Service	\$	1,581.48
Omochumne-Hartnell Water District	\$	-
Rancho Murieta CSD	\$	6,000.00
California-American Water Co.	\$	38,916.00
Golden State Water Company	\$	21,939.00
Sacramento County Water Agency	\$	52,161.00
Sacramento Regional County Sanitation District	\$	-
TOTAL	\$	262,971.23