

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

Wednesday, July 9, 2014; 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 May 14, 2014 Board meeting.
Action: Approve Consent Calendar items
- 4. POLICIES AND PROCEDURES**
 - Through a review process recommendations were made by members of the Board and staff to make changes to various Authority policies and procedures.
Action: Approve recommended changes to the Authority's Policies and Procedures.
- 5. ARCHITECTURAL AND ENGINEERING SERVICES SELECTION POLICY 300.2**
 - SCGA does not currently have a written policy on how architectural and engineering services contracts are awarded.
Action: Approve SCGA Policy 300.2.
- 6. INTRODUCTION TO THE BASIN MANAGEMENT OBJECTIVE THRESHOLD AND RECHARGE MAPPING PROJECT**
 - Presentation by Jim Blanke with RMC.
Action: Receive and file.
- 7. EXECUTIVE DIRECTOR'S REPORT**
 - a) SCGA Letters of Appointment
 - b) Legislation
- 8. DIRECTORS' COMMENTS**

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, September 10, 2014, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

AGENDA ITEM 3: CONSENT CALENDER

BACKGROUND:

Minutes of the May 14, 2014 SCGA Board meeting.

STAFF RECOMMENDATION:

Action: Approve Consent Calendar items.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Draft Minutes
May 14, 2014

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

Darren Wilson 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
Ron Lowry, Omochumne-Hartnell Water District
Christine Thompson, Public Agencies Self-Supplied
Dave Ocenosak, Sacramento Regional County Sanitation District
Paul Schubert, Golden State Water Company

Board Members (Alternate Rep):

Darren Wilson, City of Elk Grove
Britton Snipes, City of Rancho Cordova
Jim Peifer, City of Sacramento
Forrest, Williams Jr., Sacramento County Water Agency
Jose Ramirez, Sacramento Regional County Sanitation District

Staff Members:

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

Others in Attendance:

Carl Hauge, David K. Todd Distinguished Lecture Series
Mark Roberson, Water Forum
Joe Turner, Brown and Caldwell
Ali Taghavi, RMC Water and Environment
Jim Blanke, RMC Water and Environment

Rodney Fricke, Aerojet Corp.
Brett Ewart, City of Sacramento
Craig Altare, MWH
Rob Swartz, SGA

Member Agencies Absent

*City of Folsom
Elk Grove Water District
Agricultural-Residential
Commercial/Industrial Self-Supplied
Rancho Murieta Community Services District
California-American Water Company*

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The draft meeting minutes for the March 12, 2014 Board meeting were reviewed for final approval.

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

Action: Approve Consent Calendar items.

4. BUDGET SUBCOMMITTEE REPORT

The proposed Fiscal Year 2014-2015 budget for the Groundwater Authority and Well Protection Plan was presented, discussed, and approval recommended by the budget subcommittee as developed on May 1, 2014. The budget subcommittee included Paul Schubert, Bruce Kamilos, Dave Ocenosak, and Rick Bettis. Staff recommended that the Board adopt Resolution 2014-01 to fund the Authority's administrative budget for the next fiscal year and to provide for collection of the annual contributions as described in the JPA. Staff further recommended adoption of the resolution for the Well Protection Program trust fund which totaled zero dollars for next fiscal year.

Mr. Schubert wanted to verify that Attachment D reflected a slight reduction in contributions from member agencies. Mr. Eck replied in the affirmative and indicated that the reason was caused by reduced groundwater pumping by those agencies.

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

Action: Adopt Resolution No. 2014-01 to fund the Authority's administrative budget for fiscal year 2014/2015 and provide for the collection of the annual contributions as described in the JPA. Staff further recommends adoption of the aforesaid resolution for the WPP Trust Fund budget for fiscal year 2014/2015.

5. GROUNDWATER MANAGEMENT – PAST, PRESENT, FUTURE

Carl Hauge, Chief Hydrogeologist, California Department of Water Resources, retired, gave a Power Point presentation on the history and development of groundwater management in California and the Western United States.

Action: Receive and file.

6. AGRICULTURAL DEMAND ESTIMATE AND BASIN MANAGEMENT REPORT

Jim Blanke with RMC, provided a review of the development and the results from the Authority's bi-annual Basin Management Report and Agricultural Demand Estimate project. Mr. Blanke explained the general process for development of the agricultural demand estimate included utilizing SACOG 2008 land use data updated with 2011 and 2012 data from the National Agricultural Statistics Service. To this RMC applied evapotranspiration data based on a previous remote sensing study then applied the IWFM Demand Calculator for root zone water balance and from this was derived the estimated applied water need. Mr. Blanke reported that the agricultural demand estimate for 2012 was 158,000 acre-feet. Mr. Blanke also reported that the updated Basin Management Report determined that total pumping in the Central Basin during 2012 was estimated at 254,600 acre-feet.

Action: Receive and file.

7. EXECUTIVE DIRECTOR'S REPORT

- a) CASGEM – Mr. Eck reported that DWR came out with a report on April 30, 2014 detailing the development of the CASGEM program. One of the important items pointed out in the report was that there were still a number of groundwater basins that are not monitoring and reporting as a part of CASGEM and some of those areas are within Sacramento County.
- b) Legislative Update – Mr. Eck stated that RWA keeps a document posted on their website of current ongoing legislation. Mr. Eck specifically mentioned SB1168 Pavley, which calls for groundwater basins to be managed by sustainable groundwater management plans and would authorize the State to take actions if a basin is not properly managed. Mr. Eck then referred to AB 1739 Dickenson which

requires that by January 1, 2020 a sustainable groundwater management plan be adopted in each priority basin in addition to regular reporting requirements and planning horizons, and powers related to assigning usage based on compliance and reporting.

- c) WELL Project – Progress Report – Mr. Eck referred to the attached copies of the latest activity report in the board package and pointed out that there had been seven events in the Central Basin and four events that were planned throughout the summer season.
- d) Mr. Eck reminded the Board that were some members who had not submitted their Form 700 which were due April 1, 2014. He also reminded the Board that certain board terms were expiring and required action for reappointment by August.

8. DIRECTORS' COMMENTS

Mr. Lowry commented that one of the Omochumne Hartnell Water District Board members indicated an ability to irrigate dormant grape crops with established riparian water rights from the Cosumnes River as a means to percolate water into the ground at a rate of about 1/3 of an acre-foot per day. The issue would be coming up with funds to pay for the pumping costs and administration of a recharge program.

Mr. Peifer announced that the City of Sacramento was in the process of drilling and testing a well site in the Shasta Park area. Testing had produced 2,500-3,000 gallons per minute and the plan was to equip the well and have it in service within the next two years.

Mr. Mahon said he agreed with Mr. Lowry about getting recharge from the Cosumnes River. He stated that his experience had proven that the land adjacent to the Cosumnes River was an excellent place for recharge and that he felt strongly that it would be better to spread water flowing in the Cosumnes River during storm events, across the fields, so it could percolate down for recharge to benefit everybody rather than losing it to the ocean.

ADJOURNMENT

Upcoming Meetings –

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

By:

Chairperson

Date

Date

AGENDA ITEM 4: POLICIES AND PROCEDURES

BACKGROUND:

Through a review process recommendations were made by members of the Board and staff to make changes to various Authority policies and procedures.

STAFF RECOMMENDATION:

Action: Approve recommended changes to the Authority's Policies and Procedures.

**RULES OF PROCEDURE GOVERNING THE
SACRAMENTO CENTRAL GROUNDWATER AUTHORITY**

**CHAPTER 1.
ADOPTION AND SCOPE OF RULES OF PROCEDURE**

**ARTICLE 1.
SCOPE AND PURPOSE**

§ 1.01 Scope and Purpose of Authority

- (a) These Rules of Procedure govern the administration and management of the Sacramento Central Groundwater Authority in furtherance of the objectives and purposes set forth in the Joint Powers Agreement between and among the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento.
- (b) The Sacramento Central Groundwater Authority is established for the purposes of:
 - (1) maintaining the long-term sustainable groundwater yield of the Central Basin;
 - (2) ensuring implementation of the Basin Management Objectives that are prescribed by the current version of the Central Sacramento County Groundwater Management Plan (GMP);
 - (3) overseeing the operation of any Well Protection Program that may be prescribed by the GMP;
 - (4) managing the use of groundwater in the Central Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors;
 - (3-5) coordinating efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and
 - (4 6) working collaboratively with other entities, including the Sacramento Groundwater Authority, the Southeast Sacramento County Agricultural 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.

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§ 1.02 Boundaries of the Authority

- (a) The boundaries of the Authority shall be:
 - (1) on the north the American River;
 - (2) bounded on the south by the southern boundary of the Omochumne-Hartnell Water District;
 - (3) bounded on the west by the Sacramento River and Interstate 5; and
 - (4) bounded on the east by the Sacramento-El Dorado County line;

as further and more precisely depicted in the boundary map identified as Exhibit A.

- (b) The boundaries of the Authority shall be amended or changed only by amendment to the Joint Powers Agreement.

**ARTICLE 2.
CONSTRUCTION OF RULES OF PROCEDURE**

§ 1.21 Scope of Rules of Procedure

- (a) Unless these Rules specifically or by context indicate to the contrary, the general provisions and definitions set forth in this Chapter govern the construction of these Rules.
- (b) When these Rules refer to an officer, employee, or other function, such references shall be to the appropriate or designated officer, employee, or function of the Authority.
- (c) Chapter and section headings in these Rules shall not govern, limit or modify the scope, meaning, or intent of these Rules.
- (d) Nothing in these Rules is intended to alter, amend or otherwise change any provision of the Joint Powers Agreement between and among the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento. In any instance where there is a conflict between the Joint Powers Agreement, as it may be amended, and these Rules, the provisions of the Joint Powers Agreement shall govern.

§ 1.22 Severability

In the event that any Chapter, section, subsection, sentence, clause or phrase of these Rules are held invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of these Rules.

§ 1.23 Definitions

As used in these Rules, the following terms are defined as follows:

- (a) “Administrative Costs” refers to all costs and expenses of the Authority related to the administration and management of the Authority, excluding “Water Costs” as defined in this section.
- (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~~

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~~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.~~

- (c) “Agricultural-Residential Groundwater User” refers to all persons that pump groundwater within the boundaries of the Authority for agricultural-residential purposes, other than a Retail Provider, and that are represented on the Board by the Agricultural-Residential Groundwater Users representative nominated by the Vineyard Community Advisory Council in consultation with adjacent Councils within the Central Basin and appointed by the County of Sacramento Board of Supervisors.
- (d) “Annual Pumping” for the purposes of determining assessments, fees or charges for management and operations of the Authority shall mean the total amount of groundwater produced within the boundaries of the Authority by each retail provider, by agricultural interests, by agricultural-residential groundwater users, by commercial/industrial self-supplied groundwater users and by public agency self-supplied groundwater users, for use within the boundaries of the Authority and other areas approved by the Authority’s Board of Directors excluding the first five thousand (5000) acre-feet of groundwater pumping by each such user.
- (e) “Appointing Authority” refers to the individual signatory party responsible for appointing a specific member to the Board, as set forth in section 3.04(a) of these Rules.
- (f) “Authority” refers to the Sacramento Central Groundwater Authority that is established pursuant to the Joint Powers Act and the executed Joint Powers Agreement.
- (g) “Board” refers to the governing Board of Directors of the Sacramento Central Groundwater Authority.
- (h) “Central Basin” refers to the groundwater basin underlying the area within the boundaries of the Authority.
- (i) “Commercial/Industrial Self-Supplied Groundwater Users” refers to all persons or entities that pump groundwater within the boundaries of the Authority for commercial and industrial purposes, other than a Retail Provider, and that are represented on the Board by the Commercial/Industrial Self-Supplied Water User representative appointed by the County of Sacramento. **The Board shall establish by resolution a minimum quantity of water that must be produced annually by such commercial/industrial self-supplied pumpers in order to qualify as a “Commercial/Industrial Self-Supplied Water User” under these Rules and the Joint Powers Agreement.**
- (j) “Conjunctive Use” refers to the planned management and use of both groundwater and surface water resources in order to maintain the sustainable yield of the Central Basin.
- (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.

Comment [WU1]: Leave this language until such time as a rep from commercial/industrial self-supplied assumes a seat on the BOD & provides feedback on whether to delete. (Schubert 7/10/13 Brd Mtg)

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- (l) “Director” or “Directors” refer to individuals or groups of individuals comprising the membership of the Board of the Authority.
- (m) “Financing Plan for the Administrative Budget” refers to the revenue-generating plan annually adopted by the Board to finance the Authority’s administrative budget. The financing plan shall include the levy of assessments, fees and charges, or any combination thereof, as well as any other revenue-generating devices, including voluntary contributions from water users or purveyors within the Authority’s boundaries.
- (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.~~
- (o) “Joint Powers Agreement” refers to the Joint Powers Agreement, as it may be modified or amended, between and among the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova establishing the Sacramento Central Groundwater Authority.
- (p) “Public Agency Self-Supplied Groundwater User” refers to all persons or entities that pump groundwater within the boundaries of the Authority for Public Agency purposes, other than a Retail Provider, and that are represented on the Board by the Public Agency Self-Supplied Groundwater Users representative nominated by the Southgate Recreation and Park District in consultation with other public agencies that are self-supplied groundwater users within the Central Basin and appointed by the County of Sacramento Board of Supervisors.
- (q) “Retail Provider” refers to established water purveyors within the boundaries of the Authority that sell water on a retail basis and that are represented on the Board by an elected member of their respective governing bodies, as set forth in Section 3.02(b)(1) and (2) of these Rules.
- (r) “Rules” refers to these Rules of Procedure, as may be amended, supplemented or changed.
- (s) “Signatory Parties” refer to the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova, each of which executed the Joint Powers Agreement establishing the Authority.
- (t) “Sustainable Yield” refers to the amount of groundwater which can be safely extracted from the Central Basin on an estimated average annual basis while maintaining groundwater elevations and groundwater quality at acceptable levels as set forth in the Groundwater Management Plan. Sustainable Yield requires a balance between extraction and basin recharge and is expressed as the number of acre feet of groundwater which can be extracted from the Central Basin on an average annual basis as set forth in the Groundwater Management Plan.
- (u) “Water Costs” refer to costs or expenses incurred by the Authority for the purposes of:
 - (1) purchasing or otherwise acquiring water;
 - (2) pumping and treatment costs; and
 - (3) other costs related to a Conjunctive Use program.

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§ 1.24 Maintenance of Rules

A copy of these Rules shall be maintained in the clerk's office of the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento. The Rules shall be available for inspection by any person during normal business hours, and copies shall be provided to any person requesting the same, upon payment of reasonable copying costs.

§ 1.25 Changes to Rules

- (a) At its discretion, and consistent with applicable law, the Board of Directors of the Sacramento Central Groundwater Authority may adopt, amend, supplement or repeal these Rules of Procedure from time to time as it deems appropriate.
- (b) Each resolution making a change to these Rules of Procedure shall be filed as set forth in section 1.24, and shall be properly indexed and attached to the existing set of Rules. Such changes shall be specified by resolution number and date in which the resolution was adopted. The Board may require from time to time that these Rules be updated to reflect such changes.

**CHAPTER 2.
PRELIMINARY MATTERS**

§ 2.01 Termination of the Authority

- (a) The Authority shall remain in effect until terminated by one of the Signatory Parties thereto. The Authority may be terminated by any of the Signatory Parties at any time and for any reason by providing ninety (90) days written notice of termination to the other parties.
- (b) In the event of termination of the Authority where there is established a successor public entity which will carry on the functions of the Authority and assume its assets, the assets of the Authority shall be transferred to the successor public entity. If there is no successor public entity to carry on the functions of the Authority and assume its assets, the assets shall be returned to the Joint Powers Authority signatories in proportion to the contribution of each party during the existence of the Authority. If there is a successor public entity which will carry on some, but not all, of the functions of the Authority and assume some, but not all, of its assets, the assets of the Authority shall be allocated by the Board between the successor public entity and the Joint Powers Authority signatories.

§ 2.02 Liabilities

The debts, liabilities and obligations of the Authority shall be the debts, liabilities and obligations of the Authority alone, and neither the Signatory Parties, nor any other entity, party, or person shall be subject to or accountable for the debts, liabilities or obligations of the Authority.

§ 2.03 Conflicts of interest

- (a) The model Conflicts of Interest Code of the Fair Political Practices Commission, found in Title 2, section 18730 of the California Code of Regulations, as from time to time amended, is adopted by the Authority.
- (b) The conflicts of interest categories established by the Fair Political Practices Commission, as from time to time amended, are adopted by the Authority.

§ 2.04 Pending litigation in which Director has an adverse interest

- (a) A Director shall remove himself or herself from the meeting room, and shall not be allowed to participate in any closed session meeting, if:
 - (1) the closed session meeting is authorized pursuant to Brown Act, California Government Code section 54956.9;
 - (2) the Director is a party, or a representative of a party, that is or may be adverse to the Authority in pending litigation involving the Authority;
 - (3) the closed session meeting is being conducted to discuss the pending litigation in which the Director is a party, or a representative of a party; and
 - (4) the Director's presence at the meeting would prejudice the Authority in the pending litigation.

- (b) As used in subsection (a) of this section, a “representative of a party” shall include any Director who is an officer, employee, or member of a governing body, or who is otherwise acting on behalf of a party that is adverse to the Authority in pending litigation.
- (c) As used in subsection (a) of this section, “litigation” shall include any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator. Litigation shall be deemed “pending” for purposes of subsection (a) of this section when any of the following circumstances exist:
 - (1) litigation, to which the Authority is a party, has been initiated formally;
 - (2) a point has been reached where, in the opinion of the Board on the advice of legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the local agency;
 - (3) based on existing facts and circumstances, the Board is meeting only to decide whether a closed session is authorized pursuant to paragraph (2) of this subsection; or
 - (4) based on existing facts and circumstances, the legislative body of the local agency has decided to initiate or is deciding to initiate litigation.
- (d) Prior to commencement of a closed session meeting authorized pursuant to California Government Code section 54956.9, legal counsel shall advise the Directors as to whether this section is applicable to any Director.

**CHAPTER 3.
BOARD OF DIRECTORS**

§ 3.01 General

- (a) The Board shall establish policies and determine whether the Executive Director is implementing those and other policies of the Authority. The Executive Director is responsible for the day-to-day management and operation of the Authority.
- (b) The Board and any individual Director may communicate with the Executive Director about the development and implementation of Authority policy.
- (c) The Board and any individual Director are discouraged from communicating directly with any employee. Such communications shall be made through the Executive Director.

§ 3.02 Composition of the Board

- (a) The governing body of the Authority is the Board of Directors.
- (b) The Board shall consist of sixteen (16) members, and shall be comprised as follows:
 - (1) One (1) elected member of the governing board, or designee thereof, of each of the following public agencies:
 - (i) the City of Elk Grove,
 - (ii) the City of Folsom,
 - (iii) the City of Rancho Cordova,
 - (iv) the City of Sacramento,
 - (v) the County of Sacramento, and
 - (vi) the Sacramento Regional County Sanitation District.
 - (2) One (1) elected member of the governing board of each of the following public agencies:
 - (i) the Florin Resource Conservation District/Elk Grove Water Service,
 - (ii) the Omochumne-Hartnell Water District, and
 - (iii) the Rancho Murieta Community Services District.
 - (3) One (1) member of the governing body, or designee thereof, of each of the following private water purveyors or investor owned utilities:
 - (i) California American Water Company; and
 - (ii) the Golden State Water Company.
 - (4) One (1) representative of the Agricultural Interests within the boundaries of the Authority.
 - (5) One (1) representative of the Agricultural-Residential Groundwater Users within the boundaries of the Authority.
 - (6) One (1) representative of the Commercial/Industrial Self-Supplied Groundwater Users within the boundaries of the Authority.
 - (7) One (1) representative of the Conservation Landowners within the boundaries of the Authority.

- (8) One (1) representative of the Public Agency Self-Supplied Groundwater Users within the boundaries of the Authority.

§ 3.03 Adjustment to Composition of the Board

- (a) With the exception of the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, the Sacramento Regional County Sanitation District, and the County of Sacramento, membership on the Board shall be limited to public and private water purveyors, investor owned utilities and groundwater rights holders within the boundaries of the Authority.
- (b) Notwithstanding subsection (a) of this section, should circumstances change in the future, the signatories to the Joint Powers Agreement may agree to amend the Joint Powers Agreement and these Rules for the purpose of adding or deleting representatives to the Board to accurately reflect groundwater production within the boundaries of the Authority.

§ 3.04 Appointment of Members of the Board

- (a) The members of the governing Board of Directors of the Authority shall be appointed as follows:
 - (1) The City of Folsom representative shall be appointed by the Folsom City Council.
 - (2) The Elk Grove City Council shall appoint the representatives of the following entities:
 - (i) the City of Elk Grove, and
 - (ii) the Florin Resource Conservation District/Elk Grove Water Service.
 - (3) The Rancho Cordova City Council shall appoint the representatives of the following entities:
 - (i) the City of Rancho Cordova, and
 - (ii) the Golden State Water Company.
 - (4) The City of Sacramento representative shall be appointed by the Sacramento City Council.
 - (5) The Sacramento County Board of Supervisors shall appoint the representatives of the following entities:
 - (i) the County of Sacramento,
 - (ii) the California-American Water Company,
 - (iii) the Agricultural Interests,
 - (iv) the Agricultural-Residential Groundwater Users,
 - (v) the Commercial Industrial Self-Supplied Groundwater Users,
 - (vi) the Conservation Landowners,
 - (vii) the Omochumne-Hartnell Water District,
 - (viii) the Public Agency Self-Supplied Groundwater Users,
 - (ix) the Rancho Murieta Community Services District, and
 - (x) the Sacramento Regional County Sanitation District.

- (b) In addition to appointments made pursuant to subsection (a) of this section, the appropriate Appointing Authority also shall appoint one or more persons with the required qualifications to serve as alternates for each member of the Board. Such alternates shall be empowered to cast votes in the absence of the regular members or in the event of a conflict of interest preventing the regular member from voting.
- (c) Prior to appointment of the representatives of the entities described in Sections 3.04(a)(2)(ii), (3)(ii) and (5)(ii) through (x), the represented entities shall submit a recommended appointment for their representatives to their appropriate Appointing Authority. The Appointing Authority shall consider such recommendations, but shall retain the absolute discretion and authority to appoint any person satisfying the criteria set forth in Section 3.02(b) hereof.

§ 3.05 Term of Office

- (a) The term of office of each member of the Board shall be for a period of four (4) calendar years, with the exception of the initial term of the representatives appointed by the County of Sacramento. For the purpose of providing staggered terms of office, the initial term of office of the representatives appointed by the County of Sacramento shall be for a period of two (2) calendar years. Thereafter, the term of office of each representative appointed by the County of Sacramento shall be for a period of four (4) years.
- (b) Each member of the Board shall serve at the pleasure of their respective Appointing Authority and may be removed as a member of the Board by the Appointing Authority at any time.
- (c) If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the unexpired term of the previous representative pursuant to the provisions set forth in section 3.04 hereof within ninety (90) days of the date that such position becomes vacant. A position on the Board shall be deemed vacant upon the occurrence of any event that prevents a Director from satisfying the qualifications of Directors as set forth in section 3.02.

§ 3.06 Organization of the Board

- (a) The Board of Directors shall elect a Chair and a Vice Chair, and may elect such other officers as the Board shall find appropriate. The Chair shall preside over meetings of the Board, and in the Chair's absence, the Vice Chair shall preside. Board officers shall serve for a term of one (1) calendar year unless sooner terminated at the pleasure of the Board. If, for any reason, an officer is appointed after the commencement of a calendar year, the term of office shall expire at the end of the calendar year. Elections for Chair and Vice Chair shall be conducted not later than the last regularly scheduled meeting which precedes the calendar year for which the appointments are made. Nothing in these rules shall preclude an officer from serving more than one term, if so appointed pursuant to these Rules.
- (b) The Chair may create committees when appropriate to aid in the efficient management of the Authority. The Chair shall appoint the Board members to serve on a committee and shall designate the specific task or tasks of the

committee. The Chair may also appoint other persons, who are not Board members, to serve on committees, when such appointments would be beneficial to the completion of the task or tasks of the committee. The Chair's appointments shall be final absent an objection from a majority of the Board. In the event of such an objection, an appointment or appointments by a majority of the Board shall be necessary to complete the membership of a committee, to create a committee, or to disband a committee.

- (c) All established committees shall be ad hoc, and shall meet as directed or approved by the Chair. Committees shall not be required to meet pursuant to a regular schedule unless otherwise directed by the Chair.
- (d) In no event shall any committee be comprised of a number of Board members equal to or greater than that number which constitutes a quorum of the entire Board.

§ 3.07 Powers and functions of the Board

- (a) Subject to the limitations set forth in section 3.08, the Authority shall have any and all powers commonly held by the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova, including, but not limited to, the following powers to:
 - (1) Collect, monitor, and analyze data on the extraction of groundwater from, and the quality of groundwater in, the Central Basin;
 - (2) Establish and facilitate any Conjunctive Use program for the purpose of maintaining the Sustainable Yield in the Central Basin consistent with the GMP;
 - (3) Distribute water in exchange for ceasing or reducing groundwater extractions;
 - (4) Spread, sink and inject water into the Central Basin;
 - (5) Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the Authority;
 - (6) Study and plan ways and means to implement any or all of the foregoing powers.
- (b) For the purposes of exercising the authority set forth in subsection (a) of this section, and subject to the limitations set forth in section 3.08, the Authority shall have the power to:
 - (1) Sue and be sued in all actions and proceedings in all courts and tribunals.
 - (2) Adopt a seal and alter the seal at its discretion.
 - (3) For the common benefit of the Authority, to store water in underground water basins or reservoirs within and outside the Authority, to appropriate water and acquire water rights within or outside the Authority, to import water into the Authority, and to conserve, or cause the conservation of, water within or outside the Authority.
 - (4) Act jointly, or cooperate, with the Federal government or any agency thereof, the state, or any county or agency thereof, or any political

subdivision or district therein, including flood control districts, private and public corporations, and any person, so that the powers of the Authority may be fully and economically exercised.

- (5) Cause taxes, assessments, fees or charges to be levied in accordance with applicable State law, and in a manner consistent with the GMP to accomplish the purposes of the Authority.
- (6) Require the permitting of groundwater extraction facilities within the boundaries of the Authority, to maintain a record of extraction with respect to any such facilities, and to require the installation of meters on groundwater extraction facilities for the purpose of determining the amount of groundwater being extracted from the Central Basin.
- (7) Make contracts, employ labor and to do all acts necessary for the full exercise of the Authority's powers.
- (8) Carry on technical and other investigations of all kinds necessary to further the purposes of the Authority.
- (9) Fix rates at which water acquired by the Authority shall be sold for replenishment purposes, and to establish different rates for different classes of service or conditions of service, provided that the rates shall be uniform for like classes and conditions of service.
- (10) Participate in any contract under which producers may voluntarily agree to use surface water in lieu of groundwater, and to that end the Authority may become a party to the contract and pay from Authority funds that portion of the cost of the surface water as will encourage the purchase and use of that water in lieu of groundwater pumping so long as persons or property within the boundaries of the Authority are directly or indirectly benefited by the resulting replenishment of the Central Basin.
- (11) Apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid from any agency of the United States, the State of California, or other public or private entity necessary or appropriate for the Authority's full exercise of its powers.

§ 3.08 Limitation on powers and functions of the Board

- (a) The Authority shall not have the power to regulate land use or to engage in the retail sale of water.

§ 3.09 Meetings of the Board

- (a) Except for closed session meetings, meetings of the Board shall be open and public, and any person shall be permitted to attend any portion of a meeting. Notwithstanding any provision in this Chapter, the Authority shall comply with the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the California Government Code, or with any successor provision.
- (b) Regular meetings of the Board shall be held on the second Wednesday of every month at a suitable location within the Authority's boundaries. If, by reason of emergency or other good cause, a meeting cannot be held as regularly scheduled,

the Chair may re-schedule with due notice a meeting on an alternate date or time or at an alternate location.

- (c) Special meetings of the Board may be called by the Chair or a majority of the Board by delivering written notice to each Director, the Executive Director, Counsel, and to a local newspaper of general circulation. To the extent practicable, the Chair or a majority of the Board shall direct that actual notice be given to known interested parties. In all cases, notice shall be given at least 24 hours prior to the time scheduled for the special meeting.
- (d) In the event of an emergency, as determined by the Chair or a majority of the Board, the Board may conduct a meeting without the 24 hour notice. In no event shall this meeting be a closed session meeting. To the extent practicable, the Chair, Vice-Chair, or majority of the Board shall direct that notice be given to known interested persons at least one hour prior to the emergency meeting.
- (e) Any meeting of the Board may be adjourned to a date, time and place specified in the order of adjournment.

§ 3.10 Closed Session Meetings

- (a) The Board shall comply in all respects with closed session requirements and procedures of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the California Government Code, or with any successor provision.
- (b) To the extent practicable, the Board shall avoid taking action in closed session. Action may be taken in closed session when necessary to avoid prejudice to the Authority. When the potential for prejudice does not exist, action taken in closed session shall be publicly announced at the same meeting as the closed session. If the action was taken by roll call vote, the vote shall be announced. A summary of action taken in closed session, when it is determined not to prejudice the Authority, shall be provided and submitted into the record at the next regular meeting.

§ 3.11 Meeting Agendas

- (a) The agenda for a regular meeting shall be posted at least 72 hours prior to the meeting. The agenda for an adjourned meeting shall be the same as the agenda for the meeting which was adjourned, if the scheduled meeting was not more than five (5) days prior to the adjourned meeting. A new agenda shall be prepared at least 72 hours prior to an adjourned meeting if additional matters are added to an adjourned meeting agenda, or if the adjourned meeting takes place more than five (5) days after the scheduled meeting. The agenda for a special meeting shall be posted at least 24 hours prior to the meeting.
- (b) The Board shall act on matters appearing on the agenda, and may act on emergency matters, as defined in California Government Code Section 54956.5, or on matters where there is a need to take action that has arisen subsequent to the posting of the agenda and that cannot reasonably wait for the next regularly scheduled meeting. Prior to acting on matters arising subsequent to the posting of the agenda, a two-thirds majority of the Board members present, or when less

than two-thirds of the members are present, a unanimous vote of those members present, must determine that there is a need to consider the matter at the meeting. Prior to discussing any item, whether or not the item appears on the agenda, the Board shall publicly identify the item.

- (c) The Board shall receive public comments on matters not appearing on the agenda for regular meetings but shall not act on such matters unless the Board adds the matter to the agenda pursuant to subsection (b) of this section.

§ 3.12 Interruption of Meetings

The Chair or Vice Chair, after concurrence of a majority of the Board present, may order the meeting room cleared and continue the meeting in closed session if a meeting is willfully interrupted and the orderly conduct of the meeting becomes infeasible and order cannot be restored by the removal of the individual or individuals interrupting the meeting. In such cases, only matters appearing on the agenda may be considered in the resulting closed session meeting. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend the session. At its discretion, the Board may establish a procedure for readmitting individuals not responsible for willfully disturbing the meeting.

§ 3.13 Voting Requirements

- (a) A majority of the members of the Board shall constitute a quorum for the purposes of transacting business, except that less than a quorum may vote to adjourn a meeting.
- (b) Each member of the Board shall have one vote. With the exception of fiscal items as set forth in subsections (c) and (d) below, an affirmative vote by a majority of all members of the Board is required to approve any item related to implementation of the GMP.
- (c) Fiscal items, including, but not limited to, approval of the annual budget of the Authority and any expenditures, shall require an affirmative vote by a majority of all the members of the Board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento.
- (d) Any change in annual contributions necessary to support the work of the Authority, as set forth in section 5.22(e), shall require an affirmative vote of eleven of the sixteen members of the Board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova, and Sacramento and the County of Sacramento.

§ 3.14 Manner of Taking Action; motions, resolutions and ordinances

- (a) The Board shall take action by motion, resolution or ordinance.
- (b) Motions may be adopted by voice vote. Resolutions may be adopted by voice vote but on demand of any member of the Board, the roll shall be called. The roll shall be called for votes on adoption of ordinances.
- (c) Motions and resolutions shall be effective when adopted unless a different effective date is stated.

- (d) Proposed ordinances shall be introduced in writing, and shall contain a title which shall state in general terms the subject or subjects contained in the ordinance. Ordinances shall be read in full at the time of introduction except when reading by title only is approved by unanimous vote of the Directors present. Prior to adoption, the Board shall pass such ordinances for publication of title. At least five (5) days shall pass between the date the ordinance is passed for publication of title and the date the ordinance is adopted by the Board. The Executive Director or other designated official shall cause the title of such ordinances to be published at least once in a newspaper of general circulation published within the boundaries of the Authority no later than the third day preceding the adoption of the ordinance. Ordinances adopted pursuant to this subsection shall become effective fifteen (15) days after the adoption, or at a later date if so specified in the ordinance.
- (e) Notwithstanding subsection (d) of this section, the following ordinances shall take effect immediately:
 - (1) Ordinances relating to an election;
 - (2) Ordinances necessary for the immediate preservation of the public peace, health or safety containing a declaration of the facts constituting the emergency, if adopted by the affirmative vote of two-thirds of the Board; and
 Such urgency ordinances may be passed immediately upon introduction and approval at a regular, adjourned regular, or special meeting.
- (f) The Authority's GMP shall be adopted by ordinance.

§ 3.15 Minutes

- (a) The clerk, as appointed by the Board, shall cause to be kept minutes of all meetings of the Board, except closed session meetings. Within a reasonable time following any meeting other than a closed session meeting, the clerk shall cause a copy of the minutes to be forwarded to each member of the Board and to the clerk's offices for the County of Sacramento, the City of Sacramento, the City of Elk Grove, the City of Folsom and the City of Rancho Cordova.
- (b) The written minutes need not be a verbatim transcription, but shall at a minimum reflect the following:
 - (1) Official actions taken by the Board;
 - (2) Disposition of items appearing on the agenda;
 - (3) The vote of each Director on action matters appearing on the agenda, or a description of the vote;
 - (4) Statements requested by a Director or Directors to be included in the minutes when related to reasons for voting in a particular manner;
 - (5) Matters requested by a Director or Directors to be included as an agenda item, and which was not placed on the agenda;
 - (6) The number and title of ordinances and resolutions.
- (c) The written minutes are not the official minutes until approved by the Board at a subsequent public meeting. Upon approval, the minutes shall be signed by the Chair, or in the event the Chair is not available, the Vice-Chair, and shall be attested to by the Clerk.

**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.

CHAPTER 6. CLAIMS

§ 6.01 Claims; General

Claims against the Authority for money or damages covered by Chapter 1 (commencing with section 900) and Chapter 2 (commencing with section 910) of Part 3 of Division 3.6 of the California Government Code or other statute shall be presented and processed in accordance with the applicable statute. Other claims shall be presented and processed in accordance with this Chapter.

§ 6.02 Presentation of Claims

Claims, and amendments to claims, shall be presented personally or mailed first class delivery to the Executive Director at the address of the Authority.

§ 6.03 Contents of Claims

A claim shall be presented by the claimant or by person acting on the claimant's behalf and shall show:

- (a) The name and mailing address of the claimant;
- (b) The date, place and other circumstances of the occurrence or transaction giving rise to the claim asserted;
- (c) The general description of the indebtedness, obligation, injury, damage or loss incurred so far as may be known at the time of presentation of the claim;
- (d) The name or names of the Authority employee or employees causing the injury, damage, or loss if known;
- (e) The amount claimed as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss insofar as it may be known at the time of presentation of the claim, together with the basis of computation of the amount claimed; and
- (f) The signature of the claimant or some person on the claimant's behalf.

§ 6.04 Insufficient Claims

- (a) The Executive Director shall notify or direct that notification be given to the claimant if the claim fails to include the information required by statute or this Chapter. Such notice shall be given within twenty (20) days after the claim is presented. The claimant must file an amended claim within ten days of the Executive Director's notice.
- (b) The amended claim shall be considered in lieu of the original claim. If an amended claim is not filed within the time specified in subsection (a), the claim shall be deemed rejected.

§ 6.05 Time for Presentation of Claims

- (a) Claims against the Authority shall be presented within the times specified in Division 3.6 (commencing with section 810), Title 1, of the California Government Code.
- (b) When a claim is not filed on time, an application shall be made to the Authority for leave to present a late claim. Government Code sections 911.4(b), sections 911.6 through 912.2 inclusive, and 946.4 and 946.6 are applicable to such requests. The deadline for filing an application under this section shall be as specified in Government Code Sections 911.2, 911.6 and 946.6.

§ 6.06 Time for Action

- (a) The Board shall act on the claims, amended claims, and applications to file late claims within forty five (45) days after the application, the claim or amended claim has been presented.
- (b) Written notice of any action taken by the Board acting on a claim or application to file a late claim shall be given to the person who presented the claim by the Executive Director within ten (10) days of the Board's action.
- (c) Failure by the Board or the Executive Director to act within the times set forth in subsections (a) and/or (b) shall be deemed a rejection of the claim.

§ 6.07 Claim as a Prerequisite to Suit

- (a) No court action for money or damages may be brought against the Authority, an officer or employee on a cause of action for which a claim is required by this Chapter until the claim has been acted on by the Board.
- (b) No court action may be brought against the Authority, an officer or employee on a cause of action for which a claim is required by this Chapter unless such action is commenced within six (6) months after the claim is acted on or deemed to have been rejected by the Board.

§ 6.08 Review of Claims

Counsel shall examine claims and lawsuits and provide the Board with a written report describing and evaluating the claim or lawsuit.

§ 6.09 Defense of Claims and Lawsuits

- (a) The Authority shall defend officers or employees named as defendants or respondents in a lawsuit arising within the course and scope of employment if the officer or employee did not act with fraud or malice.
- (b) An officer or employee named in a lawsuit who wishes to obtain defense by the Authority shall file a written request with the Board within three (3) days of service of the complaint or petition. Counsel shall provide the Board with a written report and recommendation with respect to the request. The Board may

approve or deny the request or the Board may agree to defend and reserve the decision on the indemnity pending the outcome of the case.

- (c) If the Authority agrees to defend, the employee or officer shall fully cooperate with the attorney assigned to the case by the Board. The failure to fully cooperate can result in the revocation of the agreement to defend.
- (d) The officer or employee may obtain reimbursement in accordance with law if the Board refuses to indemnify and defend.

CHAPTER 7.
ALTERNATIVE DISPUTE RESOLUTION

The Authority hereby incorporates by reference Resolution _____,
establishing the Authority's policy on alternative dispute resolution.

CHAPTER 8.
ENVIRONMENTAL REVIEW OF AUTHORITY PROGRAMS

The Authority shall comply with all environmental laws and regulations that may be applicable to any program or project approved by the Authority. The Authority hereby adopts and incorporates by reference the State California Environmental Quality Act (CEQA) Guidelines set forth in Title 14 of the California Code of Regulations, Sections 15000 *et seq.*, as authorized in section 15022(d) of the Guidelines.

**CHAPTER 9.
RECORDS**

§ 9.01 Inspection of Records

- (a) Public records of the Authority shall be open to inspection during normal business hours as set forth in Chapter 3.5 (commencing with section 6250), Division 7, Title 1 of the California Government Code.

§ 9.02 Retention of Records

- (a) The following original records shall be maintained in perpetuity in the Authority's files:
 - (1) The Joint Powers Agreement;
 - (2) Resolutions and ordinances;
 - (3) Minutes of meetings of the Board;
 - (4) Documents received relating to claims against the Authority;
 - (5) Records determined by the Board to be of significant and lasting historical, administrative, legal, fiscal or research value;
 - (6) These Rules of Procedure, and copies of amended, supplemented, repealed or changed versions; and
 - (7) Records required by law to be filed and preserved.
- (b) The Board may adopt procedures for the maintenance and retention of other records.

Adopted by Board: _____

**RULES OF PROCEDURE GOVERNING THE
SACRAMENTO CENTRAL GROUNDWATER AUTHORITY**

**CHAPTER 1.
ADOPTION AND SCOPE OF RULES OF PROCEDURE**

**ARTICLE 1.
SCOPE AND PURPOSE**

§ 1.01 Scope and Purpose of Authority

- (a) These Rules of Procedure govern the administration and management of the Sacramento Central Groundwater Authority in furtherance of the objectives and purposes set forth in the Joint Powers Agreement between and among the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento.
- (b) The Sacramento Central Groundwater Authority is established for the purposes of:
 - (1) maintaining the long-term sustainable groundwater yield of the Central Basin;
 - (2) ensuring implementation of the Basin Management Objectives that are prescribed by the current version of the Central Sacramento County Groundwater Management Plan (GMP);
 - (3) overseeing the operation of any Well Protection Program that may be prescribed by the GMP;
 - (4) managing the use of groundwater in the Central Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors;
 - (5) coordinating efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and
 - (6) working collaboratively with other entities, including the Sacramento Groundwater Authority, the Southeast Sacramento County Agricultural 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.

§ 1.02 Boundaries of the Authority

- (a) The boundaries of the Authority shall be:
 - (1) on the north the American River;
 - (2) bounded on the south by the southern boundary of the Omochumne-Hartnell Water District;
 - (3) bounded on the west by the Sacramento River and Interstate 5; and
 - (4) bounded on the east by the Sacramento-El Dorado County line;

- as further and more precisely depicted in the boundary map identified as Exhibit A.
- (b) The boundaries of the Authority shall be amended or changed only by amendment to the Joint Powers Agreement.

ARTICLE 2.
CONSTRUCTION OF RULES OF PROCEDURE

§ 1.21 Scope of Rules of Procedure

- (a) Unless these Rules specifically or by context indicate to the contrary, the general provisions and definitions set forth in this Chapter govern the construction of these Rules.
- (b) When these Rules refer to an officer, employee, or other function, such references shall be to the appropriate or designated officer, employee, or function of the Authority.
- (c) Chapter and section headings in these Rules shall not govern, limit or modify the scope, meaning, or intent of these Rules.
- (d) Nothing in these Rules is intended to alter, amend or otherwise change any provision of the Joint Powers Agreement between and among the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento. In any instance where there is a conflict between the Joint Powers Agreement, as it may be amended, and these Rules, the provisions of the Joint Powers Agreement shall govern.

§ 1.22 Severability

In the event that any Chapter, section, subsection, sentence, clause or phrase of these Rules are held invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of these Rules.

§ 1.23 Definitions

As used in these Rules, the following terms are defined as follows:

- (a) “Administrative Costs” refers to all costs and expenses of the Authority related to the administration and management of the Authority, excluding “Water Costs” as defined in this section.
- (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.

- (c) “Agricultural-Residential Groundwater User” refers to all persons that pump groundwater within the boundaries of the Authority for agricultural-residential purposes, other than a Retail Provider, and that are represented on the Board by the Agricultural-Residential Groundwater Users representative nominated by the Vineyard Community Advisory Council in consultation with adjacent Councils within the Central Basin and appointed by the County of Sacramento Board of Supervisors.
- (d) “Annual Pumping” for the purposes of determining assessments, fees or charges for management and operations of the Authority shall mean the total amount of groundwater produced within the boundaries of the Authority by each retail provider, by agricultural interests, by agricultural-residential groundwater users, by commercial/industrial self-supplied groundwater users and by public agency self-supplied groundwater users, for use within the boundaries of the Authority and other areas approved by the Authority’s Board of Directors excluding the first five thousand (5000) acre-feet of groundwater pumping by each such user.
- (e) “Appointing Authority” refers to the individual signatory party responsible for appointing a specific member to the Board, as set forth in section 3.04(a) of these Rules.
- (f) “Authority” refers to the Sacramento Central Groundwater Authority that is established pursuant to the Joint Powers Act and the executed Joint Powers Agreement.
- (g) “Board” refers to the governing Board of Directors of the Sacramento Central Groundwater Authority.
- (h) “Central Basin” refers to the groundwater basin underlying the area within the boundaries of the Authority.
- (i) “Commercial/Industrial Self-Supplied Groundwater Users” refers to all persons or entities that pump groundwater within the boundaries of the Authority for commercial and industrial purposes, other than a Retail Provider, and that are represented on the Board by the Commercial/Industrial Self-Supplied Water User representative appointed by the County of Sacramento. The Board shall establish by resolution a minimum quantity of water that must be produced annually by such commercial/industrial self-supplied pumpers in order to qualify as a “Commercial/Industrial Self-Supplied Water User” under these Rules and the Joint Powers Agreement.
- (j) “Conjunctive Use” refers to the planned management and use of both groundwater and surface water resources in order to maintain the sustainable yield of the Central Basin.
- (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.
- (l) “Director” or “Directors” refer to individuals or groups of individuals comprising the membership of the Board of the Authority.
- (m) “Financing Plan for the Administrative Budget” refers to the revenue-generating plan annually adopted by the Board to finance the Authority’s administrative

budget. The financing plan shall include the levy of assessments, fees and charges, or any combination thereof, as well as any other revenue-generating devices, including voluntary contributions from water users or purveyors within the Authority's boundaries.

- (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.
- (o) "Joint Powers Agreement" refers to the Joint Powers Agreement, as it may be modified or amended, between and among the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova establishing the Sacramento Central Groundwater Authority.
- (p) "Public Agency Self-Supplied Groundwater User" refers to all persons or entities that pump groundwater within the boundaries of the Authority for Public Agency purposes, other than a Retail Provider, and that are represented on the Board by the Public Agency Self-Supplied Groundwater Users representative nominated by the Southgate Recreation and Park District in consultation with other public agencies that are self-supplied groundwater users within the Central Basin and appointed by the County of Sacramento Board of Supervisors.
- (q) "Retail Provider" refers to established water purveyors within the boundaries of the Authority that sell water on a retail basis and that are represented on the Board by an elected member of their respective governing bodies, as set forth in Section 3.02(b)(1) and (2) of these Rules.
- (r) "Rules" refers to these Rules of Procedure, as may be amended, supplemented or changed.
- (s) "Signatory Parties" refer to the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova, each of which executed the Joint Powers Agreement establishing the Authority.
- (t) "Sustainable Yield" refers to the amount of groundwater which can be safely extracted from the Central Basin on an estimated average annual basis while maintaining groundwater elevations and groundwater quality at acceptable levels as set forth in the Groundwater Management Plan. Sustainable Yield requires a balance between extraction and basin recharge and is expressed as the number of acre feet of groundwater which can be extracted from the Central Basin on an average annual basis as set forth in the Groundwater Management Plan.
- (u) "Water Costs" refer to costs or expenses incurred by the Authority for the purposes of:
 - (1) purchasing or otherwise acquiring water;
 - (2) pumping and treatment costs; and
 - (3) other costs related to a Conjunctive Use program.

§ 1.24 Maintenance of Rules

A copy of these Rules shall be maintained in the clerk's office of the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento. The Rules shall be available for inspection by any person during normal business hours, and copies shall be provided to any person requesting the same, upon payment of reasonable copying costs.

§ 1.25 Changes to Rules

- (a) At its discretion, and consistent with applicable law, the Board of Directors of the Sacramento Central Groundwater Authority may adopt, amend, supplement or repeal these Rules of Procedure from time to time as it deems appropriate.
- (b) Each resolution making a change to these Rules of Procedure shall be filed as set forth in section 1.24, and shall be properly indexed and attached to the existing set of Rules. Such changes shall be specified by resolution number and date in which the resolution was adopted. The Board may require from time to time that these Rules be updated to reflect such changes.

**CHAPTER 2.
PRELIMINARY MATTERS**

§ 2.01 Termination of the Authority

- (a) The Authority shall remain in effect until terminated by one of the Signatory Parties thereto. The Authority may be terminated by any of the Signatory Parties at any time and for any reason by providing ninety (90) days written notice of termination to the other parties.
- (b) In the event of termination of the Authority where there is established a successor public entity which will carry on the functions of the Authority and assume its assets, the assets of the Authority shall be transferred to the successor public entity. If there is no successor public entity to carry on the functions of the Authority and assume its assets, the assets shall be returned to the Joint Powers Authority signatories in proportion to the contribution of each party during the existence of the Authority. If there is a successor public entity which will carry on some, but not all, of the functions of the Authority and assume some, but not all, of its assets, the assets of the Authority shall be allocated by the Board between the successor public entity and the Joint Powers Authority signatories.

§ 2.02 Liabilities

The debts, liabilities and obligations of the Authority shall be the debts, liabilities and obligations of the Authority alone, and neither the Signatory Parties, nor any other entity, party, or person shall be subject to or accountable for the debts, liabilities or obligations of the Authority.

§ 2.03 Conflicts of interest

- (a) The model Conflicts of Interest Code of the Fair Political Practices Commission, found in Title 2, section 18730 of the California Code of Regulations, as from time to time amended, is adopted by the Authority.
- (b) The conflicts of interest categories established by the Fair Political Practices Commission, as from time to time amended, are adopted by the Authority.

§ 2.04 Pending litigation in which Director has an adverse interest

- (a) A Director shall remove himself or herself from the meeting room, and shall not be allowed to participate in any closed session meeting, if:
 - (1) the closed session meeting is authorized pursuant to Brown Act, California Government Code section 54956.9;
 - (2) the Director is a party, or a representative of a party, that is or may be adverse to the Authority in pending litigation involving the Authority;
 - (3) the closed session meeting is being conducted to discuss the pending litigation in which the Director is a party, or a representative of a party; and
 - (4) the Director's presence at the meeting would prejudice the Authority in the pending litigation.

- (b) As used in subsection (a) of this section, a “representative of a party” shall include any Director who is an officer, employee, or member of a governing body, or who is otherwise acting on behalf of a party that is adverse to the Authority in pending litigation.
- (c) As used in subsection (a) of this section, “litigation” shall include any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator. Litigation shall be deemed “pending” for purposes of subsection (a) of this section when any of the following circumstances exist:
 - (1) litigation, to which the Authority is a party, has been initiated formally;
 - (2) a point has been reached where, in the opinion of the Board on the advice of legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the local agency;
 - (3) based on existing facts and circumstances, the Board is meeting only to decide whether a closed session is authorized pursuant to paragraph (2) of this subsection; or
 - (4) based on existing facts and circumstances, the legislative body of the local agency has decided to initiate or is deciding to initiate litigation.
- (d) Prior to commencement of a closed session meeting authorized pursuant to California Government Code section 54956.9, legal counsel shall advise the Directors as to whether this section is applicable to any Director.

**CHAPTER 3.
BOARD OF DIRECTORS**

§ 3.01 General

- (a) The Board shall establish policies and determine whether the Executive Director is implementing those and other policies of the Authority. The Executive Director is responsible for the day-to-day management and operation of the Authority.
- (b) The Board and any individual Director may communicate with the Executive Director about the development and implementation of Authority policy.
- (c) The Board and any individual Director are discouraged from communicating directly with any employee. Such communications shall be made through the Executive Director.

§ 3.02 Composition of the Board

- (a) The governing body of the Authority is the Board of Directors.
- (b) The Board shall consist of sixteen (16) members, and shall be comprised as follows:
 - (1) One (1) elected member of the governing board, or designee thereof, of each of the following public agencies:
 - (i) the City of Elk Grove,
 - (ii) the City of Folsom,
 - (iii) the City of Rancho Cordova,
 - (iv) the City of Sacramento,
 - (v) the County of Sacramento, and
 - (vi) the Sacramento Regional County Sanitation District.
 - (2) One (1) elected member of the governing board of each of the following public agencies:
 - (i) the Florin Resource Conservation District/Elk Grove Water Service,
 - (ii) the Omochumne-Hartnell Water District, and
 - (iii) the Rancho Murieta Community Services District.
 - (3) One (1) member of the governing body, or designee thereof, of each of the following private water purveyors or investor owned utilities:
 - (i) California American Water Company; and
 - (ii) the Golden State Water Company.
 - (4) One (1) representative of the Agricultural Interests within the boundaries of the Authority.
 - (5) One (1) representative of the Agricultural-Residential Groundwater Users within the boundaries of the Authority.
 - (6) One (1) representative of the Commercial/Industrial Self-Supplied Groundwater Users within the boundaries of the Authority.
 - (7) One (1) representative of the Conservation Landowners within the boundaries of the Authority.

- (8) One (1) representative of the Public Agency Self-Supplied Groundwater Users within the boundaries of the Authority.

§ 3.03 Adjustment to Composition of the Board

- (a) With the exception of the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, the Sacramento Regional County Sanitation District, and the County of Sacramento, membership on the Board shall be limited to public and private water purveyors, investor owned utilities and groundwater rights holders within the boundaries of the Authority.
- (b) Notwithstanding subsection (a) of this section, should circumstances change in the future, the signatories to the Joint Powers Agreement may agree to amend the Joint Powers Agreement and these Rules for the purpose of adding or deleting representatives to the Board to accurately reflect groundwater production within the boundaries of the Authority.

§ 3.04 Appointment of Members of the Board

- (a) The members of the governing Board of Directors of the Authority shall be appointed as follows:
 - (1) The City of Folsom representative shall be appointed by the Folsom City Council.
 - (2) The Elk Grove City Council shall appoint the representatives of the following entities:
 - (i) the City of Elk Grove, and
 - (ii) the Florin Resource Conservation District/Elk Grove Water Service.
 - (3) The Rancho Cordova City Council shall appoint the representatives of the following entities:
 - (i) the City of Rancho Cordova, and
 - (ii) the Golden State Water Company.
 - (4) The City of Sacramento representative shall be appointed by the Sacramento City Council.
 - (5) The Sacramento County Board of Supervisors shall appoint the representatives of the following entities:
 - (i) the County of Sacramento,
 - (ii) the California-American Water Company,
 - (iii) the Agricultural Interests,
 - (iv) the Agricultural-Residential Groundwater Users,
 - (v) the Commercial Industrial Self-Supplied Groundwater Users,
 - (vi) the Conservation Landowners,
 - (vii) the Omochumne-Hartnell Water District,
 - (viii) the Public Agency Self-Supplied Groundwater Users,
 - (ix) the Rancho Murieta Community Services District, and
 - (x) the Sacramento Regional County Sanitation District.

- (b) In addition to appointments made pursuant to subsection (a) of this section, the appropriate Appointing Authority also shall appoint one or more persons with the required qualifications to serve as alternates for each member of the Board. Such alternates shall be empowered to cast votes in the absence of the regular members or in the event of a conflict of interest preventing the regular member from voting.
- (c) Prior to appointment of the representatives of the entities described in Sections 3.04(a)(2)(ii), (3)(ii) and (5)(ii) through (x), the represented entities shall submit a recommended appointment for their representatives to their appropriate Appointing Authority. The Appointing Authority shall consider such recommendations, but shall retain the absolute discretion and authority to appoint any person satisfying the criteria set forth in Section 3.02(b) hereof.

§ 3.05 Term of Office

- (a) The term of office of each member of the Board shall be for a period of four (4) calendar years, with the exception of the initial term of the representatives appointed by the County of Sacramento. For the purpose of providing staggered terms of office, the initial term of office of the representatives appointed by the County of Sacramento shall be for a period of two (2) calendar years. Thereafter, the term of office of each representative appointed by the County of Sacramento shall be for a period of four (4) years.
- (b) Each member of the Board shall serve at the pleasure of their respective Appointing Authority and may be removed as a member of the Board by the Appointing Authority at any time.
- (c) If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the unexpired term of the previous representative pursuant to the provisions set forth in section 3.04 hereof within ninety (90) days of the date that such position becomes vacant. A position on the Board shall be deemed vacant upon the occurrence of any event that prevents a Director from satisfying the qualifications of Directors as set forth in section 3.02.

§ 3.06 Organization of the Board

- (a) The Board of Directors shall elect a Chair and a Vice Chair, and may elect such other officers as the Board shall find appropriate. The Chair shall preside over meetings of the Board, and in the Chair's absence, the Vice Chair shall preside. Board officers shall serve for a term of one (1) calendar year unless sooner terminated at the pleasure of the Board. If, for any reason, an officer is appointed after the commencement of a calendar year, the term of office shall expire at the end of the calendar year. Elections for Chair and Vice Chair shall be conducted not later than the last regularly scheduled meeting which precedes the calendar year for which the appointments are made. Nothing in these rules shall preclude an officer from serving more than one term, if so appointed pursuant to these Rules.
- (b) The Chair may create committees when appropriate to aid in the efficient management of the Authority. The Chair shall appoint the Board members to serve on a committee and shall designate the specific task or tasks of the

committee. The Chair may also appoint other persons, who are not Board members, to serve on committees, when such appointments would be beneficial to the completion of the task or tasks of the committee. The Chair's appointments shall be final absent an objection from a majority of the Board. In the event of such an objection, an appointment or appointments by a majority of the Board shall be necessary to complete the membership of a committee, to create a committee, or to disband a committee.

- (c) All established committees shall be ad hoc, and shall meet as directed or approved by the Chair. Committees shall not be required to meet pursuant to a regular schedule unless otherwise directed by the Chair.
- (d) In no event shall any committee be comprised of a number of Board members equal to or greater than that number which constitutes a quorum of the entire Board.

§ 3.07 Powers and functions of the Board

- (a) Subject to the limitations set forth in section 3.08, the Authority shall have any and all powers commonly held by the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova, including, but not limited to, the following powers to:
 - (1) Collect, monitor, and analyze data on the extraction of groundwater from, and the quality of groundwater in, the Central Basin;
 - (2) Establish and facilitate any Conjunctive Use program for the purpose of maintaining the Sustainable Yield in the Central Basin consistent with the GMP;
 - (3) Distribute water in exchange for ceasing or reducing groundwater extractions;
 - (4) Spread, sink and inject water into the Central Basin;
 - (5) Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the Authority;
 - (6) Study and plan ways and means to implement any or all of the foregoing powers.
- (b) For the purposes of exercising the authority set forth in subsection (a) of this section, and subject to the limitations set forth in section 3.08, the Authority shall have the power to:
 - (1) Sue and be sued in all actions and proceedings in all courts and tribunals.
 - (2) Adopt a seal and alter the seal at its discretion.
 - (3) For the common benefit of the Authority, to store water in underground water basins or reservoirs within and outside the Authority, to appropriate water and acquire water rights within or outside the Authority, to import water into the Authority, and to conserve, or cause the conservation of, water within or outside the Authority.
 - (4) Act jointly, or cooperate, with the Federal government or any agency thereof, the state, or any county or agency thereof, or any political

subdivision or district therein, including flood control districts, private and public corporations, and any person, so that the powers of the Authority may be fully and economically exercised.

- (5) Cause taxes, assessments, fees or charges to be levied in accordance with applicable State law, and in a manner consistent with the GMP to accomplish the purposes of the Authority.
- (6) Require the permitting of groundwater extraction facilities within the boundaries of the Authority, to maintain a record of extraction with respect to any such facilities, and to require the installation of meters on groundwater extraction facilities for the purpose of determining the amount of groundwater being extracted from the Central Basin.
- (7) Make contracts, employ labor and to do all acts necessary for the full exercise of the Authority's powers.
- (8) Carry on technical and other investigations of all kinds necessary to further the purposes of the Authority.
- (9) Fix rates at which water acquired by the Authority shall be sold for replenishment purposes, and to establish different rates for different classes of service or conditions of service, provided that the rates shall be uniform for like classes and conditions of service.
- (10) Participate in any contract under which producers may voluntarily agree to use surface water in lieu of groundwater, and to that end the Authority may become a party to the contract and pay from Authority funds that portion of the cost of the surface water as will encourage the purchase and use of that water in lieu of groundwater pumping so long as persons or property within the boundaries of the Authority are directly or indirectly benefited by the resulting replenishment of the Central Basin.
- (11) Apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid from any agency of the United States, the State of California, or other public or private entity necessary or appropriate for the Authority's full exercise of its powers.

§ 3.08 Limitation on powers and functions of the Board

- (a) The Authority shall not have the power to regulate land use or to engage in the retail sale of water.

§ 3.09 Meetings of the Board

- (a) Except for closed session meetings, meetings of the Board shall be open and public, and any person shall be permitted to attend any portion of a meeting. Notwithstanding any provision in this Chapter, the Authority shall comply with the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the California Government Code, or with any successor provision.
- (b) Regular meetings of the Board shall be held on the second Wednesday of every month at a suitable location within the Authority's boundaries. If, by reason of emergency or other good cause, a meeting cannot be held as regularly scheduled,

the Chair may re-schedule with due notice a meeting on an alternate date or time or at an alternate location.

- (c) Special meetings of the Board may be called by the Chair or a majority of the Board by delivering written notice to each Director, the Executive Director, Counsel, and to a local newspaper of general circulation. To the extent practicable, the Chair or a majority of the Board shall direct that actual notice be given to known interested parties. In all cases, notice shall be given at least 24 hours prior to the time scheduled for the special meeting.
- (d) In the event of an emergency, as determined by the Chair or a majority of the Board, the Board may conduct a meeting without the 24 hour notice. In no event shall this meeting be a closed session meeting. To the extent practicable, the Chair, Vice-Chair, or majority of the Board shall direct that notice be given to known interested persons at least one hour prior to the emergency meeting.
- (e) Any meeting of the Board may be adjourned to a date, time and place specified in the order of adjournment.

§ 3.10 Closed Session Meetings

- (a) The Board shall comply in all respects with closed session requirements and procedures of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the California Government Code, or with any successor provision.
- (b) To the extent practicable, the Board shall avoid taking action in closed session. Action may be taken in closed session when necessary to avoid prejudice to the Authority. When the potential for prejudice does not exist, action taken in closed session shall be publicly announced at the same meeting as the closed session. If the action was taken by roll call vote, the vote shall be announced. A summary of action taken in closed session, when it is determined not to prejudice the Authority, shall be provided and submitted into the record at the next regular meeting.

§ 3.11 Meeting Agendas

- (a) The agenda for a regular meeting shall be posted at least 72 hours prior to the meeting. The agenda for an adjourned meeting shall be the same as the agenda for the meeting which was adjourned, if the scheduled meeting was not more than five (5) days prior to the adjourned meeting. A new agenda shall be prepared at least 72 hours prior to an adjourned meeting if additional matters are added to an adjourned meeting agenda, or if the adjourned meeting takes place more than five (5) days after the scheduled meeting. The agenda for a special meeting shall be posted at least 24 hours prior to the meeting.
- (b) The Board shall act on matters appearing on the agenda, and may act on emergency matters, as defined in California Government Code Section 54956.5, or on matters where there is a need to take action that has arisen subsequent to the posting of the agenda and that cannot reasonably wait for the next regularly scheduled meeting. Prior to acting on matters arising subsequent to the posting of the agenda, a two-thirds majority of the Board members present, or when less

than two-thirds of the members are present, a unanimous vote of those members present, must determine that there is a need to consider the matter at the meeting. Prior to discussing any item, whether or not the item appears on the agenda, the Board shall publicly identify the item.

- (c) The Board shall receive public comments on matters not appearing on the agenda for regular meetings but shall not act on such matters unless the Board adds the matter to the agenda pursuant to subsection (b) of this section.

§ 3.12 Interruption of Meetings

The Chair or Vice Chair, after concurrence of a majority of the Board present, may order the meeting room cleared and continue the meeting in closed session if a meeting is willfully interrupted and the orderly conduct of the meeting becomes infeasible and order cannot be restored by the removal of the individual or individuals interrupting the meeting. In such cases, only matters appearing on the agenda may be considered in the resulting closed session meeting. Duly accredited representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend the session. At its discretion, the Board may establish a procedure for readmitting individuals not responsible for willfully disturbing the meeting.

§ 3.13 Voting Requirements

- (a) A majority of the members of the Board shall constitute a quorum for the purposes of transacting business, except that less than a quorum may vote to adjourn a meeting.
- (b) Each member of the Board shall have one vote. With the exception of fiscal items as set forth in subsections (c) and (d) below, an affirmative vote by a majority of all members of the Board is required to approve any item related to implementation of the GMP.
- (c) Fiscal items, including, but not limited to, approval of the annual budget of the Authority and any expenditures, shall require an affirmative vote by a majority of all the members of the Board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento and the County of Sacramento.
- (d) Any change in annual contributions necessary to support the work of the Authority, as set forth in section 5.22(e), shall require an affirmative vote of eleven of the sixteen members of the Board that includes affirmative votes by all of the representatives of the Cities of Elk Grove, Folsom, Rancho Cordova, and Sacramento and the County of Sacramento.

§ 3.14 Manner of Taking Action; motions, resolutions and ordinances

- (a) The Board shall take action by motion, resolution or ordinance.
- (b) Motions may be adopted by voice vote. Resolutions may be adopted by voice vote but on demand of any member of the Board, the roll shall be called. The roll shall be called for votes on adoption of ordinances.
- (c) Motions and resolutions shall be effective when adopted unless a different effective date is stated.

- (d) Proposed ordinances shall be introduced in writing, and shall contain a title which shall state in general terms the subject or subjects contained in the ordinance. Ordinances shall be read in full at the time of introduction except when reading by title only is approved by unanimous vote of the Directors present. Prior to adoption, the Board shall pass such ordinances for publication of title. At least five (5) days shall pass between the date the ordinance is passed for publication of title and the date the ordinance is adopted by the Board. The Executive Director or other designated official shall cause the title of such ordinances to be published at least once in a newspaper of general circulation published within the boundaries of the Authority no later than the third day preceding the adoption of the ordinance. Ordinances adopted pursuant to this subsection shall become effective fifteen (15) days after the adoption, or at a later date if so specified in the ordinance.
- (e) Notwithstanding subsection (d) of this section, the following ordinances shall take effect immediately:
 - (1) Ordinances relating to an election;
 - (2) Ordinances necessary for the immediate preservation of the public peace, health or safety containing a declaration of the facts constituting the emergency, if adopted by the affirmative vote of two-thirds of the Board; and
 Such urgency ordinances may be passed immediately upon introduction and approval at a regular, adjourned regular, or special meeting.
- (f) The Authority's GMP shall be adopted by ordinance.

§ 3.15 Minutes

- (a) The clerk, as appointed by the Board, shall cause to be kept minutes of all meetings of the Board, except closed session meetings. Within a reasonable time following any meeting other than a closed session meeting, the clerk shall cause a copy of the minutes to be forwarded to each member of the Board and to the clerk's offices for the County of Sacramento, the City of Sacramento, the City of Elk Grove, the City of Folsom and the City of Rancho Cordova.
- (b) The written minutes need not be a verbatim transcription, but shall at a minimum reflect the following:
 - (1) Official actions taken by the Board;
 - (2) Disposition of items appearing on the agenda;
 - (3) The vote of each Director on action matters appearing on the agenda, or a description of the vote;
 - (4) Statements requested by a Director or Directors to be included in the minutes when related to reasons for voting in a particular manner;
 - (5) Matters requested by a Director or Directors to be included as an agenda item, and which was not placed on the agenda;
 - (6) The number and title of ordinances and resolutions.
- (c) The written minutes are not the official minutes until approved by the Board at a subsequent public meeting. Upon approval, the minutes shall be signed by the Chair, or in the event the Chair is not available, the Vice-Chair, and shall be attested to by the Clerk.

**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.

CHAPTER 6. CLAIMS

§ 6.01 Claims; General

Claims against the Authority for money or damages covered by Chapter 1 (commencing with section 900) and Chapter 2 (commencing with section 910) of Part 3 of Division 3.6 of the California Government Code or other statute shall be presented and processed in accordance with the applicable statute. Other claims shall be presented and processed in accordance with this Chapter.

§ 6.02 Presentation of Claims

Claims, and amendments to claims, shall be presented personally or mailed first class delivery to the Executive Director at the address of the Authority.

§ 6.03 Contents of Claims

A claim shall be presented by the claimant or by person acting on the claimant's behalf and shall show:

- (a) The name and mailing address of the claimant;
- (b) The date, place and other circumstances of the occurrence or transaction giving rise to the claim asserted;
- (c) The general description of the indebtedness, obligation, injury, damage or loss incurred so far as may be known at the time of presentation of the claim;
- (d) The name or names of the Authority employee or employees causing the injury, damage, or loss if known;
- (e) The amount claimed as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss insofar as it may be known at the time of presentation of the claim, together with the basis of computation of the amount claimed; and
- (f) The signature of the claimant or some person on the claimant's behalf.

§ 6.04 Insufficient Claims

- (a) The Executive Director shall notify or direct that notification be given to the claimant if the claim fails to include the information required by statute or this Chapter. Such notice shall be given within twenty (20) days after the claim is presented. The claimant must file an amended claim within ten days of the Executive Director's notice.
- (b) The amended claim shall be considered in lieu of the original claim. If an amended claim is not filed within the time specified in subsection (a), the claim shall be deemed rejected.

§ 6.05 Time for Presentation of Claims

- (a) Claims against the Authority shall be presented within the times specified in Division 3.6 (commencing with section 810), Title 1, of the California Government Code.
- (b) When a claim is not filed on time, an application shall be made to the Authority for leave to present a late claim. Government Code sections 911.4(b), sections 911.6 through 912.2 inclusive, and 946.4 and 946.6 are applicable to such requests. The deadline for filing an application under this section shall be as specified in Government Code Sections 911.2, 911.6 and 946.6.

§ 6.06 Time for Action

- (a) The Board shall act on the claims, amended claims, and applications to file late claims within forty five (45) days after the application, the claim or amended claim has been presented.
- (b) Written notice of any action taken by the Board acting on a claim or application to file a late claim shall be given to the person who presented the claim by the Executive Director within ten (10) days of the Board's action.
- (c) Failure by the Board or the Executive Director to act within the times set forth in subsections (a) and/or (b) shall be deemed a rejection of the claim.

§ 6.07 Claim as a Prerequisite to Suit

- (a) No court action for money or damages may be brought against the Authority, an officer or employee on a cause of action for which a claim is required by this Chapter until the claim has been acted on by the Board.
- (b) No court action may be brought against the Authority, an officer or employee on a cause of action for which a claim is required by this Chapter unless such action is commenced within six (6) months after the claim is acted on or deemed to have been rejected by the Board.

§ 6.08 Review of Claims

Counsel shall examine claims and lawsuits and provide the Board with a written report describing and evaluating the claim or lawsuit.

§ 6.09 Defense of Claims and Lawsuits

- (a) The Authority shall defend officers or employees named as defendants or respondents in a lawsuit arising within the course and scope of employment if the officer or employee did not act with fraud or malice.
- (b) An officer or employee named in a lawsuit who wishes to obtain defense by the Authority shall file a written request with the Board within three (3) days of service of the complaint or petition. Counsel shall provide the Board with a written report and recommendation with respect to the request. The Board may

approve or deny the request or the Board may agree to defend and reserve the decision on the indemnity pending the outcome of the case.

- (c) If the Authority agrees to defend, the employee or officer shall fully cooperate with the attorney assigned to the case by the Board. The failure to fully cooperate can result in the revocation of the agreement to defend.
- (d) The officer or employee may obtain reimbursement in accordance with law if the Board refuses to indemnify and defend.

CHAPTER 7.
ALTERNATIVE DISPUTE RESOLUTION

The Authority hereby incorporates by reference Resolution _____,
establishing the Authority's policy on alternative dispute resolution.

CHAPTER 8.
ENVIRONMENTAL REVIEW OF AUTHORITY PROGRAMS

The Authority shall comply with all environmental laws and regulations that may be applicable to any program or project approved by the Authority. The Authority hereby adopts and incorporates by reference the State California Environmental Quality Act (CEQA) Guidelines set forth in Title 14 of the California Code of Regulations, Sections 15000 *et seq.*, as authorized in section 15022(d) of the Guidelines.

**CHAPTER 9.
RECORDS**

§ 9.01 Inspection of Records

- (a) Public records of the Authority shall be open to inspection during normal business hours as set forth in Chapter 3.5 (commencing with section 6250), Division 7, Title 1 of the California Government Code.

§ 9.02 Retention of Records

- (a) The following original records shall be maintained in perpetuity in the Authority's files:
 - (1) The Joint Powers Agreement;
 - (2) Resolutions and ordinances;
 - (3) Minutes of meetings of the Board;
 - (4) Documents received relating to claims against the Authority;
 - (5) Records determined by the Board to be of significant and lasting historical, administrative, legal, fiscal or research value;
 - (6) These Rules of Procedure, and copies of amended, supplemented, repealed or changed versions; and
 - (7) Records required by law to be filed and preserved.
- (b) The Board may adopt procedures for the maintenance and retention of other records.

Adopted by Board: _____

**AGENDA ITEM 5: ARCHITECTURAL AND ENGINEERING SERVICES
SELECTION POLICY 300.2**

BACKGROUND:

SCGA does not currently have a written policy on how architectural and engineering services contracts are awarded; this item was initially discussed at the March 12, 2014 Board meeting.

STAFF RECOMMENDATION:

Action: Approve SCGA Policy 300.2.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

POLICIES AND PROCEDURES MANUAL

Policy Type	:	Operations
Policy Title	:	Architectural and Engineering Services Selection Policy
Policy Number	:	300.2
Date Adopted	:	July 9, 2014
Date Amended	:	

Architectural and Engineering Services Selection Policy

The procurement of architectural and engineering services for the Sacramento Central Groundwater Authority will be on the basis of documented competence and qualifications for the types of services to be performed, and at a fair, competitive and reasonable price.

For the purposes of this policy, the term "architectural and engineering services" means any specialized services performed by firms or persons who are qualified, by education, experience, licenses or certification in a particular field. Types of services may include, but are not limited to: architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services.

Architectural and engineering services that would cost \$50,000 or less the Executive Director shall solicit informal quotes (via telephone, fax, e-mail, mail) from at least three firms or provide justification as to why such quotations were not possible or necessary. All contracts must be in conformance with the Groundwater Authority's approved budget. The Executive Director will inform the Board of any such contract that has been awarded.

Architectural and engineering services that would cost more than \$50,000 will be obtained by a competitive proposal process by issuance of a Request for Proposals or the issuance of a Request for Qualifications, as determined by the Executive Director, and a contract for such services will be subject to approval of the Board of Directors. The Executive Director will recommend to the Board of Directors selection based on documented competence and qualifications for the types of services to be performed, and at a fair, competitive and reasonable price, and not based solely on the lowest-cost proposal submitted. The Board may waive or amend this policy at any time, and may waive the competitive proposal process in cases where an engineering firm has satisfactorily performed the previous stage of a project, has acquired extensive background and working knowledge of the work to be performed, is a highly-recognized authority in the field or area of work to be performed, or is the only-known available highly-recognized authority.

A written description of the selection process, including selection rationale, list of firms on a selection short-list, basis of selection and determination of project fee/cost will be submitted by the Executive Director to the Board with each contracting recommendation.

**AGENDA ITEM 6: INTRODUCTION TO THE BASIN MANAGEMENT
THRESHOLD AND RECHARGE MAPPING PROJECT**

BACKGROUND:

Presentation by Jim Blanke with RMC.

STAFF RECOMMENDATION:

Action: Receive and file.



BMO Threshold Development and Recharge Mapping

Sacramento Central Groundwater Authority

July 9, 2014

Presenter:
Jim Blanke, RMC



Complex Challenges | Innovative Solutions

rmcwater.com

Funding Acknowledgement

This project is partially funded by a
Local Groundwater Assistance Fund grant
from the
California Department of Water Resources



Agenda

- Background and Need
- Project Summary
- Public Involvement

Project Team

- SCGA – Project manager
- SCGA Member Agencies – Sampling assistance
- California Department of Water Resources – Funding entity
- RMC Water and Environment – Technical consultant
- HydroFocus – Technical consultant

Project Background

- Two Major Components
 - **Groundwater Elevation BMO Threshold Development**
 - Recharge Mapping

Background: Thresholds

CENTRAL SACRAMENTO COUNTY

GROUNDWATER MANAGEMENT PLAN

FEBRUARY 2006



Background - BMOs

1. Maintain a long-term average groundwater extraction rate of 273,000 AF/year.
2. Establish specific minimum groundwater elevations within all areas of the basin consistent with the Water Forum “Solution.”
3. Protect against any potential inelastic land surface subsidence.
4. Protect against any adverse impacts to surface water flows.
5. Develop specific water quality objectives for several constituents of concern.

Need – BMO No. 2

1. Actions defined
2. Triggers defined
3. Approach to implementation defined
4. Need to implement approach

Table 4-1. Monitoring Actions and Trigger Points (continued)

Monitoring Action	Trigger Points	Recommended Action
BMO No. 2. Maintain specific groundwater elevations within all areas of the basin consistent with the Water Forum "solution."		
A monitoring methodology to meet specific objectives in managing groundwater levels requires a systematic, repeatable, and scientific approach. The objective of this monitoring program is to take measurements from selected monitoring wells that have sufficient construction and hydrogeologic data. Wells will be assigned to represent the polygon areas defined in Appendix B , and may be grouped within the basin in areas that are sufficiently distinct in the makeup of hydrogeology and land use. Monitored groundwater levels for a well will be compared with the designated upper and lower groundwater level threshold for each polygon that is assigned to the well. The upper and lower thresholds are termed the "bandwidth" of the polygon.	Trigger Point 1. A 25 to 50 percent encroachment into the designated bandwidth of a polygon.	Alert stage that informs the basin governance body and the overlying groundwater extractor(s) that a specific polygon area is being compromised. Activation of this trigger will take place only after the cause of the condition is thoroughly investigated.
	Trigger Point 2. A 50 to 75 percent encroachment into the designated bandwidth of a polygon.	In the event groundwater level measurements hit Trigger Point 2 without first initiating Trigger Point 1, the recommended actions of Trigger Point 1 still apply. Additionally, this stage initiates a requirement to collect a fee to secure supplemental water supplies or to reduce pumping in a predefined area(s).
	Trigger Point 3. A 75 to 100 percent encroachment into the designated bandwidth of a polygon. This indicates continuously declining groundwater levels in an area even during wet and normal hydrologic cycles, indicating that excessive pumping is the probable cause.	Well owners with operating wells in the affected area(s) will be identified and notified of the basin's condition in their area. An assessment will be levied against those owners who continue to pump at the higher level. Every attempt will be made by the governance body to ameliorate the impact assessments to private domestic groundwater pumps.
	Trigger Point 4. Over 100 percent encroachment into the designated bandwidth of a polygon.	If the recommended actions from the first three trigger points do not result in an improvement to the affected area(s), the basin governance body will need to consider which of two actions it will take. The first is to consider whether a lower groundwater level in the area is acceptable. If so, the basin governance body has the ability to adapt to the actual monitoring data and change the model-based thresholds for management in the area. If lower groundwater levels are deemed unacceptable, the second action would require finding supplemental water supplies and construct infrastructure for the area(s) and reduce pumping to allow groundwater levels to recover to acceptable levels. Fees in addition to Trigger Point 3 fees will be assessed to cover costs associated with this action.

Project Background

- Two Major Components
 - Groundwater Elevation BMO Threshold Development
 - **Recharge Mapping**

Background/Need: Recharge Mapping

- Water Code, through AB359, requires a map of recharge areas in GWMPs
- Important to understand recharge from
 - Precipitation and applied water
 - Rivers
 - Subsurface flow at boundaries

Background/Need: Recharge Mapping

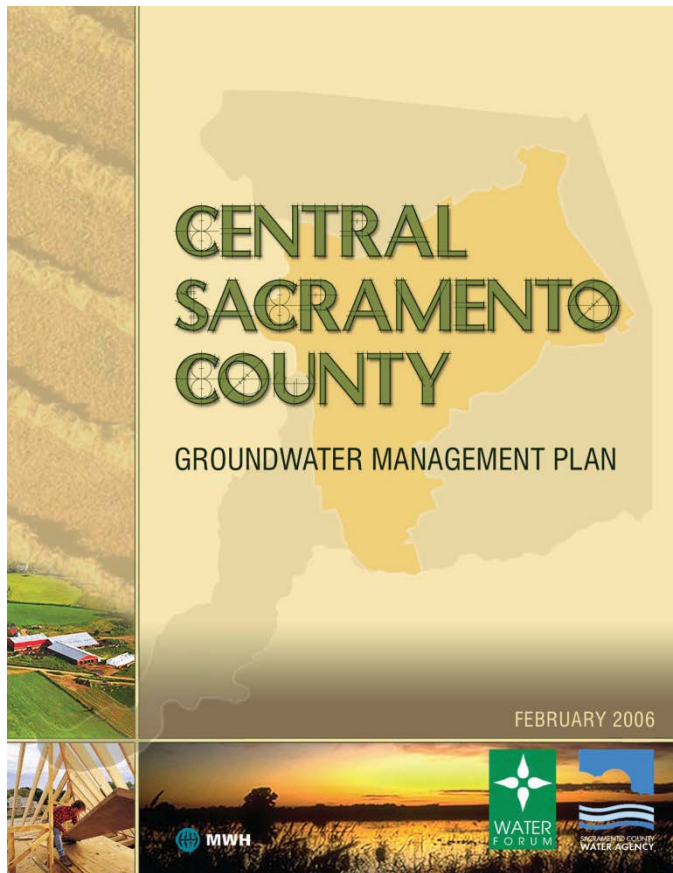
- Recharge is estimated
- Calibrated groundwater model
 - Tool for developing realistic estimates
 - Limitations due to similar recharge sources, results in non-unique solutions
- Sampling will improve the understanding of the contributions of the rivers vs. other sources
- Better understanding will improve models and assist management decisions

Project Summary

- Two Major Components
 - **Groundwater Elevation BMO Threshold Development**
 - Recharge Mapping

BMO Threshold Development - Approach

Follows approach in Appendix B of the GWMP



Appendix B

Summary of the development of Basin Management Objective #2 (Maintain specific groundwater elevations within all areas of the Central Basin consistent with the Water Forum solution).

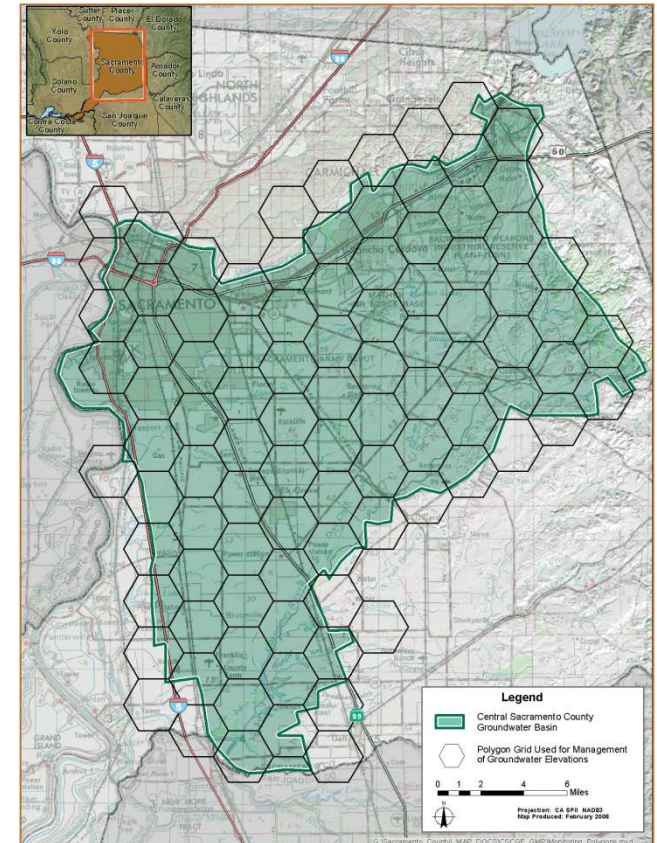
BMO Threshold Development - Approach

Follows approach in Appendix B of the GWMP

1. Define polygon grid.
 - Developed in GWMP
 - Will be used in analysis

Section 3. Management Plan Elements

Figure 3-3 Polygon Grid Used for Management of Groundwater Elevations

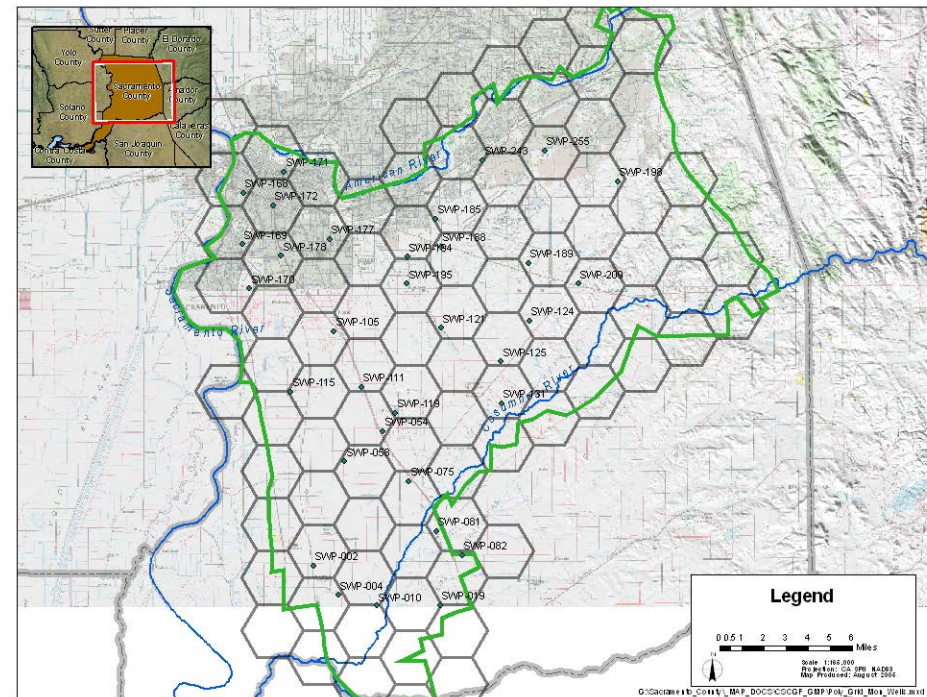


BMO Threshold Development - Approach

Follows approach in Appendix B of the GWMP

2. Locate a State Monitoring Well to represent each grid area.

- Developed in GWMP
- Requires updating

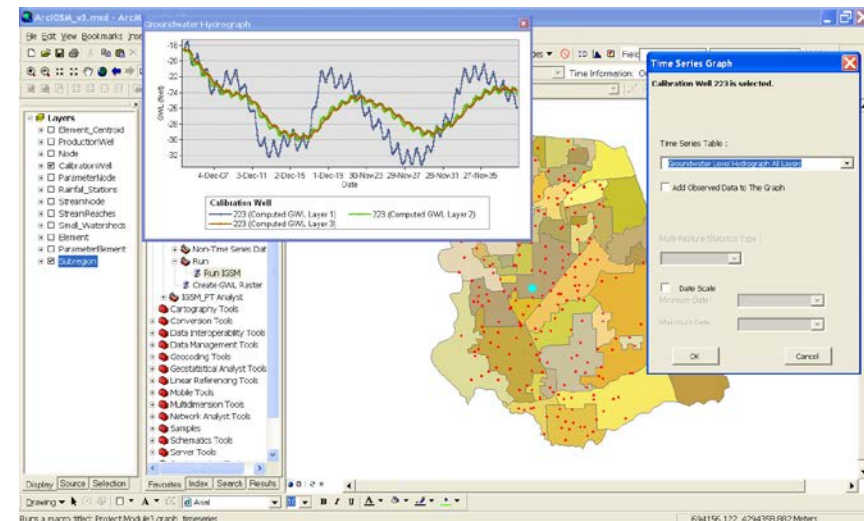


BMO Threshold Development - Approach

Follows approach in Appendix B of the GWMP

3. Extract hydrographs for each grid area from IGSM model, 2030 Conditions.

- Model is available
- Requires updating

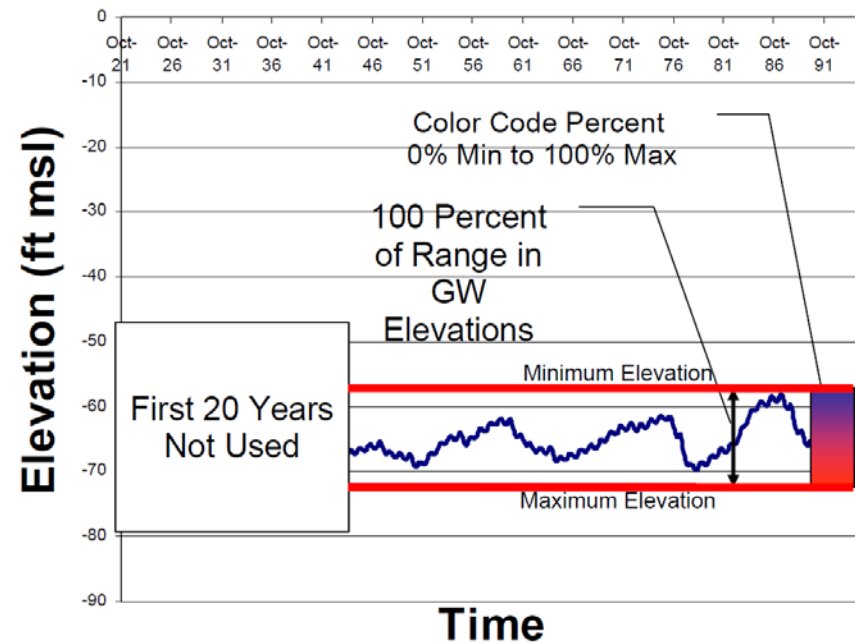


BMO Threshold Development - Approach

Follows approach in Appendix B of the GWMP

4. Identify maximum and minimum modeled groundwater elevations.

Values with 5% buffer define the bandwidth.

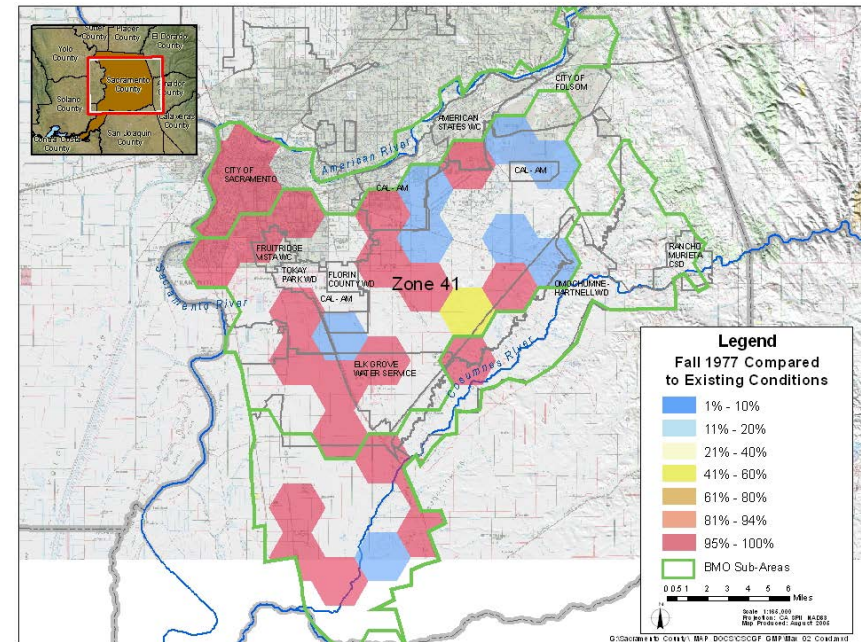


BMO Threshold Development - Approach

Follows approach in Appendix B of the GWMP

6. Ground truth the results

- 1977 measured conditions



BMO Threshold Development - Approach

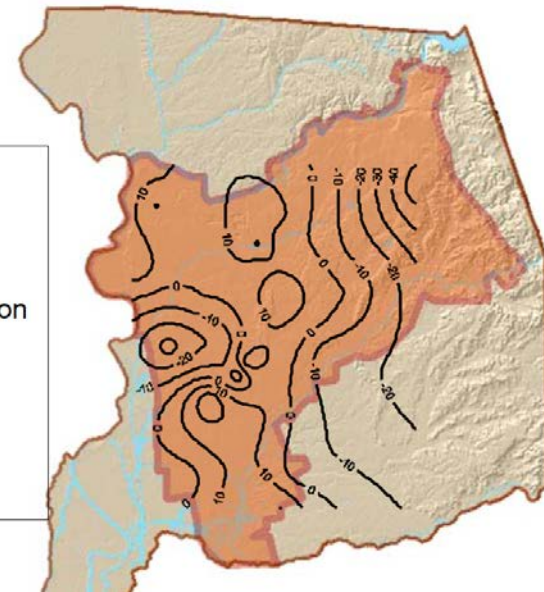
Follows approach in Appendix B of the GWMP

6. Ground truth the results

- 1977 measured conditions
- Compare modeled to measured elevations for 1977

Groundwater Elevation Contours (ft msl)

Difference Between
1977 Real Data
and
Water Forum Solution
1977 Model Data
(Negative Value
Implies Model Data
Shows Deeper
Elevation)



BMO Threshold Development - Approach

Follows approach in Appendix B of the GWMP

7. Develop framework for monitoring and management

- Contained in Section 4 of the GWMP

BMO Threshold Development - Approach

Monitoring Action	Trigger Points	Recommended Action
BMO No. 2. Maintain specific groundwater elevations within all areas of the basin consistent with the Water Forum "solution."		
<p>A monitoring methodology to meet specific objectives in managing groundwater levels requires a systematic, repeatable, and scientific approach. The objective of this monitoring program is to take measurements from selected monitoring wells that have sufficient construction and hydrogeologic data. Wells will be assigned to represent the polygon areas defined in Appendix B, and may be grouped within the basin in areas that are sufficiently distinct in the makeup of hydrogeology and land use. Monitored groundwater levels for a well will be compared with the designated upper and lower groundwater level threshold for each polygon that is assigned to the well. The upper and lower thresholds are termed the "bandwidth" of the polygon.</p>	<p>Trigger Point 1. A 25 to 50 percent encroachment into the designated bandwidth of a polygon.</p>	<p>Alert stage that informs the basin governance body and the overlying groundwater extractor(s) that a specific polygon area is being compromised. Activation of this trigger will take place only after the cause of the condition is thoroughly investigated.</p>
	<p>Trigger Point 2. A 50 to 75 percent encroachment into the designated bandwidth of a polygon.</p>	<p>In the event groundwater level measurements hit Trigger Point 2 without first initiating Trigger Point 1, the recommended actions of Trigger Point 1 still apply. Additionally, this stage initiates a requirement to collect a fee to secure supplemental water supplies or to reduce pumping in a predefined area(s).</p>
	<p>Trigger Point 3. A 75 to 100 percent encroachment into the designated bandwidth of a polygon. This indicates continuously declining groundwater levels in an area even during wet and normal hydrologic cycles, indicating that excessive pumping is the probable cause.</p>	<p>Well owners with operating wells in the affected area(s) will be identified and notified of the basin's condition in their area. An assessment will be levied against those owners who continue to pump at the higher level. Every attempt will be made by the governance body to ameliorate the impact assessments to private domestic groundwater pumpers.</p>
	<p>Trigger Point 4. Over 100 percent encroachment into the designated bandwidth of a polygon.</p>	<p>If the recommended actions from the first three trigger points do not result in an improvement to the affected area(s), the basin governance body will need to consider which of two actions it will take. The first is to consider whether a lower groundwater level in the area is acceptable. If so, the basin governance body has the ability to adapt to the actual monitoring data and change the model-based thresholds for management in the area.</p> <p>If lower groundwater levels are deemed unacceptable, the second action would require finding supplemental water supplies and construct infrastructure for the area(s) and reduce pumping to allow groundwater levels to recover to acceptable levels. Fees in addition to Trigger Point 3 fees will be assessed to cover costs associated with this action.</p>

Project Summary

- Two Major Components
 - Groundwater Elevation BMO Threshold Development
 - **Recharge Mapping**

Recharge Mapping

- Recharge map development
 - AB359 Compliant
 - Identify recharge areas in the basin
 - Map of areal recharge
 - Arrows for other major sources
 - Pie charts

Groundwater Quality Data

- Goal - provide information on source of recharge
- Focus on
 - Stable isotopes to help identify source water
 - Major anions and cations to distinguish between different waters

Stable Isotopes - Recharge

- Elevation of precipitation can be seen with stable isotopes

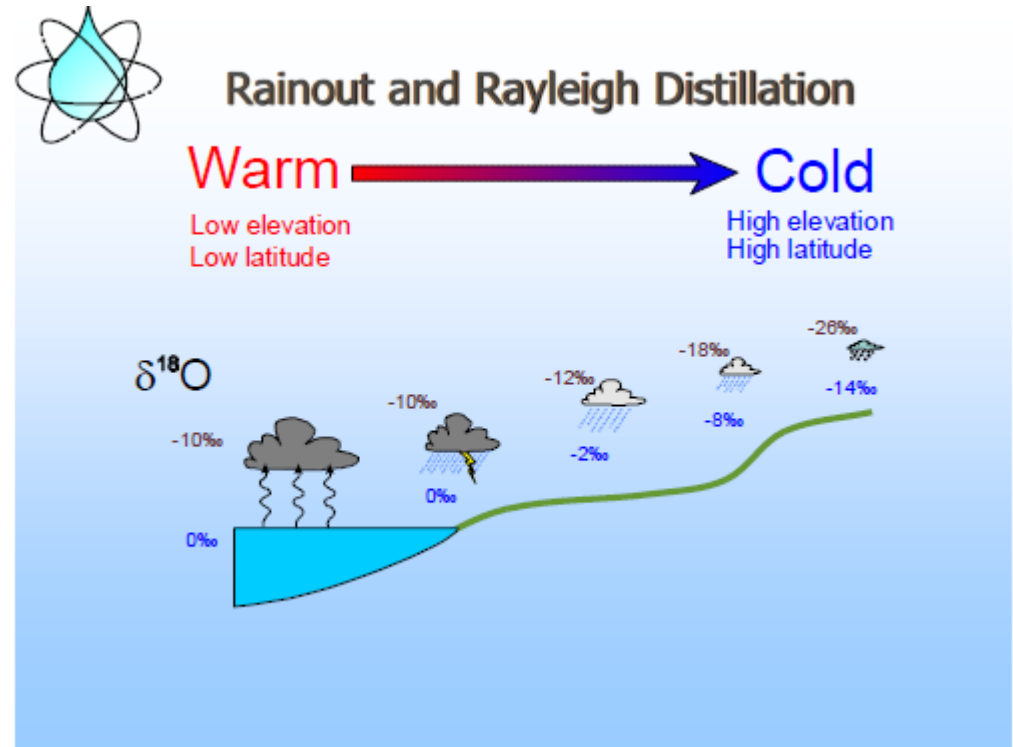
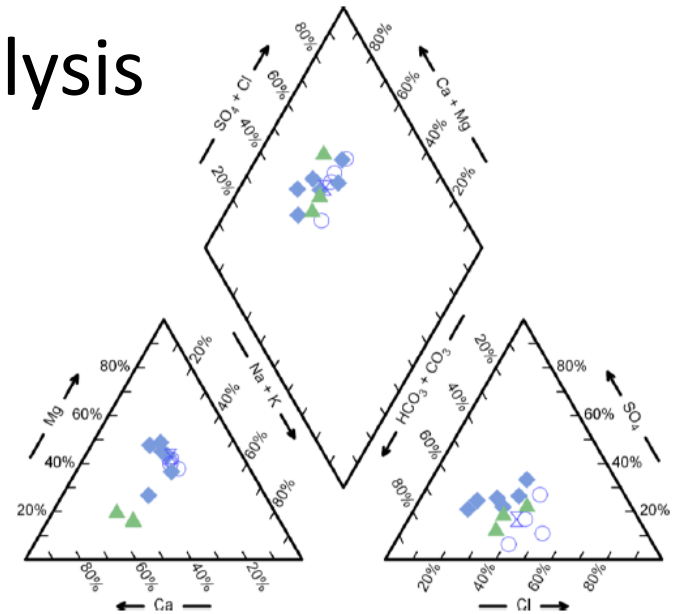


Image Source: Clark, Ian. 2013. *NGWA's Environmental Isotopes in Groundwater Studies: Introduction to Environmental Isotopes in the Hydrologic Cycle* (#825).

Groundwater Quality Data

- Anions and Cations
 - Piper and stiff diagrams
 - Identify similar waters
- Supports stable isotope analysis



Sampling

- Sampling to occur at member agency wells
- Anticipated for late summer / fall 2014
- RMC/HydroFocus will contact member agencies with more information

Sampling Roles

- RMC/HydroFocus will:
 - Collect the water samples.
 - Conduct and record field measurements for
 - Depth to water
 - Dissolved oxygen
 - pH
 - Conductivity
 - Supply sample bottles and arrange for sample delivery to the analytical laboratories.

Cooperative Sampling – Pre Sampling Needs

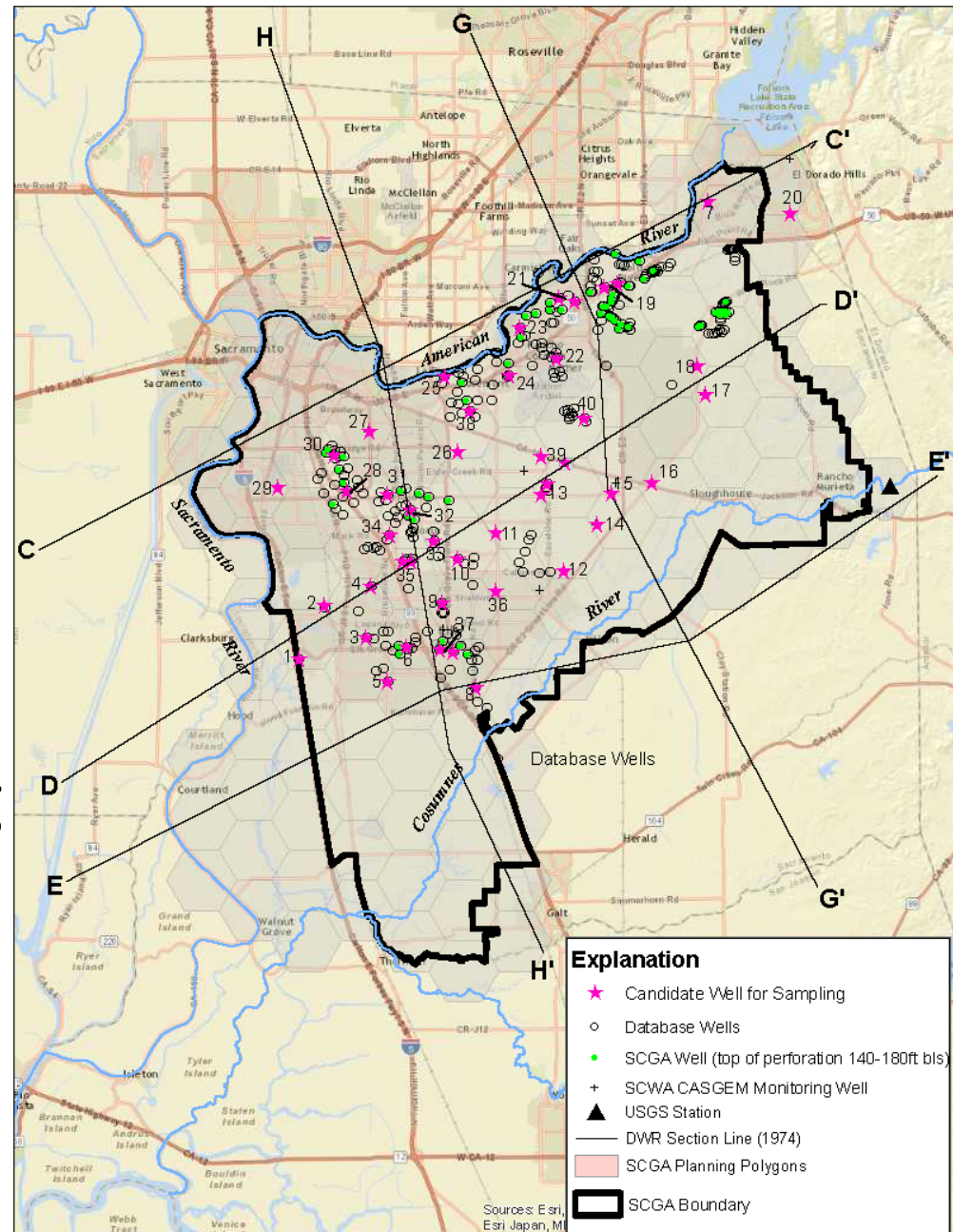
- Request for member agencies
 - Description of each sampling location
 - Location and type of sampling port
 - Picture of the well
 - Other relevant information
 - If adequate information is not available, a site visit may be conducted

Cooperative Sampling – Sampling Needs

- Request for member agencies
 - Well access
 - Operate the wells for development and sampling

Preliminary Well Map

- Wells selected based on
 - Location
 - Depth
- Selection are preliminary pending discussions with well owners



Preliminary Well List

- SCWA: 25 wells
- City of Sacramento: 2 wells
- Golden State: 4 wells
- Cal Am: 9 wells

Preliminary Well List: SCWA, CASGEM



DEPARTMENT OF WATER RESOURCES
SACRAMENTO COUNTY
WATER AGENCY

- SCGA 3
- SCGA 5
- SCGA 6
- SCGA 7
- SCGA 8
- SCGA 10
- SCGA 11
- SCGA 14 or 15
- SCGA 17
- SCGA 19*
- SCGA 20
- SCGA 21
- SCGA 23
- SCGA 25
- SCGA 27

Preliminary Well List: SCWA



DEPARTMENT OF WATER RESOURCES
SACRAMENTO COUNTY
WATER AGENCY

- Banyon LW-42
- Big Horn LW-52
- Excelsior Well #1*
- McRoberts, housing #5
- MW-1C
- Park Meadows
- Poppy Ridge WTP
- Sheldon North Lw-65
- Tillotson
- Waterman Road
- West Taron

Preliminary Well List: City of Sacramento

- Well 20
- Well 85

Preliminary Well List: Golden State Water Co.



- Anos Circle 8
- Citrus 13 or Whistler
- Folsom Blvd 15 or Pyrites Way 16
- Mather 18

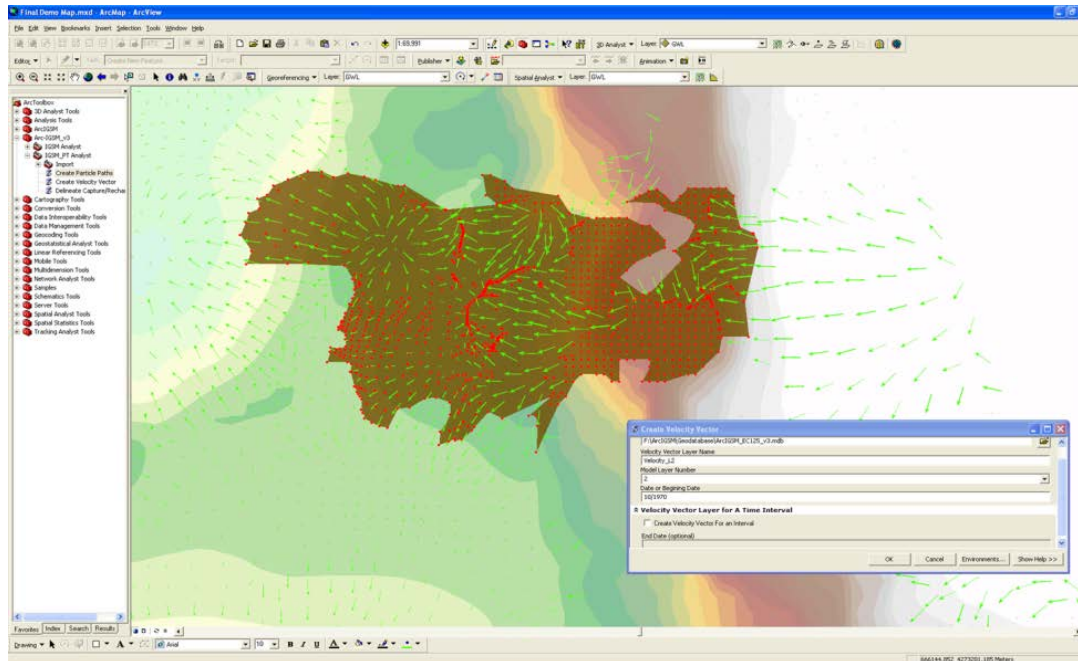
Preliminary Well List: California American Water



- Brigg Dr 6
- Elsie 23
- Explodr 24
- Larch C2-2 or Larch Co Sd #1 138-1
- Power Inn
- Sky Parkway 64
- Vntpark 76
- Woodman Way 87
- Wporter 80

Verification of Model

- Results from water quality study will be compared to simulated flowpaths to identify any need for model refinement



Major Deliverables

- Draft and Final TMs
 - Threshold Development
 - Recharge Analysis
- Draft and Final Recharge Map

Stakeholder Participation

- Four meetings are planned to keep stakeholders informed
 - Today: Initial meeting to describe the project and to receive comments
 - Winter 2014/5: Project update, including model extension and sampling.
 - Spring 2015: Project update, including proposed thresholds
 - Summer 2015: Present the final results of the study.

Contact Information

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Jim Blanke

Project Manager

RMC Water and Environment

jblanke@rmcwater.com

(916) 999-8762

AGENDA ITEM 7: EXECUTIVE DIRECTOR'S REPORT

- a) SCGA Letters of Appointment
- b) Legislation

July 9, 2014

TO: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY BOARD

FROM: DARRELL ECK

RE: EXECUTIVE DIRECTOR'S REPORT

- a) **SCGA Letters for Appointment** – It is time for the Cities of Sacramento, Folsom, Rancho Cordova, and Elk Grove, in addition to the Golden State Water Company and the Florin Resource Conservation District to reappoint representatives to the SCGA Board of Directors. According to the SCGA JPA, the term of office of each member of the governing board of the Authority shall be for a period of four (4) years. The current terms on the board will expire at the end of August 2014. Please have your respective agencies and boards nominate and ratify renewed board appointments by that time.

- b) **Groundwater Legislation Update** – Groundwater management is a high priority for both the Administration and the Legislature this year. The Governor's May revise budget contains funding and positions for both the SWRCB and DWR to engage in groundwater management activities. The legislation of primary interest is SB 1168, Pavley and AB 1739, Dickinson. RWA has sent letters (June 19, 2014) to both Senator Pavley and Assembly Member Dickinson articulating support for and concerns over aspects of these bills as it relates to the region.



June 19, 2014

Honorable Fran Pavley
State Capitol Room 4035
Sacramento, California 95814

Ron Greenwood, Chair
Deb Sedwick, Vice
Chair

Re: SB 1168 (Pavley)

Members

Dear Senator Pavley:

I am writing to express our concerns with the June 17, 2014 version of Senate Bill 1168. We appreciate your attention and commitment to sustainable groundwater management. We believe, however, that the June 17 version of SB 1168 contains a number of flaws that will move California further from, rather than closer to, that goal.

Regional Water Authority is a joint powers agency representing two dozen water providers and affiliated agencies in the greater Sacramento Area, serving two million people in Yolo, Placer, El Dorado and Sacramento Counties.

Our concerns over SB 1168 include:

- Unclear and unworkable definition of sustainable groundwater management – SB 1168's definition of "sustainable groundwater management" is the bill's keystone, but is vague and problematic enough that it would undermine good management throughout the state. Under that definition, management programs that are currently maintaining stable conditions in groundwater basins may not be considered "sustainable." It also is not clear what levels of recharge from surface streams would be allowable before, under SB 1168, "significant . . . environmental impacts such as . . . ecosystem degradation [and] depletions from surface water bodies" would be deemed to occur and trigger state intervention. Accordingly, in its current form, SB 1168 could cause very serious social and economic consequences throughout the state.
- Undermining of existing cooperative management – SB 1168 would require that each basin or subbasin be managed under one plan. This mandate would undermine existing management where basins are managed sustainably by two or more agencies under separate jurisdictional areas and coordinated through informal cooperation. In particular, the North American Sub-basin in our region is managed cooperatively and sustainably under three different AB 3030 plans that reflect the different circumstances of different parts of the sub-basin. The state should seek to build on such successes, not undermine them with untested new approaches that force us to start from scratch. Similarly, SB 1168's requirement that the Department of Water Resources and State Water Resources Control Board (SWRCB) certify existing plans' compliance with SB 1168's new requirements would undermine existing successful management and impede progress by diverting attention and resources from areas with serious problems.

California American Water
Carmichael Water District
Citrus Heights Water District
Del Paso Manor Water District
El Dorado Irrigation District
Elk Grove Water District
Fair Oaks Water District
Folsom, City of
Golden State Water Company
Lincoln, City of
Orange Vale Water Company
Placer County Water Agency
Rancho Murieta Community
Services District
Roseville, City of
Rio Linda / Elverta Community
Water District
Sacramento, City of
Sacramento County Water
Agency
Sacramento Suburban Water
District
San Juan Water District
West Sacramento, City of
Woodland-Davis Clean Water
Agency

Associates

El Dorado County Water
Agency
Sacramento Municipal Utility
District
Sacramento Regional County
Sanitation District

Hon. Fran Pavley

June 19, 2014

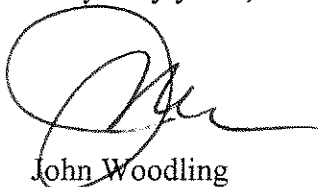
Page 2

- Counterproductive plan requirements – SB 1168 would require that all management plans contain numerical water budgets and sustainable yields. Calculating such estimates can be extremely time-consuming and expensive and can generate serious conflict, even where such estimates are not necessary for management. Ultimately, it is real-world physical results that are important. In some places, it might be counterproductive to develop the "water budget" and "sustainable yield" estimates that SB 1168 would mandate. The decision about whether, and at what level of detail to prepare such estimates should be left to the sound discretion of local managers.
- Inappropriate state intervention – We appreciate the author's efforts to spur discussion on state intervention; however, the proposals in SB 1168 are unlikely to result in good groundwater management. Initially, it is unclear what would happen where the state agencies do not certify a local plan's compliance with SB 1168's requirements. What is the "reasonable period of time" that would be provided for a groundwater management agency to correct deficiencies? How will the proposed technical assistance by DWR be assured so that groundwater management can remain under local authority? In addition, where SB 1168 would allow the SWRCB to intervene, the requirements for SWRCB-developed plans could be serious obstacles to effective management. For example, SB 1168 would require that such plans contain terms for "restrictions on groundwater extraction, and the collection of fees." Disputes about such measures have triggered litigation in many places in California and should not be mandated by state law.

We appreciate efforts on this important subject, which the state must address. While we believe that the current SB 1168 would not advance the goal of sustainable management, we appreciate your commitment to collaboration, as indicated by your co-authorship of AB 1739 and look forward to working with you.

Thank you for your time and attention to our comments. If you have any questions, please do not hesitate to contact me at (916) 967-7692 or jwoodling@rwah2o.org.

Very truly yours,



John Woodling
Executive Director

cc: Hon. Roger Dickinson



June 19, 2014

Ron Greenwood, Chair
Deb Sedwick, Vice
Chair

Honorable Roger Dickinson
State Capitol, Room 2013
Sacramento, California 95814

Members

Re: AB 1739 (Dickinson)

California American Water
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Folsom, City of
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Placer County Water Agency
Rancho Murieta Community
Services District
Roseville, City of
Rio Linda / Elverta Community
Water District
Sacramento, City of
Sacramento County Water
Agency
Sacramento Suburban Water
District
San Juan Water District
West Sacramento, City of
Woodland-Davis Clean Water
Agency

Dear Assemblymember Dickinson:

I am writing to provide input in response to the June 17, 2014 version of Assembly Bill 1739 (Dickinson). We appreciate your efforts on the bill and believe that it provides a good framework for advancing groundwater management in California.

Regional Water Authority is a joint powers agency representing two dozen water providers and affiliated agencies in the greater Sacramento Area, serving two million people in Yolo, Placer, El Dorado and Sacramento Counties

We believe that AB 1739 provides a solid foundation for improving groundwater management in California for the following reasons:

- Clear and appropriate definition of sustainability – AB 1739 clearly defines the standards under which a groundwater basin's sustainability will be evaluated. Those standards use concepts that are well-developed and can be easily understood. In addition, those standards incorporate appropriate environmental considerations that will support robust groundwater management without causing severe water-supply and economic impacts in areas that rely on groundwater.
- Flexible local management – AB 1739 would provide flexibility in how basins are managed to allow areas where groundwater management is working to continue doing what they're doing. This flexibility exists because AB 1739 allows for multiple agencies to work together informally in each basin and to satisfy planning requirements by showing basins already may be managed sustainably.
- Additional authorities – AB 1739 would provide agencies managing groundwater additional authorities that they can use to help their basins maintain or achieve sustainability, but would allow them to apply those authorities as needed to suit each basin's unique circumstances. This approach reflects well the fact that groundwater management will necessarily have to reflect unique local conditions.

Associates

El Dorado County Water
Agency
Sacramento Municipal Utility
District
Sacramento Regional County
Sanitation District

- Basin boundary adjustments – AB 1739 provides clear methods for adjusting groundwater basin boundaries from those stated in DWR's Bulletin 118, which were not developed as a basis for comprehensive groundwater management.

We are seeking amendments to AB 1739 to address the following issues:

- State intervention – Chapter 9 currently states intent language concerning the terms under which a state agency might intervene in a basin's management. It will be very important that any comprehensive groundwater management legislation define those terms so that they are very clear, provide for state intervention only where the real-world facts indicate that local management is failing and state intervention would improve management, and state the conditions under which state intervention would end. We look forward to working with Assemblymember Dickinson, and you, in developing such language.
- Mandates to land use agencies – Land use agencies in our region participate cooperatively in groundwater management through the Sacramento Groundwater Authority, Sacramento Central Groundwater Authority and West Placer Groundwater Management Plan. AB 1739's proposed mandate that land use agencies modify several elements of their general plans in response to groundwater plans is overly prescriptive. As our region's experience shows, more collaborative measures may work better.
- Chapter 11 "timeout" – While we understand the intent, we believe that the Chapter 11 language that would limit increased pumping (pp. 36-37) may not be effective, for a number of reasons. The conditions that a technical report would have to satisfy do not match the effects of pumping on a single property. Chapter 11 also would require a technical review by counties that they may not have the capacity to conduct. We would like to work with Assemblymember Dickinson on this portion of AB 1739.

We appreciate your time and attention to our comments. If you have any questions, please do not hesitate to contact me at (916) 967-7692 or jwoodling@rwah2o.org.

Very truly yours,



John Woodling
Executive Director

cc: Hon. Fran Pavley
Martha Guzman
Tina Cannon Leahy
Dennis O'Connor