

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
CALIFORNIA**

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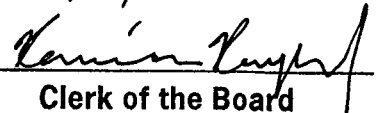
For the Agenda of:
May 13, 2015

**APPROVED
BOARD OF DIRECTORS**

To: Board of Directors
Sacramento Central Groundwater Authority

Date 5/13/2015

From: Staff

By 
Clerk of the Board

Subject: Adoption Of The Fiscal Year 2015/2016 Sacramento Central Groundwater
Authority Budget And Authorization To Collect Annual Contributions

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

Overview

The Sacramento Central Groundwater Authority (Authority) was established to maintain the long-term sustainable yield of the Central Sacramento County Groundwater Basin (Central Basin). The Joint Powers Agreement (JPA) between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento and the County of Sacramento creating the Authority provides the funding mechanism necessary to implement the Central Sacramento County Groundwater Management Plan (Central Basin GMP). Collection of the contributions described in the JPA and adoption of the Authority's 2015/2016 fiscal year budget provide the means for the Authority to implement the Central Basin GMPs administrative programs.

Recommendations

Adopt Resolution No. 2015-01 to fund the Authority's administrative budget for fiscal year 2015/2016 and provide for the collection of the annual contributions as described in the JPA.

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BACKGROUND:

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

On November 8, 2006 the Board adopted the Central Basin GMP. The Central Basin GMP reviews current and future water supply and demands and contains BMOs that address the rate of groundwater extraction, groundwater elevation, land surface subsidence, surface water flows and groundwater contamination. The Central Basin GMP also contains “trigger points” and remedies to ensure full implementation of the BMOs. It also provides for the protection of private groundwater wells and establishes cooperative relationships with Sacramento County’s Environmental Management Department and other regulatory agencies to address groundwater contamination.

DISCUSSION:

The proposed 2015/2016 fiscal year budget was developed based on the following program objectives and is shown in Attachments A, B, C, and D.

Program Objectives –

- Evaluating administrative alternatives and the existing groundwater management plan for compliance with the Sustainable Groundwater Management Act
- Biennial Basin Management Report
- Monitoring
 - Elevation
 - Quality
- Data Management
- Groundwater Modeling
- Possible Grant Application Funding
- Groundwater Accounting Program
- Evaluation of Existing Funding Program including multi-year projection of anticipated revenues and expenditures

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The proposed budget for SCGA was presented, discussed and approval recommended by the SCGA Budget Committee on April 29, 2015. Budget Committee members included Paul Schubert, Dave Ocenosak, and Rick Bettis.

Based on the Committee's recommendation, staff recommends adoption of Resolution No. 2015-01 to fund the Authority's administrative budget for fiscal year 2015/2016 and provide for the collection of the annual contributions as described in the JPA.

Attachments:

Resolution No. 2015-01

Attachment A – Fiscal Year 2015/2016 Authority's Budget

Attachment B – Authority's Members Contribution (2015-2016)

Attachment C – Fiscal Year 2015/2016 Authority's 2-Year Budget Break-down

Attachment D – Operating Expenses Sacramento Central Groundwater Authority
2015/2016

RESOLUTION NO. 2015-01

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
RESOLUTION ADOPTING AND ASSIGNING COSTS TO FUND SCGA'S
ADMINISTRATIVE AND PROGRAM BUDGETS FOR FISCAL YEAR
2015/2016 AND PROVIDE FOR THE COLLECTION OF ANNUAL
CONTRIBUTIONS**

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

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

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

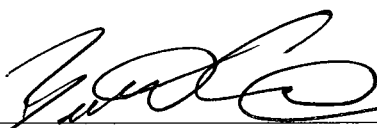
WHEREAS, the AUTHORITY's administrative budget for fiscal year 2015/2016 is specified in Attachment A. The budget includes projections of revenues, staff expenses, consultant expenses, office expenses and Groundwater Management Plan related expenses. The administrative budget is required to finance the administrative activities necessary to manage the Central Groundwater Basin.

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

1. The above recitals are correct and the BOARD so finds and determines.
2. The BOARD finds and determines that:
 - a. The SCGA administrative budget for fiscal year 2015/2016 as specified in Attachment A is hereby adopted; and
 - b. The annual contribution for the SCGA administrative budget for fiscal year 2015/2016 budget will be collected from the contributors as directed in the JPA pursuant to Attachment B; and

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

PASSED AND ADOPTED by the BOARD at their regular board meeting on May 13, 2015.

By: 
Chair



ATTACHMENT A - Fiscal Year 2015-2016 Authority's Budget

FUND: Sacramento Central Groundwater Authority (096B)
 ACTIVITY: Groundwater Supply Operations (0960001)
 FISCAL YEAR: 2015 -16

	Actual 2011-2012	Actual 2012-2013	Actual 2013-14	Adopted 2014-15	Estimate 2014-15	Requested 2015-16
MEANS OF FINANCING						
Reserves:						
Prior Year Fund Balance	631,157	714,927	139,454	116,451	116,451	358,049
Revenues:						
Contributions from other Agencies	264,047	254,492	244,222	236,962	236,962	210,423
Interfund Charges (Transfer In / Out) reimbursement from SCGA WPP fund	0	0	0	0	0	0
Reserve Release	2,862	5,332	2,000	278,934	278,934	36,233
Interest Income			200,000	0	0	(2,905)
AB303 Grant Reimbursement	2,900	(1,370)	0	199,823	170,824	29,000
Encumbrance Rollover from Prior Year						
Total Means of Financing	900,966	973,381	585,676	832,170	803,171	630,800
FINANCING USES						
Provision for Reserves	0	707,430	31,626	0	0	0
Interfund Charges (Transfer In / Out) reimbursement from SCGA WPP fund	0	0	0	0	0	0
Salaries / Benefits	186,039	126,497	554,050	832,170	445,122	630,800
Services & Supplies	0	0	0	0	0	0
Other Charges	0	0	0	0	0	0
Total Financing Uses	186,039	833,927	585,676	832,170	445,122	630,800
ENDING FUND BALANCE	714,927	139,454	0	0	358,049	0

See Attachment D for Budget Detail

need reserve of 20% of expenditures.

126,160

ATTACHMENT B
Authority's Members Contribution (2015-2016)

	Annual Contribution/ Paragraph 8(d)(i)	Annual Contribution/Surface Water Paragraph 8(d)(ii)	Annual Contribution/Groundwater Paragraph 8(d)(iii)	Annual Contribution/Ag Paragraph 8(d)(iv)	Annual Contribution/Ag/Res Paragraph 8(d)(v)	Total Annual Contribution
Board Members						
City of Folsom	\$ 10,000					\$ 10,000
City of Rancho Cordova	\$ 10,000					\$ 10,000
City of Sacramento	\$ 10,000					\$ 10,000
City of Elk Grove	\$ 10,000					\$ 10,000
County of Sacramento	\$ 10,000					\$ 10,000
Agricultural Interests				\$ 64,973		\$ 64,973
Agriculture-Residential					\$ 10,505	\$ 10,505
Commercial/Industrial Self Supplied						
Conservation Landowners						
Public Agencies/Self Supplied						
Elk Grove Water Service			\$ -			
Omochumne-Hartnell Water District						
Rancho Murietta CSD		\$ 6,000				\$ 6,000
California-American Water Co.		\$ 27,347				\$ 27,347
Golden State Water Company		\$ 6,000				\$ 6,000
Sacramento County Water Agency		\$ 6,000				\$ 6,000
Sacramento Regional County Sanitation District			\$ 36,791			\$ 36,791
Total	\$ 50,000	\$ 18,000	\$ 66,945	\$ 64,973	\$ 10,505	\$ 210,423
Annual Contribution/Groundwater is \$2.07/acre-foot of groundwater pumped from the basin averaged over previous three calendar years and excluding the first 5000 acre-feet						
Annual Contribution by Agriculture is 25-percent of the estimated annual pumping (as determined by SCWA) at the rate of \$2.07/acre-foot and paid out of SCWA Zone 13 funds						
Annual Contribution by Agriculture/Residential is 25-percent of the estimated annual pumping (as determined by SCWA) at the rate of \$2.07/acre-foot and paid out of SCWA Zone 13 funds						
Groundwater/Purveyors	Pumping Amount (acre-feet)	Exclusion (acre-feet)	Net Pumping (acre-feet)	Rate (\$/acre-foot)	Cost	
Commercial/Industrial Self Supplied	0	0	0	2.07	\$ -	
Public Agencies/Self Supplied	0	0	0	2.07	\$ -	
Elk Grove Water Service	4,958	5,000	0	2.07	\$ -	
Omochumne-Hartnell Water District	0	0	0	2.07	\$ -	
Rancho Murietta CSD	0	0	0	2.07	\$ -	
California-American Water Co.	18,211	5,000	13,211	2.07	\$ 27,347	
Golden State Water Company	6,356	5,000	1,356	2.07	\$ 2,807	
Sacramento County Water Agency - Zone 41	22,773	5,000	17,773	2.07	\$ 36,791	
Groundwater/Ag		25% of estimated pumping				
Agricultural Interests	125550	0.25	31,388	2.07	\$ 64,973	
Conservation Landowners	0	0.25	0	2.07	\$ -	
Groundwater/Ag/Res						
Agriculture-Residential	20500	0.25	5,075	2.07	\$ 10,505	

ATTACHMENT C - Fiscal Year 2015-2016 Authority's 2-Year Budget Breakdown

	Proposed FY14/15 Budget	Proposed FY15/16 Budget
MEANS OF FINANCING		
Prior Year Fund Balance	\$ 168,083	\$ 358,049
Revenues:		
Contributions from Member Agencies		
Annual Contribution	\$ 50,000	\$ 50,000
Surface Water Contribution	18,000	18,000
Groundwater Contribution	76,771	66,945
Agricultural Contribution	88,493	64,973
Ag/Res Contribution	3,881	10,505
Subtotal of Contributions	<u>237,145</u>	<u>210,423</u>
Reserve Release	227,118	36,233
AB 303 Grant (Prop. 84)	199,824	29,000
Interest Income	-	(2,905)
Total Means of Financing	\$ 832,170	\$ 630,800
 FINANCING USES		
Salaries/Benefits	\$ -	\$ -
Services & Supplies:		
Staff Expenses	86,500	291,500
Consultant Expenses	633,870	333,000
Office Expenses	8,400	6,300
GMP Related Expenses	103,400	-
Reporting Expenses	-	-
Provision for Reserve	-	-
Total Financing Uses	\$ 832,170	\$ 630,800

Attachment D - Authority's Operating Expenses (2015 -2016)			Notes
Operating Expenses	(\$ Dollar)		
1. Staff Expenses			
Staff	\$ 265,000	G/L 20293403 Executive Director & G/L 20293403 Staff	
Legal Counsel	\$ 12,000	G/L 20253100	
Financial	\$ 11,000	G/L 20293403; Remie and Bill	
AFS Contract Services	\$ 2,000	Contract payment and writing allocation costs. (G/L 20293401)	
Travel/Conference	\$ 1,500	G/L 20202900	
Total Staff Expenses \$	291,500		
2. Consultant Expenses			
Audit Report	\$ 9,000	VTD & Co. Audit Expense, G/L 20250500	
Technical Services	\$ 245,000	1. \$25k - G.A.P. Development; 2. \$180k - Assist SCGA transitioning to a GSA, including grant application, data management, public outreach, and website update etc. 3. \$30k - Biennial Basin Management Report 4. \$10k - Ag/Res Water Conservation	
BMC#2 Implementation and GW Recharge Mapping	\$ 79,000	Work continues into 15/16, funded by remaining AB303 grant fund, and the balance will be funded by SCGA. (G/L 20259100)	
Total Consultant Expenses \$	333,000		
3. Office Expenses			
General Liability Insurance	\$ 6,000	Annual premium paid to Sacramento County Risk Management	
Office Supplies/Postage	\$ 150	G/L 20207600	
Dues & Subscriptions	\$ 150	GRA Membership dues (G/L 20206100)	
Total Office Expenses \$	6,300		
GRAND TOTAL	\$ 630,800		