

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

Wednesday, November 4, 2015; 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.

1. CALL TO ORDER AND ROLL CALL – 9:00 a.m.

2. PUBLIC COMMENT: Members of the audience may comment on any item of interest to the public within the subject matter jurisdiction of the Groundwater Authority. Each person will be allowed three minutes, or less if a large number of requests are received on a particular subject. No action may be taken on non-agendized items raised under “Public Comment” until the matter has been specifically included on an agenda as an action item. If a member of the public wants a response to a specific question, they are encouraged to contact any member of the Board or the Executive Director at any time. Members of the audience wishing to address a specific agendized item are encouraged to offer their public comment during consideration of that item.

3. CONSENT CALENDAR

- Minutes of the September 9, 2015 Board meeting and minutes of the September 16, 2015, September 29, 2015, and October 16, 2015 SGMA Subcommittee meetings.

Action: Approve Consent Calendar items

4. ELECTION OF OFFICERS

- Election of Chair and Vice Chair of the Board of Directors.

Action: Elect Chair and Vice Chair of the Board of Directors of the Sacramento Central Groundwater Authority for calendar year 2016 in accordance with Section 3.06(a) of the Rules of Procedure.

5. UPDATE ON BASIN MANAGEMENT OBJECTIVE THRESHOLD DEVELOPMENT AND RECHARGE MAPPING PROJECT

- Presentation by Jim Blanke with RMC.

Actions: Information update.

6. SCGA SUBCOMMITTEE REPORT

- Status report and recommendations from the SGMA Subcommittee.

Action 1: Direct staff to coordinate with Counsel to develop an MOU in conjunction with the County of Sacramento to cover that portion of the South American Subbasin that is not currently within the jurisdiction of the Groundwater Authority.

Action 2: Direct staff to oppose any relocation of the hydrologic boundary between the South American Subbasin and the Cosumnes Subbasin as defined by Bulletin 118.

Action 3: Approve the SGMA Fact Sheet developed for the GSA outreach program.

7. OMOCHUMNE-HARTNELL WATER DISTRICT

- Report back by Omochumne-Hartnell Water District staff on Board actions and activities related to Groundwater Sustainability Agency (GSA) formation and SGMA compliance.

Action: Information update.

8. ON-CALL SERVICE CONTRACT EXTENTION WITH GEI FOR SUPPORT RELATED TO SGMA COMPLIANCE

- The Groundwater Authority current contract with GEI provides support services for GSA development. Currently approximately one month worth of contract funding remains on this contract. This contract needs to be amended to continue providing the current level of support.

Action: Authorize the Executive Director to extend the current service contract with GEI with an additional budget of \$180,000 .

9. MEETINGS OF THE BOARD

- Issues related to SGMA and preparations for filing as a GSA may necessitate the Board meet in December.

Action: Approve a deviation from Section 3.09(b) of the Rules of Procedure and set the date of December 9, 2015 as the next meeting date. If this meeting is found to be unnecessary staff is authorized to provide a notification canceling said meeting.

10. EXECUTIVE DIRECTOR'S REPORT

- a) Government Affairs Update
- b) SCGA Financial Report

11. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, December 9, 2015, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

AGENDA ITEM 3: CONSENT CALENDER

BACKGROUND:

Minutes of the September 9, 2015 Board meeting and minutes of the September 16, 2015, September 29, 2015, and August 19, 2015 SGMA Subcommittee meetings.

STAFF RECOMMENDATION:

Action: Approve Consent Calendar items.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Draft Minutes
September 9, 2015

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

Dave Ocenosak called the meeting to order at 9:00 a.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Tom Nelson, Florin Resource Conservation District/Elk Grove Water District
Tom Mahon, Agricultural Interests
Ron Lowry, Omochumne-Hartnell Water District
Rick Bettis, Conservation Landowners
Christine Thompson, Public Agencies Self Supplied
Dave Ocenosak, Sacramento Regional County Sanitation District
Paul Schubert, Golden State Water Company

Board Members (Alternate Rep):

Todd Eising, City of Folsom
Britton Snipes, City of Rancho Cordova
Brett Ewart, City of Sacramento
Forrest Williams, Sacramento County
José Ramirez, Sacramento Regional County Sanitation District
Brian Fragiao, City of Elk Grove
Charlotte Mitchell, Agricultural Interests

Staff Members:

Darrell Eck, Executive Director
Sarah Britton, Legal Counsel
Ping Chen, SCGA
Ramon Roybal, SCGA

Others in Attendance:

Jonathan Goetz, GEI
Mark Madison, Florin Resource Conservation District/Elk Grove Water District
Bruce Kamilos, Florin Resource Conservation District/Elk Grove Water District

Rodney Fricke, Aerojet Rocketdyne

Ali Taghavi, RMC Water and Environment
Jim Blanke, RMC Water and Environment
Jafar Faghieh, HDR
Mark Roberson, Water Forum
Carl Werder, Resident
Rob Swartz, Sacramento Groundwater Authority (SGA)
Jafar Faghieh, HDR
Walt Sadler, Self
Scott Morris, Sloughhouse RCD
Herb Garms, Sloughhouse RCD
Jay Schneider, Sloughhouse RCD
Leland Scheinder, Sloughhouse RCD
Jesse Roseman, The Nature Conservancy

Member Agencies Absent

*City of Folsom
Rancho Murieta CSD
Agricultural-Residential
Omochumne-Hartnell Water District
Commercial/Industrial Self-Supplied
California-American Water Company*

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The draft meeting minutes for the July 8, 2015 Board meeting were reviewed for final approval.

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

4. OMOCHUMNE-HARTNELL WATER DISTRICT PROPOSAL TO WITHDRAW FROM SCGA

Mike Wackman, General Manager, Omochumne-Hartnell Water District (OHWD) and Rebecca Smith, Downey Brand LLP, OHWD Legal Counsel, spoke on behalf of OHWD.

Ms. Smith opened by saying that the item title stating that OHWD was proposing to withdraw from SCGA was not accurate and that as long as SCGA was managing groundwater within OHWD, that it would want a seat at the table. Ms. Smith clarified that

OHWD intended to inform the SCGA board as to what it and other interests in South Basin had been doing in relation to the Sustainable Groundwater Management Act (SGMA). Ms. Smith stated that SGMA required coordination between agencies and thus OHWD wanted to communicate its position relative to SGMA and what its next steps were. Ms. Smith stated that OHWD was comprised mainly of agricultural and agricultural-residential groundwater users as well as other like interests and that they wanted to ensure that they remained unified and did not want to see the district split due to its geographic position of straddling two different subbasins. Ms. Smith reviewed OHWD's groundwater management activities and interests. Ms. Smith mentioned that OHWD was working with the City of Galt, Clay Irrigation District, Galt Irrigation District, County of Sacramento, and Sloughhouse Resource Conservation District (Sloughhouse RCD) on development of a Joint Powers Agreement.

Mr. Wackman stated that the South Basin had developed a Groundwater Management Plan (GMP) in 2011 that OHWD was party to along with Sacramento County, Rancho Murieta CSD, The Nature Conservancy, City of Galt, Sloughhouse RCD, and Reclamation District 800. Mr. Wackman stated that OHWD was actively engaged in groundwater recharge efforts but that a governance structure for overall implementation of the GMP was in the process of development when SGMA was enacted. Mr. Wackman then stated that when OHWD considered the implications of SGMA it decided that its interests were more aligned to the interests of the South Basin due to the agricultural focus of its management activities. Mr. Wackman reiterated the message that OHWD did not want to be split in half and was considering either joining entirely with South Basin Groundwater Sustainability Agency (GSA) efforts or to form its own GSA though no action had yet been taken by the OHWD board.

Mr. Schubert asked for clarification on OHWD's statement regarding a concern over being split between multiple GSAs. Ms. Smith responded that the concern was mainly centered on the element of SGMA that allowed for the collection of fees and taxes and that OHWD would prefer to be under a GSA consisting of mostly agricultural interests in the event that such fees or taxes would be imposed.

Mr. Nelson asked if OHWD was pursuing a modification to the Bulletin 118 basin boundary. Mr. Wackman and Ms. Smith both responded that OHWD was not pursuing a modification at that time. Mr. Nelson then asked what OHWD's intentions were in terms of a Groundwater Sustainability Plan (GSP) that would reconcile OHWD's position in two basins. Ms. Smith responded that SGMA allowed for OHWD to develop its own GSP so long as it entered into coordinating agreements with adjacent GSA's to ensure consistency between GSPs.

Mr. Schubert asked what would happen if OHWD did not form a GSA by the mandated deadline. Would put the basin as a whole at risk of being a probationary basin due to a lack of coverage assuming SCGA did apply as a GSA that excluded the OHWD area? Mr. Wackman replied that OHWD was in good financial standing and had the resources to put together its own GSP.

Mr. Ocenosak asked what the difference was from a groundwater sustainability aspect, between participating in a plan that included urban water use and one entirely centered on agricultural use. Ms. Smith replied that a GSP in the central basin that included urban groundwater use would have to cover a broad array of management elements whereas a plan

focused on agricultural use would be more focused and able to account for the specific dynamics of water use and associated recharge.

Question was asked if the subbasin boundaries remained the same, would OHWD have to develop two different GSPs. Ms. Smith responded that OHWD would have to develop two GSPs or buy into two GSPs for each basin.

Scott Morris, Sloughhouse RCD Legal Counsel, spoke as a member of the public representing the Sloughhouse RCD. Mr. Morris stated that the Sloughhouse RCD area completely encompassed the OHWD boundary and included area to the south of the Cosumnes River. Mr. Morris explained that the Sloughhouse RCD position was the same as OHWD in that they wanted to remain under the governance of a body made up of agricultural interests and that they were of the opinion that a basin boundary adjustment should be made that would place Sloughhouse RCD complete within the Cosumnes Subbasin.

Mr. Nelson stated that at the SCGA SGMA subcommittee it was decided that it would be recommended that SCGA would not support a change to the Bulletin 118 boundary.

Mr. Ocenosak asked what OHWD's next steps were. Mr. Wackman replied that the next step was to take the issue before the OHWD board and that precisely what would be taken before that board would depend on what the SCGA board decided to do in terms of GSA formation.

Jay Schneider, Sloughhouse RCD Chairman, spoke as a member of the public to address the Sloughhouse RCD position regarding governance under SGMA and the basin boundary issue.

Mr. Ocenosak stated he was still unclear as to exactly what OHWD was proposing and requested that they come back to the SCGA board when they had a more definitive plan. Mr. Wackman responded that they were asking that if SCGA applied to be a GSA in the Central Basin that it excluded the OHWD from their application.

Mr. Nelson requested a timeline from OHWD that would describe its planned actions relative to its GSA formation to help clarify what SCGA would need to do in relation to its GSA application.

Action: Information item.

5. SGMA SUBCOMMITTEE REPORT

Mr. Eck stated that much of what was to be discussed under the SGMA subcommittee report as it related to GSA formation and basin boundary issues was discussed during the previous item and thus he decided to first discuss the outreach plan. Mr. Eck stated that in order to maximize SCGA's outreach, Board members would be asked to act as spokespersons for the SGMA process and to reach out to interested parties that they may already have a connection with in addition to their respective organizations. Staff would also participate in the process by reaching out to identified interested parties, by meeting with them and inviting them to

attend SCGA Board Meetings if desired. The outreach process would include development of a consistent message and presentation in conjunction with the subcommittee.

Mr. Eck then reported that SB13 had been signed into law on September 3, 2015. The Bill addressed many aspects of SGMA compliance but most relevant to the discussion at hand was the provision addressing overlapping GSA boundaries. Mr. Eck explained that the Bill stated that the State would not recognize GSA's that comprised of overlapping boundaries and encouraged filing entities to resolve conflicts prior to GSA application. Mr. Eck then pointed out that the action as was stated on the agenda would likely need to be modified given the information received from OHWD under Item 4.

Mr. Ewart asked Mr. Eck what the effect on the Central Basin would be from a groundwater management perspective if the Cosumnes River area was removed as a management element for SCGA. Mr. Eck replied that there would be significant changes related to the determination of the sustainable yield, groundwater elevation data, groundwater extraction data, surface water supply, total water use, change in groundwater storage, and water budget. Mr. Eck identified them as items of coordination identified by the State and stated that development of a coordination agreement with OHWD would be critical.

Mr. Williams stated that the subcommittee had determined that time and resources would be better spent to work on a coordination agreement than to pursue a change to the basin boundary.

Ms. Thompson stated that she saw no harm with OHWD's desire to govern themselves and that it appeared to her that they were doing what they needed to do in order to accomplish it. She further explained that she recognized that OHWD had unique needs and interests relative to being focused on agriculture.

Mr. Ewart asked what the impact on SCGA would be if OHWD did not file for GSA formation by the deadline. Mr. Eck replied that the legislation outlined steps such as being classified as a probationary basin if certain requirements were not met but the important thing would be for everyone to keep on track and follow through with their respective responsibilities. Mr. Eck then said it would be helpful to have a roadmap identifying OHWD's timeframe for meeting the various milestones required by SGMA. Ms. Thompson stated that it was a fair request and asked if OHWD could provide a timeline. Mr. Wackman responded that some of the timelines were set by the law and that if OHWD did not meet them then it would default to the County to take over which was something that the residents in the area did not want. Mr. Wackman further explained that south area did want the County's partnership and stated that Ron Lowry had spent a lot of time facilitating the County's financial and technical assistance. Mr. Wackman stated that OHWD had yet to identify the exact timelines that they would need to meet because they needed to determine where they stood in relation to SCGA's actions for GSA formation. Mr. Eck stated that if SCGA and OHWD were going to essentially work in tandem on separate GSA formation efforts, each organization would need to know what the other planned to do. Ms. Thompson again asked when OHWD could provide a timeline. Mr. Wackman replied that it would take three weeks.

Mr. Ocenosak asked if the Board could take an action that result in OHWD being removed from the SCGA JPA. Ms. Britton, SCGA Legal Counsel, indicated that it was not necessary to make a determination on OHWD's inclusion in the JPA at that time and that rather, the items required to move forward with establishing a GSA mainly involved stakeholder outreach for the areas that would be included in the proposed GSA and any amendments to the JPA would be made at the time that the SCGA boundary would be modified to be inclusive of the new areas as consistent with the Bulletin 118 boundary and exclusive of OHWD.

Mr. Schubert asked for clarification on when SCGA planned to file an NOI for GSA formation. Mr. Eck responded that it was proposed for January 2016.

Mr. Eck stated that if OHWD was to hold a board meeting as planned the following week, there would be more clarity on their intentions. Mr. Ocenosak then repeated that he would like OHWD to come back and present to the SCGA board the plan it decided upon or actions it took. Ms. Smith replied that the next decision for the OHWD board was whether or not to file as its own GSA or as a part of a GSA including the Cosumnes Subbasin and to set a hearing date for formalizing that decision.

Mr. Williams suggested a motion that would incorporate Ms. Britton's recommendation that an amendment to the JPA could be tabled until later in the GSA formation process.

Mr. Ocenosak suggested that a motion be made as recommended by the subcommittee with a modification that would exclude OHWD from the proposed SCGA GSA.

Motion/Second/Carried – Mr. Ocenosak moved, seconded by Mr. Schubert, the motion carried unanimously to direct staff to take actions necessary for SCGA to become the Groundwater Sustainability Agency for an area coextensive with the Bulletin 118 South American Subbasin boundary and exclusive of the Omochumne-Hartnell Water District boundary.

6. SCGA FUNDING SUBCOMMITTEE

Mr. Eck announced that at the April 29, 2015 Budget Subcommittee meeting and at the May 13, 2015 Board meeting staff discussed the current funding model for SCGA as described in the JPA. In those discussions it was recognized that changes in groundwater usage and the new requirements set forth for the development and implementation of SGMA would require the Authority to revisit how annual funding was determined. Mr. Eck stated that staff was recommending the establishment of a subcommittee to evaluate changes in the way annual revenue was calculated and collected for SCGA and make recommendations for adjustment to the Board.

Mr. Nelson asked for clarification on whether the change in funding structure was intended for enabling SCGA to form and GSA or to implement a GSP. Mr. Eck responded that both of those components would be part of the discussion and that the first step would be to look at the current funding structure as described in the JPA and then determine what changes would be necessary to comply with SGMA going forward long term. Mr. Eck stated that it may be

necessary to look at setting up an interim structure designed to fund SCGA during GSA and GSP development. Mr. Nelson stated that an understanding of the ultimate structure of a SGMA management agency would be needed. Mr. Eck responded that such a discussion would be addressed by the subcommittee. Mr. Ocenosak added that the timing of determining the funding structure was urgent.

Recommendation was made to have the existing SGMA Subcommittee assume the additional role of SCGA Funding Subcommittee.

Motion/Second/Carried – Mr. Nelson moved, seconded by Ms. Thompson, the motion carried unanimously to direct the existing SGMA Subcommittee to assume the additional role of SCGA Funding Subcommittee.

7. EXECUTIVE DIRECTOR'S REPORT

- a) Government Affairs Update – Mr. Eck reported that there were numerous bills that had been introduced in the legislature that would amend the Sustainable Groundwater Management Act or otherwise change water law. Reported that the Regional Water Authority was tracking bills that related to local and regional issues. A summary of tracked bills (groundwater and otherwise) was attached and could be found at rwah2o.org.
- b) Proposition 1 Sustainable Groundwater Planning Grant Program Draft Guidelines and Proposal Solicitation Package for Counties with Stressed Basins – Mr. Eck reported that State DWR had released Draft Guidelines and PSP in August. According to the Draft Guidelines, “A local cost share of not less than 50% of the total project costs is required by Proposition 1.” Special considerations would also be given to disadvantaged communities and economically distressed areas. The Guidelines also described specific program preferences and statewide priorities.

The eligibility criterion for the above PSP is focused on counties. The PSP states:

- The applicant must be a County government.
 - The groundwater basin(s) addressed by the proposal must not be adjudicated.
 - The County must be applying for funding to address sustainability of a stressed groundwater basin.
- c) GAP Committee – The GAP Committee would meet immediately following today's Board meeting.
 - d) Mr. Eck announced that SCGA Clerk of the Board, Heather Peek, had accepted a new job and would no longer be available to serve in her role. Mr. Eck asked board members for suggestions for a replacement Clerk.
 - e) Mr. Eck announced that Carl Werder was appointed to be the Agricultural-Residential representative and Michael Martel was appointed to be the Rancho Murieta CSD representative.

8. DIRECTORS' COMMENTS

None.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, November 4, 2015, 9 am;
10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

Chairperson

Date

Date

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
SUSTAINABLE GROUNDWATER MANAGEMENT ACT SUB-COMMITTEE
MEETING**

Wednesday, September 16, 2015; 1:30 PM
10060 Goethe Road
Sacramento, CA 95827
SRCSD/SASD Office Building – Room 1213 Red Oak

Minutes:

1. Call to Order and Roll Call

Darrell Eck called the meeting to order at 1:30 p.m.

The following meeting participants were in attendance:

Board Members:

Forrest Williams – Sacramento County
Tom Nelson – FRCD/EGWD
Tom Mahon – Agricultural Interests
Brett Ewart – City of Sacramento
Rick Bettis – Conservation Landowners

Staff Members:

Darrell Eck - SCGA
Sarah Britton – Legal Counsel
Ping Chen – SCGA
Ramon Roybal – SCGA

Others in Attendance:

Mark Madison – FRCD/EGWD
Bruce Kamilos – FRCD/EGWD
Jonathan Goetz – GEI

2. Public Comment

None

3. SEPTEMBER 9, 2015 BOARD MEETING

- Mr. Madison suggested that a letter should be sent to Omochumne-Hartnell Water District (OHWD) stating SCGA's position that it would oppose a modification to the Bulletin 118 boundary. Ms. Britton suggested sending OHWD a copy of the minutes from the September 9 board meeting.

- Mr. Ewart stated his opinion that the OHWD representatives drove the discussion and that the decisions and recommendations made by the SCGA SGMA subcommittee were not communicated as clearly as they could have been. Mr. Ewart recommended that a presentation be made at subsequent Board meetings to inform the Board of the risks and implications of decisions to be made regarding the path to SGMA compliance. Mr. Madison concurred and added that clear and concise recommendations need to be presented for the Board to act upon.
- Mr. Eck discussed the implications of SB13 which was signed by Governor Brown on September 3, 2015. The Bill would allow for a ninety day public comment period for the filing of a NOI for GSA formation and would allow for the filing of a competing GSA for the same area thus requiring the competing groups to negotiate a compromise. Mr. Eck stated that it would precipitate a reconciliation of OHWD's potential action to file as a separate GSA sooner rather than later.
- Mr. Nelson recommended that that Board should meet every month in order to keep the Board informed and fresh on the issues regarding SGMA compliance. Mr. Ewart and Mr. Williams concurred. Mr. Bettis said he would support it as long as progress was being made. Mr. Madison stated that a scheduled meeting could be cancelled if it was deemed unnecessary.
- Mr. Goetz communicated the importance of receiving a statement of assurances from OHWD, in a timely manner, regarding its intentions to form a separate GSA in order to avoid complications and potential delays for SCGA to move forward with its GSA formation and subsequent GSP development. Specifically, SCGA needs to make sure that OHWD follows through with its stated intention to file a Notice of Intent (NOI) for GSA formation to avoid being in a position where it has prepared an NOI that leaves a portion of the subbasin uncovered by a GSA.
- Needed assurances from OHWD: 1) Clearly defined boundary between SCGA and OHWD GSA's. 2) Defined milestones that would lead to OHWD's successful formation and development of their own GSA, necessary coordinating agreement including participation in development of a single GSP for the South American Subbasin.

4. NEIGHBORING BASIN ACTIVITIES

- Mr. Goetz gave a PowerPoint presentation addressing the scientific basis for why the Cosumnes River was a hydrogeologic basin boundary and why it was important from SCGA's position as a management agency to maintain a certain level of control in that region.
 - Basins on both side of the river share responsibility of surface water/groundwater interaction.

- Groundwater usage/management in the vicinity of the hydrogeologic boundary likely to affect the opposing side of the boundary in a significant way.
- Important to consider potential future management actions by entities such as Sacramento County Water Agency, County of Sacramento, Sacramento Regional County Sanitation District, City of Elk Grove, etc. that may result in improved groundwater conditions underlying the OHWD area.
- Mr. Mahon pointed out that agricultural water use is a source of recharge for the Cosumnes River that has a significant effect on promoting wildlife diversity and creating a wildlife corridor between the foothills and the delta the benefit of which would have to be considered when determining a fee structure for GSP implementation.
- Mr. Ewart stated full cooperation between SCGA and OHWD that resulted in shared responsibility of GSP implementation would be an acceptable arrangement in terms of ensuring groundwater management in the vicinity of the Cosumnes River. It would require that the current Bulletin 118 boundary was recognized and that OHWD was committed to being a good faith actor in all aspects of coordinating management efforts including technical and financial obligations.
- Mr. Eck stated that it was important to get assurances from OHWD regarding its plan to pursue GSA application and follow up actions relative to SGMA compliance. Mr. Eck identified the need to know OHWD's timing for GSA application, its recognition of the current Bulletin 118 boundary, and the need to negotiate coordination agreements as the specific assurances.
- Mr. Nelson asked if all subcommittee members were in agreement that SCGA should take a firm position that the Bulletin 118 boundary should not be changed. All in attendance concurred.

5. NEIGHBORING BASIN ACTIVITIES

- Mr. Madison stated that it was too early to get into detailed discussion regarding public outreach rather, the issue of governance and the structure of the Joint Powers Authority needed to be addressed. Of specific concern was who would be signatory to the Joint Powers Agreement (JPA) under a GSA structure and how would the JPA be designed in order to facilitate compliance with SGMA.
- Mr. Nelson mentioned that he would need a clearer understanding of his role in relation to the JPA in order to be able to explain what an SCGA GSA would mean to those that he would outreach to.
- Mr. Eck stated that it may be helpful to review how the current JPA was developed and the powers that it currently contained and how it would apply under SGMA. Mr. Eck then mentioned that the Sacramento Groundwater

Authority had a JPA that was very similar in structure to SCGA's and that they had determined that significant changes were not necessary.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, November 4, 2015, 9 am; 10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

Chairperson

Date

Date

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
SUSTAINABLE GROUNDWATER MANAGEMENT ACT SUB-COMMITTEE
MEETING**

Tuesday, September 29, 2015; 1:30 PM
10060 Goethe Road
Sacramento, CA 95827
SRCSD/SASD Office Building – Room 1213 Red Oak

Minutes:

1. Call to Order and Roll Call

Darrell Eck called the meeting to order at 1:30 p.m.

The following meeting participants were in attendance:

Board Members:

Forrest Williams – Sacramento County
Tom Nelson – FRCD/EGWD
Tom Mahon – Agricultural Interests
Brett Ewart – City of Sacramento
Paul Schubert – Golden State Water Company
Rick Bettis – Conservation Landowners

Staff Members:

Darrell Eck - SCGA
Sarah Britton – Legal Counsel
Ping Chen – SCGA
Ramon Roybal – SCGA

Others in Attendance:

Mark Madison – FRCD/EGWD
Bruce Kamilos – FRCD/EGWD
Jonathan Goetz – GEI

2. Public Comment

None

3. Election of Subcommittee Chair and Vice-Chair

Paul Schubert elected Chair, Forrest Williams elected Vice-chair.

4. SCGA Joint Powers Authority

- Mr. Goetz provided a PowerPoint review of SCGA's Joint Powers Authority

- Mr. Schubert asked if the plan was for a new Joint Powers Agreement (JPA) or amendment to the existing one. Mr. Eck replied the plan was for an amended JPA.
- Mr. Madison stated FRCD/EGWD's fundamental questions regarding the existing JPA and its potential structure in compliance with SGMA:
 - (a) Why are there only five signatories? Is there potential for a single entity or group to exert undue power?
 - (b) Why does a statutorily independent organization like FRCD have their Board appointment approved by an outside entity (Elk Grove City Council)?
 - (c) Suggested formation of an executive committee.
- Mr. Nelson suggested changing the component of the JPA limiting appointments from FRCD, Rancho Murieta CSD, and OHWD to members of their respective boards.
- Mr. Schubert suggested collecting comments regarding changes to the JPA prior to the October 16 subcommittee meeting. Comments were due to staff by October 9, 2015. Ms. Britton recommended that the comments refer to specific sections/sub-sections of JPA doc.

Motion/Second/Carried – Mr. Williams moved, seconded by Mr. Nelson, the motion carried unanimously to have legal counsel analyze the JPA for identification of required changes to comply with SGMA.

5. Stakeholder Outreach

- Mr. Madison stated importance of ensuring that SCGA's message was delivered correctly, with consistency, and with authority.
- Mr. Mahon stated that he would have no problem outreaching to the Farm Bureau but felt that it was important for staff to organize an official presentation at a centralized location for the benefit of the larger Agricultural community.

Motion/Second/Carried – Mr. Schubert moved, seconded by Mr. Ewart, the motion carried unanimously to direct staff to continue identification of interested parties and to complete work on fact sheet and presentation by the October 16, 2015 subcommittee meeting.

6. Action Items/Next Steps/Assignments

- Mr. Ewart suggested that staff put together a status report/list of items to demonstrate to the great Board what the subcommittee has been working on. The document would also serve to function as a mechanism for subcommittee

members to firmly communicate to the Board the position(s) being recommended for action by the subcommittee.

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, November 4, 2015, 9:00 am; SASD South Conference Room 1212 Sunset Maple

By:

Chairperson

Date

Date

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
SUSTAINABLE GROUNDWATER MANAGEMENT ACT SUB-COMMITTEE
MEETING**

Friday, October 16, 2015; 1:30 PM
10060 Goethe Road
Sacramento, CA 95827
SRCSD/SASD Office Building – Room 1213 Red Oak

Minutes:

1. Call to Order and Roll Call

Paul Schubert called the meeting to order at 1:30 p.m.

The following meeting participants were in attendance:

Board Members:

Tom Nelson – FRCD/EGWD
Tom Mahon – Agricultural Interests
Brett Ewart – City of Sacramento
Rick Bettis – Conservation Landowners

Staff Members:

Darrell Eck - SCGA
Sarah Britton – Legal Counsel
Ping Chen – SCGA
Ramon Roybal – SCGA

Others in Attendance:

Amanda Platt, Sloughhouse RCD
Mark Madison – FRCD/EGWD
Bruce Kamilos – FRCD/EGWD
Jonathan Goetz – GEI

2. Public Comment

None

3. SCGA Joint Powers Authority

- In response to the question of why the Joint Powers Agreement (JPA) requires its signatories to confirm nominations Ms. Britton reported that there was a California Constitutional limitation that the Legislature may not delegate municipal functions to private entities. The appointment of stakeholder interest

positions that are private must be appointed by an elected body in order to utilize the municipal functions of the Authority.

- Ms. Britton reported that any public agency may form a Joint Powers Authority with other public agencies but that the law requires that the exercise of powers under the Authority would be limited to the least common powers held by all member agencies.
- Ms. Britton stated that it would be possible to form a GSA under the organization of a Joint Powers Authority that included entities that lacked police powers delegated by the State or in the formation of an MOU while utilizing the enhanced powers granted under SGMA, but that in her opinion such an organization may be at risk of having those powers challenged in the future.
- Ms. Britton opined that it might be advantageous for the Authority to maintain its current JPA signatory arrangement given the land-use coordination requirements of SGMA. Mr. Kamilos disagreed and offered that an agency that derived all of its power from land-use authorities would likely be viewed negatively by the rural residential and ag communities.
- Review of FRCD's suggested changes to JPA (see FRCD letter).
- Mr. Madison stated that FRCD's suggested changes to the existing JPA were in the interest of equal power for all members of the Authority. He stated that the JPA was the proper mechanism for operating a GSA as opposed to an MOU. FRCD would like the JPA to be able to stand on its own and be empowered to take the necessary actions to comply with SGMA.
- Mr. Schubert observed that SGA's JPA was very similar in language to SCGA's and that they had not indicated any plan to modify their JPA at this time.
- FRCD recommended that starting in January 2016 the SCGA Board meet every month to ensure that timely actions can be taken and to keep board members engaged in the process. Mr. Schubert responded that he would be willing to follow the will of the board but that he felt it was not necessary to meet monthly in order to move forward with SGMA compliance at this time. Mr. Schubert recommended putting together a timeline of necessary actions for the board.
- Ms. Britton reported that SCGA could file an NOI for GSA formation without making any amendments to the existing JPA but recommended that it would be prudent to amend the JPA to conform to the powers and authorities called for by SGMA after SCGA was recognized as a GSA.
- Discussion regarding counsel review and opinion of recommended JPA edits by board members. Decision for counsel to first conduct test of JPA powers under alternate JPA signatory construction. Discussion and analysis of additional recommended JPA amendments to follow at a later date.
- Ms. Britton reminded that the board action to file an NOI would be done via Resolution.

- Counsel’s recommendation regarding amendments to JPA and preparation of NOI for GSA application under SGMA:
 - No immediate amendments to the JPA are necessary in order to file an NOI for application of GSA formation with the State. If the Authority wanted to file an NOI for a GSA that would be co-extensive with the South American Subbasin, as described by DWR Bulletin 118, the Authority could partner with an entity whose jurisdiction included the portions of the Bulletin 118 boundary not currently encompassed by the Authority. The filing of the NOI would then be made jointly between SCGA and said entity under an MOU which would include a statement that SCGA would act to amend its JPA, after GSA acceptance by the State, to be co-extensive with the Bulletin 118 boundary.

Motion/Second/Carried – Mr. Ewart moved, seconded by Mr. Mahon, the motion carried unanimously to make a recommendation to SCGA Board to follow legal counsel’s opinion regarding process to file NOI for GSA application.

4. Status Report

- Mr. Ewart stated that he would like an analysis of the potential risks of maintaining a course of action that would result in two GSA’s, SCGA and OHWD, within the South American Subbasin for presentation to the full board. Mr. Eck replied that staff could provide such an item and that off-hand, the risk of two GSA’s in the Central Basin would be similar to the risks for any basin if one of the participants did not follow through on their responsibilities as a GSA. Mr. Schubert responded that there was perhaps too much concern over the actions of OHWD and that they would either do what was necessary under SGMA or it would revert back to the County in which case the issue could be resolved at that time and thus their actions should not drive SCGA’s actions. Mr. Schubert acknowledged that it was important to educate the board relative to the consequences if any entity within the basin did not complying with their respective responsibilities under SGMA. Mr. Ewart reiterated his concern that OHWD would be transitioning from a single voting member of SCGA to a one-to-one relationship with SCGA as a body and that ensuring healthy coordination and cooperation under such an arrangement was an area of concern.
- Mr. Schubert mentioned the possibility of filing an NOI in coordination with OHWD’s filing of an NOI.
- Ms. Britton mentioned the option of negotiating cooperative agreements with OHWD prior to the filing of an NOI.

- Discussion regarding the timing of filing an NOI. Deadline to establish GSA is June 30, 2017. Mr. Madison stated that if SCGA were to put off filing for an NOI for another year than there would be no reason to delay discussions to amend the JPA. Mr. Goetz pointed out that there was some urgency for establishing a GSP independent of the deadline with respect to understanding the arrangement of the basin and being able to respond to the draft GSP guidelines when they are published.
- Subcommittee decided to proceed as previously discussed. SCGA to move forward as scheduled with filing an NOI for an area co-extensive with Bulletin 118 boundary and excluding the OHWD area. In the meantime SCGA could look for opportunity to discuss terms of cooperation with OHWD.

Motion/Second/Carried – Mr. Ewart moved, seconded by Mr. Mahon, the motion carried unanimously to make the recommendation to the SCGA Board that the SCGA GSA boundary will be co-extensive with South American Subbasin as defined by DWR Bulletin 118 and to direct staff to actively oppose any proposed modification to the Bulletin 118 boundary unless directed by the SCGA Board to do otherwise.

5. Stakeholder Outreach

Draft stakeholder outreach fact sheet and stakeholder contact list was distributed to the subcommittee. Staff requested comments on materials upon subcommittee member review.

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, November 4, 2015, 9:00 am;
SASD South Conference Room 1212 Sunset Maple

By:

Chairperson

Date

Date

AGENDA ITEM 4: ELECTION OF OFFICERS

BACKGROUND:

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

STAFF RECOMMENDATION:

Action: Elect Chair and Vice Chair of the Board of Directors of the Sacramento Central Groundwater Authority for calendar year 2016 in accordance with Section 3.06(a) of the Rules of Procedure.

**AGENDA ITEM 5: UPDATE ON BASIN MANAGEMENT OBJECTIVE
THRESHOLD DEVELOPMENT AND RECHARGE MAPPING PROJECT**

BACKGROUND:

The purpose of the Basin Management Objective Threshold Development and Recharge Mapping Project is to improve groundwater management through the development of thresholds necessary to implement and monitor a quantitative, measurable Basin Management Objective for groundwater levels and to improve the understanding of recharge in the Central Basin to allow for more informed land use and water management decisions. This project is being funded through a state AB 303 grant and the Groundwater Authority. Jim Blanke with RMC will be providing the update presentation.

STAFF RECOMMENDATION:

Action: Information update.



BMO Threshold Development and Recharge Mapping: Project Update

Sacramento Central Groundwater Authority

November 4, 2015

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
- Update on Groundwater Elevation BMO Threshold Development
- Next Steps

Agenda

- **Background and Need**
- Update on Groundwater Elevation BMO Threshold Development
- Next Steps

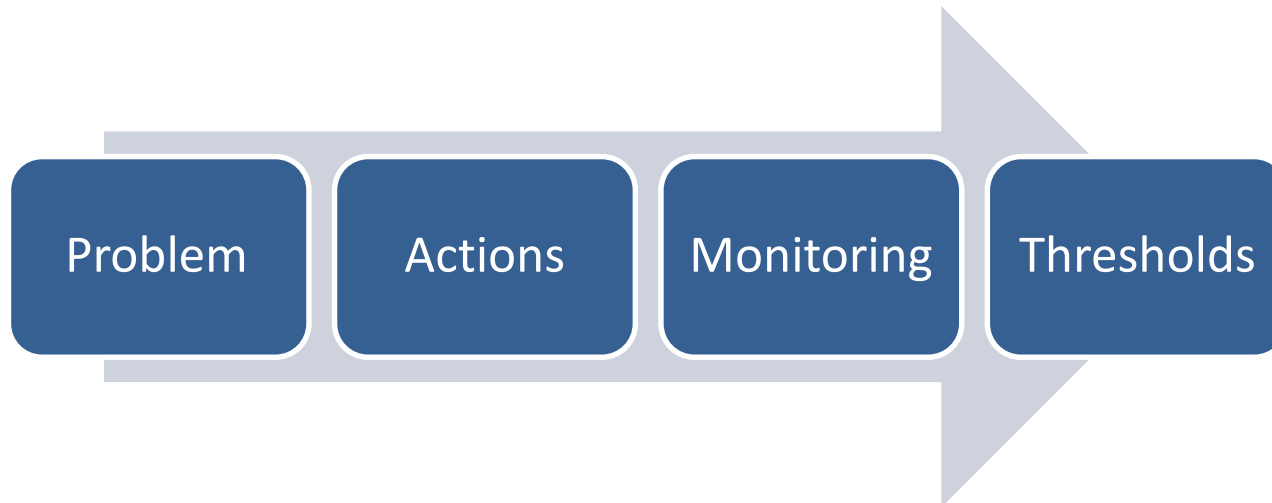
Project Background

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

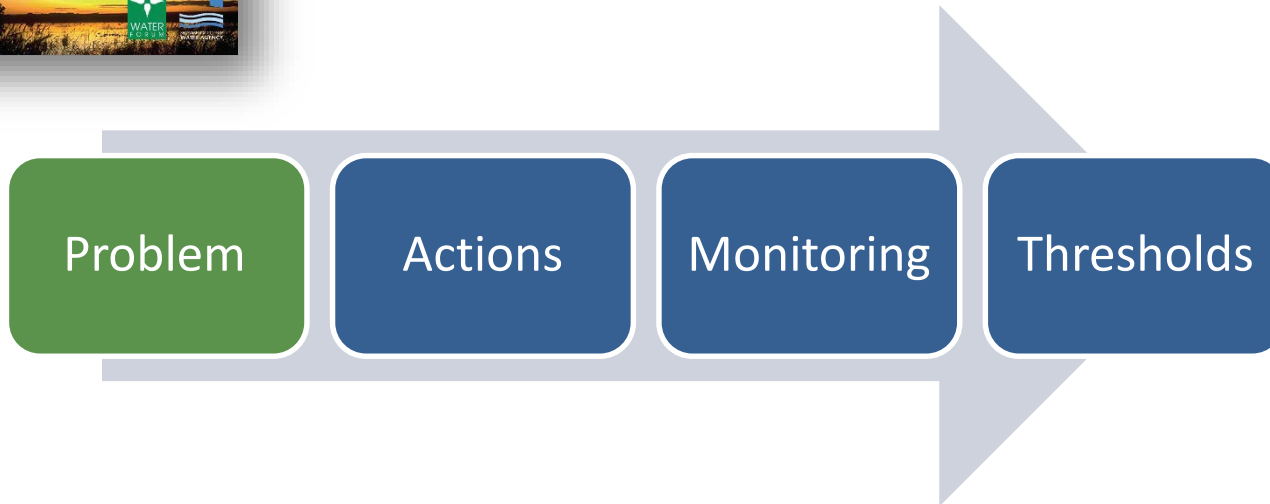
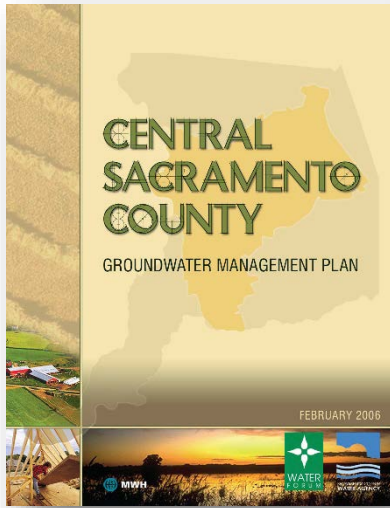
Background - BMOs

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.

BMO Threshold Development

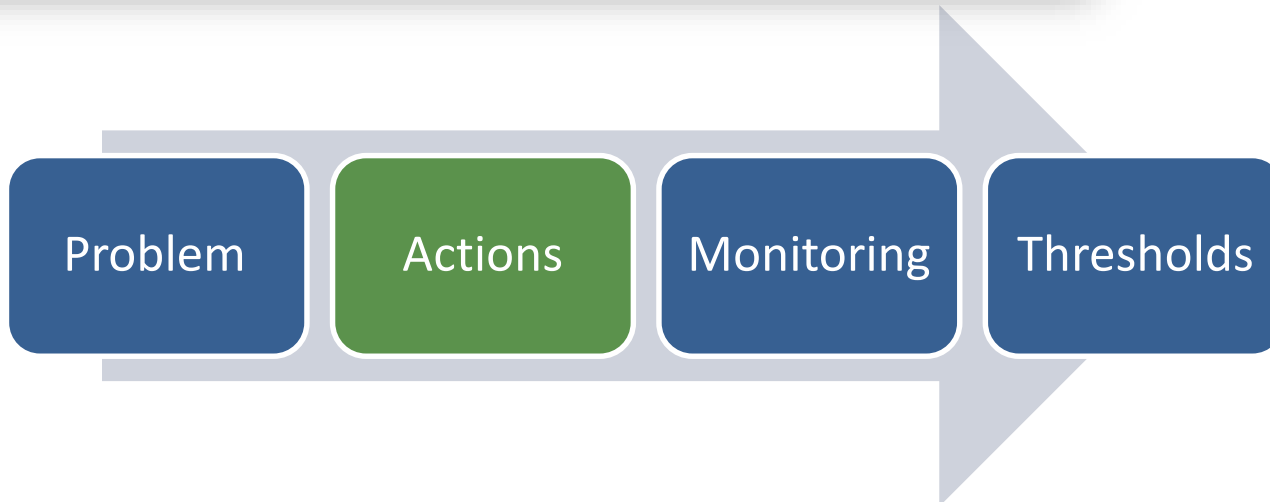


BMO Threshold Development

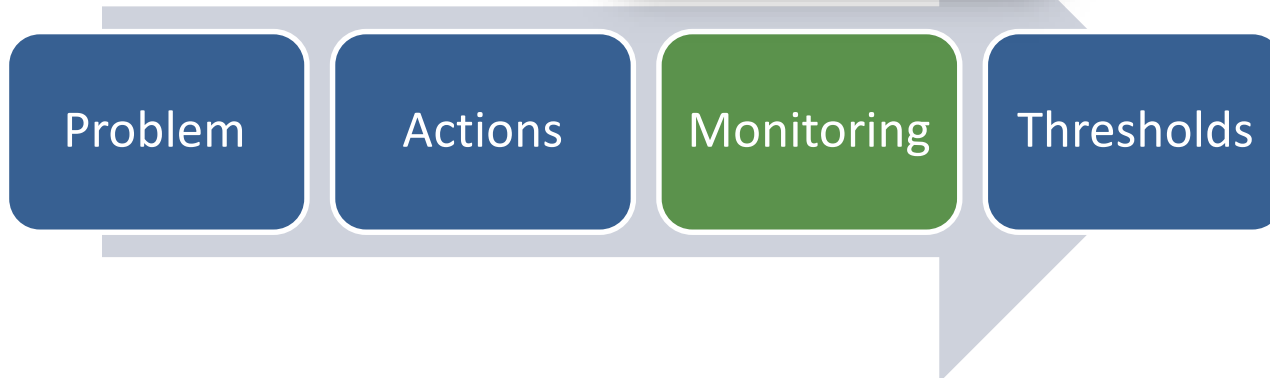
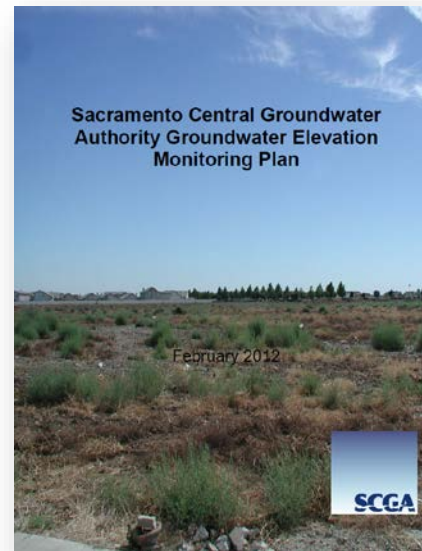


BMO Threshold Development

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	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).



BMO Threshold Development



BMO Threshold Development

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).



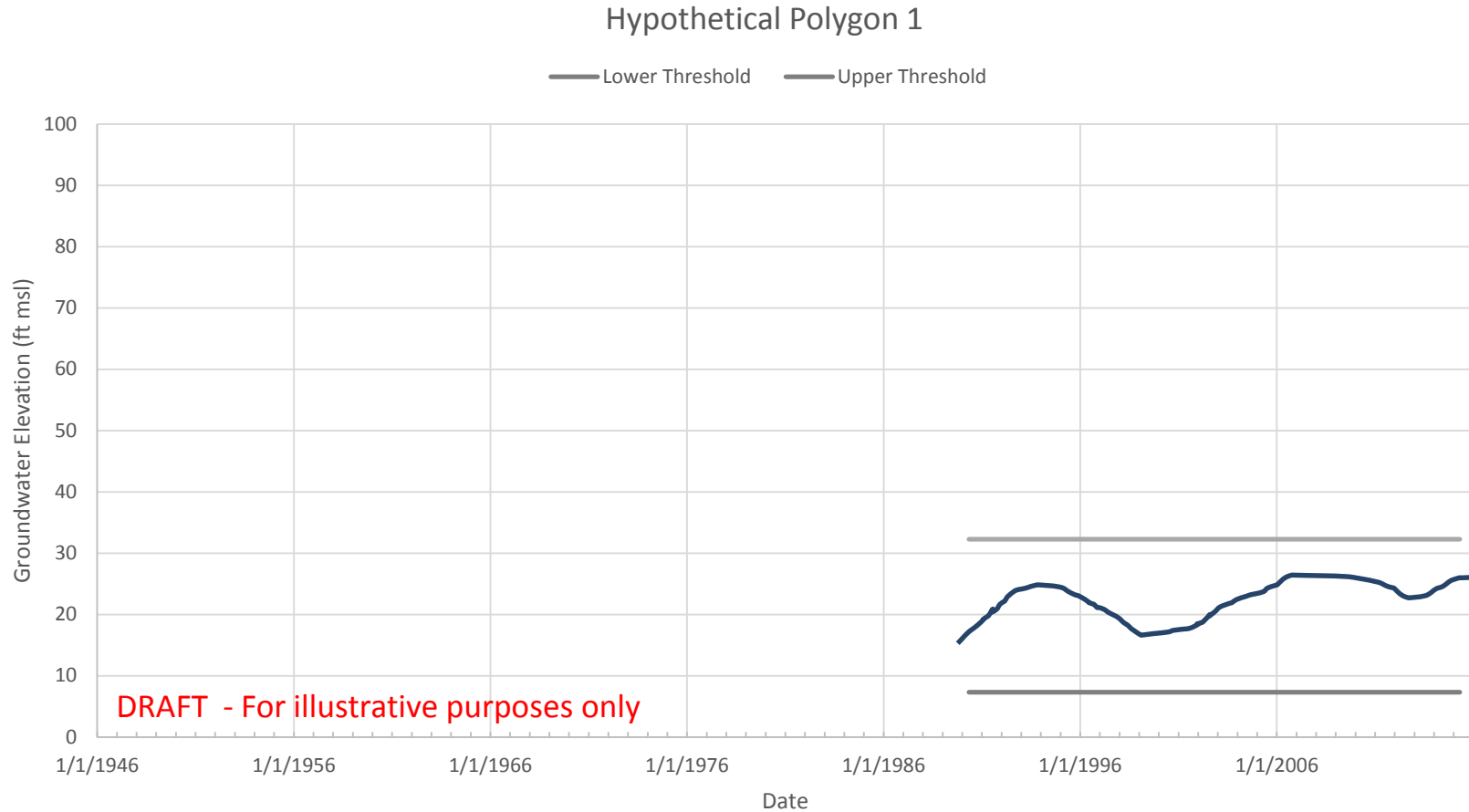
Agenda

- Background and Need
- **Update on Groundwater Elevation BMO Threshold Development**
- Next Steps

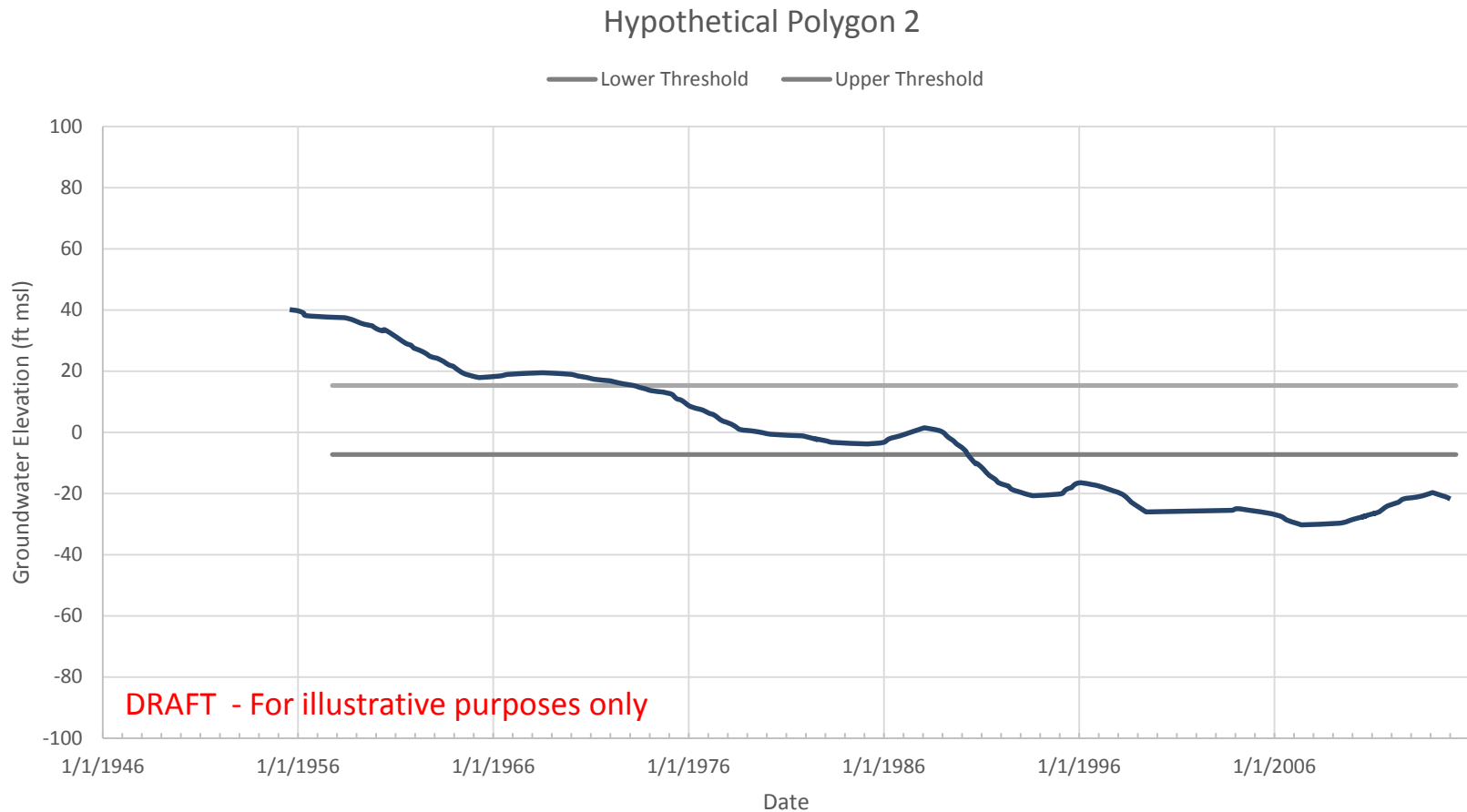
BMO Threshold Development

- Last meeting
 - Some wells: water levels below Appendix B range

Case 1: Historical Data within Appendix B Bandwidth



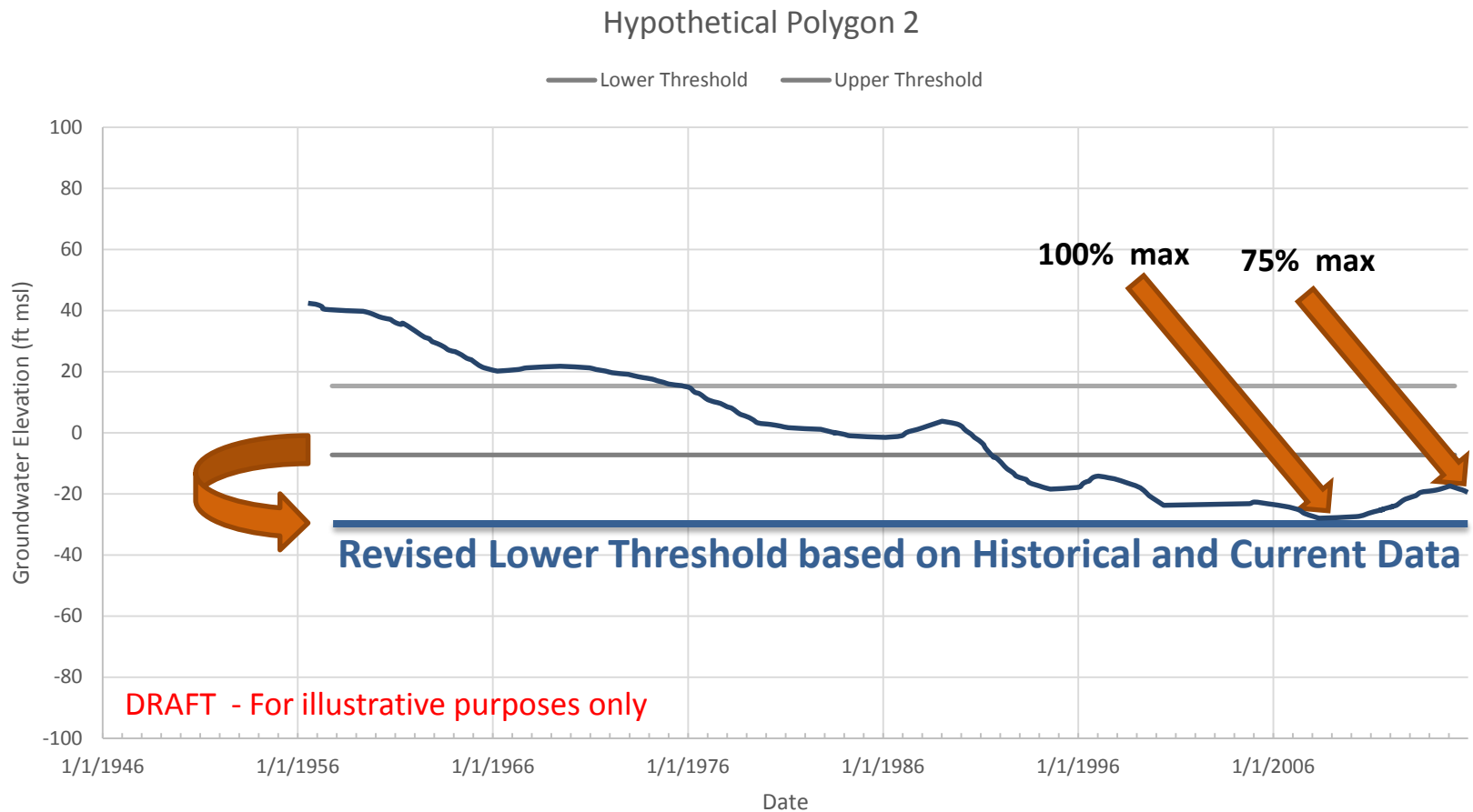
Case 2: Historical Data outside Appendix B Bandwidth



Recommendations – Current and Historical Data

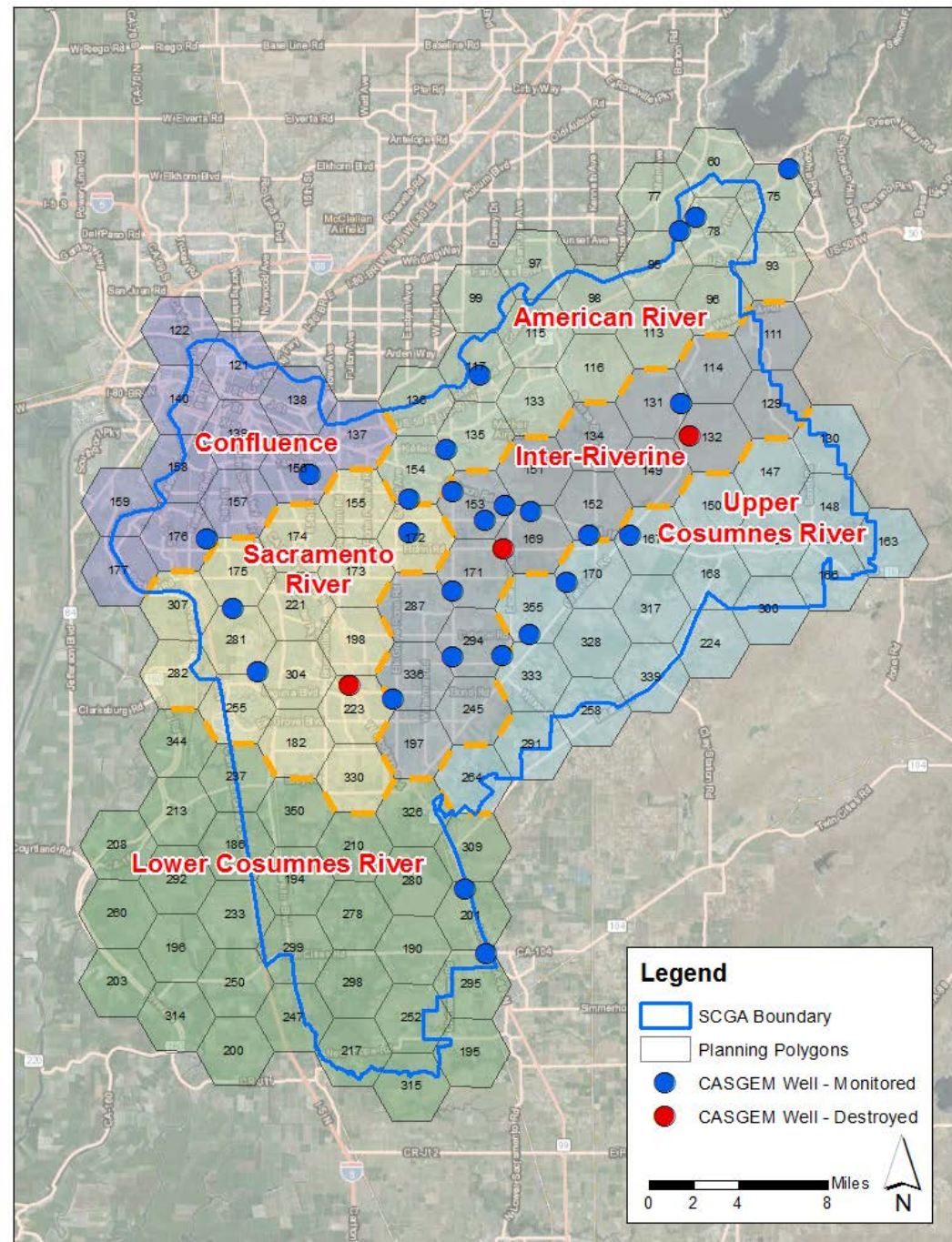
- **Historical groundwater elevations:** adjust bandwidth to incorporate all historical data within the 0 - 100% range.
 - Justification – Historical conditions considered appropriate without requiring acquisition of supplemental water supplies and constructing infrastructure
- **Current groundwater elevations:** Adjust lower threshold so well is within the 0 - 75% range.
 - Justification – Existing conditions considered appropriate without levying assessments

Revised Lower Threshold based on Historical and Current Data



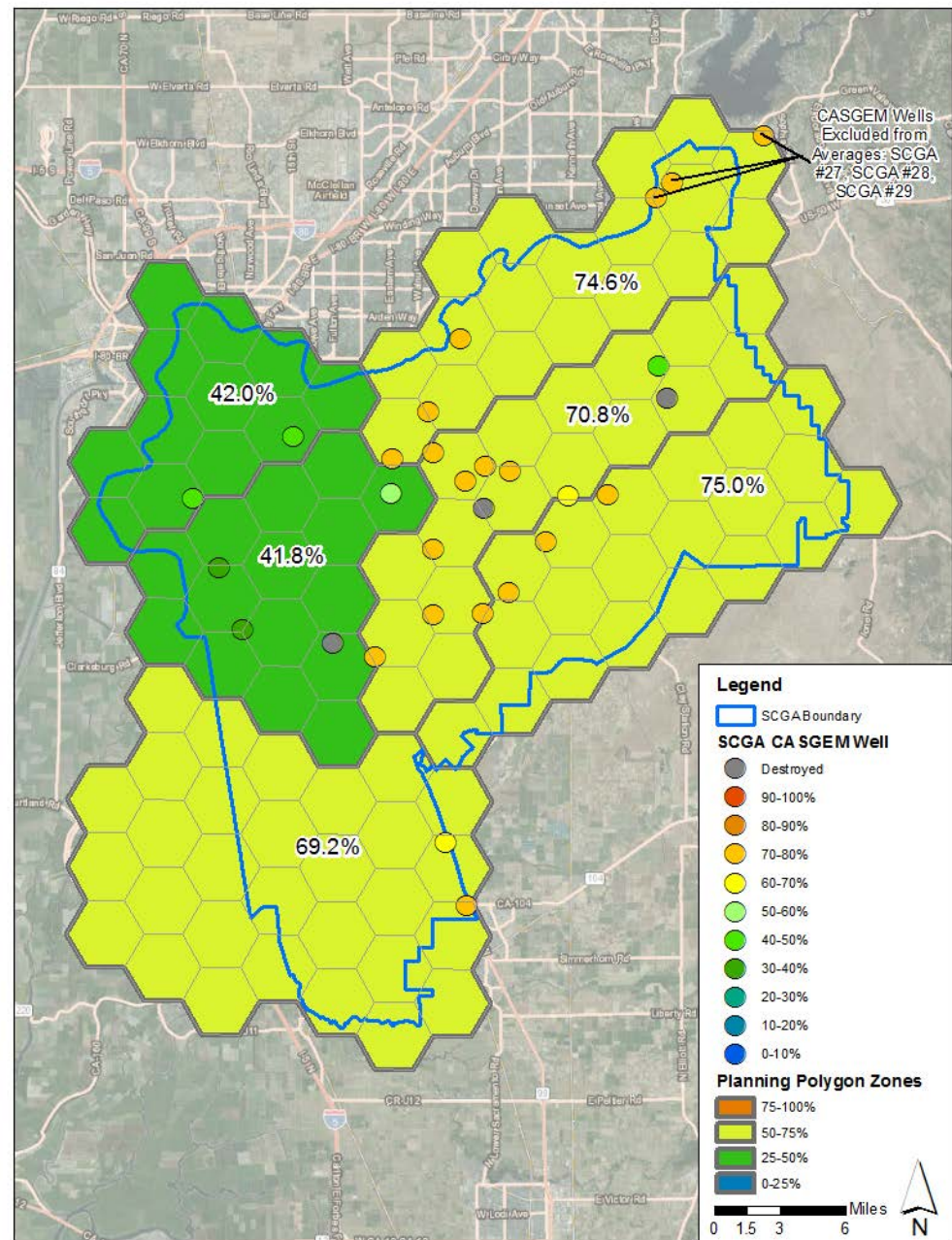
BMO Threshold Development Proposed

- 6 Management Zones
- Based on similar hydrologic responses



Current Threshold Status

- Based on Fall 2014 groundwater elevation data
- Shows areas with low groundwater elevations compared to bandwidths

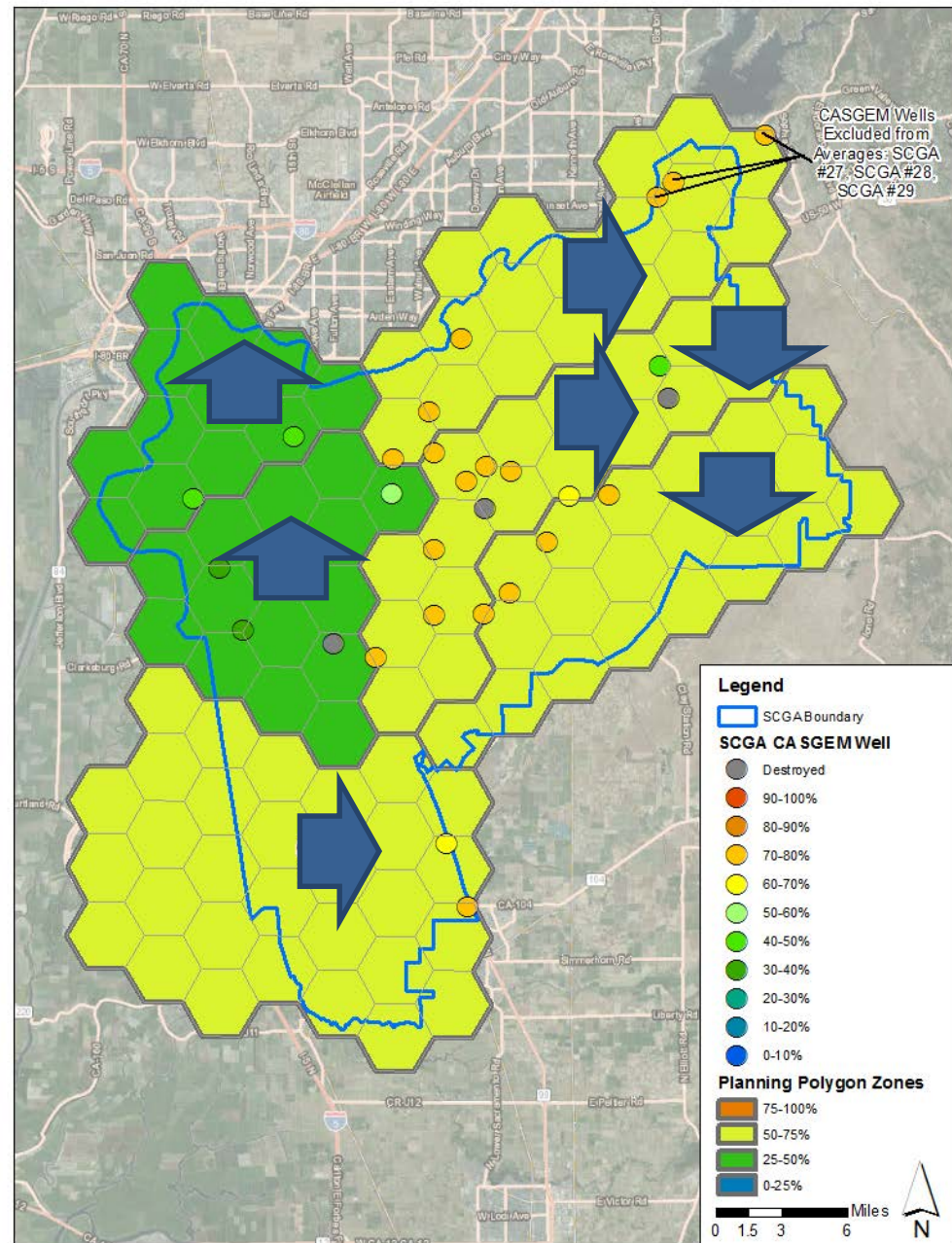


Implications of Current Thresholds

- 25-50% - Informational
- 50-75% - Initiate a requirement to collect a fee
- Needs
 - Determine cause – long-term decline or drought conditions?
 - Recognize existing actions – Vineyard SWTP

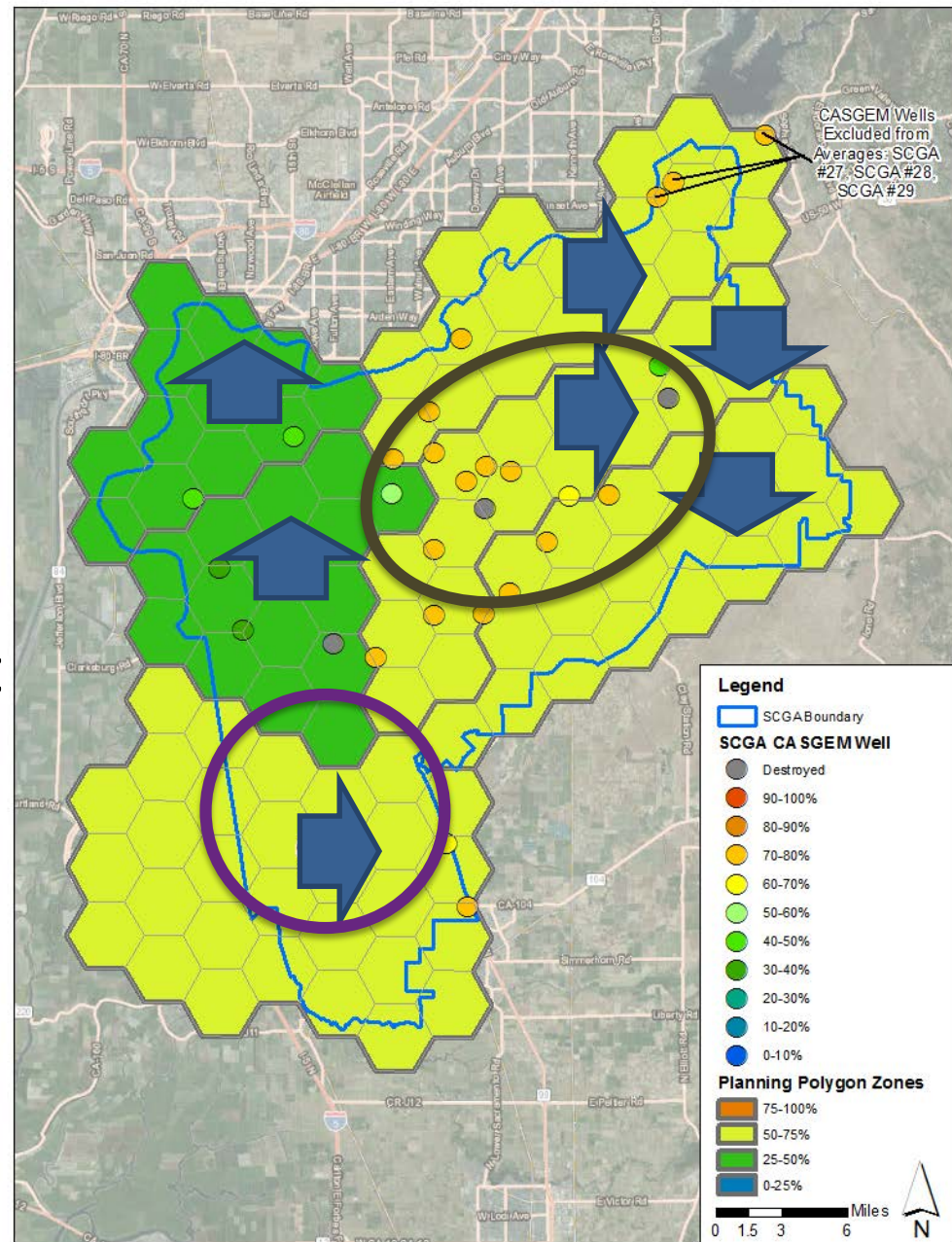
Trends

- Generally increasing
 - Confluence
 - Sacramento River
- Generally stable
 - American River
 - Lower Cosumnes
- Mixed stable/decreasing
 - Inter-riverine
- Generally decreasing
 - Upper Cosumnes

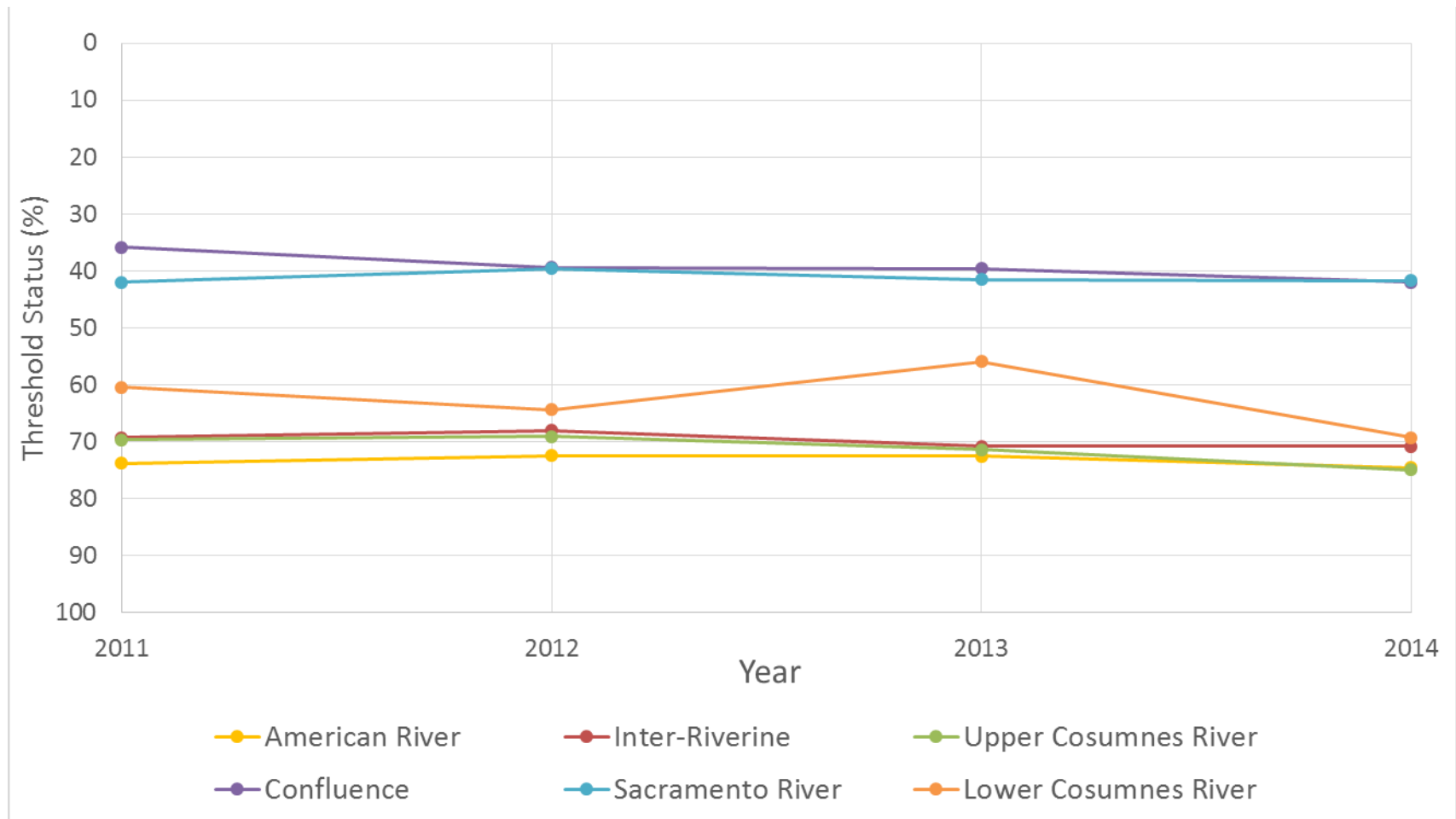


Trends

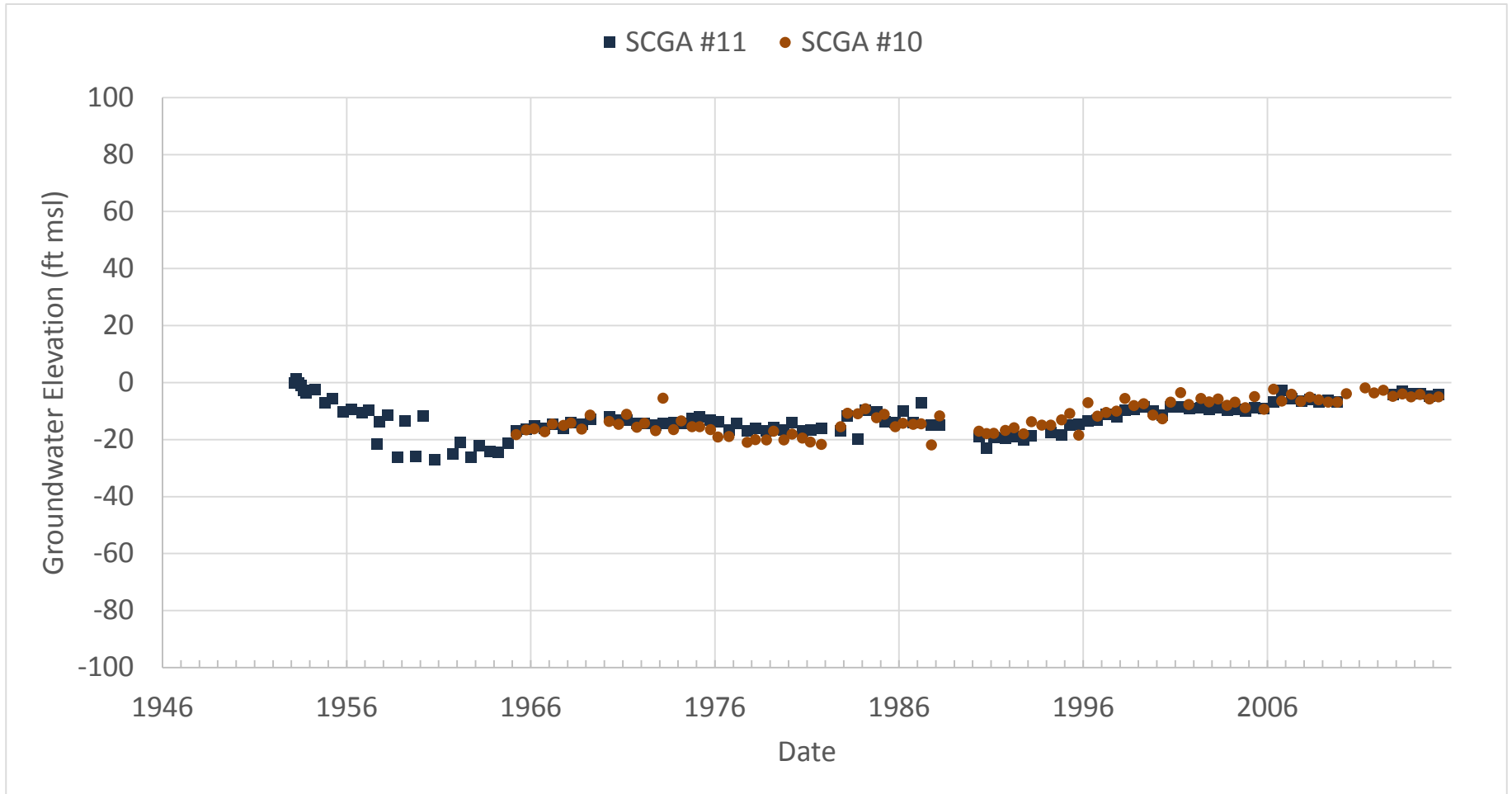
- Stable and decreasing areas to benefit from planned projects
 - Vineyard SWTP buildout
 - South County Ag Program



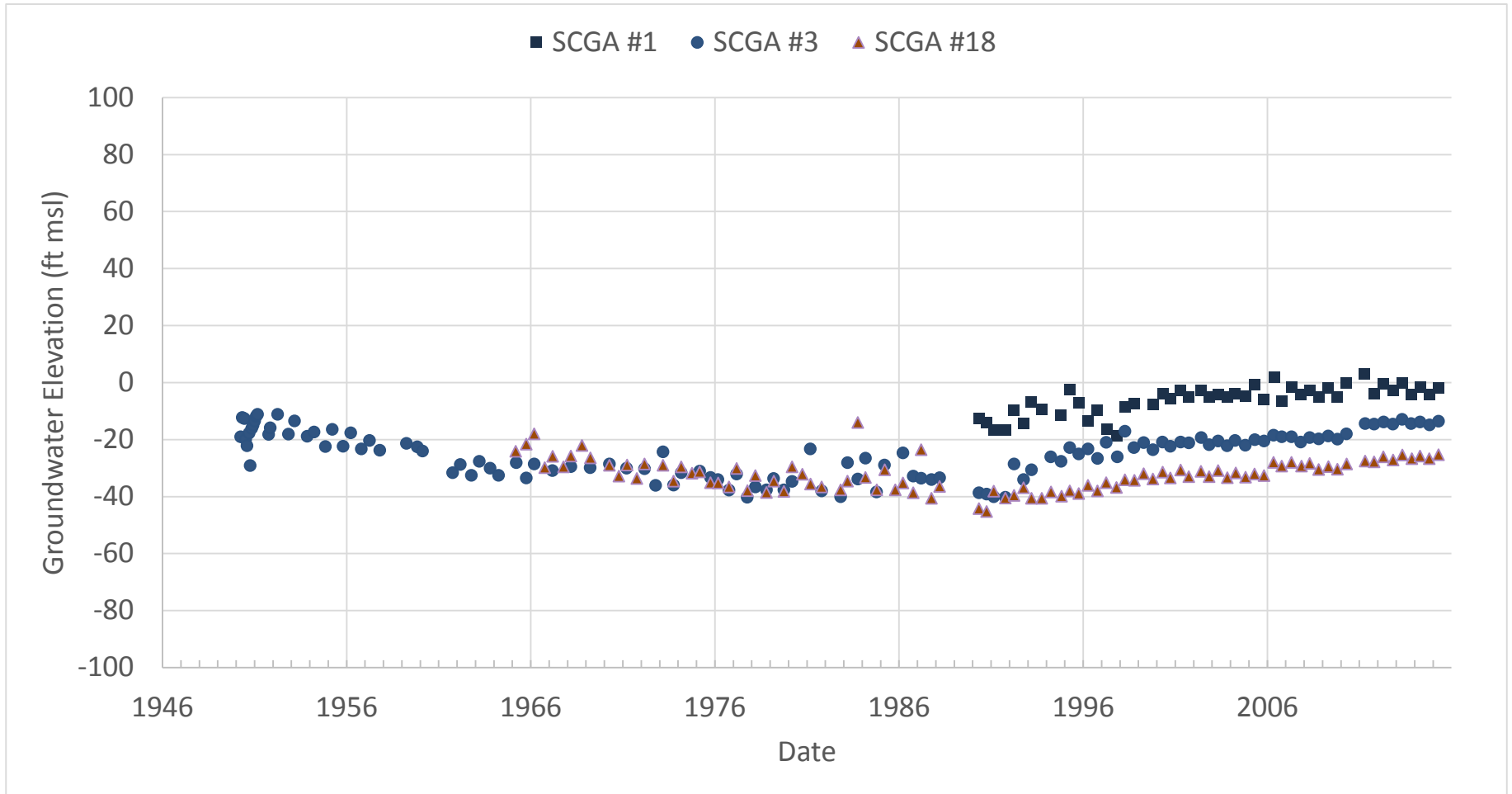
Trends – 2011 to 2014



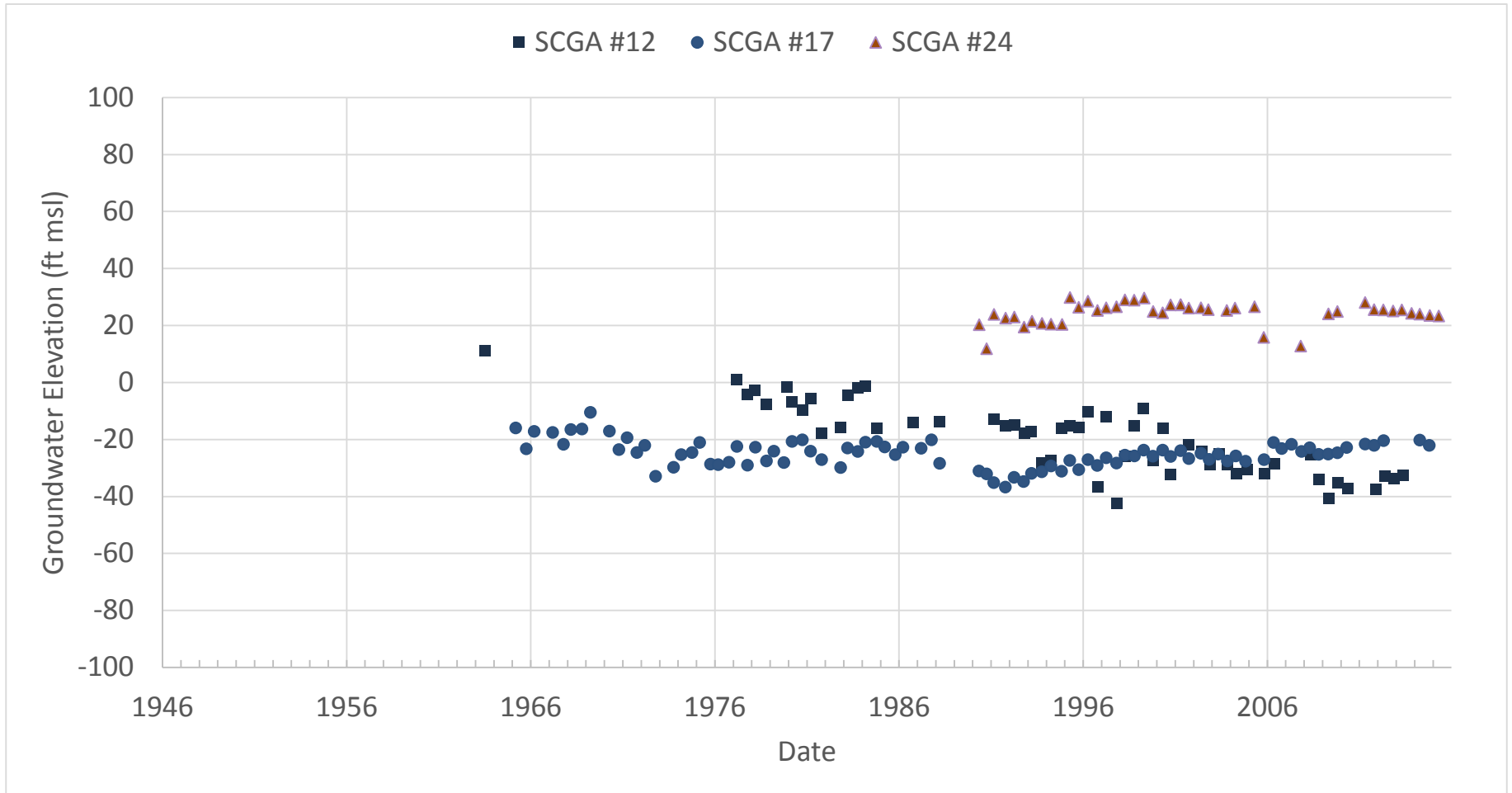
Trends– Confluence: Generally Increasing



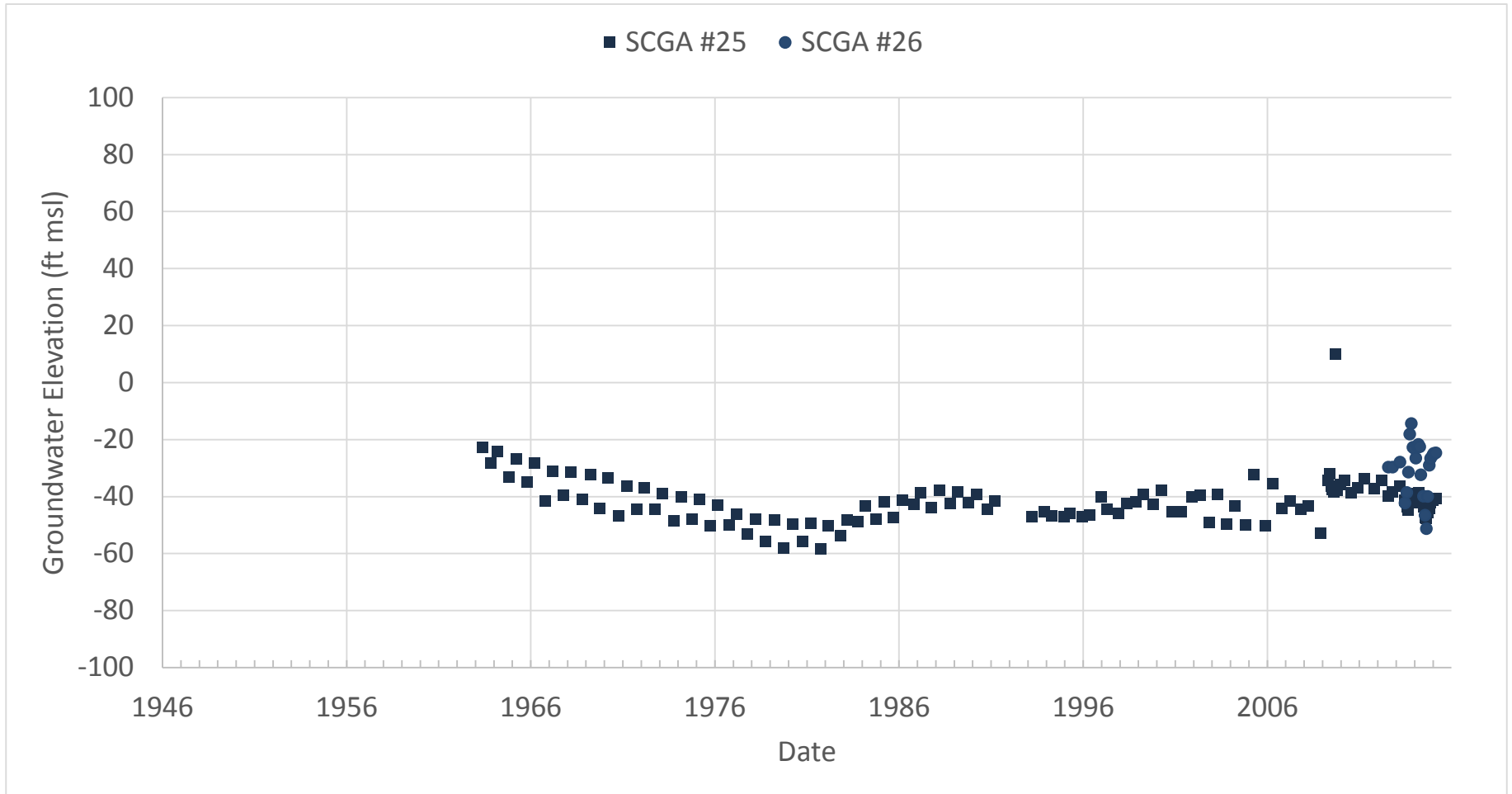
Trends– Sacramento River : Generally Increasing



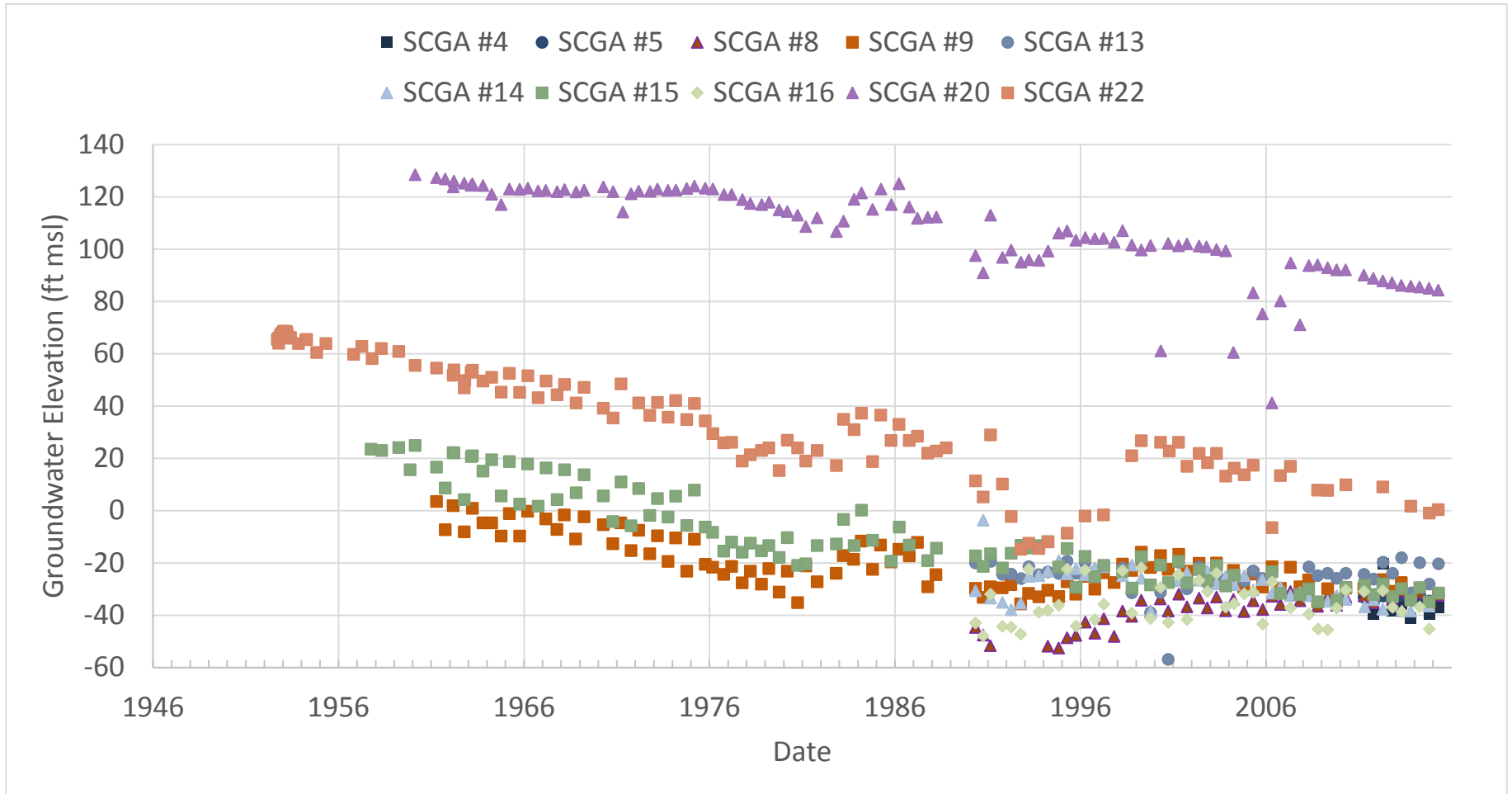
Trends– American River: Generally Stable



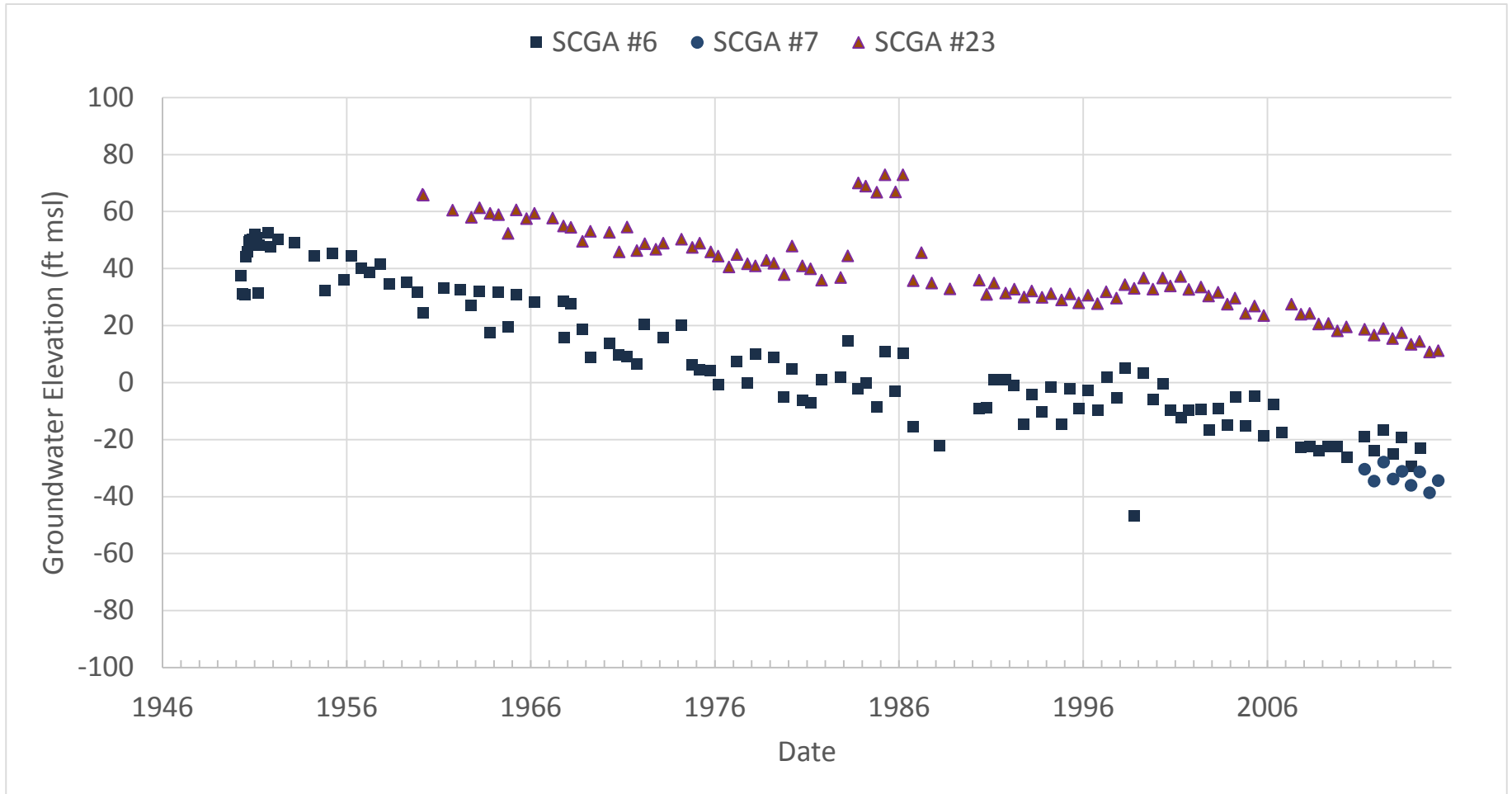
Trends– Lower Cosumnes : Generally Stable



Trends— Inter-Riverine: Mixed Decreasing / Stable



Trends– Upper Cosumnes: Generally Decreasing



Potential Responses

- Monitor to
 - Track benefits from increased use of Vineyard SWTP
 - Separate drought impacts from long-term storage changes

Potential Responses

Develop physically-based thresholds

- Depth of private wells
- Historical conditions near rivers

Will require data collection effort, potentially part of GSP development.

Next Steps

- Present information in a draft and final TM
- Implement BMOs under GSP

Contact Information

Ping Chen

Project Manager

SCGA

chenp@saccounty.net

(916) 874-5361

Jim Blanke

Project Manager

RMC Water and Environment

jblanke@rmcwater.com

(916) 999-8762

AGENDA ITEM 6: SCGA SUBCOMMITTEE REPORT

BACKGROUND:

At the July 8, 2015 Board meeting the SGMA subcommittee was established to assist in a process to fully develop and complete the various tasks necessary to become a groundwater sustainability agency and be part of the development of a groundwater sustainability plan. The first tasks identified were reaching out to potential interested parties, strategizing on boundary adjustment issues, discussion of various coordination issues and criteria, and to make recommendations on potential changes to the governing JPA. The subcommittee was then charged to report back to the Board on a regular basis with status reports, recommendations, and for additional direction.

Since the September 9, 2015 Board meeting the SGMA subcommittee has met three times, on September 16, 2015, September 29, 2015, and October 16, 2015. This series of subcommittee meetings focused on the following topics: 1) potential JPA revisions, 2) GSA boundary adjustments, 4) Bulletin 118 boundary adjustments, and 3) continuation of interested party identification and stakeholder outreach materials.

Potential JPA Revisions

The subcommittee discussed the current structure of the Groundwater Authority's governing Joint Powers Agreement (JPA). Questions were asked about the current JPA's ability to provide the necessary coverage to ensure compliance with the requirements of SGMA. Questions were asked and comments made relative to potential changes that some parties believe are necessary for successful governance in the future. Counsel opined that the present structure of the JPA could have potential advantages given the land use coordination requirements that are part of SGMA. Counsel also indicated that no immediate amendments to the JPA are necessary to file for GSA formation with the State. However, in order to file for a GSA that would be coextensive with the South American Subbasin as described in Bulletin 118 it would be necessary to partner with an entity whose jurisdiction included the portions of the Bulletin 118 boundary not currently encompassed by the Groundwater Authority. The filing to become a GSA would then be done jointly between SCGA and said entity under an MOU which would include a statement that SCGA would act to amend its JPA, after GSA acceptance by the State, to be coextensive with the Bulletin 118 boundary.

With regard to potential changes to the JPA the subcommittee requested that counsel conduct an analysis of relative JPA powers by comparing the current signatory structure that is limited to entities with police powers verses an alternate structure that would rely more on powers granted through SGMA.

Subcommittee recommendation: Support counsel's opinion regarding the process to file to become a GSA. Additionally, staff shall develop a timeline of critical dates and Board actions necessary for SGMA compliance.

Boundary Adjustment

The members of the subcommittee have asked that information be presented that clearly identifies “the risks and implications of decisions to be made regarding the path to SGMA compliance.” According to a recent publication by State DWR, **Triggering State Intervention**, there are specified events at which the State Water Resources Control Board may step in to “help protect local groundwater resources.” These events include: 1) No Groundwater Sustainability Agency formed (after June 30, 2017), 2) No sustainability plan has been adopted or DWR in consultation with the State Water Board finds that the sustainability plan is inadequate or its implementation is inadequate and the State Water Board finds that the basin is in a condition of long-term overdraft (after January 31, 2022), and 3) DWR in consultation with the State Water Board finds that the sustainability plan is inadequate or the plan is not being implemented in a manner that is likely to achieve the sustainability goal, and the State Water Board finds there are significant depletions of interconnected surface waters (after January 31, 2025). (http://www.waterboards.ca.gov/water_issues/programs/gmp/docs/sgma/state_intervtriggers_fs.pdf)

Additionally the DWR document **Actions for Local Agencies to Follow When Deciding to become or Form a Groundwater Sustainability Agency (GSA)** states, “If overlapping GSA formation notifications exist in a basin after June 30, 2017, then that basin is subject to probationary status by the SWRCB per Water Code Section 10735.2. In addition, the groundwater extraction reporting requirements in Water Code Section 5202 et seq. apply to the portions of that basin where local agencies have not been determined “presumed” GSAs.” (http://www.water.ca.gov/groundwater/sgm/pdfs/GSA_Notification_Requirements_2015-10-27.pdf)

Clearly there are risks associated with multiple entities pursuing GSA formation in a single groundwater basin. Failure to follow through on GSA formation, failure to develop a GSP or developing an inadequate GSP, or failure to properly implement a GSP can result in State intervention. Now, according to the latest information, failure to resolve boundary issues can result in State intervention. To minimize these risks requires a commitment to meet the milestones set forth in SGMA, foster coordination and cooperation among all parties, and follow through on implementation.

Bulletin 118 Boundary Adjustment

The subcommittee discussed the importance of maintaining the hydrogeologic boundaries of the South American Subbasin as described in Bulletin 118. Information was presented addressing the scientific basis for why the Cosumnes River is the hydrogeologic basin boundary and how it factors into the sustainable management of the South American Subbasin.

Subcommittee recommendation: Oppose any relocation of the hydrogeologic boundary between the South American Subbasin and the Cosumnes Subbasin as defined by Bulletin 118.

Interested Parties and Stakeholder Outreach

Staff has continued to add to the interested parties list and has developed a fact sheet that can be used in the outreach process during GSA formation and potentially GSP development. Prior to filing to become a GSA a letter will be sent to the identified interested parties informing them of the SGMA process and inviting them to participate if they desire.

Subcommittee recommendation: Distribute the interested stakeholder list to the Board and solicit their assistance in adding additional interested parties.

STAFF RECOMMENDATIONS:

Action 1: Direct staff to coordinate with Counsel to develop an MOU in conjunction with the County of Sacramento to cover that portion of the South American Subbasin that is not currently within the jurisdiction of the Groundwater Authority.

Action 2: Direct staff to oppose any relocation of the hydrologic boundary between the South American Subbasin and the Cosumnes Subbasin as defined by Bulletin 118.

Action 3: Approve the SGMA Fact Sheet developed for the GSA outreach program.

Triggering State Intervention

Sustainable Groundwater Management Act (SGMA)

Under a limited set of circumstances, the State Water Resources Control Board (State Water Board) may step in to help protect local groundwater resources. The process of State Water Board intervention is sometimes referred to as the State Backstop or State Intervention, and only occurs when local efforts are not successful. State Intervention requirements remain in place until local efforts are able to sustainably manage groundwater resources.

The following table lists the events that could trigger State Intervention:

Date	Intervention Trigger
After June 30, 2017	No Groundwater Sustainability Agency (GSA) formed.
After January 31, 2020	In high- or medium-priority basins in a condition of critical overdraft: 1) No sustainability plan has been adopted, or 2) The Department of Water Resources (DWR), in consultation with the State Water Board, finds that the sustainability plan or its implementation is inadequate.
After January 31, 2022	In other high- or medium-priority basins: 1) No sustainability plan has been adopted, or 2) DWR, in consultation with the State Water Board, finds the sustainability plan or its implementation is inadequate, and the State Water Board finds that the basin is in a condition of long-term overdraft.
After January 31, 2025	DWR, in consultation with the State Water Board, finds that the sustainability plan is inadequate or the plan is not being implemented in a manner that is likely to achieve the sustainability goal, and the State Water Board finds there are significant depletions of interconnected surface waters.

The earliest the State Water Board can implement the State Intervention is 2017, when local agencies in high- and medium-priority basins must form GSAs. If local agencies fail to form a GSA by July 1, 2017 local groundwater users must begin reporting groundwater use to the State Water Board.

When an intervention trigger occurs, the State Water Board may, in consultation with DWR and through a public process, identify groundwater basins as probationary and develop interim sustainability plans for those basins. The interim plan remains in effect until the State Water Board finds that local efforts will likely achieve groundwater sustainability.

More information at www.waterboards.ca.gov/water_issues/programs/gmp/sgma.shtml#backstop.



Last Updated on October 12, 2015





ACTIONS FOR LOCAL AGENCIES TO FOLLOW WHEN DECIDING TO BECOME OR FORM A GROUNDWATER SUSTAINABILITY AGENCY (GSA)

INTRODUCTION

The 2014 Sustainable Groundwater Management Act (SGMA) established a framework of priorities and requirements to help local agencies sustainably manage groundwater within a basin or subbasin. SGMA provides a basic minimum standard for outreach and notification regarding the formation of a groundwater sustainability agency (GSA). The information in this document highlights the requirements that must be followed pursuant to California Water Code (Water Code) Section 10723 *et seq.* in order to become or form a GSA. This document incorporates the amendments made to SGMA by Senate Bill (SB) 13 in September 2015.

Pursuant to Water Code Section 10723(a), any local agency or combination of local agencies overlying a groundwater basin or subbasin may decide to become a GSA for that basin or subbasin. A GSA is formed by using either a joint powers agreement (JPA), a memorandum of agreement (MOA), or other legal agreement, and the Department of Water Resources (DWR or department) must be notified after the GSA has been formed. The definitions for GSA and local agency, as defined in Water Code Section 10721, are as follows:

“Groundwater sustainability agency” means one or more local agencies that implement the provisions of this part [Part 2.74]. For purposes of imposing fees pursuant to Chapter 8 (commencing with [Water Code] Section 10730) or taking action to enforce a groundwater sustainability plan, “groundwater sustainability agency” also means each local agency comprising the groundwater sustainability agency if the plan authorizes separate agency action.

“Local agency” means a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin.

SUMMARY OF INFORMATION REQUIRED TO BE SUBMITTED TO DWR

A local agency is required to submit the following information to DWR in order to complete the GSA formation notification requirements of Water Code Section 10723.8(a). A notice of GSA formation will not be determined to be complete unless all information is submitted.

- Information that clearly shows the GSA formation notification was submitted to DWR within 30 days of the decision to become or form a GSA.
- A map and narrative indicating (1) the local agency’s service area boundaries, (2) the boundaries of the basin or portion of the basin the agency intends to manage, and (3) the other agencies managing or proposing to manage groundwater within the basin. *Please include a hard-copy map and GIS shape files.*
- A copy of the resolution forming the new agency.
- A copy of any new bylaws, ordinances, or new authorities developed by the local agency.
- A list of the interested parties developed pursuant to Water Code Section 10723.2 and a detailed explanation how the GSA will consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing GSPs.

A representative of the local agency deciding to become a GSA, or a designated representative from the group of local agencies forming a GSA, shall include a statement in the notification to DWR that all applicable information in Water Code Section 10723.8(a) has been provided in the notification.

GSA FORMATION NOTIFICATION GUIDELINES FOR LOCAL AGENCIES

While not specifically required by Water Code Section 10723.8(a), the local agency submitting the GSA formation notification may wish to include a copy of the Government Code Section 6066 notice, as well as evidence or a statement demonstrating that a public hearing in accordance with Water Code Section 10723(b) was held in the county or counties overlying the basin.

GSA INFORMATION FOR LOCAL AGENCIES

The GSA formation notification requirements are located in Division 6 of the Water Code, Part 2.74, Chapter 4, Section 10723 *et seq.* The language in this document reflects the amendments made to SGMA by SB 13 which becomes law on January 1, 2016. DWR will review pre-SB 13 notifications for completeness and will retroactively address any GSA overlap and local agency service area issues pursuant to the process outlined in **Attachment A**.

The following Internet links provide the relevant SGMA legislation text:

- Summary of SGMA Legislation Text:
http://www.opr.ca.gov/docs/2014_Sustainable_Groundwater_Management_Legislation_092914.pdf
- Senate Bill 13 Text:
http://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill_id=201520160SB13

The Water Code mandates that all local agencies are required to notify DWR within 30 days of deciding to become or form a GSA and submit in that notification specific information. The “exclusive” local agencies listed in Water Code Section 10723(c)(1), which are agencies created by statute to manage groundwater within their statutory boundaries, must also follow the notification requirements before they become GSAs.

Additional information related to a local agency’s decision to form a GSA is welcomed and will help demonstrate to DWR, the State Water Resources Control Board (SWRCB), and other local agencies that a proposed GSA has the long-term technical, managerial, and financial capabilities to sustainably manage basin-wide groundwater resources and prepare a groundwater sustainability plan (GSP) or coordinated GSP for an entire groundwater basin.

Pursuant to Water Code Section 10723.8(b), DWR shall post all complete notices it receives on its Internet Web site within 15 days of receipt. The list of GSA notifications received by DWR, an interactive map of the proposed GSA areas, and other helpful interactive planning maps are located on DWR’s Sustainable Groundwater Management Web site at the following Internet links:

- GSA Formation Table: http://www.water.ca.gov/groundwater/sgm/gsa_table.cfm.
- GSA Interactive Map: http://water.ca.gov/groundwater/sgm/gsa_map.cfm.
- Water Management Planning Tool: <http://water.ca.gov/groundwater/boundaries.cfm>
- Basin Boundaries Assessment Tool: <http://water.ca.gov/groundwater/sgm/bbat.cfm>

FORMING A GSA AND LOCAL AGENCY NOTIFICATION REQUIREMENTS

The following information summarizes the GSA formation and public notification steps identified in SGMA. Relevant Water Code sections are included.

Step 1: Decision to Form a GSA

The first step in the GSA formation process is public notification that a local agency is either (1) deciding to become a GSA or (2) deciding to form a GSA together with other local agencies. Water Code Section 10723(b) requires that a local agency or group of local agencies hold a public hearing in the county or counties overlying the groundwater basin. The relevant Water Code sections are included below.

GSA FORMATION NOTIFICATION GUIDELINES FOR LOCAL AGENCIES

WATER CODE SECTION 10723

- (a) *Except as provided in subdivision (c), any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin.*
- (b) *Before deciding to become a groundwater sustainability agency, and after publication of notice pursuant to Section 6066 of the Government Code, the local agency or agencies shall hold a public hearing in the county or counties overlying the basin.*
- (c) *[Includes list of 15 “exclusive” local agencies – these agencies do not become a GSA until they submit a notification of GSA formation to DWR].*

GOVERNMENT CODE SECTION 6066

Publication of notice pursuant to this section shall be once a week for two successive weeks. Two publications in a newspaper published once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day, including therein the first day.

Step 2: Consideration of Interests of Beneficial Uses and Users of Groundwater

Water Code Section 10723.2 requires GSAs to consider the interests of all beneficial uses and users of groundwater. Additional sections of the Water Code require that this information be submitted as part of the GSA formation notification to DWR by a local agency(s). The relevant Water Code sections are included below.

WATER CODE SECTION 10723.2

The groundwater sustainability agency shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans. These interests include, but are not limited to all of the following:

- (a) *Holders of overlying groundwater rights, including:*
 - (1) *Agricultural users.*
 - (2) *Domestic Well owners.*
- (b) *Municipal well operators.*
- (c) *Public water systems.*
- (d) *Local land use planning agencies.*
- (e) *Environmental users of groundwater.*
- (f) *Surface water users, if there is a hydrologic connection between surface and groundwater bodies.*
- (g) *The federal government, including, but not limited to, the military and managers of federal lands.*
- (h) *California Native American Tribes.*
- (i) *Disadvantaged communities, including, but not limited to, those served by private domestic wells or small community water systems.*
- (j) *Entities listed in Section 10927 that are monitoring and reporting groundwater elevations in all or a part of a groundwater basin managed by the groundwater sustainability agency.*

GSAs are encouraged to engage additional stakeholders in order to develop the necessary relationships and expertise needed to develop and implement GSPs. Pursuant to Water Code Section 10727.8, *“The groundwater sustainability agency shall encourage the active involvement of diverse social, cultural, and economic elements of the population within the groundwater basin prior to and during the development and implementation of the groundwater sustainability plan.”*

Step 3: Submittal of GSA Formation Information to DWR

A local agency or group of local agencies must notify DWR and document the process it chose to take in deciding to become or form a GSA. The GSA formation notification requirements are described in Water Code Section 10723.8(a). The requirement for DWR to post complete GSA notifications is included in the Water Code references below. DWR will not post notifications on its Internet Web site that are determined to be incomplete.

WATER CODE SECTION 10723.8

- (a) *Within 30 days of deciding to become or form a groundwater sustainability agency, the local agency or combination of local agencies shall inform the department of its decision and its intent to undertake sustainable groundwater management. The notification shall include the following information, as applicable:*
- (1) *The service area boundaries, the boundaries of the basin or portion of the basin the agency intends to manage pursuant to this part, and the other agencies managing or proposing to manage groundwater within the basin.*
 - (2) *A copy of the resolution forming the new agency.*
 - (3) *A copy of any new bylaws, ordinances, or new authorities adopted by the local agency.*
 - (4) *A list of interested parties developed pursuant to Section 10723.2 and an explanation of how their interests will be considered in the development and operation of the groundwater sustainability agency and the development and implementation of the agency's sustainability plan.*
- (b) *The department shall post all complete notices received under this section on its Internet Web site within 15 days of receipt.*

GSA TIMELINE – OVERLAPPING AREAS AND SERVICE AREAS WITHIN A BASIN

The deadline for GSA formation in high- and medium-priority groundwater basins and subbasins is June 30, 2017. A local agency that decides to become a GSA within its service area, or a group of local agencies that decides to form a GSA within their combined service areas, does not effectively become a GSA unless the provisions of Water Code 10723.8(c) and (d) are also met – these provisions address overlapping GSAs and management within a service area. If multiple local agencies form separate GSAs in a basin or subbasin within a 90-day period, and if any of those proposed GSAs result in an overlap in the areas proposed to be managed, then none of the local agencies will become the GSA unless the overlap is resolved, which could require making a material change to the existing notification(s). The relevant Water Code sections are included below.

WATER CODE SECTION 10723.8

- (c) *The decision to become a groundwater sustainability agency shall take effect 90 days after the department posts notice under subdivision (b) if no other local agency submits a notification under subdivision (a) of its intent to undertake groundwater management in all or a portion of the same area. If another notification is filed within the 90-day period, the decision shall not take effect unless the other notification is withdrawn or modified to eliminate any overlap in the areas proposed to be managed. The local agencies shall seek to reach agreement to allow prompt designation of a groundwater sustainability agency. If agreement is reached involving a material change from the information in the posted notice, a new notification shall be submitted under subdivision (a) and the department shall post notice under subdivision (b).*
- (d) *Except as provided in subdivisions (e) and (f), after the decision to be a groundwater sustainability agency takes effect, the groundwater sustainability agency shall be presumed to be the exclusive groundwater sustainability agency within the area of the basin within the service area of the local agency that the local agency is managing as described in the notice.*

GSA FORMATION NOTIFICATION GUIDELINES FOR LOCAL AGENCIES

CONDITIONS FOR DETERMINING A GSA NOTIFICATION INCOMPLETE

A GSA formation notification will be determined to be incomplete if (1) the local agency does not certify the notification as complete and (2) the provisions of Water Code Section 10723.8 are not clearly addressed. An incomplete notification will not be posted on DWR's Internet Web site and DWR staff will inform local agencies of the reason(s) for not posting. Local agencies will be given the opportunity to provide additional information.

Examples of what could deem a GSA notification to be incomplete include, but are not limited to, the following:

- Informing DWR of the decision to become a GSA more than 30 days after the decision was made in accordance with the required public hearing process.
- An incomplete map or insufficient information that clearly defines the local agency's service area boundaries with respect to the area of the basin or subbasin proposed to be managed as a GSA.
- No copy of a resolution or legal agreement forming the new agency.
- No copy of any new bylaws, ordinances, or new authorities adopted, if applicable.
- An incomplete list of interested parties developed pursuant to Water Code Section 10723.2.
- Submitting a GSA formation notification for a basin or portion of a basin where a local agency is already presumed to be the GSA.
- Deciding to become or form a GSA for an area that is outside the service area boundary of the local agency(s) forming the GSA.
- Forming a GSA outside the boundaries of a basin or subbasin defined in DWR's Bulletin 118.

Questions related to GSA notifications can be directed to DWR by contacting Mark Nordberg at Mark.Nordberg@water.ca.gov or calling 916-651-9673. Information is also located on DWR's GSA webpage at: <http://water.ca.gov/groundwater/sgm/gsa.cfm>.

Please e-mail your GSA formation notification and GIS shape files, and/or send via postal mail a hardcopy, to the following DWR staff:

Mark Nordberg, GSA Project Manager
Sustainable Groundwater Management Program
California Department of Water Resources
901 P Street, Room 213-B
P.O. Box 942836
Sacramento, CA 94236

DWR Region Office Groundwater Contact
<http://water.ca.gov/groundwater/gwinfo/contacts.cfm>
Bill Ehorn, Northern Region
Bill Brewster, North Central Region
Dane Mathis, South Central Region
Tim Ross, Southern Region



ATTACHMENT A
**PROCESS FOR REVIEWING COMPLETE GSA NOTIFICATIONS –
ADDRESSING OVERLAPPING GSAS AND SERVICE AREA BOUNDARIES**

Note: The amendments to SGMA provided by Senate Bill 13 will be retroactively applied to GSA formation notifications already submitted to DWR.

1. DWR receives a GSA formation notification (notification) from a local agency(s).
2. DWR reviews the notification for completeness.
 - a. If incomplete, the local agency(s) is contacted and the notification is not posted. DWR informs the local agency(s) of the reason(s) for being determined incomplete.
 - b. If complete, the notification is posted on DWR's GSA Formation Table within 15 days.
3. Complete GSA notifications are posted with (1) the posting date and (2) a date that indicates the posting-date-plus-90-calendar-days. This is the active 90-day period.
 - a. The GSA area submitted with the notification is included on DWR's GSA Interactive Map after DWR Region Office staff determines the suitability of the GIS shape files. The area included as a shape file must match the area depicted in the notification.
4. If no other local agency(s) submits a notification within the 90-day period in all or a portion of the same basin area, the local agency(s) that submitted the notification will become the "presumed" GSA for the area claimed within the service area of the local agency(s).
 - a. Status as "presumed" GSA will be indicated on the GSA Formation Table and the area claimed by the GSA will be distinctly colored on the GSA Interactive Map.
 - b. If any other local agency(s) submits a notification for all or a portion of an area managed by a "presumed" GSA, DWR will determine that notification to be incomplete and will contact that local agency(s).
5. If another local agency(s) submits a complete notification within an active 90-day period, and that notification results in an overlap in all or a portion of the same area of an existing notification, then:
 - a. The notification will be included on the GSA Formation Table with a posting date.
 - b. The column with the posting-date-plus-90-days date for all affected notifications will be replaced with "overlap" to indicate a GSA formation overlap.
 - c. The GIS shape files on the GSA Interactive Map for all affected notifications will be labeled with a color that clearly indicates GSA formation overlap.
6. All local agencies that are affected by overlapping notifications will remain in overlap status until the conditions stated in Water Code Section 10723.8(c) are met.
 - a. "Presumed" designation of a GSA will not proceed unless conflicting notifications are withdrawn or modified to eliminate any overlap in the areas proposed to be managed.
7. If agreement is reached involving a material change from the information in the posted notice, a new notification shall be submitted in accordance with Water Code Section 10723.8(a) and the notification will be reviewed and posted by DWR as described in this process.
 - a. A material change includes, but is not limited to: a GSA boundary revision; a change of local agencies forming the GSA; or a consolidation of local agencies or proposed GSAs through a JPA or MOA or other legal agreement.
8. If overlapping GSA formation notifications exist in a basin after June 30, 2017, then that basin is subject to probationary status by the SWRCB per Water Code Section 10735.2. In addition, the groundwater extraction reporting requirements in Water Code Section 5202 *et seq.* apply to the portions of that basin where local agencies have not been determined "presumed" GSAs.

AGENDA ITEM 7: OMOCHUMNE-HARTNELL WATER DISTRICT

BACKGROUND:

At the September 9, 2015 Board meeting Omochumne-Hartnell Water District (O-H) staff and counsel indicated to the Groundwater Authority that they wished to form their own separate Groundwater Sustainability Agency (GSA). During the presentation it became clear that the O-H Board had not yet made any formal decision on how they wished to proceed relative to forming a GSA. O-H staff is here today to report on the activities of their Board relative to GSA formation and SGMA compliance since the September 9, 2015 Groundwater Authority Board meeting.

STAFF RECOMMENDATION:

Action: Information update.

AGENDA ITEM 8: ON-CALL SERVICE CONTRACT EXTENTION WITH GEI FOR SUPPORT RELATED TO SGMA COMPLIANCE

BACKGROUND:

With the State of California's promulgation of the 2014 Sustainable Groundwater Management Act (SGMA), SCGA is seeking technical support, representation in public forums, and effective communication with the State Department of Water Resources (DWR) for forming a Groundwater Sustainability Agency (GSA), and developing a Groundwater Sustainability Plan (GSP).

On June 19, 2015, SCGA entered into a contract agreement with GEI (Contract No. 94167) for the initial stage of work to form a GSA. The budget for this contract is \$50,000. Since then, GEI has been actively working with staff in identifying the potential boundaries for future GSA, conducting SGAMA meetings, preparing materials for outreach and for SCGA board meetings, developing strategies and timeline for SCGA to become a GSA. While these efforts are still ongoing and will continue until June 30, 2017, some work related to preparing a GSP may also be performed during this period. The work includes Joint Power Agreement (JPA) revision, financial sustainability evaluation for the future GSA, assessment of adequacy of the existing SCGA's Groundwater Management Plan (GMP) in addressing the SGMA's requirements for a GSP, preparation of grant application, and ultimately the GSP development. Given the amount of the work and remaining budget for the service contract with GEI, it is expected that there will be an immediate need for additional professional consulting service.

On May 13, 2015, SCGA adopted the budget for 2015/16 fiscal year that earmarked \$180,000 for consulting service related to SGMA compliance. Per SCGA's Architectural and Engineering Services Selection Policy (Policy No. 300.2), any consulting service that would cost more than \$50,000 would 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.

However, the Board 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.

Based on GEI's extensive initial work performed under the current service contract, GEI has demonstrated that all these three criteria are met. Therefore, staff is recommending

Sacramento Central Groundwater Authority Board Meeting
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that the Board authorize the Executive Director to extend the current service contract with an additional budget of \$180,000.

STAFF RECOMMENDATION:

Action: Authorize the Executive Director to extend the current service contract with GEI (Contract No. 94167) with an additional budget of \$180,000 .

AGENDA ITEM 9: MEETINGS OF THE BOARD

BACKGROUND:

Section 3.09(b) of the Rules of Procedure set the schedule of Board meetings. According to this Section Board meetings will be held on the second Wednesday of odd numbered months. Because of issues related to SGMA and preparations for filing as a GSA, the Groundwater Authority Board may need to meet in December.

STAFF RECOMMENDATION:

Action: Approve a deviation from Section 3.09(b) of the Rules of Procedure and set the date of December 9, 2015 as the next meeting date. If this meeting is found to be unnecessary staff is authorized to provide a notification canceling said meeting.

AGENDA ITEM 10: EXECUTIVE DIRECTOR'S REPORT

- a) Government Affairs Update
- b) Financial Reports

November 4, 2015

TO: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY BOARD

FROM: DARRELL ECK

RE: EXECUTIVE DIRECTOR'S REPORT

- a) **Government Affairs Update** – There are numerous bills that have been introduced in the legislature that would amend the Sustainable Groundwater Management Act or otherwise change water law. The Regional Water Authority is tracking bills that relate to local and regional issues. A summary of tracked bills (groundwater and otherwise) is attached and can be found at rwah2o.org.
- b) **Financial Reports** – The financial reports for the period ending September 30, 2015 is attached.

Sacramento Central Groundwater Authority

Income Statement

Year-to-Date Performanace, September 2015

		<i>Annual Budget</i>	<i>(plus Encumbance) 30-Sep-15</i>	<i>YTD 30-Sep-15</i>	<i>% Annual Budget</i>
REVENUES					
Interest Income	\$	(2,905)	\$	-	0.0%
Contributions	\$	210,423	\$	236,962	112.6%
State Aid - Other Misc. AB 303 Grant Revenue (\$249,964)	\$	29,000	\$	32,630	112.5%
	\$	-	\$	-	
TOTAL REVENUES	\$	236,518	\$	269,592	114.0%
GROSS PROFIT	\$	236,518	\$	269,592	114.0%
EXPENDITURES					
<i>Office Expenses</i>					
Insurance - Liability	\$	6,000	\$	-	0.0%
Membership Dues	\$	150	\$	-	0.0%
Office Supplies/Postage	\$	150	\$	-	0.0%
Sutotal Office Expenses	\$	6,300	\$	-	0.0%
<i>Staff Expenses</i>					
Business Conference	\$	1,500	\$	-	0.0%
Legal Svcs 124146	\$	12,000	\$	-	0.0%
AFS acctg svcs	\$	2,000	\$	902	45.1%
Water Supply-Labor (W) - WR Staffing for SCGA 22246	\$	265,000	\$	52,205	19.7%
Water Supply-Labor (W) - WR Staffing (Admin & Finance) for SCGA 22587	\$	11,000	\$	187	1.7%
Subtotal Expenses	\$	291,500	\$	53,294	18.3%
<i>Professional/Consultanting Services Expenses</i>					
Accounting & Financial Svcs.	\$	9,000	\$	-	0.0%
RMC Water and Env (BMO #2 and Recharging Map)	\$	79,000	\$	85,943	108.8%
GEI Consultants Inc (SGMA Assitance)	\$	50,000	\$	23,142	46.3%
Other Professional Svcs	\$	245,000	\$	-	0.0%
Subtotal Professional/Consulting Services Expenses	\$	383,000	\$	109,084	28.5%
TOTAL EXPENDITURES	\$	680,800	\$	162,379	23.9%
OPERATING INCOME (LOSS)	\$	(444,282)	\$	107,213	-24.1%