

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

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

**1. CALL TO ORDER AND ROLL CALL**

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 at the point designated during consideration of that item.

**3. STATUS REPORT**

- Status report on on-going activities.  
*Recommended Action: Information item.*

**4. SCGA FUNDING**

- Discuss current funding structure and possible future alternatives.  
*Recommended Action: Information item.*

**5. ACTION ITEMS/NEXT STEPS/ASSIGNMENTS**

**ADJOURNMENT**

**Upcoming meetings –**

**Next SCGA Board of Directors Meeting –** Wednesday, January 13, 2016, 9:00 am; SASD Valley Oak Community Room

Attachment 3a

County of Sacramento BOS  
Report

**SACRAMENTO COUNTY WATER AGENCY  
CALIFORNIA**

For the Agenda of:  
November 10, 2015  
2:00 PM

To: Board of Supervisors

From: Department of Water Resources

Subject: Adopt Sacramento County Groundwater Management Principles To Ensure Local Compliance With The Sustainable Groundwater Management Act Of 2014

Supervisory  
District: All

Contact: Michael Peterson, Director, 874-8913

**Overview**

On September 16, 2014, the California Legislature signed the Sustainable Groundwater Management Act (SGMA) into law. SGMA provides a framework for sustainable management of groundwater by local water supply, water management, and land use agencies. The framework includes a process for the establishment of Groundwater Sustainability Agencies (GSA) and development of Groundwater Sustainability Plans (GSPs) to manage groundwater to meet compliance under SGMA. This item will present information on the requirements under SGMA, current and future SGMA related actions by local agencies, applicable deadlines, the role of the County under SGMA and potential future actions needed. In addition, staff will present proposed groundwater management principles related to SGMA for Board of Supervisor consideration that will help guide County involvement and response to the formation of GSAs within Sacramento County.

**Recommendations**

1. Approve the attached resolution defining the County's groundwater management principles.

**Measures/Evaluation**

Not applicable to this agenda item.

**Fiscal Impact**

There is no fiscal impact associated with this item. However, Water Resources staff and technical resources are being directed toward SGMA related activities as the County engages with local stakeholders and agencies in the establishment and implementation of GSAs and GSPs required under SGMA. As subsequent required Board actions or approvals are identified in the future staff will bring them before the Board for consideration.

## **BACKGROUND**

In 2000, Sacramento County and 34 other regional water stakeholders signed the historic Water Forum Agreement which included a Groundwater Management Element. The Groundwater Management Element identified management goals for three of the four groundwater sub-basins located within the County (Attachment 1; sub-basins are defined by State Department of Water Resources report “Bulletin 118” last updated in 2003) including a determination of the long-term average sustainable yield of the groundwater for each of these sub-basins.

The Water Forum effort also led to the formation of two Joint Powers Authority (JPA) groundwater management entities, described below:

- In 2000, the Sacramento Groundwater Authority (SGA) was formed to manage groundwater in the North American groundwater sub-basin. SCWA is a member of the SGA Board.
- In 2006, the Sacramento Central Groundwater Authority (SCGA) was formed to manage groundwater in the South American groundwater sub-basin. The County is a member of the SCGA Board.

Separate from the Water Forum process, the Southeast Sacramento County Agricultural Water Authority (Ag Authority) formed as a JPA in 2002. The Ag Authority members are the Omochumnes-Hartnell Water District (OHWD), Galt Irrigation District and Clay Irrigation District. While the collective Ag Authority member districts are primarily located within the Cosumnes sub-basin the Ag Authority does not cover the entirety of the sub-basin. Additionally, a portion of OHWD overlaps into the South American sub-basin and as such OHWD is also a member of SCGA. Neither the County nor SCWA are members of the Ag Authority.

The Delta region of the County is included within the Solano sub-basin. The characteristics of groundwater in this area are unique compared to the rest of the County. The adjacent Sacramento and San Joaquin rivers create a very direct influence on groundwater elevations in the Delta. These conditions, as well as other factors related to land use in the Delta within Sacramento County, have so far not required or triggered an effort to establish formal groundwater management here.

On September 16, 2014 the California Legislature enacted the Sustainable Groundwater Management Act of 2014 (SGMA) providing comprehensive legislation aimed at strengthening local control and management of groundwater basins throughout the state. SGMA provides a framework for sustainable management of groundwater by local water supply, water management, and land use agencies (collectively identified as local agencies) within Bulletin 118 groundwater sub-basins, unless those sub-basins are modified in accordance with SGMA provisions. This framework provides a timeline, tools, authorities, and deadlines necessary to implement sustainable groundwater management (Attachment 2). Should these efforts fail, the legislation provides for the County or state to intervene to ensure sustainable management of groundwater.

## **DISCUSSION**

**Establishing Groundwater Sustainability Agencies (GSAs)** - The first step towards achieving compliance under SGMA for any groundwater sub-basin is the establishment of one or more Groundwater Sustainability Agencies (GSAs) to govern groundwater management for that basin. Any local water management entity within a sub-basin can self-declare intent to become a GSA for all or a portion of a groundwater sub-basin and submit such intent to the Water Board. However, the entity must also demonstrate to the Water Board that it has engaged in adequate outreach to other stakeholder entities. If multiple GSAs are established within a single sub-basin, SGMA requires that each of the individual GSAs coordinate with other GSAs within that same sub-basin through formal coordinating agreements.

**Developing Groundwater Sustainability Plans (GSPs)** - Once established, a GSA or group of GSAs, must develop and implement a Groundwater Sustainability Plan (GSP) for the sub-basin that achieves sustainability by 2040. A GSP describes the sub-basin conditions, identifies necessary programs and processes, and provides the overall framework for a GSA to achieve sustainable groundwater management within a specific sub-basin. Additionally, SGMA would require that the multiple GSAs jointly develop a single GSP for an entire sub-basin or ensure that their respective GSPs are linked such that as a whole they demonstrate sustainability over the entire sub-basin in accordance with SGMA. SGMA defines sustainability in general terms as avoidance of the following undesirable results:

- Seawater intrusion
- Water quality degradation
- Reduction of storage
- Lowering of groundwater elevations
- Surface water depletion
- Land subsidence.

In this process of developing and implementing a GSP the GSA must collaborate and coordinate with affected Land Use Agencies. This is critical as SGMA establishes a strong interdependence between local land use decisions and a supporting GSP.

**Implementation of GSPs** - Once GSPs are in place, the GSAs have 20 years to fully implement them and achieve sustainability goal. During this time GSAs ensure groundwater is managed in accordance with the established GSP. If necessary to ensure compliance and sustainability, the GSA need to exercise new authorities provided to GSAs under SGMA, including:

- Registration of wells and measurement of extractions
- Submission to the GSA of annual extraction reports
- Assessing fees to implement groundwater management plans
- Requesting (to the Water Board) revisions of basin boundaries, including establishing new sub-basins.

**SGMA in Sacramento County** – Within the four groundwater sub-basins overlying Sacramento there are varying levels of groundwater management currently in place. As a result the level of effort, complexity, and actions required in achieving SGMA compliance for each of the basins also differ. The following briefly summarizes SGMA activities within the sub-basins in Sacramento County:

Sacramento Groundwater Authority (SGA) - North American Sub-basin – SGA encompasses virtually the entirety of Sacramento County north of the American River. This same area also makes up the southern portion of the North American sub-basin. The North American sub-basin also straddles portions of Placer and Sutter Counties. SGA has been actively and successfully managing groundwater in the Sacramento County portion of the sub-basin since 2000. On October 8, 2015, the SGA Board took action to submit a notification of intention to become the GSA for the Sacramento County portion of the North American Sub-basin. Should that submittal be approved by the State, SGA will then pursue coordinating agreements with any GSAs that will be formed in the Sutter and Placer County portions of the sub-basin. Following that process, SGA will further work with the other GSAs to develop a comprehensive GSP for the entire basin.

Sacramento Central Groundwater Authority (SCGA) - South American Sub-basin – SCGA encompasses the central portion of Sacramento County bounded approximately by the American River, Grantline Road, Interstate 5, and the Sacramento River. The South American sub-basin overlies a similar but slightly larger area. The sub-basin is entirely within Sacramento County however the current SCGA boundary does not align exactly with the sub-basin boundary. SCGA is considering amendment of its JPA to align its jurisdictional boundaries to be congruent with the South American Sub-basin. The SCGA Board is also likely to take action to submit a notification of intention to become a GSA within the South American Sub-basin. There is also one member of SCGA (OHWD) that indicates it may apply to be an independent GSA strictly over its own district boundary, which straddles both the South American Sub-basin and the Cosumnes Sub-basin.

Cosumnes Sub-basin – Several groundwater interests are active in the Cosumnes Sub-basin. These interests share the Cosumnes Sub-basin with northern San Joaquin County and western Amador County. Historically, the Ag Authority has been the most active groundwater management entity in the part of the sub-basin within the County. There have been ongoing discussions about revising the existing Ag Authority joint powers authority agreement to include the County, the City of Galt, and the Sloughhouse Resource Conservation District. These discussions stalled in mid-2015, and Ag Authority entities and Sloughhouse Resource Conservation District most recently debated the concept of developing at least four independent GSAs within the sub-basin. Discussions within San Joaquin County indicate an interest in a jurisdictional boundary adjustment for the sub-basin at Dry Creek to align with the Sacramento County/San Joaquin County border.

Solano Sub-basin – The County Delta area is part of the Solano Sub-basin which also includes portions of Solano and Yolo counties. While there are groundwater interests in this portion of the County there is no active groundwater management. Staff has been in contact with interests both in Solano and the County regarding possible GSAs in this sub-basin. The Solano and Yolo county interests have proposed separating the Sacramento County Delta area from the Solano Sub-basin, while other interests would like a GSA that is inclusive of the County Delta area and portions of Solano and Yolo counties.

**Milestones for Achieving Sustainability** – SGMA establishes a series of milestone deadlines that must be met on the path to sustainability. The deadlines differ slightly depending on the priority assigned to the sub-basin by the Water Board and whether or not it has been deemed in “Critical Overdraft”. Throughout the entire process of achieving sustainability it is essential that groundwater basins avoid being designated as “probationary” by the Water Board. Failure to meet any of the milestones puts a groundwater sub-basin at risk of falling into probationary status. Falling into probationary status may trigger the County or Water Board being forced to intervene.

Sustainability Timeline

Milestone	High- and Medium-Priority Basins in “Critical Overdraft”	High- and Medium-Priority Basins Not in “Critical Overdraft”*	Event potentially triggering probationary status
Formation of GSA	June 30, 2017		Failure to form GSA structure by deadline
Adoption of GSP	January 31, 2020	January 31, 2022	Failure to adopt GSP by deadline; or, adopted GSP found to inadequate after deadline
Achievement of Sustainability	2040	2040	Failure to achieve sustainability

\* Note: The sub-basins overlying Sacramento County are High- and Medium- Priority, Not in “Critical Overdraft”.

**Future County Engagement in Regional SGMA Compliance** – Given the strong connection between land use decisions and sustainable groundwater management established by SGMA, the County has a vested interest in the development and implementation of successful and viable GSAs and GSPs. To facilitate County engagement with other groundwater entities, particularly where no existing groundwater management structure currently exists, staff is asking that the Board of Supervisors adopts a set of groundwater principles to guide staff and actions moving forward.

The proposed groundwater principles are as follows:

1. The County endorses the establishment of a single GSA within any portion of a sub-basin located within Sacramento County as the most efficient governance structure to manage resources, coordinate with affected Land Use Agencies and be accountable for all aspects of SGMA compliance.
2. The County desires to be a full member of any GSA formed within the County.
3. The County supports maintaining the existing groundwater sub-basin boundaries as established by Bulletin 118.

These proposed principles are intended to support the establishment of most effective governance structures for implementing SGMA, facilitate compliance with SGMA deadlines in a timely manner, and ensure that the burden of compliance with SGMA is shared equitably between the County and its partners within each sub-basin.

Moving forward the Water Board will continue to provide more details and clarity related to the implementation of SGMA and achieving sustainability. Additionally, stakeholder engagement will continue to increase as actions are taken to establish GSA within the County. As this process continues to unfold, Water Resources will provide report back to your board and seek additional direction as needed to ensure that the County is fully engaged in regional SGMA compliance.

**FINANCIAL ANALYSIS:**

There is no fiscal impact associated with this item. Compliance with SGMA will require significant allocation of staff and technical resources in the future, but those costs will be identified, budgeted, and brought before the Board as program requirements become better defined. The SCWA Zone 13 Fiscal Year 2015-16 Budget accommodates the funding for current groundwater activities.

Respectfully submitted,

\_\_\_\_\_  
MICHAEL L. PETERSON, Director  
Department of Water Resources

APPROVED:  
BRADLEY J. HUDSON  
County Executive

By: \_\_\_\_\_  
ROBERT B. LEONARD  
Chief Deputy County Executive

Attachments: Resolution  
ATT 1 Map of County Sub-basins  
ATT 2 SGMA Compliance Timeline



**AGENDA ITEM CONTINUATION**  
**MEMO**

**MEETING DATE:       NOVEMBER 10, 2015**

**TITLE:                   ADOPT SACRAMENTO COUNTY  
GROUNDWATER MANAGEMENT  
PRINCIPLES TO ENSURE LOCAL  
COMPLIANCE WITH THE SUSTAINABLE  
GROUNDWATER MANAGEMENT ACT OF  
2014 (WATER RESOURCES)**

**BOARD ACTION:       PRESENTATION WAS MADE AND  
CONTINUED TO MARCH 8, 2016 AT 2PM**

**MATERIAL FORWARDED**

**COUNTY OF SACRAMENTO**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION ADOPTING SACRAMENTO COUNTY GROUNDWATER  
MANAGEMENT PRINCIPLES TO ENSURE LOCAL COMPLIANCE  
WITH THE SUSTAINABLE GROUNDWATER MANAGEMENT  
ACT OF 2014**

**WHEREAS**, on September 16, 2014, the California Legislature signed the Sustainable Groundwater Management Act (SGMA) into law;

**WHEREAS**, SGMA provides a framework for sustainable groundwater management by local water supply, water management and land use agencies (hereinafter identified as “local agencies”);

**WHEREAS**, SGMA allows for flexibility in groundwater management, but requires coordination between local agencies and interested parties in the formation of groundwater sustainability agencies (GSA) followed by the development and implementation of groundwater sustainability plans (GSP);

**WHEREAS**, SGMA requires close coordination between Land Use Agencies and GSAs for the development and implementation of GSPs;

**WHEREAS**, SGMA presumes that Sacramento County (County) will manage areas not governed by a GSA by July 1, 2017;

**WHEREAS**, SGMA also provides for involvement by the State Water Resources Control Board should local agencies or the County fail to develop or sustain an appropriate GSA;

**WHEREAS**, the County has an interest in ensuring that effective sustainable groundwater management programs are established in compliance with the requirements of SGMA;

**WHEREAS**, County staff have been participating in local agency efforts involving the four subbasins located within the County;

**WHEREAS**, County staff recommend that the Board of Supervisors adopt Groundwater Management Principles to help guide decisions and actions moving forward to comply with SGMA;

**NOW, THEREFORE, BE IT RESOLVED** The Sacramento County Board of Supervisors adopts the following Groundwater Management Principles (Principles) to guide County staff actions with respect to groundwater management moving forward.

1. The County endorses the establishment of a single GSA within any portion of a subbasin located within Sacramento County as the most efficient governance structure to manage resources, coordinate with affected Land Use Agencies and be accountable for all aspects of SGMA compliance.
2. The County shall be a full member of any future GSA formed within the County.
3. The County supports maintaining the existing groundwater sub-basin boundaries as established by State Department of Water Resources report "Bulletin 118".

On a motion by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this 10th day of November, 2015, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

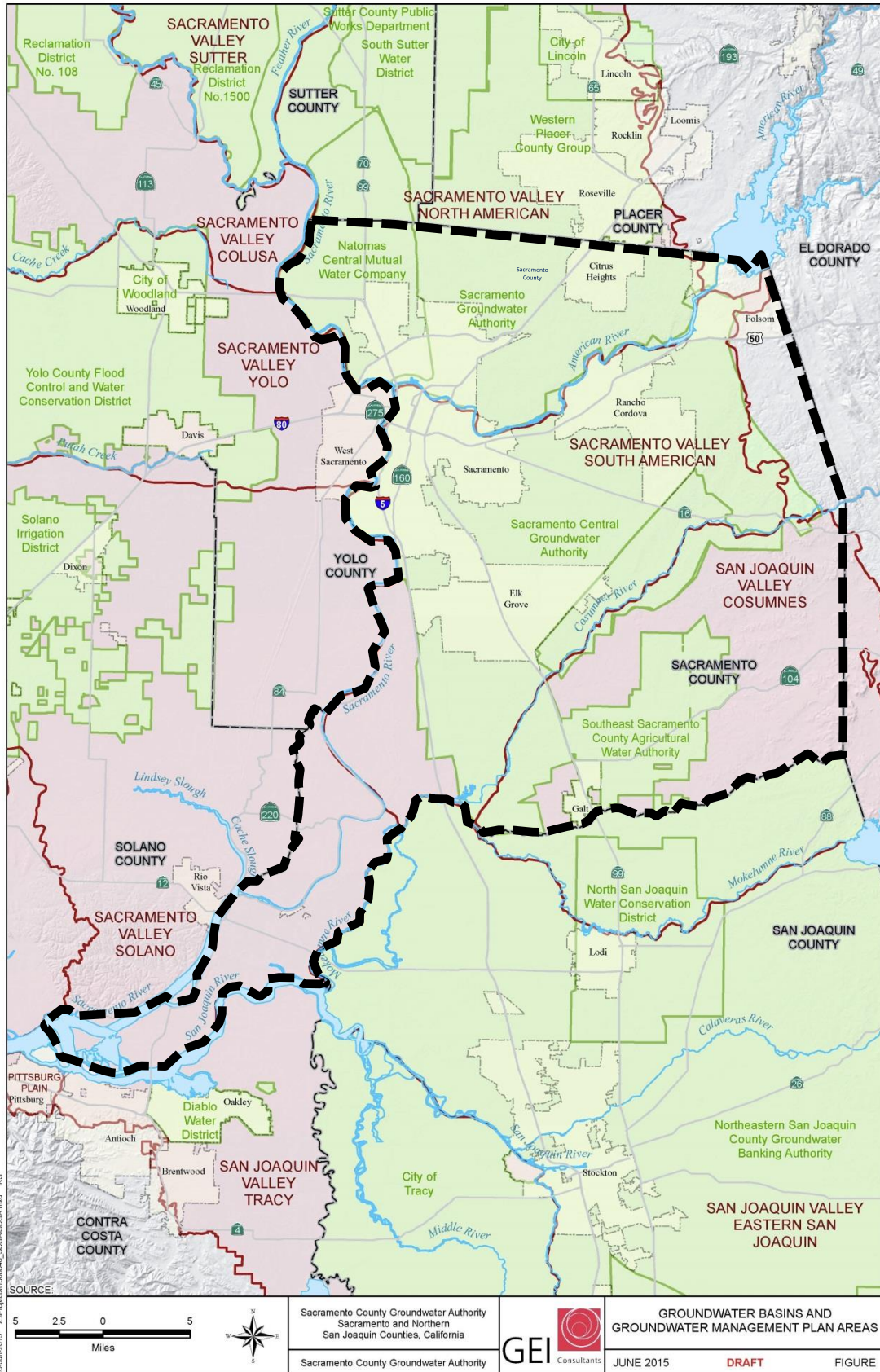
RECUSAL: Supervisors,  
(PER POLITICAL REFORM ACT (§ 18702.5.))

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Chair of the Board of Supervisors  
of Sacramento County, California

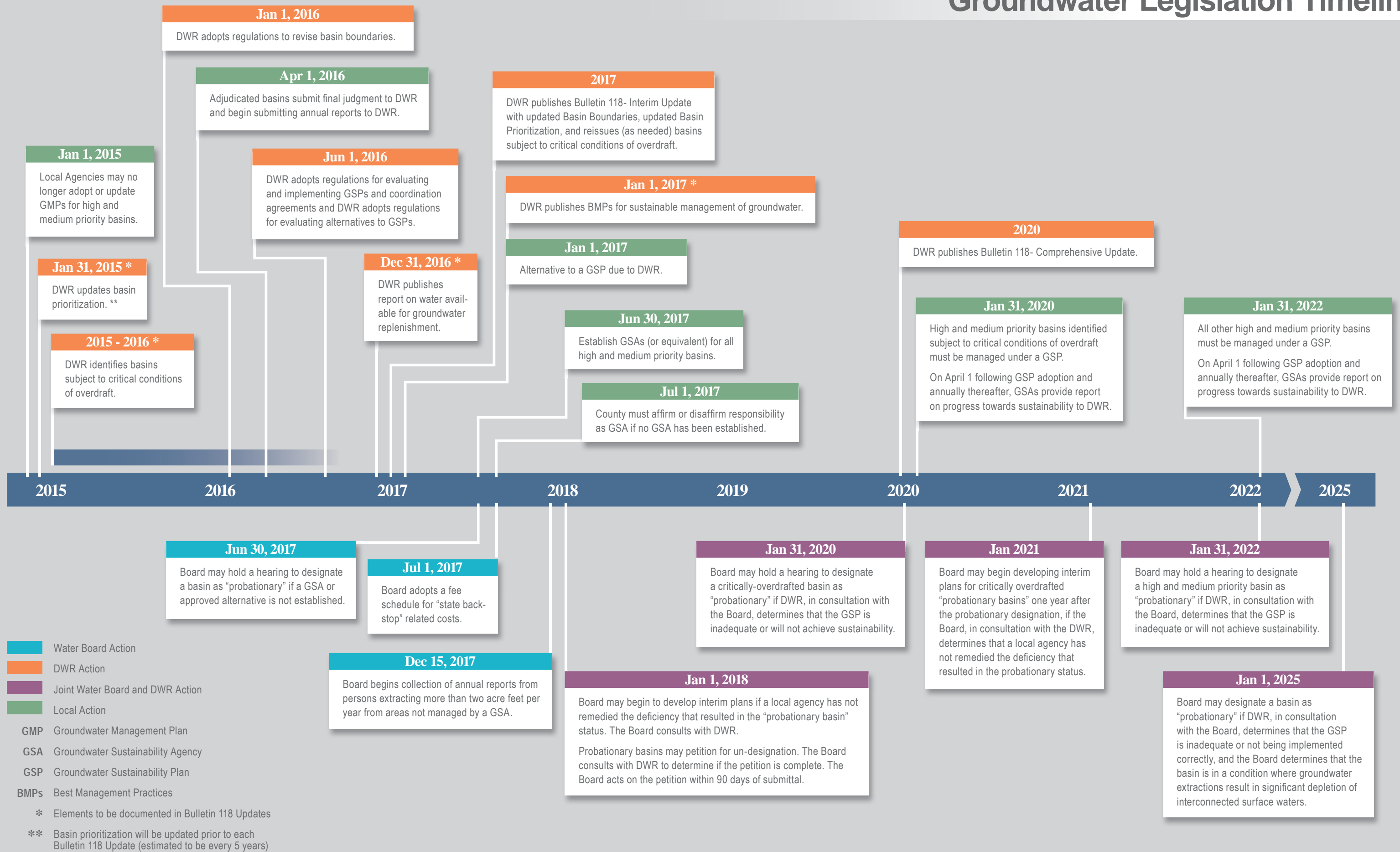
(SEAL)

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors



10-Jun-2015 2:10 PM Z:\Projects\160640\_SCO\ASCOA.mxd RS

# Groundwater Legislation Timeline



Attachment 3b  
Regional Activities

# GROUNDWATER UPDATE

December 16, 2015

## Delta –

- North Delta Water Agency
  - The North Delta Water Agency Board met on December 9, 2015; the next regularly scheduled meeting is February 10, 2016 but a special meeting has been scheduled for January 6, 2016 focused on SGMA issues
  - There is not a clear nexus for North Delta Water Agency to participate
  - Boundary line modification is a distraction to completing work on GSA; North Delta Water Agency should support maintaining the Solano Subbasin boundary at this time
  - Erik Ringleberg introduced LAND's proposal and suggested a two-step process
    - Link all RDs together through a MOU (for the purpose of forming a GSA)
    - Pursue a boundary change adjustment through DWR (ultimately changing the basin priority to low)
  - The Board indicated that there are many questions that still need to be resolved; indicated a desire to keep open communication with Sacramento County on this issue
  - Formed subcommittee to provide a recommendation on signing the proposed Solano MOU; report back at special meeting scheduled for January 6, 2016

## Cosumnes –

- Omochumne-Hartnell Water District
  - Board meeting held December 3, 2015 (not attended); items on the agenda included:
    - Review of SSCAWA meeting and decisions of October 20, 2015
    - SCWA
      - Overlapping service area
      - Concerns expressed by SCWA regarding O-H application for GSA

- BOS meeting of November 10, 2015
  - Boundary change adjustment
    - Request
    - Selection of consultant
  - Next Board meeting scheduled for January 19, 2016
- Sloughhouse RCD
  - Board meeting held December 8, 2015
    - No meeting agenda posted at meeting location
    - Amanda Platt met with Amador Valley and Jackson Valley Irrigation Districts regarding SGMA; just starting to familiarize themselves with SGMA; interested in coordinating with Sloughhouse; not aware of any other activities related to SGMA in Amador County
    - Sloughhouse RCD to have monthly meetings beginning in January 2016
    - Sloughhouse RCD to partner with O-H on contract to relocate Bulletin 118 boundary; mentioned coordination with SCGA on boundary adjustment
    - Sloughhouse RCD to conduct public hearing in January 2016 to submit NOI for GSA formation; appears it will be held the week of January 11, 2016; hearing is planned to take place at the Wilton firehouse
    - Ron Lowry in commenting on the 2x2 meeting requested by SCGA stated that “reconciliation between the two organizations was not at all likely.” Mr. Lowry went on to state that “SCGA membership is dominated by urban interests and that OHWD viewed itself as a rural/agricultural organization and needed to divest from SCGA in order to establish/maintain control in a manner consistent with the rural/ag community moving forward under SGMA.”
- SSCAWA
  - Board meeting scheduled for December 16, 2015 at 1:00 pm at the Herald Fire Station; items to be heard:
    - Report on actions:
      - BOS meeting of November 10, 2015
      - Sloughhouse RCD
      - Other actions



- Straw man proposal on governance structures and costs
- North San Joaquin Irrigation District and San Joaquin County boundary change proposal
  - Possibility of either or both entities joining the JPA

SGA –

- Board meeting held December 10, 2015
- John Woodling commented on the submission of SGA's Notice of Formation to become a GSA; he commented that he didn't expect any competing GSAs to be filed
- John Woodling presented his opinion on the direction GSP regulations currently being developed by DWR were heading
- SGMA Implementation Workshop scheduled for January 27, 2016

Attachment 3c  
Counsel Report

**COUNTY OF SACRAMENTO**  
**OFFICE OF THE COUNTY COUNSEL**

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December 11, 2015

**To:** SGMA Subcommittee,  
Sacramento Central Groundwater Authority

**From:** Sarah A. Britton  
Deputy County Counsel

**Subject:** Sacramento Central Groundwater Authority Joint Powers Agreement  
Revision

**ISSUE**

You requested our advice as to what powers the Sacramento Central Groundwater Authority Joint Powers Authority (SCGA) would lose if the current Joint Powers Agreement (JPA)<sup>1</sup> was revised to include, as signatories, the SCGA governing board entities that qualify as "local agencies" pursuant to the California Sustainable Groundwater Management Act (SGMA).

**ANSWER**

SCGA would lose the immediate use of a broad range of police, corporate, and taxation powers to accomplish the management and regulation of groundwater within its jurisdiction, including the broadest powers to cause taxes, assessments, fees or charges to be levied; require the permitting of groundwater extraction facilities; require the metering of such facilities; and to fix rates for services and set conditions for such services, if the current JPA was revised for its signatories to include the eligible SCGA governing board entities that qualify as "local agencies" pursuant to SGMA.

**DISCUSSION**

A joint powers authority is a separate, legally independent government organization established by two or more public agencies by agreement to jointly exercise any power common to the member agencies<sup>2</sup>. California law establishes that the power exercised by a joint powers authority "can be no greater than the powers shared by each of the agency's constituent members." (*Robings v. Santa Monica Mountains Conservancy*, 188 Cal. App. 4th 952, 962 (2010) (describing the "common powers' rule" applicable to joint power authorities); see Cal. Gov. Code § 6502 ("two or

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<sup>1</sup> 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, dated August 29, 2006.

<sup>2</sup> Cal. Gov. Code § 6500 et. seq "The Joint Exercise of Powers Act". Unless otherwise specified, all code section references shall be to the California Government Code.

more public agencies by agreement may jointly exercise any power common to the contracting parties”)). Put a different way, each of the joint powers agency’s constituent members must have the power to unilaterally perform what the agency performs.

The signatories to the current SCGA JPA are four cities and Sacramento County. The California Constitution grants cities and counties broad powers to make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general state laws<sup>3</sup>. This power is commonly referred to as the police power and allows cities and counties the authority to regulate private behavior to accomplish a public goal, including the management and regulation of groundwater. By contrast, special districts are created by state law. Special districts get their authority from an enabling statute that authorizes the district’s creation. Special districts have only those powers given to them by the Legislature, and typically do not have any police power. The SCGA may currently exercise broad police powers to fulfill its purposes as they are stated in the JPA. Revising the SCGA JPA to include special districts as signatories will reduce the common powers of SCGA to only those shared by the different special districts in their enabling statutes.

*A. A JPA may be established by public agencies, not private.*

The current members of the SCGA governing body are comprised of both public and private entities. A joint powers authority may only be established by public agencies, defined to include cities, counties, public corporations, and public districts<sup>4</sup>. Current SCGA representative interest groups<sup>5</sup> and the two investor-owned utility water companies<sup>6</sup> that comprise part of the SCGA governing board are not public agencies; thus these entities are not eligible to establish a joint powers authority.

*B. SCGA governing board public agencies share limited common powers.*

Remaining public agency members of the SCGA governing board possess a variety of statutory powers:

1. The Florin Resource Conservation District (FRCD) is granted the powers to control runoff, prevent or control soil erosion, develop and distribute water, and improve land capabilities<sup>7</sup>.

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<sup>3</sup> Cal. Const., art. XI, § 7

<sup>4</sup> Cal. Gov. Code § 6500

<sup>5</sup> Agricultural interest, agricultural-residential groundwater users, commercial/industrial self-supplied groundwater users, and conservation landowners are representative interest groups current holding membership on the SCGA governing board.

<sup>6</sup> The Golden State Water Company and the California-American Water Company are investor-owned utilities that currently hold membership on the SCGA governing board.

<sup>7</sup> Cal. Pub. Res. Code § 9151

2. The Omochumne-Hartnell Water District (OHWD) is granted the powers to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes, and any related drainage or reclamation works<sup>8</sup>.
3. The Rancho Murieta Community Services District (RMCS D) is granted the powers to supply water for any beneficial uses in the same manner as a municipal water district; collect, treat, or dispose of sewage, wastewater, recycled water, and storm water in the same manner as a sanitary district; plan, design, construct, improve, maintain, and operate flood protection facilities with specified consent; and various other municipal service functions<sup>9</sup>.
4. The Sacramento Regional County Sanitation District (SRCSD) is granted the powers to own, operate, control, manage, maintain, and construct a sewerage system and sewage disposal or treatment plan, or refuse transfer or disposal system, or both<sup>10</sup>.
5. The four cities and County possess broad corporate, tax, and police powers to build public works, run public service programs, raise money to pay for such works and service, and regulate the private behavior of their constituents to accomplish a public goal<sup>11</sup>.

Thus, each of the public agencies above, except SCRSD, share a common power to develop and distribute water that could include groundwater supplies.

However, the current SCGA JPA's purpose is to jointly exercise powers necessary and appropriate to regulate groundwater within the boundaries of SCGA. To effect this purpose, the SCGA JPA states it may, in part, cause taxes, assessments, fees or charges to be levied; require the permitting of groundwater extraction facilities; require the metering of such facilities; and to fix rates for services and set conditions for such services. These powers are not all shared by FRCD, OHWD, RMCS D, and the cities and County, and would not be available as common powers if the SCGA JPA were revised to include FRCD, OHWD and RMCS D as signatories.

*C. SCGA public agencies' latent power to become a GSA does not immediately authorize full use of SGMA authorities.*

Each of the aforementioned public agencies is also a "local agency" as defined in SGMA, and eligible therein to form a groundwater sustainability agency (GSA) overlying

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<sup>8</sup> Cal. Water Code § 35401

<sup>9</sup> Cal. Gov. Code § 61100

<sup>10</sup> Cal. Health & Safety Code § 4740

<sup>11</sup> Cal. Const., art XI

the groundwater basin of their service area<sup>12</sup>. A combination of local agencies may form a GSA by using a joint powers agreement, or a memorandum of agreement or other legal agreement. Water corporations or mutual water companies, like Golden State Water Company and California-American Water Company, will be able to participate in GSAs pursuant to memorandum of agreements or other legal agreements<sup>13</sup>; however, as discussed above, such privately owned utilities are not 'public agencies' that may form joint powers authorities.

SGMA grants GSAs powers to implement the substantive requirements of the act, in addition to the existing authorities of the local agency. However, a GSA may only exercise certain powers authorized by SGMA once the GSA has adopted and submitted a groundwater sustainability plan or similar alternative document.<sup>14</sup> Thus, while the above-listed public agencies each have the latent power to become a groundwater sustainability agency to implement SGMA, they do not each possess the full powers granted by SGMA until they 1) become a GSA, and 2) adopt and submit a groundwater sustainability plan or similar alternative document.

## CONCLUSION

SCGA would lose the immediate use of a broad range of police, corporate, and taxation powers to regulate private behavior to accomplish the management and regulation of groundwater within its jurisdiction, including the broadest powers to cause taxes, assessments, fees or charges to be levied; require the permitting of groundwater extraction facilities; require the metering of such facilities; and to fix rates for services and set conditions for such services, if the current JPA was revised to include as signatories the eligible SCGA governing board entities that qualify as "local agencies" pursuant to SGMA. This range of functions would not be available to SCGA as a GSA until SCGA adopted and submitted a groundwater sustainability plan or similar alternative document. Further, the private representative interest groups and investor-owned utility water companies that participate in SCGA are not eligible JPA signatories.



SARAH A. BRITTON

cc: Darrell Eck, Executive Director  
Sacramento Central Groundwater Authority

861583

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<sup>12</sup> Cal. Water Code § 10721, 10723

<sup>13</sup> Cal. Water Code § 10723.6

<sup>14</sup> Cal. Water Code § 10725

## Attachment 3d

Other Materials to be Provided  
at Meeting

## Attachment 4

# SCGA Funding Strategies



## SCGA Financial Analysis Using SGA Contribution Basis (DRAFT for Purposes of Discussion Only)

### 2015 Base Assumptions for SGA Model of SCGA

			Source
Ag/Ag-Res Pumping Discount		0.25	Keep SCGA % of Total Estimated Pumping
Minimum Number of Connections		6,000	SGA
Minimum Base Fee Added to Connection-Based Fee		\$ 8,000	SGA
Connection-Based Fee	\$/Conn	\$ 1.05	SGA
Purveyor GW Extraction-Based Fee	per AF	\$ 4.85	SGA
Agricultural/Ag-Res GW Extraction Fee	per AF	\$ 2.07	SCGA Ag/Ag-Res GW Extraction Fee

### Modified SCGA Membership Cost

Agency	Retail Water Connections (see below)	Base Fee	Groundwater Average (3 Yrs) Extraction, Acre Feet	Supplemental Groundwater Usage Fees	Proposed FY Total Estimated Fees	
City of Folsom	16,819	\$ 19,360	0	\$ -	\$ 19,360	
City of Rancho Cordova						
City of Sacramento	57,052	\$ 61,605	600	\$ 2,910	\$ 64,515	
City of Elk Grove						
County of Sacramento						
Elk Grove Water Service	12,815	\$ 15,156	5562	\$ 26,976	\$ 42,131	
Omochumne-Hartnell Water District						
Rancho Murieta CSD	2,033	\$ 8,000	0	\$ -	\$ 8,000	
Cal-Am Water Company	22,571	\$ 25,400	18211	\$ 88,323	\$ 113,723	
Golden State Water Company	15,384	\$ 17,853	6,356	\$ 30,827	\$ 48,680	
SCWA	55,247	\$ 59,709	22,773	\$ 110,449	\$ 170,158	
SRCSD						
Ag Interests			31,388	\$ 64,972	\$ 64,972	Existing Method
Ag-Res Interests			5,075	\$ 10,505	\$ 10,505	
<b>TOTALS</b>	<b>181,921</b>	<b>\$ 207,083</b>	<b>89,965</b>	<b>\$ 334,962</b>	<b>\$ 542,045</b>	<b>\$ 210,421</b>

Perc Base Fee 38%

**Consideration of Potential Additional Contributions Post SGMA**

Fruitridge Vista		\$ 8,000			
Florin County		\$ 8,000			
Tokay Park		\$ 8,000			
Additional Ag					
Adjusted Ag (without Cosumnes Basin and OH)					
Adjusted Ag-Res (without Cosumnes Basin and OH)					

**Agency to be Removed from SCGA**

OH					\$ -
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**Supporting Source Information**

		0.95	Conn/AF	1.05	AF/Conn
		3.00	capita/conn	2.70	capita/conn
<b>Cal-Am</b>	<b>2015 AFY</b>		<b>Connections</b>		
Parkway	10,915		10,376		
Security Park	97		92		
Suburban Rosemont	12,731		12,103		
Total			22,571		
	<b>2015 Population</b>	<b>Portion in SCGA</b>	<b>Connections</b>		
<b>City of Folsom</b>	67,275	0.75	16,819		
	<b>2014\15 Total Connections</b>	<b>Connections in SGA (N. of American)</b>	<b>SCGA Connections</b>		
<b>City of Sac</b>					
<b>South of American</b>	102,245	45,193	57,052		
	<b>2010 Conn</b>	<b>2015 Population</b>	<b>2015 Connections</b>		
<b>Elk Grove</b>	12,100	38,445	12,815		
<b>Rancho Murieta</b>	<b>2010 Population</b>		<b>2010 Connections</b>		
	5,488		2,033		
	<b>2015 Population</b>		<b>2015 Connections</b>	<b>AFY</b>	<b>capita/conn</b>
<b>Golden State</b>	49,000		15,384	17,984	3.19
	<b>2015 Population</b>		<b>2015 Connections</b>		
<b>SCWA</b>	165,741		55,247		

### Comparison of Total Contributions

