

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Final Minutes
March 12, 2008

LOCATION: 10545 Armstrong Avenue, Suite 101
Mather, CA 95655
9:00 a.m. to 11:00 a.m.

MINUTES:

1. Call to Order and Roll Call

Chair Scott Fort called the meeting to order at 9:02 a.m.

Roll call was taken and the following meeting participants were in attendance:

Board Members (Primary Rep.)

Anthony van Steyn, Agricultural Interests
Stuart Helfand, Agricultural-Residential
Rick Bettis, Conservation Landowners
Edwin Smith, Public Agencies Self-Supplied
Ronald Lowry, Omochumne-Hartnell Water District
Ed Crouse, Rancho Murieta Community Services District
Scott Fort, Golden State Water Company

Board Members (Alternate Rep.)

Clarence Korhonen, City of Elk Grove
Walter Sadler, City of Folsom
Albert Stricker, City of Rancho Cordova
Mel Johnson, City of Sacramento
Ruben Robles, Sacramento Regional County Sanitation District

Staff Members

Darrell Eck, Executive Director, Sacramento Central Groundwater Authority
Michelle Fiorino, Clerk, Sacramento Central Groundwater Authority
Sharon Andrews, Sacramento Central Groundwater Authority
Ramón Roybal, Sacramento Central Groundwater Authority
Ping Chen, Sacramento Central Groundwater Authority

Others in Attendance

Ali Taghavi, WRIME
Jose Ramirez, Sacramento Regional County Sanitation District

2. Public Comment

Chair Fort called for any public comment. No public comment was made.

3. Consent Calendar

The draft meeting minutes for the Board meeting held on February 13, 2008 and the Well Protection Program Subcommittee meeting held on February 28, 2008 were reviewed for final approval.

Motion/Second/Carried – Edwin Smith moved, by a second from Stuart Helfand to approve the minutes.

4. Performance Evaluation of the Executive Director

Chair Scott Fort called for volunteers to form a subcommittee to draft a performance evaluation process for the Executive Director and to complete an evaluation for presentation to the Board. Chair Fort and Ed Crouse volunteered for the subcommittee. Ruben Robles offered to provide an evaluation template for the subcommittee to use. Chair Fort to provide a date and time to staff for the subcommittee meeting so that it can be properly noticed.

5. Subcommittee Report/Workshop on Well Protection Program

Subcommittee Report/Updated Work Plan

Darrell Eck provided a summary of the items discussed at the Well Protection Program Subcommittee meeting held on February 28, 2008. The issues identified by the subcommittee should be considered by the Board during the workshop.

Outreach to City Councils/Board of Supervisors – The subcommittee discussed updates to the Well Protection Program Work Plan (see corresponding attachment) which includes the 60 day waiting period between adoption of the ordinance and when the fee can start being collected and the provision of time for Counsel to review changes to the ordinance. Another factor that could effect the Work Plan schedule is outreach to the City Councils and the Board of Supervisors.

Previous discussions in the Board workshop have indicated that the Well Protection Program ordinance may need to be presented in some form to the various City Councils and Board of Supervisors. Some at the subcommittee felt that this could possibly be handled as a consent item, but it was agreed that the representatives of the Cities and County need to decide how this information will be brought to their respective Councils/Board and then how this time factor will be folded into the Well Protection Program Work Plan schedule.

Eligibility – During the discussion of the registration process a question came up as to when a well was officially registered. The registration process is described in Section 2.25.020 of the draft Ordinance and is the same process that was used for the North Vineyard Well Protection Program. The registration process consists of two parts. First, staff mails out a “*Well Protection Program Eligibility Information*” form that a land owner then fills out and returns (see corresponding attachment). Second, receipt of the form then initiates a site visit

by staff which determines the functionality of the well and whether it meets the requirements for inclusion in the Well Protection Program. A question was raised as to what would happen if a well failed after the mailer was returned but before staff could verify the functionality of the well. One suggestion was that registration was effective once the mailer was returned and that the burden of proof rested on the well owner.

Eligible well – Stuart Helfand commented on providing a stricter definition for an eligible well. Stuart indicated that there are land owners in the Elk Grove area that have or had municipal water service but elected to drill their own wells to avoid the cost of water from their local service provider. Mr. Helfand stated that in his opinion these properties should not be eligible for protection as they opted out of municipal water service by choice. The purpose of the Well Protection Program is to protect those property owners that don't have a choice.

Clarence Korhonen asked if Elk Grove is the only area in the Central Basin where people have opted out of municipal water service or have drilled a well on their property to reduce their need for municipal water service. Mr. Korhonen stated that it may not be fair to excluded these people because the WPP may not be in place at the time they make the decision to forgo municipal service. Mr. Helfand responded that this situation was discussed during the Groundwater Forum process and thus has already been addressed.

Mel Johnson referred to the language requested by the City of Sacramento Attorney's Office regarding fee exemptions within the City, specifically the use of the word 'exclusively' in relation to a customer's use of the City's surface water supply system. Mr. Johnson explained that the language was designed to exempt only those customers receiving service from the City's municipal water system and to address a potential scenario where a customer may construct an on-site groundwater well in which case they would no longer qualify for the exemption. Walt Sadler suggested expanding fee exemptions to include other areas of the Central Basin, outside of the City of Sacramento, that may be served exclusively by surface water in the future. Mr. Sadler stated that there are plans for areas within the City of Folsom to be served by surface water although he acknowledged that the EIR for his SOI will most likely contain a dry year component calling for conjunctive use with groundwater thus nullifying these areas for qualification of a fee exemption. Mr. Johnson suggested adding language to the Fee Exemption section of the Draft Ordinance that would address the situation described by Mr. Sadler.

The Board reviewed and approved revised language submitted by City of Sacramento for Section 2.20.040 (B) (see corresponding attachment).

Walt Sadler proposed adding language to Section 2.20.040 (B) that would provide a fee exemption for any property in the basin that is served exclusively by surface water. After some discussion it was proposed that rather than revising Section 2.20.040 (B) that Section 2.20.040 (C) be added to the Ordinance. This Section would read as follows:

Any other property within the Central Basin that is served exclusively by a surface water supply system is exempt from paying the Well Protection Fee.

Ruben Robles asked about the difficulty level of identifying properties that will be served by surface water but that also possess an on-site well. Darrell Eck responded that it may be very

difficult. Albert Sticker pointed out that the language under the Fee Exemption provision had now gone from a very finite well described area within the City of Sacramento, to one that is more nebulous and uncertain considering the City of Folsom's water supply plans as well as those of Sacramento County Water Agency's Zone 40 conjunctive use plan. Mr. Sticker asked where these areas of future development to be served by surface water and thus exempted from the fee may occur. Chair Fort answered that there is no real way of predicting that right now but mentioned with the operation of the Freeport Project there may be areas within Zone 40 that would qualify for the fee exemption under this provision. Mr. Sadler stated that it is his understanding that the Freeport EIR contains a conjunctive use component and thus any area served by the project would not qualify for an exemption.

Workshop on Eligibility (Chapter 2.25) and Benefits (Chapter 2.30) (see corresponding attachment)

Scott Fort facilitated the Well Protection Program Workshop. The following changes to the draft Ordinance were approved by the Board. Added text is represented by *bold italics* and deleted text by ~~bold strikethrough~~.

2.25.010 Qualification

During the term of the Well Protection Program, any owner of land who owns and operates a well, *or wells, as a sole source of water supply* on a legal parcel which lies within the Central Basin Well Protection Program Area shown on the map attached hereto as Appendix 2 and made a part hereof, shall be eligible for benefits under the Well Protection Program, provided such owner registers such well.

2.25.020 Registration

A. The Authority shall provide timely ~~written~~ notice of the Well Protection Program to all owners of land within the Central Basin Well Protection Program Area and of the requirement to register his/her well in order to qualify for the payment of benefits hereunder. Each such owner shall be required to request registration of his/her well not later than ninety (90) days after the date of the first ~~written~~ notice *as determined by the Board*; failure to request registration of a well with the Authority within said time period shall disqualify any owner from receiving benefits hereunder ~~without exception~~, unless *specifically* approved by the Board.

Ron Lowry had a several questions regarding the number of fees that an individual can be charged if multiple building permits are pulled on their property (e.g., barn, accessory building, in-law quarters, etc.). Chair Fort suggested that Section 2.20.010 be discussed at the next meeting of the Well Protection Program Subcommittee and that recommendations for modifications to the language be brought back to the Board for their consideration. Anthony van Steyn suggested that only one fee per parcel should be assessed. Mel Johnson suggested adding the stipulation that the fee is to be applied to 'habitable' additions.

2.30.010 Payment of Benefit

Benefits from the Trust Fund shall be paid to the owner of an Eligible Well if said well fails

~~for any reason, other than casing failure and mechanical or electrical failure of the pump and/or motor, to provide sufficient water capacity for its intended purpose, as determined by a qualified inspector~~ due to declining *groundwater water* levels. †The Executive Director (or Appointed Designee) shall authorize payment from the Trust Fund to reimburse the owner of such Eligible Well an amount sufficient to restore said water capacity, but in no event more than the amount shown on Reimbursement Schedule for each such failed Eligible Well. The Authority has no additional obligation to ~~pay-reimburse~~ for well failure other than under the terms of this Ordinance.

2.30.020 Claim Requirement

Reasonable actions shall be taken to verify the loss of capacity of any Eligible Well; the cost of such verification shall be included in the administrative costs for the Well Protection Program. To be eligible for the benefit hereunder, the owner of an Eligible Well must submit a written claim to the Authority for such benefit not later than sixty (60) days after the cost of restoration is incurred. Verification of the cost of restoration may be evidenced by an affidavit from a ~~qualified~~ *licensed* inspector. The Executive Director (or Appointed Designee) will determine reimbursement eligibility within sixty (60) days of receipt of claim.

2.30.030 Total Benefit

Under this program, the Authority shall not ~~pay-reimburse~~ more than the amount shown on Reimbursement Schedule in Appendix 3 for any one Eligible Well. The Authority does not assume any liability and does not acknowledge that any well failure is caused in any manner or to any extent by ~~further~~ development in the Central Basin.

Ed Crouse asked if the Reimbursement Schedule is to be interpreted as a per event, or over the life of the program, benefit. Mr. Sadler responded that the Reimbursement Schedule places a total limit for any one well. Anthony van Steyn said that this shouldn't be an issue given that a well that may be lowered or replaced should be brought to a depth where it should be safe from any further decline in the groundwater table. Mr. van Steyn further stated that although it should not be an issue this should be clarified in the Ordinance.

Discuss Outreach Requirements for City Councils and Board of Supervisors

Staff requested direction from the Board on outreach to the individual City Councils and the County Board of Supervisors (BOS). After some discussion it was agreed that support for the fee needed to be obtained from the BIA prior to taking an item to the individual Councils and the BOS. In order to assist staff in determining what the cost will be, representatives of the individual cities agreed to provide administrative cost information to staff by the April 2008 Board meeting. Once the amount of the fee is determined staff can schedule a meeting with the BIA. Following the meeting with the BIA representative of the Cities and County can then move forward in taking the program back to their Councils/BOS. The general consensus was that the item would be a consent item containing a resolution of support for the Well Protection Program.

6. Executive Director's Report

Clerk of the Board – This Board meeting was the last for Michelle Fiorino as Clerk of the

Board. Members of the Board and those in attendance were asked to thank Michelle for her contributions through the start-up of the Authority. Sharon Andrews from the County Department of Water Resources was introduced to the Board and will assume the responsibilities of Clerk of the Board beginning in April 2008.

South Area Water Council – The second stakeholder meeting is scheduled for March 12, 2008 beginning at 5:30 pm at the Wilton Fire Protection District Community Room (see corresponding attachment for agenda and last month's meeting minutes).

WRIME Report for the Well Protection Program – WRIME has completed a draft of the Refined Impact Analysis for the Well Protection Program. WRIME will be reviewing the report with staff and discussion of the report will be on the agenda of the Well Protection Program subcommittee later this month. WRIME will be making a presentation to the Board on the report at the April 9, 2008 Board meeting.

7. Directors' Comments

Ed Crouse – Questions what the frequency is for financial reporting. Darrell Eck advised that a report was provided in January and should be done on a quarterly basis. A status report on the current budget will be made at the April Board meeting. Staff will also be requesting formation of a Budget subcommittee to discuss the 2008/2009 fiscal year budget.

8. Adjournment

With no further business to come before the Board, Chair Scott Fort adjourns meeting at 10:35 a.m.

By:

Scott D. Fort
Chairperson

4/9/08
Date

Attest:

Michelle Fiorino

4/9/08
Date