SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)

Governing Board Meeting Final Minutes September 12, 2012

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

Chair Paul Schubert called the meeting to order at 9:00 a.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Rick Bettis, Conservation Landowners Ron Lowry, Omochumne-Hartnell Water District Edwin Smith, Public Agencies Self-Supplied Dave Ocenosak, Sacramento Regional County Sanitation District Ed Crouse, Rancho Murieta Community Services District

Board Members (Alternate Rep):

Paul Schubert, Golden State Water Company
Jose Ramirez, Sacramento Regional County Sanitation District
Bruce Kamilos, Elk Grove Water District
Darren Wilson, City of Elk Grove
Todd Eising, City of Folsom
Jim Peifer, City of Sacramento
Forrest Williams, County of Sacramento

Staff Members:

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

Others in Attendance:

Ali Taghavi, RMC Dave Richardson, RMC Rob Swartz, RWA Rodney Fricke, Aerojet Corp. Mark Roberson, Water Forum SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Governing Board Meeting Draft Minutes – Page 2 September 12, 2012

Mark Salmon, Parsons Brinckerhoff Walt Sadler, HydroScience Engineers Inc.

Member Agencies Absent

City of Rancho Cordova Agricultural Interests Agricultural Residential California-American Water Company

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

The draft meeting minutes for the May 9, 2012 Board meeting were reviewed for final approval.

Motion/Second/Carried – Mr. Smith moved, seconded by Mr. Bettis, the motion carried unanimously to approve the all items. Mr. Williams abstained due to the fact he was not present at the May 9, 2012 meeting.

4. GROUNDWATER BANKING PROJECTS

Ali Taghavi and Dave Richardson from RMC presented the results of the Sacramento Regional County Sanitation District's (SRCSD) South County Ag Program. Mr. Richardson provided an overview of the study area which includes the Stone Lakes National Wildlife Refuge (17,880 acres) located to the west of the City of Elk Grove and extending to the Sacramento River, also included was the Elk Grove Sphere of Influence (SOI) (6,250 ac), and the South County Ag Area (18,270 ac) which is located immediately south of the Elk Gove SOI and extends to the Cosumnes River on the south and east and to Interstate 5 on the west. The entire study area encompasses approximately 42,400 acres. Mr. Richardson described the current land use within the study area as a mixture of agricultural uses, native vegetation, managed wetlands, riparian vegetation, and urban uses. Mr. Taghavi then discussed current water demands in the study area which includes groundwater and surface water and the potential for recycled water to meet some of these demands. Mr. Taghavi then discussed historic groundwater elevations in the study area and explained the baseline conditions utilized for modeling. Mr. Taghavi then described the potential effect the project could have on groundwater levels assuming changes in future agricultural groundwater use. Mr. Taghavi then proceeded to describe a series of scenarios being evaluated beginning with the "small project" scenario. Mr. Taghavi detailed the modeling results of the small project scenario on groundwater levels in the study area. In this case the modeling showed an increase in groundwater levels of approximately 20 feet from future baseline conditions. Mr. Taghavi also discussed groundwater recovery in areas adjacent to the Cosumnes River as a result of recycled water irrigation and the potential for direct recharge in areas adjacent to the

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Governing Board Meeting Draft Minutes – Page 3 September 12, 2012

Cosumnes River through the use of spreading basins. The spreading basin component would be in addition to the small project scenario. Mr. Taghavi then explained that there were three project scenarios being evaluated:

- 1) "Small Project" 22,000 AFY of replacement recycled water up to 27,000 AFY with utilization of a recharge pond (surface spreading).
- 2) "Medium Project" 29,000 AFY (34,000 w/recharge pond)
- 3) "Large Project" 48,000 AFY (53,000 w/recharge pond)

The potential benefits of the project were identified as follows:

- Reliable drought-proof water supply;
- Beneficial use of nitrogen in recycled water;
- Higher groundwater levels resulting in reduced pumping cost and longer pump life;
- Increased flows in the Cosumnes River; and
- Avoided wastewater discharges.

Mr. Richardson stated that the next steps for the project were to produce the draft and final Feasibility Study Report during the winter of 2012. He stated that SRCSD continues to seek support in their grant funding and planning efforts from SCGA. Dave Ocenosak discussed the capital cost component of the project stating that SRCSD assumed their treatment plant would be operating at full capacity relative to their NPDES permit. Mr. Ocenosak remarked that project costs were significant and that SRCSD hoped to utilize a future water accounting framework as a means to market water as a commodity.

Mr. Crouse remarked that the project's concept of placing water into a groundwater bank and then later to extract and sell that same water returning groundwater levels to baseline conditions did not make complete sense to him. Mr. Ocenosak concurred and added that many options were being investigated for the project area including providing recycled water to farmers during normal hydrologic years and then selling recycled water to downstream users during dry years when it would be a peak commodity; during the dry years farmers would rely on "banked" groundwater for irrigation purposes. Mr. Taghavi added that the specific analysis done for the project looked specifically at using recycled water in the south area of the basin but to remember that the overall water accounting framework would be much more complex, involving many projects that may affect the basin cumulatively or discretely.

Mr. Lowry commented that a majority of the agricultural irrigation season was only a couple of months in duration and wanted to know what would happen to the recycled water when it was not being used as replacement irrigation. Mr. Ocenosak replied that the water would be discharged to the Sacramento River as currently occurs.

Mr. Smith inquired about the ability to deliver recycled water to the north. Mr. Ocenosak replied that pumping the water is very expensive but that there were opportunities to supply parks and golf courses and possibly the SMUD co-generation plant but that it would require a significant investment.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Governing Board Meeting Draft Minutes – Page 4 September 12, 2012

Mr. Lowry asked about the long-term costs of the project. Mr. Ocenosak answered that a majority of the cost was in capital costs such as pumping and conveyance but that the supply would be there regardless.

Mr. Bettis wanted to know which of the project scenarios would ultimately be analyzed in a detailed report. Mr. Richardson replied that the completion of an economic analysis would determine which scenario is pursued more fully.

Mr. Crouse asked if there were any water districts to partner with in the area. Mr. Richardson responded that there were no water purveyors in the areas but that it may be feasible for one to be created or to gauge SCWA's interest in becoming a water retailer in the area.

Mr. Schubert inquired as to the timeframe of the project? Mr. Ocenosak said the timeframe for completion would be around 2020. Mr. Schubert asked if there were other known groundwater projects with a shorter timeframe ready for inclusion in a water accounting framework. Mr. Eck replied that SCWA's conjunctive use program could be counted as well as a potential project involving EBMUD. Mr. Eck said the purpose the current presentation was to gain an understanding of what the Sanitation District was thinking with regard to how an in-lieu groundwater banking program would be coupled with their recycled water project and ultimately how it might operate within the context of a Central Basin water accounting framework.

Mr. Schubert asked about the timeline for further discussion of the water accounting framework. Mr. Eck replied that there may be couple more presentations of proposed projects before formal discussions would begin in early 2013.

Mr. Peifer suggested that continued analysis of the Sanitation District's project should look at a broader responsibility for conveyance and other cost elements. He stated that the City of Sacramento was interested in utilizing recycled water but was not interested in being responsible for maintaining another distribution network. He suggested forming another governance body to oversee a recycled water conveyance system.

5. EXECUTIVE DIRECTOR'S REPORT

Local Groundwater Assistance (AB 303) – On July 13, 2012 the State Department of Water Resources (DWR) notified the Authority that the grant application for the upcoming Local Groundwater Assistance (LGA) Grant had been successfully submitted. The schedule for the grant is as follows:

- Review and preliminary ranking by DWR November 2012
- Technical Advisory Panel Public Meeting December 2012
- DWR approve grant awards January 2013

Election of Chair and Vice Chair 2013 – As a reminder, in accordance with Section 3.06(a) of the Rules of Procedure elections for the Chair and Vice Chair of the Board of Directors of

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Governing Board Meeting

Draft Minutes – Page 5

September 12, 2012

the Sacramento Central Groundwater Authority for calendar year 2013 will take place at the November 14, 2012 Board meeting.

Nominations and Appointments to the SCGA Board – The following is a status report on nominations and appointments to the Board.

Nominations and/or appointments that are complete:

- Appointments Expiring August 21, 2016
 - Sacramento County
 Don Nottoli, Board Member
 Forrest Williams, Alternate

Nominations (Appointment scheduled for September 25, 2012):

- Conservation Land Owner
 Rick Bettis, Board Member
- Public Agencies Self-Supplied
 Edwin Smith, Board Member
 Ward Winchell, Alternate
- Rancho Murieta CSD
 Ed Crouse, Board Member
 Gerald Pasek, Alternate
- Sacramento Regional County Sanitation District Dave Ocenosak, Board Member Jose Ramirez, Alternate

Pending nominations (Current appointment expires September 30, 2012):

- Cal-Am Water Company
- Agriculture
- Omochumnes-Hartnell Water District
- Ag-Res

6. <u>DIRECTORS' COMMENTS</u>

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) Governing Board Meeting Draft Minutes - Page 6 September 12, 2012

Mr. Schubert reported that Golden State Water Co. had a drilling rig onsite of W-24 to complete work of new water supply well to replace capacity lost to well contamination.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, November 14th, 2012. 10060 Goethe Road, Sacramento, CA; SASD South Conference Room 1212 (Sunset Maple).

By:

Chairperson

Huther Perk 11-14-12 Date

