

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)

Governing Board Meeting

Final Minutes

January 8, 2014

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

Bruce Kamilos called the meeting to order at 9:06 a.m.

The following meeting participants were in attendance:

Board Members (Primary Rep):

Tom Mahon, Agricultural Interests
Rick Bettis, Conservation Landowners
Christine Thompson, Public Agencies Self Supplied
David Armand, California-American Water Company
Paul Schubert, Golden State Water Company

Board Members (Alternate Rep):

Darren Wilson, City of Elk Grove
Britton Snipes, City of Rancho Cordova
Jim Peifer, City of Sacramento
Bruce Kamilos, Elk Grove Water District
Todd Eising, City of Folsom
Forrest, Williams Jr., Sacramento County Water Agency
Jose Ramirez, Sacramento Regional County Sanitation District

Staff Members:

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

Others in Attendance:

Mark Roberson, Water Forum
Rob Swartz, SGA
Tim Goodwin, Brown and Caldwell
Joe Turner, Brown and Caldwell

Ali Taghavi, RMC Water and Environment
Jim Blanke, RMC Water and Environment
Rodney Fricke, Aerojet Corp.
Brett Ewart, City of Sacramento
Mike Koza, Sacramento County Department of Waste Management

Member Agencies Absent

Agricultural-Residential

Omochumne-Hartnell Water District

Rancho Murieta Community Services District

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The draft meeting minutes for the November 13, 2013 Board meeting were reviewed for final approval.

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

4. BUDGET REPORT

Mr. Eck provided an update for the first quarter of the fiscal year budget 2013/2014. Mr. Eck reported that the approved budget for fiscal year was \$554,050 and that expenditures as of the end of September 30, 2013 were \$56,449, leaving a balance of \$497,601 which accounted for roughly ten percent expenditure for the fiscal year. Mr. Eck stated that a report for the first half of the fiscal year would be provided at the March 2014 board meeting.

Action: Receive and file.

5. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY BASIN MANAGEMENT OBJECTIVE THRESHOLD DEVELOPMENT AND RECHARGE MAPPING PROJECT

Mr. Eck stated that as a reminder, the project would provide a tool for the implementation of Basin Management Objective (BMO) #2, as identified in the Groundwater Management Plan (GMP) which calls for maintaining specific groundwater elevations within all areas of the basin consistent with the Water Forum Solution. Additionally, the tool would provide a groundwater recharge map for the basin as required by AB 359. Mr. Eck recalled that at the March 14, 2012 Board meeting, a detailed presentation on the scope of work including the

cost was provided. Mr. Eck further described the aim of BMO #2 as quantifying the overall groundwater levels of the basin and in order to maintain an acceptable operating range or threshold of groundwater levels. Mr. Eck referred to Appendix B of the GMP for further detail. Mr. Eck then stated that the project would use historical data and integrative hydrologic model simulations to establish a bandwidth for various groundwater levels throughout different locations within the basin. The resulting bandwidth would be integrated with the Authority's Hydro DMS. Mr. Eck then described the recharge map component as seeking to improve the conceptual understanding of the groundwater basin through identification of sources of groundwater recharge as well as the relative magnitude of each source. Mr. Eck reminded that the project is partially funded by an AB 303, Local Groundwater Assistance grant with additional funding provided by the Authority as approved in the 2013/2014 fiscal year budget. Mr. Eck reported the total project cost as \$249,780 with \$199,824 funded via the AB303 grant and \$50,156 supplemented by SCGA. Mr. Eck stated that State DWR was in the process of executing the final funding agreement and that staff would need to secure consulting support in order to meet the project demands of early 2014. Mr. Eck reported that after careful consideration, staff recommended hiring RMC through a non-competitive selection process. The staff recommendation was based on RMC's extensive previous work, related directly to the current project, under a previous Local Groundwater Assistance grant used to develop the Hydro DMS. Mr. Eck then said that RMC additionally had extensive experience in the development of the integrative hydrologic model used to develop the threshold concepts contained in Appendix B of the GMP as well as development of the scope of work for the current project and grant application. Mr. Eck then stated that RMC's extensive body of work demonstrated its unique knowledge and ability to complete the project within the timeframe outlined in the scope of work. Staff recommended that the Board authorize the Executive Director to enter into a contract with RMC to implement the project.

Mr. Williams asked, relative to the past two years of drought and concurrent water conservation programs, how the evaluation resulting from the project might change with the additional possibility of future dry years. Mr. Eck responded that with the current project along with the work that had already been completed in building the HydroDMS would provide the Groundwater Authority and the various stakeholders with the ability to see exactly where the potential challenges might exist in the basin given the current conditions.

Mr. Bettis asked if the recharge portion of the project would examine potential projects for enhanced recharge existing in addition to natural recharge sources.

Mr. Eck replied that the requirements of AB359 specified the analysis of natural recharge but that as progress is made in the development of the Groundwater Accounting Program (GAP), the ability to analyze artificial recharge would come into play. Mr. Eck stated that the current process was primarily focused on natural recharge and that the interest from the perspective of the State was to facilitate responsible land-use planning.

Mr. Ramirez mentioned the Board package did not contain a full report of the scope of work, schedule, and budget pertaining to the project and that it should be a part of the entire

package for review. He also asked if a legal counsel had reviewed the proposal given that staff was proposing a noncompetitive bid process to select the consultant for an amount approaching \$250,000.

Mr. Eck replied that there had been no specific conversation with legal counsel regarding an opinion on the noncompetitive consultant selection process. Mr. Eck further stated that a similar approach had been taken previously relative the AB303 grant. Mr. Eck then said that if there was a need from Board members to see scope, budget, and schedule, that it could certainly be provided and reminded that the information was presented to the Board a number of months previously.

Mr. Kamilos said that it made sense to use RMC based on their background with the project and the Authority.

Mr. Ramirez clarified that he was not opposed to the selection of RMC, stating that his opinion was that they were a good firm, but that his overall concern was not having run the sole source selection through legal counsel.

Mr. Schubert asked if the \$50,000 supplemental contribution from the Groundwater Authority was a part of the Authority's approved budget. Mr. Eck replied in the affirmative. Mr. Schubert then asked if an analysis was done to compare what another firm may charge as a stand-alone cost for the project relative to RMC's in-depth experience with the project's development.

Mr. Eck mentioned that staff had not done an analysis to that particular degree but had discussed various consulting firms within the region and what their experience had been relative to working on similar types of projects and what degree of learning curve might be associated with selecting another firm to perform what was specified in the scope of work for the current project. Staff did not determine a specific dollar value for how much more it might cost however, it was obvious that the cost would be higher. The learning curve would be significant and in addition to extra cost, time was a consideration given the scope and schedule of the project agreed upon with State DWR and RMC would be equipped to commence work from day one.

Mr. Kamilos asked if the cost was based on a set price or based on billable hours. Mr. Eck replied that it was the firm cost that was submitted to State DWR and that DWR had reviewed and agreed to the scope of work, schedule, and budget. Mr. Eck then stated that previous experience with RMC resulted in the project completed on time and on budget, and with no changes in the scope of work or with modifications of cost.

Mr. Ramirez asked if anything from the March 14, 2012 project description provided to the Board had changed. Mr. Eck replied that the schedule had been altered to simply reflect the actual start date.

Mr. Ramirez asked when the term of the grant would end and also thought a delay to pass this motion until the next Board meeting would be a good idea. He also stated he'd like to

see a draft Department of Water Resources (DWR) agreement and follow that up with legal counsel. Mr. Blanke, RMC, replied that the end date for the contract would be December of 2015.

Mr. Eck asked if the Board would tentatively approve the item based on a favorable opinion from legal counsel.

Tentative Motion/Second/Carried – Ms. Thompson moved, seconded by Mr. Wilson, the motion carried unanimously to tentatively approve entering into a contract with RMC, contingent on legal counsel's review and opinion and on staff providing the scope of work, schedule, and budget to interested Board members.

Action: Authorize the Executive Director to enter into a contract with RMC.

6. SACRAMENTO COUNTY ENVIRONMENTAL MANAGEMENT DEPARTMENT AND WATER WELL REHABILITATIONS

Mr. Kamilos distributed information demonstrating what the Elk Grove Water District (EGWD) ran into during their most recent water well rehabilitation project. Mr. Kamilos warned that everyone should be made aware of the increased scrutiny that all water purveyors were coming under, relative to well rehabilitation projects, by existing regulatory agencies. Mr. Kamilos stated that EGWD commenced an acid treatment as part of a routine water well rehabilitation project and had gone through the typical channels such as obtaining a discharge permit via the Sacramento Regional County Sanitation District (SRCSD) accompanied by a work plan. Mr. Kamilos stated that SRCSD was accommodating in issuing the permit. Mr. Kamilos described the typical requirements to batch water in a holding tank so that the waste would then be released in a non-continuous flow from the tanks. Another condition was to provide lab test results of aluminum, arsenic, copper, manganese and zinc from the initial batch of the holding tank and the final batch of the holding tank. The pH of the discharged wastewater to the sanitary sewer system must be equal to or greater than a pH of 5 and less than a pH of 12.5. Another condition was that the flow rate of the discharged wastewater should not exceed 200 gallons per minute (GPM) into the sanitary sewer line. Mr. Kamilos then described an arrangement of two 20,000 gallon baker tanks and a 1,000 gallon water buffalo tank adjacent to the groundwater well under rehabilitation. Mr. Kamilos then described the sequence of events stating that prior to any acidization of the well; EGWD received a customer complaint filed with the Sacramento County Environmental Management Department (EMD) on the basis that the project could generate hazardous waste. Mr. Kamilos stated that it was never disclosed who filed the complaint but that in EGWD's interpretation; the complaint was of a suspicious nature. The complaint resulted in an inspector from EMD showing up at the site unannounced, along with the inspector from SRCSD. Mr. Kamilos asserted that the EMD inspector made the following statement: "This is the first time that we've ever been called out on a water well rehabilitation project." Mr. Kamilos then reported that the inspector then stated that if the well fluids at the "point of origination" had a pH or 2 or less, then the fluid would be considered a hazardous waste. Additionally, the inspector stated that if the well fluid constituents tested for in a CAM-17

exceeded the thresholds listed in Title 22 it would also be considered a hazardous waste. Mr. Kamilos said that a discussion with the inspector ensued regarding the proper interpretation of the “point of origination” for the EGWD project. EGWD argued that the “point of origination” should be where SRCSD takes ownership of the well flows (downstream of the holding tanks) at the point where the wastewater enters the sanitary sewer pipe. The inspector argued that the “point of origination” is at the well itself where the water would be coming up out of the well. Mr. Kamilos explained that this caused a conflict with EGWD’s standard practice and for that matter, with other purveyor’s common practice, which was to neutralize the acid with soda ash in the 1000 gallon water buffalo prior to discharging the water to the two 20,000 gallon Baker holding tanks before being discharged to the sanitary sewer, in compliance with the SRCSD permit. Mr. Kamilos stated that EGWD then met with SRCSD in what was a positive meeting to come to a common understanding followed by a meeting with EMD in an attempt to accomplish the same understanding. Mr. Kamilos described the meeting with EMD as contentious. It was EGWD’s interpretation that EMD had commenced a program to closely investigate and regulate water well rehabilitation with greater scrutiny. EGWD did not feel as though it had been singled out rather it was something that is going to be occurring region-wide. EGWD asked EMD if they could be issued an annual project based permit to allow for the treatment of fluids in a water buffalo tank. EMD’s response was the requirement of a discharge tank being utilized as a “transportable treatment unit” would require the Department of Toxic Substances Control (DTSC) to issue a treatment permit. Mr. Kamilos concluded that EMD had thus absolved themselves from giving a definitive answer and essentially required that DTSC become involved as well. Mr. Kamilos opined that everyone would be facing a higher level of scrutiny from the regulators and that everyone should be aware of it as it would affect the conduct of business and hopefully there would be push back in order to find some middle ground to allow purveyors to safely perform their projects within the level of the law.

Action: Information presentation.

7. REVIEW OF POLICIES AND PROCEDURES

Mr. Eck conducted a review of Chapter 6, Claims and Chapter 7, Alternative Dispute Resolution.

Mr. Schubert asked if an insufficient claim would be directed to the Executive Director and if he or she would make the determination and also whether or not the Board would be notified of all claims, rejected or not rejected. Mr. Eck replied that there was no specific language regarding those issues but that he would want to make sure the Board was informed.

Action: Make recommendations as necessary.

8. EXECUTIVE DIRECTOR'S REPORT

- a) Local Groundwater Assistance Grant – Mr. Eck said the Groundwater Authority was working with CA DWR to complete the grant funding agreement and anticipated signing within the month. Mr. Eck reported that there were a few comments from County Counsel and staff was working through those with CA DWR. The amount of the grant was \$199,824.
- b) Questionnaire for the Groundwater Accounting Program (GAP) – Only two of the questionnaires had been returned. Mr. Eck requested that they be submitted by February 5th.
- c) Groundwater Workplan Concept Paper – The State Water Resources Control Board (SWRCB) released a Groundwater Workplan Concept Paper in October of 2013, outlining a framework under which the Water Board's groundwater activity would be organized. The Water Board identified five key elements for effective groundwater management, thresholds, monitoring and assessments, governance, funding and enforcement. ACWA provided comments on the five recommended elements in a letter to SWRCB on December 18, 2013, in which they emphasized that local management of groundwater resources was their preferred approach. Mr. Eck stated that many of the concepts contained in the Water Board's paper derived from work that the Legislative Analyst's Office (LAO) completed a few years previously. Mr. Eck reported that some of that material was presented to the Groundwater Authority Board at the May 12, 2010 Board meeting via discussion of the California's Water and LAO Primer (October 2008) and Liquid Assets: Improving Management of the State's Groundwater Resources (March 24, 2010). The concept paper that was put together fits well into what those LAO documents discussed. Mr. Eck stated that it would be important for everyone to be aware of what the State is planning for relative to groundwater management.
- d) Form 700 – Mr. Eck reminded the Board that forms were due April 1, 2014, with an original wet signature.

9. DIRECTOR'S COMMENTS

Mr. Bettis stated his concern regarding groundwater water levels given the drought condition, and believed that a closer look at how the basin was behaving should be occurring. He expressed particular concern related to the drought condition effects on Aerojet contamination plume.

Mr. Ramirez requested that staff to provide more complete Board packages for future meetings particularly for items addressing project budgets, schedules, and scope of work.

Mr. Schubert followed up on Mr. Bettis' comments and expressed concern regarding increased groundwater pumping in the Central Basin as a result of the dry year conditions. He alluded to his agency's proximity to the Aerojet contamination plume and potential effect

on their wells. Mr. Schubert also expressed a concern that part of his agency's drought contingency plan was to exchange water with neighboring agencies and that this year those opportunities may not exist.

Mr. Swartz added that at www.bewatersmart.info they are tracking each agency's current drought contingency threshold. The site provides the ability to see regionally, the water conservation measures implemented by water purveyors and the percent reduction being called for.

Mr. Williams announced that the Sacramento County Water Agency was moving towards implementing a voluntary twenty percent water conservation measure.

ADJOURNMENT

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, March 12, 2014, 9 am; 10060 Goethe Road, South Conference Room No. 1212 (Sunset Maple).

By:

B. M. Williams
Chairperson

3/12/2014
Date

Huber Park

3/12/14
Date