

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

Wednesday, July 13, 2016; 9:00 am

10060 Goethe Road

Sacramento, CA 95827

(SRCSD/SASD Office Building South Community Meeting Room No. 1205–Valley Oak)

Meeting facilities are accessible to persons with disabilities. Requests for interpreting services, assistive listening devices or other considerations should be through Ramon Roybal by calling (916) 874-6826 (voice) and CA Relay Services 711 (for the hearing impaired), no later than five working days prior to the meeting.

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

- Approve minutes of the June 8, 2016 Board meeting and the June 22, 2016 SGMA Subcommittee meeting.

Recommended Action: Approve Consent Calendar items.

4. PUBLIC HEARING TO CONSIDER FORMATION OF THREE GROUNDWATER SUSTAINABILITY AGENCIES IN AREAS OF THE SOUTH AMERICAN SUBBASIN (PORTIONS OF BULLETIN 118-03 BASIN 5-21.65) (CONTINUED FROM JUNE 8, 2016)

- Pursuant to the April 20, 2016 SCGA Board Resolution 2016-002, this item contemplates three resolutions forming three Groundwater Sustainability Agencies (GSAs) within the South American subbasin: GSA 1 is area currently uncontested by any other groundwater management entity; GSA 2 is area within OHWD’s jurisdiction within the South American Subbasin and overlaps with OHWD’s current filing to become a GSA; GSA 3 is area within SRCD’s jurisdiction in the South American Subbasin and overlaps with SRCD’s current filing to become a GSA.

Recommended Actions:

- 1. Open the public hearing and accept public testimony;***
- 2. Close the public hearing;***
- 3. Consider and Adopt Resolution to form GSA 1;***
- 4. Consider and Adopt Resolution to form GSA 2; and,***
- 5. Consider and Adopt Resolution to form GSA 3.***

5. NOTICE OF SCGA'S INTENT TO DEVELOP AN ALTERNATIVE PLAN SUBMITTAL

- To support public participation in SCGA's development, adoption, and implementation of an Alternative Plan Submittal, staff prepared a notice to be provided to State DWR, known interested parties, and city and county legislative bodies within the proposed area of SCGA's Alternative Plan. Jon Goetz will provide a brief presentation on the Alternative Plan Submittal and on-going coordination efforts with State DWR.

Recommended Action: Informational Item

6. SGMA SUBCOMMITTEE REPORT AND RECOMMENDATIONS

- Report on and recommendations of the SGMA Subcommittee

Recommended Actions:

- 1. Revise the SGMA Subcommittee's original scope/charter to include 1) the Alternative plan submittal process; 2) Overlapping GSAs; 3) Coordination agreements; and, 4) Issues related to governance including modifications to the governing JPA and the County staffing contract with SCGA.***
- 2. Defer wholesale modifications to the governing JPA until the Alternative Plan is either approved or denied and GSA formation is complete.***
- 3. Defer modification of the County staffing contract until the Alternative Plan is either approved or denied and GSA formation is complete.***

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

- The Groundwater Authority's current contract with GEI provides support services for SGMA compliance. Given the planned level of effort to occur over the next 5 months with the development of the Alternative Plan, the existing contract needs to be amended to continue providing a level of support consistent with the FY2016/17 approved budget.

Recommended Action: Authorize the Executive Director to extend the current service engineering services contract with GEI with an additional budget of \$220,000.

8. POTENTIAL STATE DWR FUNDING FOR FACILITATION SERVICES IN THE SOUTH AMERICAN SUBBASIN

- The Sacramento Water Forum Successor Effort is moving forward with stakeholder discussions in both the Cosumnes and South American Subbasins. Tom Gohring, Executive Director of the Water Forum, will be providing an informational presentation regarding potential funding opportunities with State DWR for facilitation services related to SGMA activities in the South American Subbasin.

Recommended Action: Informational Item

9. AUGUST 10, 2016 BOARD MEETING

- Due to various scheduling conflicts staff recommends canceling the August 10, 2016 Board meeting.

Recommended Action: Cancel August 10, 2016 Board Meeting

10. BUDGET SUBCOMMITTEE

- Confirmation of subcommittee members and chair.

Recommended Action: The Board chair will confirm the Budget Subcommittee membership and chair and prepare a budget recommendation for the Authority's fiscal year 2017-2018 annual budget.

11. CLERK OF THE BOARD

- Appointment of a Clerk of the Board.

Recommended Action: Appoint the County Clerk as Clerk of the Board of SCGA in accordance with Section 13(b) of the Joint Powers Agreement.

12. EXECUTIVE DIRECTOR'S REPORT

- SGMA Subcommittee Meeting
- Board Member Terms
- Regional Activities

13. DIRECTOR'S COMMENTS

ADJOURNMENT

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, September 14, 2016, 9:00 am; 10060 Goethe Road, SRCSD/SASD Office Building South Conference Room No. 1212 (Sunset Maple).

AGENDA ITEM 3: CONSENT CALENDER

BACKGROUND:

The Board package includes draft minutes of the June 8, 2016 Board meeting and of the June 22, 2016 SGMA Subcommittee meeting. A request was made by the Chair to confirm a statement made by Mr. Jay Schneider of the Sloughhouse RCD in the May 16, 2016 SGMA Subcommittee meeting. The action taken by the Board stated, "Approve the consent calendar item subject to staff verifying the specific item raised by Sloughhouse RCD (Mr. Schneider) and to make changes as appropriate." As requested, staff reviewed the audio recording and the meeting minutes have been amended to reflect verbatim the statement made by Mr. Schneider at the April 20, 2016 SCGA Board meeting.

STAFF RECOMMENDATION:

Action: Approve Consent Calendar items.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Governing Board Meeting
Draft Minutes
June 8, 2016

LOCATION: 10060 Goethe Road, Room 1205
Sacramento, CA 95827
9:00 a.m. to 11:00 a.m.

MINUTES:

1. CALL TO ORDER AND ROLL CALL

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
Todd Eising, City of Folsom
Rick Bettis, Conservation Landowners
Christine Thompson, Public Agencies Self-Supplied
Carl Werder, Agricultural-Residential
Ron Lowry, Omochumne-Hartnell Water District

Board Members (Alternate Rep):

Brett Ewart, City of Sacramento
Forrest Williams, Sacramento County
Brian Fragio, City of Elk Grove
José Ramirez, Sacramento Regional County Sanitation District
Travis Anderson, Golden State Water Company
Allen Quynn, City of Rancho Cordova

Staff Members:

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

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
Jesse Roseman, The Nature Conservancy
Darlene Gillum, Rancho Murieta CSD
Charlotte Mitchell, Farm Bureau

Mike Wackman, Omochumne-Hartnell Water District
Mike Eaton, Cosumnes Coalition
Melinda Frost-Hurzel, Cosumnes Coalition
Jay Schneider, Sloughhouse RCD
Paul Selsky, Brown and Caldwell
Jim Blanke, RMC Water and Environment
Lisa Dills, Southgate Recreation and Park District
Suzanne Pecci, Domestic Well Owner Elk Grove
Ron Pecci, Domestic Well Owner Elk Grove
Kerry Schmitz, Sacramento County Water Agency
Amanda Bishop, Sacramento County Clerk of the Board Office

Member Agencies Absent

*Rancho Murieta CSD
Commercial/Industrial Self-Supplied
California-American Water Company*

2. PUBLIC COMMENT

Melinda Frost-Hurzel with the Trout Unlimited working in partnership with the Cosumnes Coalition asked that they be added to the agenda for the next Board meeting in order to present options for projects for the Board to consider.

3. CONSENT CALENDAR

The draft meeting minutes for the April 20, 2016 Board meeting, minutes of the April 20, 2016 Budget Subcommittee meeting, minutes of the April 21, 2016 SGMA Subcommittee meeting, minutes of the April 28, 2016 Budget Subcommittee meeting, minutes of the May 11, 2016 Board meeting, and minutes of the May 16, 2016 SGMA Subcommittee meeting were reviewed for final approval.

Jay Schneider with the Sloughhouse RCD commented that statements that he had made regarding Item 6 of the April 20, 2016 SCGA Board meeting were not reflected accurately in the draft meeting minutes. Staff was directed to verify the statements referred to by Mr. Schneider, with the audio recording of the meeting and to make any appropriate edits.

Motion/Second/Carried – Ms. Thompson moved, seconded by Mr. Werder, the motion carried unanimously to approve the minutes with direction to staff to verify the specific item raised by the Sloughhouse Resource Conservation District and to make changes as appropriate.

4. PROPOSED FISCAL YEAR 2016/2017 BUDGET AND ANNUAL CONTRIBUTION ADJUSTMENT

Mr. Eck provided background on the development of the proposed Fiscal Year 2016/2017 Budget and the SCGA Interim Financial Model stating that the Budget Subcommittee convened on April 28, 2016 to complete work on the budget and finalize the items in the SCGA Interim Financial Model which included: contribution methodology, unit contribution amounts, cost allocation amongst participating members, naming conventions, long range level of effort, and confirmation of revenue and expenditures represented in the proposed 2016/2017 fiscal year budget. Mr. Eck stated that the annual contribution methodology would be updated as SCGA refined its understanding of the level of State financial and in-kind support, and the added responsibilities and authorities of becoming a SGMA-compliant Groundwater Sustainability Agency. Mr. Eck stated that given the changes to the contribution methodology in the interim model, the Sacramento County Water Agency (SCWA) had agreed to provide funding for agricultural interests, ag-res interests, commercial industrial self-supplied, public agency self-supplied, and conservation land owners for the 2016/2017 fiscal year. Mr. Eck went on to state that three elements were included in the updated contribution methodology. A “Base” contribution element which recognized a minimum annual contribution level for each SCGA member with a fixed \$10,000 cost for non-signatory members and \$20,000 for signatory members. A “Connection”-based contribution element to act as a set unit cost of \$0.67 per water service connection for each water purveyor with retail water service connections greater than 6,000. A minimum connection fee of \$8,000 was used for smaller water purveyors with retail connections less than or equal to 6,000 connections. Mr. Eck then reported that the “Usage” contribution element was treated as per the SCGA JPA with a unit pumping amount of \$3.11/AF. In total, the fiscal year 2016/17 contributions were expected to be \$573,057. The total fiscal year budget was estimated to be \$718,723. Mr. Eck then reported that staff recommended that the Board adopt the resolution approving and funding the Authority’s budget for fiscal year 2016/2017 and revising annual contributions and methodology. Staff also recommended that the Budget Subcommittee be tasked with beginning work on the 2017/2018 fiscal year budget to address anticipated reductions in future SCWA funding.

Ms. Britton provided clarification concerning the background material in the Board package and presentation and specific to the usage of the term “fee” in those materials. Ms. Britton stated that the term “fee” had a unique legal definition and that any such reference to a fee was incorrect and clarified that the discussion was intended to consider “annual contributions” as agreed to by the Board members. Mr. Ewart asked if the term fee was included in the proposed Budget Resolution. Ms. Britton replied that it was not, that the misnomer was found only in the attachments to the Resolution and board presentation.

Mr. Nelson asked if the proposed budget and budget methodology applied only to Fiscal Year 2016/2017. Mr. Eck replied that the proposed budget was specific to Fiscal Year 2016/2017 and that the Budget Subcommittee had recognized the proposed funding methodology as interim vehicle to get the Authority through SGMA compliance issues.

Jon Goetz with GEI, gave a presentation on the update of SCGA’s finance methodology (*Note: Mr. Goetz’s presentation can be viewed on the Authority’s website for the 6/8/2016 meeting date*).

Mr. Eising asked why legal counsel costs were estimated to be one hundred-fifty thousand dollars and thirty percent of the budget. Mr. Eising also asked what the percentage of legal costs were in past years and why it was anticipated that legal counsel was to be more involved in reviewing everything. Mr. Eck replied that it was a recommendation that came out of the Budget Subcommittee with recognition that there were significant legal issues that could arise. Mr. Eck then stated that there were a number of significant legal issues that had been dealt with in the current fiscal year relative to basin boundary modification and GSA formation issues in addition to other issues. Mr. Eck stated that the subcommittee felt that legal costs needed to be increased in order to address potentially significant legal issues in the upcoming fiscal year. Mr. Eising asked if the legal costs would decrease after the GSA process was completed. Mr. Eck replied in the affirmative and added that it was contemplated by the subcommittee that legal costs would coincide with working through the GSA and basin boundary issues and that once those issues were resolved, legal costs would decrease.

Mr. Bettis pointed out that the footnote to Attachment B of the Budget Resolution omitted the Public Agencies Self-Supplied, Commercial Industrial Self-Supplied, and Conservation Landowners as board members whose annual contributions would be paid by Zone 13. Mr. Eck replied that it was simply an omission and that as he had mentioned in the background discussion, that those member organizations would have their Fiscal Year 2016/2017 annual contributions covered by SCWA's Zone 13.

Mr. Eising stated that he understood and agreed with a majority of the logic begin the finance methodology and apologized for the lapse in the City of Folsom's participation on the Budget Subcommittee. Mr. Eising stated that he and the City's Water Resources Director had concerns that Folsom's contribution charge was calculated similar to other SCGA purveyors of groundwater and that since Folsom did not pump any groundwater it did not seem correct that it was charged as such. Mr. Eising stated that Folsom was more similar to the City of Rancho Cordova, who was not a purveyor, and who was charged only the base contribution. Mr. Eising stated that since Folsom did not use groundwater for any of its customers its effect on the basin was zero and that it should be accounted for in the calculation of its contribution to the budget. Mr. Eising also stated that Folsom was supportive of SCGA and wanted to be a part of it. Mr. Eising offered that a solution could potentially include a differentiation in the type of retail connections attributed to a particular purveyor that would be identified by water type. Mr. Ewart responded to Mr. Eising, stating that he was on the Budget Subcommittee and had felt and expressed similar concerns on behalf of the City of Sacramento. Mr. Ewart explained that the subcommittee considered those concerns and determined to follow through with a funding methodology that was similar to that of Sacramento Groundwater Authority's (SGA) as the best option with moving SCGA forward on an interim basis. Mr. Ewart then stated that he hoped those concerns would be addressed at an appropriate time in the future and offered that the development of an SCGA Groundwater Accounting Program might be the appropriate vehicle for addressing them. Mr. Ewart then stated that the methodology as recommended by the subcommittee was pushed forward fairly universally by the subcommittee. Mr. Williams concurred with Mr. Ewart. Mr. Werder stated that he was on the subcommittee and that it was his opinion that those who use the groundwater resource should pay. Mr. Werder stated that there were a number of entities

in the basin that used groundwater but were not paying for the groundwater management. Mr. Werder said that he understood Mr. Eising's position but that the proposed finance methodology was what the subcommittee envisioned as a means to get through the upcoming fiscal year. Mr. Werder then stated that in the future he would like to collect contributions from those that had straws in the basin to help pay for its sustainability.

Mr. Eising mentioned that Folsom's fiscal year budget was passed in April and that his Director had expressed concern about paying double the previous year's contribution amount and having to reconcile it with Folsom's City Council and ultimately Folsom's rate payers.

Mr. Kamilos spoke as a member of the Budget Subcommittee stating that all purveyors were contributing to the sustainability of the basin and that the cost should be spread across the groundwater basin with which they overly. Mr. Eising replied that he understood Mr. Kamilos' assertion but stated that the base contribution accounted for the shared cost of managing the basin. Mr. Kamilos replied that there was a higher threshold level for groundwater purveyors in promoting sustainability of the basin. Mr. Eising agreed and offered that Folsom was isolated, that its connection with the rest of the basin was pretty much nil and that there was the possibility of future groundwater banking projects but those were few and far between and long way off from occurring.

Mr. Williams stated that he understood Mr. Eising's concerns and explained that SGMA had dictated increased costs that the subcommittee was forced to account for and that the increased contributions represented a response to the business needs of operating SCGA in compliance with SGMA. Mr. Eising stated that he understood the business reasoning but that he had an issue with the allocation of the costs.

Mr. Ewart commented that it was unfortunate that Folsom's participation on the Budget Subcommittee was interrupted but that he hoped that it would continue to seek participation on the future Budget Subcommittee so that its concerns could be addressed and worked out over the upcoming year. Mr. Eck added that staff had recommended forming a Budget Subcommittee with the idea that it would convene shortly after the beginning of the fiscal year to start a thorough discussion of the issues being raised.

Staff passed out a corrected copy of Attachment A of the Budget Resolution. Mr. Eck explained that page one the version included in the Board package had inadvertently omitted a column showing the adopted budget for the current fiscal year. Mr. Eck then stated that there was an additional omission on page two concerning a provision for reserves in addition to an incorrect figure for the beginning operating fund balance. Mr. Eck reported that both of the errors were corrected on the updated copy of Attachment A.

Darlene Gillum, General Manager of Rancho Murieta CSD, commented that she was concerned that the contribution amount assigned to her district under was set to triple under the new funding methodology and that like the City of Folsom; Rancho Murieta did not use any groundwater. Ms. Gillum added that her Board was set to adopt rates for the upcoming fiscal year and she anticipated that the tripling of the contribution requirement would be an issue for her Board.

Mark Madison, General Manager of Florin Resource Conservation District (FRCD), commented that his districted supported the recommendations being considered but also

recognized that the proposed funding structure was not perfect and should serve on an interim basis. Mr. Madison then stated that FRCD's issue was not the interim funding structure but rather the Joint Powers Agreement that served as the governance structure of SCGA and which contained the existing funding methodology. Mr. Madison stated that because of that arrangement it was FRCD's opinion that the proposed funding methodology should only be utilized as an interim funding structure. Mr. Madison stated that he had asked staff at the May 11th Board meeting for a firm confirmation that the new funding structure would one be limited to one year because FRCD did not believe that it was an appropriate methodology for the future and that there were other more appropriate methodologies. Mr. Madison recalled that he had asked staff at the May 11th Board meeting to report back at the June meeting with the amount that the urban sector was subsidizing ag and ag-res. Mr. Madison requested an answer to the question and stated that he was committed to present the information to FRCD's finance committee that night, that he would be proposing to increase FRCD's contribution from zero to thirty-nine thousand dollars, and that there appeared to be at least a nineteen percent subsidy from urban to ag-res. Mr. Madison stated that he needed an answer in order to report to his Board to justify subsidizing ag an ag-res. Mr. Madison then stated that the current JPA was a mess and needed to be corrected and questioned whether it had adequate authority to enable a change to the funding structure. Mr. Madison stated that FRCD believed that it was not right that one party could stop the adoption of the proposed budget. Mr. Madison restated his support of the interim finance methodology, encouraged Mr. Eising to vote yes, and stated that the JPA needed to be rebuilt and was a mess.

Mr. Werder responded to Mr. Madison stating that ag and ag-res water use resulted in the water being reintroduced back into the ground minus losses due to evaporation whereas water use for urban use ended up in the sewer system and flowing out to the river. Mr. Werder stated that the cone of depression under the City of Elk Grove was due to urban use and not ag or ag-res use and thus the urban users had a higher degree of responsibility. Mr. Madison stated that he respectfully disagreed.

Mr. Ewart clarified that with respect to Mr. Madison's request at the March 11th meeting regarding a subsidy of ag and ag-res by urban users that the comment had been noted but that staff had not been directed to address the question. Mr. Ewart added that it could be assumed that the issue would be discussed as a part of the Budget Subcommittee process in the upcoming fiscal year.

Ms. Thompson asked that when issues were discussed that it was done diplomatically and with respect to all in attendance. Ms. Thompson stated that when a statement was made referring to something as a mess, that was insulting to someone who may had worked on it and that saying so was merely and opinion and not productive.

Mr. Lowry offered that he participated in the development of the JPA and that the clause to allow for veto power by one of the five signatories was negotiated to avoid a scenario where more than one of the signatories could gang up on another. Mr. Lowry stated that the development of the clause was one of the last things to be agreed upon over a four year process.

Mr. Eising requested that a vote on the recommended actions be delayed until later in the meeting. Mr. Ewart agreed to move the call for a vote to after agenda item eight.

Mike Eaton commented that he was one of the founding board members of one of the conservation landowners of the Sacramento Valley Conservancy and had worked for The Nature Conservancy for almost twenty years and was one of the negotiators for SCGA and SCGA's JPA. Mr. Eaton encouraged the Board to think about the Conservation Landowners as a fundamentally different kind of stakeholder because they actually manage groundwater that invest devote substantial budget to do the kind of things required under SGMA. Mr. Eaton stated that they setback levies, protect recharge lands, and actively look for ways to make the aquifer healthy as a key part to enhance and protect eco system services. Mr. Eaton said that to propose an annual assessment for that group without recognizing what they already pay was a mistake and set a bad tone. Mr. Eaton stated that those groups could serve as key partners to aggressively collaborate on management projects and allow access to grants and other sources of funding that might otherwise not be available. Mr. Eaton then stated that those organizations did not actually have a seat on the SCGA Board rather they made nominations for the Board of Supervisors to appoint or not appoint. Mr. Eaton then stated that there was no nexus or benefit for the Conservation Landowner organization's assessment for participation with SCGA.

Kerry Schmitz with the Sacramento County Water Agency, commented on the topic of the funding of ag and ag-res entities on the SCGA Board. Ms. Schmitz stated that Zone 13 paid those contributions and that it was an assessment within the County of Sacramento excluding the Cities of Folsom, Isleton, Galt, and Sacramento that was intended to be used for water supply and drainage. Ms. Schmitz said that some years previously SCWA had agreed to use a small portion of Zone 13 funds to pay the SCGA contributions for those entities that did not have another funding source. Ms. Schmitz stated that SCWA had decided to use Zone 13 to cover those contributions for the upcoming fiscal year but that going forward it would look into whether there was a more appropriate mechanism other than Zone 13. Ms. Schmitz then asked that SCWA be allowed to participate on the Budget Subcommittee and further stated that although SCWA did not have a seat on the Board, that SCWA staff devoted a significant amount of labor towards the operation of SCGA.

Charlotte Mitchell with the Sacramento Farm Bureau commented with respect to Mr. Madison's concerns regarding an urban subsidization of ag stating that the issue was more complex than he had asserted. Ms. Mitchell stated that agriculture produced food which was an urban use and that agriculture also provide conservation efforts. Ms. Mitchell said that as the budget process moved forward there would be ways to ensure funding but that there needed to be recognition that the concept of urban an subsidy of ag was more complex and should not be treated with a blanket statement.

Jay Schneider commented as an agricultural representative stating his concurrence with Ms. Mitchell and added that the food produced by agriculture for use by an average family was about three thousand gallons per day. Mr. Schneider asserted that the consumers of the agricultural products were the actual consumers of the water that went into its production and that it needed to be accounted for going forward. Mr. Schneider then stated that the Board

should make changes to the proposed budget before adopting it if it did not make fair assessments.

(Note: A call for a vote on this item was postponed until after Item 7)

Mr. Eising stated that his Director had expressed a concern that the motion did not have specific language limiting the proposed budget to the upcoming fiscal year and wanted to make sure that the Budget Subcommittee would be convening soon after the beginning of the fiscal year in order to resolve all of the budget issues in a timely manner.

Ms. Britton suggested that §2.b of the Budget Resolution could be modified to state “for Fiscal Year 2016/2017” after the first clause and immediately following the statement, “and annual contributions”.

Mr. Bettis requested that the motion also expand the footnote on Attachment B to clarify that Public Agencies Self-Supplied, Commercial Industrial Self-Supplied, and Conservation Landowners would be funded by Zone 13.

Motion/Second/Carried – Mr. Williams moved, seconded by Ms. Thompson, the motion carried unanimously to approve the items as amended by Counsel to address the concerns of the two Board members and to adopt the proposed Resolution to approve and fund the Authority’s administrative budget for fiscal year 2016/2017 and adjust member annual contributions.

Motion/Second/Carried – Mr. Eising moved, seconded by Mr. Nelson, the motion carried unanimously to task the Budget Subcommittee to begin work on the 2017/2018 fiscal year budget.

5. AMEND SECTION 5.22 OF THE POLICIES AND PROCEDURES TO REFLECT ADJUSTMENT TO MEMBER ANNUAL CONTRIBUTIONS

Mr. Ewart stated that Section 5.22 of the Authority’s Policies and Procedures detailed, in part, the initial funding methodology for the Authority. With the adoption of the new funding methodology for the Authority paragraphs (e) and (f) of that section were no longer required. Mr. Ewart stated that staff recommended that paragraphs (e) and (f) of Section 5.22 of the Authority’s Policies and Procedures be deleted.

(Note: A call for a vote on this item was postponed until after Item 7)

Motion/Second/Carried – Mr. Werder moved, seconded by Mr. Nelson, the motion carried unanimously to adopt the proposed Resolution for changes to Section 5.22 of the Authority’s Policies and Procedures deleting paragraphs (e) and (f).

6. SGMA SUBCOMMITTEE REPORT AND JPA RECOMMENDATION

Mr. Eck provided background information stating that at the April 21, 2016 SCGA Subcommittee meeting there was significant discussion regarding Florin Resource Conservation District/Elk Grove Water District’s (FRCD/EGWD) proposal for a new Joint

Powers Agreement. At the time FRCD/EGWD identified their three most important issues which included 1) becoming a signatory to the JPA, 2) not requiring the approval of another agency for appointment to the Board, and 3) the ability for a designated employee to be appointed as a Board member. Mr. Eck reported that the subcommittee recognized that addressing item 1 was a significant undertaking that should be addressed by the Board at some point in the future. Mr. Eck stated that the subcommittee then tasked counsel for SCGA and FRCD/EGWD to analyze items 2 and 3 to determine if those changes could be codified into an amendment of the current JPA without compromising the powers of SCGA. Mr. Eck stated that Counsel reported back on their findings to the SGMA Subcommittee on May 16, 2016. Mr. Eck reported that the discussion of the findings resulted in the SGMA Subcommittee's recommendation to the SCGA Board to consider the proposed JPA revision to allow a designated employee of the FRCD/EGWD, Omochumne-Hartnell Water District, and Rancho Murieta Community Services District to be appointed as a SCGA Board member. Mr. Eck stated that additional minor revisions were included to correct verb tense for programs and projects that had already occurred. Mr. Eck finished by stating that in order to be effective, the proposed Amended and Restated JPA would need to be approved and adopted by each of the five signatory governing bodies, and then filed with the Secretary of State and State Controller.

Mr. Williams commented that some of the key discussion points in the subcommittee where centered on why FRCD saw a need for changes to the JPA and what was the hurry to make those changes. Mr. Williams then stated that it was revealed at the last subcommittee at meeting that the changes needed to occur now or FRCD would consider forming a GSA. Mr. Williams then stated that Mr. Nelson was a member of FRCD's Conservation subcommittee and asked Mr. Nelson to verify if on April 6th that subcommittee came to a consensus to submit an application for GSA formation. Mr. Nelson replied that there is a subcommittee of FRCD that did suggest to FRCD that it investigate formation of a GSA. Mr. Williams replied that he had asked Mr. Nelson for verification of that decision because SGMA Subcommittee had been asking FRCD why it wanted to make changes to the JPA and had not received any disclosure of FRCD's consideration to form a GSA until the May 16th SGMA Subcommittee meeting where it was presented as make changes to the JPA or else FRCD is going to form a GSA. Mr. Williams then stated that the decision actually dated back to April and that it caused concern for him because the subcommittee had been discussing in earnest over that entire period to try and come up with a solution that would work for FRCD and SCGA. Mr. Williams stated that he wondered what FRCD was hoping to achieve from it requests given its lack of disclosure and whether they sought to benefit only themselves in their pursuit of a GSA. Mr. Williams then stated that then he could no longer support any of the proposed changes to the JPA brought forth by FRCD as he did not want to risk supporting its plans to form a GSA which he viewed as detrimental to SCGA. Mr. Williams clarified that they along with other interests in the basin were within their rights to form a GSA but that he could not support it from SCGA's perspective. Mr. Williams stated that he had attended FRCD's Board meeting in order to understand the issue from its perspective and said that it was portrayed as SCGA not liking FRCD and being unwilling to work with it. Mr. Williams stated that the minutes of the SGMA Subcommittee reflect an acknowledgement that changes to the SCGA

would be necessary but at the appropriate time and that the subcommittee was willing to work on a solution to meet FRCD's immediate needs.

Mr. Ewart provided a review of the subcommittee's actions which echoed Mr. Eck's background discussion. Mr. Ewart added that the subcommittee negotiated in good faith to address FRCD's concerns and had determined to recommend a small modification as it addressed one of FRCD's most pressing issues and could be accomplished without making wholesale changes to the JPA. Mr. Ewart then stated that the recommendation before the Board was just one piece of what he anticipated in the future to be a more comprehensive recommendation for an approach to move forward. Mr. Ewart then reported that at last subcommittee meeting FRCD had sought a specific for when negotiation of governance would begin and had stated that if a date was not provided then it would move forward with a GSA process. Mr. Ewart reported that since the topic was not agendaized it could not be brought to a resolution and that staff had been directed to look into what an appropriate timeline with respect to SGMA would be to allow for those discussions to begin and to agendaize discussion of the information at the next subcommittee meeting.

Ms. Thompson stated that she wondered why FRCD was pushing so much for a change to the JPA and that too much time was being spent on the issue and that for FRCD to threaten SCGA was not right. Ms. Thompson then stated that she questioned FRCD's motives for not disclosing their consideration of GSA formation sooner.

Mr. Nelson pointed out that the recommended action affected other representatives on the Board other than FRCD. Mr. Nelson then stated that the reason FRCD was contemplating forming a GSA was a concern over how SCGA was organized. Mr. Nelson stated that FRCD did not have an issue with the basic structure of SCGA but felt that it needed to be an independent agency to ensure that the needs and views of the organization were not limited to one single agency. Mr. Nelson said that he had no issue with the job SCGA had done in managing groundwater up to the present but that going forward under SGMA and as the basin becomes more stressed it would be important to ensure that there were no conflicts arising from one agency having too much influence or being the cause of conflicting loyalties. Mr. Nelson expressed gratitude for the recommended change being considered but expressed concern that FRCD had not gotten traction on the other JPA issues and stated that in response FRCD had contemplated GSA formation. Mr. Nelson then said that FRCD's concerns might be alleviated if there was a commitment for a specific date at which time SCGA would start working on governance to create an independent agency. Mr. Nelson asserted that the biggest consumer of water in the County was also the agency that had the greatest influence over what happened concerning SCGA.

Mr. Williams stated that all of the issues raised by Mr. Nelson had been discussed repeatedly by the subcommittee and were reflected in the minutes for those meetings. Mr. Williams then said that the subcommittee had agreed to address those issues including the formation of a Governance Subcommittee and had noted during the Finance Subcommittee to account for those issues in future meetings. Mr. Williams said that the commitment was there but not a commitment to a specific date as he felt that it was not the appropriate time in the process to make such a determination. Mr. Williams stated that information was presented equally to all sixteen members of the SCGA Board and that it was the Board's job to make decisions on

the information presented to it and that the process did not allow for manipulation by one agency. Mr. Williams then stated that the cost to move to an independent agency had been analyzed and that it was expensive and not something that could be taken on while SCGA was working on the other aspects of SGMA. Mr. Williams said that there would be an appropriate time to look into moving towards an independent agency but the time was not now.

Ms. Britton clarified that SCGA was formed under the Joint Powers Act and was thus legally an independent agency. Ms. Britton then referenced sections thirteen and fourteen of the JPA which granted the Board the ability to appoint whomever it chose to serve as Executive Director with the provision that it had concurrence with the Water Agency. Ms. Britton stated that the Authority had entered into a staffing agreement with the County and that it could be modified or terminated. Ms. Britton stated that her intention on pointed out those agreements and provisions was in response to the comments that she had heard and offered them as reminders that wholesale changes to the JPA were not necessary for changes to the staffing of the Authority unless there were other issues that needed to be addressed.

Mr. Lowry commented that during the formation of SCGA there was a recognition that resources were limited and several different staffing models were considered with staffing via SCWA chosen as the most economically feasible with the understanding that conflicts could arise and would be dealt with if and when they did.

Mr. Ewart offered that another reason the subcommittee was reluctant to move forward with the JPA as put forth by FRCD was in consideration from a report back by legal counsel stated that the current governance structure was sufficient to go through the GSA formation and that if wholesale changes to the JPA were made too early the Authority might lose some of the common powers that it held. Mr. Ewart stated that the subcommittee discussed that the appropriate time to address those issues was when full powers would be granted under SGMA at the time of GSA formation.

Mr. Werder expressed his irritation that FRCD's consideration of GSA formation was not disclosed to the SCGA Board until the current meeting. Mr. Werder stated that SCGA was already in the midst of dealing with two other entities that wanted to form GSAs in the basin and then out of nowhere FRCD proposed to do the same. Mr. Werder pointed out that FRCD had just stated that it did not want one agency controlling SCGA but that what they were proposing with their GSA formation would result in that exact scenario within their area.

Ms. Thompson stated that no matter what everyone needed to work together instead of against each other and to work for the interests of their constituents and to remember that they were mandated to get things done.

Ms. Britton clarified that the proposed change would give FRCD, Rancho Murieta CSD, and OHWD the ability to nominate a designated employee, rather than be limited to a member of their respective boards, for appointment to the SCGA Board.

Mr. Madison commented that FRCD had raised the issue of governance a year prior. Mr. Madison said that Mr. Nelson submitted a letter to Mr. Eck regarding all of FRCD's concerns regarding governance and that no response was ever provided. Mr. Madison then stated that FRCD started talking about a change to the existing JPA, which was a mess, and then had a

new JPA drafted and presented it to the SCGA Board where it was immediately kicked down the subcommittee. Mr. Madison stated that FRCD's proposed JPA was built on two basic platforms, equality and independence. Mr. Madison said that there were many more specific problems with the existing JPA and that FRCD's JPA would rectify most of those problems on an interim basis. Mr. Madison said that the biggest issue going forward was the conflict of interest with Sacramento County. Mr. Madison stated that staff and legal counsel were from Sacramento County and that Sacramento County, as the largest pumper of groundwater in the region, was essentially steering SCGA. Mr. Madison proposed that at some point in time, perhaps January or March, SCGA should engage in the formation of an independent group.

Mr. Williams stated that the only member of the Board who has brought up a conflict of interest was FRCD and that they had provided no specific proof of a conflict. Mr. Williams said that the subcommittee had worked through a process but that FRCD repeatedly ignored the process and kept bringing up the same issues after they had been dealt with. Mr. Williams invited everyone to read the minutes of the subcommittee to make up their own mind.

Suzanne Pecci commented as a resident of the City of Elk Grove that at issue were the plans and ambitions of the City of Elk Grove and its needs. Ms. Pecci listed a number of proposed development projects in Elk Grove that would require significant water supply and that by her inference; water was the biggest need of the City.

Mr. Kamilos encouraged the Board to approve the recommended action.

Ms. Schmitz disagreed that there was a conflict of interest with SCGA staff and the Board and that in her opinion staff had done a great job of working at the direction of the SCGA Board since 2006. Ms. Schmitz added that did not believe that staff had functioned in a way that solely benefited the Water Agency of the County. Ms. Schmitz then stated her support of an independent entity with staffing from another source and stated that the County was not holding onto the staffing commitment with SCGA but that it would continue to support whatever the Board decided in terms of a staffing arrangement.

Ms. Britton clarified that the resolution was to recommend to the JPA signatories to make the amendment, that SCGA could not amend the JPA, and that the JPA signatories would have to vote unanimously to adopt the amendment. Mr. Eising asked if the item would have to be approved by the respective councils of the signatory bodies. Ms. Britton answered in the affirmative.

Mr. Nelson stated that because of his hearing loss he was not always able to do the best job he should and that it was important that his agency be able to able whoever they felt would do the best job representing it on the Board. Mr. Nelson asked for support of the resolution.

Darlene Gillum from Rancho Murieta CSD encouraged support of the resolution as it would allow for more active representation from her agency.

Motion/Second/Carried – Mr. Werder moved, seconded by Ms. Thompson, the motion carried unanimously to adopt the proposed Resolution recommending the governing bodies of the JPA signatories approve and execute a First Amended and Restated Joint Powers Agreement to broaden the eligibility for SCGA Board appointment for certain members.

7. ALTERNATIVE SUBMITTAL

Mr. Eck provided background information stating the State DWR had adopted the Groundwater Sustainability Plan (GSP) Emergency Regulations. Mr. Eck then reported that at its May 16, 2016 meeting the SGMA Subcommittee reviewed the requirements of the GSP regulations regarding Alternative submittal by January 1, 2017 and the level of effort required to meet those deadlines. After discussion of the Alternative Plan process at the May 2016 SGMA Subcommittee meeting, the subcommittee's recommendation reaffirmed that the SCGA Board action to initiate, complete, and set for adoption in a timely manner, an alternative plan. Mr. Eck stated the May 2016 SGMA Subcommittee recommendation should be viewed by the Board as further support of the April 20, 2016 Board Resolution 2016-01 which authorized staff to proceed. Mr. Eck then announced that staff would give an informational presentation of the Alternative development to maintain a high level of public engagement, outreach, and education on SCGA's reasons for pursuing an Alternative, how the GSP regulations affect the Alternative development, critical elements of the Alternative development process, and the anticipated schedule. Mr. Eck stated given the sort timeline of seven months for completion of the Alternative Plan, staff would be identifying the critical elements to begin in June 2016 with the intent to update the Board at its monthly meetings. Mr. Eck identified one of the critical elements for June as a consultation meeting with State DWR to request support in adequately address sufficiency in demonstrating the ability of the Alternative to meet the objectives of SGMA and equivalency with articles five and seven of the GSP regulations.

Mr. Goetz provided a presentation regarding an update to SCGA's Alternative Plan submittal process.

8. PUBLIC HEARING TO CONSIDER SCGA BECOMING A GROUNDWATER SUSTAINABILITY AGENCY IN AREAS OF THE SOUTH AMERICAN SUBBASIN (PORTIONS OF BULLETIN 118-03 BASIN 5-21.65) (CONTINUED FROM MAY 11, 2016)

Mr. Ewart stated that it was a continued item from May 11, 2016 and that the only decision to be made was to continue the item to the July 13, 2016 Board meeting.

Mr. Eck added that due to issues in publishing proper notification of the June 8, 2016 public hearing staff was requesting that the Board continue the item to their July 13, 2016 Board meeting.

Ms. Pecci commented as a resident of Elk Grove and stated that she lived in the area where Omochumne-Hartnell Water District and Sloughhouse RCD were proposing to become GSAs. Ms. Pecci stated that OHWD and Sloughhouse's Basin Boundary modification proposal would split one hundred seventy-five rural residents in the City of Elk Grove limits on domestic wells and would also split the community of Wilton in two. Ms. Pecci stated her opposition to the Boundary Modification and indicated that Wilton was also not in favor of it. Ms. Pecci stated that she felt that domestic well owners across the State with their two-acre

foot allocations were the new water in California that would make everything happen for everybody. Ms. Pecci stated that in the Elk Grove area that the City of Elk Grove had plans for development and that there was expansion of agriculture such as vineyards occurring daily. Ms. Pecci stated that SCGA was the best choice for local control under SGMA. Ms. Pecci then stated her concern regarding the qualifications of OHWD and Sloughhouse RCD with respect to their backgrounds in public water management. Ms. Pecci stated that they had not disclosed what their plan was if they had one and that she did not know how she fit into their plan. Ms. Pecci said that there had been no discussion about funding beyond the grants that they were receiving and the only source of funding that she could see going forward was from the several hundred domestic well owners plus however many farmers there were and that it was a concern of hers. Ms. Pecci stated that many of the residents in her areas were retirees on fixed incomes and that many of the well owners did not use even one acre-foot annually. Ms. Pecci was concerned that the water that domestic wells owners did not use would be re-allocated and sold for other uses. Ms. Pecci stated that OHWD and Sloughhouse RCD were too small and did not meet the intent of SGMA as it related to local control adding that local control meant regional and not a little agency out in the middle of the country.

Mr. Kamilos asked for further explanation of why the item was being carried forward to the next meeting. Mr. Eck replied that it was simply due to the newspaper notification for the hearing not being published.

Motion/Second/Carried – Mr. Bettis moved, seconded by Ms. Thompson, the motion carried unanimously to continue the item to the July 13, 2016 Board meeting

9. EXECUTIVE DIRECTOR'S REPORT

Mr. Eck wanted to make sure that Board members had a copy of the response letter from OHWD and Sloughhouse RCD addressing the letters of opposition that SCGA, SCWA, and the City of Sacramento had submitted regarding the Basin Boundary Modification application.

Mr. Eck then announced that FRCD was holding a special Board meeting that evening at 6 pm to discuss formation of its own GSA.

10. DIRECTORS' COMMENTS

Mr. Williams asked legal counsel if he could, as a member of the public, submit SCGA meeting minutes to the FRCD Board at its special meeting. Ms. Britton replied in the affirmative.

ADJOURNMENT

Brett Ewart adjourned the meeting at 12:00 p.m.

Upcoming Meetings –

Next SCGA Board of Directors Meeting – Wednesday, August 10, 2016, 9 am; 10060 Goethe Road, South Conference Room No. 1205 (Valley Oak).

By:

Chairperson

Date

Date

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA)
Sustainable Groundwater Management Act Sub-Committee Meeting
Draft Minutes
June 22, 2016

LOCATION: 10060 Goethe Road, Room 1212
Sacramento, CA 95827
1:00 p.m. to 3:00 p.m.

MINUTES:

1. Call to Order and Roll Call

Paul Schubert called the meeting to order at 1:00 p.m.

The following meeting participants were in attendance:

Board Members:

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

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
Rodney Fricke, GEI
Jay Schneider, Sloughhouse RCD
Amanda Platt, Sloughhouse RCD

Mr. Williams motioned to switch the order of items 3 and 4. Mr. Schubert called for a vote. All subcommittee members approved.

2. Public Comment

Jay Schneider with the Sloughhouse RCD announced that Omochumne-Hartnell Water District and Sloughhouse RCD were both participating in two Water Forum processes. One process was for GSA formation in the Cosumnes Subbasin and the other process for the South American Subbasin which was scheduled to meet on June 29th.

3. Recommend Establishing Governance Subcommittee

Mr. Schubert began with a review of the SGMA Subcommittee charter as it was discussed at the July 8, 2015 SGMA Subcommittee meeting. Mr. Schubert stated that based on the charter that he felt that the SGMA Subcommittee was in essence the quasi governance committee.

Mr. Eck stated that the elements of the original charter had been addressed and that the discussion should be on what the subcommittee should do going forward.

Mr. Eck then reviewed the following key factors to consider regarding SCGA's current governance:

- Counsel has determined that no changes to SCGA's current governance is needed now to comply with SGMA
- Significant staffing resources are required to complete the Alternative Plan submittal
- Revenue source change for SCGA must be resolved prior to FY 2017/2018
- Board to reconvene the Budget Subcommittee (approved at June 8, 2016 Board meeting) to address this issue – requires significant staff resources
- Significant education required to facilitate Board participation in a meaningful discussion on governance and its potential ramifications

Mr. Eck then provided an overview of the activities that staff was currently working on which included, completion of the Alternative Plan submittal by January 1, 2017, convening the FY 2017/2018 Budget Subcommittee, monthly Board meetings, and on-going SCGA programs. Mr. Eck stated that from a staff perspective, rather than form a new subcommittee the recommendation was to revise the charter of the SGMA Subcommittee to address issues related to the Alternative Plan submittal, working with Delta interests, identification of potential changes to the governing JPA, resolution of overlapping GSAs, coordination agreements, and issues related to governance.

Mr. Nelson asked about the expected timeline to address the activities listed. Mr. Eck reviewed a detailed list of tasks that were identified in as a part of the fiscal year budget and summarized that there was a significant amount of work for staff over the next six to seven months. Mr. Eck stated that discussions of governance would be a necessary part of some of that work and that the thought was that issues of governance would be integrated with those efforts rather than placing it on its own separate path.

Mr. Nelson stated that discussions of governance, the makeup of the organization, and changes to the JPA would become necessary if the Alternative Plan was approved and that it could happen within a year to a year and a half.

Mr. Goetz clarified that full powers granted under SGMA were not realized until a GSP and a GSA were formed.

Mr. Williams stated that it had been discussed previously that the municipal powers of SCGA should be retained until it could operate under the full powers granted by SGMA. Mr. Williams stated that the focus of SCGA should be on working towards that point and added that if FRCD moved forward with its own GSA application that it would delay reaching that point.

Mr. Madison asked about the recent use of the term municipal powers and that they had previously been referred to as police powers. Mr. Madison stated that the term used in the JPA was police powers and that he did not want the issue to be shaded away from the real issue. Mr. Madison asked Ms. Britton what the correct legal term was. Ms. Britton replied that they were both correct that municipal powers could be viewed as the umbrella under which a municipality derived the power to police and tax.

Mr. Ewart stated that he felt that it was an appropriate time to bring a recommendation to the Board regarding governance, revisions to the JPA, and the County-SCGA partnership and that he felt that the recommendation should keep those discussions within the SGMA Subcommittee and provide a timeline for when the governance discussions would begin. Mr. Ewart suggested that the timeline for beginning those discussions would be when there was an established GSA and approved Alternative Plan or GSP such that SCGA could assume the full powers provided by SGMA and staff's workload would be greatly reduced.

Mr. Williams wanted to clarify that governance and the issue with County staff and SCGA were two separate issues and should be made clear in the recommendation.

Mr. Nelson suggested that a specific time be identified for when the governance discussions would begin once the GSA/GSP benchmarks were reached.

Mr. Madison stated that he appreciated the subcommittee's willingness to discuss the issue and that it seemed to him that it was a matter of timing. Mr. Madison stated that he would like to provide a specific time to his Board at its meeting in July of when those discussions would begin. Mr. Madison suggested March 1, 2016 presuming that the heavy lifting by staff would be completed in December.

Mr. Williams expressed his desire to establish a milestone rather than a specific date. Mr. Bettis stated that the actual adoption of the Alternative Plan by the State should be considered rather than just its submittal. Mr. Madison suggested that when the plan was submitted in January that there would be downtime while DWR completed its review and that the discussions could at least begin at that time. Mr. Ewart pointed out that there might still be significant work required for the Budget Subcommittee at that time. Mr. Eck stated that the issue of overlapping GSAs might likely require effort at that time as well.

Mr. Nelson stated that a move to an independent agency was an important component of the governance discussion to set up the agency for the long-term and to avoid conflicts of interest. Mr. Williams replied that the discussion had accounted for consideration of the future staffing of SCGA but that the impetus of the discussion should not be centered on perceived conflict of interest with the County because none of the other board members had expressed that concern. Mr. Williams stated that FRCD needed to remain open to the possibility that the staffing issue could be discussed and that the Board might decide not to make a change. Mr. Ewart added that he understood that FRCD was advocating an idea but hoped that if the overwhelming feeling of the Board was to not make significant changes to staffing that FRCD could accept it. Mr. Nelson stated that he would be interested in hearing the opinion of the other members as it had not been discussed by the full Board. Mr. Nelson stated that he suspected that other agencies might be interested in exploring the idea and that they needed to find out. Mr. Schubert stated that he thought it was a valid discussion to have at the appropriate time and that it should coincide with discussions of governance and the larger question of what a new organization should look like. Mr. Schubert stated that there was value to independence but that there was also value to protecting the rate payers from paying additional costs when the current structure was not causing them any harm.

Mr. Mahon stated that he thought staff was doing an excellent job and had a lot of work to do, that they always provide the information, and had been at it since the very beginning.

Mr. Madison stated that an important issue to be contemplated at his next Board meeting was the issue of SCGA being an independent agency. Mr. Madison stated that SCGA may have been a legally independent agency but that in FRCD's opinion it was effectively being operated by Sacramento County. Mr. Madison said that was a problem because the County was also the largest pumper of groundwater in the region and that it could result in problems going forward. Mr. Madison stated that FRCD was looking at the issue over the long term and that he would like to know what the SCGA Board members' opinions were so that he could have a fair discussion with his Board in July.

Mr. Schubert replied that he did not know how SCGA could have that discussion to FRCD's satisfaction prior to FRCD's next meeting.

Ms. Britton noted that SCGA had a staffing contract with the County and that when the discussion of staffing took place consideration of reconciling the terms of that contract would have to occur.

While crafting the recommendation to the Board, Mr. Ewart stated that he preferred not to use the term independence as he felt it was a loaded term and offered to use make reference to staffing.

Mr. Madison stated that one of the biggest near term issues was the funding structure of the Authority and that people were already expressing a reluctance to pay. Mr. Madison suggested bringing in a rate consultant and look at a different model such as a land base fee. Mr. Madison stated that he recognized that it would require a significant amount of

effort to work through. Mr. Eck replied that to topic of bringing in another expert should be a something that the Budget Subcommittee considers.

Mr. Schneider announced himself as a representative of Sloughhouse RCD, stating that their official policy was to encourage all local agencies excluding the County, to form GSAs and for the County to form a GSA in the white area. Mr. Schneider then said if he was constituent land owner in FRCD and outside of the City of Elk Grove, his most critical concern would be that there was no local representation. Mr. Schneider stated that he saw no reason why FRCD could not form a GSA and join SCGA as its own GSA. Mr. Schneider stated that if FRCD was not a GSA then it would remain out of the SCGA JPA and without the municipal powers and those areas of FRCD outside of Elk Grove would have no local representation under SGMA except via the County. Mr. Schneider said that if FRCD formed a GSA it could join with SCGA with equal status as a GSA but that if it did not form a GSA, he predicted that Mr. Williams and Ms. Britton would be the first ones to say that FRCD could not join SCGA because they did not have the same powers and thus would dilute SCGA's powers. Mr. Schneider said if he was one of those constituents he would be adamant that a local representative represent him and demand to be a member of SCGA as an equal. Mr. Schneider stated that he guaranteed that it was not possible for FRCD to become a member of SCGA without forming its own GSA.

Mr. Ewart with Ms. Britton's guidance drafted a recommendation a follows:

Revise the SGMA Subcommittee's original scope/charter to include 1) the Alternative plan submittal process; 2) Overlapping GSAs; 3) Coordination agreements; and, 4) Issues related to governance including modifications to the governing JPA and the County staffing contract with SCGA.

Defer wholesale modifications to the governing JPA until the Alternative Plan is either approved or denied and GSA formation is complete.

Defer modification of the County staffing contract until the Alternative Plan is either approved or denied and GSA formation is complete.

Amanda Platt with the Sloughhouse RCD asked for clarification of the extent of the area that would be covered by the Alternative Plan and asked that if it included areas within Sloughhouse RCD, that Sloughhouse be considered in the development of the plan. Ms. Britton replied that the Alternative Plan would cover the area that was covered by SCGA's GMP which included the portion of the basin occupied by Sloughhouse RCD. Ms. Platt stated that the same outreach being conducted for the Delta regarding the Alternative Plan should be conducted for Sloughhouse. Ms. Platt state that Sloughhouse was not involved in the development of the SCGA GMP and sought to understand the development of the portions of an Alternative Plan that would cover Sloughhouse. Mr. Eck replied that outreach would be conducted and that the current meeting was actually part of that outreach.

Motion/Second/Carried - Mr. Ewart moved, seconded by Mr. Williams, the motion carried to recommend to the SCGA Board to revise the SGMA Subcommittee's original scope/charter to include 1) the Alternative plan submittal process; 2) Overlapping GSAs;

3) Coordination agreements; and, 4) Issues related to governance including modifications to the governing JPA and the County staffing contract with SCGA.

Defer wholesale modifications to the governing JPA until the Alternative Plan is either approved or denied and GSA formation is complete.

Defer modification of the County staffing contract until the Alternative Plan is either approved or denied and GSA formation is complete.

Mr. Nelson opposed the recommendation.

4. Update On Approach To Alternative Plan Submittal

Mr. Goetz provided a presentation (*Note: Mr. Goetz's presentation can be viewed on the Authority's website for the 6/22/2016 meeting date*). Mr. Goetz stated that one of his roles was to keep everyone educated and to answer questions that had come up in past meetings. Mr. Goetz stated that he would be reviewing why SCGA was doing an Alternative Plan and looking at what GSA formation was versus and Alternative Plan development and how the two may or may not relate to each other. Additionally, Mr. Goetz said he would cover an approach to cover areas outside of the Groundwater Management Plan (GMP) but within the subbasin and would go over the Alternative Plan schedule.

Rodney Fricke with GEI presented information on subsidence in the Delta and the remainder of the South American Subbasin. Mr. Fricke explained that there were two types of subsidence, one caused by dewatering of an aquifer and one caused by the loss and oxidation of organic matter in the soil. Mr. Fricke explained the first type of subsidence was not a major concern for the basin or the Delta but that the latter type of subsidence was somewhat relevant to the Delta. Mr. Fricke expressed that the subsidence, specifically the type due to loss of organic matter found in the basin, was not a major concern because the one instrument station measuring for subsidence in the area was west of Interstate 5 and that it was responsible for the reported levels throughout a significant portion of the basin. Mr. Fricke stated that consideration might be given in the future to add another station in the non-Delta portion of the basin to get a more accurate representation of subsidence.

Mr. Ewart asked if staff was still on the same schedule for and Alternative Plan as was presented at the last subcommittee meeting. Mr. Eck replied in the affirmative.

Mr. Madison asked if it would be better to use water supply versus water demand balance for demonstrating ten years of sustainability rather than groundwater levels. Mr. Goetz replied that groundwater levels and a water budget where each elements of what would go into defining undesirable results and would each be factored into demonstrating sustainability.

Mr. Schneider commented that if SCGA kept the Alternative Plan within the watershed and supported the boundary line modification it might avoid a lot of future issues. Mr. Schneider asked if there would be a full and transparent review of the modeling and of how the modeling was done and how any changes to the existing safe yield between the south and central basins. Mr. Schneider asked if there would be a full and transparent discussion of the analysis of the viability of safe yields from 2006 were still valid today. Mr. Schneider asked if SCGA would completely divulge the model including the inputs and outputs used to determine the results of the analysis and stated that SGMA requires open source software. Mr. Schneider stated that in order to become functionally equivalent those were the things SCGA would need to do. Mr. Schneider then said that questions of jurisdiction and the right to implement a plan or conduct analysis for areas outside of the basin might be raised.

Mr. Williams asked if the adoption of a GSP was the point at which SCGA could operate under SGMA with full powers similar to the municipal powers that it currently held. Ms. Britton stated that the full powers granted under SGMA became active when an agency formed an exclusive GSA and had an adopted GSP.

5. Action Items/Next Steps Assignments

The subcommittee agreed to reconvene on July 20, 2016 at 1 pm.

ADJOURNMENT

Mr. Schubert adjourned the meeting at 3:15 pm

Upcoming meetings –

Next SCGA Board of Directors Meeting – Wednesday, June 8, 2016, 9:00 am; SASD South Conference Room 1205, Valley Oak.

By:

Chairperson

Date

Date

AGENDA ITEM 4: PUBLIC HEARING TO CONSIDER FORMATION OF THREE GROUNDWATER SUSTAINABILITY AGENCIES IN AREAS OF THE SOUTH AMERICAN SUBBASIN (PORTIONS OF BULLETIN 118-03 BASIN 5-21.65) (CONTINUED FROM JUNE 8, 2016)

BACKGROUND:

Pursuant to SCGA Resolution 2016-002, SCGA resolved to hold a public hearing to consider becoming a groundwater sustainability agency in areas of the South American groundwater subbasin. This public hearing was scheduled for May 11, 2016 at which time it was continued to June 8, 2016. Because of noticing issues the Board continued the public hearing again to their regularly scheduled July 13, 2016 Board meeting. However, the Board has received both written and oral testimony relevant to this item. Written comments received by SCGA staff prior to July 8, 2016 are attached (see Attachment A). Oral comments received at the June 8, 2016 SCGA Board meeting are memorialized in that meeting's minutes, available in Item 3 of this agenda package. Oral comments received at the May 11, 2016 SCGA Board meeting are memorialized in that meeting's minutes and are attached (see Attachment B).

Three resolutions are proposed, corresponding to the three GSA formation areas within the South American subbasin. These three GSA areas are shown on Exhibit "A" of each of the attached resolutions and include: GSA 1, currently uncontested by any other groundwater management entity; GSA 2, located within OHWD's jurisdiction and overlies OHWD's current filing to become a GSA within the South American Subbasin portion of their jurisdiction; and, GSA 3, located within SRCD's jurisdiction and overlies SRCD's current filing to become a GSA within the South American subbasin.

SCGA's member agency, OHWD, along with the SRCD, have submitted a joint basin boundary modification to state DWR requesting to remove areas identified as GSA 2 and GSA 3 from the South American Subbasin. As the state's basin boundary modification process is ongoing, the two areas are separately identified as SCGA moves forward to become a GSA within the South American Subbasin.

SCGA should be recognized as the exclusive SGMA groundwater management entity for the noticed areas, unless another local agency has submitted or submits (within 90 days) a Notice of Formation identifying overlapping area of intended management (California Water Code 10723.8(c) and (d)).

STAFF RECOMMENDATION:

Recommended Actions:

- 1. Open the public hearing and accept public testimony;***
- 2. Close the public hearing;***
- 3. Consider and Adopt Resolution to form GSA 1;***
- 4. Consider and Adopt Resolution to form GSA 2; and,***
- 5. Consider and Adopt Resolution to form GSA 3.***

Attachment A to Agenda Item #4

*Omochumne Hartnell
Water District*

O
H
W
D

*Kurt A Kautz
CHAIRMAN*

*Leland Schneider
VICE CHAIRMAN*

*Ronald R. Lowry
TREASURER*

*Robert L. Mahon
DIRECTOR*

*Thomas Young, Jr.
DIRECTOR*

*Michael Wackman
GENERAL MANAGER*

*Cynthia Luellen
BOARD SECRETARY*

May 5, 2016

Darrell Eck
Sacramento Central Groundwater Authority
827 7th Street, Suite 301, Sacramento, CA 95814

RE: Sacramento Central Groundwater Authority Resolution to become a Groundwater Sustainability Agency

Thank you for the opportunity to comment on the Resolution Commencing the Groundwater Sustainability Agency Formation Process for Areas of the South American Subbasin (the “GSA Resolution”) adopted by the Sacramento Central Groundwater Authority on April 20, 2016. As reflected in the GSA Resolution, Area 2 of SCGA’s proposed groundwater Sustainability agency (GSA) will overlap with the GSA area covered by the notice submitted by Omochumne Hartnell Water District (OHWD) and posted by the Department of Water Resources (DWR) on May 4, 2016. We look forward to working collaboratively with you to resolve this overlap expeditiously.

At the outset, it is important to note that on September 9, 2015, SCGA passed a motion to start the process to become a GSA for the South American Subbasin *exclusive* of the OHWD boundary. Since then SCGA has not taken action to rescind that motion. However, the GSA Resolution directs formation of a GSA for the area of the basin *including* OHWD’s service area. This is in direct conflict to SCGA’s position in 2015 and unnecessarily creates overlapping GSA boundaries that must be resolved.

OHWD has consistently worked with SCGA to coordinate GSA formation processes and attain sustainable groundwater management in the South American Subbasin. For example, upon SCGA’s request, OHWD delayed its decision to become a GSA in order to allow Sacramento Central Groundwater Authority and the County to fully explore the submission of an alternative plan for the SCGA area under SGMA. Only when Sloughhouse Resource Conservation District took action to become a GSA in a portion of the South American Subbasin did OHWD opt to move forward in the GSA formation process. However, OHWD continued to invite the collaboration and continued discussion with SCGA on SGMA efforts. That invitation remains open today.

Phone: 916-682-5958

Street Address: 7513 Sloughhouse Road, Elk Grove, CA

Mailing Address: P.O. Box 211, Wilton, CA 95693-0211

Email: info@ohwd.org

Attachment A to Agenda Item #4

OHWD has been a long-time participant in groundwater management efforts County-wide, and has collaborated with stakeholders from across these basins, including the County and Sacramento County Water Authority, to sustainably manage its area. It is, in particular, a key player in groundwater management in the Cosumnes Subbasin, and a founding member of the Southeast Sacramento Agricultural Water Authority (“SSCWA”). The 2014 adoption and implementation of SGMA re-focused local agencies’ groundwater management efforts on specific basins, and required each basin to be managed under its own GSP within the statutory deadlines. OHWD intends to continue its vigorous participation in groundwater management efforts within its boundaries. Because that boundary currently overlies both the South American and Cosumnes sub-basins, OHWD has submitted a request to modify the basin boundaries in order to duplication of efforts and decreased efficiency in managing groundwater. It is the position of the OHWD Board that a basin boundary line that bisects the District would hinder, rather than promote, the continued sustainable management of both subbasins. Accordingly, OHWD submitted a basin boundary modification request that would shift the basin boundary northward, bringing the entirety of the District into the Cosumnes Subbasin. The proposed change would allow OHWD to remain intact and not divided, thus saving resources and allowing the management of the District as a single unit, coordinated with other like land uses and districts in the Cosumnes Subbasin.

The intent of the Department’s Basin Boundary Regulations is to ensure that basin boundary modifications are “consistent with the State’s interest in the sustainable management of groundwater basins as expressed in [SGMA].” OHWD remains committed to engaging with SCGA and other area stakeholders as to the best way to sustainably manage this area, both in the formation of GSAs and in the consideration of changes to the existing basin boundaries. Ultimately, OHWD believes the boundary adjustment and the GSA formation will be beneficial to the Cosumnes Subbasin and to the County as a whole, by allowing OHWD to concentrate its resources on developing the Groundwater Sustainability Plan for the south area.

I encourage the SCGA Board to not include any portion of OHWD in any GSA it forms and support the basin boundary modification. Potential stakeholders need to work closely with OHWD, Sloughhouse Resource Conservation District, and any other local agency pursuing SGMA compliance to achieve sustainable management of the basins underlying the County. The Board of OHWD looks forward to working with the SCGA, County of Sacramento, Sacramento County Water Agency, and its neighbors to achieve long-term sustainable management within this region.

Thank you,

Kurt Kautz
Chairman

Phone: 916-682-5958

Street Address: 7513 Sloughhouse Road, Elk Grove, CA

Mailing Address: P.O. Box 211, Wilton, CA 95693-0211

Email: info@ohwd.org

Attachment B to Agenda Item #4

Sloughhouse Resource Conservation District

8698 Elk Grove Blvd. Suite 1-207, Elk Grove, CA 95624

Phone: (916)612-5163 Fax: (916) 647-0520

SloughhouseRCD@gmail.com



May 9th, 2016

Don Nottoli, Representative Sacramento County
Sacramento Central Groundwater Authority (SCGA)
827 7th Street Room 301
Sacramento, CA 95814

RE: SCGA GSA Formation

Dear Supervisor Nottoli

The Sloughhouse Resource Conservation District ("District") provides the following comments on the Sacramento Central Groundwater Authority's ("SCGA") notice of intent to elect to serve as a Groundwater Sustainability Agency ("GSA") under the Sustainable Groundwater Management Act ("SGMA") for portions of the South American groundwater subbasin as currently delineated in Bulletin 118.

Firstly: SCGA has scheduled a hearing on Wed. May 11, 2016 where it proposes to consider declaring to be a GSA for portions of the Cosumnes Watershed where OHWD and SRCD have already declared. This greatly affects your supervisorial district. You have worked with both OHWD and SRCD for years and years, and have an understanding of the rural agricultural community and the importance of local governance.

We request you personally attend the hearing. By doing so you may better understand just how divisive to the community it is for a group of cities to assert jurisdiction or even want jurisdiction over the Cosumnes Watershed which lies outside each of the cities jurisdictions.

So far, SCGA has had a deaf-ear to the fact that two long established and respected agencies, OHWD and SRCD, whose constituents are the residents of the Cosumnes Watershed, have elected to implement SGMA in this local area. **You are the only elected member of the signatories (4 cities and County) to SCGA.** The decision is not about the work, however good or bad, or how much was expended to resolve the differences amongst municipalities within the American River Basin. It is about who will represent the landowners within the Cosumnes Watershed for the future generations regarding establishing and implementing a Groundwater Sustainability Plan for "their" basin.

We feel you should personally attend and vote against SCGA declaring to be a GSA within the Cosumnes Watershed. Conversely, the District does not oppose SCGA's desire to be a GSA within the American River Watershed.

SCGA Should Refrain From Electing To Be A GSA In The Cosumnes River Watershed To Allow The District And Other More Representative Local Agencies To Serve As GSAs

SCGA apparently intends to elect to become a GSA within portions of the current South American subbasin that are within the Omoichumne Hartnell Water District ("OHWD") and the District, and over which OHWD and the District have already declared an intent to become GSAs. SCGA's action would therefore create "overlap" in these GSA elections.

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To avoid this overlap, the District requests that SCGA not apply to be a GSA within the Cosumnes River watershed (Figure 1) or within the District's boundaries within the Cosumnes Watershed. The District has already elected to be a GSA for the areas within the District's boundary that fall within the Cosumnes River watershed (Figure 2). The District believes it is the local entity that is in the best position to represent local landowners in the Cosumnes River watershed now and in the future.

In previous meetings, the SCGA Board has voted to not interfere with OHWD's desire to be a GSA within OHWD's territorial boundaries. OHWD has a long history of management and on-the-ground work related to groundwater and conjunctive use. The District urges the SCGA Board to adhere to its previous position of non-interference with OHWD's intention to be the GSA within OHWD's territorial jurisdiction.

SCGA Should Postpone This Hearing And Conduct More Stakeholder Outreach Before Electing To Become A GSA

SGMA urges, indeed mandates, public participation and outreach. However, the District believes that SCGA's efforts to publicize and involve the public and affected stakeholders in its intent to become a GSA in the South American subbasin is grossly inadequate considering the dense and diverse population within the South American subbasin and the many potentially affected entities. SCGA's notice and agenda materials hardly provide any information or context for the public to understand and participate in this weighty governance decision.

Ironically, SCGA recently submitted comments opposing the District's application to modify the basin boundary between the South American and Cosumnes subbasins, which included baseless criticisms that the District's outreach and coordination efforts regarding SGMA have been inadequate. As a point of comparison, however, when the District embarked on its efforts to explore becoming a GSA, the District first held an informational public workshop and then later a public hearing. The workshop and hearing included materials and presentations to educate the public about SGMA so that they could effectively understand the issues and participate in the process. The District also held numerous publically noticed board of directors meetings over the course of several months prior to and after the workshop and hearing. The District also corresponded with nearby local agencies in the Cosumnes subbasin such as the Omochumne Hartnell Water District, Clay Water District, Galt Irrigation District, the Southeast Sacramento County Agricultural Water Authority, and Amador County. District representatives also met with officials from SCGA and members of its board of directors, sent letters, and encouraged and implored more information sharing and dialogue between our agencies regarding GSA formation and the basin boundary issue.

It appears that after being so critical of the District, SCGA itself is employing a procedure that does not meet the standards of public outreach and coordination it purports to embrace – one that is less inclusive than the efforts the District undertook when considering actions that affect a much less populous part of the county. Accordingly, the District requests that SCGA postpone this hearing and engage in more diverse coordination and stakeholder outreach, including additional meetings with the District to attempt to resolve apparent disagreements regarding those portions of the current South American subbasin that are within the District and its previous GSA election.

The District Looks Forward To Coordinating With SCGA And Other Local Agencies On Preparation And Implementation Of Respective Groundwater Sustainability Plans For The South American and Cosumnes Groundwater Subbasins

The District fully appreciates the time and effort previously spent by SCGA and its predecessors on groundwater planning and management, and it does not oppose SCGA's efforts to be efficient by using existing data, modeling, and monitoring, provided that doing so is appropriate to comply with SGMA. However, as you know, the previous efforts of the Water Forum and SCGA's creation were essentially to resolve disputes regarding water management and land use decisions among the county and municipalities within the American River Watershed. The District does not have an objection to SCGA and other local agencies electing to become GSAs in areas of the South American watershed.

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At present, the District is a co-applicant with OHWD on a basin boundary change that it expects will be granted by DWR. The change will conform the Cosumnes groundwater subbasin with the Cosumnes River's watershed and match many other traditional, institutional, jurisdictional, and land use delineations. Regardless of whether the basin boundary application is granted, however, the District looks forward to coordinating with SCGA on preparing adjacent coordinated GSPs for the South American and Cosumnes subbasin.

In sum, as the District constantly notes in meetings and correspondence, the District intends to actively engage in the future groundwater management of the Cosumnes River watershed and one or both subbasins (as determined by DWR) when necessary or appropriate. Please consider the District an interested party in all future correspondence related to GSA formation, GSP development, and the possibility of the SCGA developing an alternative plan (if such a plan is still being contemplated despite SCGA's election to become a GSA). The District looks forward to working with SCGA in these matters.

Sincerely,



Jay Schneider
Vice-Chairman
Sloughhouse Resource Conservation District

CC: Darrel Eck, SCGA Executive Director Eckd@saccounty.net

Ramon Roybol, SCGA Staff RoybalR@saccounty.net

Attachment B to Agenda Item #4

Attachments:

Figure 1: Cosumnes River Watershed

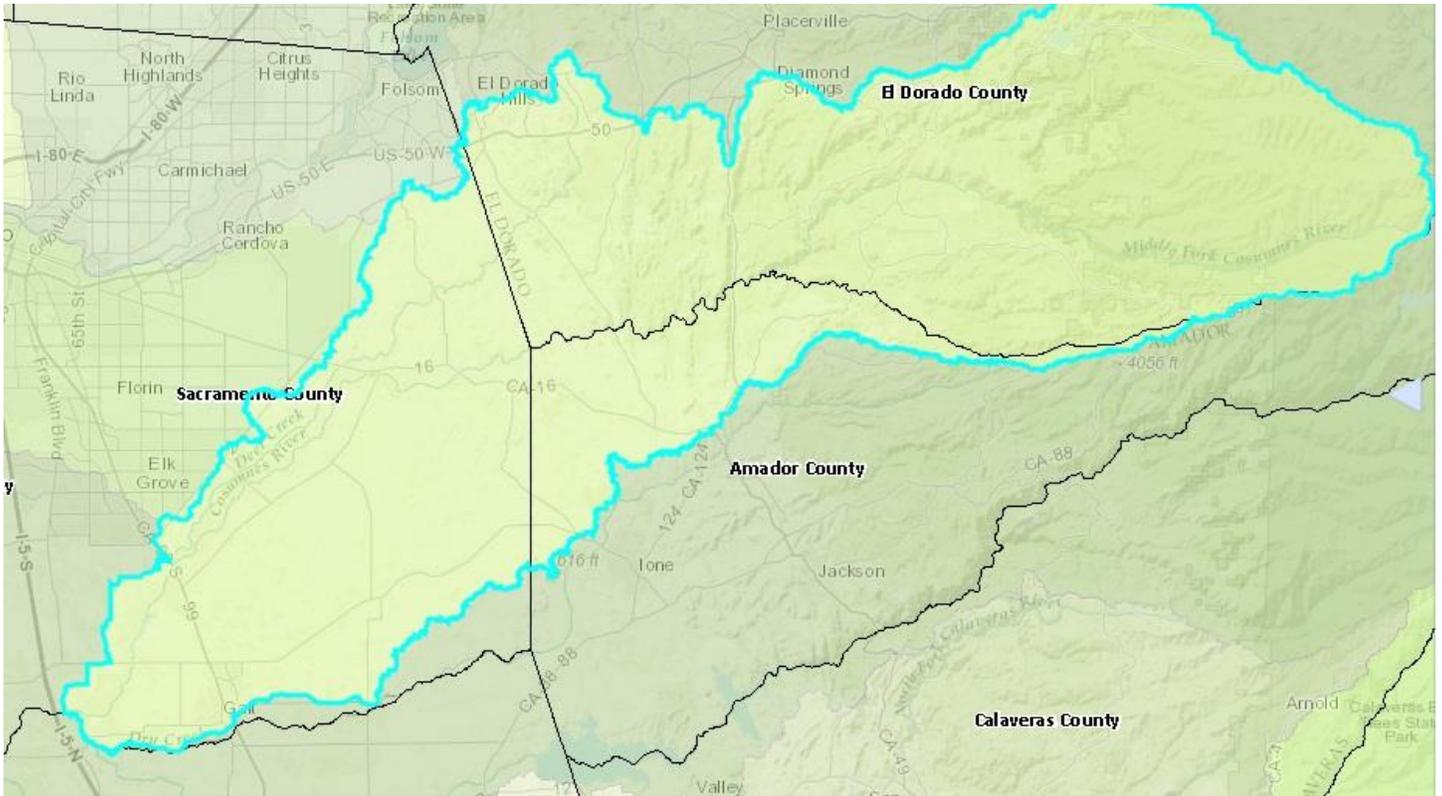
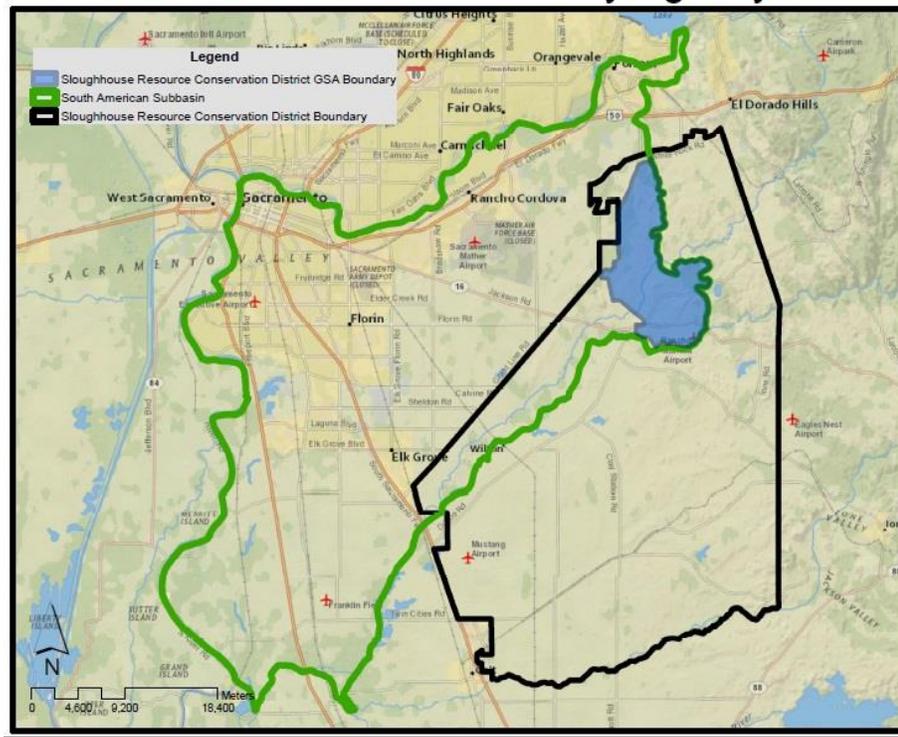


Figure 2: Potential SRCD/SCGA GSA Application Overlap Area



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From: [Ronald Pecci](#)
To: [Roybal, Ramon](#)
Cc: srpecci@aol.com
Subject: aPublic Comment
Date: Friday, July 08, 2016 3:22:06 PM
Attachments: [Darrell Eck letter 5-16-2016.pdf](#)

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May 16, 2016
Darrell K. Eck, Executive Director
Sacramento Central Groundwater Authority(SCGA)
827 7th St. Rm 301
Sacramento, CA 95814

Attn: Ramon Roybal

Re: Public comment for OHWD/SRCD Basin Boundary Modification and GSA Proposal

Dear Mr. Eck;

I want to thank you and your staff for the excellent presentation on Sustainable Groundwater Management Act (SGMA) for the domestic well owners and urban water users at the Elk Grove City Council Meeting. It was the first time most of those residents in attendance at the meeting had heard of SGMA. I hope this is the beginning of SCGA outreach and continuing discussions in Elk Grove, as well as the beginning of collaborative planning by all waters users in our region to work toward local groundwater sustainability.

I support SCGA becoming the GSA for the South American Subbasin 5-21.65. I feel that SCGA will provide the local control that is referenced in SGMA and will be the local agency that provides stability and planning for water sustainability in the region, as well as the implementation of the SGMA process as we move forward. Since formation in 2006, SCGA has demonstrated it's expertise and professionalism in operating as broad-based representation of the region in providing groundwater sustainability for the past ten year.

I recognize SCGA's service in upholding the public trust. I support their continuing leadership over the entire South American Subbasin, including that portion of the basin overlapping the areas of the Basin Boundary Modification filed by Ohmochumnes Hartnell Water District and Sloughhouse Resources Conservation District)OHWD/SRCD). The Basin Boundary Modification crosses the jurisdictional lines of the City of Elk Grove, separating about 185 ? domestic well owners on the east side of Grantline Road within the city limits of Elk Grove from the rest of their rural community and splits the unincorporated town of Wilton and its ? hundreds of domestic well owners. I , therefore, oppose this proposed basin modification.

In my opinion the public outreach by OHWD was last minute the initial GSA meeting was held on March 14, 2016, little more than 2 weeks from the filing deadline of March 31. There were no further public notices published in the local newspaper that I was aware of by OHWD. Although I signed the sign-in sheet thinking I would receive e-mail notices from OHWD I did not, instead I received only notices from SRCD and I was not aware that they had joined as one entity OHWD/SRCD. As I live within the OHWD boundaries, I stopped going to SRCD meetings as they were repetitive with no new information for the public. After the first meeting held by SRCD in early January 2016 in which they gave a brief summary of SGMA and timelines for action, the meeting agenda never changed. Our questions about their expertise, the structuring of the agency management, the role of domestic well owners, the plan for water sustainability, and funding after grants ran out went unanswered. But we did understand the message of local control for the local farmer's water boards or the state or county would take over. Very confusing, especially when the public" had voiced their satisfaction at the first SRCD meeting in

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January, 2016 of the agency currently in authority, but at that time we did not realize it was SCGA and SRCD did not disclose that fact.

Of even greater significance, in my opinion, most domestic well owners in the Wilton/ Elk Grove area are not even aware of SGMA (as well as domestic well owners throughout the state), therefore, were not looking for a public notice in a newspaper or checking the websites of farmers' water boards for meetings and agendas on the subject of SGMA meetings.

In my opinion, these public meetings and board meetings were used to generate sign-in sheets which were used to evidence "public outreach" for the DWR applications, even though water agencies and management districts and other area RCD's, farmers, and governmental water agency employees were the majority of the attendees. For instance at the OHWD meeting of March 14 on becoming the GSA there were only a handful of public members at the meetings. The majority of the attendees were farmers and farmers water board members and affiliates. It is my opinion that these outreach records then were used by OHWD/SRCD to indicate local support for the basin boundary modification and OHWD/SRCD bid to become the local GSA, when in fact the records indicated farmer support and not public outreach and support. The matter was never brought to a public vote at the meetings I attended. Only the Board of directors voted at the meetings I attended. In fact the residents do not vote for the Board of Directors for either SRCD or OHWD, they were initially appointed by the Sacramento County Board of Supervisors and thereafter voted among themselves for each other, as much as I can determine from attending the meetings and researching their organizations. (By way of background, I was the one who alerted town leaders of Wilton to SGMA and together we watched for any public meeting notice that might be published in our area. But for that, I suspect there would have been no public turn-out of any sort.)

In the April 25, 2016 OHWD letter addressed to DWR, Mark Nordberg to serve as notice of OHWD's decision to serve as the GSA, paragraph 4 states that on March 14, 2016, OHWD held a public hearing to consider its decision to serve as GSA for the areas within its boundaries and that "No negative comments were received prior to or at the hearing," (See Attachment 1 OHWD letter of 4-25-16) The minutes for the March 14 GSA meeting were not submitted as part of the online application. The public meeting of March 14 was, however, recorded and attendees were told that the minutes would be made available upon transcription and posted on the OHWD website, although this was and is still not the case. It is misleading, at best, for OHWD to state there were no negative comment, as I personally made negative comments about the lack of appropriate public outreach due to the pending filing deadline about two weeks away, the obvious lack of the general public present at the meeting, and my opinion of a conflict of interest with respect to certain OHWD board members being landowners in the original SOIA application by the city of Elk Grove in 2006-07, as well as landowners in the current SOIAA involving the proposed soccer complex, in addition to other OHWD board members having filed private applications with LAFCo for annexation into the city of Elk Grove. In addition we discussed why we never received notification of the fact that landowners with domestic wells were eligible to vote for the board of directors. We were told that elections were posted on the website and that it would have been too expensive to mail out ballots to us.

On May 3, 2016 I e-mailed a public records request to OHWD for a copy of the recording made at the meeting and a copy of the minutes for the March 14 meeting. I brought up that request publicly at the May 11 SCGA Meeting, where Mr. Wachman said they received the request and that they would respond. Mr. Wachman , in his online response to issues I raised on the DWR website referenced my public records

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request and stated they would be forthcoming. However, as of this date, I have heard nothing further on my request for public documents from OHWD.

I oppose OHWD/SRCD in their basin boundary modification and their quest to become the local GSAs as it is my opinion after attending their public meetings and various of their board of director meetings since January of 2016 to present that:

- They do not have a groundwater sustainability plan or if they do have a plan are not willing to share it with the domestic well owners who raised the question of a plan at the public meetings;
- They lack the appropriate experience and qualifications to become GSAs . According to SRCD's GSA handout of 2-9-2016. SRCD is involved in: levee repair; checking dams; removing trash and illegal dumping; formation of local irrigated lands watershed group; back flow prevention; and a recently initiated ag/res water efficiency program. SRCD was formed in 1956 by local farmers for soil conservation by farmers. OHWD website states it was formed for the benefit of district agricultural users along the Cosumnes River and Deer Creek . They purchase and manage supplemental water from CVP, have 4 flash dams to increase water recharge, work with SSCAWA to protect member's interests and work to increase fish flows and they have an interest in banking water. Neither OHWD nor SRCD has any experience in municipal water management or delivery. There is nothing to evidence appropriate experience that qualifies them to plan and manage for water sustainability for anyone but themselves and their own self-interest;
- OHWD/SRCD does not have the management structure and capacity to become a GSA. As of May 2016 OHWD and SRCD was made up of boards comprised of 5 local farmers, a manager who is a farmer and a secretary, with the farmers rotating in and out of the various local farm water boards in the southeast area of Sacramento County . At the May 5, 2016 OHWD board meeting I attended, SRCD members present were voting on agenda items on the OHWD agenda. An SRCD board member resigning his seat named his replacement. It is my opinion that this " historic structure and operation" of the boards will be an issue in the management structure no matter who they hire to perform the functions of a GSA;
- OHWD/SRCD does not have the financial capacity to be a GSA . I understand from Jay Schneider's (SRCD) comments at the meetings when asked, that money will come from federal and state grants to hire management companies, water specialist, staffing to run a new start-up water agency. However, Jay Schneider failed to respond to our question about where the money comes from once the grants run out and how the agency would be funded on an ongoing basis;
- My real concern is that a small water agency run by local farmers in rural east Elk Grove with about 185+ domestic well owners and parts of unincorporated Wilton with a few hundred more domestic well owners along with the agricultural wells of farmers drawing down the ground water for the ever increasing number of vineyards to create the Sacramento Wine Country -- is a recipe for disaster- a replay of the Central Valley. There are no urban or mixed-use water customers to provide a steady income stream a water agency needs for operation when the grants run out. The burden of providing that income will fall on the ? few hundred of domestic well owners in the Elk Grove/Wilton area. Many, if not most of these rural residents are retirees on fixed incomes. It could very well signal the end of the rural community in our area if OHWD/SRCD is approved as a

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- GSA. It is very difficult for me to accept that this is the intent of SGMA and what SGMA refers to when it speaks to Local Control. We need a more balanced approach to groundwater sustainability where the stakeholders are not in control of the water supply management, which, in my opinion, is a conflict of interest.

As a domestic well owner, I have come to understand that we have the right to reasonable use of groundwater under our property. We have surface entry rights, but I understand that the water is not ours. At the May 5, 2016 OHWD board Meeting, the meeting came to a close with one of the board members seeming to wonder out loud why we were having this discussion about water due to the fact that it was their(farmer's) water. I feel very strongly that OHWD/SRCD must change their philosophy, come to understand that the water is not their water and demonstrate that depth of understanding in a measurable way by abandoning their basin boundary modification and quest to become GSAs in our area. I feel that "local control" as referred to in SGMA can only mean regional, due to the population density, limited amount of water, the wide diversity of proposed water use in the area, the desire for development and growth throughout Elk Grove and the rest of the region and the fragility of the eco systems in and around the waterways in our unique region.

Thank you for considering my public comments as you move forward to become the local GSA for our region. If you have any questions about my comments, please feel free to contact me. I would be very happy to discuss my concerns personally with you.

Yours truly,

Suzanne Pecci
10212 Equestrian Drive
Elk Grove, CA 95624
(916)686-6768 slpecci@aol.com

cc: Hong Lin,P.E., Ph.D
Chief of Water Supply Evaluations

Tim Godwin,
DWR Sustainable Groundwater Management Program

Greater East Sheldon Homeowner's Association

Sheldon Community Association

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TRANSCRIPTION FROM AUDIO FILE

OF THE

OMOCHUMNE-HARTNELL WATER DISTRICT

MAY 5, 2016

--o0o--

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1 SPEAKER 1: If there's public comments, we
2 invite you to comment now. Please keep your comments
3 to a reasonable length. If you don't have public
4 comments right now -- and come up to the mic because I
5 know it's a little hard for everybody to hear. If you
6 don't have public comments now, that's fine. If you'd
7 like to submit written comments or follow up later,
8 you're welcome to. Do keep in mind that the earliest
9 date for the district of considering making a decision
10 is tomorrow. This hearing has been on notice for a
11 while, but you're welcome to comment between tomorrow
12 and you're welcome to comment tonight. And again, if
13 you have written comments, formal and informal, please
14 do feel free to bring them.

15 AUDIENCE MEMBER: I got a question. Not sure if
16 I'm clear on this. The meeting that is held tomorrow,
17 this is the meeting that is going to decide whether the
18 local landowners are going to try to establish
19 themselves rather than being taken over by a government
20 entity?

21 SPEAKER 1: So there's no -- there's no option
22 within the law -- you have to be a public agency.
23 There's no option within the law to a bunch of
24 landowners getting together -- and this has been a
25 challenge for a lot of landowners throughout the stat

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1 There's no option in the law for you and I and three
2 other people to say, "We're the GSA for our boundaries."
3 Your options are work within the parameters of an
4 existing government agency.

5 This is a public outreach session. The board has
6 the ability to make the decision tonight and its chosen
7 to be here, make public comments and give people the
8 opportunity to participate, and then consider it
9 formally at their regular monthly meeting tomorrow which
10 is a public meeting. But the decision here is just
11 should Omochochumne serve as the GSA for its boundaries or
12 not?

13 For those of you -- I know there might be some
14 folks who are not fully within Omochochumne's boundaries or
15 are coming just for information. Any other local public
16 agency that wants to make this decision is going to have
17 to go through the same process where they have a public
18 hearing and they talk about whether or not they should
19 do it, and you get feedback on it, so --

20 AUDIENCE MEMBER: I have a comment.

21 SPEAKER 1: Oh. Come on up.

22 SPEAKER 2: And if you don't mind, state your
23 name. That'd be great. You don't have to since it is a
24 public comment but if --

25 SPEAKER 1: But it's easier to keep track on the

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1 tape of what's being said to transcribe it, so --

2 AUDIENCE MEMBER: So my name is Susan Peche, and
3 I'm from the city of Elk Grove, and I live on a five
4 acre parcel, and my property is within the
5 Omochumne-Hartnell Water District. I've been to a lot
6 of meetings in the city of Elk Grove. I've been very
7 active in the city of Elk Grove's SOI, the LAFCO
8 application by landowners whose land is within the area,
9 the boundaries, of the Omochumne-Hartnell Water
10 District. And my concern in looking at some of the
11 board members are -- would be that some of these people
12 have, through the years, indicated an interest to
13 develop their property. I know that one of the
14 functions of the GSA is to oversee development within
15 their jurisdiction, and I'm wondering if perhaps there
16 is a conflict of interest in going forward with
17 something like this. So, that's my comment. Thank
18 you.

19 SPEAKER 2: Any other comments from anybody
20 else? Yeah, go ahead. Come on up.

21 AUDIENCE MEMBER: My name is Mark Wilson. I own
22 some property on Keating Road, and one of the things,
23 rightly so, a lot of people are concerned by that
24 something is happening here and that you're not being
25 represented and so forth. What really happens with a

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1 lot of these agencies until, as you said now, water is a
2 very personal thing and tell somebody there's something
3 happening, nobody is paying attention and you can't even
4 get anybody to run for the board and that's -- so it's
5 not like things have been done in secret and so forth.
6 It's just now we're in a different situation since the
7 Sustainable Groundwater Management Act has passed. And
8 now it is -- now it's getting a little more personal how
9 things are managed in your area here.

10 So I just want to urge everybody, don't think
11 anybody has been trying to keep you out of the picture
12 and so forth. Just to notify everybody about every
13 meeting, if it was to be done by mail, it'd be so
14 expensive for the district, a great big expense for them
15 just to send out mail notices all the time. There's
16 lots of small, special districts like this that operate
17 this way and it's not to keep anybody out. There's --
18 tomorrow's meeting is a public meeting. You're welcome
19 to come. And -- so it's not -- there's nothing secret
20 going on. And actually, these people that have been on
21 the board -- it's a thankless job, and they've been
22 doing a good job for a lot of years. And I just want to
23 put that out there, that there's nothing secret
24 happening, and I think it's great that you are
25 interested. It'd be great if more people were

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1 interested, and they probably will be in the future.

2 One of the things that was talked about this
3 evening is 218 election. If things happen where a
4 great, big groundwater sustainability plan has to be
5 developed, they're going to have to come to all of you
6 and say, "Look, we need to up your rates on your taxes
7 to help pay for this." And so what you have is a
8 functioning group right now who is trying to let you
9 know -- the public know what's going on and hopefully
10 you will all be more interested. Hopefully people will
11 start attending meetings and so forth, but they are
12 trying to keep the cost down and do a good job for you.

13 AUDIENCE MEMBER: I had a question just based on
14 that, when you talked about upping our rates. Right now
15 we don't pay water bills. We have domestic wells. So
16 how do you up our rates? How do you determine our usage
17 if you don't meter our wells? That's been a big concern
18 at the Sloughhouse meeting. How will all that work
19 because all of this will take financing, the grants will
20 run out, and you will have a little water company that
21 will be fueled and paid for by how many domestic well
22 owners that are in your area. Do farmers pay for their
23 water? I mean, there are a lot of questions like that.
24 How will you finance this company? How will you charge
25 us?

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1 SPEAKER 2: Currently, Omochumne-Hartnell Water
2 District is financed by property tax money that has come
3 in. So it is a property tax based district at this
4 point in time. And any new taxes, like Rebecca was
5 saying, would have to go through the Prop. 218 process.
6 So currently we -- it's all land based property tax. So
7 if you're paying your property tax if you live in our
8 district, a portion of that property tax goes to the
9 district to operate the district currently.

10 AUDIENCE MEMBER: Okay. But when you go farther
11 in talking about -- I mean we have, we really just
12 touched the surface of all of this with respect to
13 domestic wells. We had questions about metering our
14 wells. I mean, I've been to the meetings downtown.

15 SPEAKER 2: And a lot of those --

16 AUDIENCE MEMBER: Regulating our water use, how
17 will all of this play out (inaudible) sustainability?

18 SPEAKER 2: A lot of that we don't know because
19 we have to develop the groundwater sustainability plan
20 and within the groundwater sustainability plan that has
21 to be developed by 2022, there is an implementation
22 portion of that plan of how you go about to meet that
23 sustainability in the basin. And so as a basin as a
24 whole, if you develop the whole plant, all the water
25 districts, all the entities which has determined

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1 themselves to be a groundwater sustainability agency
2 will then have to work together to figure out how do we
3 implement the plan that has been developed. So a lot of
4 those questions about water metering, how much is it
5 going to cost are going to have to be decided -- those
6 questions will be answered as we move through the
7 process of developing a groundwater sustainability plan
8 over the next six years.

9 SPEAKER 1: One additional piece of that for
10 domestic users is that anyone who uses less than
11 two-acre feet a year of groundwater -- so their cost
12 divide is deminimis extractor. Those extractors are not
13 subject to SIGMA fees and are very limited in the amount
14 of regulation that is imposed on them as part of SIGMA.
15 So, for those of you who are smaller domestic well users
16 that aren't needing that two-acre foot a year cut off,
17 this is much less of an issue for you.

18 AUDIENCE MEMBER: How do you even know what
19 we're using if we're not metered? How do you know that
20 I'm not using more than two-acre feet of water? I live
21 on five acres. How do you know how much water I'm
22 using? I mean, that is just a -- that's an estimate
23 that was done throughout the state by the Department of
24 Water Resources. But the only way you're going to
25 determine whether I'm using more than that two-acre feet

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1 is by some way of measuring what I use, right? Am I
2 right or am I --

3 SPEAKER 1: You know, I think there's a lot of
4 ways to scan that cat. Certainly the law does allow a
5 district to impose a metering requirement on everybody
6 in the district. That doesn't mean that that's what
7 this district is going to do or what this district plans
8 to do.

9 You know, there's so many places that we've worked
10 with have said, "Gosh, we're going to recognize anybody
11 over a certain, under a certain acreage is unlikely to
12 really be using the amount of water that would count for
13 this, and we're not going to cover them." There's not
14 any requirement in the law that says you got to
15 scientifically prove up and know, you know, on a month
16 to month basis or a usage basis how much you're using,
17 but that's the cut off, is the two-acre feet.

18 The law certainly gives this agency or any other
19 agent that steps in. Because if this agency doesn't
20 serve as a GSA for your area, then someone else will do
21 it. It will either be the county. Some of the local
22 public agents that covers it and if no one else steps in
23 to do it, it will be the state that comes in and
24 manages, so --

25 AUDIENCE MEMBER: Well, the issue in this water

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1 district is that a lot of this is part of the SOI that
2 the city of Elk Grove is seeking through Lavco, and
3 we're looking at the high -- the development of this
4 area with houses. Right now, it's farming, and I don't
5 know how much water is used for farming. What we're
6 looking at development of this area and it's already --
7 if it's one of those areas -- one of the basins that is
8 in what? High, medium, or low, it's in the high range,
9 isn't it? Already, so --

10 SPEAKER 1: So in this district south of the
11 river, the river and south, is a medium basin. The
12 river in north is a high basin.

13 Any other questions or comments? I don't want to
14 hog the microphone.

15 AUDIENCE MEMBER: Hello. I'm Wayne Wells. I
16 represent Andrew Gelstine of the Ickenburger Ranch.

17 Currently, we are trying to set up some sort of
18 proof of concept for a groundwater recharge. As far as
19 I know, Andrew would like to move forward and do some
20 sort of groundwater recharge station on his own
21 property. That would be right near the canal, Folsom
22 Canal and Sloughhouse Road. He's had ground tested
23 there. It's supposed to be sand and rock all the way to
24 the aquifer, so right now it's looking like it may be
25 feasible, and he would like to try to move forward with

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1 this and stay as local as possible and not have outside
2 influences move in and possibly take this over.

3 From what it sounds like, it will be moving forward
4 whether we like it or not. So that's all I have. We
5 currently are trying to put up a proof of concept for
6 this. Thank you.

7 SPEAKER 2: Other comments? Amanda?

8 AUDIENCE MEMBER: Amanda Platt. Secretary and
9 project manager with the Sloughhouse Resource
10 Conservation District.

11 I think I've seen a lot of you probably before in
12 our public hearing, in our public meeting that we
13 recently had. The Sloughhouse -- our CD is also going
14 through the process of becoming a GSA in the area, in
15 parts of the area in South Sacramento county, and I just
16 want to come up here and make a comment that we support
17 the Omochumne-Hartnell Water District in their efforts
18 to be GSA in this area.

19 At Sloughhouse, our CD thinks that local control is
20 a really important aspect within this area, and we just
21 want to continue the tradition that we've had with
22 Omochumne-Hartnell partnering in projects and having
23 local control. And I would like to reiterate Rebecca's
24 point that this is not something where if nobody does
25 it, if Omochumne-Hartnell doesn't do it or another local

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1 agency, it's not going to go away. It's not something
2 that's just -- we're not going to have to comply with.
3 It is something that the next level would be the county,
4 and then the state -- the state would take over. So, it
5 is an effort to keep that local control.

6 AUDIENCE MEMBER: I've got a question for you.

7 SPEAKER 1: Yes.

8 AUDIENCE MEMBER: Will you be working in real
9 close border with the Omochumne-Hartnell, especially on
10 the areas that are on this side of the Cosumnes River?

11 Some of us are a little concerned. We got two
12 agencies involved here and, you know, are you guys going
13 to work together so we're not going to have to deal with
14 two different agencies?

15 SPEAKER 2: Actually one of the reasonings for
16 the boundary adjustment we're looking at is to be able
17 to have Omochumne-Hartnell work with Sloughhouse
18 Resource Conservation, Clay Irrigation District, and
19 Galt Irrigation District in the southern boundary. So
20 that was one our main reasons for -- not the only -- or
21 the district didn't want to be split in half and have to
22 work in two separate basins, but one of the reasons we
23 were looking for a boundary adjustment is so
24 Omochumne-Hartnell, which is part of South Sacramento
25 County Ag Water Authority, which Clay, Omochumne, and

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1 Galt are currently, and they are actually looking into
2 bringing in the Sloughhouse and the city of Galt.

3 So those agencies would be responsible and work
4 together to developing your groundwater sustainability
5 plan in that southern Cosumnes basin in Sacramento
6 County.

7 AUDIENCE MEMBER: So you would together develop
8 one plan?

9 SPEAKER 2: Would together develop one plan.
10 That's -- that's the intent, is everybody working
11 together to develop one plan for the area. Jay?

12 AUDIENCE MEMBER: Good evening. My name is Jay
13 Snyder and tonight I'm here as a landowner within the
14 district. Amanda is representing us as the Sloughhouse
15 Resource Conservation District.

16 First, I'd like to say that as a long time
17 landowner in Rancho, that our lands are dependent on
18 water. Every one of us out here in this area is on
19 groundwater. Unless (indiscernible) service water, but
20 for practical purposes, groundwater is our lifeblood.

21 I'd like to say everything that Wayne said and Mark
22 Wilson and Susan, I completely agree with those
23 concerns. Every single one of those concerns can be
24 addressed better with a local board than it ever could
25 be with an outside board. There was a lot of discussion

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1 about elections.

2 This same area -- (inaudible). This same area
3 that is Omochumne-Hartnell Water District, it is perfect
4 right now because of all the snow we've had and the
5 expected warm weather is also the Reclamation District
6 800. You probably never voted for them either. Guess
7 what? Guess who'll be out on the sandbags next week or
8 two weeks from now if there happened to be a rain up at
9 Lake Tahoe like there was in '97? So yes, there hasn't
10 been a lot of votes because if only one person runs for
11 the office, then they automatically assume the office
12 without an election. So the reason there hasn't been
13 votes is because there hasn't been more people running
14 for office just like at the Wilton (indiscernible) we
15 were in. If nobody runs for the office, the incumbent
16 stays another term. Gets appointed by the board of
17 supervisors officially, so every one of these -- if the
18 adjacent groundwater authority that's planning on
19 becoming one, they're not elected at all. They're
20 appointed. One member from the City of Elk Grove, City
21 of Rancho Cordova, City of Sacramento, and City of
22 Folsom, and a county employee. None of them stand for
23 election. This way you have these local guys to come
24 down to it -- gals that are going to be in these boards
25 for now and all the time in the future.

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1 So every one of these problems that's been
2 discussed tonight can be addressed locally better than
3 having an appointed somebody with the state or the
4 county doing it for you.

5 The -- there was a groundwater management plan that
6 occupied this very agency along with Clay and Galt in
7 2002. It didn't hurt anybody. It tries to sustain the
8 groundwater. The idea here is not to have to levy any
9 fees or taxes, but that was brought up.

10 Fees or taxes -- and water monitoring, the state
11 requires now all wells that pump more than ten-acre feet
12 to have meters on them, and that has to be done, I
13 think, by next year, but certainly by 2018. All of them
14 -- and if they pump more than a hundred-acre feet, they
15 have to report, like, daily. If they pump more than a
16 thousand-acre feet, it's like hourly. It's ridiculous,
17 but it's not ridiculous. It's going -- it is the law,
18 and it's going to provide massive amounts of information
19 in the future of how much water's being pumped.

20 Right now the law says that homeowners that pump
21 less than two-acre feet cannot be metered. They're
22 considered diminimus. They can be -- they can be
23 required reporting or whatever it is, but not metered.
24 That's the law. That doesn't mean to say that some day
25 in the future, God only knows, that some other form of

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1 tax levied by Proposition 218 where everybody has a vote
2 couldn't be allowed, but guess what? You have a lot
3 more better chance with local people that would have to
4 do that levying than the county or the state, in my
5 opinion, because even the state law, in the comments of
6 this law, they say that if they do the plan, they're not
7 even going to try to come out here and work out
8 solutions for you. They're just going to levy taxes and
9 comply with the law at the state level.

10 Anyhow -- trying to see if I missed anything. So I
11 think I covered all the things I intended to. Thanks
12 for the opportunity to comment. As a landowner, I know
13 that -- I've lived here a long time, and when we get the
14 vote for our local school board and our local fire
15 (indiscernible) our local water, when we can go to those
16 people in our local districts where all is better off.
17 Thank you very much.

18 SPEAKER 2: Any other comments?

19 AUDIENCE MEMBER: I had a question. I'm
20 wondering if you have records of how many domestic wells
21 there are going to be in the Omochumne-Hartnell, and how
22 many -- and you have public water companies in there
23 too for your revenue. But I'm just wondering how does
24 all of this structure out as far as running this agency?
25 I mean, it's not just through taxes because we're coming

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1 up with a whole new entity now. It's not just a little
2 bunch of guys that meet for lunch and, you know, vote
3 through the years and manage the groundwater. We have a
4 whole other set of rules.

5 SPEAKER 2: When you come in GSA, there are a
6 whole other set of rules and the way you go about doing,
7 but like I explained before, what are those -- what is
8 that plan going to look like and how that implementation
9 is going to look like is all going to be developed
10 during that groundwater sustainability plan process, and
11 that's where you're going to determine, you know, how
12 much is going to be needed, how much monitoring you're
13 going to have to do. You're going to have to develop a
14 monitoring plan. You're going to have to do a lot of
15 hydrology to figure out where the river's going, where
16 the water's flowing in and out of the basin, and there's
17 a lot of geology and hydrology that's going to have to
18 happen over the next five years in order to develop that
19 plan.

20 AUDIENCE MEMBER: We've been pretty fortunate
21 with the Sloughhouse Resource Conservation District.
22 They asked us for our e-mail address, and we're getting
23 things pretty regularly. Can we do the same with you
24 guys?

25 SPEAKER 2: Yeah. If you signed in, put your

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1 e-mail on there.

2 AUDIENCE MEMBER: Okay.

3 SPEAKER 2: You can put in there -- also all of
4 our stuff we put on our Web site. We do have a Web
5 site. It's OHWD.org. Okay. And most of the stuff, all
6 of our minutes, all the information for the district, is
7 usually on there unless there's some issues, but most of
8 the time it's up.

9 AUDIENCE MEMBER: What does it typically cost
10 for a monitor, and who has to pay for it?

11 SPEAKER 2: To monitor wells? I'm not familiar
12 with what the cost would be to monitor a well --

13 AUDIENCE MEMBER: They have to come out and put
14 something on your well or wells. Just one?

15 SPEAKER 2: Like I said before, I mean, this
16 right here is to determine whether to become an agency,
17 and if we have to monitor our well or something else
18 down the road, you know, I can't say what that is.

19 AUDIENCE MEMBER: I was worried what Jay said,
20 that wells have to have monitors.

21 SPEAKER 2: Those are for -- and I'm not
22 familiar with which law he was talking about, but that's
23 was for ag wells, big ag wells is mostly what that's
24 for.

25 AUDIENCE MEMBER: Ten-acre feet. Ten-acre feet.

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1 SPEAKER 2: Ten-acre feet.

2 AUDIENCE MEMBER: Ten-acre feet. If you pump
3 more than ten-acre feet a year, it's mandatory that you
4 put a meter on the well. It's a state law. It has
5 nothing to do with this GSA

6 AUDIENCE MEMBER: Okay.

7 AUDIENCE MEMBER: It's a state law, and it's
8 going to require monitoring, and guess who's going to
9 pay for it? The owner of the well is going to pay for
10 your own -- you're going to pay for your meter and to
11 report. And if you're a big water user, like over a
12 thousand gallon -- thousand-acre feet a year, you're
13 going to have to set up an automatic report that can be
14 read by the -- read over the internet.

15 AUDIENCE MEMBER: Okay.

16 AUDIENCE MEMBER: If you're under a hundred-acre
17 feet, between ten or a hundred, it's my belief, that
18 your understanding, you're going to make written reports
19 regularly.

20 AUDIENCE MEMBER: Do you have a --

21 AUDIENCE MEMBER: It's nothing to do with this.

22 SPEAKER 2: It has nothing to do with this.

23 AUDIENCE MEMBER: It's a state law.

24 AUDIENCE MEMBER: How much does the monitor
25 cost?

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1 AUDIENCE MEMBER: I don't know, but I got online
2 and apparently they're relatively inexpensive.

3 AUDIENCE MEMBER: Okay.

4 SPEAKER 2: Any other questions concerning
5 groundwater sustainability into your comments?

6 AUDIENCE MEMBER: Mine's not a comment, it's a
7 question.

8 SPEAKER 2: Okay.

9 AUDIENCE MEMBER: Because I'm not clear on the
10 90-day period of time, and as I understand it, we were
11 looking over it the other night, we are voting our acres
12 at the 90-day point is where we vote to have an agency?

13 AUDIENCE MEMBER: There's no vote.

14 SPEAKER 2: There's no vote. There's a 90-day
15 period where the -- I'll let Rebecca explain. It's a
16 legal thing.

17 SPEAKER 1: Yeah, there's no vote. It's a
18 90-day period. So an agency submits their notice to WR,
19 and that opens a 90-day period in which any other agency
20 that's interested may also submit a notice. If nobody
21 submits over the same square footage, square acreage, in
22 the 90 days, then at the end of the 90 days, the
23 original agency is the GSA.

24 If someone else also submits, another public agency
25 submits, then those two public agencies are directed to

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1 work it out between the two of them.

2 AUDIENCE MEMBER: And what if we didn't want the
3 other agency? Nothing we could do about it?

4 SPEAKER 1: Yeah. That's a part of the public
5 comment process, right? Why it's important that you
6 guys are here. If an agency -- whether it's Omochumne
7 or someone else, if an agency came forward that you
8 didn't feel comfortable managing our groundwater and you
9 didn't want managing in your area, then your role is to
10 provide public comment and to say, "Nope. I prefer this
11 or I prefer that." Ultimately the law directs us to
12 agencies to work together, but it doesn't provide any
13 kind of referee for that process. It says, "Agencies,
14 go figure it out. But by the way, Department of Water
15 Resources, it's not your job to decide who the best one
16 is." Those two agencies have to figure it out for the
17 two of them. So --

18 AUDIENCE MEMBER: Somebody had a question about
19 your meeting tomorrow. Now, you're going to make this
20 decision whether to go forward or not. So what from
21 this meeting today would make you say we're going to go
22 forward, or what would be the reasons for many of the
23 things that were said in this meeting by these few
24 people that would say we're not going to do this? I'm
25 just wondering -- there hasn't been an awful lot of

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1 input. What are you looking for to either encourage you
2 to go forward or back off and say, "We're not going to
3 do this." Did we say anything that you're going to use
4 tomorrow or is tomorrow just going to be vote and go
5 ahead?

6 SPEAKER 1: So to clarify, I am not a member of
7 the Omochumne board and neither is Mike, so we're here
8 to facilitate this meeting, and it doesn't matter what I
9 say.

10 The individual board members have the same right to
11 vote that they have on any matter, and that's a question
12 for their personal conscience and for what they believe
13 is best for the district. So, that's a -- that's
14 something they're welcome to respond to or not to
15 respond to, but that's a determination that each voting
16 member that shows up to the meeting is going to have to
17 make on his or her own.

18 AUDIENCE MEMBER: And also, isn't there -- after
19 -- once you petition or once you file your notice to
20 become the GSA for this area, isn't there a public
21 comment period where the public can comment on whether
22 or not they feel it appropriate that the GSA, that a
23 particular agency or group becomes a GSA for that area?
24 I thought there was a public comment period.

25 SPEAKER 1: Sure. So there's not a formal

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1 public comment period. Those notices are submitted to
2 the Department of Water Resources, but the public
3 certainly can comment.

4 AUDIENCE MEMBER: Yes, they can. Thank you.

5 SPEAKER 1: Other questions? Comments?

6 AUDIENCE MEMBER: What is our time schedule we
7 have to --

8 SPEAKER 1: Yeah. So the question from Leyland,
9 just to clarify, was what's the time schedule in which
10 the district has declare their GSA status? Once they've
11 had this hearing, they can make that decision at any
12 point in a publicly noticed meeting. So they can make
13 the decision tomorrow, but tomorrow's not a hard and
14 fast deadline.

15 The major timing consideration that are going to
16 come into play is if another agency makes the same
17 determination over Omochochumne's boundaries. At that
18 point, just like any other agency, Omochochumne will have
19 90 days to decide if they want to act or be precluded
20 from acting, but there's -- tomorrow they can make the
21 decision now that they've had the hearing. Doesn't mean
22 they will, and they can defer that decision as long as
23 they need to up to June 2017.

24 AUDIENCE MEMBER: And where will that meeting
25 be?

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1 SPEAKER 1: There's a question over here real
2 quick.

3 AUDIENCE MEMBER: I just had a question. Does
4 the GSA -- will be allowed to -- will they assess us on
5 groundwater pump (inaudible).

6 SPEAKER 1: Correct. And that's within the
7 auspices of the groundwater sustainability plan. So
8 whoever your GSA is, and again, every square foot of
9 land is going to have a GSA. Whoever your GSA is will
10 be the entity that's responsible for developing the
11 groundwater sustainability plan and also for developing
12 any fee parameters that come with that plan, which would
13 include any fees on (inaudible).

14 AUDIENCE MEMBER: So what time is the meeting
15 tomorrow, and where will be that held, and is that open
16 to the public, and has it been posted?

17 SPEAKER 1: Yes, it's been posted. And it's --
18 what's the address Mike?

19 (Inaudible).

20 SPEAKER 1: Yeah, it's on the agenda. It's on
21 Sloughhouse Road and there's actually -- if you go to
22 the Web site, it's not -- the first time I drove there,
23 it's off on a dirt road. You'll see on the Web site
24 kind of a nice little map as how to how get there.

25 Like any meeting of the Water District, it's a

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1 public meeting with public notice, and the agenda for
2 the meeting is already posted on the district's Web
3 site. And directions to the meeting are on the Web
4 site.

5 AUDIENCE MEMBER: And what time?

6 SPEAKER 1: At 10:00 a.m.

7 AUDIENCE MEMBER: And is there -- at this time
8 is there any annual money from the GSA or --

9 SPEAKER 1: No.

10 (Inaudible).

11 SPEAKER 1: Which will in large part depend on
12 how many other GSAs are in the area and what level of
13 sort of cost sharing we can do to develop one plan for
14 the area. So that's the big cost, is developing the
15 plan. Yeah?

16 AUDIENCE MEMBER: Do you know the (inaudible)
17 our basin?

18 SPEAKER 1: Sorry?

19 AUDIENCE MEMBER: You know the estimated
20 overdraft of our basin?

21 SPEAKER 1: Not off the top of my head.

22 SPEAKER 2: Over the years we've done -- in 2011
23 we did a lot of studying when we were developing a
24 groundwater management plan for the south basin, and we
25 have a draft plan that was developed by South Sacramento

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1 County AG Water Agency, and within that document there
2 was some more calculations and estimated overdraft for
3 the basin which is the south part of the basin, but that
4 didn't include stuff which is in north of the Cosumnes
5 River.

6 Actually, north of the Cosumnes River, you might be
7 able to find that information actually on the Sacramento
8 county -- no Sacramento Central Groundwater Authority's
9 plan which they developed the groundwater management
10 plan back in 2008. Six? Six.

11 SPEAKER 1: Other questions? Comments? Turn
12 back over to you.

13 AUDIENCE MEMBER: So there is going to be a
14 agency --

15 (END OF AUDIO RECORDING.)

16

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The Sacramento Bee

P.O. Box 15779 • 2100 Q Street • Sacramento, CA 95852

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
827 7TH STREET, ROOM 301
SACRAMENTO, CA 95814

DECLARATION OF PUBLICATION
(C.C.P. 2015.5)

COUNTY OF SACRAMENTO
STATE OF CALIFORNIA

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the printer and principal clerk of the publisher of The Sacramento Bee, printed and published in the City of Sacramento, County of Sacramento, State of California, daily, for which said newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Sacramento, State of California, under the date of September 26, 1994, Action No. 379071; that the notice of which the annexed is a printed copy, has been published in each issue thereof and not in any supplement thereof on the following dates, to wit:

JUNE 22, 2016

JUNE 29, 2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Sacramento, California, on **JUNE 29, 2016**.


(Signature)

NO. 665 PUBLIC NOTICE
SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
NOTICE OF PUBLIC HEARING
TO CONSIDER BECOMING A GROUNDWATER SUSTAINABILITY AGENCY

NOTICE IS HEREBY GIVEN pursuant to California Water Code section 10723 and Government Code section 6066 that the Sacramento Central Groundwater Authority (SCGA) Board of Directors (Board) will hold a public hearing on Wednesday, July 13, 2016, at 9:00 a.m., or as soon thereafter, as may be heard, at 10060 Goethe Road, Sacramento Regional County Sanitation District Office Building South, Conference Room 1205 in Sacramento, CA to receive public oral and written comments on whether SCGA should form a Groundwater Sustainability Agency for areas within the South American subbasin of the Sacramento Valley groundwater basin (Basin ID 5-21-65). The SCGA is a joint powers authority formed in 2006 to manage the groundwater basin underlying Sacramento County south of the American River. In 2014, the Sustainable Groundwater Management Act was passed. The Act requires creation of a Groundwater Sustainability Agency for groundwater basins in the state by June 30, 2017, followed by development of a Groundwater Sustainability Plan by 2022. For more information on SCGA or to find out more about its groundwater management efforts, visit <http://www.scgah2o.org>. Written comments may be submitted prior to the hearing until 5:00p.m., July 6, 2016, in care of Darrell Eck, 827.7th Street, Suite 301, Sacramento, CA 95814.

NOTICE IS HEREBY FURTHER GIVEN that the Board may take action to become a Groundwater Sustainability Agency immediately following the public hearing.

Attachment E to Agenda Item #4

SCGA GSA Interested Parties Contact List

Organization	Contact	Phone	Website	Mailing Address
Water Companies				
Fruitridge Vista Water Company	Robert C. Cook, General Manager	(916) 443-2607		PO Box 959, Sacramento CA 95812
Florin County Water District	Richard D. Bedal, General Manager	(916) 383-0808		PO Box 292055, Sacramento, CA 95829
Tokay Park Water Company	Elizabeth Laws, Secretary-Treasurer	(916) 383-3022		PO Box 292146, Sacramento, CA 95829-2146
Golf Courses				
Valley Hi Country Club	Jim Davis, General Manager	(916) 684-2120 or (916) 423-2093	https://members.valleyhicc.com/web/pa	9595 Franklin Blvd, Elk Grove, CA 95758
Bradshaw Ranch GC	Gary Johnsrud, Manager	(916) 363-6549	http://www.bradshawranchgolf.com/	7350 Bradshaw Rd, Sacramento, CA 95829
Mather GC	Asa Jennings, General Manager	(916) 364-4354	http://www.playmather.com/	4103 Zinfandel Dr, Mather, CA 95655
Resource Conservation Districts				
Lower Cosumnes RCD	Amanda Platt, Board Secretary dougchan@frontiernet.net lowercosumnesrcd@gmail.com amanda-platt@carcd.org	(916) 612-5163		
California Association of Resource Conservation Districts	Amanda Platt amanda-platt@carcd.org			
Sloughhouse RCD	Amanda Platt, Board Secretary amanda-platt@carcd.org sloughhousercd@gmail.com	(916) 612-5163		8698 Elk Grove Blvd Suite 1-207, Elk Grove, CA 95624
Hanspeter Walter, Legal Counsel Sloughhouse RCD	hwalter@kmtg.com			Kronick Moskovitz Tiedemann & Girard
Cemeteries				
East Lawn	Alan Fisher, President info@eastlawn.com alanf@eastlawn.com	Downtown: (916) 732-2000 Elk Grove: (916) 732-2031	http://www.eastlawn.com/	
Elk Grove Cosumnes Cemetery District (CD)	Michael R. Young, District Administrator info@egccd.com	(916) 686-5170	http://www.egccd.com/	Mailing: PO Box 1533 Elk Grove, CA 95759 Office: 8540 Elk Grove Blvd, Elk Grove, CA 95624
St. Joseph's Catholic Cemetery	Raymond Gierut, Associate Director	(916) 452-4831	http://cfcssacramento.org/	2615 21 Street, Sacramento, CA 95818
Calvary Catholic Cemetery	Raymond Gierut, Associate Director	(916) 726-1232	http://cfcssacramento.org/	7101 Verner Ave, Sacramento, CA 95841
St. Mary's Catholic Cemetery	Raymond Gierut, Associate Director	(916) 452-4831	http://cfcssacramento.org/	6700 21st Ave, Sacramento, CA 95820
Greater Sacramento Muslim Cemetery	Essop Kahn Imam Mumtaz Qasmi	(916) 925-2662 (916) 443-5167 (916) 214-5167	http://sacramentomuslimcemetery.com/	Mailing: PO Box 1584, Sacramento, CA 95812
Sacramento Historic Cemetery	info@oldcitycemetery.com	(916) 448-0811 City of Sac : (916) 264-5621	http://oldcitycemetery.com/indexbad.htm	1000 Broadway, Sacramento, CA 95818
Quiet Haven Memorial Park	Nikolay Seitser, Administrator	Office: (916) 369-5504 Cell: (916) 802-0000	http://www.quiethaven.org/	9880 Jackson Rd, Sacramento, CA 95827
Sacramento Pet Cemetery		(916) 423-1042	http://www.sacramentopetcemetery.com	PO Box 189032, Sacramento, CA 95818
Camellia Memorial Lawn		(916) 363-9431	http://www.memorialsolutions.com/site	10221 Jackson Rd, Sacramento, CA 95827
Odd Fellows Lawn Cemetery		(916) 443-8598	http://oddfellows-cmtry-sac.com/index.p	2720 Riverside Blvd., Sacramento, CA 95818
Reclamation Districts				
Reclamation District 800	Marsha Holmes	(916) 685-9461		PO Box 115, Elk Grove, CA 95759
Reclamation District 1002	Lana Mirko	(916) 775-1674		962 Lambert Rd., Courtland CA 95615-9728
Others				
Stone Lakes National Wildlife Refuge	Bart McDermott, Refuge Manager	Office: (916) 775-4426 Cell: (916) 869-6632	http://www.fws.gov/refuge/stone_lakes/	Elk Grove, CA
Ken Giberson	kgiberson@msce.com			
Cosumnes Coalition	Melinda Frost-Hurzel, Cosumnes River Monitoring Coord		rhurzel@saber.net	
California State University, Sacramento	Maureen Kerner, Research Engineer III Ryan Todd Nat Martin	(916) 278-8117	maureen.kerner@owp.csus.edu ryan.todd@csus.edu nmartin@skymail.csus.edu	6000 J Street, Modoc Hall Room 1001, Sacramento, CA 95819
SAFCA	Timothy Washburn, Director of Planning			1007 7th Street, 7th Floor, Sacramento, CA 95814
Individuals				
Suzanne Pecci		(916) 686-6768	sipecci@aol.com	
Mike Eaton			michaelreaton@fastmail.com	
Alleyans Knapik	GRASP Facilitator		restorem@surewest.net	
Bill Myers	Sheldon Assoc.		wemeyers@cal.net	
Shirley Peters	Chairman, GSREHA		GSREHA@aol.com	

Attachment F to Agenda Item #4



Sacramento Central Groundwater Authority
*Managing Groundwater Resources
in Central Sacramento County*

827 7th St, Rm 301
Sacramento, CA 95814

Tel: (916) 874-6851
Fax: (916) 874-5698
www.scgah2o.org

June 27, 2016

Darrell K. Eck
Executive Director

California-American
Water Company

City of Elk Grove

City of Folsom

City of Rancho Cordova

City of Sacramento

County of Sacramento

Florin Resource Conservation
District/Elk Grove Water
Service

Golden State Water Company

Omochumne-Hartnell
Water District

Rancho Murieta Community
Services District

Sacramento Regional
County Sanitation District

Agricultural Representative

Agricultural-Residential
Representative

Commercial/Industrial
Representative

Conservation Landowners

Public Agencies/Self-
Supplied Representative

Bart McDermott, Refuge Manager
Stone Lakes National Wildlife Refuge
bart_mcdermott@fws.gov

Dear Mr. McDermott:

I represent the Sacramento Central Groundwater Authority (SCGA) and am writing to provide important information related to the groundwater basin underlying central Sacramento County.

Since 2007, SCGA has served as the primary groundwater management agency responsible for ensuring a sustainable groundwater supply underlying the Central Sacramento region, identified by the State as the South American Groundwater Subbasin. SCGA was formed to implement the groundwater management element of a long-term water resources plan known as the Sacramento Water Forum Agreement (January 2000). The Agreement is based on the coequal objectives of providing reliable water supplies for our region's economy and protecting and enhancing the environment of the lower American River.

SCGA was created as a joint powers agency by the County of Sacramento and the cities of Sacramento, Folsom, Elk Grove and Rancho Cordova. Those jurisdictions appoint members to the SCGA board to achieve a broad representation of groundwater interests in the region. Members include five (5) water supply agencies, as well as representatives of self-supplied groundwater users/interests including:

1. urban public agencies
2. commercial/industrial/remediation users
3. agricultural stakeholder groups and districts
4. agriculture-residential interests
5. conservation landowners

The SCGA Board of Directors (totaling 16 members) currently meets on the second Wednesday of every month. SCGA's activities include:

- Education and notification of groundwater-related matters,
- Monitoring water levels and water quality within the groundwater basin,
- Providing a framework to account for groundwater use by water supply agencies to ensure long term sustainability,
- Tracking and responding to regional-scale groundwater contamination,

- Taking all necessary actions to comply with state law regarding groundwater management.

More detail on SCGA' s management activities and meeting agendas and location can be found at our website www.scgah2o.org.

Sustainable Groundwater Management Act (SGMA)

California's groundwater basins have served an important role in being able to supply water during the current state drought. The Sacramento Region's early recognition of the need for groundwater management has kept our basins reasonably healthy, even in this critical period of statewide pumping stress and reported groundwater-related impacts. In recognition of groundwater's importance to California's overall water supplies, in September 2014, the Sustainable Groundwater Management Act (SGMA) was passed by the legislature and signed by Governor Brown. The Act specifically addresses undesirable results occurring by over-reliance on groundwater.

To achieve statewide management through local agency participation, the Act requires creation of one or more locally supported Groundwater Sustainability Agencies (GSAs) for all medium and high priority groundwater subbasins in the state by June 30, 2017, followed by development of Groundwater Sustainability Plans by 2022. The Act provides for state intervention if local management requirements are not met.

As a public agency, SCGA is well situated to continue its management actions under the new state law. In order to continue to comply with state law, the SCGA Board of Directors, in their July 13, 2016 Board Hearing, will hold a public hearing and consider becoming a GSA for portions of the South American Subbasin currently underlying SCGA. Among other conditions, SGMA requires a GSA to consider the interests of all local users of groundwater and to establish a list of persons interested in the GSA's formation and management of the groundwater subbasin.

If you wish to be included on this list, and to receive SGMA-related emails and SCGA Board agendas, or otherwise want to discuss groundwater in the region, please contact Ramon Roybal or myself at (916) 874-6851 or email roybalr@saccounty.net.

Sincerely,



Darrell K. Eck
Executive Director

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

RESOLUTION NO. 2016-_____

RESOLUTION FORMING A GROUNDWATER SUSTAINABILITY AGENCY FOR “GSA 1” AREA OF THE SOUTH AMERICAN SUBBASIN

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) authorizes a local agency overlying a groundwater basin to become a Groundwater Sustainability Agency (GSA) in satisfaction of SGMA objectives (California Water Code §10723(a)); and

WHEREAS, the Sacramento Central Groundwater Authority (SCGA) was duly formed under the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) pursuant to a Joint Powers Agreement by and among the County of Sacramento and Cities of Sacramento, Elk Grove, Rancho Cordova, and Folsom dated August 29, 2006 (JPA), after outreach to fifty (50) regional stakeholders, representing agricultural, urban, self-supplied, environmental, and other groundwater interests; and

WHEREAS, SCGA was created for the primary purpose of maintaining the sustainable yield within the SCGA Groundwater Management Plan (GMP), and thereby qualifies as a local agency as defined in SGMA; and

WHEREAS, SCGA has service area in the South American subbasin, as defined in California Department of Water Resources’ (DWR) Bulletin 118-03, and classified as high priority; and

WHEREAS, SGMA requires GSAs be formed for high and medium priority groundwater subbasins in California by June 30, 2017; and

WHEREAS, Before deciding to become a GSA, SCGA must specially publish and hold a public hearing to consider GSA formation, and adopt a resolution forming a GSA with identified boundaries; and

WHEREAS, SCGA published notice of public hearing to accept public comment on whether it should form a GSA for areas of the South American subbasin in accordance with California Government Code §6066 and California Water Code §10723; and

WHEREAS, SCGA held a public hearing and accepted public comment on whether it should form a GSA for areas within the South American subbasin; and

WHEREAS, SCGA has identified and engaged with other local agencies within the South American subbasin that have expressed interest in SGMA groundwater management, and encouraged a collaborative process to basin-wide groundwater governance; and

WHEREAS, SCGA has ongoing coordination and communication with other groundwater management entities in the North American, South American, and Cosumnes subbasins; and

WHEREAS, SCGA will continue communication and collaboration with other local agencies interested in SGMA groundwater management in the North American, South American, and Cosumnes subbasins to achieve basin-wide governance and inter-basin coordination in an efficient and effective manner; and

WHEREAS, SCGA has developed a list of parties for whom SCGA shall consider interests as beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans, and an explanation of how such interests will be considered by SCGA's GSA and its development and implementation of a sustainability plan, in accordance with California Water Code §10723.2

WHEREAS, SCGA has determined that its election to become a GSA is not a project and is thus not subject to the California Environmental Quality Act (Title 14 Cal. Code of Regs. §15378(b)(13)); and

WHEREAS, SCGA has significant interest and investment in using its GMP and management authority for the sustainable management of groundwater within the South American subbasin.

NOW, THEREFORE, BE IT RESOLVED the SCGA Board of Directors:

1. Incorporates and adopts the above recitals as if they were fully set forth herein; and,
2. Elects to be the GSA for a portion of the groundwater subbasin overlying the County of Sacramento within the South American subbasin as identified in Bulletin 118-03, and further identified as GSA 1, graphically depicted in Exhibit "A" to this resolution, and incorporated by reference herein; and
3. Will continue to provide opportunity for public involvement in the ongoing management of groundwater under SGMA; and
4. Supports resolving any overlapping GSA formations within SCGA GSA areas with expeditious intent, use of mediation services available in the region, and through continued coordination, communication, and collaboration with groundwater management interests in the region; and
5. Will cause DWR to be notified of its formation of SCGA GSA 1 pursuant to California Water Code 10723.8.

ON A MOTION by Director _____, and seconded by Director _____, the foregoing resolution was passed and adopted by the Board of Directors of SCGA this 13th day of July, 2016, by the following vote, to wit:

AYES: Directors,

NOES: Directors,

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

ABSENT: Directors,

ABSTAIN: Directors,

Chair of the Board of Directors
of the Sacramento Central Groundwater Authority,
a duly formed Joint Powers Authority

(SEAL)

ATTEST: _____
Clerk of the Board of Directors of
the Sacramento Central Groundwater Authority

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

RESOLUTION NO. 2016-_____

RESOLUTION FORMING A GROUNDWATER SUSTAINABILITY AGENCY FOR “GSA 2” AREA OF THE SOUTH AMERICAN SUBBASIN

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) authorizes a local agency overlying a groundwater basin to become a Groundwater Sustainability Agency (GSA) in satisfaction of SGMA objectives (California Water Code §10723(a)); and

WHEREAS, the Sacramento Central Groundwater Authority (SCGA) was duly formed under the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) pursuant to a Joint Powers Agreement by and among the County of Sacramento and Cities of Sacramento, Elk Grove, Rancho Cordova, and Folsom dated August 29, 2006 (JPA), after outreach to fifty (50) regional stakeholders, representing agricultural, urban, self-supplied, environmental, and other groundwater interests; and

WHEREAS, SCGA was created for the primary purpose of maintaining the sustainable yield within the SCGA Groundwater Management Plan (GMP), and thereby qualifies as a local agency as defined in SGMA; and

WHEREAS, SCGA has service area in the South American subbasin, as defined in California Department of Water Resources’ (DWR) Bulletin 118-03, and classified as high priority; and

WHEREAS, SGMA requires GSAs be formed for high and medium priority groundwater subbasins in California by June 30, 2017; and

WHEREAS, Before deciding to become a GSA, SCGA must specially publish and hold a public hearing to consider GSA formation, and adopt a resolution forming a GSA within identified boundaries; and

WHEREAS, SCGA published notice of public hearing to accept public comment on whether it should form a GSA for areas of the South American subbasin in accordance with California Government Code §6066 and California Water Code §10723; and

WHEREAS, SCGA held a public hearing and accepted public comment on whether it should form a GSA for areas within the South American subbasin; and

WHEREAS, SCGA has identified and engaged with other local agencies within the South American subbasin that have expressed interest in SGMA groundwater management, and encouraged a collaborative process to basin-wide groundwater governance; and

WHEREAS, SCGA has ongoing coordination and communication with other groundwater management entities in the North American, South American, and Cosumnes subbasins; and

WHEREAS, SCGA will continue communication and collaboration with other local agencies interested in SGMA groundwater management in the North American, South American, and Cosumnes subbasins to achieve basin-wide governance and inter-basin coordination in an efficient and effective manner; and

WHEREAS, SCGA has developed a list of parties for whom SCGA shall consider interests as beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans, and an explanation of how such interests will be considered by SCGA's GSA and its development and implementation of a sustainability plan, in accordance with California Water Code §10723.2

WHEREAS, SCGA has determined that its election to become a GSA is not a project and is thus not subject to the California Environmental Quality Act (Title 14 Cal. Code of Regs. §15378(b)(13)); and

WHEREAS, SCGA has significant interest and investment in using its GMP and management authority for the sustainable management of groundwater within the South American subbasin.

NOW, THEREFORE, BE IT RESOLVED the SCGA Board of Directors:

1. Incorporates and adopts the above recitals as if they were fully set forth herein; and,
2. Elects to be the GSA for a portion of the groundwater subbasin overlying the County of Sacramento within the South American subbasin as identified in Bulletin 118-03, and further identified as GSA 2, graphically depicted in Exhibit "A" to this resolution, and incorporated by reference herein; and
3. Will continue to provide opportunity for public involvement in the ongoing management of groundwater under SGMA; and
4. Supports resolving any overlapping GSA formations within SCGA GSA areas with expeditious intent, use of mediation services available in the region, and through continued coordination, communication, and collaboration with groundwater management interests in the region; and
5. Will cause DWR to be notified of its intent to be SCGA GSA 2 pursuant to California Water Code 10723.8.

ON A MOTION by Director _____, and seconded by Director _____, the foregoing resolution was passed and adopted by the Board of Directors of SCGA this 13th day of July, 2016, by the following vote, to wit:

AYES: Directors,

NOES: Directors,

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

ABSENT: Directors,

ABSTAIN: Directors,

Chair of the Board of Directors
of the Sacramento Central Groundwater Authority,
a duly formed Joint Powers Authority

(SEAL)

ATTEST: _____
Clerk of the Board of Directors of
the Sacramento Central Groundwater Authority

969803

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

RESOLUTION NO. 2016-_____

RESOLUTION FORMING A GROUNDWATER SUSTAINABILITY AGENCY FOR “GSA 3” AREA OF THE SOUTH AMERICAN SUBBASIN

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) authorizes a local agency overlying a groundwater basin to become a Groundwater Sustainability Agency (GSA) in satisfaction of SGMA objectives (California Water Code §10723(a)); and

WHEREAS, the Sacramento Central Groundwater Authority (SCGA) was duly formed under the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) pursuant to a Joint Powers Agreement by and among the County of Sacramento and Cities of Sacramento, Elk Grove, Rancho Cordova, and Folsom dated August 29, 2006 (JPA), after outreach to fifty (50) regional stakeholders, representing agricultural, urban, self-supplied, environmental, and other groundwater interests; and

WHEREAS, SCGA was created for the primary purpose of maintaining the sustainable yield within the SCGA Groundwater Management Plan (GMP), and thereby qualifies as a local agency as defined in SGMA; and

WHEREAS, SCGA has service area in the South American subbasin, as defined in California Department of Water Resources’ (DWR) Bulletin 118-03, and classified as high priority; and

WHEREAS, SGMA requires a GSA be formed for high and medium priority groundwater subbasins in California by June 30, 2017; and

WHEREAS, Before deciding to become a GSA, SCGA must specially publish and hold a public hearing to consider GSA formation, and adopt a resolution forming a GSA within identified boundaries; and

WHEREAS, SCGA published notice of public hearing to accept public comment on whether it should form a GSA for areas of the South American subbasin in accordance with California Government Code §6066 and California Water Code §10723; and

WHEREAS, SCGA held a public hearing and accepted public comment on whether it should form a GSA for areas of the South American subbasin; and

WHEREAS, SCGA has identified and engaged with other local agencies within the South American subbasin that have expressed interest in SGMA groundwater management, and encouraged a collaborative process to basin-wide groundwater governance; and

WHEREAS, SCGA has ongoing coordination and communication with other groundwater management entities in the North American, South American, and Cosumnes subbasins; and

WHEREAS, SCGA will continue communication and collaboration with other local agencies interested in SGMA groundwater management in the North American, South American, and Cosumnes subbasins to achieve basin-wide governance and inter-basin coordination in an efficient and effective manner; and

WHEREAS, SCGA has developed a list of parties for whom SCGA shall consider interests as beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans, and an explanation of how such interests will be considered by SCGA's GSA and its development and implementation of a sustainability plan, in accordance with California Water Code §10723.2

WHEREAS, SCGA has determined that its election to become a GSA is not a project and is thus not subject to the California Environmental Quality Act (Title 14 Cal. Code of Regs. §15378(b)(13)); and

WHEREAS, SCGA has significant interest and investment in using its GMP and management authority for the sustainable management of groundwater within the South American subbasin.

NOW, THEREFORE, BE IT RESOLVED the SCGA Board of Directors:

1. Incorporates and adopts the above recitals as if they were fully set forth herein; and,
2. Elects to be the GSA for a portion of the groundwater subbasin overlying the County of Sacramento within the South American subbasin as identified in Bulletin 118-03, and further identified as GSA 3, graphically depicted in Exhibit "A" to this resolution, incorporated by reference herein; and
3. Will continue to provide opportunity for public involvement in the ongoing management of groundwater under SGMA; and
4. Supports resolving any overlapping GSA formations within SCGA GSA areas with expeditious intent, use of mediation services available in the region, and through continued coordination, communication, and collaboration with groundwater management interests in the region; and
5. Will cause DWR to be notified of its formation of SCGA GSA 3 pursuant to California Water Code 10723.8.

ON A MOTION by Director _____, and seconded by Director _____, the foregoing resolution was passed and adopted by the Board of Directors of SCGA this 13th day of July, 2016, by the following vote, to wit:

AYES: Directors,

NOES: Directors,

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

ABSENT: Directors,

ABSTAIN: Directors,

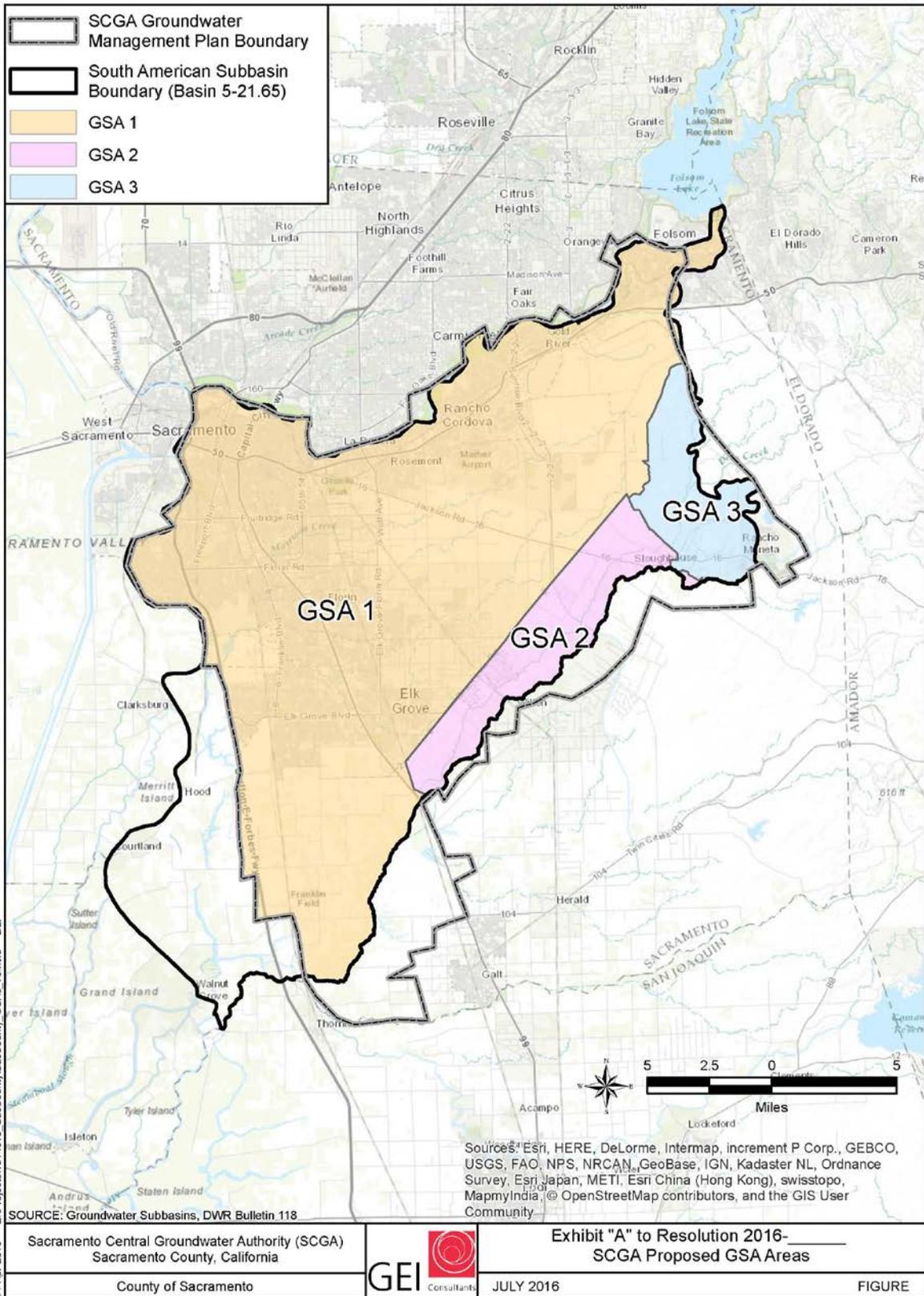
Chair of the Board of Directors
of the Sacramento Central Groundwater Authority,
a duly formed Joint Powers Authority

(SEAL)

ATTEST: _____
Clerk of the Board of Directors of
the Sacramento Central Groundwater Authority

970271

Exhibit "A"



AGENDA ITEM 5: NOTICE OF SCGA'S INTENT TO DEVELOP AN ALTERNATIVE PLAN SUBMITTAL

BACKGROUND:

To support public participation in SCGA's development, adoption, and implementation of an Alternative Plan Submittal, staff prepared a notice to be provided to State DWR, known interested parties, and city and county legislative bodies within the proposed area of SCGA's Alternative. GEI will provide a brief presentation on the Alternative Plan Submittal and on-going coordination efforts with State DWR.

Jon Goetz will provide a brief presentation on the Alternative Plan Submittal and on-going coordination efforts with State DWR.

STAFF RECOMMENDATION:

Recommended Action: Informational Item.

RE: Notification of Alternative Submittal Preparation by the Sacramento Central Groundwater Authority

Sacramento Central Groundwater Authority (SCGA) intends to prepare an Alternative Submittal consistent with the Sustainable Groundwater Management Act (SGMA) and its implementing regulations (Water Code section 10733.6 and 23 CCR 358 et seq) for sustainable management of groundwater resources in the South American subbasin (Bulletin 118-03 Basin 5-21.65). SCGA is a local agency as defined by SGMA, and will lead the development of an Alternative Submittal for evaluation and assessment by the State Department of Water Resources. SGMA requires formation of Groundwater Sustainability Agencies by June 30, 2017, as the governance bodies for most groundwater basins. Groundwater Sustainability Agencies must develop a basin-wide Groundwater Sustainability Plan by either 2020 or 2022 (depending on the basin classification), unless an Alternative Submittal is approved. Alternative Submittals must be filed with the State by January 1, 2017.

SCGA is a joint powers authority formed in 2006 to manage the groundwater basin underlying Sacramento County south of the American River. SCGA and its Groundwater Management Plan are products of the Sacramento Water Forum effort and regional stakeholder outreach. SCGA encourages interested individuals, parties and agencies to participate in the continued sustainable management of the area's groundwater resources. Information on SCGA, its meetings, SGMA compliance efforts, groundwater management efforts, and development, adoption, and implementation of an Alternative Submittal, is available at <http://www.scgah2o.org>, and by contacting Ramon Roybal, 827 7th Street, Suite 301, Sacramento, CA 95814; roybalr@saccounty.net or Jon Goetz; jgoetz@geiconsultants.com; (916) 631-4521

AGENDA ITEM 6: SGMA SUBCOMMITTEE REPORT AND RECOMMENDATIONS

BACKGROUND:

At the June 22, 2016 SGMA Subcommittee meeting there were two topics of discussion: whether a recommendation should be made for establishing a governance subcommittee and an update on the approach to an alternative plan submittal.

In reference to the question of governance the SGMA Subcommittee has engaged in several lengthy discussions on this topic. The majority of Subcommittee members have indicated that there is no reason to pursue this matter now given the work load facing staff and the multiplicity of issues that need to be addressed by the Board. The majority also felt that issues involving governance should be addressed as “part of the overall process” so that changes and/or modifications could be done in the context of what is necessary to implement the program rather than assume what may or may not be needed. The minority disagree with this approach believing that changes need to be made immediately in order to comply with SGMA. At the core of the minority opinion is the issue of “equity” meaning that all approved “local agencies” should be signatory to the JPA. Additionally, the minority believe that the County staffing agreement should be eliminated and that staff should be employees of an independent standalone agency. Key factors identified as part of this discussion included:

- Significant staffing resources are required to complete the Alternative submittal;
- Revenue source change for SCGA must be resolved prior to fiscal year 2017/2018; and
- Significant education on revised governance and its ramifications would need to be undertaken in order to conduct meaningful negotiations with affected stakeholders.

The subcommittee also discussed the need to revise their original scope/charter. When the subcommittee was first established in July 2015 its purpose was to “reach out to various stakeholders, to strategize on potential boundary issues, discuss potential coordination issues, and discuss and make recommendations for potential changes to the governing JPA.” The subcommittee believes this scope should be expanded to include: the Alternative Plan submittal, including working with Delta interests and the identification of potential changes to the governing JPA, addressing overlapping GSAs, including strategy to resolve overlapping GSA issues, coordination agreements, as recommended for inter-basin coordination, and issues related to governance, including modifications of the existing JPA and modification of the County staffing contract with SCGA.

Governance Subcommittee recommendation:

- i. Recommendation to direct the SGMA Subcommittee to expand its original scope/charter to include 1) Alternative Plan submittal, including working with Delta interests and identification of potential changes to the governing JPA; 2) Overlapping GSAs, including strategy to resolve overlapping GSA issue; 3) Coordination agreements, as recommended for inter-basin coordination; 4) Issues related to governance, including modifications of the JPA and modification of the County staffing contract with SCGA.
2. Specific to further JPA revisions, recommendation to defer wholesale modifications of the JPA until the Alternative Plan is either approved or denied and GSA formation is complete.

3. Specific to revisions of County staffing contract with SCGA, recommendation to defer modification to the staffing contract until the Alternative Plan is either approved or denied and GSA formation is complete.

STAFF RECOMMENDATION:

Recommended Actions:

1. *Revise the SGMA Subcommittee's original scope/charter to include 1) the Alternative plan submittal process; 2) Overlapping GSAs; 3) Coordination agreements; and, 4) Issues related to governance including modifications to the governing JPA and the County staffing contract with SCGA.*
2. *Defer wholesale modifications to the governing JPA until the Alternative Plan is either approved or denied and GSA formation is complete.*
3. *Defer modification of the County staffing contract until the Alternative Plan is either approved or denied and GSA formation is complete.*

AGENDA ITEM 7: ON-CALL SERVICE CONTRACT EXTENTION WITH GEI FOR SUPPORT RELATED TO SGMA COMPLIANCE

BACKGROUND:

The Groundwater Authority's current contract with GEI provides support services for SGMA compliance. Over the past six months, GEI has been called upon to assist staff with 1) GSP Regulation review and comments, 2) Basin Boundary Modification review and comments, 3) FY2016/17 Budget and Finance Model incorporating SGMA budget projections, and 4) support services in Board and subcommittee meetings leading up to GSA formations. Given the planned level of effort to occur over the next 5 months with the development of the Alternative Plan, the existing contract needs to be amended to continue providing a level of support consistent with the FY2016/17 approved budget.

Based on excellent past performance as an "on-call" engineering services provider, GEI's qualifications in working with SCGA staff in navigating SGMA in an open and transparent manner are considered to be integral to achieving SCGA's mission within the framework of SGMA. In cases where unique knowledge and skills are required, and prior completion of critical phases of the work effort are a factor for success, Policy and Procedures Section 300.2 provides that the Board may waive the competitive proposal process.

The cost of these services was included in the 2016-2017 fiscal year budget.

Staff recommends that the Board authorize the Executive Director to extend the current engineering services contract with GEI with an additional budget of \$220,000.

STAFF RECOMMENDATION:

Recommended Action: Authorize the Executive Director to extend the current engineering services contract with GEI with an additional budget of \$220,000.

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY
MUNICIPAL SERVICES

**SECOND AMENDMENT TO AGREEMENT FOR
ON-CALL ENGINEERING SUPPORT SERVICES**

THIS SECOND AMENDMENT is made and entered into on _____, by and between the SACRAMENTO CENTRAL GROUNDWATER AUTHORITY, a Joint Powers Authority between the County of Sacramento and the Cities of Elk Grove, Folsom, Rancho Cordova and Sacramento (created on August 29, 2006 by mutual agreement) hereinafter referred to as "AUTHORITY", and GEI CONSULTANTS, INC., a California corporation, hereinafter referred to as "CONSULTANT."

RECITALS

WHEREAS, under the authority delegated by Policy 300.2 of the Sacramento Central Groundwater Authority Policies and Procedures, executive director of AUTHORITY may retain firms or individuals to provide various expert advice or assistance required to administer AUTHORITY projects; and

WHEREAS, AUTHORITY and CONSULTANT previously entered into an Agreement on June 19, 2015, to provide for assistance in the transition process to a Groundwater Sustainability Authority (hereinafter "Agreement"); and

WHEREAS, AUTHORITY and CONSULTANT amended the Agreement on January 21, 2016, to provide and increase the compensation for additional services of expanded levels of effort in CONSULTANT's advisory role and execution of the AUTHORITY'S becoming a Groundwater Sustainability Authority; and

WHEREAS, CONSULTANT has further advised the AUTHORITY of additional tasks necessary to maintain vigilance in meeting all regulatory milestones and requirements and to design an "Alternative" Plan to the State Department of Water Resources by January 1, 2017; and,

WHEREAS, AUTHORITY accepts the CONSULTANT'S proposal outlining the planned tasks; and,

WHEREAS, AUTHORITY and CONSULTANT desire to formally further amend said Agreement to include additional services, compensation for the services and to extend the term to complete all services; and

NOW, THEREFORE, the Agreement is amended as follows:

1. **TERM**

The term of agreement is hereby amended to be in effect through June 30, 2017. AUTHORITY'S Director is authorized to amend this Agreement with CONSULTANT to extend the term, provided that the services remaining to be completed are within the general scope of the project and the total compensation does not exceed the Maximum Total Payment Amount

2. **SCOPE OF SERVICES**

The scope of services is revised to include those services specified in CONSULTANT'S Proposal dated June 28, 2016, attached hereto as Attachment 1 and incorporated herein as a part of the Agreement. All services in Attachment 1 shall be provided by CONSULTANT for the compensation described herein.

3. **COMPENSATION**

- A. The compensation for additional work specified by this amendment shall be \$220,000.00. Rates remain the same as were stated in original agreement.
- B. The Maximum Total Payment Amount is revised from \$230,000 to **\$450,000**. Total compensation, including fees, expenses, and profits, for services rendered by CONSULTANT shall not exceed this revised Maximum Total Payment Amount.

Compensation Summary		
	Compensation	Cumulative
Original Agreement	\$ 50,000.00	\$ 50,000.00
First Amendment	\$180,000.00	\$230,000.00
THIS Amendment	\$220,000.00	\$450,000.00

3. **REAFFIRMATION**

Except as expressly stated herein, the Agreement shall remain in full force and effect.

4. **ENTIRE AGREEMENT**

The Agreement, the former amendment and as amended herein, and any attachments hereto, constitute the entire understanding between the COUNTY and CONSULTANT concerning the subject matter contained herein.

5. **EFFECTIVE DATE**

This Amendment shall be deemed effective as of the date first written above.

6. **AUTHORITY TO EXECUTE**

Each person executing this Amendment represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Amendment for or on behalf of the parties to this Amendment. Each party represents and

warrants to the other that the execution and delivery of the Amendment and the performance of such party's obligations hereunder have been duly authorized.

7. **DUPLICATE COUNTERPARTS**

This Amendment may be executed in duplicate counterparts and shall be deemed executed when signed by both parties.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Agreement as of the day and year first written above.

SACRAMENTO CENTRAL
GROUNDWATER AUTHORITY, a Joint
Powers Authority between the County of
Sacramento and the Cities of Elk Grove,
Folsom, Rancho Cordova and
Sacramento (created on August 29, 2006
by mutual agreement)

GEI CONSULTANTS, INC, a California
Corporation

By _____
Darrell Eck, Executive Director
Sacramento Central
Groundwater Authority

By: _____
Name: _____
Title: _____

“AUTHORITY”

“CONSULTANT”

Date: _____

Date: _____

THIS AMENDMENT FORMAT HAS BEEN APPROVED BY COUNTY COUNSEL.

Prepared by: _____
Chalon Rogers, Senior Contract Services Officer
Contract & Purchasing Services Division
Internal Services, General Services
Phone: (916) 876-6287

Attachment 1



June 28, 2016

Geotechnical
Environmental
Water Resources
Ecological

Darrell Eck, Executive Director
Sacramento Central Groundwater Authority
Sacramento County Department of Water Resources
827 7th Street, Room 301
Sacramento, CA 95814

Transmitted via email eckd@saccounty.net and chenp@saccounty.net

Subject: Second Amendment to Contract No. 94167 for On-call Engineering Support Services
– Assistance with SGMA Activities in Support of an Alternative Plan Submittal
(Alternative) for Compliance with the Sustainable Groundwater Management Act
(SGMA)

Dear Mr. Eck:

GEI Consultants, Inc. is providing this letter amendment to the scope of work of Contract No. 94167 for additional support services to the Sacramento Central Groundwater Authority (SCGA) and its management of groundwater resources within the South American Subbasin. On April 20, 2016, the SCGA Board requested staff to initiate the development of a SGMA “Alternative” Plan Submittal Process with a regulatory completion date of January 1, 2017. This effort includes all SGMA activities affecting the Alternative including, but not limited to, plan development, outreach to other local agencies and stakeholders, and work on collaborative agreements.

The following Sub-Tasks are recommended for the coming 6-month period:

- 1. Monthly Board and Subcommittee Support** – Includes development of presentations and actions (i.e., updates in the Alternative’s development) to the SCGA Board and Subcommittee. Board packages and presentations are to be completed in a timely manner based on SCGA protocols.
- 2. Preparation of an Alternative Plan** – Includes SCGA staff support of a draft Alternative, based on the adopted (June 1, 2016) Groundwater Sustainability Plan (GSP) Regulations. This includes both existing SCGA jurisdictional areas and areas currently outside SCGA but within the South American Subbasin (i.e., Delta and Eastern Fringe areas). Completion of a final Alternative for submittal will occur on or before January 1, 2017.
- 3. Continued On-Call Technical Support** – Includes SCGA support services for successful completion and state approval of the Alternative. This effort may also include review and comment on findings made by the state on the pending Basin Boundary Modification.

The estimated level of effort and cost for the above Sub-Tasks are included in **Attachment A**. The break down to complete the Alternative includes both SCGA and GEI support staff for purposes of aligning costs with the SCGA FY2016/17 approved budget. A detailed schedule is summarized in **Attachment B**, and a detailed approach discussion in **Attachment C**. The requested not-to-exceed amount allocated for GEI's time and expense support of these Sub-Tasks is set at Two Hundred and Nineteen Thousand, Nine Hundred and Seventy Two Dollars (\$219,972). A new amendment will be required prior to conducting work exceeding this amount.

Please contact me to discuss any questions or concerns you may have with this contract amendment request.

Respectfully submitted,
GEI Consultants, Inc.

Jonathan Goetz
Senior Civil Engineer

[Attachment A. Level of Effort and Cost for On-Call Services Support for Alternative Plan Preparation](#)

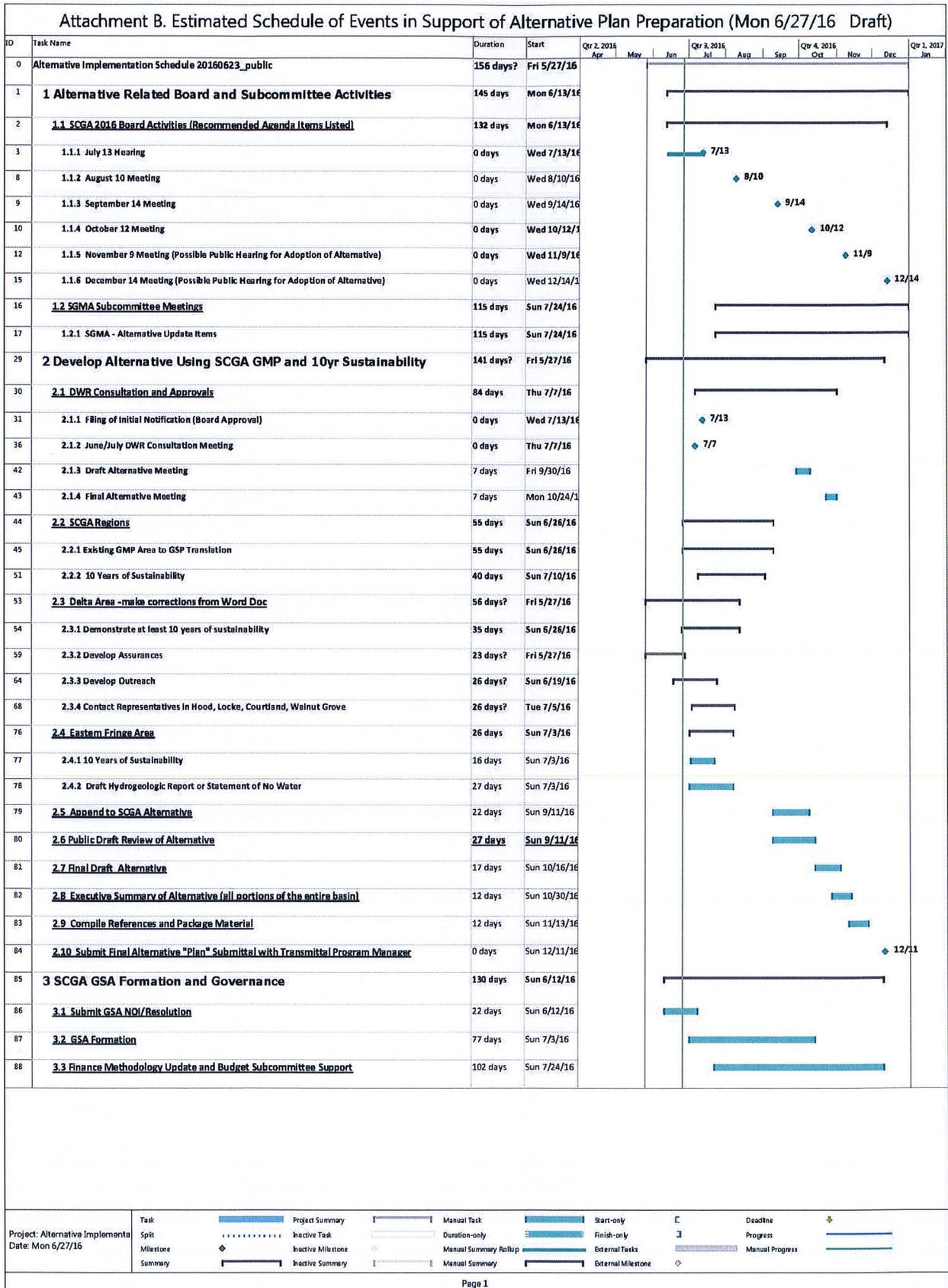
[Attachment B. Estimated Schedule of Events in Support of the Alternative Plan Preparation](#)

[Attachment C. Approach to Completing an Alternative for SCGA](#)

Attachment A. Estimated Cost for On-Call BBM Technical Support and Alternative Plan Preparation

Sub-Task Name	SCGA Second Amendment Scope of Work Project Level of Effort and Budget														TOTAL LABOR HOURS	TOTAL LABOR COSTS
	Executive Director				SCGA Staff Support				Consultant Support							
	Executive Director \$190	Counsel \$250	Associate Engineer \$120	Assistant Engineer \$100	GIS Technician \$80	Clerical \$70	SCGA Total Labor Hours	SCGA Total Labor Costs	Civil Engineer \$195	Senior Hydro Geologist \$195	GIS Specialist \$129	Technical Support \$117	Consultant Total Labor Hours	Consultant Total Labor Costs		
1. Monthly Board and Subcommittee Support, July - Dec: 2016	180	20	20	40		40	280	\$44,800	80	40			100	\$19,500	360	\$64,100
Subtotal																\$64,100
2. Preparation of an Alternative Plan																
Adm Inistrative Information and Basin Setting						0	\$0	40	320		16	376	\$72,072	376	\$72,072	
Hydrographs and Maps, Cross Sections			20	20	40	80	\$7,600		16	24		40	\$6,216	120	\$13,816	
Sustainable Management Criteria						0	\$0		80			80	\$16,800	80	\$16,800	
Monitoring Network				16		16	\$1,800	24	160			184	\$36,880	200	\$37,460	
Projects and Management Actions						0	\$0		16			16	\$3,120	16	\$3,120	
Delta Area and Eastern Fringe						0	\$0	18	80			96	\$18,720	96	\$18,720	
Alternative Plan Review	32	24				56	\$12,080	32				32	\$6,240	88	\$18,320	
Alternative Plan - Final	16	12				28	\$6,040	8	40	8		56	\$10,392	84	\$16,432	
Subtotal																\$196,560
3. Continued On-Call Technical Support	80	60	8	40	8	204	\$36,360	120	40	8		168	\$32,232	372	\$68,592	
Subtotal																\$68,592
TOTAL	268	116	48	116	48	654	\$108,280	300	792	40	16	1148	\$219,972	1,812	\$328,252	

Approach to Completing an Alternative
(DRAFT June 27, 2016)



Attachment C. Approach to Completing an Alternative Plan (Alternative) for the Sacramento Central Groundwater Authority (SCGA) (DRAFT June 27, 2016)

1. Introduction

The Sustainable Groundwater Management Act of 2014 (SGMA) authorizes local agencies to submit an alternative to a Groundwater Sustainability Plan (GSP) to the State Department of Water Resources (DWR) for evaluation and assessment of its satisfaction of SGMA objectives (Water Code 10733.6(a)). An alternative submittal provides agencies with proven groundwater management experience, established governance structures, and effective groundwater management plans to comply with SGMA in a manner that is functionally equivalent to the GSP and GSP stakeholder development process.

In summary, SGMA is intended to recognize existing local management agencies where successful stewardship actions have led to 10 years or more of groundwater sustainability without causing (or increasing) any of the six (6) Undesirable Results (URs¹). The Alternative Submittal (Section 10733.6) SGMA statute language is provided as follows:

"(a) If a local agency believes that an alternative described in subdivision (b) satisfies the objectives of this part, the local agency may submit the alternative to the department for evaluation and assessment of whether the alternative satisfies the objectives of this part for the basin.

(b) An alternative is any of the following:

(1) A plan developed pursuant to Part 2.75 (commencing with Section 10750) or other law authorizing groundwater management.

(2) Management pursuant to an adjudication action.

(3) An analysis of basin conditions that demonstrates that the basin has operated within its sustainable yield over a period of at least 10 years. The submission of an alternative described by this paragraph shall include a report prepared by a registered professional engineer or geologist who is licensed by the state and submitted under that engineer's or geologist's seal.

(c) A local agency shall submit an alternative pursuant to this section no later than January 1, 2017, and every five years thereafter.

(d) The assessment required by subdivision (a) shall include an assessment of whether the alternative is within a basin that is in compliance with Part 2.11 (commencing with Section 10920). If the alternative is within a basin that is not in compliance with Part 2.11 (commencing with Section 10920), the department shall find the alternative does not satisfy the objectives of this part."

¹ Lowering of groundwater levels, reduced groundwater storage, water quality, seawater intrusion, land subsidence, surface water-groundwater interaction

Navigating the Alternative Submittal process is on-going and requires coordination between the local agency and State DWR. This paper asserts that the submittal of an Alternative by SCGA is equivalent to asking for an approval decision by State DWR on allowing the existing SCGA agency, and its underlying practices, to continue and not be held to the regulatory deadlines of either the GSA formation (over the entire basin) by June 30, 2017, or Groundwater Sustainability Plan (GSP) completion by 2022.

SGMA has set the early deadline of the Alternative submittal of January 1, 2017 to provide the means for a local agency to comply with SGMA within the statute deadlines, if the Alternative is not approved by State DWR. This assumes that State DWR makes this determination by no later than March 1, 2017, leaving sufficient time to form GSA(s) for the entire basin prior to June 30, 2017.

Worst case, State DWR has up to two years² to review the Alternative, and, if not approved, allows the local agency up to 180 days³ after notification to form the GSA(s) to avoid state intervention. If the notice date is beyond June 30, 2017, the expectation would be that GSAs are formed within the 180 day timeframe and completion of a GSP would occur by 2022. **Even if an Alternative is still in the State DWR review process, Alternative implementation begins once the SCGA Board adopts the Alternative in late 2016, prior to SCGA staff submitting the Alternative for State DWR approval.**

While the Alternative is under review by State DWR, local agency discussions can continue on SGMA matters related to the South American Subbasin (i.e., GSA formation, budget, and governance).

2. Challenges

Conflict and perceived dissension between the SCGA Member Agencies creates a challenging environment to the Alternative's development by January 1, 2017. Likely to distract resources and impact schedules, the Alternative's development team will need to stay focused. It is uncertain as to how State DWR will view any conflict or concurrent SCGA actions taking place to protect the integrity of its groundwater management program.

2.1 Basin Boundary Modifications

In early 2016, SCGA deferred formation of a GSA to enable sufficient time to investigate the requirements for the Alternative. At the same time, SCGA requested other agencies (i.e., Omochumne-Hartnell Water District (OHWD) and Sloughhouse Resources Conservation District (SRCD)) within the subbasin, desiring to become GSAs, to delay their GSA formation until the Alternative concept was fully understood and possibly implemented. The requested delay was not heeded by OHWD and SRCD.

² Review period is not explicit in the SGMA statute, and is inferred from Section 10733.4(d) where the department shall evaluate the GSP within two years of its submission.

³ Excerpt from 10735.2. Designation of Probationary Basins by State Water Board:

"If the department disapproves an alternative pursuant to Section 10733.6, the board shall not act under this paragraph until at least 180 days after the department disapproved the alternative."(Section 10735.2(a)(1)(C))

In March 2016, both OHWD&SRCD submitted a joint Basin Boundary Modification (BBM) to move their respective portions of the South American Subbasin to the Cosumnes Subbasin. An opposition letter was filed by SCGA, but the outcome of State DWR's decision to grant the BBM is pending, and may not be settled until September 2016. State approval of the BBM has significant implications on the Alternative; especially, how removing valuable recharge and critical pumping areas affect SCGA's groundwater management.

2.2 Mediation

As OHWD is a Member Agency of SCGA, a request was made to the Water Forum Successor Effort to perform mediation services to better understand the request by OHWD to become their own GSA and to become part of the Cosumnes Subbasin. The Water Forum mediation is planned to begin in late June with no certainty on the outcome or timing of up to six meetings, using a Water Forum facilitator. The resources to prepare and attend these meetings and respond to technical questions could use resources necessary to accomplish the Alternative.

2.3 Alternative and Overlapping GSAs

The SRCD filing to become a GSA precipitated the action by SCGA to file to become a GSA over the South American Subbasin, not including the Delta portion of the subbasin generally west of Interstate I-5. The SCGA GSA filing is planned to occur in July 2016, thereby overlapping the two GSA filings by OHWD and SRCD. Consequences of the overlap force the two agencies to come to the table and work out the issues and decide on which agency represents the disputed regions. The ability to work out the best solution in the timeframe set by SGMA to form the GSAs (June 30, 2017) constrains the optimum solution. A pending Alternative under review by State DWR affects this deadline. Below are the various outcomes based on whether an Alternative is produced and, if it is produced, is it successful. Regardless of outcome, the effort between June and December of 2016 has to assume the June 30, 2017 deadline as a constraint, taking away resources to address issues brought up through mediation and negotiations.

2.3.1 Going Forward Without an Alternative

If SCGA either does not submit an Alternative, or has submitted an Alternative and State DWR does not approve, and issues between OH/SRCD/SCGA cannot be resolved, two outcomes concerning overlapping GSAs could occur: 1) the County can agree to become the GSA⁴, or 2) allow the area to default to State Board actions. In the former, the overlapping agencies would likely have to agree to withdrawal their GSA filings to allow the County to file with no overlapping consequences.

Note: For the past year, Florin Resources Conservation District (FRCD) has had an ongoing debate over the current SCGA governance structure and voluntary Joint Powers Agreement developed in 2006/07. This debate has been elevated to the point where FRCD is contemplating filing to become a GSA over currently undisputed areas of SCGA to stop any GSA formation process by SCGA.

2.3.2 Going Forward with an Alternative

If SCGA submits an Alternative and it is approved, any overlapping GSA issues can be resolved through a longer term stakeholder process similar to SCGA's formation, and not be constrained by

⁴ There is some question as to whether the overlying County of a GSA can file to become the GSA and have the action satisfy SGMA (i.e., State Board may consider as overlapping filing)

the June 30, 2017 deadline. This is also the case if an Alternative is submitted and still being reviewed by State DWR.

Note: Given State DWR's (up to) two year review period, if the Alternative is denied after (say) 1 year, the region will be constrained by the 180 day time period after notice to form a GSA with the likely outcome being the "County as GSA" solution discussed above unless the parties have agreed to GSA formation.

2.4 Areas Outside SCGA Boundaries

That portion of the South American Subbasin outside the current SCGA boundaries requires addressing using 10+ years of sustainable groundwater management. GSP Regulations state, "An analysis of basin conditions that demonstrates that the basin has operated within its sustainable yield over a period of at least 10 years." The type and level of analysis are not defined in SGMA or in the GSP Regulations. The approach for including the Delta and Eastern Fringe areas of the subbasin differ as stated below.

2.4.1 Eastern Fringe Areas

The Eastern Fringe Areas are created as an artifact of the historical mapping of useable groundwater versus aquifer materials. Groundwater modeling (circa. 2000) and the geographic extent of the model defined the useable groundwater basin along a boundary generally running northwest to southeast in areas known to be the approximate pinching point of useable groundwater aquifers and the base rock of the Sierra Nevada. Further definition of the full extent of aquifer materials was not performed due to uncertainties of geology and the resolution of deeper aquifer drilling log information. The State DWR's definition of the external boundary of a groundwater basin considers the shallow soil types capable of conducting groundwater up to some finite thickness. This definition creates a delineation generally east of the model boundary and is considered to be a higher level of geologic resolution not contemplated, or needed, for modeling or groundwater management purposes. Given the nature of SCGA's JPA language defining the eastern boundary to the El Dorado Countyline, which includes the fringe area, is considered to be an administrative adjustment to the SCGA boundary with management actions already incorporated in the GMP. If necessary, small pockets of groundwater can be addressed through a short report of the level of sustainability and interconnectedness with the regional aquifer system (i.e., perched aquifers and fractured rock are not considered to be a part of the regional groundwater basin).

2.4.2 Delta Areas

Delta portions of the South American Subbasin are to be addressed by demonstrating that the basin has operated within its sustainable yield over a period of at least 10 years. The approach outline (included as Exhibit D) includes the following imperatives:

- Utilize groundwater level hydrographs where relatively stable conditions exist, excluding normal seasonal variations
- Compare groundwater levels to rainfall and streamflow data to explain decreasing water levels due to below-normal hydrologic years
- Utilize available contour maps of groundwater levels to identify directions and gradients of flow and the presence/absence of groundwater depressions over time
- Verify water budget and interpolate areas of uncertainty using groundwater models

Secondary issues will include review of available water quality data to confirm absence of degradation over time, and review of available subsidence data to differentiate potential subsidence due to dewatering of aquitards (subsurface silt and clay layers) versus agricultural factors (near-surface oxidation of organic-rich soils, compaction).

The Delta Area requires a significant public outreach effort to engage the local communities and agricultural interests in the Delta region. Given the need for compliance with SGMA, many of these communities have been waiting for some form of action by a local agency or the County. For the Delta Area, SCGA will be providing an outreach letter notifying that portion of the Delta within the South American Subbasin that an Alternative is being developed to comply with SGMA. Early contact with stakeholders have returned a positive response so long as assurances can be made regarding costs and flexibility in the regions formation of GSAs and possible Basin Boundary Modifications in the future. A public meeting will be held by SCGA (and perhaps County) to educate and provide assurances of the SCGA's intent to develop a workable solution through the Alternative. The County may also attend to differentiate itself from SCGA, and express their desire to see SGMA compliance by June 30, 2017.

2.5 SCGA Areas within the Cosumnes Subbasin

Areas south of the Cosumnes River located within the current Cosumnes Subbasin are critical recharge areas to the South American Subbasin and are to remain in the Alternative. The ultimate disposition of includes splitting off these areas to the formed GSA(s) over these lands located inside the Cosumnes Subbasin. Coordination of the management activities of these areas is still considered as being relevant to sustainable management in the South American Subbasin. If lands fall within "white" areas and no other local agency is requesting to be the GSA, SCGA will file to become a GSA in the Cosumnes Subbasin with the assurance that lands will be placed in a JPA once the larger group is operating as a GSA covering the white areas.

3. Project Approach Summary

As of the writing of this approach outline, a meeting has been scheduled with State DWR to discuss matters which could significantly change elements of this summary. The intent is that the approach summary be a living narrative as more is understood about the Alternative and the requirements to satisfy SGMA. Currently, three primary tasks are included in the Second Task Order to complete the many parallel efforts going forward with "hard" regulatory deadlines.

3.1 Alternative Related Board and Subcommittee Activities

A brief report of the current status of the Alternative Plan and SGMA-related issues (i.e., Boundary Modification, legislation, BMPs, etc.) will be provided at each of the monthly SCGA Board meetings. In addition, more in-depth presentations and discussion will take place at SGMA Subcommittee meetings, to be scheduled monthly, unless more frequent meetings are necessary. The content of the presentations will be relevant to the activities requiring their direction as well as understanding going forward.

3.2 Develop Alternative Using SCGA GMP and 10 Years of Sustainability

The Alternative's purpose is to achieve "functional equivalency to a GSP." The intent is to submit the 2006 GMP with a companion document identifying where the plan meets the GSP Regulations and where the plan is deficient. Each deficiency is to include how the deficiency is to be addressed going forward. Board and SGMA Subcommittee meetings will be important to vet management actions to satisfy GSP deficiencies over the next five years. As a functionally equivalent document, all

sections and content of the Alternative will be structured similar to the GSP Regulations while making specific references to the GMP, where applicable.

The scientific reporting of 10+years of sustainable management will also be performed over the GMP, Eastern Fringe, and Delta areas to further support the subbasin's justification for an Alternative. See Section 2 for a brief description on the report approach that will be taken with each area while keeping each area's reporting of 10-year sustainability concise and relevant to the six SGMA Undesirable Results.

3.3 Potential SGMA Support Activities

To better support staff, the intent of this work activity is focused on keeping SCGA moving forward with SGMA compliance with approval of the Alternative being the primary objective. This includes support in preparing Board items, presentations, stakeholder meetings, and overall strategy. Expected tasks include issues on the Basin Boundary Modification request by OHWD and SRCD, overlapping GSA discussions and mediation, coordination with the Cosumnes Subbasin, SCGA's GSA formation, and support in developing a new finance methodology under the guidance of the Budget Subcommittee or a qualified financial consultant.

4. Level and Effort and Estimated Costs

Both SCGA staff and consultant support staff work on a time and expense basis. The proposed level of effort and estimated costs are set to approximate the approved FY2016/17 budget for the three tasks (i.e., Board and Subcommittee Meetings, Alternative Development, and SGMA Support) included in this 6-month effort. The hours for each position within SCGA and additional consultant support staff are treated individually and then combined to verify that overall expenses do not exceed the approved budget. **Table 1** shows estimated costs of \$108K and \$220K for SCGA and consultant support staff, respectively, to complete the necessary SGMA efforts over the next 6 months. The total FY2016/17 budget for same is \$107K and \$221K.

Table 1. Estimated Level of Effort and Costs

Tasks	SCGA Staff		Additional Support		Total SCGA + Additional Support	
	Hours	Costs	Hours	Costs	Hours	Costs
Monthly Board and Subcommittee Meetings, July - Dec: 2016	280	\$44,600	100	\$19,500	380	\$64,100
Subtotal		\$44,600		\$19,500		\$64,100
Develop Alternative Using GMP and 10yr Sustainability						
Administrative Information and Basin Setting	-	\$0	376	\$72,072	376	\$72,072
Hydrographs and Maps, Cross Sections	80	\$7,600	40	\$6,216	120	\$13,816
Sustainable Management Criteria	-	\$0	80	\$15,600	80	\$15,600
Monitoring Network	16	\$1,600	184	\$35,880	200	\$37,480
Projects and Management Actions	-	\$0	16	\$3,120	16	\$3,120
Delta Area and Eastern Fringe	-	\$0	96	\$18,720	96	\$18,720
Alternative Plan Review	56	\$12,080	32	\$6,240	88	\$18,320
Alternative Plan - Final	28	\$6,040	56	\$10,392	84	\$16,432
Subtotal		\$27,320		\$168,240		\$195,560
Potential SGMA Support Activities	204	\$36,360	168	\$32,232	372	\$68,592
Subtotal		\$36,360		\$32,232		\$68,592
TOTAL	664	\$108,280	1,148	\$219,972	1,812	\$328,252

Exhibit A. Article 9 of GSP Emergency Regulations

ARTICLE 9. Adjudicated Areas and Alternatives

§ 358. Introduction to Alternatives

This Article describes the methodology and criteria for the submission and evaluation of Alternatives.

Note: Authority cited: Section 10733.2, Water Code.

Reference: Section 10733.2, Water Code.

§ 358.2. Alternatives to Groundwater Sustainability Plans

- (a) The entity that submits an Alternative shall demonstrate that the Alternative applies to the entire basin and satisfies the requirements of Water Code Section 10733.6.
- (b) An Alternative shall be submitted to the Department by January 1, 2017, and every five years thereafter. A local agency or party directed by a court that submits an Alternative based on an adjudication action described in Water Code Section 10737.4 may submit the adjudication action to the Department for evaluation after January 1, 2017.
- (c) An Alternative submitted to the Department shall include the following information:
 - (1) An Alternative submitted pursuant to Water Code Section 10733.6(b)(1) shall include a copy of the groundwater management plan.
 - (2) An Alternative submitted pursuant to Water Code Section 10733.6(b)(2) that is not an adjudicated area described in Water Code Section 10720.8 shall include the following:
 - (A) Information demonstrating that the adjudication submitted to the Department as an Alternative is a comprehensive adjudication as defined by Chapter 7 of Title 10 of Part 2 of the Code of Civil Procedure (commencing with Section 830).
 - (B) A copy of the proposed stipulated judgment.
 - (3) An Alternative submitted pursuant to Water Code Section 10733.6(b)(3) shall provide information that demonstrates the basin has operated within its sustainable yield over a period of at least 10 years. Data submitted in support of this Alternative shall include continuous data from the end of that 10-year period to current conditions.
- (d) The entity submitting an Alternative shall explain how the elements of the Alternative are functionally equivalent to the elements of a Plan required by Articles 5 and 7 of this Subchapter and are sufficient to demonstrate the ability of the Alternative to achieve the objectives of the Act.
- (e) After an Alternative has been approved by the Department, if one or more Plans are adopted within the basin, the Alternative shall be revised, as necessary, to reflect any changes that may have resulted from adoption of the Plan, and the local agency responsible for the Alternative and Agency responsible for the Plan shall enter into an agreement that satisfies the requirements of Section 357.4.
- (f) Any person may provide comments to the Department regarding an Alternative in a manner consistent with Section 353.8.

Note: Authority cited: Section 10733.2, Water Code.

Reference: Sections 10727, 10727.2, 10733, 10733.2, 10733.6, 10733.8, and 10737.4, Water Code.

§ 358.6. Department Evaluation of Alternatives

The Department shall evaluate an Alternative submitted in lieu of a Plan as follows:

(a) An Alternative must satisfy all of the following conditions:

- (1) The Alternative was submitted within the statutory period established by Water Code Section 10733.6, if applicable.
- (2) The Alternative is within a basin that is in compliance with Part 2.11 of Water Code (commencing with Section 10920), or as amended.
- (3) The Alternative is complete and includes the information required by the Act and this Subchapter.
- (4) The Alternative covers the entire basin.

(b) The Department shall evaluate an Alternative that satisfies the requirements of Subsection (a) in accordance with Sections 355.2, 355.4(b), and Section 355.6, as applicable, to determine whether the Alternative complies with the objectives of the Act.

Note: Authority cited: Section 10733.2, Water Code.

Reference: Sections 10733.2, 10733.6, and 10733.8, Water Code.

Exhibit B. Designation of Probationary Status

Re

10735.2. DESIGNATION OF PROBATIONARY BASINS BY STATE WATER BOARD

(a) The board, after notice and a public hearing, may designate a high- or medium-priority basin as a probationary basin, if the board finds one or more of the following applies to the basin:

(1) After June 30, 2017, none of the following have occurred:

(A) A local agency has ~~elected~~decided to ~~be~~become a groundwater sustainability agency that intends to develop a groundwater sustainability plan for the entire basin.

(B) A collection of local agencies has formed a groundwater sustainability agency or prepared agreements to develop one or more groundwater sustainability plans that will collectively serve as a groundwater sustainability plan for the entire basin.

(C) A local agency has submitted an alternative that has been approved or is pending approval pursuant to Section 10733.6. If the department disapproves an alternative pursuant to Section 10733.6, the board shall not act under this paragraph until at least 180 days after the department disapproved the alternative.

**Exhibit C. April 20th Board Resolution Authorizing the Commencement of the
Alternative (not signed)**

**SACRAMENTO CENTRAL GROUNDWATER
AUTHORITY RESOLUTION NO. 2016-**

**RESOLUTION COMMENCING AN ALTERNATIVE PLAN
SUBMITTAL IN COMPLIANCE WITH THE SUSTAINABLE
GROUNDWATER MANAGEMENT ACT OF 2014 AND DELEGATING
PREPATORY ACTIONS**

WHEREAS, the Sustainable Groundwater Management Act of 2014 (SGMA) authorizes local agencies to submit an alternative to a Groundwater Sustainability Plan (GSP) to the State Department of Water Resources (DWR) for evaluation and assessment of its satisfaction of SGMA objectives (Water Code 10733.6(a)); and

WHEREAS, such an alternative plan must be initially submitted to DWR no later than January 1, 2017 (Water Code 10733.6(c)); and

WHEREAS, draft GSP regulations were circulated by DWR for public comment and included some provisions concerning the content and evaluation standard for alternative plans; and

WHEREAS, the Sacramento Central Groundwater Authority (SCGA) submitted written comment on the draft GSP regulations focused in part on the alternative plan provisions; and

WHEREAS, the GSP regulations must be final and effective by June 1, 2016; and

WHEREAS, the draft GSP regulations contemplate elements for satisfactory alternative plan submittals that are not currently part of SCGA's Groundwater Management Plan (GMP); and

WHEREAS, the draft GSP regulations further contemplate required agreements between a submitting local agency and other local agencies or entities located outside of the submitting agency's jurisdiction to facilitate satisfactory alternative plan submittals; and

WHEREAS, SCGA has significant interest and investment in using its GMP and management authority for the sustainable management of groundwater within its jurisdiction; and

WHEREAS, to meet the January 1, 2017 deadline for an alternative plan submittal, SCGA must begin readying the GMP and seeking and negotiating the potentially required agreements with other local agencies and entities within the subbasin.

NOW, THEREFORE, BE IT RESOLVED the SCGA Board of Directors:

1. Delegates authority to SCGA staff to conduct outreach to other local agencies and stakeholders, as defined by SGMA, outside of SCGA jurisdiction to discuss an alternative plan submittal,
2. Directs SCGA staff to modify and supplement the GMP and other SCGA resources as may be required by adopted GSP regulations to develop an alternative plan submittal, and
3. Delegates authority to SCGA staff to negotiate agreements with other local agencies and stakeholders, as defined by SGMA, outside of SCGA's jurisdiction as may be required to support an alternative plan submittal; and
4. Delegates authority to SCGA staff to do and perform everything necessary to carry out the purpose of this resolution.

ON A MOTION by Director _____, and seconded by Director _____, the foregoing resolution was passed and adopted by the Board of Directors of SCGA this 20th day of April, 2016, by the following vote, to wit:

**Exhibit D. Document Outline Hydrogeologic Report on 10 Years of
Sustainability**

Document Outline

Hydrogeologic Report on 10 Years of Sustainability Delta Area of South American Subbasin (5-21.65)

Goal Demonstrate at least 10 years of sustainable groundwater use

- **Approach:** Utilize groundwater levels plotted against time (hydrograph) where relatively horizontal, stable conditions, excluding normal seasonal variations, suggest that groundwater use is similar to groundwater recharge and therefore groundwater resources are sustainable
 - Compare groundwater levels to rainfall data to explain decreasing water levels due to below-normal rainfall (and vice versa)
 - Utilize available contour maps of groundwater levels to identify directions and gradients of flow and the presence/absence of groundwater depressions over time
- **Secondary Issues:**
 - Water quality – Review available data to confirm absence of degradation
 - Subsidence – Differentiate potential subsidence due to dewatering of aquitards (subsurface silt and clay layers) versus agricultural factors (near-surface oxidation of organic-rich soils, compaction)

Required Information

- Measurements of depth to groundwater and reference elevations and/or groundwater elevations
- Existing contour maps of groundwater elevations
- Monthly rainfall measurements for a nearby station

Additional Information

Land use types and acreage

- **Location:** West of Interstate 5 to Sacramento River, South of Morrison Creek vicinity to Cosumnes River, Area outside of jurisdiction of Sacramento Central Groundwater Authority
- **Communities:** Courtland, Hood, & Locke (Paintersville [?] & Vorden [?] as identified by Google Earth)
(Walnut Grove is located in the Solano Subbasin)
- **Agricultural:** Crops
- **Wetlands**
- **Reclamation Districts**
- **Water usage**
 - Groundwater: Well locations, depths, perforated interval, pumping rate, duration, and volume
 - Surface water: Diversion locations, flow rate, duration, and volume
- **Subsidence information**

General Notes:

Logged into the CASGEM website and found the following well information via the mapping function. Most of the wells were located on the eastern and southern perimeter, primarily the latter. The map did not identify any wells within the center of the main area.

- 3 CASGEM wells –see hydrographs for 2 wells for fall 2015 below
- 11 voluntary wells, including 4 in close proximity to the Mokelumne River (after confluence with Cosumnes River)
- No hydrograph for 1 CASGEM well and 4 voluntary wells
- Current data (to 2016) on hydrographs for 1 CASGEM well and 1 voluntary well
- Recent data (to 2014) for 1 CASGEM well and 3 voluntary wells
- Historic data (< 1999) for 4 voluntary wells

Using DWR GIC Interactive Map website, the following information extracted:

- Potentiometric maps are not drawn into the Delta area, but are present to the east of I-5 and northwest of Rio Vista
- One subsidence station is located west of I-5 along Twin Cities Road
- CGPS Cumulative Subsidence: 1 - 2.5 inches due to “oxidation of organic deposits has occurred”
- CGPS Trends: 5 - 10 inches
- Estimated potential subsidence is medium to high

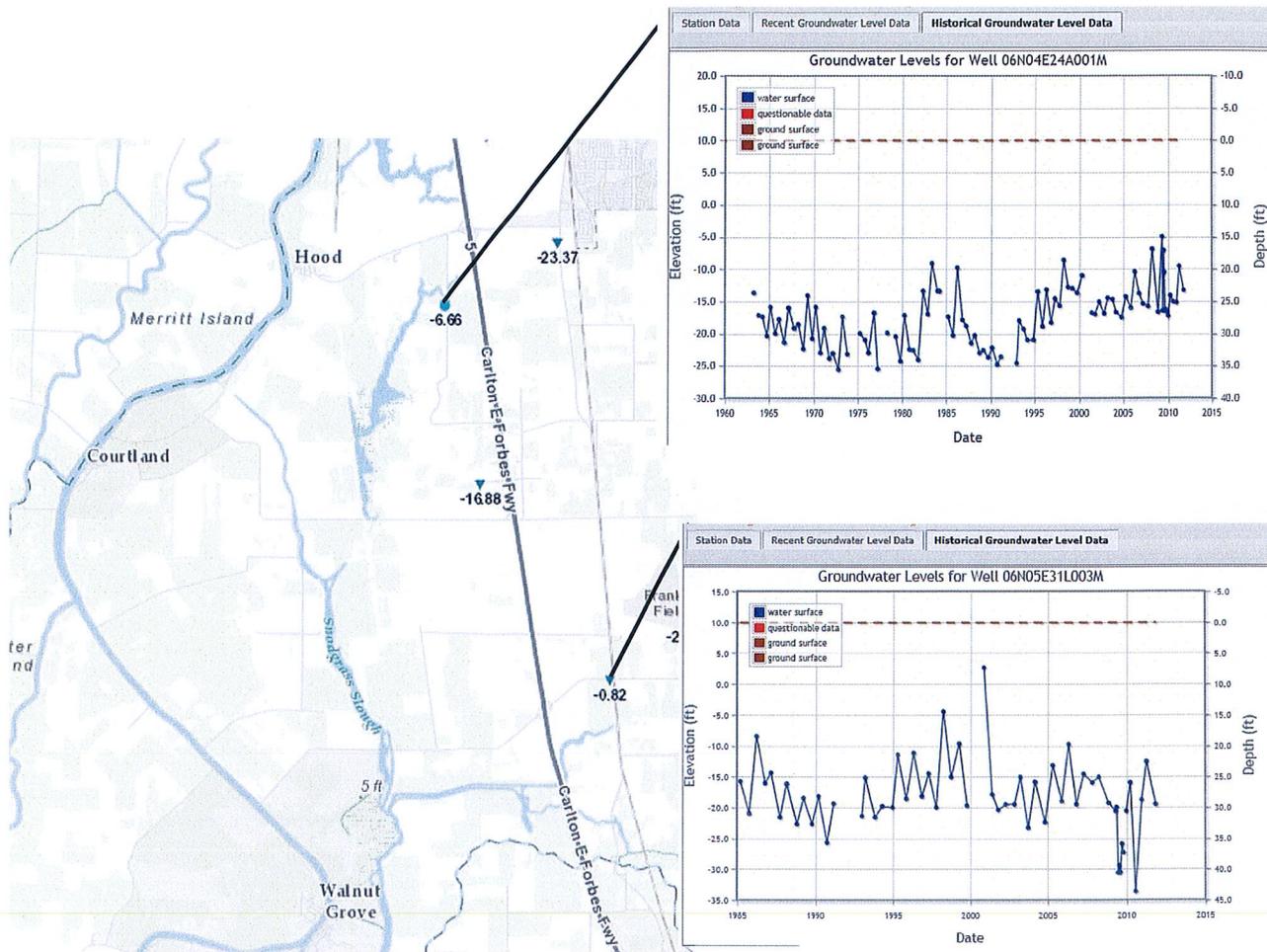


Figure 1. Hydrographs for CASGEM Wells in Fall 2015

AGENDA ITEM 8: STATE DWR SUPPORT FUNDING FOR FACILITATION IN SOUTH AMERICAN SUBBASIN GSA FORMATION

BACKGROUND:

Sacramento Water Forum Successor Effort has been coordinating with State DWR on possible funding opportunities for facilitation in both the Cosumnes and South American Subbasins. Tom Gohring, Executive Director of the Water Forum, will be making a presentation regarding potential funding opportunities for facilitation services related to SGMA activities in the South American Subbasin.

STAFF RECOMMENDATION:

Recommended Action: Informational Item

AGENDA ITEM 9: AUGUST 10, 2016 BOARD MEETING

BACKGROUND:

Due to various scheduling conflicts staff recommends canceling the August 10, 2016 Board meeting.

STAFF RECOMMENDATION:

Recommended Action: Cancel August 10, 2016 Board Meeting

AGENDA ITEM 10: BUDGET SUBCOMMITTEE

BACKGROUND:

At the June 8, 2016 Board meeting the Board tasked the Budget Subcommittee to begin work on the 2017/2018 fiscal year budget to address anticipated reductions in future SCWA funding and other issues raised by various Board members.

Staff would like the Board chair to confirm subcommittee membership and chair to begin work on a budget recommendation for the Authority's fiscal year 2017-2018 annual budget.

STAFF RECOMMENDATION:

Recommended Action: The Board chair will confirm the Budget Subcommittee membership and chair to prepare a budget recommendation for the Authority's fiscal year 2017-2018 annual budget.

AGENDA ITEM 11: APPOINTMENT OF CLERK OF THE BOARD

BACKGROUND:

Ramon Roybal was appointed Interim Clerk last year due to the previous Clerk's medical leave and subsequent change of employment. With the expansion of Mr. Roybal's duties relative to SGMA compliance he can no longer effectively perform this function. Section 13(b) of the JPA (Section 4.05(b) of the Rules of Procedure) makes provision for the appointment of a Clerk of the Board. Under the "Agreement For Administration And Management Of The Sacramento Central Groundwater Authority And Implementation Of Technical Programs" between the County and SCGA there is provision for compensating the County for the provision of clerk services.

Staff has met with representatives of the County Clerk of the Board (County Clerk) to discuss provision of these services. Clerking services provided include set up of an AgendaNet system for the handling, processing, and archiving of Board agendas and other materials, coordination and distribution of agendas and other materials in compliance with the Brown Act, taking roll during Board and subcommittee meetings, taking and transcribing minutes, and maintaining a record of Board actions. The cost of these services was included in the 2016-2017 fiscal year budget.

Staff recommends appointing the County Clerk as Clerk of the Board for SCGA in accordance with Section 13(b) of the Joint Powers Agreement.

STAFF RECOMMENDATION:

Recommended Action: Appoint County Clerk as Clerk of the Board in accordance with Section 13(b) of the Joint Powers Agreement.

AGENDA ITEM 12: EXECUTIVE DIRECTOR'S REPORT

BACKGROUND:

- SGMA Subcommittee Meeting
- Board Member Terms
- Regional Activities