



SACRAMENTO GROUNDWATER AUTHORITY
Regular Board Meeting
Final Minutes
December 10, 2009

1. CALL TO ORDER

Chair Schubert called the meeting of the Board of Directors to order at 9:00 a.m. at the Regional Water Authority/Sacramento Groundwater Authority office. Individuals in attendance are listed below:

Board Members

Paul Schubert, Golden State Water Company (Chair)
Sandy Kozlen, Carmichael Water District
Chuck Rose, Citrus Heights Water District
Walt Sadler, City of Folsom
Herb Niederberger, County of Sacramento
Rich Allen, Del Paso Manor Water District
Randy Marx, Fair Oaks Water District
David Simpson, Orange Vale Water Company
Mary Harris, Rio Linda/Elverta CWD
Pam Tobin, San Juan Water District
Jack DeWit, Agriculture

Staff Members

John Woodling, Nancy Marrier, Rob Swartz, and Cecilia Partridge. Nicole Krotoski participated via conference phone.

Others in Attendance

Al Dains, Jafar Faghieh, Alex Peterson, Keith Durkin, Ali Taghavi, Ed Formosa, Rob Roscoe, Shauna Lorange, Jim Crowley, Sharon Wilcox, Erwin Hayer, Bob Churchill and Debra Sedwick.

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

The minutes of the October 8, 2009 meeting.

Motion/Second/Carried (M/S/C) Mr. Kozlen moved, with a second by Mr. Niederberger, that the consent calendar items be approved.

4. 2009 AUDIT REPORT

Evelyn Cook, Cook CPA Group, presented the completed financial audit for the fiscal year ending June 30, 2009. She reported that SGA received an unqualified opinion on the audit, which is the highest opinion an audit can receive. Ms. Cook noted that there were no new management comments and observations this year and that last year's recommendations have all been implemented.

M/S/C Mr. Rose moved, with a second by Ms. Tobin, to recommend SGA Board acceptance of the 2009 SGA financial audit report.

5. ELECTION OF 2010 SGA OFFICERS

Chair Schubert announced the recommendations from the SGA Nominating Committee for 2010. Walt Sadler was recommended to become the SGA Chair and Randy Marx Vice Chair. Mr. Schubert asked for and received no nominations from the floor.

M/S/C Mr. Niederberger moved, with a second by Ms. Harris, to elect Walt Sadler as 2010 SGA Chair and Randy Marx as 2010 Vice Chair. Unanimous consent was received.

6. WATER ACCOUNTING FRAMEWORK UPDATE

In June 2007, the SGA Board adopted Phase II of the Water Accounting Framework and directed staff to develop a Model Groundwater Banking Program Element for member agencies interested in implementing a groundwater banking and exchange program. The intent of the Model Groundwater Banking Program is to encourage agencies to implement conjunctive use programs, while ensuring sustainability of the underlying groundwater basin.

Staff has met with the Model Groundwater Banking Program Oversight Committee over the past three months, most recently on November 23, 2009, to discuss a set of principles intended to guide implementation of the Model Groundwater Banking Program. The Oversight Committee members include Herb Niederberger, Walt Sadler, Rob Roscoe, Shauna Lorange, Bob Churchill, Andy Soulé and Dan Sherry.

Rob Swartz, Principal Project Manager, reported on the progress of development of the Banking Program and provided an overview of the draft Water Accounting Framework Principles. The current direction of the Oversight Committee is to complete Phase 3 elements, which include the Water Accounting Framework principles and conjunctive use goals. The goals do not apply to agriculture or self-supplied users at this time. The next steps include: 1) continuing to refine the "model banking" document and the

principles document with the Oversight Committee; 2) modeling losses of banked water, for which results are expected in January 2010; 3) full briefing of components to the SGA Board in February; and 4) seeking SGA Board adoption, in April 2009 if feasible.

There was consensus from the board that it's important to move forward at this time with the Water Accounting Framework as outlined in the update given by Mr. Swartz. It was agreed that it would be beneficial to be able to present the framework to regulators in order to show that we have a monitoring network and a plan in place to monitor water levels to comply with new state law, and to support water transfers.

7. EXECUTIVE DIRECTOR'S REPORT

Delta Legislation Update – The Legislature passed, and the Governor signed, a package of five bills to address a Delta solution and other water policy issues. Four policy bills and an \$11.1 billion bond bill make up the package. The bond bill will go before the voters in November 2010. A summary of the bills was included in the packet.

Most significant to SGA is SBX7 6, which requires monitoring of groundwater elevations. Under the new law, an agency or group (such as SGA) would apply to the Department of Water Resources to be recognized as the entity responsible for groundwater monitoring in all or part of a basin or subbasin. Water level elevations will be reported to DWR. If an entity identified as having the authority to undertake the monitoring does not do so, the entity will be ineligible for water-related grants or loans administered by the state.

Based on initial analysis of the bill, SGA would have the authority to conduct the required monitoring. SGA would comply with our current monitoring program.

McClellan Remediation Update – The Air Force Real Property Agency has announced that it has recently completed an amendment to its Record of Decision for cleaning up contamination at the former McClellan Air Force Base. The amendment establishes a plan for cleanup of non-volatile organic compounds. An announcement from AFRPA was included in the packet.

Mr. Swartz reported that the county is proposing to review its ordinances for groundwater well permitting in regards to McClellan. Mr. Swartz suggested that we might want to be engaged in that process, so that we know what the potential impacts might be.

Grant Funding Update – SGA received notice to proceed with the first \$100,000 of our AB 303 grant to study the potential future impacts of contaminants on our groundwater supplies. Official notice from DWR that the

remaining \$150,000 will be authorized is expected soon based on additional bond sales in November 2009. SGA staff met with DWR staff in November to discuss moving forward with the project and extending the grant expiration date from the current May 2010 to December 2010.

DWR has just released draft guidelines for the next round of AB 303 grant funding. Comments are due by January 12, 2010. A final application is expected to be released in February 2010, with an application deadline in April 2010.

RWA/SGA Holiday Social – The annual RWA/SGA Holiday Social and Awards Banquet is scheduled for Thursday, December 10, 2009 at the Sacramento Marriott Rancho Cordova. Jim Mayer, executive director of California Forward, a nonpartisan initiative seeking fundamental reforms to state government, is the guest speaker. Mr. Mayer was previously executive director of the Little Hoover Commission. He spent more than 12 years as a newspaper journalist in Sacramento, Bakersfield, and Placer County. Mr. Mayer serves on the board of the Yolo County Flood Control and Water Conservation District.

8. DIRECTORS' COMMENTS

Mr. Sadler commented that it would be nice to have more representation from the City of Sacramento at our meetings.

Mr. Rose thanked Chair Shubert for his leadership in 2009 and congratulated Mr. Sadler on his new role as 2010 SGA Chair.

Adjournment

With no further business to come before the Board, Chair Schubert adjourned the meeting at 10:15 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Finance and Administrative Services Officer