



SACRAMENTO GROUNDWATER AUTHORITY
Regular Board Meeting
Final Minutes
February 11, 2010

1. CALL TO ORDER

Chair Sadler 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

Walt Sadler, City of Folsom (Chair)
Andy Soule, California American Water
Sandy Kozlen, Carmichael Water District
Chuck Rose, Citrus Heights Water District
Randy Marx, Fair Oaks Water District
David Simpson, Orange Vale Water Company
Neil Schild, Sacramento Suburban Water District
Pam Tobin, San Juan Water District

Staff Members

John Woodling, Rob Donlan (Legal Counsel), Rob Swartz, Nancy Marrier, and Cecilia Partridge.

Others in Attendance

Al Dains, Ken Payne, Tom Gray, Bob Churchill, Ali Taghavi, Rob Roscoe, Jim Peifer, Debra Sedwick, Rich Bolton, Keith Durkin, Karl Brustad, Jon Traum, Jim Blanke, Frank Bradham, Alan Driscoll, Sharon Wilcox, Tina Bauer, Jim Crowley, Brent Cain, Shauna Lorance, Lisa Porta, Steve Dalrymple, Chris Petersen, Cathy Lee, Derrick Whitehead, Michelle Smilowitz, Norm Jones and Royd Nelson. Nicole Krotoski and Mary Harris participated via conference phone.

2. PUBLIC COMMENT

None

3a. CONSENT CALENDAR

Ms. Harris joined the meeting via teleconference in an attempt to gain a quorum. There was a question about the legitimacy of using a teleconference and its adherence to the Brown Act.

Action: Mr. Kozlen moved, with a second by Mr. Rose, to allow telecommunications as a legitimate attendance for the purposes of a quorum.

Noes: Neil Schild

Due to the lack of a quorum present at this meeting no action items were voted on or approved. These items will be brought back to the March board meeting for approval.

The minutes of the December 10, 2009 meeting.

Action requested: Approve the minutes of the December 10, 2009 SGA meeting. (No action was taken on this item)

3b. CONSENT CALENDAR

In August 2008, the SGA Board adopted resolution 2008-02 authorizing the Chair to execute and implement a funding agreement with the Department of Water Resources. At that time, the SGA Executive Director was unable to actively work on the grant-funded agreement because of past employment relationship with DWR. The effect of the resolution was to have the SGA Chair assigned as the Project Manager on the funding agreement. As project management is a day-to-day activity on the funding agreement and the Executive Director is now able to work directly on the project, staff is recommending that the Executive Director be assigned as the Project Manager under the grant agreement. This will streamline the submission of reimbursement requests to DWR.

Action requested: Approve SGA Resolution 2010-01 Assigning the Executive Director as the Project Manager for Funding Agreement #4600008198 under the Local Groundwater Management Assistance Program. (No action was taken on this item)

4. LOCAL GROUNDWATER ASSISTANCE GRANT PROGRAM (AB 303) UPDATE

The California Department of Water Resources expects to release an application for grant proposals in February 2010 for the Local Groundwater Assistance Program. This grant program provides up to \$250,000 for groundwater-related studies and projects. Applications are expected to be due back to DWR in April 2010, with award announcements in July 2010.

An important element of the application is an authorizing resolution from the Board of the applicant.

Staff is currently investigating potential projects that would be appropriate to apply for funding through this program and they will be presented to the Board for final decision. Staff proposed to complete the application using support from consulting services.

There was discussion on the FY 2010 grant application process. Mr. Woodling explained that this is the last year that there will be funding for this program from DWR. Mr. Woodling requested board direction on topics to pursue for an application and for direction to staff to prepare an application and select a consultant. After discussion it was agreed that we would focus on "source chasing" as the top priority but may look at others as well. If there are two good proposals SGA may spin off one to California American Water to take the lead on. Ms. Tobin advocated moving forward on the application and believes that we need to take advantage of the opportunity. Mr. Schild agreed that we need to pursue any state funding that is available.

It was suggested that a special SGA Board meeting be scheduled to deal with the unresolved action items from this meeting. If staff is able to narrow down the topic for the grant application prior to this special board meeting, it will be brought it to the board for a final decision at that time.

Action requested: Approve SGA Resolution 2010-02 authorizing the Executive Director to submit an application and execute a funding agreement with the California Department of Water Resources. (No action was taken on this item)

Action requested: Direct the Executive Director to select a consultant to assist in application preparation, in an amount not to exceed \$20,000. (No action was taken on this item)

5. 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 a few times over the past several months, most recently on

January 25, 2010, to discuss a set of principles that are intended to guide the implementation of the Model Groundwater Banking Program.

Rob Swartz gave a presentation update on the Water Accounting Framework. His presentation included information about the framework principles, the volume of water available for exchange, the model groundwater banking program and the roles of staff, the board and member agencies. He explained that the next steps will be 1) to quantify banking losses for exchange outside of SGA; 2) solicit input on the Phase 3 document; and 3) to schedule a workshop to finalize Phase 3 documents. Adoption of the plan is anticipated in April 2010.

Ali Taghavi, Vice President with WRIME, gave a presentation focused on a hydrologic modeling analysis to support the Water Accounting Framework. His presentation focused on 1) the project purpose; 2) SaCLRWM overview; 3) methodology; and 4) an analysis of the results. Mr. Taghavi said that conjunctive use water is primarily stored in the groundwater basin with less than 1% per year lost to the river and stored water is recoverable to the full extent. Conjunctive use is an effective means of basin operations for drought banking and impeding movements of regional contamination plumes.

There was discussion on how the banking process would be implemented, the loss factor and sustainability. Mr. Woodling explained that the next steps are to quantify the banking losses for the purposes of putting them into a document in the institutional framework. He further explained that the framework document should be finalized within the next two weeks and will be distributed to the board and the general managers. A board workshop will be scheduled to discuss the details prior to adoption in April. Implementation will be the next step, with a look at conjunctive use goals every five years thereafter.

6. CITY OF ROSEVILLE'S REGIONAL GROUNDWATER MODEL UPDATE

The City of Roseville has been in the process of developing a groundwater model in support of its proposed aquifer storage and recovery (ASR) program since late 2008. The model has been developed in coordination with SGA, with SGA providing data from our data management system and regional groundwater model. Significant progress has been made on the development of the Roseville model, which extends from the Bear River on the north to the Mokelumne River on the south. Roseville's consultant, AQUAVEO, provided an update on the model development and calibration process.

Derrick Whitehead explained that the City of Roseville started on an aquifer storage and recovery program about 5 years ago. They needed to find a methodology to be able to analyze what happens to the water that is directly

injected into their wells and to quantify where the water goes. There was an opportunity for them to put together a model in Placer County that looked at how to track and monitor in three dimensions. Mr. Whitehead stated that during the process, it became apparent that they needed to extend their model boundaries beyond Placer County.

Michelle Smilowitz and Norm Jones of Aquaveo, gave a presentation on the Roseville model and potential applications. Their model project objectives include 1) a regional groundwater model; 2) ASR design and optimization; 3) flexibility and cost effectiveness; 4) incorporating the latest data; and 5) an accurate representation of regional hydrogeology. They believe that their model is realistic and accurate of regional hydrogeology, incorporates the latest field investigations, is based on a MODFLOW suite of codes, has rapid response, effectively communicates results and has low-cost development and maintenance.

There was discussion regarding the different models and the goals and the benefits of each and concern that the existence of two modeling platforms could lead to additional expense and potential conflict in model results. Mr. Woodling proposed that we logically evaluate what our needs will be for the future, what we need a model to simulate, what our criteria are for selecting a model, ease of use, the number of consultants that can do the work, the accessibility of the tools and where we want to go in the future. It would be beneficial to put together a committee to evaluate the models and give appropriate recommendations. The SGA Board directed staff to reach out to other agencies that are potential stakeholders in a regional model. Mr. Woodling will present an update at the April SGA Board meeting.

7. EXECUTIVE DIRECTOR'S REPORT

SGA Financial Report – A financial report for SGA for the period July 1, 2009 through January 31, 2010 was attached. All budget categories are within expectations.

Legislation Update – The state of California passed a package of water bills in 2009. SBX7 6 requires monitoring of groundwater levels in all of the basins and sub-basins of the state. Areas that are not complying with the monitoring requirements would be ineligible for water-related grant funding. Entities that seek to undertake the required monitoring must notify the Department of Water Resources (DWR) by January 1, 2011. DWR is currently developing guidelines for the program. SGA would be eligible to become the monitoring entity, and our current monitoring would likely satisfy requirements.

SBX7 2 authorizes an \$11 billion water bond for the November ballot. Among other things, the bond bill provides \$1 billion for projects to prevent or reduce the contamination of groundwater that serves as a source of drinking water.

Regional Contamination Issues Committee Update – The RCIC met on January 28, 2010. One significant item discussed was a proposed update to the regional contamination brochure originally developed in 2006. The update will be coordinated with the Sacramento Central Groundwater Authority (SCGA) and Placer County groundwater managers to expand the geographic coverage. Attendees heard from the California Department of Toxic Substances Control (DTSC) about a new state program to assist water providers in identifying the sources of contaminants detected in wells. Cal Am Water, California Department of Public Health, and DTSC will evaluate a partnership to explore potential sources of detected contaminants in wells near the Placer County line.

Grant Funding Update – In January 2010, SGA received notice that it is now authorized to expend the entire \$250,000 of our AB 303 grant to study the potential future impacts of contaminants on our groundwater supplies. Staff will begin executing task orders with the consultant team to authorize work on the project. Staff has submitted a request to DWR to extend the project deadline to March 31, 2011.

Fiscal Year 2010-11 Budget Process – We are beginning to assemble the SGA budget and will bring a draft to the SGA Board on April 8, 2010 for approval. This will allow for the possibility of changes and time for final approval of the budget prior to the June 30 deadline. Chair Sadler appointed a Budget Committee to assist in initial budget development. The Budget Committee includes Pam Tobin, Walt Sadler, Chuck Rose and Randy Marx.

Groundwater Model Evaluation Proposal – The development of a regional groundwater model by Roseville, along with recent improvements to our existing Integrated Groundwater/Surface Water Model (IGSM) provides two valuable tools with which to evaluate water management strategies in the region. However, there is some concern that the existence of two modeling platforms could lead to additional expense and potential conflict in model results. Staff recommends undertaking an evaluation of our future modeling needs and available tools to guide future investments in model development and application. Such a study would be coordinated with SCGA and Placer County groundwater users. Staff proposes to hire a consultant to facilitate and provide technical support to the process, and to consider convening a panel of policy and technical experts from both within and outside the groundwater basin. Participants may include staff from local water agencies, the state of California, the U.S. Geological Survey, and local universities.

County of Sacramento Public Workshop – The County of Sacramento’s Environmental Management Department will hold a public workshop to discuss proposed revisions to the Sacramento County Code relating to wells and pumps on Wednesday, February 17, 2010 at 6:00 p.m. A copy of the notice was included in the packet.

Sutter Pointe Water Supply Proposal – GSWC has submitted Application 08-08-022 to the CPUC for a Certificate of Public Convenience and Necessity (CPCN) to establish a non-contiguous service area comprised of the southern, unincorporated portion of Sutter County. GSWC has an agreement with NMWC to provide municipal and industrial (M&I) water service to a proposed service area in south Sutter County known as the Sutter Pointe Specific Plan Area. Sutter County certified an EIR for the development; however CPUC must prepare an EIR for the CPCN. CPUC issued a Notice of Preparation, and is accepting public comment until February 12, 2010. More information is available at http://www.cpuc.ca.gov/Environment/info/esa/gswc_sp/index.html.

8. DIRECTORS’ COMMENTS

None.

Adjournment

With no further business to come before the Board, Chair Sadler adjourned the meeting at 11:59 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Finance and Administrative Services Officer