



SACRAMENTO GROUNDWATER AUTHORITY
Regular Board Meeting
Final Minutes
February 14, 2008

1. CALL TO ORDER

Chair Tobin 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

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

Staff Members

Ed Winkler, Rob Donlan (Legal Counsel), Rob Swartz, Nancy Marrier, and Cecilia Partridge.

Others in Attendance

Al Dains (Citrus Heights Water District alternate), Keith Durkin, Debra Sedwick, Toni Pezzetti, Rob Roscoe, Ed Formosa, Darrell Eck, Ping Chen, Jafar Faghih, Bob Churchill, Sharon Wilcox, Jim Crowley and Dee Dillon.

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

a. Minutes of the December 13, 2007 meeting.

(M/S/C) Mr. Rose moved, with a second by Ms. Harris, that the consent calendar items be approved.

4. SGA AD HOC BUDGET COMMITTEE

Chair Tobin appointed the 2008 SGA Ad Hoc Budget Committee to include Andy Soule', California American Water Company; Sandy Kozlen, Carmichael Water District; Chuck Rose, Citrus Heights Water District; Gary Reents, City of Sacramento; Barry Brown, Fair Oaks Water District; Neil Schild, Sacramento Suburban Water District and Pam Tobin, San Juan Water District.

5. EXECUTIVE DIRECTOR SEARCH

Ed Winkler submitted his resignation effective March 7, 2008, as he has accepted a position with CH2M Hill. On January 23, 2008, RWA Board Chair Joe Dion established a joint RWA/SGA Executive Director Search Committee (Committee) with balanced representation as follows:

RWA	SGA
Joe Dion (Co-Chair)	Pam Tobin (Co-Chair)
Derrick Whitehead	Paul Schubert
Rob Roscoe	Ken Payne
Paul Selsky	Sandy Kozlen

Ms. Tobin explained that this Committee will not be "selecting" the next executive director. The Committee will be directing the process that will hopefully get the RWA and SGA Boards of Directors to a consensus selection within three or so months. The Committee will be involved in the following activities:

- Select an executive search consultant
- Make recommendations as to interim RWA/SGA leadership
- Work with the consultant to:
 - Formulate desirable attributes of the next executive director
 - Advertise the position
 - Conduct preliminary interviews
 - Organize final interviews with the RWA Executive Committee
 - Upon reaching an RWA Executive Committee recommendation, present the final candidate to the full RWA and SGA Boards for consideration of approval

- Work with the consultant and legal counsel to negotiate/finalize an employment contract with the selected candidate

At its initial meeting on January 31, the Committee interviewed executive search firms and selected CPS Executive Search to guide us through the process. This is the same firm that recently assisted with the placement of the ACWA executive director and also the NCWA executive director, so they come with extensive experience in the California water industry.

The Committee also discussed the issue of interim leadership to bridge the period of time from March 3 until we have a new executive director on board. Two options were discussed including an interim promotion of existing staff and contracting with a consulting firm for these services. The Committee decided to recommend that we secure a contract with Black and Veatch for the services of Jim English with the following justification:

- Pursuant to the advice of CPS, interim promotion of existing staff could present problems with the upcoming selection process. One such problem, for example, is that such an internal promotion could send the wrong signal to potential applicants that the process may not be entirely “open,” thereby potentially reducing the quality of the candidate pool.
- Contracting for a portion of Mr. English’s time would be efficient (no training involved) and the least disruptive to the existing, highly-valued staff team. A sole-source contract with Black and Veatch is justified given Mr. English’s qualifications, as well as the urgency of the situation.

The recommendation for SGA’s consideration is to approve a consulting agreement and task order with Black and Veatch for interim executive director services (via Jim English) with a not-to-exceed budget of \$60,000 to take us through the period March 3 – June 30, 2008. Pursuant to the RWA/SGA Administrative Services Agreement, the costs of these services will be split 50/50 between the RWA and SGA; therefore, SGA’s share of the cost will not exceed \$30,000. This amount can be accommodated within SGA’s approved FY 2008 budget through salary and benefit savings realized from the vacated executive director position plus a portion of budgeted consulting dollars (water quality monitoring and short-term banking/exchange) that are not projected to be used this fiscal year.

The authorization to the Board Chair to execute the agreement is subject to review by counsel in concurrence with the RWA to ensure adequate weekly time commitment, approximately 15 to 20 hours a week, through the services of Mr. Jim English for interim Executive Director services for the period of March 3, 2008 through June 30, 2008.

There was brief discussion regarding the candidates that were considered for the interim Executive Director position and how the duties of the interim position can be executed in 15 to 20 hours per week. SGA board members were assured that the Executive Director Search Committee was diligent in selecting an interim Executive Director from the list of potential candidates.

Mr. Schild expressed concern that Sacramento Suburban Water District (SSWD) was not represented on the committee. Ms. Tobin pointed out that Mr. Roscoe, general manager with SSWD, was one of the representatives on the search committee.

M/S/C Mr. Kozlen moved with a second by Ms. Harris to approve execution of a 3-way agreement (RWA, SGA, and Black and Veatch), subject to legal counsel review, for sole source justification for selection of interim executive director services with Black and Veatch (Jim English) with a not to exceed budget of \$60,000.

6. WATER ACCOUNTING FRAMEWORK

Mr. Swartz explained that in June 2007, the SGA Board adopted Phase II of the Water Accounting Framework. Upon adoption, SGA was directed to continue with Phase III, including a survey of existing successful groundwater banks in the state and development of a model groundwater banking program based on the results of that survey.

The first step in the model banking program process was to learn how existing water banks in the state have been operating. To do this, Kennedy/Jenks (K/J) has been contracted with RWA (RWA was awarded a grant through Prop 50 to fund WAF development) to develop, complete, and summarize a survey of the characteristics of seven existing banks.

In October 2007, the SGA Chair appointed an oversight committee to review the proposed survey and results, and provide guidance on the next steps of the model groundwater banking program development. The committee met on November 6 to review and discuss an outline of the main survey topics and proposed existing banking programs to be interviewed. K/J completed the survey instrument in December 2007 and sent it out to the agencies to be surveyed in January 2008. The committee met again on February 7, 2008 to discuss initial results and to begin discussing expectations of what the model groundwater banking program should include.

The committee is now conducting surveys of 7 different operating banks around the state to understand their common characteristics. This data will be used for a model for a banking and exchange program in the Sacramento region. The committee will meet again on March 20 to hear the summary of the survey results. The survey includes data from the different operating

banks including the costs involved and what type of permits are involved in this type of program.

7. GROUNDWATER MANAGEMENT PROGRAM UPDATE

In January 2008, staff met with the Board Chair and Vice Chair to discuss priorities consistent with the SGA Goals and Action Plan for the coming year. Proposed priorities for the coming year include:

- Complete an update to the SGA Groundwater Management Plan by December 2008.
- Complete the third phase of the Water Accounting Framework – Model Groundwater Banking Program.
- Complete a 2008 version of the biennial Basin Management Report.
- Continue facilitation of the Regional Contamination Issues Committee.
- Begin study of water quality threats to regional groundwater sustainability, if successful with recent Local Groundwater Assistance Grant application submittal.
- Continue a high level of coordination with other planning interests including groundwater management efforts in Central and Southern Sacramento County, and Placer County, and the American River Basin Integrated Regional Water Management Plan through RWA.
- Continue efforts to promote aquifer storage and recovery (ASR) methods as a viable option for future water supply sustainability.
- Continue the effective communication, begun in 2007 by extending the offer to brief member agency boards, councils, and others as appropriate on the importance of local groundwater management.

There is an implementation committee that includes Barry Brown, Keith Durkin, Rob Roscoe, Andy Soule', Gary Reents and Chuck Rose. They will meet next month to seek guidance on how to proceed with the SGA Goals and Action Plan.

Mr. Roscoe informed the board that an ASR satellite link may be available from Washington, D.C. to broadcast the symposium live on March 19, 2008. Mr. Roscoe indicated that agencies are looking for sponsorships to partner together for this symposium to be broadcast locally. It was suggested that SMUD has a satellite link and may be interested in partnering with SGA and others to broadcast this symposium. The Board agreed that it would be acceptable to participate in the sponsorship of this event, up to \$3,000.

8. EXECUTIVE DIRECTOR'S REPORT

- **Completion of Department of Water Resources grant obligations** – Staff received a letter from DWR stating that we have satisfied all of our obligations under that grant contract.

- **ACWA Legislative Conference, March 26, 2008** – ACWA's 2008 Legislative Symposium is scheduled for March 26, 2008 at the Sheraton Grand Sacramento Hotel in Sacramento.

CLOSED SESSION

At 9:57 a.m. the open session portion of the meeting was adjourned to closed session under Government Code section 54956.9(a): The People of the State of California, et al. v. Unocal Corp., et al. (Sacramento Superior Court No. 03AS05452). The closed session meeting was closed and duly reported, and the public meeting was reconvened in open session at 10:55 a.m. No information was reported.

9. DIRECTORS' COMMENTS

None.

Adjournment

With no further business to come before the Board, Chair Tobin adjourned the meeting at 10:56 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Finance and Administrative Services Officer