



**SACRAMENTO GROUNDWATER AUTHORITY**  
**Regular Board Meeting**  
**Final Minutes**  
**June 11, 2009**

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**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)  
Andy Soulé, California American Water  
Sandy Kozlen, Carmichael Water District  
Chuck Rose, Citrus Heights Water District  
Walt Sadler, City of Folsom  
Herb Niederberger, County of Sacramento  
Randy Marx, Fair Oaks Water District  
David Simpson, Orange Vale Water Company  
Mary Harris, Rio Linda/Elverta Community Water District  
Neil Schild, Sacramento Suburban Water District  
Pam Tobin, San Juan Water District  
Rink Sanford, Self Supplied Industry

Staff Members

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

Others in Attendance

Al Dains, Jafar Faghieh, Alan Driscoll, Ed Formosa, Bob Churchill, Steve Nugent, Shauna Lorange, Mark Salmon, Ali Taghavi, Sharon Wilcox and Danielle Blacet.

**2. PUBLIC COMMENT**

None

**3. CONSENT CALENDAR**

The minutes of the April 9, 2009 meeting.

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

#### **4. ACWA GROUNDWATER COMMITTEE POLICY UPDATE**

In September 2008 ACWA Executive Director Tim Quinn challenged the ACWA Groundwater Committee to begin developing what he termed an “ACWA Groundwater Blueprint” similar in concept to the previous ACWA Blueprint effort. Since that time, the Groundwater Committee has met several times to develop a set of groundwater principles, adopted by the ACWA Board in January 2009, and to begin preparation of a document to establish a strategic framework for sustainable groundwater management in California. SGA staff has been participating in this effort.

Danielle Blacet, Regulatory Advocate with ACWA, gave an update on the policy development. This policy was begun due to concerns that California was going to be experiencing a shift to groundwater because of drought and water supply issues. The Groundwater Committee was asked to address all of the water issues the state is facing. The Groundwater Committee put together policy principles that were unanimously adopted by the ACWA Board of Directors. The policy principles give an overview of the things that the committee would like to address and the direction they are headed. The idea behind the Strategic Framework is to focus on groundwater needs and what water systems are doing to effectively manage our resources. We need to highlight how well agencies are doing with managing water resources and promote legislation that would help facilitate local and regional issues and local and regional control of groundwater. The framework gives steps that would be useful to have in the groundwater management plan. ACWA wants to promote local and regional control without state regulation. Focusing on conjunctive use is one of the most important parts of this document. ACWA’s intent when this document is finalized is to have the local agencies be able to agree with its content from a regional perspective. Once the various drafts are completed, they will go out to the full Groundwater Committee and be forwarded to SGA.

Mr. Woodling added that it is important to have documentation that groundwater can be managed locally. SGA board members should forward any comments that they have directly to Ms. Blacet with a copy to Mr. Woodling. Mr. Woodling will forward updates to the full SGA Board.

#### **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 been coordinating with the California Department of Water Resources and the Bureau of Reclamation to develop monitoring and reporting requirements for implementing a program. This is important because banking operations would likely rely on state or federal facilities for completion.

One important element of the Model Groundwater Banking Program is to develop an estimate of “losses” associated with operating a groundwater banking program (for example, does water banked in the basin dissipate over time?). Additionally, does groundwater pumping during banked water recovery operations result in additional seepage losses from local rivers and streams? The modeling exercise to determine potential losses is identified as a task in a Prop 50 planning grant awarded to RWA in 2005. However, that grant has been frozen since December 2008, and staff has no firm date on the availability of funds. Staff is proposing that funding from the SGA groundwater management program consulting budget be used to perform this task over the next few months, with an assumption that the funds would be reimbursed when the Prop 50 planning grant funds are available.

Staff has begun working with WRIME, Inc. to develop a scope of work to use the SGA groundwater model to estimate potential losses associated with performing banking and exchange operations in the basin, and we estimate the level of effort to complete this exercise at under \$45,000. Potential sources of funding from the FY 2009 budget total \$35,000 as follows: \$5,000 in unexpended short term banking/exchange opportunities funding; \$10,000 in unexpended regional contamination issues funding; \$20,000 in unexpended grant application assistance funding. Staff requested that the Board authorize that these funds be carried into FY 2010 in the event they are needed to proceed with the modeling exercise until the Prop 50 planning grant funds are available.

Staff is requesting that the Board waive Policy 300.1 for the competitive proposal process and allow the Executive Director to execute task orders with WRIME, Inc. to complete the modeling exercise for the following reasons:

- WRIME has demonstrated strong past performance to SGA in developing the existing calibrated model.
- WRIME was recently selected by SGA through a competitive selection process in December 2008 to perform a modeling exercise to track the potential fate of contaminants using the SGA model (this is work that will commence when the AB303 grant is authorized to proceed by DWR).
- WRIME’s familiarity with the model and the proposed scenario is expected to result in cost and schedule efficiencies in completing the exercise.

John Woodling, Executive Director, SGA, said that the Water Accounting Framework has been an ongoing project. Progress has been made with DWR on the drought water bank program. We need to tailor our accounting framework to address the interests of the state so that we can interact with them. There was discussion on ways to manage the basin. Some of the difficulty comes to questions of equity and how to apportion among the agencies and users.

Mr. Rose suggested that there be a special assessment to each district, if needed. Mr. Woodling explained that the majority of these funds were budgeted in the current fiscal year and that an assessment would only increase reserves. Utilizing the funds would still keep us within the reserve policy limits. He confirmed that there is some risk given that the state has told us to stop work. However, the project is within the scope of work that has been authorized by the state and should be eligible to be paid in the future. Despite the state's financial dilemma, we need to move forward with these projects.

M/S/C Ms. Tobin moved, with a second by Mr. Kozlen, to authorize the carryover of unexpended groundwater management program funds in the amount of \$35,000 to FY 2010 for the purpose of completing modeling exercise in support of Water Accounting Framework development; waive the competitive proposal process for professional services identified in SGA Architectural and Engineering Services Selection Policy (Policy Number 300.1) and authorize the Executive Director to execute task orders with WRIME, Inc. to complete modeling exercise in support of Water Accounting Framework development with a not-to-exceed budget of \$45,000.

## **6. LEGISLATION UPDATE**

SB 122 would establish a statewide groundwater monitoring program within the Department of Water Resources. Under the bill, local groundwater interests could voluntarily agree to monitor groundwater supplies and report their data to the Department. If the Department determines that there is no local entity willing or capable of performing the monitoring, the Department may do so. The Department would be authorized to assess a fee on well owners within the area to recover the Department's monitoring costs. The Department's costs to perform monitoring are unknown, but should be fully offset by fee revenues. The bill would also require the Department to report on groundwater conditions every five years, with the first report not later than January 2012. This would essentially be an update of Bulletin 118.

The bill is similar to SB 178 (Steinberg) from the last legislative session, and follows SB 1640 (Kuehl) and SB 820 (Kuehl) from prior years. All of those bills passed the legislature, but were vetoed by the Governor.

Ms. Lorance thanked Mr. Woodling for his work on AB 49, the conservation bill that referenced the DWR implementation plan. Mr. Woodling initiated meetings with legislators and staff and made comments which helped with significant amendments on the bill.

## **7. 2009 EXECUTIVE DIRECTOR REVIEW PROCESS**

SGA Chair, Paul Schubert, gave an update from the 2009 Executive Director Review Committee. Shauna Lorance, Joe Dion, Chuck Rose and Paul Schubert were the committee members. Ms. Lorance, as RWA Chair, reported that the 2009 Executive Director Review Committee determined that Mr. Woodling's performance review as Executive Director is "excellent".

## **8. EXECUTIVE DIRECTOR'S REPORT**

- **SGA Financial Report** – A financial report for SGA for the period July 1, 2008 through April 30, 2009 was included in the packet. All expense categories are within budgeted amounts.
- **Sacramento County General Plan Update** – Staff was contacted by the Sacramento County Department of Environmental Review and Assessment (DERA) on March 25<sup>th</sup>. DERA is working on an update to the Sacramento County General Plan. In particular, DERA staff asked for SGA input on a section of the plan that focuses on the potential impact of additional groundwater pumping in the north County to meet additional development resulting from the General Plan update. DERA requested input in a very short timeframe and constrained staff to commenting only on the impact as stated by the County. The version submitted to the County was included in the packet. Staff coordinated its response with the Water Forum and Sacramento County Water Agency.
- **Sacramento Suburban Water District Drought Water Bank Proposal** – SGA provided comments to the State Water Resources Control Board on Sacramento Suburban Water District's proposal to transfer a portion of their PCWA contract water under the 2009 Drought Water Bank. SGA found that there would be no significant impact to the basin or other water users based on the proposed pumping.

## **9. DIRECTORS' COMMENTS**

None.

## Adjournment

With no further business to come before the Board, Chair Schubert adjourned the meeting at 10:05 a.m.

By:

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Chairperson

Attest:

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Nancy Marrier, Finance and Administrative Services Officer