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.

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT: Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

3. CONSENT CALENDAR
   Minutes of June 14, 2018 meeting
   Action: Approve June 14, 2018 meeting minutes

4. GROUNDWATER MANAGEMENT PROGRAM UPDATE
   Information Update: Rob Swartz, Manager of Technical Services

5. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE
   Information Update: John Woodling, Executive Director

6. EXECUTIVE DIRECTOR’S REPORT

7. DIRECTORS’ COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meeting – October 18, 2018, 10:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.
AGENDA ITEM 3: CONSENT CALENDAR

STAFF RECOMMENDATION:
Action: Approve June 14, 2018 meeting minutes
1. CALL TO ORDER

Chair Foster 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**
- S. Audie Foster, California American Water
- John Wallace, Carmichael Water District
- Caryl Sheehan, Citrus Heights Water District
- Marcus Yasutake, City of Folsom
- Noelle Mattock, City of Sacramento
- Darrell Eck, County of Sacramento
- Robert Matteoli, Del Paso Manor Water District
- Paul Schubert, Golden State Water Company
- John Wingerter, Orange Vale Water Company
- Paul Green, Rio Linda/Elverta Community Water District
- Kevin Thomas, Sacramento Suburban Water District
- Pam Tobin, San Juan Water District
- Mike DeWit, Agriculture

**Staff Members**
- Rob Swartz, Nancy Marrier, Cecilia Partridge, Monica Garcia and Chris Sanders, legal counsel

**Others in Attendance**

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

The minutes of the April 12, 2018 meeting

Motion/Second/Carried (M/S/C) Ms. Tobin moved, with a second by Mr. Eck, to approve the April 12, 2018 SGA Board minutes. The motion carried by the unanimous voice vote of all directors present.
4. **PROPOSAL FOR PROFESSIONAL AUDITING SERVICES**

A Request for Proposals for Professional Auditing Services was mailed to 14 firms on February 6, 2018. The due date for proposals was March 9, 2018. Proposals were received from the following nine firms: Badawi & Associates; Crowe Horwath; Davis Farr LLP; Fechter & Company; Gilbert Associates; Lance Soll & Lunghard; Mann, Urrutia, Nelson CPA & Associates; Maze & Associates and Vavrinek, Trine, Day & Company. Staff screened the proposals and identified four firms to interview.

The selection committee included Susan Sohal, Administrative Services Manager, Citrus Heights Water District; John Woodling, RWA Executive Director; Nancy Marrier, RWA Finance & Administrative Services Manager and Nicole Krotoski, CPA. Four firms attended the interviews and were scored on three criteria: (1) knowledge/experience; (2) ability to meet the needs of RWA/SGA; and (3) project cost. Of the four firms interviewed Gilbert Associates ranked highest.

The selection committee recommended that Gilbert Associates be retained to provide professional auditing services for a five year term. The amount that SGA budgeted for the FY 2018 audit was $32,000.

M/S/C Ms. Tobin moved, with a second by Mr. Schubert, to authorize the Executive Director to enter into a five-year contract with Gilbert Associates to provide for professional auditing services with a contract provision requiring annual approval by the SGA Board. The contract should include a not-to-exceed amount of $26,900 for the FY 2018 audit. The motion carried by the unanimous voice vote of all directors present.

5. **GROUNDWATER MANAGEMENT PROGRAM UPDATE**

Rob Swartz, Manager of Technical Services, provided an update on items relevant to the SGA groundwater management program and an overview of the consulting work for the Groundwater sustainability Plan (GSP) for the North American Subbasin (NASb). Staff will be working with GEI Consultants as the lead consultant on GSP development and related support services and Woodard & Curran for modeling support services.

Mr. Swartz summarized the tasks included in the proposal to the Department of Water Resources (DWR). The project will include filling data gaps including groundwater level data and water quality data, primarily in the Sutter County area. There is a need for development of a regional data base and a regional groundwater model. Staff identified a need to construct monitoring wells. One of the largest single cost items that we will be taking on is two nested deep monitoring wells that will allow us to look at different zones in the aquifer. Shallow monitoring wells will be installed along the Bear and Feather rivers. GEI will request bids from contractors for specific work to provide costs before the work gets authorized. Staff has a good estimate of the cost of installing transducers on wells. Staff put a budget estimate together with a firm that has done sampling for SGA to gather water quality data. There are additional flow monitoring devices that will be installed on surface water systems in Sutter County to obtain further data.
Task 5 is for GSP development and preparation. GEI has experience in the preparation of GWMPs as they prepared the GWMP for Placer County and Sutter County as well as some of the overdrafted areas in the San Joaquin Valley that have to prepare their GSPs in an earlier timeframe in 2020.

The last two tasks include public notification and communications. These tasks will consist of in-kind time and coordination meetings with the GSA partners, and in-kind contributions for inter-basin coordination.

Jim Blanke from Woodard & Curran gave an overview of the team for the GSP modeling process and provided information on the current modeling application, which is currently referred to as the Sacramento Integrated Water Resources Model (SacIWRM). The model update will incorporate recent local data from local agency records, recent studies, the Sacramento Regional model and state and other data. Project tasks include developing a model on the DWR IWFM-2015 platform, calibrating a model with the latest observed records, developing baseline and future conditions, conducting water management scenarios, conducting model stakeholder outreach with eight workshops, preparing a model report, and model project management and coordination. The project tasks will be accomplished between July 2018 and June 2020. Mr. Blanke identified the project budget for each task.

6. EXECUTIVE DIRECTOR’S REPORT

Legislative Update – AB 2649 (Arambula) has been amended and will be considered by RWA as well as ACWA’s State Legislative Committee. The bill would remove an obstacle to the use of surface water for groundwater recharge by removing a limitation on the duration of storage before the water must be put to a beneficial use.

SGA Outreach – Mr. Swartz, as the program manager for groundwater sustainability plan development for the North American Subbasin briefed the other groundwater sustainability agencies (and partners) in the basin, including the Pleasant Grove-Verona Mutual Water Company on March 26, 2018 and Reclamation District 1001 on April 25, 2018. Mr. Swartz spoke to NCWA’s 2018 Northern California Water Leaders Course on May 24, 2018.

Mr. Woodling has agreed to represent ACWA Region 4 on the selection panel for ACWA’s next executive director. Mr. Woodling has agreed to serve on the advisory committee for the Groundwater Exchange, a web-based product of the Environmental Defense Fund in conjunction with Chris Austin of Maven’s Notebook and the California Water Library. The Exchange seeks to bring together the broad universe of information and documents that will support SGMA implementation. The first meeting was held on May 14, 2018. Mr. Woodling was a speaker at the Groundwater Resources Association’s GSA Summit on June 6, 2018 and will present at An Uncommon Dialogue on managing groundwater quality under SGMA hosted by Stanford University’s Water in the West Program on June 11, 2018. Mr. Woodling participated as a member of GRA’s Contemporary Groundwater Issues Committee on May 24, 2018.
7. DIRECTORS’ COMMENTS

Mr. Wallace said this was the last SGA meeting he will attend. When approved, Mr. Leidy will be the new SGA representative for Carmichael Water District.

Ms. Sheehan asked what the Environmental Defense Fund is in connection with Maven’s Notebook and the California Water Library. Mr. Yasutake explained that Maven's Notebook is an information sharing service website that anyone can access. Ms. Austin posts information of interest to the water community as it occurs with updates on water related news throughout the state of California. She also shares links to relevant news articles.

Ms. Tobin thanked Mr. Wallace for his service as a SGA representative and wished him good luck with his move to Kentucky.

Mr. Yasutake congratulated Mr. Wallace on his move to Kentucky.

Chair Foster thanked Mr. Wallace for his many years of service to the water community as a SGA representative from Carmichael Water District and his previous time with the Water Forum.

Adjournment

With no further business to come before the Board, Chair Foster adjourned the meeting at 9:39 a.m.

By:

_________________________________________________________________________
Chairperson

Attest:

_________________________________________________________________________
Nancy Marrier, Finance and Administrative Services Manager
AGENDA ITEM 4: GROUNDWATER MANAGEMENT PROGRAM UPDATE

BACKGROUND:
Staff will provide an update on activities relevant to the groundwater management program.

STAFF RECOMMENDATION:
Information Update: Rob Swartz, Manager of Technical Services
AGENDA ITEM 5: SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE

BACKGROUND:

Staff continues to track all aspects of the regulatory implementation of SGMA. One of the recent activities of the Department of Water Resources was the release of draft modifications to groundwater basin priority levels. Recall that basins ranked high or medium are required to comply with SGMA, and compliance is voluntary for low and very low priority basins. DWR recently extended the comment period to September 28, 2018. The priority of the North American and neighboring basins did not change.

STAFF RECOMMENDATION:

Information Update: John Woodling, Executive Director
AGENDA ITEM 6: EXECUTIVE DIRECTOR’S REPORT
AUGUST 9, 2018

TO: SACRAMENTO GROUNDWATER AUTHORITY BOARD

FROM: JOHN WOODLING

RE: EXECUTIVE DIRECTOR’S REPORT

a. Legislative/Regulatory Update – Staff is closely engaged with ACWA on legislation and regulatory changes that will promote and streamline groundwater recharge. An ACWA workgroup has held several meetings with State Water Resources Control Board staff to pursue administrative changes that will make acquiring water for groundwater recharge easier. SWRCB staff recently provided a draft process for temporary water rights permits for consideration (attachment). In addition, AB 2649 (Arambula) would make statutory changes for temporary water right permits. A working group of the ACWA State Legislative Committee developed amendments that allowed ACWA to take a “support if amended” position.

b. SGA Outreach – As you probably know, SGA was formed 20 years ago in 1998. To celebrate this milestone, we will hold a luncheon event on October 18, 2018 (attachment). SGA is engaged in other activities to mark this anniversary, including preparing and submitting an application for the Governor’s Environmental and Economic Leadership Award (GEELA), and sponsoring lunch at the upcoming GRA Western Groundwater Congress. We are also planning to brief the boards/councils of the four JPA signatories; Sacramento, Folsom, Citrus Heights, and Sacramento County.

c. Human Resources Policy Updates – Pursuant to the management agreement between RWA and SGA, staff members are directly employed by RWA even when performing SGA work. While SGA has become a CalPERS contracting employer, we have maintained all other aspects of the RWA-SGA agreement. RWA has recently selected a human resources consultant, and will be conducting a number of activities over the next two years, including updating the employee manual, considering alternatives for retiree health insurance benefits, and focusing on succession planning. I will keep the SGA Board informed of progress on these activities.

d. Financial Documents – The financial reports for the period ending June 30, 2018 are attached.
From: The State Water Resources Control Board  
Division of Water Rights  

To: Stakeholders and Interested Parties  
Groundwater Storage and Aquifer Recharge Streamlined Water Rights Permitting  

Date: July 20, 2018  

The attached document describes an administrative approach that the State Water Resources Control Board’s (State Water Board) Division of Water Rights (Division) is considering to identify applications to appropriate surface water for underground storage that are suitable for streamlined permitting. The Division is circulating the document to solicit feedback and comments from stakeholders and other interested parties.

The approach proposes a simplified water availability analyses for applications that seek to divert water during certain times of the year and only during high flow events. The approach defines ‘high flow event’ and places conditions on the diversion that are intended to limit the potential for impacts to other users and fish and wildlife, which will significantly reduce staff review time. Specifically, the Board proposes that applications that fit the following criteria can typically be processed on an accelerated timetable: 1) the application only seeks to divert flows that exceed the 90th percentile daily flow level, and no more than 10 to 20 percent of the total flow; 2) the proposed season of diversion is December 1 through March 31, and; 3) the applicant demonstrates, based on readily available information, that the 90th percentile flows exceed the demands of downstream users and the needs of the environment.

Because the approach is administrative, the Division could begin implementation as soon as this fall. Other elements of this approach include the following:

- The proposed approach does not require changes to statute or regulation, with the exception of revision of the fee regulations which can be done by emergency regulation.

- The proposed approach preserves all existing statutory requirements for public notice, protest, and compliance with the California Environmental Quality Act (CEQA).

- The proposed approach complements pending proposed legislation that would authorize temporary 5-year permits for diversion of high flows to underground storage.

- The proposed approach is not mandatory and functions as guidelines only. Other applications will still be accepted, and the Board will review applications for proposed diversions that do not meet the criteria spelled out in the following document. Applications that meet some but not all of the criteria may still be subject to a streamlined process.

- The information and data needs described in the attached document are guidelines. Inclusion of this data and information will help the Division more quickly review and approve appropriative water right applications. These guidelines do not prohibit the submission of
Discussion Draft July 20, 2018

additional data or information that could help the Division reach a decision. An applicant may choose to provide different types or sets of data as part of their application.

The Division will be seeking input on the proposed approach over the next several weeks, and may solicit in-person meetings, written comments, edits, or other feedback. Please submit all comments and meeting requests to the Division of Water Rights, c/o: Sarah Sugar, Sarah.Sugar@waterboards.ca.gov (916-341-5426).
Streamlined Permitting Process for Diversions of High Flows to Underground Storage

This document contains guidelines for streamlined processing of applications to appropriate high flows for diversion to underground storage and subsequent beneficial use. The purpose of this guidance is to identify circumstances in which avoidance of injury to senior users and instream beneficial uses can typically be demonstrated because of high flow conditions. Applications that fit these criteria can generally be processed more efficiently than standard applications not limited to high flow diversions. This guidance also identifies the types of information that will be needed for State Water Board staff to conduct its review and the sources from which this information can be obtained.

Each application will be considered on a case-by-case basis. Based on the particular application, additional review or conditions may be necessary to support findings or to resolve protests by interested parties. An application that does not fit within these criteria may be approved pursuant to the Board’s standard permitting process.

I. Beneficial Use.

Applications for diversion of high flows to underground storage will be accepted for all authorized beneficial uses, including consumptive uses that require extraction of stored water, and uses that occur “in place,” such as prevention of seawater intrusion, enhancement of water quality, and prevention of subsidence. Applicants can demonstrate that water will be put to beneficial use by reference to evidence and analysis contained in the Groundwater Sustainability Plan applicable to the proposed place of use.

II. Water Availability

The State Water Board must find that unappropriated water is available for appropriation prior to issuing a permit. (Wat. Code, § 1375.) Senior water rights and environmental needs must be considered when determining whether water is available. State Water Board staff propose a 90th percentile flow during wet months as a metric to define flows that will generally satisfy senior water rights and maintain minimum flows for aquatic species. This metric also has the advantage of being readily available through the USGS Daily Streamflow webpage. State Water Board staff propose a limit on diversion rates of 10% to 20% of available flows to protect natural hydrograph variability and channel maintenance flows, as supported by available literature.1

III. Projects Subject to Streamlined Permit Processing.

Applications meeting the following requirements will generally result in streamlined processing:

a. The application proposes to divert water to underground storage in a groundwater basin identified in Bulletin 118.

b. The application is submitted by a local agency as defined by SGMA.

---

c. The application proposes to divert only “high flows,” where high flows are defined as flows above the 90th percentile. The 90th percentile flow shall be computed from the period of record for the day of the year, in the same manner utilized by USGS to calculate the percentile of daily streamflow conditions:  https://waterdata.usgs.gov/nwis/rt.

d. In addition to III.c., some of the following conditions may apply:

1. The application proposes to limit diversions to 10% to 20% of flow available after accounting for any upstream diversions made under the same permit.²
2. The applicant proposes to limit diversions to times during which an onstream reservoir located upstream of the point of diversion is releasing or bypassing water for flood control purposes.
3. The applicant proposes to limit diversions to times during which flows at or downstream of the point of diversion exceed flood stage based on a stream gage relied upon by a flood control agency.

e. The application proposes to divert water only between December 1 and March 31.

f. The applicant demonstrates that when there is 90th percentile flow at the proposed point of diversion, downstream flows typically exceed the demands of downstream uses and users:

1. The applicant provides an estimate of the diversion capacity (based on the lesser of physical diversion capacity or legal right to divert) OR an estimate of the historical rate of diversions of downstream users with a valid claim of right during the proposed season of diversion.
2. The applicant includes stream flows necessary for the reasonable protection of fish and wildlife as a demand in the analysis.
3. If necessary to demonstrate water availability, the applicant may identify other flow input available to satisfy downstream demand, such as tributary or return flows.
4. The estimates of diversion capacity, legal rights, and historical diversions may be based on information available through eWRIMS. Minimum stream flows may be based on information available in [the new State Water Board database], a permit or order of the Board, the Board’s Cannabis Cultivation Policy, or another source.

g. The application includes the information required by Water Code section 1260 and the Underground Storage Supplement to Application to Appropriate Water by Permit. The application does not need to identify each well from which water may be withdrawn from storage. If individual wells are not identified, the application must explain the methodology to be used to calculate withdrawal and beneficial use of stored water.

² This provision may also be applied as a cumulative cap on all permits to divert high flows to underground storage from the same source.
IV. Board Review of Application

- Upon receipt of an application, Board staff will verify whether the application meets the conditions for streamlined processing identified in Section II and includes the appropriate fee.

- Staff will review data from the gage or gages most representative of flows at the point of diversion, and compare the 90th percentile flows against the calculated downstream demands. Staff will verify that the downstream demands include an estimate of minimum flows for the reasonable protection of fish and wildlife. If the 90th percentile flows typically exceed downstream demands, additional information from the applicant will not generally be required to demonstrate water availability.

- If in situ beneficial uses are claimed, staff will verify the volume to be used in place by referencing the groundwater sustainability plan for the basin, if available, or other evidence submitted by the applicant.

- Staff will confirm the applicable accounting method, whether based on last-in-first-out, the groundwater sustainability plan, a court decree, or other method. If another method is used, staff will verify its adequacy and the inclusion of an appropriate rate of storage loss.

- Staff will review the environmental documentation for the project to identify significant impacts or mitigation measures to avoid impacts to water resources, and will consider any terms and conditions proposed by the Department of Fish and Wildlife.

- Permits will typically include the permit terms identified below. Permits will only be issued after the Board has made findings specific to the application.

V. Permit Terms.

1. Required bypass flow to protect other water users and instream beneficial uses:

   (a) **No diversion is authorized by this permit unless flows at a gage located at the point of diversion exceed the calculated 90th percentile flow after accounting for the volume of diversion.** “At the point of diversion” means a location in sufficiently close proximity to the point of diversion to provide an accurate representation of stream flow at the diversion structure.

   (b) **No diversion is authorized by this permit in excess of [10% to 20%] of the flow measured by the gage at the most upstream point of diversion.**

   (c) **ALTERNATIVE #1 or #2.** Term #1 shall be included in any permit, unless the applicant requests Term #2 as a substitute.

       #1. **No diversion is authorized by this permit unless flows exceed the 90th percentile at a gage located on the same source, downstream of the point of diversion and downstream of other significant diversions.**
#2. The Permittee must cease diversions at the direction of the Deputy Director for Water Rights upon a finding that the diversion threatens to injure downstream senior right holders or instream beneficial uses.

2. If the POD is within the Sacramento-San Joaquin Delta watershed, diversion is conditioned upon satisfaction of Delta requirements:
   - Term 91.
   - Term 93.
   - No limitations on CVP/SWP export rates.
   - Flows at Vernalis meet the requirements of the Bay-Delta Water Quality Control Plan.

3. Reserved jurisdiction:
   - If the project is located within the Sacramento-San Joaquin Delta watershed: The State Water Board is currently in the process of amending the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan) to establish new and modified Delta tributary inflow and cold water habitat and Delta outflow objectives. The State Water Board reserves jurisdiction over this permit to implement the amended Bay-Delta Plan.
   - All permits: The State Water Board reserves jurisdiction to revise the required bypass flows and hydrological conditions under which diversions are authorized under this permit based on future studies, reports, gage data, or other information not available when this permit was issued, to maximize the beneficial use of the waters of this state, avoid injury to other legal users, and prevent unreasonable impacts to fish and wildlife. Any action by the Board will be taken only after notice to interested parties and opportunity for hearing.

4. Groundwater accounting:
   - If the permittee is end-user: Water diverted to storage under this permit for subsequent extraction for beneficial use by the permittee shall be accounted for using the principle of last-in-first-out, and shall be extracted and used prior to reliance on any other basis of right to extract and use groundwater held by the permittee; OR
   - If basin has a GSP or judgment of the court dictating an accounting method for water stored in the basin: Water diverted to storage under this permit for subsequent extraction for beneficial use shall be accounted for as mandated by the applicable groundwater sustainability plan [or judgment of the court]; OR
   - If applicant is not the end-user and there is no existing accounting method: Water diverted to storage under this permit may only be extracted for beneficial use by a party other than the permittee pursuant to a written agreement between the rightholder and user consenting to last-in-first-out accounting and extraction and use of water stored
under this right prior to reliance on any other basis of right to extract and use groundwater held by the user; OR

- **Alternative by approval of the State Water Board:** No water may be diverted to storage under this permit unless an accounting methodology that is consistent with accounting by other users in the basin has been approved by the Deputy Director for Water Rights.

5. Must account for losses from the basin:

   *The accounting of water stored in a groundwater basin under this permit shall be subject to annual losses as identified by the applicable groundwater sustainability plan or an accounting plan to be submitted to the State Water Board and subject to the approval of the Deputy Director for Water Rights.*

6. An application may include diversion to storage of water infiltrated through ditches or other conveyance systems:

   *Water infiltrated into the basin after diversion from the stream pursuant to this permit shall be credited to storage under this permit, including infiltration that occurs in any conveyance system, after accounting for infiltration that would have naturally occurred absent the diversion.*

7. Installation of instream gage immediately upstream or downstream of the point of diversion that meets Division requirements:

   *No diversion is authorized by this permit unless a telemetry gage is located at the point of diversion. The adequacy of the gage is subject to approval by the Deputy Director for Water Rights and real-time gage data must be made available to the Board.*

8. Reporting:

   *The permittee shall annually account for the volume of water diverted to storage, extracted from storage and beneficially used, and remaining in storage, under this permit. If the permittee is required to report this information to a groundwater sustainability agency, the permittee may satisfy this requirement by submitting the report required by the groundwater sustainability agency to the State Water Board. In addition to this requirement, the permittee must comply with applicable regulations governing measurement and reporting of diversions.*

9. The permit shall require any water-related mitigation measures identified by the CEQA document.

10. Conditions shall only be imposed that address potential impacts of the proposed diversions.

11. Priority of the right is the date of application submission.
12. All standard permit terms shall apply.

13. Water quality: No agricultural field shall be inundated for infiltration under this temporary permit unless the field has been in compliance with the Irrigated Lands Regulatory Program for, at minimum, the two most recent growing seasons.

14. The permit expiration term may include an interim milestone for construction of the project, and a final expiration date based on the likelihood of occurrence of a high flow event:

Construction work necessary for complete application of the water to the authorized use shall be prosecuted with reasonable diligence and completed by December 31, 20XX. Complete application of the water to the authorized uses shall be made by December 31, 20XX.

VI. Fees

- **Reduced filing fee:** Filing fee for a water right application to divert “high flows” to underground storage and beneficial use shall be $2,000 or 50% of the fee for standard applications, whichever is greater.

- **Credit for gage installation:** Permittee will receive credit for the cost of installation of a stream gage for streamflow monitoring required by the permit, which credit shall be applied against the first year annual fee.

- **Annual fee based in part on actual diversions:** Annual fee for a permit to divert “high flows” to underground storage and beneficial use will be based in part on the face value of the permit and in part on the actual amount of diversion. The fee will be $150 plus $0.0345 per acre-foot of the face-value in excess of 10 acre-feet plus $0.0345 per acre-foot of the volume of water in excess of 10 acre-feet actually diverted during the preceding water year.

- **No fee upon termination:** If a permit is terminated such that no additional diversions are authorized but the beneficial use of stored water continues, there shall be no annual fee.

VII. Statutory Procedures

Notice of application:

- Must be provided to the district attorney and Board of supervisors of each county where the applicant proposes to divert water. (Wat. Code, § 1300.)
- Must be provided to each person who may be interested in the proposed appropriation (includes all potentially affected water users and persons who requested notification of such applications). (Wat. Code, § 1321.)
- Must be published at least once a week for three consecutive weeks in a newspaper published in the county where the point(s) of diversion lies. (Wat. Code, § 1312.)
- Must be posted in two conspicuous places in the locality affected by the proposed appropriation. (Wat. Code, § 1322.)
Protests to application:

- Any interested person may protest an application. (Wat. Code, § 1330.)
- A protest may be filed within 60 days from date of issuance of the notice. (Wat. Code, § 1302.)
- A protest may be cancelled if the protestant fails to provide certain information as requested by the Board, see Water Code section 1335.

Change petitions may be unnecessary when “umbrella permits” are issued for multiple points of diversion and inclusive places of use:

- Permits may be issued for many points of diversion, such that a change petition is not required to move diversions from one approved point of diversion to another.
- If the applicant is a public agency, a place of use for the entire service area may be granted, such that a change petition would not be necessary if changes are made to the place of use of water within the approved service area.

VIII. Proposed Board Actions for Implementation:

1. Create written guidance document posted to State Water Board website on application requirements for streamlined permit processing for applications to divert high flows to underground storage.
2. Adopt reduced fee schedule for permits to divert high flows to underground storage.
3. Prioritize processing of permits for projects that fit the streamlined permitting application requirements.
SAVE THE DATE

Thursday  11:30 a.m.  October 18, 2018  to 1:30 p.m.

North Ridge Country Club
7600 Madison Ave, Fair Oaks

SGA 20th Anniversary

Please join us as we celebrate the 20-year anniversary of the Sacramento Groundwater Authority.

Additional details to come!

Questions? Contact Christine Kohn at (916) 548-8988

SGA 20th Anniversary Celebration Set for October '18
Please join us as we celebrate the 20-year anniversary of the Sacramento Groundwater Authority (SGA) on Thursday, October 18, 2018 from 11:30 a.m. to 1:30 p.m. at North Ridge Country Club in Fair Oaks. Formed in 1998, SGA was created to collectively manage the Sacramento region’s north area groundwater basin and was one of the first agencies of its kind in California. Anniversary event details will be posted soon to the SGA website at sgah2o.org.

The Regional Water Authority is a joint powers authority that serves and represents the interests of two dozen water providers and affiliated agencies in the greater Sacramento area. Its primary mission is to help members protect and enhance the reliability, availability, affordability and quality of water resources. Learn more at www.rwah2o.org.
# SACRAMENTO GROUNDWATER AUTH.

## Income Statement

### Year-to-Date Performance, June 2018

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>12 Months Ended</th>
<th>Annual Budget</th>
<th>Unused</th>
</tr>
</thead>
<tbody>
<tr>
<td>Groundwater Fees Revenue</td>
<td>410,202.00</td>
<td>410,200.00</td>
<td>(2.00)</td>
</tr>
<tr>
<td>Base Administrative Fee</td>
<td>333,863.00</td>
<td>333,900.00</td>
<td>37.00</td>
</tr>
<tr>
<td>Cash Discount</td>
<td>224.80</td>
<td>0.00</td>
<td>(224.80)</td>
</tr>
<tr>
<td>Interest Income</td>
<td>13,751.37</td>
<td>3,300.00</td>
<td>(10,451.37)</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>758,041.17</td>
<td>747,400.00</td>
<td>(10,641.17)</td>
</tr>
</tbody>
</table>

Total REVENUE  

758,041.17  
747,400.00  
(10,641.17)

### GROSS PROFIT

758,041.17  
747,400.00  
(10,641.17)

### OPERATING EXPENDITURES

<table>
<thead>
<tr>
<th>Staff Expenses</th>
<th>12 Months Ended</th>
<th>Annual Budget</th>
<th>Unused</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Salaries</td>
<td>305,429.86</td>
<td>303,200.00</td>
<td>(2,229.86)</td>
</tr>
<tr>
<td>Benefits/Taxes</td>
<td>150,236.21</td>
<td>184,700.00</td>
<td>34,463.79</td>
</tr>
<tr>
<td>Travel / Meals</td>
<td>6,581.34</td>
<td>7,800.00</td>
<td>1,218.66</td>
</tr>
<tr>
<td>Professional Development</td>
<td>0.00</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
<tr>
<td><strong>TOTAL Staff Expenses</strong></td>
<td><strong>462,247.41</strong></td>
<td><strong>498,200.00</strong></td>
<td><strong>35,952.59</strong></td>
</tr>
</tbody>
</table>

| Office Expenses                         |                  |               |        |
| Rent & Utilities                         | 12,483.72        | 12,500.00     | 16.28  |
| Insurance                                | 13,176.91        | 12,900.00     | (276.91)|
| Office Maintenance                       | 325.00           | 250.00        | (75.00) |
| Telephone                                | 6,030.71         | 6,000.00      | (30.71) |
| Dues and Subscription                    | 5,890.16         | 5,500.00      | (390.16)|
| Printing & Supplies                      | 7,163.93         | 13,600.00     | 6,436.07|
| Postage                                  | 1,267.97         | 1,600.00      | 332.03  |
| Meetings                                 | 2,102.31         | 1,100.00      | (1,002.31)|
| Computer Equipment/Support               | 7,308.64         | 6,300.00      | (1,008.64)|
| **TOTAL Office Expenses**                | **55,749.35**    | **59,750.00** | **4,000.65**|

| Office Furniture & Equipment             |                  |               |        |
| Office Furniture                         | 394.46           | 1,400.00      | 1,005.54|
| Office Move                              | 2,875.20         | 10,000.00     | 7,124.80|
| **TOTAL Office Furniture & Equipment**   | **3,269.66**     | **11,400.00** | **8,130.34**|

<p>| Professional Fees                        |                  |               |        |
| ADP / Banking Charges                    | 888.38           | 1,000.00      | 111.62  |</p>
<table>
<thead>
<tr>
<th>Service Description</th>
<th>12 Months Ended June 30, 2018</th>
<th>Annual Budget</th>
<th>Unused</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Fees</td>
<td>10,410.00</td>
<td>11,500.00</td>
<td>1,090.00</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>11,592.32</td>
<td>40,000.00</td>
<td>28,407.68</td>
</tr>
<tr>
<td>GASB 68 reporting fee</td>
<td>350.00</td>
<td>0.00</td>
<td>(350.00)</td>
</tr>
<tr>
<td>Consulting Expenses</td>
<td>6,722.50</td>
<td>18,000.00</td>
<td>11,277.50</td>
</tr>
<tr>
<td>Budget/audit/actuarial</td>
<td>28,137.50</td>
<td>34,600.00</td>
<td>6,462.50</td>
</tr>
<tr>
<td>TOTAL Professional Fees</td>
<td>58,100.70</td>
<td>105,100.00</td>
<td>46,999.30</td>
</tr>
<tr>
<td>Consulting - Program Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor water quality/levels (AB 303)</td>
<td>598.00</td>
<td>10,000.00</td>
<td>9,402.00</td>
</tr>
<tr>
<td>Grant application assistance</td>
<td>18,000.00</td>
<td>15,000.00</td>
<td>(3,000.00)</td>
</tr>
<tr>
<td>Maintain/Improve DMS</td>
<td>10,000.00</td>
<td>10,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Update GSP</td>
<td>0.00</td>
<td>50,000.00</td>
<td>50,000.00</td>
</tr>
<tr>
<td>Regional Contamination Issues</td>
<td>0.00</td>
<td>15,000.00</td>
<td>15,000.00</td>
</tr>
<tr>
<td>Groundwater Modeling</td>
<td>0.00</td>
<td>148,300.00</td>
<td>148,300.00</td>
</tr>
<tr>
<td>TOTAL Consulting Program Management</td>
<td>28,598.00</td>
<td>248,300.00</td>
<td>219,702.00</td>
</tr>
<tr>
<td>TOTAL OPERATING EXPENDITURES</td>
<td>607,965.12</td>
<td>922,750.00</td>
<td>314,784.88</td>
</tr>
<tr>
<td>OPERATING INCOME (LOSS)</td>
<td>150,076.05</td>
<td>(175,350.00)</td>
<td>(325,426.16)</td>
</tr>
<tr>
<td>NET OPERATING INCOME (LOSS)</td>
<td>150,076.05</td>
<td>(175,350.00)</td>
<td>(325,426.16)</td>
</tr>
<tr>
<td>NET INCOME (LOSS) OF PROGRAM</td>
<td>150,076.05</td>
<td>(175,350.00)</td>
<td>(325,426.16)</td>
</tr>
</tbody>
</table>
BETTY T. YEE
California State Controller
LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name

SACTO GROUNDWATER AUTH

Account Number

90-34-020

As of 07/13/2018, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 06/30/2018.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings Ratio</td>
<td>.00005216919081336</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>1.90%</td>
</tr>
<tr>
<td>Dollar Day Total</td>
<td>$83,001,676.91</td>
</tr>
<tr>
<td>Quarter End Principal Balance</td>
<td>$865,080.09</td>
</tr>
<tr>
<td>Quarterly Interest Earned</td>
<td>$4,330.13</td>
</tr>
</tbody>
</table>
Per California Government Code 6505.5 (e), SGA reports the following unaudited information:

For the period ending June 2018
Cash in checking account: $ 7,702
LAIF Balance $ 865,080

For the period of April 1, 2018 - June 30, 2018
Total cash receipts for the period: $ 125,000
Total cash disbursements for the period: $ 131,261
AGENDA ITEM 7: DIRECTORS’ COMMENTS