

SACRAMENTO GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, October 18, 2018; 10:00 a.m.

5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692

Agenda

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 August 9, 2018 meeting

Action: Approve August 9, 2018 meeting minutes

4. CHECK SIGNING AUTHORITY POLICY 400.5

Information Presentation: John Woodling, Executive Director

Action: Approve Check Signing Authority Policy 400.5

5. GROUNDWATER MANAGEMENT PROGRAM UPDATE

Information Update: Rob Swartz, Manager of Technical Services

6. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE

Information Update: John Woodling, Executive Director

7. APPOINTMENT OF NOMINATIONS COMMITTEE FOR 2019 SGA OFFICERS

Action: Chair Foster to Appoint Nominations Committee for 2019 SGA Officers

8. EXECUTIVE DIRECTOR'S REPORT

9. DIRECTORS' COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meeting – December 13, 2018, 9:00 a.m.,
RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.

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AGENDA ITEM 3: CONSENT CALENDAR

STAFF RECOMMENDATION:

Action: Approve August 9, 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
George "Roy" Leidy, Carmichael Water District
Caryl Sheehan, Citrus Heights Water District
Noelle Mattock, City of Sacramento
Darrell Eck, County of Sacramento
Rich Allen, Del Paso Manor Water District
Paul Schubert, Golden State Water Company
Brett Gray, Natomas Central Mutual Company
John Wingerter, Orange Vale Water Company
Paul Green, Rio Linda/Elverta Community Water District
Pam Tobin, San Juan Water District

Staff Members

John Woodling, Rob Swartz, Nancy Marrier, Monica Garcia and Chris Sanders, legal counsel

Others in Attendance

Greg Zlotnick, Doug Carlson, Tom Gray, Debra Sedwick, Dan York, Dave Jones, Sergio Guillen, Joe Duran, Chelsea Spier, Linda Dorn, Hilary Straus, Al Dains and David Gordon

2. PUBLIC COMMENT

Doug Carlson, Media Impact Training, introduced himself. Mr. Carlson stated that water is the biggest issue for our generation and future generations and he would like to help people who manage and control our water to tell their stories through media interviews.

Mr. Woodling introduced Chelsea Spier with the DWR. Ms. Spier recently moved to the Department of Water Resources North Central Region office and will be managing our grant to complete the Groundwater Sustainability Plan.

3. CONSENT CALENDAR

The minutes of the June 14, 2018 meeting

Motion/Second/Carried (M/S/C) Mr. Schubert moved, with a second by Mr. Eck, to approve the June 14, 2018 SGA Board minutes. The motion carried by the unanimous voice vote of all directors present.

4. GROUNDWATER MANAGEMENT PROGRAM UPDATE

Rob Swartz, Manager of Technical Services, provided an update on activities relevant to the groundwater management program including groundwater elevations in the basin, groundwater substitution transfers occurring in the basin this year and some highlights on SGMA. Monitoring was increased in six wells to understand what was happening in the basin through the dry conditions. Monthly monitoring has been maintained in those wells following the end of drought conditions. He showed an overview of wells that are representative for the geographic areas. A history of the wells from January 2012 to the present included a USGS well, an inactive SSWD production well, Chuck Wagon Park well near West El Camino Avenue, and two wells that SGA constructed on the American River with a Department of Water Resources grant. The data assists staff to understand the relationship between the groundwater basin and the surface water systems at these locations as flows and water elevations are monitored.

Mr. Swartz then gave background on groundwater substitution transfers. Groundwater substitution transfers occur when an agency uses groundwater in place of existing surface water rights. The transferring agency demonstrates that groundwater is being extracted in excess of a baseline amount of use. A baseline is typically determined by operations in three previous normal years, and the typical conveyance window for transfers is July 1 through September 30. Transfers depend on state and federal conveyance systems having adequate capacity. Agencies that are involved in 2018 Groundwater Substitution Transfers include San Juan Water District, Fair Oaks Water District, Citrus Heights Water District, Carmichael Water District, City of Sacramento and Sacramento Suburban Water District.

Mr. Woodling, Executive Director, noted that there are times when we have adequate surface water supplies and other parts of the state need water. If there is capacity to move water, it provides an opportunity to bring in dollars that help to build some of the facilities that are going to potentially serve us in the future. When there is a potential surface water shortage in the future, we will have facilities built to have more groundwater capacity. Through SGA we are managing and monitoring the basin to ensure we are not having negative impacts for those who aren't

participating in the transfers or harming ourselves in the long term because our groundwater basin is not healthy in the years we need it.

After discussion it was agreed that a Groundwater Management Program Update will be presented at all future SGA Board meetings to include reports on the monitoring wells and determine any drops in the wells and what the rate of recovery was.

Prior to executing an agreement with the Department of Water Resources (DWR) , SGA is required to file our initial notification to prepare a GSP. The GSP group is interested in a basic website that will be available to the public that will provide information on the five Groundwater Sustainability Agencies (GSAs), including maps with a link to the individual GSAs.

5. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE

John Woodling reported that staff continues to track all aspects of the regulatory implementation of SGMA. One of the recent activities of DWR was the release of draft modifications to groundwater basin priority levels. The draft modification reduced the number of basins subject to GSP requirements, because there are small areas in on the edge of adjudicated basins that were dropped down to low priority. Some basins moved from low to medium because of water quality concerns. Recall that basins ranked high or medium are required to comply with SGMA, and compliance is voluntary for low and very low priority basins. The priority of the North American and neighboring basins did not change. Staff continues to stay engaged with ACWA and DWR. SGA has a strong voice in the legislation on SGMA including the regulations.

DWR is still reviewing alternatives that were submitted as GSP alternatives.

6. EXECUTIVE DIRECTOR'S REPORT

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 (SWRCB) 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. AB 2649 (Arambula) would make statutory changes for temporary water rights permits. A working group of the ACWA State Legislative Committee developed amendments that allowed ACWA to take a “support if amended” position. AB 2649 makes some statutory changes for getting temporary water rights permits to recharge groundwater. We are trying to find the balance between getting water into the ground to reach groundwater sustainability and not impacting anyone’s surface water rights.

There has been an attempt to change the definition of water rights so that just taking surface water and recharging it into groundwater can be a beneficial use of water. In our area when we take surface water and replace groundwater (in lieu recharge), that is a direct beneficial use.

SGA Outreach – SGA was formed 20 years ago in 1998. To celebrate this milestone, we will hold a luncheon event on October 18, 2018. The SGA Board meeting has been rescheduled to October 18th and will begin at 10:00 a.m. The 20th Anniversary event will follow at 11:30 a.m. at the North Ridge Country Club. 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.

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. Mr. Woodling will keep the SGA Board informed of progress on these activities.

Financial Documents – The financial reports for the period ending June 30, 2018 were included in the packet.

7. DIRECTORS’ COMMENTS

Mr. Leidy, Carmichael Water District thanked Mr. Wallace for his support and time on the board.

Ms. Tobin said that SJWD has been working with PCWA on sharing information so that the agencies can assist each other. On October 26th ACWA Region 4 is hosting a presentation and a tour that focuses on Folsom Lake and the impact that it has on the region. Notices will be sent out with information on how to register and participate.

Mr. Zlotnick said that SJWD received a letter from the Bureau of Reclamation regarding the proposed Water Quality Control Plan. The proposal is being assessed to determine whether the proposal is inconsistent with Congressional directive. He said there is a distinction under CVP from 1992 that basically elevated Fish and Wildlife into a purpose the same as delivering water. The letter argues that the State’s plan as a restoration effort incorrectly elevates restoration.

Chair Foster reminded everyone of the date and time change for the October SGA Board meeting.

Adjournment

With no further business to come before the Board, Chair Foster adjourned the meeting at 10:23 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Finance and Administrative Services Manager

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AGENDA ITEM 4: CHECK SIGNING AUTHORITY POLICY 400.5

BACKGROUND:

Policy 400.5 "Check Signing Authority Policy" addresses the procedures to be followed with regards to check signing.

STAFF RECOMMENDATION:

Information Presentation: John Woodling, Executive Director

SACRAMENTO GROUNDWATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Fiscal Management
Policy Title : Check Signing Authority Policy
Policy Number : 400.5
Date Adopted : October 18, 2018
Date Amended :

CHECK SIGNING AUTHORITY POLICY

Only persons authorized by the Board of Directors may sign checks or transfer funds from or between depositories. The following persons are authorized to sign checks or transfer funds of SGA:

- SGA Chair
- SGA Vice Chair
- Executive Director
- Finance and Administrative Services Manager
- Manager of Technical Services

I. General Fund Account

- A. For amounts up to \$10,000, **one** of the following signatures is required:
- Executive Director
 - Finance and Administrative Services Manager
 - Manager of Technical Services
- B. For amounts over \$10,000, the following signatures are required:
- The SGA Board Chair, or SGA Vice-Chair, and **one** of the following:
 - Executive Director
 - Manager of Technical Services
 - Finance and Administrative Services Manager
- C. For checks written to the Regional Water Authority that are within budget for administrative expenses under the cost sharing agreement, one of the following signatures are required:
- Executive Director
 - Manager of Technical Services
 - Finance and Administrative Services Manager

- D. For grant/incentive reimbursement checks payable to participants up to \$20,000, one of the following signatures is required:
- Executive Director
 - Finance and Administrative Services Manager
 - Manager of Technical Services
- E. For grant/incentive reimbursement checks payable to participants over \$20,000, the following two signatures are required:
The SGA Board Chair or SGA Vice Chair, and **one** from the following:
- Executive Director
 - Manager of Technical Services
 - Finance and Administrative Services Manager
- E. CalPERS standard pension electronic payments do not require signatures and can exceed the \$10,000 limit per payment. These electronic payments require approval by the Executive Director evidenced by his signature on supporting documentation.
- F. The Executive Director should sign checks under the \$10,000 limit or \$20,000 for grant/incentive reimbursement limit, and cosign checks above these limits whenever feasible. In rare instances, when the Executive Director is unavailable to sign and a check is needed, upon verbal or written approval from the Executive Director the Manager of Technical Services or the Finance and Administrative Services Manager may be authorized to sign a check. This approval should be documented by the Executive Director's signature on the supporting invoice/receipt as soon as practical.
- G. A person otherwise authorized by this Policy to sign checks on behalf of SGA is prohibited from signing any check on which he/she or their agency is the payee.

II. Investment Account(s)

- A. For amounts up to \$10,000, except transfers between the General Fund Account and LAIF Account as provided in Part III, the following **two** signatures are required:
- Executive Director
 - Finance and Administrative Services Manager
- B. For amounts over \$10,000, except transfers between the General Fund Account and LAIF Account as provided in Part III, the following **two** signatures are required:
- SGA Board Chair
 - Executive Director

- C. In the event the Chair is unavailable or is prohibited from signing, the Vice Chair is authorized to sign.

III. Transfer of Funds

- A. Transfer of funds in either direction between General Fund and LAIF accounts can be executed using electronic or phone procedures by either of the following individuals:
- Executive Director
 - Finance and Administrative Services Manager
- B. All transfers of funds between accounts shall be reviewed by the Executive Director and approval for such transfers evidenced by the Executive Director's signature on the documentation for the transfer.

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AGENDA ITEM 5: 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 6: SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)
UPDATE**

BACKGROUND:

Staff continues to track all aspects of the regulatory implementation of SGMA. DWR recently conducted a survey to determine the need for and the scope of a guidance document relating to the coverage of water quality by GSAs under SGMA. DWR plans to release the final basin priority modification in November 2018. This is not expected to affect the North American Subbasin, which will remain a high-priority subbasin. Proposition 68, which passed on the June ballot will have approximately \$50 million to support the development of groundwater sustainability plans (GSP) and \$100 million for implementation projects for sustainable groundwater management. The priorities will be for GSAs that did not receive prior funding for a GSP and for critically over-drafted basins respectively. Proposition 3 on the November ballot has approximately \$500 million additional.

STAFF RECOMMENDATION:

Information Update: John Woodling, Executive Director

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AGENDA ITEM 7: APPOINTMENT OF NOMINATIONS COMMITTEE FOR 2019 SGA OFFICERS

BACKGROUND:

The SGA Board elects a chairperson and vice-chair annually at its December meeting. The Chair will appoint a nominating committee.

STAFF RECOMMENDATION:

Action: Chair Foster to Appoint Nominations Committee for 2019 SGA Officers

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AGENDA ITEM 8: EXECUTIVE DIRECTOR'S REPORT

OCTOBER 18, 2018

TO: SACRAMENTO GROUNDWATER AUTHORITY BOARD

FROM: JOHN WOODLING

RE: EXECUTIVE DIRECTOR'S REPORT

- a. Legislative/Regulatory Update** – The 2017-18 Legislative session came to an end on August 31, 2018, and the deadline for the Governor's signature (or veto) on bills has passed. AB 2649 (Arambula) was originally a bill to streamline the water rights permitting for replenishment of groundwater. The bill was gutted and amended to another purpose at the end of session. No doubt additional legislation related to groundwater replenishment will emerge next year.

The State Water Resource Control Board has proposed an administrative process to expedite permits to obtain water rights for groundwater replenishment during high streamflow periods. Staff is working with an AWCA workgroup to engage with the SWRCB on the issue.

- b. SGA Outreach** – Mr. Woodling chaired the meeting of the ACWA Groundwater Committee on September 20th and attended the meeting of the ACWA Agriculture Committee on September 19th, both in Bakersfield. Mr. Woodling will speak on a panel on groundwater recharge at the ACWA Fall Conference on November 28, 2018. SGA staff attended the Groundwater Resources Association's Western Groundwater Conference and sponsored the Awards Luncheon on September 26, 2018.

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AGENDA ITEM 9: DIRECTORS' COMMENTS