

SACRAMENTO GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, February 14, 2019; 9:00 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 December 13, 2018 meeting

Action: Approve December 13, 2018 meeting minutes

4. EXECUTIVE DIRECTOR RECRUITMENT PROCESS

Information Presentation

5. DEVELOPMENT OF SGA FISCAL YEAR 2019 – 2020 BUDGET

Information Presentation and Discussion of FY 2019 – 2020 Budget

Action: Chair to Appoint Budget Subcommittee for Fiscal Year 2019 - 2020

6. AMENDMENTS TO SGA POLICY 100.2, ADMINISTRATIVE AND MANAGEMENT SERVICES AGREEMENT

Information Presentation

Action: Adopt Amendments to Policy 100.2, and direct the Board Chair to sign the amended agreement subject to RWA approval of amendments

7. EMPLOYEE COMPENSATION POLICY 100.3

Information Presentation; John Woodling, Executive Director

Action: Adopt Policy 100.3 containing salaries and pay ranges for SGA employees

- 8. INTERIM EXECUTIVE DIRECTOR APPOINTMENT**
Action: Appoint Robert J. Swartz as Interim Executive Director for a period beginning March 1, 2019 or until a new permanent Executive Director begins work or June 30, 2019, whichever comes first
- 9. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE**
Information Update: John Woodling, Executive Director
- 10. GROUNDWATER MANAGEMENT PROGRAM UPDATE**
Information Update: Rob Swartz, Manager of Technical Services
Action: Authorize the Executive Director to sign the Memorandum of Agreement regarding the funding commitments for development of a Groundwater Sustainability Plan for the North American Subbasin
- 11a. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(F) AND 54957.6. CONFERENCE WITH LABOR NEGOTIATORS**
Designated Representatives: Directors Tobin and Schubert
Unrepresented Employee: Manager of Technical Services
- b. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(E) AND 54957. PUBLIC EMPLOYEE APPOINTMENT**
Title: Interim Executive Director
- 12. REPORTS FROM CLOSED SESSIONS**
- 13. EXECUTIVE DIRECTOR'S REPORT**
- 14. DIRECTORS' COMMENTS**
- ADJOURNMENT**

Next SGA Board of Director's Meeting – April 11, 2019, 9:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.

Notification will be emailed when the SGA electronic packet is complete and posted on the SGA website at <http://www.sgah2o.org/meetings/board-meetings/>.

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AGENDA ITEM 3: CONSENT CALENDAR

STAFF RECOMMENDATION:

Action: Approve December 13, 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
Marcus Yasutake, City of Folsom
Noelle Mattock, City of Sacramento
Darrel Eck, County of Sacramento
Robert Matteoli, Del Paso Manor Water District
Randy Marx, Fair Oaks Water District
Paul Schubert, Golden State Water Company
John Wingerter, Orange Vale Water Company
Pam Tobin, San Juan Water District
Mike DeWit, Agriculture

Staff Members

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

Others in Attendance

Peggy Vande Vooren, Nick Lubarsley, Jose Ramirez, Chelsea Spier, Richard Shatz, Trevor Joseph, Alan Vail, Dan York, Doug Carlson, David Gordon, Hilary Straus, Greg Zlotnick, N. C. Doyel, and Joe Duran

2. PUBLIC COMMENT

Doug Carlson, communication consultant, thanked SGA members for their participation in his media trainings. He congratulated Mr. Woodling on his receipt of the Emissary Award at ACWA. He has added crisis communications as another focus to his consulting business.

3. CONSENT CALENDAR

The minutes of the October 18, 2018 meeting

Motion/Second/Carried (M/S/C) Ms. Tobin moved, with a second by Mr. Schubert, to approve the October 18, 2018 SGA Board minutes. The motion carried by the unanimous voice vote of all directors present.

4. 2018 AUDIT REPORT

Peggy Vande Vooren, with the firm of Gilbert Associates, Inc., reported that they have completed the financial audit for the fiscal year that ended June 30, 2018. The full audit report with an Executive Summary was included in the packet.

Given that this was the first year to audit RWA, Gilbert performed the audit in two phases with an interim visit in July and the year-end visit in October. This was the first year the GASB 75 standard was implemented. Some of the financial documents were trimmed down from previous years. Ms. Vande Vooren gave an overview of the audit including required communications to the board, the audit report, statement of net position, statement of revenues, expenses and changes in net position, statement of cash flows, notes to the financial statements, required supplementary information, and other independent auditor's report. She also noted a schedule of changes in the OPEB Liability.

The audit opinion was a clean, unmodified opinion with no deficiencies found and no audit adjustments.

Chair Foster commended staff for the clean report with the new auditing firm.

M/S/C Mr. Schubert moved, with a second by Ms. Tobin, to accept the 2018 Financial Audit Report. The motion carried by the unanimous voice vote of all directors present.

5. ELECTION OF 2019 SGA OFFICERS

M/S/C Mr. Schubert moved, with a second by Mr. Yasutake, to elect Pam Tobin as 2019 SGA Chair. The motion carried by the unanimous voice vote of all directors present.

M/S/C Ms. Tobin moved, with a second by Mr. DeWit, to elect Caryl Sheehan as 2019 SGA Vice Chair. The motion carried by the unanimous voice vote of all directors present.

6. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE

John Woodling gave an update on developments related to the State's implementation of the Sustainable Groundwater Management Act (SGMA). He recognized Trevor Joseph, formerly with the Department of Water Resources (DWR), thanking him for his work on the implementation of SGMA. DWR is completing a review of alternative groundwater sustainability plans that affect the Sacramento Central Groundwater Authority, which submitted an alternative. DWR is working on basin priority changes, with SGA remaining a high priority basin. DWR came out with recommendations that included approval or disapproval of basin boundary changes.

7. GROUNDWATER MANAGEMENT PROGRAM UPDATE

Rob Swartz, Manager of Technical Services, presented the results of the 2018 groundwater substitution transfer, a groundwater level monitoring update, and progress of the sustainable groundwater management. Mr. Swartz explained that a groundwater substitution transfer involves using groundwater locally and freeing up a surface water right for transfer. The agencies involved in the transfer included San Juan Water District, Carmichael Water District, Fair Oaks Water District, City of Sacramento, Citrus Heights Water District and Sacramento Suburban Water District. He showed the impacts of concentrated pumping in a certain period of time from the wells. DWR looks at how much water is pumped and how much was historically pumped. Credit is only given for the amount pumped over the historical baseline pumping. He showed the groundwater level response from pumping and subsequent recovery in several monitored wells.

SGA is making progress with Sustainable Groundwater Management Act requirements, with an executed funding agreement with DWR effective November 9, 2018. The website www.nasbgroundwater.org went live on November 12, 2018 and offers stakeholders the ability to click on a GSA that opens up a form to allow stakeholders to add their information as an interested party. A final memorandum of agreement was completed with GSA partners on December 4, 2018 and is in the process of being signed by GSAs. Staff is moving forward with the technical work. Richard Shatz was introduced as the lead consultant assisting in the SGMA effort for the North American Subbasin (NASb).

Four new shallow dedicated monitoring wells are needed on the Bear River and Feather River to better understand the relationship between the surface water and groundwater systems. The well locations have been selected, plans and specifications have been prepared, CEQA has been completed and filed and encroachment permits obtained. Transducers will be installed adjacent to rivers where gauges are located to measure groundwater gradients. Transducers have been purchased and installed at existing locations.

Deep nested monitoring wells will be completed at two central locations in the NASb. Initial plans and specifications have been prepared and a CEQA project description has been prepared for those wells. After Placer County and City of Roseville file their CEQA notifications and DWR approval is received, the wells will be constructed.

8. EXECUTIVE DIRECTOR'S REPORT

Ryan Ojakian is new the RWA Legislative and Regulatory Affairs Manager. Last year, groundwater legislation revolved around the ability to use surface water for groundwater recharge. Staff has been working with ACWA and the State Water Board to push them to a more liberal interpretation of the ability to recharge water and use it in the groundwater basin for purposes such as improving water quality or mitigating subsidence.

At the 2018 Holiday Social, Pam Tobin was awarded the Distinguished Service Award for her service to both RWA and SGA.

9. DIRECTORS' COMMENTS

Mr. DeWit wished everyone Happy Holidays and hopes for rain in the near future.

Ms. Mattock said that this will be her last meeting representing the City of Sacramento. She will be with the City of Roseville effective January 9th.

Mr. Marx announced Fair Oaks Water District has a new board member Mike Carey.

Ms. Tobin gave an update on ACWA Region 4. She congratulated Mr. Woodling on receiving the Emissary Award at the ACWA Fall Conference. This is the second time someone from Region 4 was the recipient of the award. The JPIA is preparing proposals for a dedicated insurance company who would represent a larger pool, which will keep the insurance premiums lower. She has suggested that ACWA compile employee salary and benefit information from all agencies that would be a resource accessible by all agencies when they prepare their compensation surveys.

Mr. Yasutake reported that Kerri Howell has been voted Mayor of City of Folsom with Sarah Aquino as Vice Mayor. Mike Kozlowski and Sarah Aquino are two new councilmembers for the City of Folsom.

Mr. Schubert thanked Mr. Foster for serving as 2018 SGA chair and Ms. Tobin and Ms. Sheehan for accepting the nominations to serve as 2019 SGA chair and vice chair.

Mr. Foster reported that California American Water is having evidentiary hearings with the California Public Utilities Commission concerning the proposed acquisition

of Fruitridge Vista Water Company. They continue to wait on a decision for their proposed rate case.

Adjournment

With no further business to come before the Board, Chair Foster adjourned the meeting at 10:03 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Finance and Administrative Services Manager

AGENDA ITEM 4: EXECUTIVE DIRECTOR RECRUITMENT PROCESS

BACKGROUND:

Under the Administrative and Management Services Agreement between RWA and SGA, RWA has the responsibility to recruit and hire staff. The RWA Executive Committee formally began the recruitment process at a special meeting on January 29, 2019. RWA is being assisted by Roberts Consulting Group, Inc. in conducting the recruitment. Three members of the nine-member Executive Committee are also members of the SGA Board of Directors; Paul Schubert, Pam Tobin, and Marcus Yasutake.

A tentative schedule is as follows.

February 18, 2019 – Brochure final and mailed to candidates and advertisements placed.

March 18, 2019 – Deadline for submission of resumes

March 27, 2019 – RWA Executive Committee – review of candidates

Mid-April, 2019 – Interviews

Both the RWA and SGA Boards must approve of the recommendation from the Executive Committee.

STAFF RECOMMENDATION:

Information Presentation

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AGENDA ITEM 5: DEVELOPMENT OF SGA FISCAL YEAR 2019 – 2020 BUDGET

BACKGROUND:

Staff is beginning preparation of the 2019-20 SGA budget. The Chair generally appoints a budget subcommittee to provide feedback in preparing a draft budget for consideration by the full board.

STAFF RECOMMENDATION:

Action: Chair to Appoint Budget Subcommittee for Fiscal Year 2019 - 2020

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AGENDA ITEM 6: AMENDMENTS TO SGA POLICY 100.2, ADMINISTRATIVE AND MANAGEMENT SERVICES AGREEMENT

BACKGROUND:

The resolution of the CalPERS Audit of RWA, which led to establishment of a CalPERS contract with SGA necessitates changes to the Administrative and Management Services Agreement between the two Authorities to reflect that some individuals/positions are employed jointly by RWA and SGA, and that certain employment functions are carried out by RWA under the Agreement.

STAFF RECOMMENDATION:

Information Presentation

Action: Adopt Amendments to Policy 100.2, and direct the Board Chair to sign the amended agreement subject to RWA approval of amendments

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : General
Policy Title : Administrative and Management Services Agreement (SGA)
Policy Number : 100.2
Date Adopted : May 14, 2002
Date Amended : September 9, 2004
[March 14, 2019](#)

AMENDED AND RESTATED AGREEMENT BETWEEN THE REGIONAL WATER AUTHORITY AND THE SACRAMENTO GROUNDWATER AUTHORITY FOR ADMINISTRATIVE AND MANAGEMENT SERVICES

This Agreement was made and entered into on the 23rd day of May, 2002, amended on the 9th day of September, 2004, [and amended and restated again on March 14, 2019](#) by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, *et seq.* (“the Joint Powers Authority Act”), and the Sacramento Groundwater Authority (“SGA”), also a joint exercise of powers authority formed under the Joint Powers Authority Act.

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RECITALS

A. RWA is a joint powers authority, formed to serve and represent regional water supply and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

B. RWA is a successor in interest to all rights and obligations of the Sacramento Metropolitan Water Authority.

C. SGA is a joint powers authority, created by the City of Citrus Heights, the City of Folsom, the City of Sacramento, and the County of Sacramento for the purpose of managing the North Area Groundwater Basin through regulatory activities and conjunctive use programs.

D. SGA is a successor in interest to all rights and obligations of the Sacramento North Area Groundwater Management Authority.

E. RWA and SGA serve many common constituents and perform numerous common functions and activities, with the objective of preserving and protecting the water supplies for present and future uses in the Sacramento region.

F. RWA and SGA are successors in interest to the *Agreement Between the Sacramento Metropolitan Water Authority and the Sacramento North Area Groundwater Management Authority Regarding Administrative Cost Sharing Arrangements*, dated July 27, 2000 (hereinafter, "2000 Cost Share Agreement"), which obligates SGA and RWA each to pay 50% of all common administrative expenses of the RWA and SGA.

G. The purpose of this agreement is to delineate an efficient and effective arrangement for administration and management of services and for ownership of assets and property common to the RWA and SGA.

AGREEMENT

1. Recitals Incorporated. The foregoing recitals are hereby incorporated by reference.

2. Definitions. Except as otherwise provided in this Article, terms used in this Agreement shall be given their common meaning.

- a. **Common Costs.** Common Costs shall include Employee Costs and costs for Goods and Services of benefit to both RWA and SGA. RWA and SGA shall each be responsible for 50% of Common Costs, unless both the RWA and SGA Boards agree in writing to a different allocation for individual Employees or specific Goods and Services. Budgets, budget items, or written agreements duly adopted and approved by the SGA and RWA Boards may be used to authorize or adjust a Common Cost and/or allocation formula.
- b. **Employees.** Employees shall include all full-time and part-time personnel and staff, some of whom shall be employees of both RWA and SGA, depending on their assigned work. The allocation of shared employees between the agencies will be designated in the adopted budgets of RWA and SGA each fiscal year. RWA shall have the responsibility and obligation to recruit and recommend a selection for the position of Executive Director. Both RWA and SGA must agree on the Executive Director selection and each Board must approve the hiring of the Executive Director in a writing approved by the respective Boards.
- c. **Employee Costs.** Employee Costs shall include Employee salaries, benefits, allowances, health plans, vacation pay, Public Employees Retirement System participation payments, workers' compensation insurance, and any other employment-related cost, whether set forth in an employment agreement or otherwise.
- d. **Goods and Services.** Goods and Services shall include supplies, equipment, furniture, rents, leases, clerical services, or any other

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Deleted: and retained by RWA to act for the benefit

Deleted: All Employees shall be employees of RWA and agents of SGA. Unless expressly stated otherwise in a separate agreement, all Employees shall act for the benefit of RWA and SGA.

goods or services acquired or retained for the benefit of both RWA and SGA. Auditing services shall be included as Goods and Services, but legal and other consultants' services shall not be included as Goods and Services, unless SGA and RWA agree otherwise in writing as to specified services. Goods and Services shall be administered by RWA through contracts and agreements between RWA and Goods and Services providers, provided that the SGA Board, or a committee thereof, is consulted prior to entering into or materially modifying any such agreement or contract.

- e. **Ownership of Goods and Other Assets.** Unless otherwise specified in a writing approved by the RWA and SGA Boards, ownership of Goods and other assets acquired as a common benefit to the RWA and SGA shall be prorated between RWA and SGA in proportion to the allocation of the Common Costs for the specific Goods or assets.

3. Term. This Agreement shall remain in effect until terminated by one of the parties in writing, with thirty days notice.

4. RWA Obligations. RWA shall be responsible for recruiting and hiring Employees, contracting for Goods and Services, and paying Common Costs. RWA shall submit monthly invoices to SGA for payment of SGA's share of Common Costs.

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5. SGA Obligations. SGA shall be responsible for paying RWA for SGA's share of Common Costs within 15 days of receiving an invoice from RWA.

6. Separate Financial Accounts. RWA and SGA shall maintain separate bank and financial accounts. Nothing in this Agreement shall be construed to allow either RWA or SGA to draw from or access any account of the other party.

7. Insurance.

- (a) RWA and SGA shall carry separate insurance policies sufficient to cover each entity's potential liabilities and exposures arising from their operations, except that only RWA will procure worker's compensation insurance necessary to cover all Employees as required by Labor Code section 3700 and any authorized volunteers of either party pursuant to Labor Code section 3363.5. RWA's obligation to secure workers' compensation insurance coverage for SGA's employees and authorized volunteers is authorized pursuant to Labor Code section 3602, subdivision (d) and specifically agreed to by the parties herein.
- (b) In accordance with paragraph 2.d., all insurance premiums will be considered Goods and Services, which RWA will purchase as provided in paragraph 4 of this Agreement. All insurance premium payments made by RWA on behalf of both

entities will be aggregated and SGA will pay 50% of the aggregate premiums to RWA in accordance with paragraph 5 of this Agreement.

(c) If either RWA or SGA becomes liable to any third party on a claim, judgment, arbitration award, settlement, administrative order or on any other basis ("Claim"), RWA and SGA shall be responsible for payment of such Claim as follows:

- (i) For any Claim made, brought, incurred, accepted or assessed against RWA or SGA as its sole and separate liability, the responsible entity shall pay the claim 100% from its own funds to the extent of any deductible or self-insurance, and then to the extent of the liable party's insurance coverage.
- (ii) For any Claim made, brought, incurred, accepted or assessed against both RWA and SGA as their joint and several liability in an amount no greater than the amount of each entity's insurance deductible applicable to the Claim, then RWA shall pay the Claim amount and bill SGA for 50% of that amount in accordance with paragraphs 4 and 5 of this Agreement.
- (iii) For any Claim made, brought, incurred, accepted or assessed against both RWA and SGA as their joint and several liability in excess of \$50,000, each entity would first tender such Claim to its insurance provider for coverage. If the Claim is subject to some form of adjudication, RWA and SGA will each be responsible for that portion of liability on the Claim that is apportioned to each, up to the deductible amount of any insurance, and then all liability amounts in excess of the deductible amount will be apportioned between the insurance policies as determined by RWA's and SGA's insurer(s). In no case, however, will RWA and SGA be entitled to obtain indemnification from their insurer(s) in excess of the total Claim amount.
- (iv) In any Claim that is subject to litigation and/or adjudication, RWA and SGA will first tender the Claim to their insurer(s) for a defense. If the Claim is the sole liability of one party, then the liable party shall be solely responsible for all defense costs not paid by or in excess of its insurance coverage. In cases of joint and several liability, RWA and SGA shall each pay 50% of any defense costs not paid by or in excess of their respective insurance coverage.

(d) If RWA's worker's compensation insurance does not fully cover all liability arising from covered employee or volunteer injuries within the scope of the Worker's Compensation and Insurance Act, then any excess amount of such liability shall be allocated either solely to RWA or SGA, or jointly to RWA and

SGA, according to whether the Employee was acting for RWA or SGA or both at the time that the compensable injury occurred.

8. Compliance With Laws. RWA and SGA each shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of their respective businesses. RWA shall be responsible for all violations of the law in connection with the acts of RWA, and SGA shall be responsible for all violations of the law in connection with the acts of SGA.

9. Indemnification. To the fullest extent permitted by law, RWA and SGA shall indemnify and hold harmless and defend each other, their directors, officers, employees, agents and/or authorized volunteers from and against all liabilities, claims, demands, losses, damages, and costs, including reasonable attorney's fees and litigation costs of all persons in any way arising out of the decisions of the respective entities' Boards of Directors and from the performance (or actual or alleged non-performance) of RWA or SGA's duties under this Agreement, for damages to persons or property due to RWA or SGA's negligent or willful acts, errors or omissions committed. RWA and SGA shall not tender such claims to the other entity nor to its directors, officers, employees, agents and/or authorized volunteers, for defense or indemnity, except that RWA and SGA each shall defend the other and pay and satisfy any judgment, award or decree that may be rendered against the other, if any, or its directors, officers, employees, agents or authorized volunteers, in any suits, actions, or other legal or administrative proceedings, in accordance with the provisions of paragraph 7 of this Agreement.

10. 2000 Cost Share Agreement Superseded. This Agreement, as from time to time modified and amended, replaces and supersedes the 2000 Cost Share Agreement.

11. Employment Agreements Not Modified. This Agreement shall not be construed to modify or amend any employment agreement between an Employee and RWA or SGA, including the March 5, 2001 *SMWA-SNAGMA Employment Agreement with Executive Director*.

12. Entire Agreement. This writing constitutes the sole, entire, integrated and exclusive agreement between RWA and SGA regarding administration and management services, and any other contracts, agreements, terms, understandings, promises or representations not expressly set forth or referenced in this writing are null and void and of no force and effect.

13. Notices. Any notice to be given pursuant to this Agreement shall be sufficiently served if delivered personally to the Chair of the RWA or the Chair of the SGA Board of Directors, as appropriate, or if deposited in the United States Mail, regular pre-paid mail, addressed to RWA or SGA offices.

14. Successors and Assigns. This Agreement shall bind, and inure to the benefit of, the successors, assigns, heirs and legal representatives of the parties hereto.

15. Amendments. This Agreement may be amended only by a subsequent writing, approved and signed by all parties. The RWA and SGA Boards of Directors must approve any amendment to this Agreement at a public meeting. Individual RWA and SGA Board members do not have authority, express or implied, to amend, modify, waive or in any way alter this Agreement of the terms and conditions hereof.

16. Waiver. The waiver at any time by either party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

17. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

REGIONAL WATER AUTHORITY

By: _____
Chair, Board of Directors

Date: _____

SACRAMENTO GROUNDWATER AUTHORITY

By: _____
Chair, Board of Directors

Date: _____

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AGENDA ITEM 7: EMPLOYEE COMPENSATION POLICY 100.3

BACKGROUND:

As SGA is now a CalPERS employer in its own right, it is required to adopt and post a schedule of salaries and wages. The proposed policy recognizes that consistent salary ranges between RWA and SGA is desired. The Policy includes a proposed salary for the position of Interim Executive Director.

STAFF RECOMMENDATION:

Information Update: John Woodling, Executive Director

Action: Adopt Policy 100.3 containing salaries and pay ranges for SGA employees

SACRAMENTO GROUNDWATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Human Resources
Policy Title : Employee Compensation Policy
Policy Number : 100.3
Date Adopted : February 14, 2019
Date Amended :

EMPLOYEE COMPENSATION POLICY

The Sacramento Groundwater Authority (SGA) and Regional Water Authority (RWA) entered into "AGREEMENT BETWEEN THE REGIONAL WATER AUTHORITY AND THE SACRAMENTO GROUNDWATER AUTHORITY FOR ADMINISTRATIVE AND MANAGEMENT SERVICES," (Administrative Services Agreement) on the 23rd day of May, 2002, and amended the Agreement on the 9th day of September, 2004. That Agreement recognizes that several employees are employees of both SGA and RWA, suggesting the need for coordination of compensation levels and goals between the two agencies.

In furtherance of the Administrative Services Agreement, SGA recognizes a need to have consistent compensation levels with RWA and thereby adopts Exhibit A to this Policy. Annually thereafter, RWA will consult with SGA to update Exhibit A in order to maintain consistency between the SGA and RWA employee salaries and pay scales. The Board will be notified of any changes.

**EXHIBIT A
SGA POLICY 100.3**

MONTHLY SALARY SCHEDULE OF SGA POSITIONS

February 14, 2019

Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Manager of Technical Services	\$12,655	\$13,161	\$13,667	\$14,174	\$14,680	\$15,186
Principal Project Manager	\$10,352	\$10,766	\$11,180	\$11,594	\$12,008	\$12,422
Senior Project Manager	\$8,704	\$9,053	\$9,399	\$9,748	\$10,096	\$10,444
Associate Project Manager	\$6,176	\$6,423	\$6,671	\$6,917	\$7,165	\$7,412
Finance & Administrative Services Manager I	\$7,749	\$8,059	\$8,369	\$8,678	\$8,988	\$9,299
Executive Assistant	\$5,186	\$5,394	\$5,601	\$5,809	\$6,016	\$6,224
Project Research Assistant	\$4,641	\$4,825	\$5,011	\$5,197	\$5,383	\$5,568

There is no range for the Executive Director position. The Executive Director's compensation is \$20,711 per month.

Exhibit A will be updated annually based on the November Consumer Price Index and/or when a new salary survey is completed.

AGENDA ITEM 8: INTERIM EXECUTIVE DIRECTOR APPOINTMENT

BACKGROUND:

The RWA Executive Committee has considered the appointment of Rob Swartz as Interim Executive Director beginning March 1, 2019 and continuing for no more than four months. In 2008, when an Executive Director was last recruited for RWA and SGA, the Authorities shared an expense of nearly \$45,000 to employ a consultant as interim Executive Director for a period of less than three months. The RWA Board will consider this appointment at a special meeting on February 15, 2019.

STAFF RECOMMENDATION:

Information Presentation

Action: Appoint Robert J. Swartz as Interim Executive Director for a period beginning March 1, 2019 or until a new permanent Executive Director begins work or June 30, 2019, whichever comes first

Action: Approve a pay scale of \$16,704 per month for the position of Interim Executive Director and update Exhibit A of SGA Policy 100.3 accordingly

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**AGENDA ITEM 9: SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA
UPDATE**

BACKGROUND:

The California Department of Water Resources released their Sacramento Valley GPS Subsidence Network Report. The network was last surveyed in 2008. A fact sheet regarding the report is attached. Over the nine-year period between 2008 and 2017 when the field work was conducted, the SGA area and the North American Subbasin experienced no statistically significant subsidence.

This technical work conducted by DWR in 2008 and 2017 will be a major part of our Groundwater Sustainability Plan relative to our sustainability with respect to the undesirable result of land subsidence.

STAFF RECOMMENDATION:

Information Update: John Woodling, Executive Director

2017 Sacramento Valley GPS Survey Project Fact Sheet

Background

- In 2008, DWR contracted a private consultant to establish a network of over 300 survey monuments, spaced about four miles apart, in the Sacramento Valley and partnered with 25 local, state, and federal agencies to take initial baseline GPS survey measurements at each location.
- The monument network spans 11 counties from Shasta County in the north, to Solano and Sacramento counties in the south.

Reasons for DWR Participation

- The understanding and monitoring of subsidence is an important part of sustainable groundwater management which is why the SGMP supported this survey effort as part of its technical assistance role.
- GSAs can utilize the survey results to support their GSP development.

What's New: The 2017 Resurvey

- In 2017, DWR resurveyed over 300 of the same monuments that were surveyed in 2008 to determine the change in land surface elevation over the nine-year period.
- The 2017 resurvey was led and funded by DWR in coordination with 18 local, state, and federal agencies and a private company.
- For the purposes of the 2017 resurvey, land surface elevation decreases greater than, or equal to, 0.17 feet (about 2 inches) are considered statistically significant.

Key Findings of the 2017 Resurvey

- Colusa County: The Arbuckle area experienced the most subsidence with a maximum change of -2.14 ft.
- Yolo County: The largest spatial extent of subsidence ranged from -0.3 to -1.1 feet at 31 monuments.
- Glenn County: Three monuments showed subsidence ranging from -0.44 to -0.59 feet.
- Sutter County: Five monuments displayed -0.20 to -0.36 feet of subsidence.
- The remainder of the Sacramento Valley showed little to no statistically significant land subsidence.

Groundwater Conditions Related to Subsidence

- During the 2017 resurvey, groundwater levels had recovered an average of seven feet from the severe drought of 2012-2016.
- During the drought, groundwater levels reached historic lows in many wells in the Sacramento Valley. Compared with 2011 pre-drought groundwater levels, maximum decreases were observed in Glenn and Colusa counties at 58 to 43 feet, respectively.

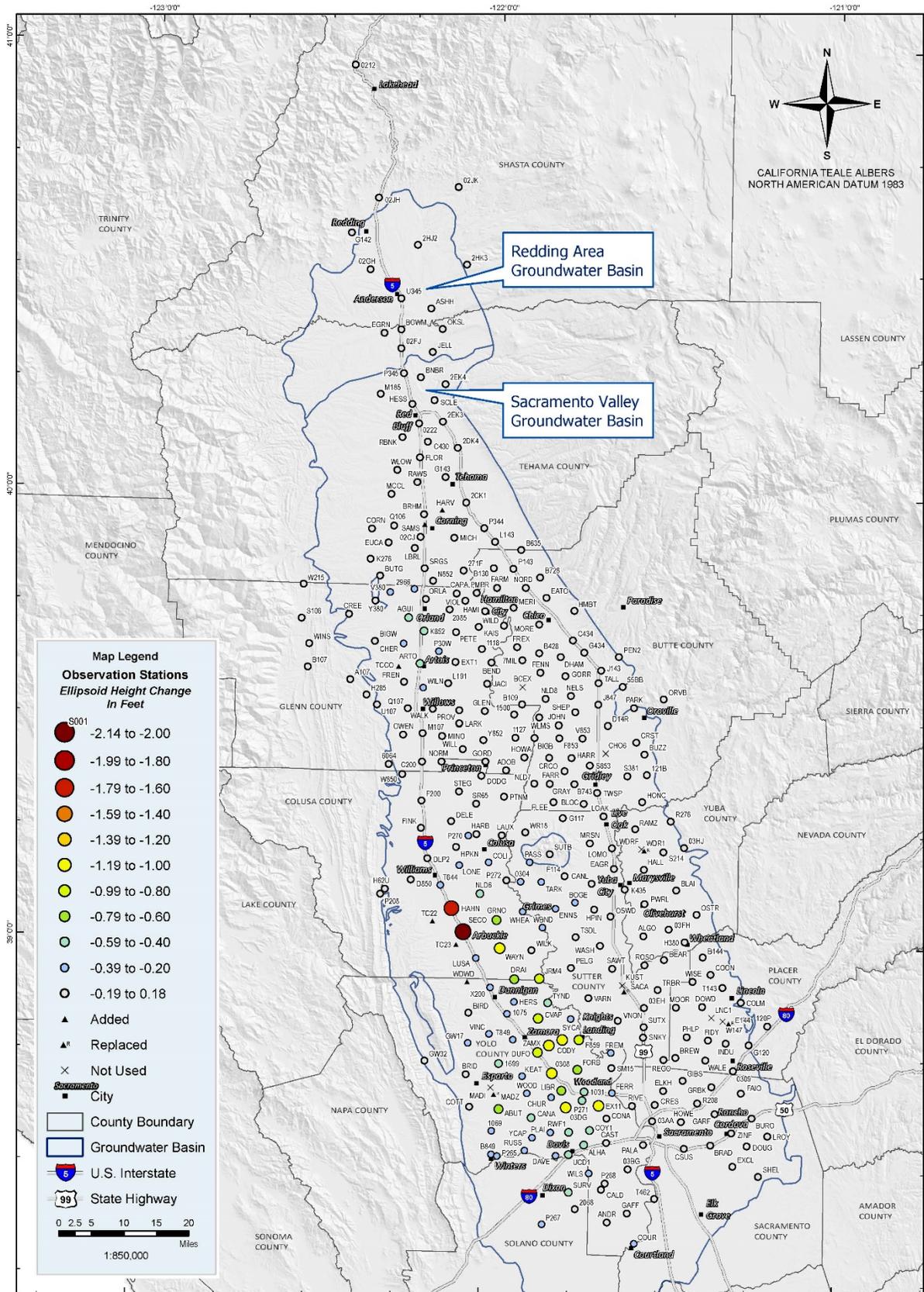
Recommendations for Continued Subsidence Monitoring

- DWR and Partners: Conduct GPS network resurveys at a more frequent interval such as every three to five years to better capture when changes occur.
- DWR: Integrate continuous GPS sites, groundwater levels, and InSAR data into the subsidence monitoring program.

DWR SGMP Assistance to Address Subsidence

The SGMP is providing technical, planning, and financial assistance that will help local agencies further investigate and address subsidence in the Sacramento Valley.

- [Technical Support Services](#), which provide GSA's an opportunity to request DWR install monitoring sites.
- [Facilitation Support Services](#), which help local agencies work through challenging water management situations.
- [Proposition 1 – Sustainable Groundwater Planning Grants](#), which provides funding for developing Groundwater Sustainability Plans.



State of California
 California Natural Resources Agency
 DEPARTMENT OF WATER RESOURCES
 Division of
 Integrated Regional Water Management
 Northern Region Office

**SACRAMENTO VALLEY
 SUBSIDENCE NETWORK**
 Ellipsoid Height Change In Feet
 2008-2017



AGENDA ITEM 10: GROUNDWATER MANAGEMENT PROGRAM UPDATE

BACKGROUND:

Staff will provide an update on groundwater levels in the SGA area and progress on the effort to begin development of a Groundwater Sustainability Plan (GSP) for the North American Subbasin (NASb). Progress on GSP-related activities includes:

- Completed environmental documentation required for installing shallow and deep monitoring wells in Placer and Sutter counties.
- Installed water level monitoring equipment in six existing groundwater monitoring wells.
- Installed surface water flow measuring equipment at four locations in Placer and Sutter counties.
- Held a NASb Groundwater Sustainability Agency (GSA) coordination meeting on February 4, 2019.

As staff has previously reported to the Board, the GSAs have developed a Memorandum of Agreement regarding GSA funding commitments to develop a GSP for the NASb. This was especially important to SGA, which is acting as the Department of Water Resources grant manager and lead fiscal manager on behalf of the NASb. The MOA has been approved by Reclamation District 1001 GSA, South Sutter Water District GSA, and the County of Placer (on behalf of the West Placer GSA). The MOA is on the agenda of the Sutter County GSA for approval on February 26, 2019. Staff is requesting that the Board authorize the Executive Director to sign the MOA, a copy of which is included as an attachment to this item.

STAFF RECOMMENDATION:

Information Update: Rob Swartz, Manager of Technical Services

Action: Authorize the Executive Director to sign the Memorandum of Agreement regarding the funding commitments for development of a Groundwater Sustainability Plan for the North American Subbasin

**MEMORANDUM OF AGREEMENT
REGARDING FUNDING COMMITMENTS FOR DEVELOPMENT OF A
GROUNDWATER SUSTAINABILITY PLAN FOR
THE NORTH AMERICAN GROUNDWATER SUBBASIN**

THIS AGREEMENT is entered into and effective this _____ day of _____, 20__ (“Effective Date”), by and between Reclamation District 1001, the Sacramento Groundwater Authority (“SGA”), the South Sutter Water District, the County of Sutter, and the County of Placer (all hereafter known individually as a “Party” and collectively as “Parties”).

RECITALS

WHEREAS, on August 29, 2014, the California Legislature passed comprehensive groundwater legislation contained in Senate Bills 1168 and 1319, and Assembly Bill 1739. Collectively, these bills, as subsequently amended, enacted the “Sustainable Groundwater Management Act” (“SGMA”). Governor Brown signed the legislation on September 16, 2014 and it became effective on January 1, 2015; and

WHEREAS, the legislative intent of SGMA is to provide sustainable management of groundwater basins, to enhance local management of groundwater, to establish minimum standards for sustainable groundwater management, and to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; and

WHEREAS, SGMA also requires that by January 31, 2022, all high- or medium-priority basins that are not subject to critical conditions of overdraft shall be managed under a single Groundwater Sustainability Plan (“GSP”), or coordinated GSPs covering the entire basin, or an alternative plan, as provided in Cal. Water Code Section 10720.7(a); and

WHEREAS, each of the Parties is, or is representing, a designated Groundwater Sustainability Agency (GSA) overlying the Sacramento Valley Groundwater Basin, North American Subbasin (“Basin”) identified in California Department of Water Resources’ (“DWR”) Bulletin 118 as Basin No. 5-21.64; and

WHEREAS, each of the Parties has confirmed its desire to develop a single GSP covering the Basin; and

WHEREAS, Reclamation District 1001 is delegating certain activities regarding the implementation of SGMA to the Pleasant Grove–Verona Mutual Water Company within its service area through a separate Memorandum of Agreement; and

WHEREAS, the County of Sutter is delegating certain activities regarding the implementation of SGMA to the Natomas Central Mutual Water Company within its service area through a separate Memorandum of Agreement; and

WHEREAS, the County of Placer is representing Placer County Water Agency, the City of Roseville, the City of Lincoln, Nevada Irrigation District and the California American Water Company all representative agencies within the West Placer Groundwater Sustainability Agency as their administrative representative; and

WHEREAS, each of the Parties authorized the submission of an application by SGA for funding from the DWR Sustainable Groundwater Management Grant Program to complete the scope of work; and

WHEREAS, each of the Parties participated in the preparation of a scope of work (See **Exhibit A**) and budget (See **Exhibit B**), as excerpted directly from DWR Grant Agreement No. 4600012674, for the development of a GSP and associated activities needed for SGMA compliance; and

WHEREAS, each of the Parties committed to providing direct contributions for required local cost share from the grant; and

WHEREAS, DWR has awarded a grant to SGA on behalf of all Parties for completion of the scope of work for GSP development in the Basin; and

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions herein set forth, the Parties agree as follows:

ARTICLE I: PURPOSE AND TERM OF AGREEMENT

A. The purpose of this Agreement is to provide a mechanism for identifying and collecting the funds necessary for all activities required for the development and submission of a GSP covering the Basin by January 31, 2022.

B. This Agreement shall be effective as of the Effective Date and shall remain in effect until terminated in accordance with Article III, Section B of this Agreement.

ARTICLE II: GSP DEVELOPMENT FUNDING

A. The Parties acknowledge and agree that each has made a commitment to funding its portion of the required local cost share for the DWR grant award.

B. The Parties also acknowledge and agree that funding will be provided by each Party as described in the Funding Plan to this Agreement (See **Exhibit C**) (“Funding Plan”). The combined direct contribution of the Parties shall not exceed \$726,402 plus the contingency budget amount specified in Article II.C. In no event will a Party be obligated or liable for a contribution exceeding the Party’s maximum contribution specified in the Funding Plan. Contributions will be collected by SGA over three years as described in the Funding Plan. SGA will submit initial invoices upon execution of this Agreement.

C. The Parties acknowledge the need to establish an aggregate contingency budget of up to \$65,000 as described in the Funding Plan . Any future use of any portion of the contingency budget shall be approved in advance by a unanimous vote of the Parties at a GSA Basin

Coordination Meeting. Upon approval of the use of the contingency budget, SGA will invoice the Parties to collect the agreed upon contingency amount.

ARTICLE III: AMENDMENT, WITHDRAWAL AND TERMINATION

A. Amendment. This Agreement may be amended from time to time by written agreement executed by all Parties.

B. Withdrawal of Parties. Any Party may, in its sole discretion, unilaterally withdraw from participation in this Agreement effective upon sixty (60) days' prior written notice to the other Parties; provided that the withdrawing Party will remain responsible for its proportionate share of any obligation or liability duly incurred in accordance with this Agreement and existing as of the effective date of the withdrawal. Withdrawal of one or more Parties shall not cause termination of this Agreement so long as two or more Parties remain parties to this Agreement.

C. Termination of Agreement. This Agreement may be terminated by written Agreement of all Parties that remain parties to this Agreement. However, in the event of termination each of the Parties that is a party to this Agreement as of the effective date of termination will remain responsible for its proportionate share of any obligation or liability duly incurred in accordance with this Agreement and existing as of the effective date of termination. Upon termination, any collected funds remaining shall be used to pay any outstanding obligations and liabilities and then returned proportionately to the remaining parties.

ARTICLE IV: GENERAL PROVISIONS

A. Binding on Successors. Except as otherwise provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the approval of the non-assigning Party. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties hereto.

B. Notice. Any notice or instrument required to be given or delivered under this Agreement may be made by: (a) depositing the same in any United States Post Office, postage prepaid, and shall be deemed to have been received at the expiration of 72 hours after its deposit in the United States Post Office; (b) transmission by facsimile copy to the addressee; (c) transmission by electronic mail; or (d) personal delivery, as follows:

Reclamation District 1001
Joe Henderson
1959 Cornelius Ave
Rio Oso, CA 95674
530-656-2165 FAX
rd1001@syix.com

Sacramento Groundwater Authority
Rob Swartz
5620 Birdcage Street, Suite 180
Citrus Heights, CA 95610
916-967-7632 FAX
rswartz@rwah2o.org

South Sutter Water District
Brad Arnold
2464 Pacific Avenue
Trowbridge, CA 95659
530-656-2416 FAX
sswd@hughes.net

County of Sutter
Guadalupe Rivera
1130 Civic Center Blvd.
Yuba City, CA 95993
530-822-7220 FAX
grivera@co.sutter.ca.us

County of Placer
Christina Hanson
175 Fulweiler Avenue
Auburn, CA 95603
530-886-4908 FAX
shanson@placer.ca.gov

C. Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original. All such counterparts shall together constitute but one and the same instrument.

D. Choice of Law and Venue. This Agreement shall be governed by the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court located in Sacramento, California. The Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

E. Severability. If one or more clauses, sentences, paragraphs or provisions of this Agreement are held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provisions shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

F. Headings. The paragraph headings used in this Agreement are intended for convenience only and shall not be used in interpreting this Agreement or in determining any of the rights or obligations of the Parties to this Agreement.

G. Construction and Interpretation. This Agreement has been arrived at through negotiation and each Party has had a full and fair opportunity to revise the terms of this Agreement. As a result, the normal rule of construction that any ambiguities are to be resolved against the drafting Party shall not apply in the construction or interpretation of this Agreement.

H. Waivers. Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement and forbearance to enforce one or more of the remedies provided in this Agreement shall not be deemed to be a waiver of that remedy.

I. Third Party Beneficiaries. This Agreement shall not create any right or interest in any non-Party or in any member of the public as a third Party beneficiary.

J. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings, written or oral. This Agreement may only be amended by written instrument executed by all Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above-written.

Reclamation District 1001

Signature_____

Printed Name_____

Title_____

Date_____

Sacramento Groundwater Authority

Signature_____

Printed Name_____

Title_____

Date_____

South Sutter Water District

Signature_____

Printed Name_____

Title_____

Date_____

County of Sutter

Signature_____

Printed Name_____

Title_____

Date_____

County of Placer

Signature_____

Printed Name_____

Title_____

Date_____

EXHIBIT A WORK PLAN

Project Title: North American Subbasin Groundwater Sustainability Plan Development

Project Description: The Project is to complete a single GSP encompassing the five GSAs, which cover the North American Subbasin (NASb). The GSAs include the Sacramento Groundwater Authority GSA, the Reclamation District 1001 GSA, the South Sutter Water District GSA, the Sutter County GSA, and the West Placer GSA.

Category (a): Grant Administration

Prepare reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Prepare and submit quarterly progress reports and invoices for reimbursement to DWR. Collect and organize backup documentation by task and prepare a summary document detailing contents of the backup documentation organized by task.

Prepare a draft Grant Completion Report and submit to DWR for Project Manager's comment and review no later than 90-days after work completion in accordance with Exhibit F. Prepare Final Grant Completion Report addressing the Project Manager's comments.

Deliverables:

- Documentation of consulting or contractor procurement
- Quarterly progress reports and invoices
- Draft and Final Grant completion reports
- Environmental Information Form (EIF)

Category (b): Stakeholder Engagement and GSA Coordination

Develop and implement a Communications and Outreach Plan specific to each GSA. Develop a website for the NASb to inform and engage the public regarding meeting times, meeting materials and minutes, opportunities to provide comments and join special committees, development of the GSP, and links to individual GSA websites. Provide DWR and appropriate cities and counties within the NASb a written description of how interested parties may participate, including how to comment on the draft GSP. Hold and lead public presentations and develop special committees as necessary.

Hold coordination meetings between the five NASb GSAs. Initiate inter-basin meetings between the NASb GSAs and the GSAs within adjacent subbasins approximately semi-annually throughout the GSP development period.

Deliverables:

- Communications and Outreach Plan
- Completed NASb website
- Summaries of meetings included as attachments in associated Quarterly Progress Report

Category (c): Planning Activities

Task 1: Identification of Available and Needed Information and Tools

Identify available information in the NASb and the data and tools needed to develop a complete GSP. This information informs the needs of the following planning Tasks.

Deliverables:

- List of references
- Technical memorandum describing identified data gaps and tools required for GSP completion

Task 2: Water Data Needs

Fill identified data gaps in the areas of groundwater elevations, groundwater quality, and surface water flow. Data collected includes monitoring well water levels, water quality, and volumetric data.

Subtask 2.1: Install Monitoring Wells

Prepare and file CEQA documentation and obtain well construction permits. Design and construct up to two sets of nested monitoring wells, each consisting of a well in the upper aquifer and a well in the lower aquifer. Design and install four shallow monitoring wells, two along the Feather River and two along the Bear River. Add completed wells to the CASGEM data system. Measure groundwater levels and report to the CASGEM system.

Deliverables:

- Copies of final permits for monitoring well installations
- CEQA documentation including Categorical Exemptions and Notice of Exemptions
- Bid documents, summary of bidding results, and contractor selection
- Monitoring Well Completion Report(s)
- Monitoring Plan per Exhibit K

Subtask 2.2: Pressure Transducers

Equip a minimum of ten (10) existing and new monitoring wells with pressure transducers and data loggers to track the changes in groundwater water on a continual basis. These will be located in the new Central NASb monitoring wells, the new shallow monitoring wells, and in existing shallow monitoring wells.

Deliverables:

- Technical memorandum documenting installation of transducers at each well

Subtask 2.3: Water Quality Sampling

Collect water quality samples from approximately forty (40) monitoring wells in the NASb and adjacent subbasins within or adjacent to areas with the noted poor-quality water; from new shallow monitoring wells within an area of elevated total dissolved solids; and from the newly installed monitoring wells within the pumping depression.

Deliverables:

- Water Quality Sampling Technical Memorandum

Subtask 2.4: Surface Water Inflow/Outflow Monitoring

Equip and monitor four (4) new surface water flow gaging stations. Install pressure transducer at the Coon Creek weir. Install pressure transducers in stilling wells located within a culvert on Ping Sough, behind Coppin Dam, and at the southern branch of the Cross Canal. Develop rating curves using portable Doppler units during at least three representative flow rates at the latter two sites. Develop rating curves for the four surface water gaging stations.

Deliverables:

- Rating curves Technical Memorandum

Task 3: Groundwater Management Tool Needs**Subtask 3.1: Data Management System**

Develop a Data Management System (DMS) that will function as a data storage, analysis, visualization, and reporting tool for hydrogeologic and hydrologic information for previous, ongoing, and future groundwater studies and monitoring programs in the NASb. The DMS will contain, at a minimum: an interactive, web-based, Geographic Information System (GIS) mapping and graphing interface, data entry and upload tools, water budget analysis and viewing tools, and a groundwater modeling data adapter.

Deliverables:

- Summary of findings

Subtask 3.2: Flow Model

Develop a comprehensive flow model using the DWR Integrated Water Flow Model (IWFM-2015) Code for the NASb. Develop a new finite element grid network and populate the model with existing time series and spatial input data files including data from various model applications including SacIWRM, the SRM, C2VSim-FG, and SVSim. Coordinate with adjacent subbasins to ensure consistency of modeling results and hold workshops to gather stakeholder input.

Calibrate the comprehensive flow model using manual methods and refine using automated calibration. Perform sensitivity analysis and refine model parameters, as needed. Develop baseline models for existing and future conditions based on 2015 land use and General Plans within the NASb. Run model scenarios to determine the sustainable yield of the basin and establish effective sustainability indicators under current and future conditions in consideration of future climate projections.

Deliverables:

- Summary of findings

Category (d): GSP Development

Develop a GSP that meets the SGMA regulations and DWR requirements and is built off of the information obtained in the activities listed above. Include summaries of activities associated with the GSP development within the Quarterly Progress Reports.

Deliverables:

- Summaries of activities included as attachments in Quarterly Progress Reports
- Proof of Final GSP submitted to DWR

**EXHIBIT B
BUDGET**

Project Budget					
Project Title: North American Subbasin Groundwater Sustainability Plan Development					
Budget Category		Grant Amount	Required Cost Share (non-state source)*	Other Cost Share	Total Cost
(a)	Grant Administration	\$0	\$65,010	\$0	\$65,010
(b)	Stakeholder Engagement and GSA Coordination	\$0	\$234,288	\$0	\$234,288
(c)	Planning Activities	\$776,043	\$534,855	\$0	\$1,310,898
(d)	GSP Development	\$218,233	\$218,234	\$0	\$436,467
TOTAL Project		\$994,276	\$1,052,387	\$0	\$2,046,663

NOTES:

*Grantee did not request a cost share waiver.

EXHIBIT C

FUNDING PLAN

GROUNDWATER SUSTAINABILITY PLAN DEVELOPMENT

As shown in the table below, the total estimated cost to complete the GSP and associated activities is \$2,046,663. Of that total, \$1,320,261 in funding is made available through Partner in-kind time, past direct Partner contributions, and the DWR grant award. This leaves an unmet direct contribution funding amount of \$726,402.

Total Project Cost	\$2,046,663
Existing Sources of Funding:	
In-Kind Partner Staff Time	\$258,630
Direct Partner Contributions Prior to DWR Grant Award	\$67,395
DWR Grant Award	\$994,276
Direct Contributions Needed to Complete GSP	\$726,402

The Partners have agreed that direct contributions needed to complete the GSP will be prorated to each Partner based on the proportion of the area covered within the Basin of each GSA as shown in the table below.

Partner GSA	Percent Area of Basin	Direct Funding Contribution
SGA	36.2	\$262,682
West Placer	33.4	\$242,980
South Sutter WD	19.4	\$141,021
Sutter County	5.8	\$42,194
RD1001	5.2	\$37,525
Total	100	\$726,402

The direct funding contribution of the Partners will be distributed over three years and is based on an estimate of the tasks being performed in any given year. The annual direct funding contribution of each Partner GSA is shown in the table below. Except as described in the Table Notes for the table below, SGA will be responsible for the hiring and payment of contractors to perform the scope of work associated with the entire GSP development. SGA will invoice the Partner GSAs for contributions when this Agreement becomes effective and in subsequent years on or about July 1 to ensure funding is available to pay contractors while awaiting reimbursement from the DWR grant.

Partner GSA	Year 1	Year 2	Year 3
SGA	\$183,877	\$52,536	\$26,268
West Placer	\$170,086	\$48,596	\$24,298
South Sutter WD	\$98,715	\$28,204	\$14,102
Sutter County	\$29,536	\$8,439	\$4,219
RD1001	\$26,268	\$7,505	\$3,753
Total	\$508,482	\$145,280	\$72,640

Table Notes:

- 1) The Year 1 contribution will be effective as of execution of this Agreement.
- 2) The Year 2 contribution will be effective July 1, 2019.
- 3) The Year 3 contribution will be effective July 1, 2020.
- 4) South Sutter WD will contract directly for the completion of Task 3.5, with a budget of \$55,084. This amount will be deducted from their required Year 1 contribution shown above.
- 5) West Placer will contract directly for completion of Task 4.1, with a budget of \$159,992. Of this amount, \$120,000 will be deducted from their Year 1 contribution and the remaining \$39,992 will be deducted from their Year 2 contribution.

Although not anticipated, the Partners have prepared for a contingency budget to manage potential cost overruns in the completion of the tasks needed to complete the GSP. The contingency assumes that the most likely cost overrun would be for contractor drilling of monitoring wells (Tasks 3.1 and 3.2). Assuming 20% for those costs equates to a contingency of approximately \$65,000. The contingency cost would be apportioned based on the area of the respective Partners GSA areas as shown in the table below

Partner GSA	Percent Area of Basin	Contingency Budget
SGA	36.2	\$23,530
West Placer	33.4	\$21,710
South Sutter WD	19.4	\$12,610
Sutter County	5.8	\$3,770
RD1001	5.2	\$3,380
Total	100	\$65,000

Sacramento Groundwater Authority Board Meeting
February 14, 2019

**AGENDA ITEM 11a: CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS
54954.5(F) AND 54957.6. CONFERENCE WITH LABOR NEGOTIATORS**

Designated Representatives: Directors Tobin and Schubert
Unrepresented Employee: Manager of Technical Services

Sacramento Groundwater Authority Board Meeting
February 14, 2019

**AGENDA ITEM 11b: CLOSED SESSION UNDER GOVERNMENT CODE
SECTIONS 54954.5(E) AND 54957. PUBLIC EMPLOYEE APPOINTMENT**

Title: Interim Executive Director

Sacramento Groundwater Authority Board Meeting
February 14, 2019

AGENDA ITEM 12: REPORTS FROM CLOSED SESSIONS

Sacramento Groundwater Authority Board Meeting
February 14, 2019

AGENDA ITEM 13: EXECUTIVE DIRECTOR'S REPORT

FEBRUARY 14, 2019

TO: SACRAMENTO GROUNDWATER AUTHORITY BOARD

FROM: JOHN WOODLING

RE: EXECUTIVE DIRECTOR'S REPORT

- a. Legislative Update** – SGA staff continues to work on language for legislation that would streamline the process of getting a temporary (five-year) water rights permit for the purpose of groundwater recharge. This is an extension of work on AB 2649 (Arambula) in 2018. RWA staff continues to focus closely on the issue of a water tax to fund safe drinking water in disadvantaged communities. Notably, Governor Newsom proposed the tax in his budget, and a budget trailer bill has been introduced. We are working closely with ACWA, CMUA and others in the water industry to proposal an alternative approach to funding, a trust set up with contribution from the general fund during the current budget surplus.
- b. SGA Outreach** – Mr. Woodling will be on a panel on March 6, 2019 at the ACWA Legislative Symposium regarding the groundwater recharge legislation. He will also chair the meeting of the ACWA Groundwater Committee on February 21 before stepping down from that position. Mr. Woodling spoke at the conference of the Groundwater Management District's Association, a national organization that also serves as the Groundwater Caucus of the National Water Resources Association, on February 9, 2019.
- c. Carmichael Water District** – Resolution of Appreciation attached.
- d. Financial Documents** – The financial reports for the period ending January 2019 are attached.
- e. Closing Comments from the Outgoing Executive Director**

CARMICHAEL WATER DISTRICT
RESOLUTION 01282019-2
A RESOLUTION OF APPRECIATION

WHEREAS, John Woodling faithfully served as the Executive Director of both the Regional Water Authority (RWA) and Sacramento Groundwater Authority (SGA) from June 30, 2008, to March 1, 2019;

WHEREAS, under John’s leadership RWA developed an award-winning Water Efficiency Program focused on public outreach and school education;

WHEREAS, John developed and led a proactive Regional Advocacy Program which built important partnerships with allied organization and raised RWA exposure in important water related legislative issues;

WHEREAS, John’s Integration Regional Water Management planning efforts helped member agencies secure over \$80,000,000 in grant money for necessary projects;

WHEREAS, John led the SGA efforts to ensure an effective Groundwater Sustainability Agreement was formed covering the entire North American Subbasin; and

THEREFORE, BE IT RESOLVED that the Board of Directors of the Carmichael Water District hereby recognizes John Woodling’s valuable contributions and dedication to the water industry and to the people of California served by that industry.

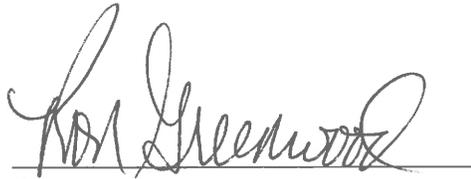
PASSED AND ADOPTED by the Board of Directors by the following vote:

Mark Emmerson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Roy Leidy	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ron Greenwood	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>

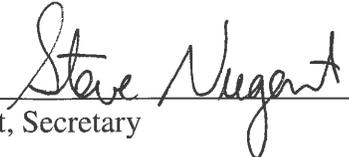
Board Totals: Ayes: 5 Nays: 0 Absent: 0 Abstain: 0

Passed Unanimously: Yes

Signed after its passage this 28th day of January 2019:



 President
 Board of Directors

ATTEST: 

 Steve Nugent, Secretary

SACRAMENTO GROUNDWATER AUTH.

Income Statement

January 2019

	<i>7 Months Ended January 31, 2019</i>	<i>Annual Budget</i>	<i>Unused</i>
REVENUES			
Groundwater Fees Revenue	406,822.00	406,800.00	(22.00)
Base Administrative Fee	309,037.00	309,000.00	(37.00)
20th anniversary	4,920.00	0.00	(4,920.00)
Special Project Fees Revenue	0.00	400,000.00	400,000.00
Program Revenues	55,804.00	0.00	(55,804.00)
Miscellaneous Revenues	4,985.00	0.00	(4,985.00)
Cash Discount	223.00	0.00	(223.00)
Interest Income	16,613.93	6,000.00	(10,613.93)
TOTAL REVENUES	798,404.93	1,121,800.00	323,395.07
Total REVENUE	798,404.93	1,121,800.00	323,395.07
GROSS PROFIT	798,404.93	1,121,800.00	323,395.07
OPERATING EXPENDITURES			
Staff Expenses			
General Salaries	187,522.06	319,900.00	132,377.94
Benefits/Taxes	128,246.38	197,800.00	69,553.62
Travel / Meals	3,953.47	8,000.00	4,046.53
Professional Development	55.50	2,500.00	2,444.50
TOTAL Staff Expenses	319,777.41	528,200.00	208,422.59
Office Expenses			
Rent & Utilities	9,125.31	16,200.00	7,074.69
Insurance	13,756.36	13,300.00	(456.36)
Office Maintenance	0.00	300.00	300.00
Telephone	3,441.02	6,400.00	2,958.98
Dues and Subscription	4,360.50	5,700.00	1,339.50
Printing & Supplies	3,787.53	10,300.00	6,512.47
Postage	1,029.86	1,500.00	470.14
Meetings	317.64	1,200.00	882.36
Computer Equipment/Support	3,204.42	8,500.00	5,295.58
TOTAL Office Expenses	39,022.64	63,400.00	24,377.36
Office Furniture & Equipment			
Office Furniture	0.00	1,400.00	1,400.00

	<i>7 Months Ended January 31, 2019</i>	<i>Annual Budget</i>	<i>Unused</i>
Office Move	955.00	0.00	(955.00)
TOTAL Office Furniture & Equipment	955.00	1,400.00	445.00
Professional Fees			
ADP / Banking Charges	590.44	1,100.00	509.56
Audit Fees	9,250.00	16,000.00	6,750.00
Legal Fees	5,716.17	40,000.00	34,283.83
GASB 68 reporting fee	350.00	0.00	(350.00)
Consulting Expenses	24,335.73	10,500.00	(13,835.73)
Budget/audit/actuarial	18,035.17	35,800.00	17,764.83
Human Resources Services	3,194.18	4,000.00	805.82
Public Relations - SGA only	10,255.00	11,000.00	745.00
TOTAL Professional Fees	71,726.69	118,400.00	46,673.31
Consulting - Program Management			
Monitor water quality/levels (AB 303)	0.00	10,000.00	10,000.00
Maintain/Improve DMS	0.00	5,000.00	5,000.00
Update GSP	0.00	20,000.00	20,000.00
Regional Contamination Issues	0.00	10,000.00	10,000.00
Groundwater Modeling	0.00	20,000.00	20,000.00
SGMA Consulting	37,270.63	208,300.00	171,029.37
TOTAL Consulting Program Management	37,270.63	273,300.00	236,029.37
Special Projects Expenses			
Grant Distribution	0.00	400,000.00	400,000.00
TOTAL Special Projects Expenses	0.00	400,000.00	400,000.00
TOTAL OPERATING EXPENDITURES	468,752.37	1,384,700.00	915,947.63
OPERATING INCOME (LOSS)	329,652.56	(262,900.00)	(592,552.56)
NET OPERATING INCOME (LOSS)	329,652.56	(262,900.00)	(592,552.56)
NET INCOME (LOSS) OF PROGRAM	329,652.56	(262,900.00)	(592,552.56)

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
February 01,
2019

SACRAMENTO GROUNDWATER AUTHORITY

ADMINISTRATIVE SERVICES MANAGER
5620 BIRDCAGE STREET, #180
CITRUS HEIGHTS, CA 95610

PMIA Average Monthly Yields

Account Number:
90-34-020

Tran Type Definitions

January 2019 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
1/15/2019	1/14/2019	QRD	1594475	SYSTEM	6,856.92

Account Summary:

Total Deposit:	6,856.92	Beginning Balance:	1,124,837.10
Total Withdrawal:	0.00	Ending Balance:	1,131,694.02



Per California Government Code 6505.5 (e), SGA reports the following unaudited information:

For the period ending January 2019

Cash in checking account:	\$	44,975
LAIF Balance	\$	1,131,694

For the period of November 1, 2018 - January, 31 2019

Total cash receipts for the period:	\$	57,414
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Total cash disbursements for the period:	\$	241,027
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Sacramento Groundwater Authority Board Meeting
February 14, 2019

AGENDA ITEM 14: DIRECTORS' COMMENTS