

**SACRAMENTO GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, October 8, 2020; 9:00 a.m.**

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 on SGA's website. 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 cpartridge@rwah2o.org. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Note: Pursuant to the Governor's Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage Board members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

Please join my meeting from your computer, tablet or smartphone.

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Access Code: 150-451-413

- 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 13, 2020 meeting

Action: Approve August 13, 2020 meeting minutes

4. SGA GOVERNANCE

Information Presentation: Chris Sanders, Counsel

5. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Information and Discussion: Jim Peifer, Executive Director

6. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)-RELATED AND GROUNDWATER MANAGEMENT PROGRAM UPDATES

Information Update: Rob Swartz, Manager of Technical Services

7. APPOINTMENT OF NOMINATIONS COMMITTEE FOR 2021 SGA OFFICERS

Action: Chair Sheehan to Appoint Nominations Committee for 2021 SGA Officers

8. EXECUTIVE DIRECTOR'S REPORT

9. DIRECTORS' COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meeting – December 10, 2020, 9:00 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights, the location is subject to change depending on the COVID-19 emergency

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/>.

Sacramento Groundwater Authority Board Meeting
October 8, 2020

AGENDA ITEM 3: CONSENT CALENDAR

Minutes of August 13, 2020 meeting

Action: Approve August 13, 2020 meeting minutes



1. CALL TO ORDER

Chair Sheehan called the meeting of the Board of Directors to order at 9:00 a.m. as a teleconference meeting. Individuals in attendance are listed below:

Board Members

Roy Leidy, Carmichael Water District
Caryl Sheehan, Citrus Heights Water District
Marcus Yasutake, City of Folsom
Brett Ewart, City of Sacramento
Patrick Kennedy, County of Sacramento
Robert Matteoli, Del Paso Manor Water District
Randy Marx, Fair Oaks Water District
Paul Schubert, Golden State Water Company
Brett Gray, Natomas Central Mutual Water Company
John Wingerter, Orange Vale Water Company
Mary Harris, Rio Linda/Elverta Community Water District
Robert Wichert, Sacramento Suburban Water District
Ted Costa, San Juan Water District
Mike DeWit, Agriculture

Staff Members

Jim Peifer, Rob Swartz, Ryan Ojakian, Josette Reina-Luken, Cecilia Partridge, Monica Garcia and Chris Sanders, legal counsel

Others in Attendance

Robert Reisig, Kerry Schmitz, Dan York, Hilary Straus, Cameron Doyel, Brian Hensley, Kevin Thomas, Brett Storey, Cathy Lee, John Goetz, Tim Shaw, William Roberts, Jafar Faghih, Paul Helliker, Linda Dorn, Alan Vail, Kelye McKinney, Alta Tura, Pam Tobin, Alan Driscoll, Craig Locke, Greg Zlotnick, Jose Ramirez, David Wheaton and Trevor Joseph

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The fifth line under the Regulatory Update agenda item will be corrected in the final version of the June 11, 2020 minutes.

Motion/Second Carried (M/S/C) Ms. Harris moved, with a second by Mr. Wichert, to approve the June 11, 2020 SGA Board meeting minutes with the noted correction. Roy Leidy, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Marcus Yasutake, City of Folsom, Brett Ewart, City of Sacramento, Patrick Kennedy, County of Sacramento, Robert Matteoli, Del Paso Manor Water District, Paul Schubert, Golden State Water Company, Brett Gray, Natomas Central MWC, John Wingerter, Orange Vale Water Company, Mary Harris, Rio Linda/Elverta Community Water District, Robert Wichert, Sacramento Suburban Water District, Ted Costa, San Juan Water District and Mike DeWit, Agriculture voted yes. The motion carried by a majority vote of all directors present.

4. COUNTYWIDE GROUNDWATER SPECIFIC FEE PROGRAM

Mr. Peifer introduced the item by stating Sacramento County needs a stable source of funding to implement Groundwater Sustainability Plans in the South American and Cosumnes Subbasins within Sacramento County. The County is in the early phases of developing a Countywide Groundwater Specific Fee Program. Mr. Peifer said that every year a budget is established by planning for our annual activities and assess the SGA members the fees to accomplish that work. The specific fee program is an alternative that the SGA may want to consider in lieu, or to supplement the SGA's method of funding its activities. Mr. Peifer said he would like to have the SGA participate in discussions or development of the fee. This may not be a fit for the SGA, but he recommended to the Board that staff participate in any discussions and present updates to the Board of any developments for consideration.

Ms. Kerry Schmitz spoke about the potential fee and the opportunities to do something county wide. Ms. Schmitz noted that specific costs for implementation of the GSPs are going to be different in each basin. The County is working with a consultant, HDR, to explore ideas of various GSAs in the county and developing what that might look like. The intent is to explore possibilities to make sure it works for SGA as well as the other subbasins. There was concern that adopting the proposed action would suggest that the SGA would accept the fee program. Mr. Peifer clarified that he wanted the Board to specifically authorize him to participate with the County without the Board accepting the fee proposal. There was consensus that the Executive Director should participate in discussions with County staff and consultants and present back to the Board on any developments is appropriate. The Board provided direction that the Executive Director was not authorized to agree to a new Fee program.

Mr. Peifer clarified the motion for the Executive Director or staff to better understand the countywide groundwater fee and report back to the Board any developments or information.

M/S/C Mr. Costa moved, with a second by Mr. Wichert, to direct the Executive Director or staff to better understand the countywide groundwater fee and report back to the Board on any developments or information. Roy Leidy, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Marcus Yasutake, City of Folsom, Brett Ewart, City of Sacramento, Patrick Kennedy, County of Sacramento, Robert Matteoli, Del Paso Manor Water District, Paul Schubert, Golden State Water Company, Brett Gray, Natomas Central MWC, John Wingerter, Orange Vale Water Company, Mary Harris, Rio Linda/Elverta Community Water District, Robert Wichert, Sacramento Suburban Water District, Ted Costa, San Juan Water District and Mike DeWit, Agriculture voted yes. The motion carried by a majority vote of all directors present.

5. LEGISLATIVE/REGULATORY UPDATE

Ryan Ojakian, Legislative/Regulatory Affairs Manager, continues to monitor all bills. He gave an update on the legislative session reporting that at this time there are no bills that directly affect groundwater management. There are some topics still moving through the legislature that would potentially affect agency operations and a couple of bills related to Workers' Compensation. An issue that is more specific is Small Water System Consolidation that originally would deal with small failing water systems and consolidate them under one roof. There will be clarification that it would only serve disadvantaged communities. It looks like there will be some refinements to bills that will be helpful for water transfers. At this time if you engage in water transfers you are required to provide notice in every county through, which that water will be transferred rather than just the county of origin and the final destination of the water.

The legislature is focused on the economic situation in the state as the result of the COVID crisis. There have been discussions about efforts surrounding economic recovery and if they will be looking at funding the infrastructure as part of the stimulus. The conversation on funding for safe drinking water, at risk, disadvantaged and failing water systems continues. Mr. Ojakian has been working on comments and emphasizing points in letters that have been sent.

6. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Mr. Peifer said that at the last board meeting a MOU was adopted that was created by the 3 X 3 committee. After the committee meets on August 19th there will be more to report. This will be kept as a standing agenda item to receive feedback and provide reports. Chair Sheehan identified the 3 X 3 committee members to include RWA Chair Schmitz, SGA Chair Sheehan, Robert Reisig (SGA), SCGA Chair Todd

Eising, Paul Schubert (SCGA), Sean Bigley (RWA), Cathy Lee (RWA), and Dalia Fadl (SCGA) and Brett Ewart (SGA). John Woodling, Jim Peifer and Rob Swartz will also participate in the meetings as staff to the 3x3 committee.

7. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) – RELATED AND GROUNDWATER MANAGEMENT PROGRAM UPDATES

Mr. Swartz gave an update on the Sustainable Groundwater Management Act and the activities that have been ongoing under our Groundwater Management Program. He went through the process of developing a Groundwater Sustainability Plan (GSP). SGA has partnered with other GSAs in the basin and has agreed to prepare a single sustainability plan for the entire basin. The next step is to engage with stakeholders using the newly developed website North American Subbasin found at www.nasbgroundwater.org. This will serve as a tool for interested parties to identify who we are and provide them the ability to get in contact with us. The website will include technical information, summarization on water quality and new monitoring wells that have been installed in the basin along with identifying any scheduled GSA meetings. Filling data gaps on the new monitoring wells has been successfully completed including water quality and surface water data that is required under SGMA. As a developing tool we are also required to provide a regional database that will include information on new water and quality that will be available for stakeholders and participants. The tool will provide information on how the basin is being managed after a GSP is developed.

The modeling tool will allow us to address some significant portions of the GSP. The tool will describe past and current conditions to develop a comprehensive water budget including the groundwater perspective and surface water perspective to develop sustainable yield estimates to project our future. The tool is based on known plan development in urban areas, agricultural projections and under future climate conditions. The tool can make calculations to identify whether a project has any water budget deficits going into the future.

In SGA we talk about primarily municipal and industrial users but there are some commercial, agriculture, environmental and domestic uses of water in the basin. The intent of having a regional model is to address long-term water level issues, groundwater storage and stream depletion. There is a significant relationship between flow in the Sacramento River, the groundwater basin and the American River. The modeling tool will be helpful to understand what the relationship is in the absence of monitoring wells and will help us make calculations of what we think is happening in our basin. We are working with the Regional Water Authority because of their interest in establishing a water bank to develop this comprehensive tool that will be used for many purposes. It is important to do this model at the same time because under SGMA you are required to address boundary inflows. As the model is run, we compare the results in the model to those known in the wells that we have data for. The information is compared with adjustments made to the model to match up with those conditions. There are no concerns about being able to complete the

technical work to develop a GSP and get it submitted on time. The next step is to review the water budget information and start development of the sustainable management criteria. A public draft is projected to be completed the winter of 2021.

Mr. Swartz showed some of the hydrographs that are routinely monitored through the basin on the American River. In 2019 things were good in November and December where we experienced normal hydrology, then in February things dried up. We will continue to see water levels go up but with dry conditions you do not get the recharge and the demand for water supply starts to go up. What we see is by the time we got into spring water levels were already started on the decline. We are in the process of the 2020 groundwater substitution transfers. Those are good starts for the agencies and the SGA area with data related to the agencies that are within the SGA area. Our goal was to start on July 1st, but there were some delays in the approval process at the state. The baseline is determined as the difference between what the agencies are pumping and what they usually pump. The additional pumping that you do over the baseline is where you get credit for the transfer of surface water rights on a temporary basis for a single year. We closely monitor and look at these wells on a weekly basis. This begins to tell the story of what happens when we do conjunctive use where we are participating in the groundwater substitution transfer when we are pumping groundwater that we are using locally. He commented that Amy Talbot tracks the water use information monthly to see if there are actual trends.

Mr. Peifer said that we will need to have discussion amongst the different GSAs regarding the coordination agreement.

Mr. Zlotnick asked when the SGA Board will be discussing governance and stated a concern that the SGA may not have the tools needed. Mr. Peifer stated that we are in the very early phases of looking considering governance and trying to better understand what deficits may have within the SGA powers. We are interested in knowing if we have all the tools necessary to implement the GSP.

Mr. Sanders said that we are going through an assessment of what the GSA requires and what needs to be done. It is possible that no changes are necessary, but we are doing the assessment and will bring that back to the board with a formal recommendation.

After discussion it was requested that the Executive Director present on SGA governance at the next board meeting.

8. EXECUTIVE DIRECTOR'S REPORT

The final awards list for Round 1 Integrated Regional Water Management (IRWM) Implementation Grants has been released by the Department of Water Resources. The RWA successfully obtained \$7.74 Million in the Sacramento River funding area

and \$1.01 Million in the San Joaquin River Funding Area on behalf of our members and other IRWM stakeholders.

RWA agencies participated in a meeting earlier this week where they discussed some of the vulnerabilities and challenges of some of the legislative issues that are occurring. There was good coordination between the agencies. Mr. Peifer encouraged member agencies to participate in future calls to share information from their districts and provide necessary feedback.

9. DIRECTORS' COMMENTS

None.

ADJOURNMENT

With no further business to come before the board, Chair Sheehan adjourned the meeting at 10:38 a.m.

By:

Chairperson

Attest:

Josette Reina-Luken, Board Secretary/Treasurer

AGENDA ITEM 4: SGA GOVERNANCE

BACKGROUND:

The Sustainable Groundwater Management Act (SGMA) of 2014 provides groundwater sustainability agencies (GSAs) such as the Sacramento Groundwater Authority (SGA) certain authorities to carry out its mission. The SGA was formed prior to the enactment of SGMA by creating a Joint Powers Agreement (JPA) in 1998 with the cities of Citrus Heights, Folsom and Sacramento, together with the County of Sacramento. The JPA members collectively delegated their common police powers to the SGA to sustainably manage the groundwater basin.

SGA staff have been working with SGA counsel for several months to identify the differences between the authority provided to SGA as a result of the JPA that was used to create SGA and the authority granted to SGA pursuant to the SGMA. During a discussion on SGA governance at the August 13, 2020 Board meeting, the Executive Director committed to having a presentation made to the SGA Board on the similarities and differences between the SGA JPA and the authorities granted to a GSA under SGMA. This presentation will be provided by SGA Counsel. A copy of a memorandum prepared by SGA Counsel is enclosed. A brief overview of the purposes of the SGA JPA and SGMA is provided below.

The SGA JPA established SGA for the following purposes: (a) to maintain the long-term sustainable yield of the North Area Basin; (b) to manage the use of groundwater in the North Area Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors; (c) to coordinate efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and (d) to work collaboratively with other entities, including groundwater management authorities that may be formed in other areas of the County of Sacramento and adjacent political jurisdictions, to promote coordination of policies and activities throughout the region. The common power held by each of the four signatories, which is shared with the JPA, originate from the California Constitution, art. XI, § 7, which provides that a “county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws.” These powers are referred to as “police powers” and are some of the broadest authorities available.

SGMA is a statute that was expressly enacted to: (a) provide for the sustainable management of groundwater basins; (b) enhance local management of groundwater consistent with rights to use or store groundwater and Section 2 of Article X of the California Constitution; (c) establish minimum standards for sustainable groundwater management; (d) provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; (e) avoid or minimize subsidence; (f) improve data collection and understanding about groundwater; (g) increase groundwater storage and remove impediments to recharge; (h) manage groundwater basins through the actions of local governmental agencies to

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the greatest extent feasible, while minimizing state intervention to only when necessary to ensure that local agencies manage groundwater in a sustainable manner; and (i) provide a more efficient and cost-effective groundwater adjudication process that protects water rights, ensures due process, prevents unnecessary delay, and furthers the objectives of this part (Water Code §10720.1.)

STAFF RECOMMENDATION:

Information Presentation: Chris Sanders, Counsel

MEMORANDUM

TO: James Peifer and Rob Swartz

FROM: Chris Sanders

RE: Comparison of SGA Authority and Authority Provided by SGMA

DATE: 23 September 2020

You inquired about the differences between the authority provided to SGA as a result of the Joint Powers Authority that was used to create SGA and the authority granted to SGA pursuant to the Sustainable Groundwater Management Act (SGMA). You further inquired about what changes, if any, should be made to the enabling authority of SGA to fulfill SGA's objectives.

Background

SGA is a Joint Powers Authority (JPA) that was created pursuant to the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code), when the cities of Citrus Heights, Folsom and Sacramento, together with the County of Sacramento agreed to jointly exercise any power held in common by these agencies for the following purposes: (a) to maintain the long-term sustainable yield of the North Area Basin; (b) to manage the use of groundwater in the North Area Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors; (c) to coordinate efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and (d) to work collaboratively with other entities, including groundwater management authorities that may be formed in other areas of the County of Sacramento and adjacent political jurisdictions, to promote coordination of policies and activities throughout the region (Rule 200.1 §1.01(b).) The common power held by each of the four signatories, which is shared with the JPA, originate from the California Constitution, art. XI, § 7, which provides that a "county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws." These powers are referred to as "police powers" and are some of the broadest authorities available.

SGMA is a statute that was expressly enacted to: (a) provide for the sustainable management of groundwater basins; (b) enhance local management of groundwater consistent with rights to use or store groundwater and Section 2 of Article X of the California Constitution; (c) establish minimum standards for sustainable groundwater management; (d) provide local groundwater

agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater; (e) avoid or minimize subsidence; (f) improve data collection and understanding about groundwater; (g) increase groundwater storage and remove impediments to recharge; (h) manage groundwater basins through the actions of local governmental agencies to the greatest extent feasible, while minimizing state intervention to only when necessary to ensure that local agencies manage groundwater in a sustainable manner; and (i) provide a more efficient and cost-effective groundwater adjudication process that protects water rights, ensures due process, prevents unnecessary delay, and furthers the objectives of this part (Water Code §10720.1.)

Analysis

The express authorities of SGA and SGMA are very similar, which should not be a surprise considering that SGA was used as one of the models for the SGMA legislation. The express authorities of each are provided in Attachment 1. While we did not provide a complete side by side comparison of the express authorities, we did provide the annotations noted in **RED** to help compare the two authorities.

Both SGMA and SGA grant broad authority to carry out their respective obligations with SGMA authorizing a groundwater sustainability agency (GSA) to “perform any act necessary or proper to carry out the purposes of this part” (Water Code §10725.2(a) and SGA being granted “any and all powers commonly held by the parties hereto necessary or appropriate to regulate groundwater within the boundaries of the Authority” (Rule 200.1 §3.07(a).) However, while SGMA then identifies additional authorities that are available to the groundwater sustainability agency (GSA), which may or may not be within the broad authority to “carry out the purposes” of SGMA, SGA identifies authorities, as examples, that are allowed by its broad general authority created by the police powers. For example, SGMA authorizes an investigation of surface waters and surface water rights (Water Code §10725.4(b)) pursuant to its objective of sustainable groundwater management, whereas SGA does not have the same express investigative authority but likely would under its broad general provision of “necessary or appropriate to regulate groundwater within the boundaries of [SGA].”

The concern, however, of whether SGA has the same authority as that provided by SGMA is irrelevant. One of the unique aspects of SGMA is that an existing agency does not need to decide whether to form an agency solely for purposes of SGMA. In establishing the GSA, SGMA authorizes the exercise of any of the statutory powers provided by SGMA in addition to, and not as a limitation on, any existing authority (Water Code §10725(a).) This allows an agency like SGA to have the best of both worlds with the use of the broad police powers authorized by the JPA as well as the authorities provided by SGMA.

Primary Differences Between SGMA Authority and SGA Authority

While there are many similarities between the authority provided by SGMA and the authority provided to SGA, there are also some differences. The primary differences are identified below.

1. Express Limitations Within SGA Authority

- a. SGA shall be prohibited from funding any capital construction projects (Rule 200.1 §3.08(b).)
- b. SGA shall be prohibited from restricting or otherwise limiting the extraction of groundwater within the boundaries of SGA except by means of economic incentives and disincentives (Rule 200.1 §3.08(a).)
2. Express Authority Provided to SGA
 - a. SGA has authority to regulate groundwater, including the collection and monitoring of groundwater quantity and quality (Rules 200.1 §1.01(b)(3), 200.1 §3.07(a)(1) and 200.1 §3.07(b)(8).)
3. Express Authority Provided by SGMA
 - a. SGMA provides the GSA authority to investigate surface waters and surface water rights as well as groundwater and groundwater rights (WC 10725.4).
 - b. SGMA provides the GSA authority for temporary and permanent transfers of groundwater extraction allocations (WC 10726.4(a)(3).)
 - c. Control groundwater extractions by regulating, limiting, or suspending extractions from individual groundwater wells or extractions from groundwater wells in the aggregate, construction of new groundwater wells, enlargement of existing groundwater wells, or reactivation of abandoned groundwater wells, or otherwise establishing groundwater extraction allocations. (WC 10726.4(a)(2).)

Although the four signatories of the SGA JPA had the authority to fund capital construction projects and limit the extraction of groundwater within the boundaries of SGA pursuant to their police powers, the four signatories chose to withhold this authority from SGA. SGMA grants a GSA the authority to perform these two activities, but it is not certain whether SGA could utilize this authority because that authority has been expressly withheld.¹ However, these limitations will not likely pose problems for SGA because other authorities within the SGA JPA provide authority to achieve similar results. For example, while SGA is prohibited from funding any capital construction projects (Rule 200.1 §3.08(b)), SGA has the authority to store, transport, recapture, recycle, purify, treat, or otherwise manage and control water... (Rule 200.1 §3.07(a)(7)) and to “take by grant, purchase, gift, devise or lease, to hold use and enjoy, and to lease, convey or dispose of, real and personal property of every kind, within or without the boundaries of the Authority, necessary or convenient to the full exercise of its powers” (Rule 200.1 §3.07(b)(3).) Similarly, while SGA may not have the authority to directly limit the extractions of groundwater, a similar result can likely be accomplished by the economic incentives that SGA does have.

One authority that SGA has but is not provided for by SGMA is the ability to regulate groundwater for purposes of water quality. While SGA has yet to utilize any regulatory authority over water quality other than monitoring, this could be a significant authority in the future should a water quality problem arise that is not otherwise being adequately addressed by another agency. Another power provided to SGA is well permitting authority. SGA has the authority to permit groundwater extraction facilities within the boundaries of SGA, maintain a

¹ Given that SGMA authority was adopted after the establishment of SGA, it is likely that the signatories of the JPA would have to expressly confirm that SGA maintains no authority to directly limit the extractions of groundwater, notwithstanding SGMA authority to the contrary. To avoid uncertainty, however, SGA should seek a modification of the JPA should SGA seek to utilize this authority.

record of extraction with respect to any such facilities, and to require the installation of meters or other measuring devices. (Rule 200.1 §3.08(b)(8).)

Finally, SGMA provides several authorities not currently provided by SGA including the authority to investigate surface waters and surface water rights, the ability to authorize temporary and permanent transfers of groundwater extraction allocations, and the ability to limit extractions. As previously noted that while SGA should be careful if it seeks to directly limit groundwater extractions without additional express authority through a modification of the JPA, SGA would be able to investigate surface waters and surface water rights and authorize temporary and permanent transfers of groundwater extraction allocations since SGMA authorizes the exercise of any of the statutory powers provided by SGMA in addition to, and not as a limitation on, any existing authority.

Conclusions and Recommendations

While it would appear that the existing authority of SGA, supplemented by the additional authority provided by SGMA, should provide sufficient authority for SGA as it prepares its Groundwater Sustainability Plan for submittal to the Department of Water Resources in January of 2022, SGA staff may wish to seek direction from the Board as to whether and what changes are necessary.

Attachment 1 to Memorandum on Comparison of SGA Authority and Authority Provided by SGMA

Sustainable Groundwater Management Act	Sacramento Groundwater Authority Joint Powers Agreement
<p>CHAPTER 5. Powers and Authorities</p> <p>10725.</p> <p>(a) A groundwater sustainability agency may exercise any of the powers described in this chapter in implementing this part, in addition to, and not as a limitation on, any existing authority, if the groundwater sustainability agency adopts and submits to the department a groundwater sustainability plan or prescribed alternative documentation in accordance with Section 10733.6.</p> <p>(b) A groundwater sustainability agency has and may use the powers in this chapter to provide the maximum degree of local control and flexibility consistent with the sustainability goals of this part.</p> <p>10725.2. General Provisions</p> <p>(a) A groundwater sustainability agency may perform any act necessary or proper to carry out the purposes of this part.</p> <p>(b) A groundwater sustainability agency may adopt rules, regulations, ordinances, and resolutions for the purpose of this part, in compliance with any procedural requirements applicable to the adoption of a rule, regulation, ordinance, or resolution by the groundwater sustainability agency.</p> <p>(c) In addition to any other applicable procedural requirements, the groundwater sustainability agency shall provide notice of the proposed adoption of the groundwater sustainability plan on its Internet Web site and provide for electronic notice to any person who requests electronic notification.</p> <p>10725.4. Authority to investigate</p> <p>(a) A groundwater sustainability agency may conduct an investigation for the purposes of this part, including, but not limited to, investigations for the following: (Rule 200.1 §3.07(a)(1) and (b)(10))</p> <p>(1) To determine the need for groundwater management.</p> <p>(2) To prepare and adopt a groundwater sustainability plan and implementing rules and regulations.</p> <p>(3) To propose and update fees.</p> <p>(4) To monitor compliance and enforcement.</p> <p>(b) An investigation may include surface waters and surface water rights as well as groundwater and groundwater rights.</p> <p>(c) In connection with an investigation, a groundwater sustainability agency may inspect the property or facilities of a person or entity to ascertain whether the purposes of this part are being met and compliance with this part. The local agency may conduct an inspection pursuant to this section upon obtaining any necessary consent or obtaining an inspection warrant pursuant to the procedure set forth in Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure.</p> <p>10725.6. Groundwater Registration</p> <p>A groundwater sustainability agency may require registration of a groundwater extraction facility within the management area of the groundwater sustainability agency. (Rule 200.1 §3.07(a)(1) and (b)(8))</p> <p>10725.8. Metering Authority</p> <p>(a) A groundwater sustainability agency may require through its groundwater sustainability plan that the use of every groundwater extraction facility within the management area of the groundwater sustainability agency be measured by a water-measuring device satisfactory to the groundwater sustainability agency. (Rule 200.1 §3.07(b)(8))</p> <p>(b) All costs associated with the purchase and installation of the water-measuring device shall be borne by the owner or operator of each groundwater extraction facility. The water measuring devices shall be installed by the groundwater sustainability agency or, at the groundwater sustainability agency’s option, by the owner or operator of the groundwater extraction facility. Water-measuring devices shall be calibrated on a reasonable schedule as may be determined by the groundwater sustainability agency.</p> <p>(c) A groundwater sustainability agency may require, through its groundwater sustainability plan, that the owner or operator of a groundwater extraction facility within the groundwater sustainability agency file an annual statement with the groundwater sustainability agency setting forth the total extraction in acre-feet of groundwater from the facility during the previous water year.</p> <p>(d) In addition to the measurement of groundwater extractions pursuant to subdivision (a), a groundwater sustainability agency may use any other reasonable method to determine groundwater extraction.</p>	<p>16. Powers and Functions.</p> <p>(a) The Authority shall have no power to regulate land use or to engage in the retail sale of water and shall be prohibited from restricting or otherwise limiting the extraction of groundwater within the boundaries of the Authority except by means of economic incentives and disincentives. The Authority shall further be prohibited from funding any capital construction projects. In addition, during the first five (5) years after the effective date of this agreement, the Authority shall be prohibited from levying annual fees or assessments to fund water cost payments that exceed an annual average charge during such five (5) year period of \$5.00 for each acre foot (minimum \$0.00-maximum \$10.00) of groundwater pumped from the North Area Basin during such five (5) year period. Further, during any individual year of such five (5) year period, the Authority shall be prohibited from levying annual fees or assessments to fund water cost payments that exceed a charge of \$10.00 for each acre foot of groundwater pumped from the North Area Basin during any such year. For purposes of this section, water costs shall include the cost of water, pumping and treatment costs, and other costs related to any conjunctive use program administered by the Authority. (Rule 200.1 §3.08)</p> <p>(b) Subject to the limitations set forth in subsection (a), the Authority shall have any and all powers commonly held by the parties hereto necessary or appropriate to regulate groundwater within the boundaries of the Authority including, but not limited to, the following powers: (Rule 200.1 §3.07(a))</p> <p>(i) Collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the North Area Basin;</p> <p>(ii) Establish and administer a conjunctive use program for the purpose of maintaining sustainable yields in the North Area Basin consistent with the Groundwater Management Element;</p> <p>(iii) Buy and sell water on other than a retail basis;</p> <p>(iv) Exchange water;</p> <p>(v) Distribute water in exchange for ceasing or reducing groundwater extractions;</p> <p>(vi) Spread, sink and inject water into the North Area Basin;</p> <p>(vii) Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the Authority;</p> <p>(viii) To implement any conjunctive use program which the Authority deems necessary to maintain sustainable yields in the North Area Basin consistent with the Groundwater Management Element; and (ix) Study and plan ways and means to implement any or all of the foregoing powers.</p>

Attachment 1 to Memorandum on Comparison of SGA Authority and Authority Provided by SGMA

(e) This section does not apply to de minimis extractors.

10726. Groundwater Storage Reporting
An entity within the area of a groundwater sustainability plan shall report the diversion of surface water to underground storage to the groundwater sustainability agency for the relevant portion of the basin.

10726.2. Express Authority
A groundwater sustainability agency may do the following:

(a) Acquire by grant, purchase, lease, gift, devise, contract, construction, or otherwise, and hold, use, enjoy, sell, let, and dispose of, real and personal property of every kind, including lands, water rights, structures, buildings, rights-of-way, easements, and privileges, and construct, maintain, alter, and operate any and all works or improvements, within or outside the agency, necessary or proper to carry out any of the purposes of this part. (Rule 200.1 §3.07(b)(3), (b)(5))

(b) Appropriate and acquire surface water or groundwater and surface water or groundwater rights, import surface water or groundwater into the agency, and conserve and store within or outside the agency that water for any purpose necessary or proper to carry out the provisions of this part, including, but not limited to, the spreading, storing, retaining, or percolating into the soil of the waters for subsequent use or in a manner consistent with the provisions of Section 10727.2. As part of this authority, the agency shall not alter another person’s or agency’s existing groundwater conjunctive use or storage program except upon a finding that the conjunctive use or storage program interferes with implementation of the agency’s groundwater sustainability plan. (Rule 200.1 §3.07(b)(3), (b)(4), (b)(5))

(c) Provide for a program of voluntary fallowing of agricultural lands or validate an existing program.

(d) Perform any acts necessary or proper to enable the agency to purchase, transfer, deliver, or exchange water or water rights of any type with any person that may be necessary or proper to carry out any of the purposes of this part, including, but not limited to, providing surface water in exchange for a groundwater extractor’s agreement to reduce or cease groundwater extractions. The agency shall not deliver retail water supplies within the service area of a public water system without either the consent of that system or authority under the agency’s existing authorities.

(e) Transport, reclaim, purify, desalinate, treat, or otherwise manage and control polluted water, wastewater, or other waters for subsequent use in a manner that is necessary or proper to carry out the purposes of this part. (Rule 200.1 §3.07(a)(7))

(f) Commence, maintain, intervene in, defend, compromise, and assume the cost and expenses of any and all actions and proceedings. (Rule 200.1 §3.07(b)(1))

Section 10726.4 of the Water Code, as added by Senate Bill 1168 of the 2013–14 Regular Session, is amended to read:

10726.4. Authority to Regulate Groundwater Extractions

(a) A groundwater sustainability agency shall have the following additional authority and may regulate groundwater extraction using that authority:

(1) To impose spacing requirements on new groundwater well construction to minimize well interference and impose reasonable operating regulations on existing groundwater wells to minimize well interference, including requiring extractors to operate on a rotation basis. (Rule 200.1 §3.07(b)(8))

(2) To control groundwater extractions by regulating, limiting, or suspending extractions from individual groundwater wells or extractions from groundwater wells in the aggregate, construction of new groundwater wells, enlargement of existing groundwater wells, or reactivation of abandoned groundwater wells, or otherwise establishing groundwater extraction allocations. Those actions shall be consistent with the applicable elements of the city or county general plan, unless there is insufficient sustainable yield in the basin to serve a land use designated in the city or county general plan. A limitation on extractions by a groundwater sustainability agency shall not be construed to be a final determination of rights to extract groundwater from the basin or any portion of the basin.

(3) To authorize temporary and permanent transfers of groundwater extraction allocations within the agency’s boundaries, if the total quantity of groundwater extracted in any water year is consistent with the provisions of the groundwater sustainability plan. The transfer is subject to applicable city and county ordinances.

(c) For purposes of exercising the authority set forth in subsection (b), and subject to the limitations set forth in subsection (a), the Authority shall have the following corporate and political powers: (Rule 200.1 §3.07(b))

(i) To sue and be sued in all actions and proceedings in all courts and tribunals.

(ii) To adopt a seal and alter it at its discretion.

(iii) To take by grant, purchase, gift, devise or lease, to hold, use and enjoy, and to lease, convey or dispose of, real and personal property of every kind, within or without the boundaries of the Authority, necessary or convenient to the full exercise of its power.

(iv) For the common benefit of the Authority, to store water in underground water basins or reservoirs within and outside the Authority, to appropriate water and acquire water rights within or outside the Authority, to import water into the Authority, and to conserve, or cause the conservation of, water within or outside the Authority.

(v) To exercise the right of eminent domain to take any property necessary to supply the Authority or any portion of it with replenishment water; provided that the right of eminent domain may not be exercised with respect to water and water rights, and may not be exercised with respect to any property owned or occupied by any of the parties hereto or the entities represented on the governing board of the Authority.

(vi) To act jointly, or cooperate, with the United States or any agency thereof, the state, or any county or agency thereof, or any political subdivision or district therein, including flood control districts, private and public corporations, and any person, so that the powers of the Authority may be fully and economically exercised.

(vii) To cause taxes, assessments, fees or charges to be levied in accordance with applicable State law, and in a manner consistent with the Groundwater Management Element, to accomplish the purposes of the Authority.

(viii) To require the permitting of groundwater extraction facilities within the boundaries of the Authority, to maintain a record of extraction with respect to any such facilities, and to require the installation of meters on groundwater extraction facilities for the purpose of determining the amount of groundwater being extracted from the North Area Basin.

(ix) To make contracts, employ labor and to do all acts necessary for the full exercise of the Authority’s powers.

(x) To carry on technical and other investigations of all kinds necessary to further the purposes of the Authority.

(xi) To fix rates at which water acquired by the Authority shall be sold for replenishment purposes, and to establish different rates for different classes of service or conditions of service, provided that the rates shall be uniform for like classes and conditions of service.

Attachment 1 to Memorandum on Comparison of SGA Authority and Authority Provided by SGMA

(4) To establish accounting rules to allow unused groundwater extraction allocations issued by the agency to be carried over from one year to another and voluntarily transferred, if the total quantity of groundwater extracted in any five-year period is consistent with the provisions of the groundwater sustainability plan.

(b) This section does not authorize a groundwater sustainability agency to issue permits for the construction, modification, or abandonment of groundwater wells, except as authorized by a county with authority to issue those permits. A groundwater sustainability agency may request of the county, and the county shall consider, that the county forward permit requests for the construction of new groundwater wells, the enlarging of existing groundwater wells, and the reactivation of abandoned groundwater wells to the groundwater sustainability agency before permit approval. (Rule 200.1 §3.07(b)(8))

10726.6.GSP Validation

(a) A groundwater sustainability agency that adopts a groundwater sustainability plan may file an action to determine the validity of the plan pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure no sooner than 180 days following the adoption of the plan.

(b) Subject to Sections 394 and 397 of the Code of Civil Procedure, the venue for an action pursuant to this section shall be the county in which the principal office of the groundwater management agency is located.

(c) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance or resolution imposing a new, or increasing an existing, fee imposed pursuant to Section 10730, 10730.2, or 10730.4 shall be commenced within 180 days following the adoption of the ordinance or resolution.

(d) Any person may pay a fee imposed pursuant to Section 10730, 10730.2, or 10730.4 under protest and bring an action against the governing body in the superior court to recover any money that the governing body refuses to refund. Payments made and actions brought under this section shall be made and brought in the manner provided for the payment of taxes under protest and actions for refund of that payment in Article 2 (commencing with Section 5140) of Chapter 5 of Part 9 of Division 1 of the Revenue and Taxation Code, as applicable.

(e) Except as otherwise provided in this section, actions by a groundwater sustainability agency are subject to judicial review pursuant to Section 1085 of the Code of Civil Procedure.

10726.8. Exceptions and Limitations

(a) This part is in addition to, and not a limitation on, the authority granted to a local agency under any other law. The local agency may use the local agency's authority under any other law to apply and enforce any requirements of this part, including, but not limited to, the collection of fees.

(b) Nothing in this part shall be construed as authorizing a local agency to make a binding determination of the water rights of any person or entity.

(c) Nothing in this part is a limitation on the authority of the board, the department, or the State Department of Public Health.

(d) Notwithstanding Section 6103 of the Government Code, a state or local agency that extracts groundwater shall be subject to a fee imposed under this part to the same extent as any nongovernmental entity.

(e) Except as provided in subdivision (d), this part does not authorize a local agency to impose any requirement on the state or any agency, department, or officer of the state. State agencies and departments shall work cooperatively with a local agency on a voluntary basis.

(f) Nothing in this chapter or a groundwater sustainability plan shall be interpreted as superseding the land use authority of cities and counties, including the city or county general plan, within the overlying basin.

10726.9.

A groundwater sustainability plan shall take into account the most recent planning assumptions stated in local general plans of jurisdictions overlying the basin.

(xii) To participate in any contract under which producers may voluntarily agree to use surface water in lieu of groundwater, and to that end the Authority may become a party to the contract and pay from Authority funds that portion of the cost of the surface water as will encourage the purchase and use of that water in lieu of pumping so long as persons or property within the boundaries of the Authority are directly or indirectly benefitted by the resulting replenishment of the North Area Basin.

(xiii) To apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid from any agency of the United States, the State of California, or other public or private entity necessary or appropriate for the Authority's full exercise of its powers.

Sacramento Groundwater Authority Board Meeting
October 8, 2020

AGENDA ITEM 5: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

BACKGROUND:

This is a standing agenda item. The purpose of this item is to receive Board input on this matter, provide any updates to the Board, and to allow for any Board discussion on the matter.

The 3x3 committee met on August 19th. The committee gave staff direction to develop a potential staffing model that allows for the three separate authorities to maintain their existing governance, but would be staffed by the RWA. The committee will meet on October 9th to review and discuss the draft staffing model.

STAFF RECOMMENDATION:

Information and Discussion: Jim Peifer, Executive Director

Sacramento Groundwater Authority Board Meeting
October 8, 2020

**AGENDA ITEM 6: SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)-
RELATED AND GROUNDWATER MANAGEMENT PROGRAM UPDATES**

BACKGROUND:

Staff will provide an update on activities related to compliance with SGMA and the most recent groundwater level elevation monitoring in the SGA area.

STAFF RECOMMENDATION:

Information Update: Rob Swartz, Manager of Technical Services

Sacramento Groundwater Authority Board Meeting
October 8, 2020

AGENDA ITEM 7: APPOINTMENT OF NOMINATIONS COMMITTEE FOR 2021 SGA OFFICERS

BACKGROUND:

The SGA Board elects a chairperson and vice-chair annually at its December Board meeting. Chair Sheehan will appoint an SGA Nominating Committee for 2021 SGA Officers.

STAFF RECOMMENDATION:

Action: Chair Sheehan to Appoint Nominations Committee for 2021 SGA Officers

Sacramento Groundwater Authority Board Meeting
October 8, 2020

AGENDA ITEM 8: EXECUTIVE DIRECTOR'S REPORT

OCTOBER 8, 2020

TO: SACRAMENTO GROUNDWATER AUTHORITY BOARD

FROM: JIM PEIFER

RE: EXECUTIVE DIRECTOR'S REPORT

- a. Sacramento Regional Water Bank** – The Water Bank, Phase 1 Program Committee met on September 16th. The committee reviewed remaining Phase 1 work and discussed of a scope, budget, and funding for Phase 2 work. One of the known tasks for Phase 2 is to complete surface water operations modeling to avoid impacts to state and federal water operations when storage is occurring in the Water Bank. Regional Water Authority (RWA) secured funding for that analysis in 2019 through the Bureau of Reclamation's Water Management Options Pilot (WMOP) funding program. RWA signed the Memorandum of Agreement (MOA) with Reclamation on August 31st to accept the funding assistance, and the fully executed agreement is expected to be returned from Reclamation within the next few days. SGA is also a signatory to the MOA, because some of its recent work to update the regional groundwater model is being used to meet the local cost share requirement of the WMOP funding.
- b. Legislative and Regulatory Update** – The legislative session concluded on August 31st. The legislature sent approximately 300 bills to the Governor that must be acted on by September 30th. This is approximately one quarter of the number of bills that typically make it to the Governor. This session was most notable for what did not occur as opposed to what did occur, with COVID-19 shifting legislative focus away from groundwater legislation. SB 1044 (Allen) would limit the use of PFAS in firefighting, and AB 2560 would establish a process by which the Water Board can set a new response or notification level. At the time of this writing neither of those bills have been acted on by the Governor. The new legislative session begins December 7th. Economic stimulus and water affordability are likely to be topics deliberated in the new session. There are no new regulatory actions in process on groundwater currently.
- c. Water Forum Negotiations** – Several presentations have been made to educate the Water Forum participants, including presentations on Groundwater by Rob Swartz, Fisheries, Climate Change, Water Use Efficiency and Urban Water Management Planning. Work is currently centered around defining the problems. Two workgroups have been established: Habitat and Public Caucus. The Public Caucus workgroup is focusing on diversifying representation in the Public Caucus. SGA is an active participant in the negotiations as they related to the Groundwater Management Element of the Water Forum Agreement.
- d. SGA Outreach** – Rob Swartz served on a panel for a webinar co-hosted by the Maven's Notebook on the value of successful collaborations between Groundwater Sustainability Agencies (GSAs) implementing the Sustainable Groundwater

Management Act and Regional Water Management Groups (RWMG) responsible for Integrated Regional Water Management Plans on September 23rd. Mr. Swartz was invited because of his unique experience representing an RWMG through his position at the RWA and a GSA through his position at the SGA.

Mr. Peifer participated in a meeting with the Department of Water Resources, Reclamation, and Northern California Water Association to discuss process improvements with Groundwater Substitution Transfers.

Mr. Peifer briefed the Sacramento Suburban Water District Board of Directors on the Sacramento Central Groundwater Authority (SCGA) request for the RWA to staff the SCGA.

- e. **Widespread Power Outage Planning** – RWA Chair Schmitz scheduled a meeting with Mr. Peifer, Ms. Mary Jo Flynn-Nevins, Emergency Operations Coordinator for Sacramento County and Sacramento County’s consultants to discuss a widespread power outage lasting longer than seven days. Ms. Flynn-Nevins is interested in knowing how water agencies would organize and coordinate if a widespread long-lasting power outage were to occur and how they would coordinate with Sacramento County’s Emergency Operations Center. This is a matter that should get some attention by the RWA. Ms. Flynn-Nevins discussed the potential for the region to obtain a Hazard Mitigation Planning Grant through FEMA’s Building Resilient Infrastructure and Communities (BRIC) program that would allow the region’s water agencies to respond to a widespread power outage. Ms. Flynn-Nevins noted that such a grant could include the water agencies from several counties.
- f. **Check Signing Policy (Policy 400.5)** – As Board members may remember, the Board allowed for the Financial and Administrative Manager to prepare and sign checks as a temporary adaption measure to the COVID-19 crisis. The Executive Director and the Chair would authorize the issuance of the checks by email. Staff has discontinued that temporary practice and has returned to the practice defined by SGA Policy 400.5.
- g. **RWA Newsletter** – The September RWA newsletter is attached.
- h. **Financial Reports** – Unaudited SGA financial reporting through June 30, 2020 is enclosed.

Attachments

1. RWA September Newsletter
2. Financial Reports

September 2020

Building Alliances in Northern California

MISSION

To serve and represent regional water supply interests and assist Regional Water Authority members with protecting and enhancing the reliability, availability, affordability and quality of water resources.



Water Forum
20th Anniversary
VIRTUAL Symposium
and Reception



Addressing Climate
Impacts on the
Sacramento Region's
Water Supplies and Environment

Wednesday, October 14, 2020,
1:00 p.m. to 5:00 p.m.

Featuring Lieutenant Governor Eleni Kounalakis—invited—who was instrumental in the Water Forum's formation two decades ago through her active leadership and facilitative role in the negotiations of the historic Agreement.

Learn more and register at
<http://ow.ly/CFxa50AQBFG>

RWA Operations and Meetings During the Emergency

RWA staff members are continuing to work remotely and are available by e-mail or cell phone during the COVID-19 emergency.

RWA Board and Executive Committee meetings are scheduled to be held via teleconference or webinar at their regularly scheduled time until further notice. Board meetings occur on the second Thursday of every-other month at 9 a.m. Executive Committee meetings are held monthly, beginning at 8:30 a.m. on the fourth Wednesday.

You can find meeting dates, times, and access information at rwah20.org.

RWA Awarded \$8.74 Million for Climate Resiliency Projects

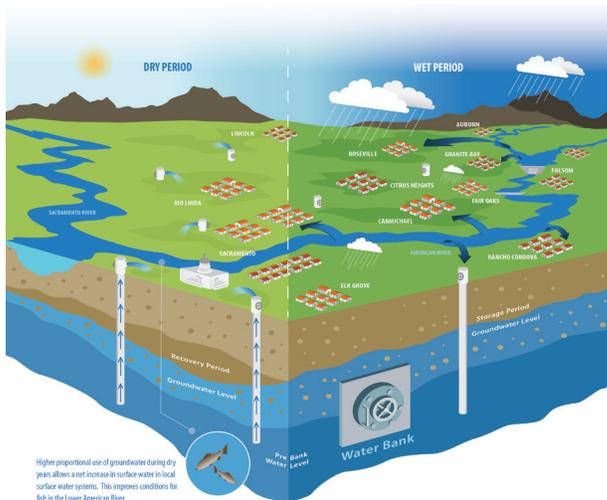
The Regional Water Authority has been awarded \$8.74 million in state grants to advance 11 projects to build water reliability in the Sacramento region, the California Department of Water Resources (DWR) has announced.

Part of DWR's Proposition 1 Integrated Regional Water Management Implementation Grant Program, funding will be used for conjunctive use facilities such as groundwater wells, transmission mains, and pumping facilities, as well as water use efficiency measures such as home leak detection and repair programs, residential irrigation and landscape rebates, and expanded public outreach efforts.

"We appreciate DWR's partnership in helping to advance water resiliency in the Sacramento region," said Jim Peifer, executive director for the Regional Water Authority and Sacramento Groundwater Authority. "Our portfolio of climate resiliency projects re-imagines how water should be managed from its mountain origins to the groundwater basin below the region's urban core. With a holistic approach, and working in partnership as a region and with the state, climate challenges can be solved."



Interior Recommends \$870,000 in WIIN Act Funding for Water Bank



The U.S. Department of the Interior (DOI) is recommending that Congress allocate up to \$870,000 in fiscal year 2021 funding to advance one of RWA's top priorities, the Sacramento Regional Water Bank. The federal contribution covers 25 percent of a cost share with the region.

In a letter submitted to Congress in June, DOI recommended that Congress invest in the Water Bank through the Water Infrastructure Investment for the Nation Act (WIIN Act), passed by Congress and signed into law by President Obama in 2016. The act provides federal grant funding for projects that promote water storage and supply, improve waterways, and advance drinking water infrastructure.

DOI's funding recommendation is currently included in the FY21 budget passed the U.S. House of Representatives, and is awaiting action in the Senate. Each year, Congress is required to pass a

budget by October 1 for the next fiscal year. However, it is widely anticipated that Congress will delay this task until after the November election this year, instead passing a continuing resolution to continue federal government funding at current levels.

The RWA is continuing to monitor developments closely and advocate for WIIN Act funding for the Water Bank in the FY21 budget process as the legislation moves forward.

RWA Hosts Third COVID-19 Response Briefing



The RWA in August hosted the third in a series of meetings intended to assist local water providers in responding to the COVID-19 emergency. Since March, the RWA has hosted three briefings for members to facilitate the sharing of best practices and to help troubleshoot real and emerging challenges with the COVID-19 response.

The first briefing, a roundtable discussion in late March, explored how each water provider was responding to the emergency. During RWA's second briefing in early June, as statewide COVID-19 cases began to subside, members discussed triggers and plans for safely bringing employees back into the office, as well as guidance for reopening local office buildings that had been closed because of the stay-at-home order.

RWA's most recent briefing in August, explored the potential road ahead, including the outlook for continued COVID-19 operations into the winter months; avenues for COVID-19 testing for employees; and best practices for communication with employees and customers. To this end, the RWA also initiated and is analyzing results of a new member survey to help uncover and quantify the impacts of the emergency on local water providers as a way to identify regional trends and prepare to advocate for needed financial or other assistance.

Water Providers Move Forward with 2020 Pilot Groundwater Substitution Transfer

Local water providers are conducting a pilot project to test the region's ability to make water available in a way that benefits both local ratepayers and the environment. The current transfer is providing much-needed water to farmers in the Central Valley.

Water transfers occur in dry years across the state between willing sellers who have legal rights to a supply of water to an interested buyer in need. They are viewed as key to meeting the state's water needs during drought because of their potential to move water to places of critical need. In the Sacramento region, water transfers are one part of a long-term plan and portfolio of projects designed to increase the reliability of our water supplies, protect our local environment and address the projected impacts of climate change.

The 2020 pilot transfer is utilizing 68 groundwater wells and three interties among six participating water providers. Instead of drawing surface water from lakes and rivers, participating water providers are using more groundwater for a brief period of time. This frees up surface water to flow from our region into the Delta and to transfer recipients. The 2020 pilot transfer is slated to occur through September with an option to add October and November. RWA is monitoring groundwater levels



at participating wells on a weekly basis through March 2021 to ensure the transfer is sustainable and does not negatively impact the basin.

Pilot transfer participants include Golden State Water Company, Carmichael Water District, Fair Oaks Water District, the City of Sacramento, Sacramento Suburban Water District, and Sacramento County Water Agency.



Strategic Plan 2025+ Completed

RWA in August finalized its work to update Strategic Plan 2025+ to guide the organization over the next five years. During virtual workshops in June, July and August, Board members solidified and adopted RWA's mission, vision, values, and goals and identified specific objectives to pursue through the year 2025.

A greater emphasis on communications emerged as a key goal within the plan with objectives focused on three main areas: providing a forum for education, discussion, and outreach on water issues affecting the region; with one voice, raising RWA's profile and credibility through outreach efforts to targeted audiences; and developing and maintaining strategic partnerships to advance RWA interests.

Other goals in the plan aim to continuously improve regional water management planning that is comprehensive in scope and guides effective water resources management in the region; lead successful water management strategies and related programs on behalf of the region; and represent regional needs and member concerns to positively influence legislative and regulatory policies and actions.

RWA and Sacramento Central Groundwater Authority Collaboration Discussions Move to Next Phase



The RWA and Sacramento Central Groundwater Authority (SCGA) are moving into the next phase of discussions focused on the potential benefits of having SCGA move under the administrative management of the RWA in an arrangement that would be similar to the Sacramento Groundwater Authority's (SGA) staffing.

SCGA, which is currently administered by Sacramento County, is charged with overseeing the sustainability of the South American Subbasin, located south of the lower American River in the Central portion of Sacramento County. The subbasin includes portions of the

cities of Sacramento, Rancho Cordova, Elk Grove, and Folsom. The SCGA Board includes several water providers that are also members of the RWA and SGA. These include California American Water, cities of Folsom and Sacramento, Golden State Water Company, and Sacramento County Water Agency.

The three organizations recently agreed to move forward with discussions via a new committee that includes representatives from RWA, SGA and SCGA. Guided by a nonbinding memorandum of understanding, committee members are exploring the potential benefits from collaboration for all three organizations, as well as costs involved, needed staff support, and governance changes necessary for success.

Water Providers Consider New Meter Collaborative

Local water providers are considering opportunities to maximize their purchase power and information sharing in a new "Meter Consortium and Planning Study," spearheaded by Citrus Heights Water District.

The study explores potential economies of scale, cost savings and other benefits for agencies and ratepayers through collectively planning and purchasing water meter technology; sharing information about meter performance; joint contracting meter installation; developing consistent meter testing protocols and other actions. Ultimately, the study could lead to a new RWA Meter Collaborative subscription program.

Study participants include the cities of Folsom and Sacramento, Golden State Water Company, Placer County Water Agency, Sacramento County Water Agency, Sacramento Suburban Water District, Carmichael Water District, Orange Vale Water Company, RWA, Fair Oaks Water District, Citrus Heights Water District, and San Juan Water District.



Region Welcomes Two New General Managers

Cathy Lee, Carmichael Water District: Lee has 20 years of experience in utility operations for municipal and agricultural water suppliers. Her roles have included engineering, regulatory compliance, operation and maintenance, safety, and fiscal planning. Her background includes long-range water supply planning, groundwater management, water distribution owner/operator, and wastewater treatment plant operations. Lee holds a master's degree in civil engineering and is a California registered civil engineer.

Tom Hennig, Rancho Murrieta Community Services District: Hennig served as Rancho Murrieta CSD's Director of Finance since November 2018, guiding the District to more robust financial systems and enhanced cybersecurity, before becoming General Manager in June 2020. He is a dedicated public servant, who has had a diverse career, leading departments at San Joaquin County and the City of Stockton.



Stakeholder and Public Outreach

ACWA Virtual Conference Presentations

Local water providers were featured during two sessions during ACWA's virtual conference July 29-30.

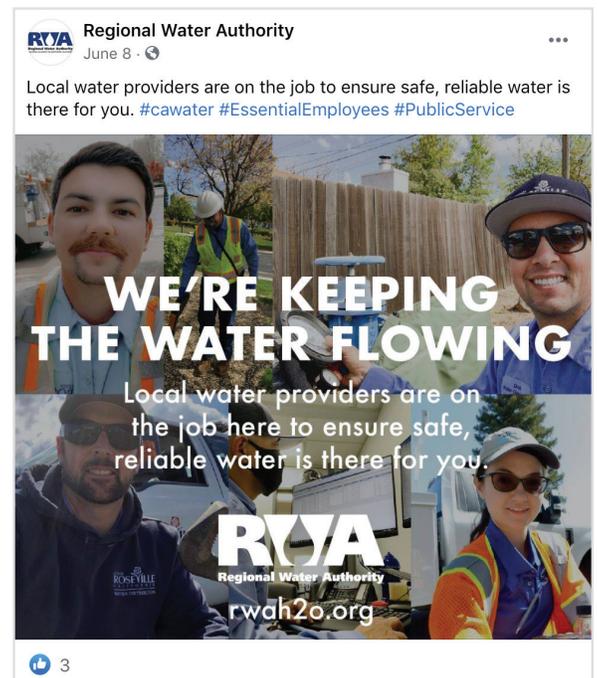
- **Adapting to Flood, Fire and Drought: A Case Study of the American River Basin** explored the experience of the American River region in evaluating climate impacts on their watershed in a new cutting-edge study and the comprehensive suite of projects designed to address increasing threats from more frequent and intense floods, fires, and droughts. RWA Executive Director Jim Peifer moderated the panel, which featured Gary Bardini of the Sacramento Area Flood Control District, Eli Ilano of the U.S. Forest Service, Tony Firenzi of Placer County Water Agency, and Tom Gohring of the Water Forum. A link to a session summary is available at rwah2o.org.
- **Choosing Our Delta Destiny** explored the opportunities presented by the Voluntary Agreements in protecting fish and wildlife in the Delta and its key tributary watersheds while ensuring water reliability, as well as what's at stake if parties are not able to move past old water binaries. Moderated by PCWA General Manager Andy Fecko, the panel included Ernest Conant of the U.S. Bureau of Reclamation, Richard Roos-Collins of the Water and Power Law Group, Maurice Hall of the Environmental Defense Fund, and David Guy of the Northern California Water Association.

Keeping the Water Flowing

Comstock's Article, Digital Advertising Demonstrate the Essential Work of Local Water Providers

RWA in May and June launched a short-term outreach campaign focused on promoting how water providers are "Keeping the Water Flowing" during the coronavirus emergency. The program included:

- **Viewpoints article by Fair Oaks Water District General Manager Tom Gray published in Comstock's Magazine:** The article shares Gray's experience with providing an essential public service during the emergency, illustrating the risks and rewards from serving customers and communities during these uncertain times while also discussing the potential financial hardships facing water providers. You can read Gray's article at <https://www.comstockmag.com/commentary/keeping-water-flowing>
- **Digital advertising on Facebook and online news sites through the Google Display Network:** Ads featured the images of local water providers working during the emergency with the text, "Local water providers are on the job here to ensure safe, reliable water is there for you." The month-long campaign earned 2,800 clicks and nearly 1.2 million impressions and numerous likes, hearts, and emojis with many "thank yous" posted as comments to the ads.



Thank you to the City of Roseville and Sacramento Suburban Water District for partnering with RWA on the digital ad campaign by lending images of their employees for the advertising. The design files are available to all RWA members to customize and use in their outreach. You can find them in the RWA COVID-19 Tool Kit on drop box or by contacting RWA Outreach Coordinator Christine Kohn at Christine@INprOnline.com.



Legislative Update

RWA Advocates for Federal Investment in Water Infrastructure

RWA in June held a series of meetings with local Congressional staff members to urge support for water infrastructure funding in the next round of federal economic recovery spending.

During virtual briefings with Congressional staff, members of RWA's Federal Affairs Committee made several key points, noting that water is essential to fighting COVID-19; the current emergency is threatening the financial stability of water suppliers; and federal investment in the water sector, which has been underfunded for decades, would provide high-quality jobs that are accessible to displaced workers.



RWA members have identified more than 150 construction-ready projects with the potential to deliver both immediate and long-term economic benefits to the region. Projects are estimated to create about 20,000 high-quality jobs and bring \$1.2 billion in local investment to the Sacramento region.

A fact sheet about the urgent need to invest in water infrastructure and link to interactive map of proposed projects is available on RWA's website at <https://rwah2o.org/federal-stimulus-funding/>.

Funding for Safe Drinking Water, Economic Stimulus Emerge as Priority Topics During the Final Days of the 2020 Legislative Session

As 2020's legislative session winds down, RWA is continuing to take positions on legislation important to local water providers.

Typically, the end of session has only fiscal committee and floor actions. This year's end of session is unique in that it will have policy committee hearings. All bills must have final action by August 31st.

While there are a still a handful of bills live, generally the legislature is limiting actions to only those bills that deal with COVID-19, wildfire, or housing/homelessness. These limitations have significantly reduced the number of bills that could affect RWA. That said, RWA remains engaged on several bills related to refinements to the California Environmental Quality Act (CEQA), employer responsibilities related to COVID-19, and small water system consolidation. Among those bills are:

- SB 414—Would create new pathways for small water system consolidation. The RWA successfully secured amendments to clarify that the bill does not allow for forced consolidation among RWA members.
- SB 1159, AB 196, and AB 685—All of which would change workplace rules and employer responsibilities amid COVID-19.
- AB 3279, AB 609, and SB 55—Which would make changes related to CEQA.

In addition, the Legislature is expected to act on budget refinements, including funding for safe drinking water. While a climate resiliency bond did not make it onto the November ballot this year, legislators have unveiled a joint \$100 billion economic stimulus plan intended to boost the economy and spur job creation. The plan includes funding for infrastructure projects that can ramp up quickly, and the RWA worked with its members to submit a list of local projects that meet that criteria. Action on economic stimulus may continue past the August 31st end of the legislative session.

For the latest information as the issues continue to evolve, visit RWA's website at rwah2o.org/advocacy or contact RWA Legislative and Regulatory Affairs Program Manager Ryan Ojakian at (916) 967-7692 or at rojakian@rwa.org.

Water Efficiency Program News

RWA Summer Water Efficiency Advertising in Full Swing

RWA is continuing its summer advertising campaign on local radio and digital outlets to encourage residents to “Check the Soil & Save”—use a moisture meter or screwdriver to check soil moisture before turning on sprinklers.



In the Sacramento region, most household water use occurs outdoors. The Check & Save campaign tackles the problem of landscape overwatering by helping residential water customers (homeowners, in particular) solve a problem—the mystery of knowing how much water their landscape really needs to be healthy.

Messages can be heard and found on Capital Public Radio, local radio stations in conjunction with weather and traffic reports, and online on the Google Display Network and on English and Spanish Facebook. In addition to Check & Save, advertising also promotes RWA's continuing regional rebate program for Rachio 3 Smart Sprinkler Controllers and the installation of high-efficiency rotator sprinklers.

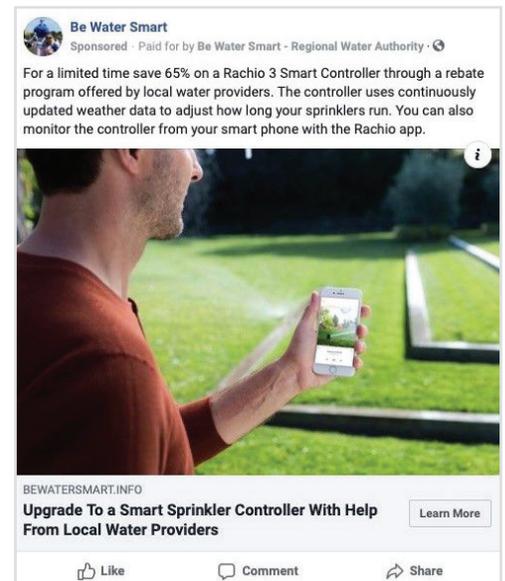
Tools Available for Promoting Regional Rebate Program for Smart Sprinkler Controllers

Thank you to the many RWA Water Efficiency Program participants that have been actively promoting the regional rebate program for the Rachio 3 Smart Sprinkler Controllers.

For agencies without an existing rebate program for weather-based sprinkler controllers, the rebate program offers customers with an opportunity to purchase these high-tech, wifi-enabled controllers for only \$75 plus tax (65 percent off the retail price). For agencies with existing rebate programs, customers can potentially acquire the Rachio 3 at no cost by utilizing both the RWA and local water provider rebate programs.

In both cases, customers benefit by upgrading their sprinkler systems with the latest technology that not only saves water, but also promotes healthy plants.

RWA has developed several tools to help WEP participants promote the Rachio 3 rebate program to their customers. They are available in the Be Water Smart Tool Kit on drop box or by contacting WEP Program Manager Amy Talbot at atalbot@rwah2o.org.



The Rachio 3 regional rebate program is funded by a \$150,000 grant from the California Department of Water Resources and is offered in partnership with the Bay Area Water Supply and Conservation Agency (BAWSCA) and its 26 member agencies for economies-of-scale pricing, coordinated program management, and marketing benefits.

2019 Water Efficiency Program Annual Report Available

The 2019 Annual Report for the Water Efficiency Program is now available online. The report describes trends in the region's per-capita water use; rebate programs and partnerships with local and state agencies; results from advertising and public service announcements; tools produced to help water providers communicate a consistent regional message; results from new research to evaluate the program; and more. You can find the report on RWA's website at <https://rwah2o.org/programs/wep/>.



RWA Water Efficiency Campaign Earns Top Award from CAPIO

RWA's Check the Soil and Save outreach program was honored with a 2020 EPIC Award from CAPIO, a statewide association of public sector communicators, which recognizes “the most creative and effective efforts” in communication campaigns.

SACRAMENTO GROUNDWATER AUTH.

Income Statement

Year-to-Date Performance, June 2020

	<i>12 Months Ended June 30, 2020</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
REVENUES				
Groundwater Fees Revenue	399,685.00	399,700.00	15.00	100.0 %
Base Administrative Fee	310,824.00	310,800.00	(24.00)	100.0 %
Special Project Fees Revenue	338,861.55	350,000.00	11,138.45	96.8 %
P1 SGMA Program Fees - agencies	81,747.08	52,800.00	(28,947.08)	154.8 %
Miscellaneous Revenue	301.11	0.00	(301.11)	
Cash Discount	141.86	0.00	(141.86)	
Interest on S/T Investments	25,990.61	11,700.00	(14,290.61)	222.1 %
TOTAL REVENUES	1,157,551.21	1,125,000.00	(32,551.21)	102.9 %
Total REVENUE	1,157,551.21	1,125,000.00	(32,551.21)	102.9 %
GROSS PROFIT	1,157,551.21	1,125,000.00	(32,551.21)	102.9 %
OPERATING EXPENDITURES				
Staff Expenses				
General Salaries	331,321.90	373,600.00	42,278.10	88.7 %
General Salaries - EE PERS	1.62	0.00	(1.62)	
Employee Benefits - Health	33,355.12	117,800.00	84,444.88	28.3 %
Employee Benefits - Dental	4,467.65	0.00	(4,467.65)	
Employee Benefits - PERS	30,109.93	0.00	(30,109.93)	
Employee Benefits - Vision	734.38	0.00	(734.38)	
Employee Benefits - Disability	2,676.08	0.00	(2,676.08)	
OPEB - Other Post Employment Benefits	22,026.00	0.00	(22,026.00)	
GASB 68 Liability Payment	0.00	14,500.00	14,500.00	
PERS annual lump sum payment	16,403.00	0.00	(16,403.00)	
Annual Fee Social Security	250.00	0.00	(250.00)	
Worker's Comp Insurance	1,390.29	0.00	(1,390.29)	
Payroll Taxes	20,014.25	27,100.00	7,085.75	73.9 %
Travel / Meals	8,357.97	8,000.00	(357.97)	104.5 %
Professional Development	501.50	2,500.00	1,998.50	20.1 %
TOTAL Staff Expenses	471,609.69	543,500.00	71,890.31	86.8 %
Office Expenses				
Rent	17,239.21	16,200.00	(1,039.21)	106.4 %
Insurance - Auto & Gen Liab.	18,717.88	14,500.00	(4,217.88)	129.1 %
Insurance - Property	307.69	0.00	(307.69)	

**12 Months Ended
June 30, 2020**

		Annual Budget	Unused	% Used
Office Maintenance	0.00	300.00	300.00	
Telephone	6,119.29	6,500.00	380.71	94.1 %
Dues and Subscription	6,523.60	5,800.00	(723.60)	112.5 %
Printing & Supplies	3,109.22	6,300.00	3,190.78	49.4 %
Printing - General	1,064.25	4,300.00	3,235.75	24.8 %
Office Equipment	1,407.50	0.00	(1,407.50)	
Postage	1,083.83	1,500.00	416.17	72.3 %
Postage - Equipment	361.26	0.00	(361.26)	
Meetings	969.29	1,200.00	230.71	80.8 %
Computer Equipment & Supplies	5,062.75	2,800.00	(2,262.75)	180.8 %
Computer Software	500.00	0.00	(500.00)	
Computer Support & Maintenance	6,303.39	8,950.00	2,646.61	70.4 %
TOTAL Office Expenses	68,769.16	68,350.00	(419.16)	100.6 %
Office Furniture & Equipment				
Office Furniture	4,197.72	1,400.00	(2,797.72)	299.8 %
Office Move	0.00	6,050.00	6,050.00	
TOTAL Office Furniture & Equipment	4,197.72	7,450.00	3,252.28	56.3 %
Professional Fees				
ADP / Banking Charges	1,434.44	1,100.00	(334.44)	130.4 %
Banking Fees	529.95	0.00	(529.95)	
Audit Fees	26,481.26	13,750.00	(12,731.26)	192.6 %
Legal Fees	11,050.08	40,000.00	28,949.92	27.6 %
GASB 68 reporting fee	350.00	0.00	(350.00)	
Consulting Expenses	0.00	11,000.00	11,000.00	
Budget/audit/actuarial	25,249.97	30,900.00	5,650.03	81.7 %
Actuarial Services	4,200.00	3,500.00	(700.00)	120.0 %
Human Resources Services	151.05	7,500.00	7,348.95	2.0 %
Recruiting	600.00	0.00	(600.00)	
TOTAL Professional Fees	70,046.75	107,750.00	37,703.25	65.0 %
Consulting - Program Management				
Annual Basin Management Report	0.00	5,000.00	5,000.00	
Monitor water quality/levels (AB 303)	0.00	5,000.00	5,000.00	
Maintain/Improve DMS	0.00	5,000.00	5,000.00	
Update GSP	0.00	5,000.00	5,000.00	
Groundwater Modeling	0.00	10,000.00	10,000.00	
SGMA Consulting	610,537.88	450,000.00	(160,537.88)	135.7 %
TOTAL Consulting Program Management	610,537.88	480,000.00	(130,537.88)	127.2 %
TOTAL OPERATING EXPENDITURES	1,225,161.20	1,207,050.00	(18,111.20)	101.5 %
OPERATING INCOME (LOSS)	(67,609.99)	(82,050.00)	(14,440.01)	82.4 %

	<i>12 Months Ended June 30, 2020</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
NET OPERATING INCOME (LOSS)	(67,609.99)	(82,050.00)	(14,440.01)	82.4 %
NET INCOME (LOSS) OF PROGRAM	(67,609.99)	(82,050.00)	(14,440.01)	82.4 %
***DWR Q4 Prop 1 SGMA Billing	56,889.94			
NET INCOME with Q4 Billing	(10,720.05)			



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

For the period ending June 2020

Cash in checking account:	\$	194,217
LAIF Balance	\$	731,769

For the period of April 1 to June 30, 2020

Total cash receipts for the period:	\$	470,348
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Total cash disbursements for the period:	\$	605,006
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California State Treasurer
Fiona Ma, CPA



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

August 06, 2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

SACRAMENTO GROUNDWATER AUTHORITY

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

[Tran Type](#)
[Definitions](#)

Account Number: 90-34-020

June 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	731,768.70
Total Withdrawal:	0.00	Ending Balance:	731,768.70

Sacramento Groundwater Authority Board Meeting
October 8, 2020

AGENDA ITEM 9: DIRECTORS' COMMENTS