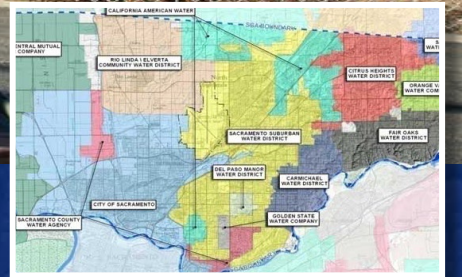


SGA SCGA Consolidation Evaluation

February 10, 2022



SGA Board Meeting

- History
- MOU
- Workshops
 - CBI Stakeholder Findings
 - Getting to know the SCGA
 - SCGA Business Case for SGA
- Issues board members have raised
- Roadmap
- Next steps

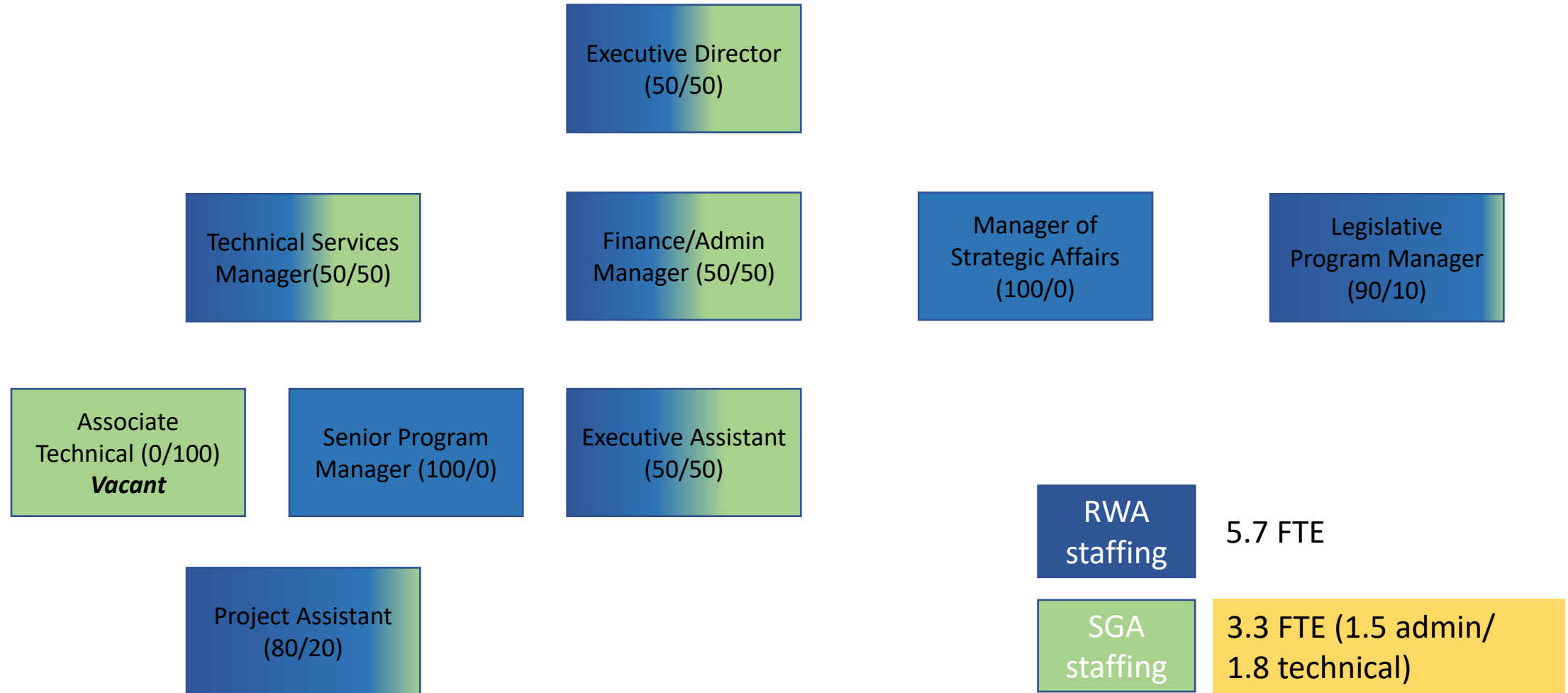
- Late 2019, discussions began RWA, SGA, and SCGA have evaluated options related to staffing of the SCGA.
- June 2020 – MOU establishing 3x3 Committee and explore the potential of having the RWA provide staffing services to the SCGA, provide recommendations to the three authorities.
- Late 2020, SGA staff presented potential staffing models to the SGA.
- Early to mid 2021 - Stakeholder assessment.
- June 7, 2021, a joint workshop of the RWA, SGA, and SCGA boards was held to discuss an option of a consolidated SGA and SCGA.
- August 2021, the SCGA board voted to move forward to phase 2
- October 14, 2021 – SGA workshop overview of the SCGA.
- January 25, 2022 - SGA workshop on a possible staffing model for a merged organization with discussion of potential benefits from the SGA perspective.

Memorandum of Understanding

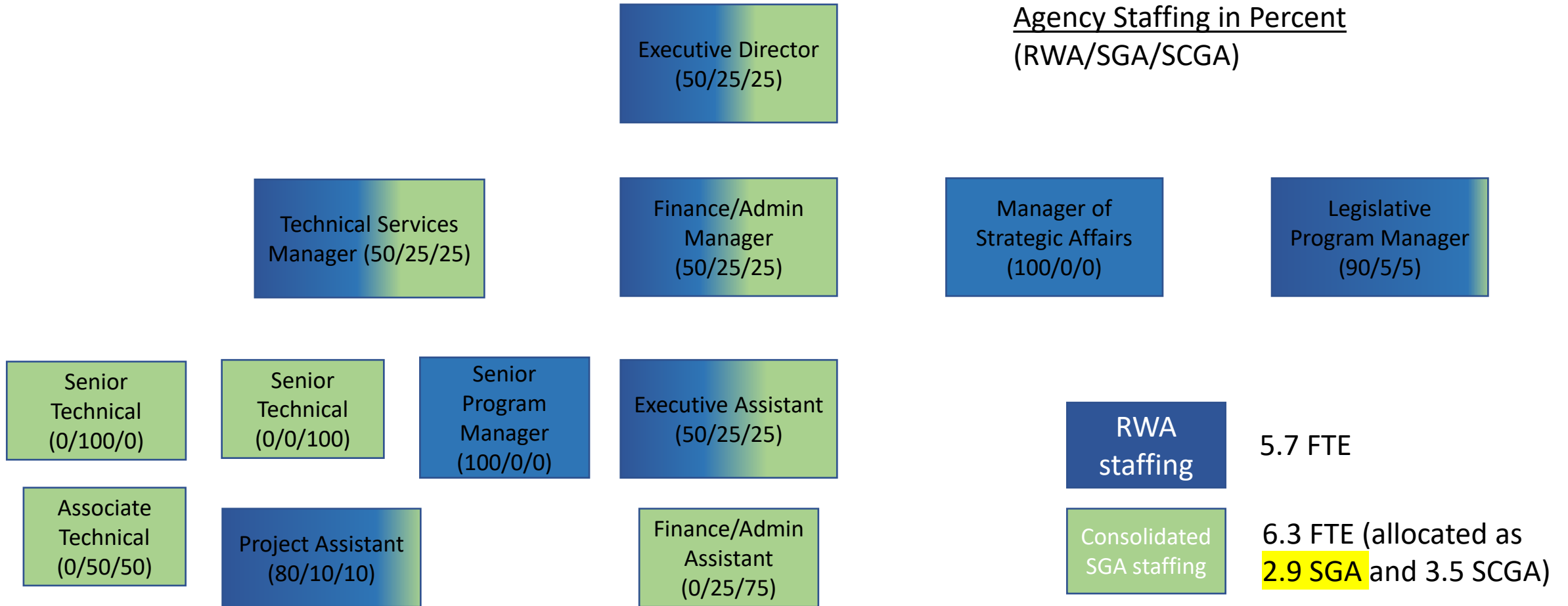


- The AUTHORITIES agree through this MOU to work cooperatively towards an integration of SCGA into the existing joint operation of RWA and SGA, subject to a framework and guiding principles.
- 3x3 Committee: Chair, Vice Chair and a third member. One has to be independent of the RWA and SCGA.
- Potential operational or governance agreement shall be beneficial to each authority. SGA will make this determination.
- Potential operational or governance must be positive or neutral and in terms of the level and quality of services provided and financial.
- Implementation of any operational or governance agreement shall be structured and phased in a manner that minimizes disruption of ongoing operations of each AUTHORITY.

Current RWA and SGA Staffing



Potential RWA and Combined SGA Staffing



Budget Comparison



Current

Staffing	RWA	SGA
Executive Director	50%	50%
Technical Services Manager	50%	50%
Senior Technical - North American		
Senior Technical - South American		
Senior Program Manager (WEP)	100%	
Associate Specialist		100%
Project Assistant	80%	20%
Finance/Admin Manager	50%	50%
Executive Assistant	50%	50%
Finance/Admin Assistant		
Manager of Strategic Affairs	100%	
Legislative Program Manager	90%	10%
FTE	5.7	3.3
Estimated FY23 Loaded Labor Costs	\$ 1,322,058	\$ 715,478

↑
1.8 technical staff

Potential

Staffing	RWA	SGA	SCGA
Executive Director	50%	25%	25%
Technical Services Manager	50%	25%	25%
Senior Technical - North American		100%	
Senior Technical - South American			100%
Senior Program Manager (WEP)	100%		
Associate Specialist		50%	50%
Project Assistant	80%	10%	10%
Finance/Admin Manager	50%	25%	25%
Executive Assistant	50%	25%	25%
Finance/Admin Assistant		25%	75%
Manager of Strategic Affairs	100%		
Legislative Program Manager	90%	5%	5%
FTE	5.7	2.90	3.40
Estimated FY23 Loaded Labor Costs	\$ 1,322,058	\$ 632,739	\$ 698,739

↑
1.9 technical staff

- Further improved ratio of technical to administrative staff
- Reduced staffing cost compared to current alternative
- Improved number of technical staff committed to groundwater management
 - Local knowledge and expertise should result in more effective long-term management of the SGA area
- Slight improvement to administrative staffing
- Coordinated SGMA implementation in NA and SA subbasins
 - Opportunities for sharing staff to accommodate temporary workload issues
- Improved regional coordination on GW banking and other issues

- Ad Hoc Committee Makeup
- Alternatives
- Governance and Governance Models
- Liability
- Assurances
- Legal costs

- SGMA requires management at subbasin level
 - American River is the boundary between SGA and SCGA
- SGA has existing contract with other GSAs in North American Subbasin
- SGA has well-established relationship with unique group of stakeholders in North American Subbasin
- SGA has unique funding mechanisms
- Potential modifications to governance would need to account for these issues to realize the potential benefits described above

Discussion Topics and Phases for Decision-Making

The recommended approach anticipates boards' decisions to proceed to subsequent phases and finalizing the whole package in Phase 4.

Phase 1

Assessment: issues and questions

Vision for ideal organization

Decision-making timeline

Phase 2

Governance structures and options

- Representation
- Voting
- Public Involvement

Criteria for evaluating options

Phase 3

Staffing, funding, cost structure

Package governance, staffing, funding

Phase 4

Legal structure and documentation

Approval process



Questions and Discussion

Preliminary Cost Estimate

Budget Categories	SCGA Labor	Tech Consultants	Total Cost
General Business	\$ 203,060	\$ -	\$ 203,060
Recurring Tasks	\$ 160,427	\$ 37,500	\$ 197,927
Rate Setting	\$ 60,368	\$ -	\$ 60,368
GSP Development	\$ 225,168	\$ 81,250	\$ 306,418
Critical Planning Activities	\$ 153,540	\$ 6,250	\$ 159,790
Total	\$ 802,563	\$ 125,000	\$ 927,563