

Briefing – SGA Board

SGA – SCGA Potential Consolidation

5/17/2022

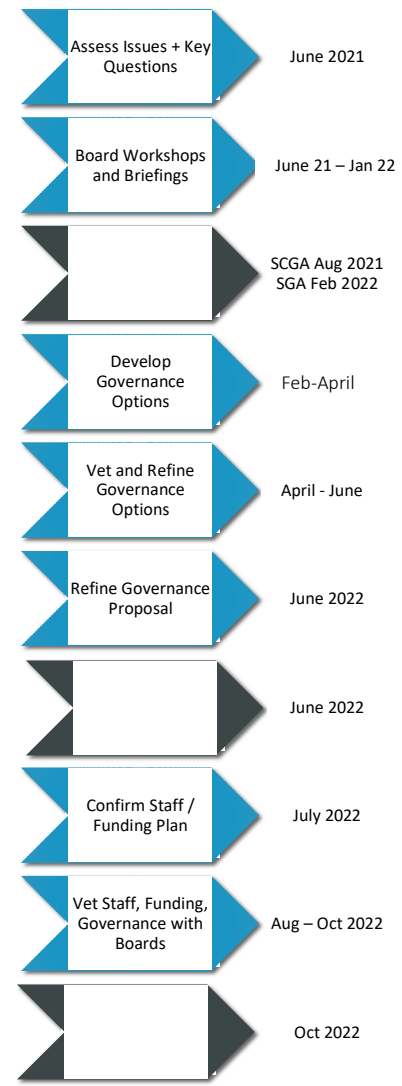
“big picture” Road Map

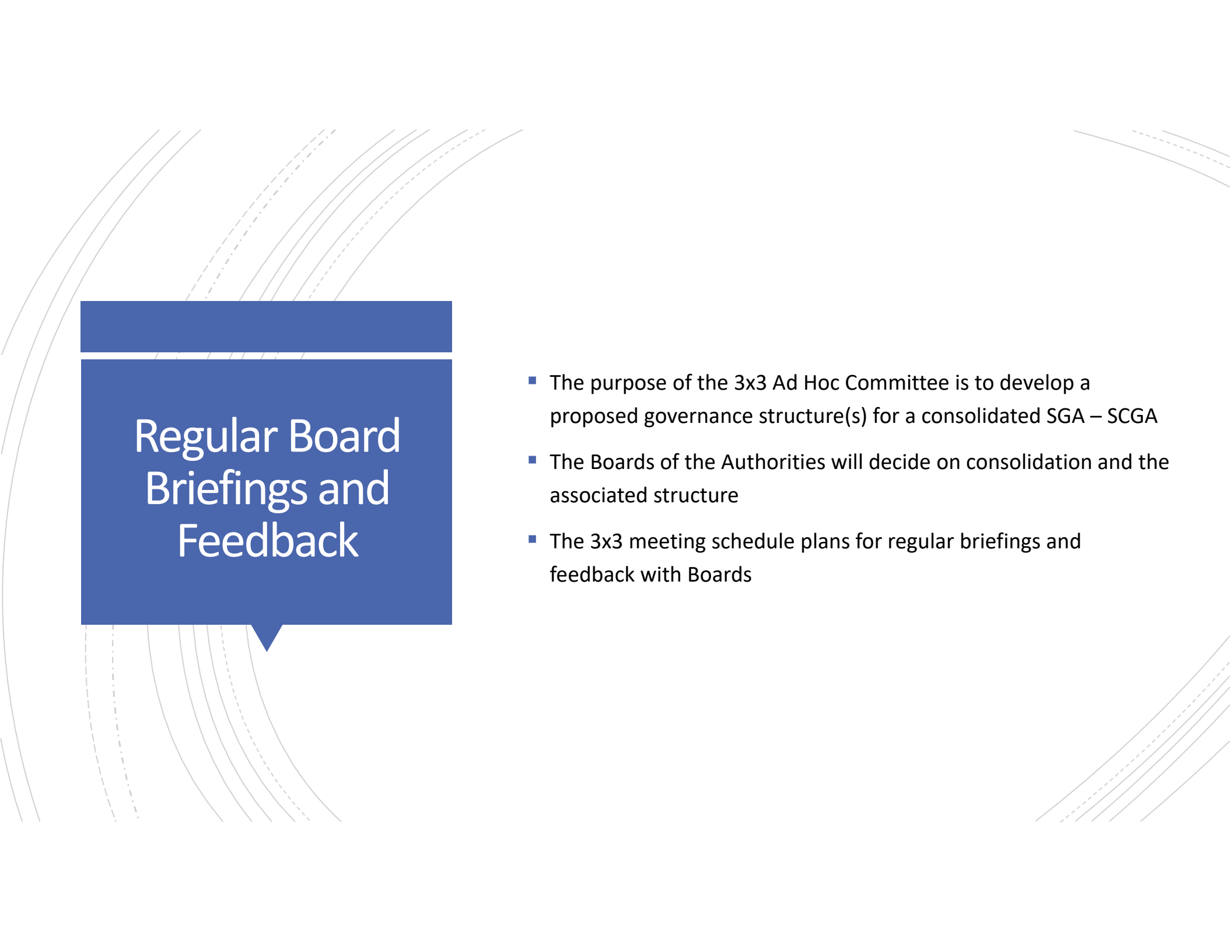
Decision-Making Roadmap: SCGA, SGA, and RWA Shared Operations 01/19/22

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



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Regular Board Briefings and Feedback

- The purpose of the 3x3 Ad Hoc Committee is to develop a proposed governance structure(s) for a consolidated SGA – SCGA
- The Boards of the Authorities will decide on consolidation and the associated structure
- The 3x3 meeting schedule plans for regular briefings and feedback with Boards

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Today's Feedback

- Vision for a Consolidated Entity
- Criteria to Weigh Options
- Roles and Responsibilities for Sustainable Groundwater Management
- Pros and Cons of Preliminary Options

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Vision for a Consolidated Entity

Working Proposal

- ***Sustainably and cost effectively manage groundwater to support the regional economy, environment, and quality of life and collaboratively govern with representation and engagement of water suppliers and stakeholders in the North and South American Subbasins.***

Criteria to Weigh Options

- **Effective regional groundwater coordination**
 - ✓ Facilitates sustainable groundwater coordination and management in the North and South American Subbasins, including successful SGMA implementation and groundwater banking.
- **Representative, yet nimble**
 - ✓ Structure encompasses beneficial users of groundwater, but is small enough to make decisions efficiently.
- **Opportunity for stakeholder engagement**
 - ✓ Creates an opportunity for stakeholder engagement in sustainable groundwater management.
- **Cost efficient**
 - ✓ Provides for operational efficiencies and cost savings.
- **Organizational integration**
 - ✓ Integrates Boards' and organizational cultures. Draws on staff expertise effectively.
- **JPA signatories' support**
 - ✓ Current signatories as well as future (if a JPA would be the structure moving forward).
- **Manages likely legal / financial risks or liability**

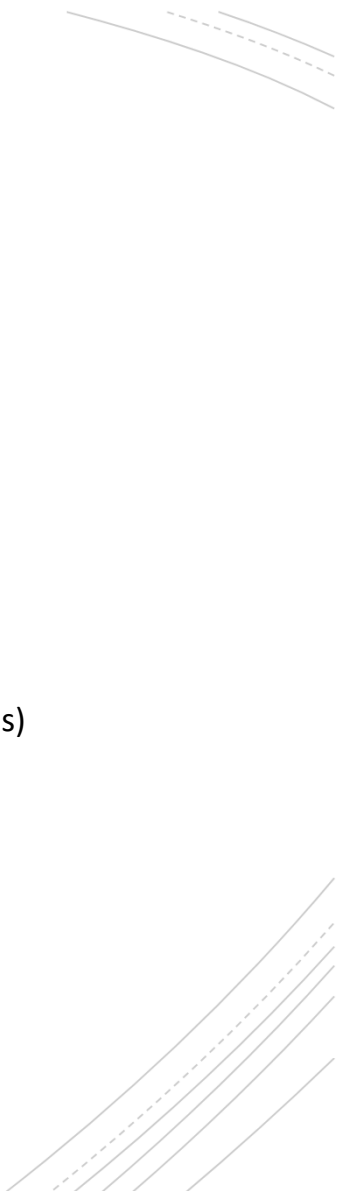
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Board Feedback

Vision and Criteria

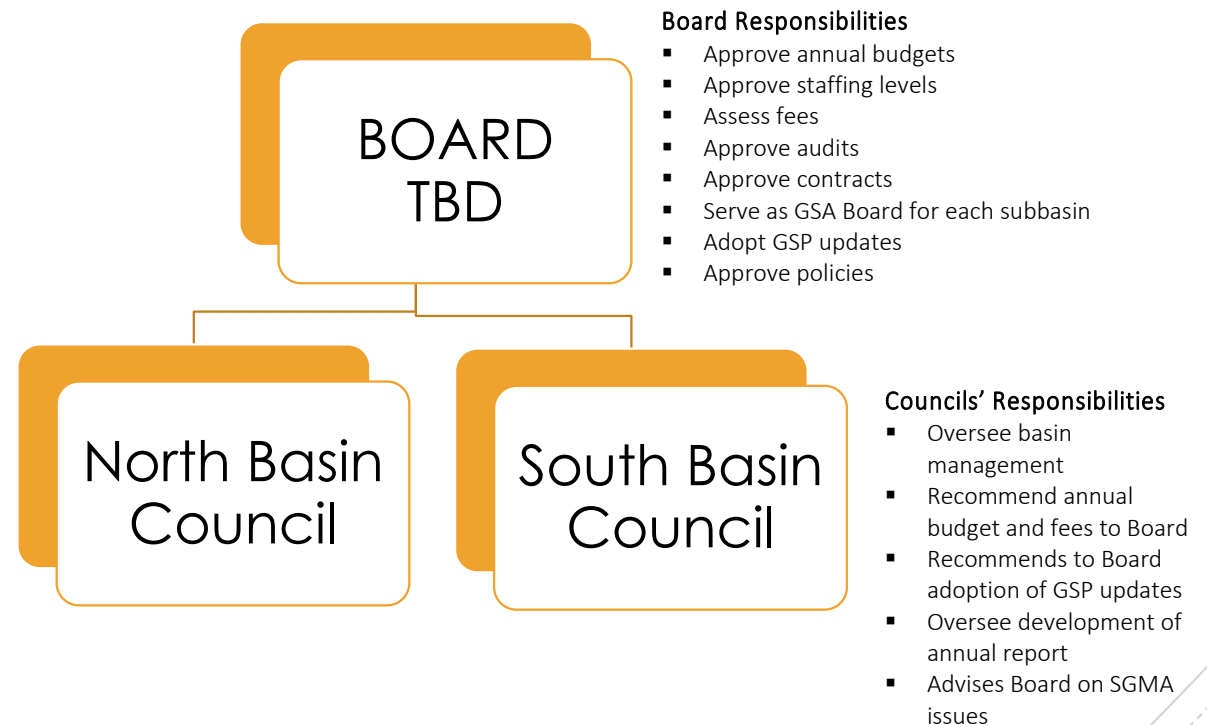


Roles and Responsibilities for Groundwater Management

- Walk through Options under discussion
 - Invite input on pros / cons of each option
 - Then, ask each member:
 - What's your preferred option? And, why? (pros / cons)
- 

Option 1: Board + Active Subbasin Councils

Option 1: Establish Board with active Subbasin Councils
(Either combining existing boards or a reconfiguration)



Option 2

Option 2: Establish Single Board
(Either combining existing boards or a reconfiguration)

BOARD
TBD

Board Responsibilities

- Approve annual budgets and report
- Approve staffing levels
- Assess fees
- Approve audits
- Approve contracts
- Serve as GSA Board for each subbasin
- Adopt GSP updates
- Approve policies
- Responsible basin management
- Can form committees, including one for each subbasin

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Option 3

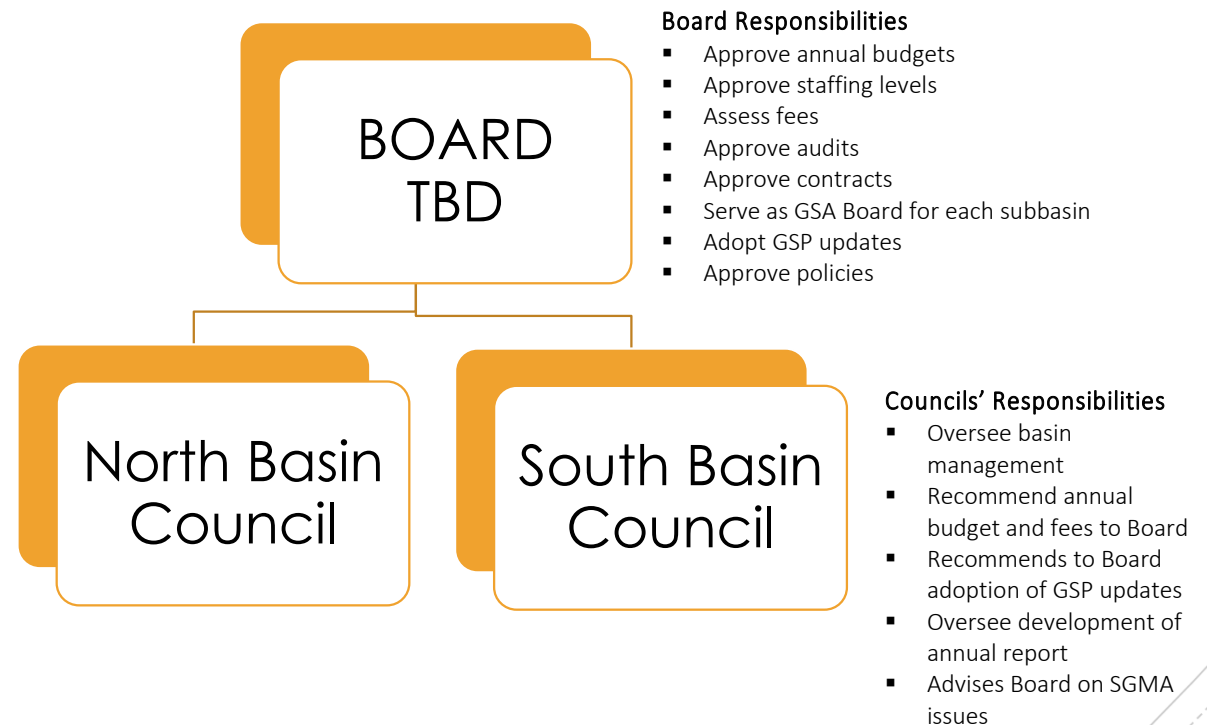
Option 3 "SGMA Model" - Eliminate existing JPA Authority and Re-form under SGMA
(using MOA or JPA with an additional agreement with investor-owned utilities)



Pros / Cons of
Options

Option 1: Board + Active Subbasin Councils

Option 1: Establish Board with active Subbasin Councils
(Either combining existing boards or a reconfiguration)



Pros	Cons	Other Considerations
<ul style="list-style-type: none"> ▪ Subbasin councils go in-depth on specific GW issues ▪ Preserves some functional elements of SGA & SCGA ▪ Allows flexible response to local needs 	<ul style="list-style-type: none"> ▪ Bifurcation does not necessarily support co-managing groundwater resources to the benefit of everyone ▪ Potential inefficiencies with multiple authorities and meetings ▪ Complication identifying what issues apply to only one basin vs. both basins 	<ul style="list-style-type: none"> ▪ Current JPA could change ▪ Basin councils retain expertise ▪ Shared staff and coordinated meetings would help with consistency of information ▪ Would representatives that pump from both basins have more votes or power?

Option 1 Pros / Cons / Considerations

- *Subbasin councils would provide a forum for subbasin-specific groundwater issues and targeted stakeholder engagement*

Option 2

Option 2: Establish Single Board
(Either combining existing boards or a reconfiguration)

BOARD
TBD

Board Responsibilities

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Pros	Cons	Other Considerations
<ul style="list-style-type: none"> • Easier to keep board informed • Potentially more streamlined 	<ul style="list-style-type: none"> • Would require large and possibly duplicative board to represent all the representative interests • Concern for less (or diluted) local control and engagement in technical issues 	<ul style="list-style-type: none"> • Board could form topic-specific committees • “Roll call” system could provide regional emphasis • If these two subbasins combine, there may be justification to combine the whole Sacramento Valley basin – where are the “firewalls”?

Option 2 Pros / Cons / Considerations

- *Topic-specific subcommittees would be the forum for regional issues and stakeholder engagement*

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Option 3

Option 3 "SGMA Model" - Eliminate existing JPA Authority and Re-form under SGMA
(using MOA or JPA with an additional agreement with investor-owned utilities)

Pros	Cons	Other Considerations
<ul style="list-style-type: none"> Participants have more flexibility in appointing their representatives Could eliminate minor inconsistencies between SGMA authority and existing JPA limitations 	<ul style="list-style-type: none"> SCGA would not be able to proceed as CalPERS employer MOAs tend to be less autonomous bodies resulting in inefficiencies in decision-making If an MOA participant withdraws, could leave gap in management area 	<ul style="list-style-type: none"> The JPA could be refined rather than using an MOA Note, GSAs can control groundwater extractions by regulating, limiting, or suspending extractions (WC Section 107246.4)

Option 3 Pros / Cons / Considerations

Re-form under SGMA

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Feedback

- What are your thoughts?
- What else should would you like the 3x3 Ad Hoc Committee to be thinking about?
- What are the pros / cons of these options?
- Role Call – What is your preferred option? And, why? In terms of pros / cons

What's Next

3x3 Meeting
5/17 and
5/24

Consider
subsequent
session with
Boards in
June / July

Assess
Progress

