



SACRAMENTO GROUNDWATER AUTHORITY
MEETING OF THE BOARD OF DIRECTORS

Thursday, April 11, 2024
at 9:00 a.m.

2295 Gateway Oaks, Suite 100
Sacramento, CA 95833
(916) 967-7692

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.

IMPORTANT NOTICE REGARDING VIRTUAL PUBLIC PARTICIPATION:

The Sacramento Groundwater Authority currently provides in person as well as virtual public participation via the Zoom link below until further notice. 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.

Join Zoom Meeting

<https://us06web.zoom.us/j/86234537375>

Meeting ID: 862 3453 7375

Dial by your location

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If we experience technical difficulties and the Zoom link drops and you are no longer able to connect to the Board meeting, please dial 1-877-654-0338 – Guest Code 198

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 jpeifer@rwah2o.org. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

AGENDA

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:

All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.

3.1 Approve the draft meeting minutes of February 8, 2024 SGA Board meeting.

Action: Approve Consent Calendar items as presented

4. REVISIONS TO POLICY 400.3 (BUDGET POLICY)

Presenter: Tom Hoffart, Finance and Administrative Services Manager

Discussion/Action: Approve Revisions to Policy 400.3 (Budget Policy)

5. FISCAL YEAR 2023/2024 BUDGET AMENDMENT

Presenter: Tom Hoffart, Finance and Administrative Services Manager

Discussion/Action: Approve Fiscal Year 2023/2024 Budget Amendment

6. FISCAL YEAR 2024/2025 BUDGET

Presenter: Tom Hoffart, Finance and Administrative Services Manager

Discussion/Action: Adopt Resolution No. 2024-01 to fund the administrative and program budgets for Fiscal Year 2024/2025 and provide for the collection of said funds

7. INFORMATION: SACRAMENTO REGIONAL WATER BANK UPDATE

Presenter: Trevor Joseph, Manager of Technical Services

8. INFORMATION: SUSTAINABLE GROUNDWATER MANAGEMENT ACT GROUNDWATER SUSTAINABILITY PLAN IMPLEMENTATION AND WATER ACCOUNTING FRAMEWORK UPDATES

Presenter: Trevor Joseph, Manager of Technical Services

9. INFORMATION: LEGISLATIVE UPDATE

Presenter: Ryan Ojakian, Manager of Government Relations

10. EXECUTIVE DIRECTOR'S REPORT

11. DIRECTORS' COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meetings:

June 13, 2024, 9:00 a.m. at the RWA/SGA office, 2295 Gateway Oaks, Suite 100, Sacramento, CA 95833. The location is subject to change.

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

Posted on: April 4, 2024

Ashley Flores

Ashley Flores, CMC, Secretary

2024 SGA BOARD MEMBERS

| Organization | Representative/Alternate | Appointing Authority | Term Ends |
|------------------------------------|---|-----------------------------|--------------------------------------|
| California American Water | S. Audie Foster Christina Baril (Alternate) | Sacramento City Council | August 2024 |
| Carmichael Water District | Paul Selsky Chair Jeff Nelson (Alternate) | Sacramento County | August 2026 |
| Citrus Heights Water District | Caryl Sheehan Raymond Riehle (Alternate) | Citrus Heights City Council | August 2024 |
| City of Folsom | Marcus Yasutake YK Chalamcherla (Alternate) Todd Eising (Alternate) | Folsom City Council | Jan 2027 |
| City of Sacramento | Lisa Kaplan Shoun Thao (Alternate) Brett Ewart (Alternate) | Sacramento City Council | April 2025 (Annual Review) |
| County of Sacramento | Chris Hunley Vice Chair Kerry Schmitz (Alternate) Matt Satow (Alternate) | Sacramento County | July 17, 2026 |
| Del Paso Manor Water District | Robert Matteoli Gwynne Pratt (Alternate) | Sacramento City Council | August 2024 |
| Fair Oaks Water District | Randy Marx Christian Petersen (Alternate) | Sacramento County | August 2026 |
| Golden State Water Company | Paul Schubert Lawrence Dees (Alternate) | Sacramento City Council | August 2024 |
| Natomas Central MWC | Matt Lauppe Brett Gray (Alternate) | Sacramento City Council | August 2024 |
| Orange Vale Water Company | John Wingerter Craig Davis (Alternate) | Sacramento County | August 2026 |
| Rio Linda/Elverta CWD | Mary Harris Anthony Cline (Alternate) | Sacramento County | August 2026 |
| Sacramento Suburban Water District | Jay Boatwright Robert Wichert (Alternate) Kevin Thomas (Alternate) | Sacramento City Council | July 2026 <i>(Updated 4/4/23)</i> |
| San Juan Water District | Ted Costa Dan Rich (Alternate) | Sacramento County | August 2026 |
| Agriculture | Mike DeWit Nathan Doyel (Alternate) | Sacramento County | August 2026 |
| Self-Supplied Industry | Vacant | Sacramento City Council | August 2024 |

Topic: Public Comment
Type: New Business
Item For: Information/Discussion
Purpose: Routine

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| SUBMITTED BY: | Ashley Flores, CMC Secretary | PRESENTER: | Paul Selsky Chair |
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EXECUTIVE SUMMARY

This is an information item to provide an opportunity for the Sacramento Groundwater Authority Board of Directors to recognize or hear from visitors that may be attending the meeting or to allow members of the public to address the Board of Directors on matters that are not on the agenda.

As noted on the agenda, members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.

STAFF RECOMMENDED ACTION

None. This item is for information only.

BACKGROUND

Public agencies are required by law to provide an opportunity for the public to address the SGA Board of Directors matters that are not on the agenda.

3.0 CONSENT CALENDAR

Topic: Meeting Minutes
Type: Consent Calendar
Item For: Action; Motion to Approve
Purpose: [SGA Policy 200.1, Chapter 3.15](#)

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| SUBMITTED BY: | Ashley Flores, CMC Secretary | PRESENTER: | Jim Peifer Executive Director |
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EXECUTIVE SUMMARY

This is an action item for the Sacramento Groundwater Authority Board of Directors to review and consider approving the draft minutes of the regular Sacramento Groundwater Authority Board of Directors Meeting of February 8, 2024.

STAFF RECOMMENDED ACTION

A motion to approve the draft minutes, as presented or amended.

BACKGROUND

The draft minutes of the above referenced meetings are included with this Agenda. The minutes reflect the SGA Policy 200.1, § 3.15 to document specific details on items discussed at the meetings.

The Executive Director may list on the agenda a "consent calendar", which will consist of routine matters on which there is generally no opposition or need for discussion. Examples of consent calendar items might include approval of minutes, financial reports and routine resolutions. Any matter may be removed from the consent calendar and placed on the regular calendar at the request of any member of the Board. The entire consent calendar may be approved by a single motion made, seconded and approved by the Board.

FINDING/CONCLUSION

Staff believes the draft of the presented minutes correctly reflect the information shared and actions taken by the Board of Directors.

ATTACHMENTS

Attachment 1- Draft meeting minutes of the Sacramento Groundwater Authority Board of Directors Meeting of February 8, 2024

Attachment 1

**Draft meeting minutes of the Sacramento Groundwater Authority Board of
Directors Meeting of February 8, 2024**



SACRAMENTO GROUNDWATER AUTHORITY

**Board Meeting
Draft Minutes
February 8, 2024**

1. CALL TO ORDER

Chair Selsky called the regularly scheduled meeting of the SGA Board of Directors to order at 9:00 a.m. at the RWA conference room located at 2295 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833.

A quorum was established of 12 participating members. Individuals in attendance are listed below:

Board Members

Paul Selsky, Carmichael Water District - Chair
Caryl Sheehan, Citrus Heights Water District
Marcus Yasutake, City of Folsom
Todd Eising, City of Folsom (Alternate)
Lisa Kaplan, City of Sacramento
Brett Ewart, City of Sacramento (Alternate)
Chris Hunley, County of Sacramento
Robert Matteoli, Del Paso Manor Water District
Gwynne Pratt, Del Paso Manor Water District (Alternate)
Randy Marx, Fair Oaks Water District
John Wingerter, Orange Vale Water Company
Mary Harris, Rio Linda/Elverta Community Water District
Jay Boatwright, Sacramento Suburban Water District
Ted Costa, San Juan Water District
Mike DeWit, Agriculture

Staff Members

Jim Peifer, Trevor Joseph, Tom Hoffart, Ryan Ojakian, Raiyna Villasenor, and Chris Sanders, legal counsel

Others in Attendance

Brynn Jensen, Forsgren Associates; Alan Driscoll, Forsgren Associates; Greg Zlotnick, San Juan Water District; Paul Helliker, San Juan Water District; Tim Shaw, Rio Linda/Elverta Community Water District; Chris Shepard, Orange Vale Water Company; Cathy Lee, Carmichael Water District; Kevin Thomas, Sacramento Suburban Water District; Criag Locke, Sacramento Suburban Water District; Barbara Evoy; Ted Rauh, Environmental Counsel of Sacramento; Ali Taghavi, Woodard and Curran; Vanesa Nishikawa, Stantec; Lisa Porta, Montgomery and Associates; Rebecca Scott, Citrus Heights Water District; Robert Wichert, Sacramento Suburban Water District; Tony Barela, San Juan Water

District;

2. PUBLIC COMMENT

Mr. Ted Rauh commented on the letter sent to the SGA Board on the benefits of including a public member on the Board of Directors of groundwater sustainability agencies.

3. CONSENT CALENDAR

- 3.1 Approve the draft meeting minutes of December 14, 2023 regular SGA Board meeting.
- 3.2 Appoint Tom Hoffart as Acting Board Clerk
- 3.3 Appoint Tom Hoffart as Controller and Treasurer
- 3.4 Approve Staff Cost of Living Adjustments in accordance with Policy 100.3

A motion was made to approve the Consent Calendar.

Motion/Second/Carried Director Ewart moved with a second by Director Matteoli

Paul Selsky, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Lisa Kaplan, City of Sacramento; Chris Hunley, County of Sacramento; Robert Matteoli, Del Paso Manor Water District; Randy Marx, Fair Oaks Water District; John Wingerter, Orange Vale Water District; Mary Harris, Rio Linda/Elverta Community Water District; Jay Boatwright, Sacramento Suburban Water District; Ted Costa, San Juan Water District; Mike DeWit, Agriculture; voted yes. Motion passed.

Ayes- 12

Noes- 0

Abstained- 0

Absent- 4

4. SUSTAINABLE GROUNDWATER MANAGEMENT ACT GROUNDWATER SUSTAINABILITY PLAN IMPLEMENTATION AND ROUND 2 GRANT AWARD

Mr. Joseph made a presentation to the Board.

A motion was made to waive SGA Policy 300.1 and Authorize the Executive Director to enter into separate agreements for consulting services with GEI Consultants, Woodard Curran, and West Yost.

Motion/Second/Carried Director Yasutake moved with a second by Director Costa

Paul Selsky, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Lisa Kaplan, City of Sacramento; Chris

Hunley, County of Sacramento; Robert Matteoli, Del Paso Manor Water District; Randy Marx, Fair Oaks Water District; John Wingerter, Orange Vale Water District; Mary Harris, Rio Linda/Elverta Community Water District; Jay Boatwright, Sacramento Suburban Water District; Ted Costa, San Juan Water District; Mike DeWit, Agriculture; voted yes. Motion passed.

Ayes- 12
Noes- 0
Abstained- 0
Absent- 4

5. DEVELOPMENT OF THE ANNUAL REPORT

Mr. Peifer and Mr. Joseph explained the process of the Annual Report.

Ms. Barbara Evoy and Mr. Ted Rauh requested the Board allow for public input of the Annual Report.

Director Kaplan requested staff provide the annual reports to community members that are interested. Director Matteoli stated a concern about staff time being devoted to addressing items outside the compliance of SGMA.

6. DEVELOPMENT OF SGA FISCAL YEAR 2024 – 2025 BUDGET

Mr. Hoffart made a presentation to the Board.

Chair Selsky appointed a Budget Ad Hoc Committee consisting of Directors Paul Schubert, Brett Ewart, and Jay Boatwright

7. SGA 2024 STRATEGIC PRIORITIES

Mr. Joseph presented the SGA 2024 Strategic Priorities to the Board. Mr. Peifer noted that Mr. Costa requested an additional priority in section 3 that is: “Monitor the development of the Sacramento Regional Water Bank, receive regular briefings on progress, and weigh in when appropriate and necessary with policy direction consistent with SGA’s authorities and responsibilities.”

A motion was made to approve the Strategic Priorities and include Mr. Costa’s requested language.

Motion/Second/Carried Director Ewart moved with a second by Director Matteoli

Paul Selsky, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Lisa Kaplan, City of Sacramento; Chris Hunley, County of Sacramento; Robert Matteoli, Del Paso Manor Water District;

Randy Marx, Fair Oaks Water District; John Wingerter, Orange Vale Water District; Mary Harris, Rio Linda/Elverta Community Water District; Jay Boatwright, Sacramento Suburban Water District; Ted Costa, San Juan Water District; Mike DeWit, Agriculture; voted yes. Motion passed.

Ayes- 12
Noes- 0
Abstained- 0
Absent- 4

8 EXECUTIVE DIRECTOR’S REPORT

Executive Director Peifer referred the Board to his written report. Mr. Peifer amended his report to disclose that the RWA was selected by the Department of Water Resources for a Watershed Resilience Pilot Project Grant.

9 DIRECTORS’ COMMENTS

Director Ewart explained that the City of Sacramento on average pumps approximately 20,000 acre-feet of groundwater per year. However, this year it is anticipated pumping will be reduced to approximately 9,000 acre-feet per year as the City of Sacramento has been able to use proportionally more surface water than groundwater to meet demands. Director Ewart explained that the reduction of pumping is resulting in an in-lieu recharge banking action on the part of the City of Sacramento.

ADJOURNMENT

With no further business to come before the Board, Chair Selsky adjourned the meeting at 10:33 a.m.

By:

Paul Selsky, Chair

Attest:

Tom Hoffart
Alternate Board Clerk

Topic: Revisions to SGA Policy 400.3 (Budget Policy)
 Type: New Business
 Item For: Motion to Approve
 Purpose: [SGA Policy 400.3](#)

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| SUBMITTED BY: | Tom Hoffart, Finance & Administrative Services Manager | PRESENTER: | Tom Hoffart, Finance & Administrative Services Manager |
|---------------|--|------------|--|

EXECUTIVE SUMMARY

This is an action item for the Sacramento Groundwater Authority Board of Directors to review and update SGA Policy 400.3 (Budget Policy).

STAFF RECOMMENDED ACTION

A motion to approve revisions to SGA Policy 400.3 (Budget Policy).

BACKGROUND

During the course of preparing the Fiscal Year 2024/2025 Budget, it was discovered that there were discrepancies between the Joint Powers Agreement and SGA Policy 400.3 (Budget Policy) related to when the adoption of the fiscal year budget should occur. The Joint Powers Agreement (See Attachment 2 for excerpt) states that the budget should be adopted “prior to commencement of each fiscal year.” SGA Policy 400.3 (Budget Policy), included wording that the budget “must be approved within 90 days of July 1st.” In order to align SGA Policy 400.3 (Budget Policy) with the Joint Powers Agreement, staff proposes the revisions to the policy on Attachment 1.

ATTACHMENTS

- Attachment 1 – SGA Policy 400.3 (Budget Policy)
- Attachment 2 – SGA Joint Powers Agreement (Excerpt)

SACRAMENTO GROUNDWATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Fiscal Management
Policy Title : Budget Policy
Policy Number : 400.3
Date Adopted : February 13, 2014
Date Amended : April 11, 2024

BUDGET POLICY

The purpose of the budget process is to help the Board and Executive Director make informed choices about the provision of services and capital assets. It is important for the budget process to link organizational goals and objectives, focus on results and outcomes, and incorporate a long-term perspective. The Board, along with the Executive Director, will determine a proposed plan of action for SGA program objectives and deliverables. These objectives and deliverables are based upon the needs of the SGA members. This plan then drives the proposed expenses for the fiscal year.

The Budget

The annual operating budget is a summary of proposed expenditures for a particular fiscal year, including allocated costs incurred from the Regional Water Authority (“RWA”)^a under the Administrative and Management Services Agreement. The budget format summarizes expenditures by major category type, such as allocated administrative staffing costs, direct and allocated office costs, direct and allocated external professional fees, other direct or allocated costs^b, and special project or program expenses. The operating budget identifies the funding sources to pay for the expenditures, including proposed membership dues and other sources such as grants and investment earnings. The budget also estimates available cash designations/reserves used or contributed to and the estimated remaining balances for the end of the fiscal year.

Budget Approval

Each fiscal year, the Board will authorize a budget for the ensuing fiscal year ~~and must be approved within 90 days of July 1st.~~ Adoption of the annual budget typically occurs in the April or June Board meeting, and must be approved prior to the beginning of the next fiscal year on July 1. The Board adopts the annual overall budget which

^a SGA is managed under an Administrative and Management Services Agreement by RWA. Under this agreement, SGA is managed by the RWA and utilizes RWA employees, including the RWA executive director to execute SGA’s operational objectives.

^b Examples of these costs include office or field equipment purchases.

summarizes the objectives and the related expenses. Under the Administrative and Management Services Agreement, the Executive Director is responsible for the execution of the budget, including contracting with vendors and operating within the SGA guidelines Policy Number 300.1, Architectural and Engineering Services Selection Policy.

The annual budget also may project up to four future years of expenditures and revenues. This information allows the Board and members to understand the impact of the current year's decisions on future costs and programs. It also allows members to plan for membership expenses in the future. However, approving the annual budget does not approve the projected budget for future years.

Members and Contracting Entities (consistent with the terms of the SGA JPA) will share in the general operating and administrative cost of operating the SGA, as outlined in the annual budget documents.

The Board of Directors may approve, from time to time, an advance or contribution to proposed projects or program specific activities. The reimbursement of these start-up costs or contributions from subscribing Members and/or Contracting Entities will be required once the contemplated project or program is implemented as contained in the Project or Program Agreement. Sometimes the payment of these proposed projects or program specific activities may have some other sources, such as local, state and federal grants.

Overall Operating Principles

The overall operating principles that must be followed by the Executive Director in executing the approved budget are as follows:

- 1) Overall annual expenditures and expenses should be at or below budget, unless previously approved by the Board of Directors;
- 2) The Executive Director must follow Policy Number 300.1, Architectural and Engineering Services Selection Policy; and
- 3) Annual expenditures and expenses must meet the organizational objectives and goals outlined for the fiscal year.

In executing the Authority's objectives and goals, the Executive Director may re-allocate budget resources from one major category to another in order to achieve those objectives. For example, in executing necessary staffing to achieve workload, it may be necessary to hire consulting services if an employee is unavailable to execute their duties. Any reallocation of budget resources shall follow the operating principles above, and must not increase any major category type by greater than 25% or \$50,000.

The major category budget line re-allocation authority excludes re-allocation to or from administrative staffing costs. Any changes exceeding this major budget category must

be explicitly approved by the RWA Executive Committee and be communicated to the SGA Board of Directors.

Quarterly Reporting

The Executive Director will provide a quarterly report of budget versus actual results for the current fiscal year. Additionally, the Executive Director will provide the information related to re-allocation of major category budget resources that became necessary to achieve the Authority's objectives.

(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.

17. Budgets. Within ninety days after the first meeting of the governing board of the Authority, and thereafter prior to the commencement of each fiscal year (defined as July 1 through June 30), the governing board shall adopt a budget for the Authority for the ensuing fiscal year.

18. Termination. This Agreement shall remain in effect until terminated by one of the parties hereto pursuant to this section. This Agreement may be terminated by any of the parties hereto at any time and for any reason by providing ninety (90) days written notice of termination to the other parties. Except as provided in Section 19(b) hereof, the Authority shall automatically terminate upon the effective date of the termination of this Agreement.

19. Disposition Of Authority Assets Upon Termination.

(a) In the event of the termination of the Authority where there will be a successor public entity which will carry on the functions of the Authority and assume its assets, the assets of the Authority shall be transferred to the successor public entity.

Topic: SGA Fiscal Year 2023/2024 Budget Amendment
Type: New Business
Item For: Motion to Approve
Purpose: [SGA Policy 400.3](#)

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| SUBMITTED BY: | Tom Hoffart, Finance & Administrative Services Manager | PRESENTER: | Tom Hoffart, Finance & Administrative Services Manager |
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EXECUTIVE SUMMARY

This is an action item for the Sacramento Groundwater Authority Board of Directors to review and consider approving the Proposed Fiscal Year 2023/2024 budget amendment.

STAFF RECOMMENDED ACTION

A motion to approve a FY 2023/2024 budget amendment for the projected NASb SGMA Grant Revenues of \$453,929 and related Consulting Expenses of \$453,929.

BACKGROUND

The Board of Directors approves an annual budget each year based on projections. After adoption of the FY 2023/2024 budget, the SGA was awarded a NASb SGMA Grant from the Department of Water Resources. As a result, the NASb SGMA Grant related Revenues and Expenses were not included in the budget. In order to remain on track with the NASb SGMA Grant deadlines, it is projected that the consulting expenses will be \$453,929 and related grant revenue will be \$453,929 for FY 2023/2024.



Topic: SGA Fiscal Year 2024/2025 Budget
 Type: New Business
 Item For: Motion to Approve
 Purpose: [SGA Policy 400.3](#)

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| SUBMITTED BY: | Tom Hoffart, Finance & Administrative Services Manager | PRESENTER: | Tom Hoffart, Finance & Administrative Services Manager |
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EXECUTIVE SUMMARY

This is an action item for the Sacramento Groundwater Authority Board of Directors to review and consider approving the Proposed Fiscal Year 2024/2025 Budget.

STAFF RECOMMENDED ACTION

A motion to adopt Resolution 2024-01, a Resolution of the Sacramento Groundwater Authority Adopting and Assigning Costs to Fund the Administrative and Program Budgets for FY 2024/2025 and Providing for the Collection of Said Funds.

SUMMARY BUDGET OVERVIEW

The draft budget included in the packet is based upon the following fees and expenditures.

Fees:

- 1) Total Fee increase of \$26,156 or 2.88% is proposed for FY 2024/2025.
- 2) The total fee calculation will continue to be based upon both a base fee and groundwater fee. The total base fee represents 42% and the total groundwater fee represents 58% of the total fee, respectively.
- 3) Each agency will experience an increase or decrease in fees that is different from the total fee increase, based upon the change in their number of connections and groundwater pumping averages from calendar year 2022 to 2023.
- 4) The proposed base fee is \$12,562 plus \$1.63 per connection over 6,000 connections within SGA boundaries, which represents a 3% rate increase. The proposed groundwater fee is \$7.74 per the five-year average acre-foot of groundwater pumped within SGA boundaries, which represents a 9% rate increase. The total SGA five-year average acre-feet of groundwater pumped decreased 5.9% from 74,377 in calendar year 2022 to 69,989 in calendar year 2023.
- 5) Interest income projections have been adjusted up based on recent returns.

Expenses:

- 1) SGA will continue to share 50/50 in the administrative costs incurred by RWA to run both organizations under the agreement between RWA and SGA for administrative and management services.

- 2) SGA share of RWA employee costs include the equivalent of 3.4 full time employees, which include 50% of the Executive Director, Manager of Technical Services, Finance & Administrative Services Manager and Executive Assistant (2.0 FTE), 20% of the Project Research Assistant II (0.2 FTE), 20% of the Manager of Government Relations (0.2 FTE) and 100% of the Senior Project Manager (1.0 FTE).
- 3) Staff Salaries/Wages increase includes an estimated COLA of 4%, merit increases for employees that are below Step 6 on the compensation schedule, Executive Director Contract increase and an additional 10% RWA cost share for the Manager of Government Relations.
- 4) Benefit expenses include increases for health care costs at the OPEB Actuary rate of 5.50%, increase in OPEB costs due to a new actuary report, increase in CalPERS required contributions and an increase related to an additional 10% RWA cost share for the Manager of Government Relations.
- 5) Based on the most recent CalPERS Classic and PEPRRA actuarial valuations, SGA has an unfunded accrued liability of \$207,636 for SGA's pension. Per policy SGA policy 400.4, SGA will make an additional unfunded liability payment of 1/4th the unfunded accrued liability or \$52K. SGA made no additional unfunded liability payment in FY 2023/2024 and the historical average has been ~\$28K.
- 6) Office expense increases include an increase in rent expense due to the first full year of rent payments being made for the new office, events increase for Holiday and ACWA Socials and making funds available for a potential membership in the California Special Districts Association.
- 7) Professional fees include public relations, human resources, audit and legal services. Decrease is primarily due to no longer needing an accounting consultant and receiving the NASb SGMA Grant, which covers consulting expenses for the GSP Implementation.
- 8) Other expenses decreased due to no longer needing funds for an office move and no longer needing to contribute to the GSP Implementation due to receiving the NASb SGMA Grant.
- 9) Program revenues/expenses is related to the NASb SGMA Grant. Staff time reimbursements offset staff expenses and are projected at ~\$162K in FY 2024/2025.

Designations:

- 1) The operating fund plus undesignated cash is projected to be 4.0 months; which is within SGA Policy 400.2 required reserve target range.
- 2) GSA Funding for NASb SGMA Grant designation is cash that is to be used to fund the NASb SGMA Grant that was received as part of the GSP Implementation MOU. The amount designated will include any cash not needed to meet the minimum SGA Operating Reserve requirement, up to the total amount owed to the GSA's.

Budget Results:

The proposed FY 2024-2025 budget a Net Loss (Deficit) of \$12,333 and an ending operating reserve cash balance necessary to meet SGA's minimum operating reserve requirement of 4.0 months.

ATTACHMENTS

Attachment 1 – Resolution 2024-01

Attachment 2 – Proposed Administrative Budget for Fiscal Year 2024/2025

Attachment 3 – Proposed Administrative Fees for Fiscal Year 2024/2025

Attachment 4 – Proposed Fiscal Year 2024/2025 Budget PowerPoint Presentation

RESOLUTION NO. 2024-01

**A RESOLUTION OF THE
SACRAMENTO GROUNDWATER AUTHORITY
ADOPTING AND ASSIGNING COSTS
TO FUND THE ADMINISTRATIVE AND PROGRAM BUDGETS FOR FY 2024-2025,
AND PROVIDING FOR THE COLLECTION OF SAID FUNDS**

The Board of Directors of the Sacramento Groundwater Authority (SGA) does hereby make the following findings:

- A. SGA was created for the purposes of protecting, preserving, and enhancing the groundwater resources in the North Area Basin for current and future beneficial uses of all water users in SGA's boundaries. SGA will manage the North Area Basin through conjunctive use programs and financial regulation of water use. SGA will utilize to the full extent necessary, and consistent with the Joint Powers Agreement, all of the common powers of the County of Sacramento, City of Sacramento, City of Citrus Heights, and City of Folsom to achieve its purposes.
- B. SGA's administrative budget for FY 2024-2025 is specified in Attachment A. The budget includes projections of revenues, staff expenses, office expenses, professional fees, non-recurring expenses, program revenues/expenses, and cash balances. The administrative budget is required for SGA to finance the administrative activities necessary to implement SGA's mission of protecting, preserving and managing the North Area Basin.
- C. For reasons of economy and efficiency, the Board of Directors of SGA finds that it is in SGA's best interest to allocate costs for the FY 2024-2025 administrative budget among water purveyors within the North Area Basin. All other non-purveyor groundwater producers and surface water users are exempt from financing the costs of the FY 2024-2025 administrative budget. Non-purveyor groundwater producers and surface water users have been exempted from FY 2024-2025 because of the difficulty and costs associated with ascertaining information and locations of approximately 1,500 private wells and an unknown number of surface water diverters in the North Area Basin. The costs associated with inclusion of all users in the North Area Basin would have caused SGA's FY 2024-2025 administrative costs to increase significantly, and could not presently be justified in light of the marginal increase in revenues that such users would contribute. In future fiscal years, if SGA determines that it would further the purposes of the SGA, other water users and groundwater producers in the North Area Basin may also be required to contribute to the costs of the administrative budget.

- D. The Board finds that the FY 2024-2025 budget should be funded by established water purveyors in the North Area Basin because they can be economically and efficiently identified and because they will most likely be benefited and affected in the future by SGA's groundwater management and conjunctive use programs. The Board finds that the following established water purveyors should finance the administrative budget costs for FY 2024-2025 based on the equitable formula set forth herein: California American Water, Carmichael Water District, Citrus Heights Water District, City of Folsom, City of Sacramento, County of Sacramento, Del Paso Manor Water District, Fair Oaks Water District, Golden State Water Company, Natomas Central Mutual Water Company, Orange Vale Water Company, Rio Linda/Elverta Community Water District, Sacramento Suburban Water District, and San Juan Water District.

The allocation of SGA's administrative costs among groundwater pumpers and surface water users is predicated upon the anticipated benefits to be received by each classification from SGA's administrative activities, in the context of SGA's purposes and objectives. The groundwater management program, because of conjunctive use, supports and strengthens surface water user supplies and water rights. Groundwater management enhances the overall availability and reliability of water supply for all water users in the North Area Basin. Groundwater pumpers depend upon the North Area Basin almost entirely for their supplies, while surface water users currently depend upon the basin, in varying degrees, for peak and emergency water needs to supplement their surface water supplies. In the future, when SGA implements its groundwater management and conjunctive use programs, surface water users may become more reliant upon the North Area Basin not only during times of drought and for meeting peaking and emergency water demands, but also for normal operations; a sustainable and healthy North Area Basin also increases opportunities for surface water users to transfer water to areas both inside and outside of the North Area Basin. At this time, however, the benefits of SGA's administrative functions accrue primarily to groundwater producers, since management of the North Area Basin is the primary purpose of SGA.

- E. The Board, therefore, finds that a reasonable and equitable allocation of costs for the FY 2024-2025 administrative budget should include a Base Fee component and a Groundwater Pumping Fee component. The Base Fee shall be assessed to all member entities based on the number of connections served by the member entity. The Base Fee shall be \$12,562 plus \$1.63 per connection for connections over 6,000, with no cap on connections. The Groundwater Pumping Fee shall be \$7.74 per acre-foot, based on a five-year average extraction from the North Area Basin during 2019 through 2023. Purveyors that pump groundwater from the North Area Basin shall pay both the Groundwater Pumping Fee and the Base Fee. *The minimum fee for all*

SGA member agencies will be \$12,562 regardless of water source or volume used.

- F. The Board finds that the average groundwater production from 2019 through 2023 is a reasonable period upon which to base the Groundwater Pumping Fee component of the administrative budget for FY 2024-2025.
- G. The Board finds that such allocation is reasonable, equitable, and consistent with the purposes of the Authority. The Board further finds that the total amount of revenues to be collected by SGA pursuant to this Resolution is anticipated to support the adopted budget, when augmented with non-designated reserve funds.
- H. The Board further finds that it is necessary to review the allocation of administrative costs annually to determine its continued fairness and appropriateness.

THEREFORE, BE IT RESOLVED THAT:

- 1. The SGA administrative budget for FY 2024-2025 as specified in Attachment A is hereby adopted.
- 2. The administrative fees for this FY 2024-2025 budget will be collected from the water purveyors pursuant to Attachment B.
- 3. Billing for the administrative fees shall be mailed not later than seven days after June 30th with payment to be made within forty-five days. Payments shall be sent to the Sacramento Groundwater Authority at 2295 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833 for deposit into SGA's account.

PASSED AND ADOPTED by the Board of Directors, at their regular board meeting, on the 11th of April, 2024.

By: _____
Paul Selsky, SGA Chair

By: _____
James Peifer, Executive Director

Attest: _____
Ashley Flores, Board Secretary



Sacramento Groundwater Authority
Fiscal Year 2024-2025 Budget Summary

| | Adopted Budget FY 23-24 | Projected Actuals FY 23-24 | Proposed Budget FY 24-25 |
|--|--|---|---|
| Revenues | | | |
| Groundwater Fees | \$ 528,075 | \$ 528,075 | \$ 541,714 |
| Base Fee | \$ 379,004 | \$ 379,004 | \$ 391,522 |
| Interest/Misc Income | \$ 22,000 | \$ 63,788 | \$ 35,000 |
| Total Revenues | \$ 929,079 | \$ 970,867 | \$ 968,236 |
| Expenses | | | |
| Staff Expenses | \$ 762,247 | \$ 750,274 | \$ 914,656 |
| Office Expenses | \$ 86,800 | \$ 111,137 | \$ 129,200 |
| Professional Fees | \$ 193,400 | \$ 102,323 | \$ 96,300 |
| Other Expenses | \$ 103,171 | \$ 15,573 | \$ 2,500 |
| Net Program (Revenue)/Expenses | \$ - | \$ (132,785) | \$ (162,087) |
| Total Expenses | \$ 1,145,618 | \$ 846,522 | \$ 980,569 |
| Net Income/(Loss) | \$ (216,539) | \$ 124,345 | \$ (12,333) |
| Program Cash Flow Adjustment | \$ - | \$ (274,081) | \$ (285,582) |
| Net Cash Increase/(Decrease) | \$ (216,539) | \$ (149,736) | \$ (297,915) |
| Cash, beginning | \$ 906,890 | \$ 1,251,894 | \$ 1,102,158 |
| Net Cash Increase/(Decrease) | \$ (216,539) | \$ (149,736) | \$ (297,915) |
| Cash, ending | \$ 690,351 | \$ 1,102,158 | \$ 804,243 |
| DESIGNATIONS | | | |
| Operating Fund | \$ 335,757 | \$ 335,757 | \$ 326,856 |
| GSA Funding for NASb SGMA Grant | \$ 247,580 | \$ 247,580 | \$ 477,387 |
| Undesignated | \$ 107,015 | \$ 518,821 | \$ - |
| | \$ 690,352 | \$ 1,102,158 | \$ 804,243 |
| Number of Months Operating Fund and Undesignated Cash covers Expenses | <u>4.6</u> | <u>12.1</u> | <u>4.0</u> |



Fiscal Year 2024-2025 Budget Summary

Major Assumptions

Revenues

- 1) Total fees increased \$26,157 or 2.88%.
- 2) Groundwater fees increased \$13,639 or 2.58% and represent approximately 58% of total fees. Groundwater fee rates increased approximately 9% to \$7.74 per 5-year average acre-feet pumped. The 5-year average acre-feet pumped decreased 4,388 A/F or 6% from 74,377 A/F in 2022 to 69,989 in 2023.
- 3) Base fees increased \$12,518 or 3.30% and represent approximately 42% of total fees. Base fee rates increased approximately 3% to a minimum fee of \$12,562 plus \$1.63 for retail connections over 6,000. Retail Connections increased by 462 or 1% from 189,903 in 2022 to 190,365 in 2023.
- 4) Interest/Miscellaneous income has increased in accordance with cash balance and LAIF performance.

Expenses

- 1) Staff Salaries/Wages include the equivalent of 3.4 full time employees (FTE), which includes 50% RWA cost share for the Executive Director, Manager of Technical Services, Finance & Administrative Services Manager and Executive Assistant (2.0 FTE), 20% RWA cost share for the Project Research Assistant II (0.2 FTE), 20% RWA cost share for the Manager of Government Relations (0.2 FTE) and 100% RWA cost share for the Senior Project Manager (1.0 FTE). The increase includes an estimated COLA of 4%, merit increases for employees that are below Step 6 on the pay scale, Executive Director contract increase and an additional 10% RWA cost share for the Manager of Government Relations.
- 2) Benefits include employer PERS, OPEB, medical, vision, dental, disability insurance and workers' compensation for 3.4 FTE's. Increase in expenses are due to an increase in OPEB actuarially determined contributions related to a new actuary valuation with various changes in projections, increases in required PERS funding, increases in employee health insurance at the actuarial determined health rate of 5.50% and an additional 10% RWA cost share for the Manager of Government Relations.
- 3) Based on the most recent CalPERS Classic and PEPRA actuarial valuations, there is an unfunded accrued liability of \$207,636 for SGA's pension. Therefore, per SGA policy 400.4, SGA will make a payment of 1/4th of the unfunded accrued liability or \$52,000.
- 4) Office expenses include an increase in rent expense due to the first full year of rent payments being made on the new office. Meetings and events have been separated for transparency. Events represent SGA's share of the Holiday and ACWA Socials. Dues & Subscriptions increased due to making funds available for a potential membership in the California Special District's Association.
- 5) Professional fees include public relations, human resources, audit, actuarial, and legal expenses. The decrease in professional fees is due to no longer needing an accounting consultant and receiving the NASb SGMA Grant, which covers consulting expenses for the GSP Implementation.
- 6) Other expenses decreased due to not having an office move and receiving a grant to pay for the GSP implementation.
- 7) Program Revenues and Expenses are related to the GSP Implementation and the NASb SGMA Grant. The NASb SGMA Grant is a cost reimbursement grant where expenses are 100% reimbursed by the Department of Water Resources. NASb SGMA Grant Staff Time Reimbursements help offset Staff Salaries/Wages and Benefits expenses.



Fiscal Year 2024-2025 Budget Summary

Major Assumptions

Net Loss

- 1) Total Expenses exceed Total Revenues resulting in a net loss (deficit) of \$12,333.

Program Cash Flow Adjustment

- 1) Program Cash Flow Adjustment represents the timing of when program revenues are received and program expenses are disbursed. See Program Summary for a breakdown of projected timing of cash receipts/disbursements.

Designations

- 1) GSA Funding for NASb SGMA Grant designation is for funds received from NASb GSA's for the GSP Implementation Program. These amounts received are projected to be covered by the NASb SGMA Grant and will need to be reimbursed to the GSA's once the final grant payment is received. SGA will use these funds for cash flow purposes based on the timing of receipts/disbursements related to the grant to ensure SGA meets the Operating Reserve Requirements in accordance with policy 400.2. If there is a shortfall in meeting SGA's Operating Reserve Requirement the cash in this designation will be decreased and the Operating Fund will be increased. If there is a surplus in meeting SGA's minimum Operating Reserve Requirement the cash in this designation will be increased up to the total amount owed to the GSA's.
- 2) Operating Fund is designated to meet our Operating Reserve Requirements established by policy 400.2. The proposed Operating Fund is set at an amount that covers 4 months of expenses.

Future Outlook

- 1) The NASb SGMA Grant is projected to enable SGA to be in a favorable cash position in FY 25-26 and FY 26-27 as it is expected to cover SGA's GSP Implementation expense obligations and it will reimburse SGA for Staff Salaries/Wages and Benefits related to the grant.
- 2) In FY 25-26 and FY 26-27 a net loss (deficit) is projected to be \$109,135 and \$318,971, respectively. SGA will need to work to close the deficit in order to not deplete cash reserves.

| SGA Proposed Fiscal Year 2024-2025 Operating Budget | | | | 2-Year Projection | | NOTES |
|--|--------------------------------------|---|---------------------------------------|--|--|---|
| | SGA Adopted Budget FY 23-24 | SGA Projected Actuals FY 23-24 | SGA Proposed Budget FY 24-25 | SGA Projected Budget FY 25-26 | SGA Projected Budget FY 26-27 | |
| ANNUAL FEES | | | | | | |
| Base Fee - Minimum | \$12,196 | \$12,196 | \$12,562 | \$12,562 | \$12,562 | |
| Base Fee (Per Retail Connection over 6,000) | \$1.58 | \$1.58 | \$1.63 | \$1.63 | \$1.63 | |
| Base Fee Increase % | 0% | 0% | 3% | 0% | 0% | |
| Groundwater Fee (Per 5-Year Avg. GW Pumped) | \$7.10 | \$7.10 | \$7.74 | \$7.74 | \$7.74 | |
| Groundwater Fee Increase % | 0% | 0% | 9% | 0% | 0% | |
| SGA Total Fees | \$907,079 | \$907,079 | \$933,236 | \$933,236 | \$933,236 | |
| SGA Total Fees Increase % | 1.62% | 1.62% | 2.88% | 0.00% | 0.00% | |
| REVENUES: | | | | | | |
| Groundwater Fee | \$ 528,075 | \$ 528,075 | \$ 541,714 | \$ 541,714 | \$ 541,714 | See Attachment B: Fees Schedule |
| Base Fee | \$ 379,004 | \$ 379,004 | \$ 391,522 | \$ 391,522 | \$ 391,522 | See Attachment B: Fees Schedule |
| Interest/Misc Income | \$ 22,000 | \$ 63,788 | \$ 35,000 | \$ 35,000 | \$ 35,000 | Interest from LAIF and Miscellaneous Income |
| TOTAL REVENUES | \$ 929,079 | \$ 970,867 | \$ 968,236 | \$ 968,236 | \$ 968,236 | |
| STAFF EXPENSES: | | | | | | |
| Staff Salaries/Wages | \$ 541,489 | \$ 521,539 | \$ 583,255 | \$ 626,466 | \$ 668,371 | Represent 3.4 FTE |
| Benefits | \$ 157,938 | \$ 172,012 | \$ 206,741 | \$ 219,739 | \$ 232,716 | PERS, OPEB, Health, Disability & Worker's Comp |
| Pension - Unfunded Liability | | | \$ 52,000 | \$ 40,000 | \$ 40,000 | Pension Unfunded Liability Payment |
| Payroll Taxes | \$ 43,319 | \$ 39,223 | \$ 46,660 | \$ 50,117 | \$ 53,470 | Payroll taxes for 3.4 FTE |
| Meals/Travel/Conferences | \$ 13,000 | \$ 15,000 | \$ 20,000 | \$ 22,500 | \$ 25,000 | Meals, travel, and conference registration costs |
| Professional Development/Training | \$ 6,500 | \$ 2,500 | \$ 6,000 | \$ 6,500 | \$ 7,000 | Training, license renewals, and development classes |
| TOTAL STAFF EXPENSES | \$ 762,247 | \$ 750,274 | \$ 914,656 | \$ 965,322 | \$ 1,026,557 | |
| OFFICE EXPENSES: | | | | | | |
| Rent & Utilities Contract | \$ 15,000 | \$ 15,000 | \$ 37,500 | \$ 38,500 | \$ 39,500 | SGA share of office rent |
| General Liability Insurance | \$ 24,000 | \$ 25,211 | \$ 26,000 | \$ 27,000 | \$ 28,000 | SGA share of property, liability and auto insurance |
| Office Maintenance | \$ 700 | \$ 1,050 | \$ 1,100 | \$ 1,150 | \$ 1,200 | SGA share of office maintenance |
| Postage and Postal Meter | \$ 1,800 | \$ 1,925 | \$ 2,100 | \$ 2,200 | \$ 2,300 | SGA share of postage meter and mailing costs |
| Internet/Web Hosting | \$ 5,000 | \$ 3,500 | \$ 5,000 | \$ 5,500 | \$ 6,000 | SGA share of internet and web hosting |
| Meetings | \$ 3,000 | \$ 2,983 | \$ 3,000 | \$ 3,500 | \$ 4,000 | SGA share of meetings and SGA meetings |
| Events | | \$ 29,317 | \$ 12,000 | \$ 12,500 | \$ 13,000 | SGA share of Holiday and ACWA Social |
| Printing/Supplies/Copier | \$ 12,000 | \$ 7,200 | \$ 10,000 | \$ 11,000 | \$ 12,000 | SGA share of copier lease and printing supplies |

| SGA Proposed Fiscal Year 2024-2025 Operating Budget | | | | 2-Year Projection | | NOTES |
|--|--------------------------------------|---|---------------------------------------|--|--|---|
| | SGA Adopted Budget FY 23-24 | SGA Projected Actuals FY 23-24 | SGA Proposed Budget FY 24-25 | SGA Projected Budget FY 25-26 | SGA Projected Budget FY 26-27 | |
| Dues & Subscriptions | \$ 6,800 | \$ 6,500 | \$ 11,500 | \$ 12,000 | \$ 12,500 | ACWA, AWWA, GRA, CSDA |
| Computer hardware/software | \$ 3,500 | \$ 2,900 | \$ 3,500 | \$ 3,750 | \$ 4,000 | Computer hardware and software for 3.4 FTE |
| Computer & Phone maintenance | \$ 15,000 | \$ 15,551 | \$ 17,500 | \$ 18,500 | \$ 19,500 | SGA share of IT support services |
| TOTAL OFFICE EXPENSES | \$ 86,800 | \$ 111,137 | \$ 129,200 | \$ 135,600 | \$ 142,000 | |
| PROFESSIONAL FEES: | | | | | | |
| SGA Legal | \$ 50,000 | \$ 38,000 | \$ 50,000 | \$ 52,500 | \$ 55,000 | SGA Legal Fees |
| Audit Fees and GASB report | \$ 17,500 | \$ 14,450 | \$ 17,500 | \$ 19,000 | \$ 20,500 | SGA share of Annual Audit and Reporting Costs |
| ADP & Banking Fees | \$ 2,000 | \$ 1,673 | \$ 1,800 | \$ 2,200 | \$ 2,400 | Payroll fees for 3.4 FTE and Banking Fees |
| SGA Support Services | \$ 58,900 | \$ 48,200 | \$ 22,000 | \$ 24,000 | \$ 27,250 | SGA share: Actuary, HR & general consulting |
| SGA Consultants - Technical Support | \$ 40,000 | | \$ 5,000 | \$ 10,000 | \$ 10,000 | SGA Miscellaneous Consultants |
| DWR/GSP Corrective Action | \$ 25,000 | | | | | See Program (Revenues)/Expenses section below |
| TOTAL PROFESSIONAL FEES | \$ 193,400 | \$ 102,323 | \$ 96,300 | \$ 107,700 | \$ 115,150 | |
| OTHER EXPENSES: | | | | | | |
| Office furniture/remodel/equip | \$ 10,000 | \$ 6,250 | \$ 2,500 | \$ 3,000 | \$ 3,500 | Office Furniture and Equipment |
| Office Move | \$ 10,000 | \$ 9,323 | | | | SGA share of Office Move |
| Project Contribution to GSP - SGA portion | \$ 83,171 | | | | | See Program (Revenues)/Expenses section below |
| TOTAL OTHER EXPENSES | \$ 103,171 | \$ 15,573 | \$ 2,500 | \$ 3,000 | \$ 3,500 | |
| TOTAL EXPENSES BEFORE PROGRAM | \$ 1,145,618 | \$ 979,307 | \$ 1,142,656 | \$ 1,211,622 | \$ 1,287,207 | |
| PROGRAM (REVENUES)/EXPENSES: | | | | | | |
| GSP Imp.- Staff Time Reimbursement | | \$ (23,319) | | | | See Program Summary |
| GSP Imp. - FY22/23 Consulting to Grant | | \$ 52,935 | | | | See Program Summary |
| NASb SGMA Grant Rev - FY23 Consulting | | \$ (82,947) | | | | See Program Summary |
| NASb SGMA Grant Rev - Staff Time Reim. | | \$ (79,454) | \$ (162,087) | \$ (134,251) | | See Program Summary |
| NASb SGMA Grant Rev - Consulting | | \$ (453,929) | \$ (1,241,247) | \$ (964,985) | | See Program Summary |
| NASb SGMA Grant Exp - Consulting | | \$ 453,929 | \$ 1,241,247 | \$ 964,985 | | See Program Summary |
| NASb SGMA Grant Rev - Pass Through | | | \$ (220,800) | \$ (220,800) | | See Program Summary |
| NASb SGMA Grant Exp - Pass Through | | | \$ 220,800 | \$ 220,800 | | See Program Summary |
| TOTAL PROGRAM (REVENUES)/EXPENSES | \$ - | \$ (132,785) | \$ (162,087) | \$ (134,251) | \$ - | |
| TOTAL EXPENSES | \$ 1,145,618 | \$ 846,522 | \$ 980,569 | \$ 1,077,371 | \$ 1,287,207 | |

| SGA Proposed Fiscal Year 2024-2025 Operating Budget | | | | 2-Year Projection | | NOTES |
|--|--------------------------------------|---|---------------------------------------|--|--|---------------------------------|
| | SGA Adopted Budget FY 23-24 | SGA Projected Actuals FY 23-24 | SGA Proposed Budget FY 24-25 | SGA Projected Budget FY 25-26 | SGA Projected Budget FY 26-27 | |
| NET INCOME/(LOSS) | \$ (216,539) | \$ 124,345 | \$ (12,333) | \$ (109,135) | \$ (318,971) | Total Revenues - Total Expenses |
| Program Cash Flow Adjustment | | \$ (274,081) | \$ (285,582) | \$ 386,076 | \$ 70,711 | See Program Summary |
| CASH INCREASE/(DECREASE) | \$ (216,539) | \$ (149,736) | \$ (297,915) | \$ 276,941 | \$ (248,260) | Change in Cash |
| CASH SUMMARY: | | | | | | |
| CASH, BEGINNING | \$ 906,890 | \$ 1,251,894 | \$ 1,102,158 | \$ 804,243 | \$ 1,081,184 | |
| Cash Increase/(Decrease) | \$ (216,539) | \$ (149,736) | \$ (297,915) | \$ 276,941 | \$ (248,260) | |
| CASH, ENDING | \$ 690,352 | \$ 1,102,158 | \$ 804,243 | \$ 1,081,184 | \$ 832,924 | Projected Cash, Ending balance |
| DESIGNATIONS: | | | | | | |
| Operating Fund (four to six mos) | \$ 335,757 | \$ 335,757 | \$ 326,856 | \$ 359,124 | \$ 429,069 | SGA Policy 400.2 |
| GSA Funding for NASb SGMA Grant | \$ 247,580 | \$ 247,580 | \$ 477,387 | \$ 708,269 | \$ - | See Program Summary |
| Undesignated | \$ 107,015 | \$ 518,821 | \$ - | \$ 13,791 | \$ 403,855 | |
| TOTAL CASH | \$ 690,352 | \$ 1,102,158 | \$ 804,243 | \$ 1,081,184 | \$ 832,924 | |
| # of months cash covers Expenses | 4.6 | 12.1 | 4.0 | 4.2 | 7.8 | |

Program Summary

NASb SGMA GRANT SUMMARY

| | Actual | Actual | Projected | Projected | Projected | Projected | |
|--|-------------|-------------|-------------|--------------|--------------|-------------|--------------|
| | FY2021-2022 | FY2022-2023 | FY2023-2024 | FY2024-2025 | FY2025-2026 | FY2026-2027 | Total |
| NASb SGMA GRANT SUMMARY | | | | | | | |
| DWR Grant Revenue | | | \$ 616,330 | \$ 1,403,334 | \$ 1,099,236 | | \$ 3,118,900 |
| DWR Grant Revenue - Pass Through (Placer County) | | | | \$ 220,800 | \$ 220,800 | | \$ 441,600 |
| Total Revenues | \$ - | \$ - | \$ 616,330 | \$ 1,624,134 | \$ 1,320,036 | \$ - | \$ 3,560,500 |
| | | | | | | | \$ - |
| DWR Grant Expenses - Staff Time | | | \$ 79,454 | \$ 162,087 | \$ 134,251 | | \$ 375,792 |
| DWR Grant Expenses - Consulting | | | \$ 453,929 | \$ 1,241,247 | \$ 964,985 | | \$ 2,660,161 |
| FY 22/23 Consulting Expenses from GSP Implementation | | | \$ 82,947 | | | | \$ 82,947 |
| DWR Grant Expenses - Pass Through (Placer County) | | | | \$ 220,800 | \$ 220,800 | | \$ 441,600 |
| Total Expenses | \$ - | \$ - | \$ 616,330 | \$ 1,624,134 | \$ 1,320,036 | \$ - | \$ 3,560,500 |
| NASb SGMA Grant Net Income/(Loss) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

GSP IMPLEMENTATION PROGRAM SUMMARY

| | Actual | Actual | Projected | Projected | Projected | Projected | |
|--|-------------|--------------|--------------|--------------|--------------|--------------|-------------|
| | FY2021-2022 | FY2022-2023 | FY2023-2024 | FY2024-2025 | FY2025-2026 | FY2026-2027 | Total |
| GSP IMPLEMENTATION PROGRAM SUMMARY | | | | | | | |
| GSA's Portion of GSP Implementation Expenses - Staff Time | \$ 5,014 | \$ 12,645 | \$ 23,319 | | | | \$ 40,978 |
| GSA's Portion of GSP Implementation Expenses - Consulting | \$ 47,010 | \$ 78,137 | \$ (52,935) | | | | \$ 72,212 |
| Total Revenues | \$ 52,024 | \$ 90,782 | \$ (29,616) | | | | \$ 113,190 |
| | | | | | | | |
| GSP Implementation - Staff Time | \$ 7,857 | \$ 19,814 | \$ 36,540 | | | | \$ 64,211 |
| GSP Implementation - Consulting Expenses | \$ 73,664 | \$ 122,440 | | | | | \$ 196,104 |
| Allocate FY 22/23 Consulting Expenses to DWR Grant | | | \$ (82,947) | | | | \$ (82,947) |
| Total Expenses | \$ 81,521 | \$ 142,254 | \$ (46,407) | \$ - | \$ - | \$ - | \$ 177,368 |
| GSP Implementation - SGA Share of Expenses | \$ 29,497 | \$ 51,472 | \$ (16,791) | \$ - | \$ - | \$ - | \$ 64,178 |
| Cash Collected/(Distributed) from/(to) GSA's | \$ 67,577 | \$ 221,401 | \$ 180,427 | \$ 176,027 | \$ 176,027 | \$ (708,269) | \$ 113,190 |
| SGA Owes GSA's at Grant Completion - Running Total* | \$ (15,553) | \$ (146,172) | \$ (356,215) | \$ (532,242) | \$ (708,269) | \$ 708,269 | \$ - |

*This amount is a running total of GSP Implementation Program cash received from GSA's above allocated program expenses that are not covered by the NASb SGMA Grant that is to be returned to GSA's on receipt of final grant payment. This cash is to be used to cover cash flow requirements for the NASb SGMA Grant. We will use this cash to ensure we meet our Operating Fund Reserve minimum requirements, and any of this cash that is not used to meet the reserve requirements will be designated.

Program Summary - Cash Flow

NASb SGMA Grant (Cash Flow)

| | Actual | Actual | Projected | Projected | Projected | Projected | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| CASH FLOW SUMMARY | FY2021-2022 | FY2022-2023 | FY2023-2024 | FY2024-2025 | FY2025-2026 | FY2026-2027 | Total |
| DWR Grant Revenue Received | | | | \$ 934,053 | \$ 1,405,807 | \$ 779,040 | \$ 3,118,900 |
| DWR Grant Revenue Received - Pass Through (Placer County) | | | | \$ 110,400 | \$ 220,800 | \$ 110,400 | \$ 441,600 |
| Total Cash Received | \$ - | \$ - | \$ - | \$ 1,044,453 | \$ 1,626,607 | \$ 889,440 | \$ 3,560,500 |
| DWR Grant Expense Disbursed - Consulting | | | \$ 444,533 | \$ 1,395,662 | \$ 1,195,758 | | \$ 3,035,953 |
| Allocated FY 22/23 Consulting Expenses from GSP Implementation | | \$ 72,972 | \$ 9,975 | | | | \$ 82,947 |
| DWR Grant Expense Disbursed - Pass Through (Placer County) | | | | \$ 110,400 | \$ 220,800 | \$ 110,400 | \$ 441,600 |
| Total Cash Disbursed | \$ - | \$ 72,972 | \$ 454,508 | \$ 1,506,062 | \$ 1,416,558 | \$ 110,400 | \$ 3,560,500 |
| Net Cash Flows - Current Year | \$ - | \$ (72,972) | \$ (454,508) | \$ (461,609) | \$ 210,049 | \$ 779,040 | \$ - |

GSP Implementation Program (Cash Flow)

| | Actual | Actual | Projected | Projected | Projected | Projected | |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------|
| CASH FLOW SUMMARY | FY2021-2022 | FY2022-2023 | FY2023-2024 | FY2024-2025 | FY2025-2026 | FY2026-2027 | Total |
| GSA Contributions Received | \$ 15,553 | \$ 160,235 | \$ 180,427 | \$ 176,027 | \$ 176,027 | | \$ 708,269 |
| Total Cash Received | \$ 15,553 | \$ 160,235 | \$ 180,427 | \$ 176,027 | \$ 176,027 | \$ - | \$ 708,269 |
| GSA Contributions Disbursed | | | | | | \$ 708,269 | \$ 708,269 |
| Total Cash Disbursed | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 708,269 | \$ 708,269 |
| Net Cash Flows - Current Year | \$ 15,553 | \$ 160,235 | \$ 180,427 | \$ 176,027 | \$ 176,027 | \$ (708,269) | \$ - |

| | | | | | | | |
|--|-----------|-----------|--------------|--------------|------------|-----------|------|
| SGA Program Net Cash Flows - Current Year | \$ 15,553 | \$ 87,263 | \$ (274,081) | \$ (285,582) | \$ 386,076 | \$ 70,771 | \$ - |
|--|-----------|-----------|--------------|--------------|------------|-----------|------|

SGA 2024-25 Administrative Budget Fees Schedule

| Agency | FY23/24 2022 Retail Connections (1) | FY24/25 2023 Retail Connections (1) | FY 24/25 Base Fee (2) |
|----------------------------------|--|--|-----------------------------|
| California American Water | 26,371 | 26,409 | \$ 45,829 |
| Carmichael Water District | 11,738 | 11,792 | \$ 22,003 |
| Citrus Heights Water District | 20,126 | 20,157 | \$ 35,638 |
| Del Paso Manor Water District | 1,940 | 1,897 | \$ 12,562 |
| Fair Oaks Water District | 14,371 | 14,380 | \$ 26,221 |
| Folsom, City of | 1,082 | 1,040 | \$ 12,562 |
| Golden State Water Company | 1,770 | 1,764 | \$ 12,562 |
| Natomas Mutual Water Company | 200 | 200 | \$ 12,562 |
| Orange Vale Water Company | 5,690 | 5,728 | \$ 12,562 |
| Rio Linda/Elverta Water District | 4,668 | 4,671 | \$ 12,562 |
| Sacramento, City of | 48,534 | 48,744 | \$ 82,235 |
| Sacramento, County of | 3,338 | 3,353 | \$ 12,562 |
| Sacramento Suburban | 46,670 | 46,821 | \$ 79,100 |
| San Juan Water District | 3,405 | 3,409 | \$ 12,562 |
| TOTALS | 189,903 | 190,365 | \$ 391,522 |

41.95%

| FY 23/24 2018-2022 Average Groundwater Pumped (Acre-feet) | FY 24/25 2019-2023 Average Groundwater Pumped (Acre-feet) | FY 24/25 Groundwater Fee (3) |
|--|--|---------------------------------------|
| 9,915 | 9,630 | \$ 74,536 |
| 3,541 | 4,083 | \$ 31,602 |
| 2,321 | 2,177 | \$ 16,850 |
| 1,274 | 1,273 | \$ 9,853 |
| 3,024 | 3,034 | \$ 23,483 |
| - | - | \$ - |
| 878 | 877 | \$ 6,788 |
| 1,130 | 1,130 | \$ 8,746 |
| - | - | \$ - |
| 2,638 | 2,613 | \$ 20,225 |
| 20,326 | 17,795 | \$ 137,733 |
| 4,749 | 4,631 | \$ 35,844 |
| 24,581 | 22,746 | \$ 176,054 |
| - | - | \$ - |
| 74,377 | 69,989 | \$ 541,714 |

58.05%

| FY 24/25 Proposed Total Fees | FY 23/24 Actual Total Fees | \$ Increase (Decrease) Total Fees | % Increase (Decrease) Total Fees |
|------------------------------------|----------------------------------|---|--|
| \$ 120,365 | \$ 114,776 | \$ 5,589 | 4.87% |
| \$ 53,605 | \$ 46,402 | \$ 7,203 | 15.52% |
| \$ 52,488 | \$ 50,994 | \$ 1,494 | 2.93% |
| \$ 22,415 | \$ 21,243 | \$ 1,172 | 5.52% |
| \$ 49,704 | \$ 46,890 | \$ 2,814 | 6.00% |
| \$ 12,562 | \$ 12,196 | \$ 366 | 3.00% |
| \$ 19,350 | \$ 18,431 | \$ 919 | 4.99% |
| \$ 21,308 | \$ 20,222 | \$ 1,086 | 5.37% |
| \$ 12,562 | \$ 12,196 | \$ 366 | 3.00% |
| \$ 32,787 | \$ 30,926 | \$ 1,861 | 6.02% |
| \$ 219,968 | \$ 223,717 | \$ (3,749) | -1.68% |
| \$ 48,406 | \$ 45,912 | \$ 2,494 | 5.43% |
| \$ 255,154 | \$ 250,979 | \$ 4,175 | 1.66% |
| \$ 12,562 | \$ 12,196 | \$ 366 | 3.00% |
| \$ 933,236 | \$ 907,080 | \$ 26,156 | 2.88% |

Notes:

- (1) Retail connections and groundwater pumping amounts are based on SGA boundaries or service area boundaries that are dependent upon SGA for management of the groundwater basin.
- (2) Base fee is \$12,562 plus \$1.63 per retail connection over 6,000 within SGA boundaries.
- (3) Groundwater fee is \$7.74 per 5-year average acre-feet of groundwater pumped within SGA boundaries.

**TOTAL WATER DELIVERIES
2019-2023
(Acre-Feet)**

| WATER PURVEYOR | YEAR | Surface Water | Ground Water | Total Water Deliveries | Retail Connections | 5-Year Average Ground Water |
|-------------------------------|-------------|----------------------|---------------------|-------------------------------|---------------------------|------------------------------------|
| California American WC | 2023 | 1,824 | 8,186 | 10,010 | 26,409 | 9,630 |
| | 2022 | 11 | 10,726 | 10,737 | | |
| | 2021 | 11 | 11,127 | 11,138 | | |
| | 2020 | 2,783 | 8,870 | 11,653 | | |
| | 2019 | 1,522 | 9,241 | 10,763 | | |
| Carmichael Water District | 2023 | 2,481 | 5,656 | 8,137 | 11,792 | 4,083 |
| | 2022 | 3,423 | 5,176 | 8,599 | | |
| | 2021 | 9,942 | 3,778 | 13,720 | | |
| | 2020 | 5,018 | 3,496 | 8,514 | | |
| | 2019 | 11,084 | 2,307 | 13,391 | | |
| Citrus Heights Water District | 2023 | 9,542 | 1,124 | 10,666 | 20,157 | 2,177 |
| | 2022 | 7,808 | 3,597 | 11,405 | | |
| | 2021 | 7,568 | 4,334 | 11,902 | | |
| | 2020 | 10,826 | 1,473 | 12,299 | | |
| | 2019 | 10,746 | 359 | 11,105 | | |
| Del Paso Manor Water District | 2023 | 0 | 1,219 | 1,219 | 1,897 | 1,273 |
| | 2022 | 0 | 1,278 | 1,278 | | |
| | 2021 | 0 | 1,368 | 1,368 | | |
| | 2020 | 0 | 1,341 | 1,341 | | |
| | 2019 | 0 | 1,158 | 1,158 | | |
| Fair Oaks Water District | 2023 | 5,841 | 3,202 | 9,043 | 14,380 | 3,034 |
| | 2022 | 5,953 | 3,636 | 9,589 | | |
| | 2021 | 6,648 | 3,325 | 9,973 | | |
| | 2020 | 8,259 | 2,868 | 11,127 | | |
| | 2019 | 7,260 | 2,138 | 9,398 | | |
| Folsom, City of | 2023 | 1,064 | 0 | 1,064 | 1,040 | 0 |
| | 2022 | 1,099 | 0 | 1,099 | | |
| | 2021 | 1,133 | 0 | 1,133 | | |
| | 2020 | 1,180 | 0 | 1,180 | | |
| | 2019 | 1,113 | 0 | 1,113 | | |
| Golden State Water Company | 2023 | 0 | 830 | 830 | 1,764 | 877 |
| | 2022 | 0 | 853 | 853 | | |
| | 2021 | 0 | 926 | 926 | | |
| | 2020 | 0 | 935 | 935 | | |
| | 2019 | 0 | 840 | 840 | | |
| Natomas Central Mutual Water | 2023 | 27,845 | 0 | 27,845 | 200 | 1,130 |
| | 2022 | 8,000 | 1,800 | 9,800 | | |
| | 2021 | 22,888 | 2,877 | 25,765 | | |
| | 2020 | 24,248 | 907 | 25,155 | | |
| | 2019 | 33,400 | 68 | 33,468 | | |
| Orange Vale Water Company | 2023 | 3,722 | 0 | 3,722 | 5,728 | 0 |
| | 2022 | 3,876 | 0 | 3,876 | | |
| | 2021 | 3,876 | 0 | 3,876 | | |
| | 2020 | 3,981 | 0 | 3,981 | | |
| | 2019 | 3,607 | 0 | 3,607 | | |

**TOTAL WATER DELIVERIES
2019-2023
(Acre-Feet)**

| WATER PURVEYOR | YEAR | Surface Water | Ground Water | Total Water Deliveries | Retail Connections | 5-Year Average Ground Water |
|-------------------------|-------------|--------------------------|-------------------------|-----------------------------------|-------------------------------|--|
| Rio Linda/Elverta CWD | 2023 | 0 | 2,380 | 2,380 | 4,671 | 2,613 |
| | 2022 | 0 | 2,563 | 2,563 | | |
| | 2021 | 0 | 2,815 | 2,815 | | |
| | 2020 | 0 | 2,867 | 2,867 | | |
| | 2019 | 0 | 2,439 | 2,439 | | |
| Sacramento, City of | 2023 | 16,034 | 10,840 | 26,874 | 48,744 | 17,795 |
| | 2022 | 7,099 | 17,651 | 24,750 | | |
| | 2021 | 12,259 | 18,010 | 30,269 | | |
| | 2020 | 5,323 | 23,075 | 28,398 | | |
| | 2019 | 9,374 | 19,401 | 28,775 | | |
| Sacramento, County of | 2023 | 0 | 4,229 | 4,229 | 3,353 | 4,631 |
| | 2022 | 0 | 4,504 | 4,504 | | |
| | 2021 | 0 | 4,749 | 4,749 | | |
| | 2020 | 0 | 5,092 | 5,092 | | |
| | 2019 | 0 | 4,582 | 4,582 | | |
| Sacramento Suburban WD | 2023 | 18,772 | 11,247 | 30,019 | 46,821 | 22,746 |
| | 2022 | 6,098 | 26,786 | 32,884 | | |
| | 2021 | 2,228 | 29,926 | 32,154 | | |
| | 2020 | 4,016 | 32,406 | 36,422 | | |
| | 2019 | 17,247 | 13,363 | 30,610 | | |
| San Juan Water District | 2023 | 2,541 | 0 | 2,541 | 3,409 | 0 |
| | 2022 | 2,752 | 0 | 2,752 | | |
| | 2021 | 3,160 | 0 | 3,160 | | |
| | 2020 | 3,306 | 0 | 3,306 | | |
| | 2019 | 2,807 | 0 | 2,807 | | |
| TOTAL | | 370,774 | 341,758 | 712,532 | 190,365 | 69,989 |

Sacramento Groundwater Authority Proposed Fiscal Year 2024-2025 Budget

**SGA Board Meeting
April 11, 2024**



SACRAMENTO GROUNDWATER AUTHORITY

Overview

- FY 2024-2025 Fees
- FY 2024-2025 Staff Expenses
- FY 2024-2025 Other Rev/Exp
- FY 2024-2025 Program Budget
- FY 2024-2025 Budget Results
- SGA Future Years Budget Outlook
- Questions & Discussion

FY 2024-2025 Fees

- Proposed Total Fee for FY 24/25 - \$933,236
 - Increase of \$26,156 or 2.88%
- Proposed Base Fee for FY 24/25 - \$12,562 plus \$1.63 per Retail Connection over 6,000
 - Base Fee Rate increase of ~3%
 - Base Fee represents ~42% of Total Fee
 - 0% increase last two years
- Proposed Groundwater Fee (GW) for FY 24/25 - \$7.74 per 5-Yr. Average Groundwater Pumped (A/F)
 - Groundwater Fee Rate increase of ~9%
 - Groundwater Fee represents ~58% of Total Fee
 - 0% increase last two years
 - 5-Yr. Average decreased from 74,377 to 69,989 A/F or -5.9%

FY 2024-2025 Staff Expenses

Staff Expenses (Covers 3.4 FTE's)

- Additional 10% of Manager of Government Affairs
- Staff Salaries/Wages –
 - Includes current staff salaries plus an estimated 4% COLA and Merit increases beginning in January.
 - Includes Executive Director Contract.
- Benefits –
 - Health increases of 5.5% (OPEB Actuary Rate)
 - PERS required contributions increased
 - OPEB Actuarially Determined Contribution increased ~86%

FY 2024-2025 Staff Expenses (Continued)

- Pension – Unfunded Liability - \$52,000
 - Unfunded Actuarial Liability (UAL)
 - CalPERS Classic UAL \$203,736
 - CalPERS PEPRA UAL \$3,900
 - Per SGA Policy 400.4 (Pay off UAL over 4 years)
 - Historical Average Additional Pension - Unfunded Liability payment ~\$28K
 - SGA made no additional payment last year

FY 2024-2025 Other Rev/Exp

Interest/Misc Income-

- Projected \$35K in FY 24/25.

Rent-

- First full year of rent in new office. In FY 23/24, lease included 8 “free months”.

Events-

- Previously included in the meetings line item.
- Represents Holiday/ACWA Social.

Dues & Subscriptions-

- Added budget for California Special Districts Association membership.

SGA Support Services-

- Accounting Consultant no longer needed. FY 23/24 budget ~\$35K.



FY 2024-2025 Program Budget

GSP Implementation

- SGA was responsible for \$83,171 per year over 5 years for a total of \$415,855 under the GSP Implementation MOU, not including a 20% contingency included in the MOU.
- NASb SGMA Grant covers almost all of these expenses. Current projections have SGA only being responsible for ~\$64K of the \$415,855 in expenses for a savings of ~\$352K.
- SGA will continue to collect the GSA funds outlined in the MOU, in addition to the contingency amounts. These funds will be used for grant cash flow purposes. The funds received above expenses not covered by the grant will be returned to the GSA's upon receipt of final grant payment.

FY 2024-2025 Program Budget

NASb SGMA Grant

- \$3,560,500 Grant
- Projected \$376K in Staff Time Reimbursements through April 2026. FY 24/25-\$162K.
- Cash Flow Impact – The lag and uncertainty in timing of DWR payments is projected to be covered by payments from the GSA under the GSP Implementation MOU.

FY 2024-2025 Budget Results

- Projected Net Loss (Deficit) of \$12,333
- Reserve Policy 400.2
 - 4 to 6 months cash covers expenses
 - GSA Funding for NASb SGMA Grant should cover any potential shortfall in meeting the minimum Operating Reserve requirement.

SGA Future Years Budget Outlook

- Cash Reserves: FY 25-26 - 4.2 months of expenses; FY 26-27 - 7.8 months of expenses
- Net Loss: FY 24-25 - \$109,135; FY 26-27 - \$318,971
- 0% Fee Increase Projected for FY 25-26 and 26-27
- As with any budget, numbers are based on estimates. Actual budget results may not be achieved.

Questions and Discussion



SACRAMENTO GROUNDWATER AUTHORITY

Topic: Sacramento Regional Water Bank Update
Type: Old Business
Item For: Information
Purpose: 2024 SGA Strategic Priorities

| | | | |
|---------------|--|------------|--|
| SUBMITTED BY: | Trevor Joseph, Manager of Technical Services | PRESENTER: | Trevor Joseph, Manager of Technical Services |
|---------------|--|------------|--|

EXECUTIVE SUMMARY

This is an item for the Sacramento Groundwater Authority Board of Directors to receive updates on the progress of the Sacramento Regional Water Bank.

STAFF RECOMMENDED ACTION

None. This item is for information/discussion only.

BACKGROUND

Mr. Trevor Joseph will be providing an oral report on the recent progress of the Water Bank. The strategic priorities adopted by the Board of Directors included a priority of: "Monitor the development of the Sacramento Regional Water Bank, receive regular briefings on progress, and weigh in when appropriate and necessary with policy direction consistent with SGA's authorities and responsibilities."

Topic: Sustainable Groundwater Management Act Groundwater Sustainability Plan Implementation and Water Accounting Framework Updates
Type: New Business
Item For: Information
Purpose: 2024 SGA Strategic Priorities

SUBMITTED BY: Trevor Joseph, Manager of Technical Services PRESENTER: Trevor Joseph, Manager of Technical Services

EXECUTIVE SUMMARY

This is an action item for the Manager of Technical Services to provide a briefing on Sustainable Groundwater Management Act (SGMA) and Groundwater Management Program updates to the Sacramento Groundwater Authority (SGA) Board of Directors.

STAFF RECOMMENDED ACTION

None. This item is for information/discussion only.

BACKGROUND

SGA staff working with the SGA’s modeling and technical consultants have completed the water year (WY) 2023 Annual Report for the North American subbasin (NASb) as required under Sustainable Groundwater Management Act (SGMA) legislation and Groundwater Sustainability Plan (GSP) regulations. The Annual Report was submitted to the California Department of Water Resources (CDWR) in advance of the April 1 deadline and is posted on the NASb website (<https://nasbgroundwater.org/gsp/>). SGA staff will provide a summary of the WY 2023 conditions as documented in the Annual Report to the SGA Board.

Staff have collected groundwater extraction data and entered it into the Water Accounting Framework (WAF) tracking spreadsheet (enclosed). In 2023, there was a significant increase in the net banked water banked from 2022. This increase was in part due to the fact there were no groundwater substitution transfer activities during 2023 that reduces banked water supplies, and many local agencies were able shift to more surface water use. According to the WAF methodology during 2023 approximately 31,337 acre-feet were collectively banked by SGA member agencies in the Central SGA Area. Since tracking began 12 years ago, SGA member agencies in the Central SGA Area have now banked on average an estimated 13,760 acre-feet per year. SGA staff will provide a summary 2023 WAF tracking.

Water Accounting Framework, Phase III

Basin Sustainability Goal

Exchangeable Water

| Basin | Total Demand | Target Pumping | Actual GW Pumped | Target minus Actual GW | Transfer of Credits | Basin Sustainability Balance | Surface Water Use | Water Transfer (out of basin) | Credits transferred | Net Banked Water | Exchangeable Water Balance | |
|-------------------------------|--------------|----------------|------------------|------------------------|---------------------|------------------------------|-------------------|-------------------------------|---------------------|------------------|----------------------------|--------|
| Carmichael Water District | | 6,646 | | | | | | | | | 40,049 | |
| | 2012 | 9,895 | | 1,580 | 5,066 | 0 | 5,066 | 8,315 | 0 | 0 | 5,066 | 45,115 |
| | 2013 | 10,400 | | 2,031 | 4,615 | 0 | 9,681 | 8,369 | 0 | 0 | 4,615 | 49,730 |
| | 2014 | 8,517 | | 3,575 | 3,071 | 0 | 12,752 | 4,942 | 0 | 0 | 3,071 | 52,801 |
| | 2015 | 7,353 | | 2,755 | 3,891 | 0 | 16,643 | 4,598 | 0 | 0 | 3,891 | 56,692 |
| | 2016 | 7,696 | | 1,419 | 5,227 | 0 | 21,870 | 6,277 | 0 | 0 | 5,227 | 61,919 |
| | 2017 | 8,495 | | 2,597 | 4,049 | 0 | 25,919 | 5,898 | 0 | 0 | 4,049 | 65,968 |
| | 2018 | 8,614 | | 2,947 | 3,699 | 0 | 29,618 | 5,667 | 408 | 0 | 3,291 | 69,259 |
| | 2019 | 8,219 | | 2,307 | 4,339 | 0 | 33,957 | 6,053 | 0 | 0 | 4,339 | 73,598 |
| | 2020 | 8,514 | | 3,496 | 3,150 | 0 | 37,107 | 5,018 | 1,503 | 0 | 1,647 | 75,245 |
| | 2021 | 8,755 | | 3,778 | 2,868 | 0 | 39,975 | 4,977 | 0 | 0 | 2,868 | 78,113 |
| | 2022 | 8,599 | | 5,176 | 1,470 | 0 | 41,445 | 3,423 | 1,837 | 0 | -367 | 77,746 |
| | 2023 | 8,137 | | 5,656 | 990 | 0 | 42,435 | 2,481 | 0 | 0 | 990 | 78,736 |
| City of Sacramento | | 20,591 | | | | | | | | | 36,568 | |
| | 2012 | 38,084 | | 13,554 | 7,037 | 0 | 7,037 | 24,530 | 0 | 0 | 7,037 | 43,605 |
| | 2013 | 39,068 | | 11,732 | 8,859 | 0 | 15,896 | 27,336 | 0 | 0 | 8,859 | 52,464 |
| | 2014 | 31,724 | | 13,602 | 6,989 | 0 | 22,885 | 18,122 | 0 | 0 | 6,989 | 59,453 |
| | 2015 | 27,878 | | 12,682 | 7,909 | 0 | 30,794 | 15,196 | 0 | 0 | 7,909 | 67,362 |
| | 2016 | 28,962 | | 17,151 | 3,440 | 0 | 34,234 | 11,811 | 0 | 0 | 3,440 | 70,802 |
| | 2017 | 30,110 | | 23,728 | -3,137 | 0 | 31,097 | 6,382 | 0 | 0 | 0 | 70,802 |
| | 2018 | 30,221 | | 23,495 | -2,904 | 0 | 28,193 | 6,726 | 2641 | 0 | -2,641 | 68,161 |
| | 2019 | 28,774 | | 19,401 | 1,190 | 0 | 29,383 | 9,373 | 0 | 0 | 1,190 | 69,351 |
| | 2020 | 28,398 | | 23,075 | -2,484 | 0 | 26,899 | 5,323 | 7777 | 0 | -7,777 | 61,574 |
| | 2021 | 30,269 | | 18,010 | 2,581 | 0 | 29,480 | 12,159 | 0 | 0 | 2,581 | 64,155 |
| | 2022 | 24,750 | | 17,651 | 2,940 | 0 | 32,420 | 7,099 | 5554 | 0 | -2,614 | 61,541 |
| | 2023 | 26,874 | | 10,840 | 9,751 | 0 | 42,171 | 16,034 | 0 | 0 | 9,751 | 71,292 |
| California American Water | | 17,995 | | | | | | | | | 7,115 | |
| | 2012 | 14,186 | | 13,595 | 4,400 | 0 | 4,400 | 591 | 0 | 0 | 591 | 7,706 |
| | 2013 | 14,110 | | 14,110 | 3,885 | 0 | 8,285 | 0 | 0 | 0 | 0 | 7,706 |
| | 2014 | 11,260 | | 11,260 | 6,735 | 0 | 15,020 | 0 | 0 | 0 | 0 | 7,706 |
| | 2015 | 9,581 | | 9,581 | 8,414 | 0 | 23,434 | 0 | 0 | 0 | 0 | 7,706 |
| | 2016 | 10,319 | | 10,102 | 7,893 | 0 | 31,327 | 217 | 0 | 0 | 217 | 7,923 |
| | 2017 | 11,220 | | 9,203 | 8,792 | 0 | 40,119 | 2,017 | 0 | 0 | 2,017 | 9,940 |
| | 2018 | 11,065 | | 9,609 | 8,386 | 0 | 48,505 | 1,456 | 0 | 0 | 1,456 | 11,396 |
| | 2019 | 10,763 | | 9,241 | 8,754 | 0 | 57,259 | 1,522 | 0 | 0 | 1,522 | 12,918 |
| | 2020 | 11,653 | | 8,870 | 9,125 | 0 | 66,384 | 2,783 | 0 | 0 | 2,783 | 15,701 |
| | 2021 | 11,138 | | 11,127 | 6,868 | 0 | 73,252 | 11 | 0 | 0 | 11 | 15,712 |
| | 2022 | 10,737 | | 10,726 | 7,269 | 0 | 80,521 | 11 | 0 | 0 | 11 | 15,723 |
| | 2023 | 10,010 | | 8,186 | 9,809 | 0 | 90,330 | 1,824 | 0 | 0 | 1,824 | 17,547 |
| Del Paso Manor Water District | | 1,465 | | | | | | | | | 0 | |
| | 2012 | 1,499 | | 1,499 | -34 | 0 | -34 | 0 | 0 | 0 | 0 | |
| | 2013 | 1,571 | | 1,571 | -106 | 0 | -140 | 0 | 0 | 0 | 0 | |
| | 2014 | 1,246 | | 1,246 | 219 | 0 | 79 | 0 | 0 | 0 | 0 | |
| | 2015 | 1,052 | | 1,052 | 413 | 0 | 492 | 0 | 0 | 0 | 0 | |
| | 2016 | 1,128 | | 1,128 | 337 | 0 | 829 | 0 | 0 | 0 | 0 | |
| | 2017 | 1,239 | | 1,239 | 226 | 0 | 1,055 | 0 | 0 | 0 | 0 | |
| | 2018 | 1,226 | | 1,226 | 239 | 0 | 1,294 | 0 | 0 | 0 | 0 | |
| | 2019 | 1,158 | | 1,158 | 307 | 0 | 1,601 | 0 | 0 | 0 | 0 | |
| | 2020 | 1,341 | | 1,341 | 124 | 0 | 1,725 | 0 | 0 | 0 | 0 | |
| | 2021 | 1,368 | | 1,368 | 97 | 0 | 1,822 | 0 | 0 | 0 | 0 | |
| | 2022 | 1,278 | | 1,278 | 187 | 0 | 2,009 | 0 | 0 | 0 | 0 | |
| | 2023 | 1,219 | | 1,219 | 246 | 0 | 2,255 | 0 | 0 | 0 | 0 | |

Water Accounting Framework, Phase III

Basin Sustainability Goal

Exchangeable Water

| Golden State Water Company | Total Demand | Target Pumping | Actual GW Pumped | Target minus Actual GW | Transfer of Credits | Basin Sustainability Balance | Surface Water Use | Water Transfer (out of basin) | Credits transferred | Net Banked Water | Exchangeable Water Balance |
|------------------------------------|--------------|----------------|------------------|------------------------|---------------------|------------------------------|-------------------|-------------------------------|---------------------|------------------|----------------------------|
| | | 1,098 | | | | | | | | | 0 |
| 2012 | 1,119 | | 1,119 | -21 | 0 | -21 | 0 | 0 | 0 | 0 | 0 |
| 2013 | 1,184 | | 1,184 | -86 | 0 | -107 | 0 | 0 | 0 | 0 | 0 |
| 2014 | 896 | | 896 | 202 | 0 | 95 | 0 | 0 | 0 | 0 | 0 |
| 2015 | 778 | | 778 | 320 | 0 | 415 | 0 | 0 | 0 | 0 | 0 |
| 2016 | 793 | | 793 | 305 | 0 | 720 | 0 | 0 | 0 | 0 | 0 |
| 2017 | 854 | | 854 | 244 | 0 | 964 | 0 | 0 | 0 | 0 | 0 |
| 2018 | 836 | | 836 | 262 | 0 | 1,226 | 0 | 0 | 0 | 0 | 0 |
| 2019 | 840 | | 840 | 258 | 0 | 1,484 | 0 | 0 | 0 | 0 | 0 |
| 2020 | 935 | | 935 | 163 | 0 | 1,647 | 0 | 0 | 0 | 0 | 0 |
| 2021 | 926 | | 926 | 172 | 0 | 1,819 | 0 | 0 | 0 | 0 | 0 |
| 2022 | 853 | | 853 | 245 | 0 | 2,064 | 0 | 0 | 0 | 0 | 0 |
| 2023 | 830 | | 830 | 268 | 0 | 2,332 | 0 | 0 | 0 | 0 | 0 |
| Rio Linda / Elverta CSD | Total Demand | Target Pumping | Actual GW Pumped | Target minus Actual GW | Transfer of Credits | Basin Sustainability Balance | Surface Water Use | Water Transfer (out of basin) | Credits transferred | Net Banked Water | Exchangeable Water Balance |
| | | 2,882 | | | | | | | | | 109 |
| 2012 | 2,882 | | 2,857 | 25 | 0 | 25 | 25 | 0 | 0 | 25 | 134 |
| 2013 | 3,052 | | 3,052 | -170 | 0 | -145 | 0 | 0 | 0 | 0 | 134 |
| 2014 | 2,249 | | 2,449 | 433 | 0 | 288 | 0 | 0 | 0 | 0 | 134 |
| 2015 | 2,109 | | 2,109 | 773 | 0 | 1,061 | 0 | 0 | 0 | 0 | 134 |
| 2016 | 2,236 | | 2,236 | 646 | 0 | 1,707 | 0 | 0 | 0 | 0 | 134 |
| 2017 | 2,458 | | 2,458 | 424 | 0 | 2,131 | 0 | 0 | 0 | 0 | 134 |
| 2018 | 2,506 | | 2,506 | 376 | 0 | 2,507 | 0 | 0 | 0 | 0 | 134 |
| 2019 | 2,439 | | 2,439 | 443 | 0 | 2,950 | 0 | 0 | 0 | 0 | 134 |
| 2020 | 2,867 | | 2,867 | 15 | 0 | 2,965 | 0 | 0 | 0 | 0 | 134 |
| 2021 | 2,815 | | 2,815 | 67 | 0 | 3,032 | 0 | 0 | 0 | 0 | 134 |
| 2022 | 2,563 | | 2,563 | 319 | 0 | 3,351 | 0 | 0 | 0 | 0 | 134 |
| 2023 | 2,380 | | 2,380 | 502 | 0 | 3,853 | 0 | 0 | 0 | 0 | 134 |
| Sacramento County WA | Total Demand | Target Pumping | Actual GW Pumped | Target minus Actual GW | Transfer of Credits | Basin Sustainability Balance | Surface Water Use | Water Transfer (out of basin) | Credits transferred | Net Banked Water | Exchangeable Water Balance |
| | | 4,288 | | | | | | | | | 0 |
| 2012 | 5,211 | | 5,211 | -923 | 0 | -923 | 0 | 0 | 0 | 0 | 0 |
| 2013 | 5,316 | | 5,316 | -1,028 | 0 | -1,951 | 0 | 0 | 0 | 0 | 0 |
| 2014 | 4,559 | | 4,559 | -271 | 0 | -2,222 | 0 | 0 | 0 | 0 | 0 |
| 2015 | 3,887 | | 3,887 | 401 | 0 | -1,821 | 0 | 0 | 0 | 0 | 0 |
| 2016 | 4,064 | | 4,064 | 224 | 0 | -1,597 | 0 | 0 | 0 | 0 | 0 |
| 2017 | 4,756 | | 4,756 | -468 | 0 | -2,065 | 0 | 0 | 0 | 0 | 0 |
| 2018 | 4,817 | | 4,817 | -529 | 0 | -2,594 | 0 | 0 | 0 | 0 | 0 |
| 2019 | 4,582 | | 4,582 | -294 | 0 | -2,888 | 0 | 0 | 0 | 0 | 0 |
| 2020 | 5,092 | | 5,092 | -804 | 0 | -3,692 | 0 | 0 | 0 | 0 | 0 |
| 2021 | 4,749 | | 4,749 | -461 | 0 | -4,153 | 0 | 0 | 0 | 0 | 0 |
| 2022 | 4,504 | | 4,504 | -216 | 0 | -4,369 | 0 | 0 | 0 | 0 | 0 |
| 2023 | 4,229 | | 4,229 | 59 | 0 | -4,310 | 0 | 0 | 0 | 0 | 0 |
| Sacramento Suburban Water District | Total Demand | Target Pumping | Actual GW Pumped | Target minus Actual GW | Transfer of Credits | Basin Sustainability Balance | Surface Water Use | Water Transfer (out of basin) | Credits transferred | Net Banked Water | Exchangeable Water Balance |
| | | 35,035 | | | | | | | | | 183,034 |
| 2012 | 38,089 | | 27,530 | 7,505 | 0 | 7,505 | 10,559 | 0 | 0 | 7,505 | 190,539 |
| 2013 | 38,554 | | 38,145 | -3,110 | 0 | 4,395 | 409 | 3,068 | 0 | -2,659 | 187,880 |
| 2014 | 32,561 | | 32,561 | 2,474 | 0 | 6,869 | 0 | 0 | 0 | 0 | 187,880 |
| 2015 | 27,502 | | 27,422 | 7,613 | 0 | 14,482 | 80 | 0 | 0 | 80 | 187,960 |
| 2016 | 29,311 | | 17,863 | 17,172 | 0 | 31,654 | 11,448 | 0 | 0 | 11,448 | 199,408 |
| 2017 | 31,253 | | 19,791 | 15,244 | 0 | 46,898 | 11,462 | 0 | 0 | 11,462 | 210,870 |
| 2018 | 30,873 | | 20,423 | 14,612 | 0 | 61,510 | 10,450 | 5,253 | 0 | 5,197 | 216,067 |
| 2019 | 30,610 | | 13,363 | 21,672 | 0 | 83,182 | 17,247 | 0 | 0 | 17,247 | 233,314 |
| 2020 | 36,422 | | 33,087 | 1,948 | 0 | 85,130 | 10,683 | 4,132 | 0 | 6,551 | 239,865 |
| 2021 | 32,154 | | 29,926 | 5,109 | 0 | 90,239 | 2,228 | 0 | 0 | 2,228 | 242,093 |
| 2022 | 32,884 | | 26,786 | 8,249 | 0 | 98,488 | 6,098 | 2,638 | 0 | 3,460 | 245,553 |
| 2023 | 30,019 | | 11,247 | 23,788 | 0 | 122,276 | 18,772 | 0 | 0 | 18,772 | 264,325 |

Water Accounting Framework, Phase III

Basin Sustainability Goal

Exchangeable Water

| Central Area Total | Total Demand | Target Pumping | Actual GW Pumped | Target minus Actual GW | Transfer of Credits | Basin Sustainability Balance | Surface Water Use | Water Transfer (out of basin) | Credits transferred | Net Banked Water | Exchangeable Water Balance |
|--------------------|--------------|----------------|------------------|------------------------|---------------------|------------------------------|-------------------|-------------------------------|---------------------|------------------|----------------------------|
| | | 90,000 | | | | | | | | | 266,875 |
| 2012 | 110,965 | | 66,945 | 23,055 | 0 | 23,055 | 44,020 | 0 | 0 | 20,224 | 287,099 |
| 2013 | 113,255 | | 77,141 | 12,859 | 0 | 35,914 | 36,114 | 3,068 | 0 | 10,815 | 297,914 |
| 2014 | 93,012 | | 70,148 | 19,852 | 0 | 55,766 | 23,064 | 0 | 0 | 10,060 | 307,974 |
| 2015 | 80,140 | | 60,266 | 29,734 | 0 | 85,500 | 19,874 | 0 | 0 | 11,880 | 319,854 |
| 2016 | 84,509 | | 54,756 | 35,244 | 0 | 120,744 | 29,753 | 0 | 0 | 20,332 | 340,186 |
| 2017 | 90,385 | | 64,626 | 25,374 | 0 | 146,118 | 25,759 | 0 | 0 | 17,528 | 357,714 |
| 2018 | 90,158 | | 65,859 | 24,141 | 0 | 170,259 | 24,299 | 8,302 | 0 | 7,303 | 365,017 |
| 2019 | 87,385 | | 53,331 | 36,669 | 0 | 206,928 | 34,195 | 0 | 0 | 24,298 | 389,315 |
| 2020 | 83,419 | | 78,763 | 11,237 | 0 | 218,165 | 23,807 | 13,412 | 0 | 3,204 | 392,519 |
| 2021 | 92,174 | | 72,699 | 17,301 | 0 | 235,466 | 19,375 | 0 | 0 | 7,688 | 400,207 |
| 2022 | 86,168 | | 69,537 | 20,463 | 0 | 255,929 | 16,631 | 10,029 | 0 | 490 | 400,697 |
| 2023 | 83,698 | | 44,587 | 45,413 | 0 | 301,342 | 39,111 | 0 | 0 | 31,337 | 432,034 |

Topic: Legislative and Regulatory Update
 Type: New Business
 Item For: Information
 Purpose: Routine

| | | | |
|---------------|--|------------|--|
| SUBMITTED BY: | Ryan Ojakian Manager of Government Relations | PRESENTER: | Ryan Ojakian Manager of Government Relations |
|---------------|--|------------|--|

EXECUTIVE SUMMARY

This is an information item for the Manager of Government Relations to provide a briefing on important legislative and regulatory updates for the Sacramento Groundwater Authority Board of Directors.

STAFF RECOMMENDED ACTION

None. This item is for information/discussion only.

BACKGROUND

It is expected that the Water Board will adopt a new CrVI MCL on April 17th of 10 ppb. A new development with this MCL as compared to previous MCL's is that there will be a ramp up time for compliance.

There are bills moving forward in the Legislature related to groundwater management. Bills must be heard in first house policy committee by April 26th. In general, the groundwater related bills would address permitting for new wells, address permitting for recharge projects, and make changes to SGMA enforcement.

[AB 828](#) (Connoly D- San Rafael) Would limit GSA authority to restrict pumping or impose fees on managed wetlands or small disadvantaged communities.

[AB 2060](#) (Soria D- Fresno) Would largely codify the Governors Executive Order on diversion of flood flows to groundwater recharge.

[AB 2079](#) (Bennett D- Ventura) Would significantly limit the ability to install new groundwater wells.

[SB 1156](#) (Hurtado D- Sanger) Would require reporting on financial interests for those associated with GSA's.

[SB 1390](#) (Caballero D- Salinas) Refines and extends the ability to divert flood flows for recharge.

Topic: Executive Directors' Report
Type: New Business
Item For: Information
Purpose: General

| | | | |
|---------------|----------------------------------|------------|----------------------------------|
| SUBMITTED BY: | Jim Peifer Executive Director | PRESENTER: | Jim Peifer Executive Director |
|---------------|----------------------------------|------------|----------------------------------|

EXECUTIVE SUMMARY

This is an information item for the Executive Director to provide a briefing on important activities, reports, communications, advocacy, and other updates for the Sacramento Groundwater Authority Board of Directors.

STAFF RECOMMENDED ACTION

None. This item is for information/discussion only.

BACKGROUND

This agenda item is a standing item to provide an opportunity for the Executive Director to report to the Executive Committee on important activities, reports, communications, advocacy, and other updates.

Recharge

The RWA released a media advisory titled: "[Sacramento-Area Water Providers Harnessed Historic 2023 Storms to Boost Groundwater](#)" that discussed the region's recharge efforts. The led to media interests and the RWA gave interviews to Heather Waldman at KCRA and Monica Woods at ABC10.

KCRA interview link: [How last winter's storms helped Sacramento's groundwater storage \(kcra.com\)](#)

ABC10 interview link: [here](#).

The RWA is spotlighting in-lieu recharge on a new page added to SacWaterBank.com. The goal is to further explain how in-lieu recharge works and to reinforce the credibility of in-lieu as a long-recognized method for recharging groundwater that is used throughout California. You can find the page [here](#).

Water Bank Program Committee - The next committee meeting is scheduled for Wednesday, April 17, from 11 a.m. to 1 p.m. For more information about the Water Bank, contact Trevor Joseph at tjoseph@rwah2o.org.

SGMA Implementation around the State - The Tulare Basin SGMA Probationary status hearing is Tuesday, April 16. The State Board hearing will be critical to the functioning of SGMA statewide. A link to the notice is [here](#).

Topic: Board Directors' Comments
Type: New Business
Item For: Information
Purpose: Routine

| | | | |
|---------------|----------------------------------|------------|----------------------|
| SUBMITTED BY: | Jim Peifer Executive Director | PRESENTER: | Paul Selsky Chair |
|---------------|----------------------------------|------------|----------------------|

EXECUTIVE SUMMARY

This is an information item to provide an opportunity for the Sacramento Groundwater Authority Board of Directors to report on any updates from their agency, comments, request future agenda items, recommendations, and questions.

STAFF RECOMMENDED ACTION

None. This item is for information only.

BACKGROUND

This agenda item is a standing item to provide an opportunity to report on any updates from their agency, comments, request future agenda items, recommendations, and questions.