

EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY
Board Meeting Minutes (amended)
February 14, 2018

I. Call to Order/Pledge of Allegiance & Safety Announcement

The Eastern San Joaquin Groundwater Authority (GWA) Board meeting was convened by Chair Chuck Winn at 9:35 a.m., on February 14, 2018, at the Robert J. Cabral Agricultural Center, 2101 E. Earhart Ave. Stockton, CA. Following the Pledge of Allegiance, a representative of the San Joaquin County Office of Emergency Services provided the required safety information.

In attendance were Chair Chuck Winn, Vice-Chair Mel Panizza, Directors John Freeman, George Biagi, Jr., Grant Thompson, Stephen Salvatore, Alan Nakanishi, Rich Silverman, Russ Thomas, David Fletcher, Mike Henry, Tom Flinn, Eric Thorburn, Dale Kuil, Alternate Directors Mel Lytle and Doug Heberle, and Secretary Kris Balaji. Opening remarks were provided by Chair Winn recognizing the accomplishments of this group on meeting several momentous milestones of the Sustainable Groundwater Management Act (SGMA). He also thanked the Department of Water Resources (DWR) for their assistance in doing so.

II. SCHEDULED ITEMS

A. Discussion/Action Items:

1. Approval of Minutes of November 8, 2017

Motion: Vice-Chair Panizza moved, and Director Silverman seconded, approval of the November 8, 2017 minutes. The motion passed unanimously.

2. Notice of 2017/2018 Statement of Economic Interests Form 700 Annual Filing

Mr. Nakagawa stated that the required Form 700 Conflict of Interest Forms are due April 2, 2018 and reminded Board members of the Conflict of Interest Code adopted by the GWA. Completed forms should be sent to San Joaquin County Department of Public Works at 1810 E. Hazelton Ave., Stockton, CA 95205.

3. Discussion and Possible Action to Approve the Proposed Local Cost Share Allocation for the Groundwater Sustainability Plan *Requires 2/3 Vote by Directors Present*

Mr. Nakagawa provided an update on Groundwater Sustainability Plan (GSP) development. GEI Consultants, Inc. developed a GSP Work Plan, Budget and Schedule totaling \$2,176,420 and submitted the grant application on behalf of the GWA to DWR on November 10, 2017. The application included a Disadvantaged Community (DAC) Waiver that, if awarded, reduces the local cost share. The total maximum grant award of \$1,500,000 was applied for, assuming the DAC waiver would be granted. He identified several community supporters of the DAC waiver component of the application. The application received a perfect score of 19 out of 19 from DWR. DWR has recommended award amounts for GSP grant applicants, which is open to public comment currently. DWR recommended the full grant award amount to the GWA and also approved the DAC waiver.

Mr. Nakagawa reviewed the local cost share allocation methodology to fund the GSP, which is based on the \$1,500,000 grant award. The resulting assumed local cost share amount is \$676,420 and is distributed as follows: 1) \$39,789 from the Eastside GSA; 2) \$11,664 from each of the 16 GWA member agencies within San Joaquin County; and 3) \$450,000 from Zone 2. The cost share amounts would be paid across two fiscal years. He stated that each member was asked at the last meeting to seek concurrence with their Boards/Councils regarding this proposal, so that the GWA Board today may approve the cost share allocation amounts. Mr. Nakagawa stated that a funding agreement with DWR is forthcoming following the recent award announcement. Therefore, the proposed action (Agenda Item II.A.4) is to have authorization to enter into the funding agreement with DWR, once drafted.

There was discussion regarding potential risk of beginning the work before the funding agreement was finalized. At the Chair's approval, Agenda Items II.A.5. and II.A.6. were discussed in conjunction with this agenda item to clarify the process and address any potential risk. Mr. Nakagawa stated that a budget adjustment is being recommended based on updated cost projections and the anticipated grant award.

The proposed adjusted budget includes \$35,000 in a contribution from Zone 2 to fund GWA operating expenses. In addition, Zone 2 will also contribute \$450,000 towards the GSP development. With this initial funding in place, staff recommends that the GWA Board approve the authority to enter into a consulting services agreement with Woodard & Curran for the development of the GSP for a total not-to-exceed amount of \$2,176,420. Mr. Nakagawa stated that while the funding agreement is not yet finalized with DWR, the greatest risk is being behind schedule on the GSP with a relatively short timeline. County staff recommends immediately starting the GSP development process using Zone 2 funds and entering into contract with Woodward & Curran in order to stay on schedule. County staff would invoice GSAs for their local share allocations, with half being due July 1, 2018 and the second half due July 1, 2019.

In the unlikely event of a reduced \$1.5M funding agreement, the “worst case” scenario is that consultant work would stop immediately and the GWA would consider how best to move forward with both a revised scope and local cost share match. Director Biagi expressed concern over a potentially large price tag for his agency given its minimal groundwater use. Mr. Paul Wells, Regional Coordinator of the DWR, stated that DWR has recommended the full funding of \$1.5M for this basin and the State is currently allowing the public to comment on the matter until February 21, 2018. He further stated there is sufficient funding to cover nearly all requests for GSP development grant funding. Directors and audience discussed that the cost of developing a GSP would be significantly greater if a GSA were to do so on its own, and that the JPA does allow for members to withdraw. Each entity that elected to become a GSA was motivated to do so in order to guide its own destiny in SGMA and, if a GSA retains its status, it is required to have a GSP.

Mary Elizabeth, member of the public, offered comment regarding the proposed local cost share allocation, objecting to the use of Zone 2 funds for the San Joaquin No. 2 GSA because it is a CalWater area, stating CalWater should completely fund that GSA. Secondly, she stated that most of the DACs are within urban areas and she would like to see the DAC grant funding focused specifically on outreach to small well owners. She clarified that the Sierra Club member who wrote the letter of recommendation for the DAC waiver of the GSP grant application represents Sierra Club California (not the local chapter).

Motion: Vice-Chair Panizza moved, and Director Kuil seconded, a motion to approve the local cost share allocation for the GSP as proposed. The Chair requested a roll call vote. Motion passed unanimously, with Central Delta Water Agency (CDWA) abstaining.

4. Discussion and Possible Action to Enter into a Funding Agreement with the DWR to Receive up to \$1,500,000 from DWR for the Development of a GSP *Requires 2/3 Vote by Directors Present*

Discussion occurred with Agenda Item II.A.3. **Motion:** Director Silverman moved and Director Fletcher seconded a motion to enter into Funding Agreement with DWR to receive up to \$1.5 M for the development of the GSP. The Chair requested a roll call vote. Motion passed unanimously, with CDWA abstaining.

5. Discussion and Possible Action to approve the Necessary Adjustments to the 2017-2018 GWA Budget *Requires 2/3 Vote by Directors Present*

Discussion occurred with Item Agenda II.A.3. **Motion:** Director Silverman moved and Director Thomas seconded a motion to approve the proposed necessary adjustments to the 2017-2018 GWA Budget, contingent upon entering into funding agreement, as identified in Agenda Item II.A.4., by June 30, 2018. The Chair requested a roll call vote. Motion passed unanimously, with CDWA abstaining.

6. Discussion and Possible Action to Enter into a Consulting Services Agreement with Woodard & Curran for the Development of the Eastern San Joaquin Subbasin GSP for a Not-to-Exceed Cost of \$2,176,420 *Requires 2/3 Vote by Directors Present*

Discussion occurred with Item Agenda II.A.3. Mr. Nakagawa stated that the GWA Consultant Selection Committee selected Woodard & Curran as the firm to develop the GSP. He highlighted the consultant selection process, identified the members of the selection committee, and stated that it was a consensus selection. Following approval of this consulting agreement, a Notice to Proceed may immediately be issued.

Motion: Director Flinn moved and Director Kuil seconded the motion to enter into a consulting services

agreement with Woodward & Curran for GSP development for a total not-to-exceed cost of \$2,176,420. The Chair requested a roll call vote. Motion passed unanimously, with CDWA abstaining.

7. Presentation by Woodard & Curran on GSP Development Process

Ms. Alyson Watson, President of Woodard & Curran and project manager for GSP development, presented a preliminary overview of the project. Her presentation included the following segments: 1) Making best use of available time will be critical; 2) One of our first tasks will be to engage the multiple types and levels of stakeholders to the process; 3) Information flow will provide opportunities for broad input while preserving GWA JPA Authority; 4) The ESJ SGMA “project roadmap” lays out key decision points and makes best use of available time; and 5) Immediate-term actions (which, in part, includes assembling an advisory committee, updating webpage and preparing stakeholder outreach plan). A copy of her PowerPoint presentation has been made available on esjgroundwater.org. Following the presentation, discussion amongst the directors focused on an outreach plan led by Crocker & Crocker, (subconsultant to Woodard & Curran, which includes public education), plan for additional monitoring wells, communicating schedule and progress reports back to the GWA Board, plan for website enhancements and timeliness, appointments to advisory committee and soliciting additional outside funding options. Chair Winn mentioned he will be meeting with County staff regarding establishment of the advisory committee.

B. Informational Items:

1. November 8, 2017, written public comments from Jane Wagner-Tyack at GWA meeting
2. January 13, 2018, lodinews.com, “North San Joaquin Water Official Explains Upcoming Groundwater Project”
3. January 22, 2018, newsdeeply.com, “As California Groundwater Regulation Unfolds, Some Feel Left Out”
4. January 29, 2018, mantecabulletin.com, “Lathrop Seeks to Switch Basins for Groundwater Rules”

No comments nor discussion took place by the Authority Board regarding the Information Items.

III. Public Comment: Ms. Elizabeth stated that GSAs may join together to form a single GSA (as Stanislaus and Calaveras Counties did) noting that as time goes on some of the smaller GSAs may be better off combining. She encouraged directors to bring a copy of the JPA to the meeting to reference. She recollected that water budget information shared at the October 2017 technical advisory meeting had grouped areas differently, and stated that SGMA calls for each GSA to have its own water budget. She stated that discussion should take place between GSAs regarding movement of water between boundaries. She added that at the November 2017 GWA meeting, a DWR stakeholder grant spreadsheet was shared and she wondered about the status of incorporating this effort. Finally, she offered a reminder that the GWA logo needs to be updated. Mr. Rod Attebery, GWA Counsel, mentioned he has copies available of the updated edition of the A Public Official’s Guide to the Brown Act.

IV. Directors’ Comments: Director Flinn mentioned there will be a public meeting on February 15, 2018, regarding an upcoming decision to build a new delivery system, hosted by League of Women Voters and North San Joaquin Water Conservation District and San Joaquin County.

V. Future Agenda Items: No items were discussed

VI. Workshop/Shirtsleeve Session: No items for discussion

VII. Adjournment: Chair Winn closed the board meeting at 11:34 a.m.

Next Regular Meeting: March 14, 2018 at 9:30 a.m.

San Joaquin County - Robert J. Cabral Agricultural Center 2101 E. Earhart Ave., Assembly Rm. #1, Stockton, CA

Submitted by: Kelly Villalpando, San Joaquin County