



# EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY

## Board of Directors Meeting

### AGENDA

Wednesday, May 13, 2020

10:30 a.m. – 12:00 p.m.

**Teleconference Only**

**Call-In Information Provided**

- I. Call to Order/Pledge of Allegiance & Safety Announcement/Roll Call
- II. SCHEDULED ITEMS – *Presentation materials to be posted on ESJGroundwater.org and emailed prior to the meeting. Copies of presentation materials will be available at the meeting.*
  - A. Discussion/Action Items:
    1. Approval of Minutes of March 25, 2020 (See Attached)
    2. Committee Activity
      - a. Steering Committee
      - b. Ah Hoc Technical Advisory Committee
    3. Review and Discuss the Ad Hoc Budget Committee and Steering Committee recommended budget and cost allocation. (Attachment – Memo to GSAs)
    4. DWR Update
- III. Public Comment (non-agendized items)
- IV. Directors' Comments
- V. Future Agenda Items
- VI. Adjournment

### NOTICE: Coronavirus COVID-19

See Attached Notice Regarding COVID 19, Closure of Board Chambers to the Public During the Eastern San Joaquin Groundwater Authority Board of Directors Meeting and Teleconference Information

### **Next Regular Meeting**

Wednesday, June 10, 2020

10:30 a.m. – 12:00 p.m.

Location TBD

# EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY

## Board of Directors Meeting

### AGENDA

*(Continued)*

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#### **Action may be taken on any item**

*Agendas and Minutes may also be found at <http://www.ESJGroundwater.org>*

*Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact San Joaquin County Public Works Water Resources Staff at (209) 468-3089 at least 48 hours prior to the start of the meeting.*

#### **Important Notice Regarding COVID 19 and Closure of Board Chambers to the Public During Eastern San Joaquin Groundwater Authority Board of Directors Meetings**

On March 18, 2020, Governor Gavin Newsom issued Executive Order N-29-20 recognizing that COVID 19 continues to spread throughout our community resulting in serious and ongoing economic harm. Governor Newsom has therefore waived certain requirements of the Ralph M. Brown Act relating to public participation and attendance at public meetings.

Based on guidance from the California Department of Public Health and the California Governor's Officer, *effective immediately* and while social distancing measures are imposed, Board chambers will be closed to the public during the Eastern San Joaquin Groundwater Board of Directors Meetings.

In order to minimize the spread of the COVID 19 virus, the following options are available to members of the public to listen to these meetings and provide comments to the Board of Directors before and during the meeting:

1. You are strongly encouraged to listen to the Eastern San Joaquin Groundwater Authority Board of Directors meetings by attending the teleconference:

#### **Join By Webex**

[www.webex.com](http://www.webex.com)

**Meeting number (access code): 294 456 991**

**Meeting password: G9Mv4sDmS2f**

#### **Join By Phone**

**1-8665905055 Call-in number (ATT Audio Conference) (ATT Audio Conference)**

**1-8164234282 Call-in number (ATT Audio Conference) (ATT Audio Conference)**

**661 530 5 Access Code**

*Once connected, we request you kindly mute your phone.*

# EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY

## Board of Directors Meeting

### AGENDA

*(Continued)*

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2. If you wish to make a comment on a specific agenda item, please submit your comment via email by 5:00 p.m. on the Tuesday prior to the meeting. Please submit your comment to the Clerk/Secretary of the Board at [kmsith@sjgov.org](mailto:kmsith@sjgov.org). Your comment will be shared with the Board members and placed into the record at the meeting. Every effort will be made to read comments received during the meeting into the record but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

**EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY**  
**Board Meeting Minutes**  
**March 25, 2020**

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

The Eastern San Joaquin Groundwater Authority (GWA) Board Teleconference meeting was convened and Chair Chuck Winn called the meeting to order, via the online Teams Meeting platform, at 10:36 a.m. on March 25, 2020. The meeting was conducted via Teleconference only. Kristy Smith with San Joaquin County conducted the roll call.

In attendance were Chair Chuck Winn and Vice Chair Mel Panizza; Directors David Fletcher, Mike Henry, Tom Flinn, Eric Thorburn, Robert Holmes; Alternate Directors Jeremiah Mecham, Charlie Swimley, Walter Ward; and Secretary Kris Balaji. Director Dan Wright and Alternate Director Reid Roberts were in attendance, and arrived after the meeting was called to order.

**II. SCHEDULED ITEMS**

Ms. Christy Kennedy with Woodard & Curran indicated that presentation materials were posted to ESJGroundwater.org and emailed prior to the meeting. Additionally, a copy of the PowerPoint presentation will be displayed in real time for those signed into the meeting using the Teams interface. For those joining the meeting by calling in via phone, slide page numbers will be indicated throughout the presentation so they could follow along in the slides.

**A. Discussion/Action Items:**

**1. Approval of Minutes of February 12, 2020**

Chair Winn called for the approval of minutes of the meeting on February 12, 2020. There were no comments by the GWA Board members and no comments by the public. Kristy Smith with San Joaquin County conducted the roll call vote.

**Motion:**

Vice Chair, Mel Panizza moved, and Director, David Fletcher seconded, the approval of the February 12 minutes. The motion passed unanimously.

Ms. Monica Streeter and Mr. Rod Attebery (Counsel to the GWA) advised that while meetings are conducted via teleconference, all votes must be done by roll call vote.

**2. Accept the ESJ GSP Annual Report and Authorize Submittal to the California Department of Water Resources by April 1, 2020 per SGMA Requirements**

Ms. Christy Kennedy presented on the Water Year 2019 Annual Report and provided a recap of the Technical Advisory Committee's discussion and recommendation to the Board to approve the Annual Report for submittal to the Department of Water Resources (DWR). She walked through the groundwater elevation seasonal high and low contour maps, groundwater quality updates, updates to the Eastern San Joaquin Water Resources Model (ESJWRM), groundwater storage and pumping figures, and water use in the Subbasin. Ms. Kennedy summarized comments and recommendation from the Technical Advisory Committee, which met earlier that morning. The Technical Advisory recommendation was that the Board approve the Annual Report with minor textual edits and additional information noted where Water Year

2019 water quality data is unavailable for the ten representative monitoring network wells. She then walked through the review and submittal schedule for the Annual Report.

Ms. Kennedy opened the discussion for questions or comments.

Mr. Paul Wells with the Department of Water Resources (DWR) provided an update, stating that DWR will accept submissions of the Annual Report after the April 1, 2020 deadline due to health and safety concerns relate to COVID-19.

Mr. Rod Attebery (Counsel for the GWA) indicated that opportunity for public comment should be given prior to a motion and that for virtual meetings, public comment can be submitted both verbally during the meeting and as written comments ahead of and following the meeting. Chair Winn noted the process would be clarified moving forward.

Ms. Mary Elizabeth (member of the public) stated she appreciated the opportunity for the public to provide comments but did not have any public comments at this time.

One written public comment received with comments included on the Annual Report Draft document. Mr. John Lambie (member of the public) clarified and restated his comments. Secretary Kris Balaji advised that the comments were received, accepted and noted. It was further advised that his comments were forwarded to the Directors for review.

Chair Winn called for a vote by the Board to accept the Annual Report for submittal to DWR, consistent with the Technical Advisory Committee recommendation. Ms. Kristy Smith conducted the roll call vote.

**Motion:**

Motion made to accept the Annual Report and authorize for submission to The Department of Water Resources.

Director, Charlie Swimley moved, and Director, Tom Flinn seconded. A Roll Call Vote was conducted, the motion passed unanimously.

Director David Fletcher was absent from the Roll Call Vote.

Mr. Rod Attebery (counsel to the GWA) clarified that for virtual meetings, a non-response of someone who was present at the start of the meeting should be recorded as an absence for that particular action item.

**3. Status of the Proposition 68 Grant Preliminary Award**

Mr. Matt Zidar (San Joaquin County Public Works) indicated that the Eastern San Joaquin Subbasin has been awarded the full requested amount of \$500,000.00 under the Proposition 68 Sustainable Groundwater Management Round 3 Grant. He stated that there would be an amendment to the existing contract with DWR, accepting the grant and carrying on with work. He then turned it over to Mr. Paul Wells to provide additional DWR updates.

Mr. Paul Wells (DWR) confirmed the \$500,000.00 award with a cost share and advised that the award letter and revised agreement would be sent out shortly if not already.

#### **4. DWR Update**

Mr. Paul Wells (DWR) advised that the public could view the Annual Report on the Department of Water Resources (DWR) portal, once it is submitted. Mr. Wells also advised that Public Comments period on the GSP has been extended through May 2020.

#### **III. Public Comment:**

None.

#### **IV. Director's Comments:**

Director Mike Henry questioned the lawsuit pertaining to GSP comments and details regarding Counsel discussions. Secretary Kris Balaji stated that official serving has not been received. Mr. Balaji advised that attorneys have discussed and questioned if it was okay to discuss in an Open Session at the next Board Meeting. Mr. Matt Zidar requested guidance from the Attorney group in regards to discussing at the next Steering Committee Meeting. Mr. Rod Attebery (Counsel for the GWA) stated that his recommendation was no, this is not a Steering Committee item; it is an appropriate item for a Closed Session discussion.

Chair Winn advised that there would be further discussion with Counsel to decide how to proceed.

#### **V. Future Agenda Items:**

None provided.

#### **VI. Adjournment:**

Chairman Winn adjourned the March 25, 2020 meeting at 11:22 a.m.

**Next Regular Meeting:** It was stated that the next scheduled meeting would be held on June 10, 2020 beginning at 10:30 am, as per the meeting agenda.

\*Correction to the stated meeting date, time and location:

The next meeting is scheduled for May 13, 2020 beginning at 10:30 am, to be held at the City of Stockton DWSP Training Room.

Approval of Minutes

Eastern San Joaquin Groundwater Authority Board of Directors

March 25, 2020

Agency Name	Director First	Director Last		Alternate First	Alternate Last	
Cal Water	John	Freeman		Steven Jeremiah	Cavallini Mecham ●	Y
Central Delta Water Agency	George	Biagi, Jr.		Dante	Nomellini	
Central San Joaquin Water Conservation District	Grant	Thompson		Reid	Roberts ●	Absent from Vote
City of Lodi	Alan	Nakanishi		Charlie	Swimley ●	Y
City of Manteca	David	Breitenbucher				
City of Stockton	Dan	Wright ●	Y	Mel Paul	Lytle Canepa	
Eastside San Joaquin GSA	Russ	Thomas		Walter	Ward ●	Y
Linden County Water District	David	Fletcher ●	Y	Paul	Brennan	
Lockeford Community Services District	Mike	Henry ●	Y	Joseph Eric	Salzman Schmid	
North San Joaquin Water Conservation District	Tom	Flinn ●	Y	Joe	Valente	
Oakdale Irrigation District	Eric	Thorburn, P.E. ●	Y			
South Delta Water Agency	John	Herrick, Esq.		Jerry	Robinson	
South San Joaquin Groundwater Sustainability Agency	Robert	Holmes ●	Y	Brandon	Nakagawa	
Woodbridge Irrigation District	Andy	Christensen				
San Joaquin County Public Works Secretary (1)	Kris	Balaji ●				
Stockton East Water District Vice Chair (2)	Melvin	Panizza ●	Y	Andrew	Watkins	
San Joaquin County Chairman (3)	Chuck	Winn ●	Y	Kathy	Miller	

Minutes approved.

Roll Call

Eastern San Joaquin Groundwater Authority Board of Directors

March 25, 2020

Agency Name	Director First	Director Last	Alternate First	Alternate Last
Cal Water	John	Freeman	Steven Jeremiah	Cavallini Mecham ●
Central Delta Water Agency	George	Biagi, Jr.	Dante	Nomellini
Central San Joaquin Water Conservation District	Grant	Thompson	Reid	Roberts ● Late
City of Lodi	Alan	Nakanishi	Charlie	Swimley ●
City of Manteca	David	Breitenbucher		
City of Stockton	Dan	Wright ● Late	Mel Paul	Lytle Canepa
Eastside San Joaquin GSA	Russ	Thomas	Walter	Ward ●
Linden County Water District	David	Fletcher ●	Paul	Brennan
Lockeford Community Services District	Mike	Henry ●	Joseph Eric	Salzman Schmid
North San Joaquin Water Conservation District	Tom	Flinn ●	Joe	Valente
Oakdale Irrigation District	Eric	Thorburn, P.E. ●		
South Delta Water Agency	John	Herrick, Esq.	Jerry	Robinson
South San Joaquin Groundwater Sustainability Agency	Robert	Holmes ●	Brandon	Nakagawa
Woodbridge Irrigation District	Andy	Christensen		
San Joaquin County Public Works Secretary (1)	Kris	Balaji ●		
Stockton East Water District Vice Chair (2)	Melvin	Panizza ●	Andrew	Watkins
San Joaquin County Chairman (3)	Chuck	Winn ●	Kathy	Miller

\*We have Quorum\*



**Eastern San Joaquin Groundwater Authority Board of Directors**

Approve Item #2 -AR

March 25, 2020

Agency Name	Director First	Director Last		Alternate First	Alternate Last	
Cal Water	John	Freeman		Steven Jeremiah	Cavallini Mecham •	Y
Central Delta Water Agency	George	Biagi, Jr.		Dante	Nomellini	
Central San Joaquin Water Conservation District	Grant	Thompson		Reid	Roberts •	Y
City of Lodi	Alan	Nakanishi		Charlie	Swimley •	Y
City of Manteca	David	Breitenbucher				
City of Stockton	Dan	Wright •	Y	Mel Paul	Lytle Canepa	
Eastside San Joaquin GSA	Russ	Thomas		Walter	Ward •	Y
Linden County Water District	David	Fletcher •	Absent from Vote	Paul	Brennan	
Lockeford Community Services District	Mike	Henry •	Y	Joseph Eric	Salzman Schmid	
North San Joaquin Water Conservation District	Tom	Flinn •	Y	Joe	Valente	
Oakdale Irrigation District	Eric	Thorburn, P.E. •	Y			
South Delta Water Agency	John	Herrick, Esq.		Jerry	Robinson	
South San Joaquin Groundwater Sustainability Agency	Robert	Holmes •	Y	Brandon	Nakagawa	
Woodbridge Irrigation District	Andy	Christensen				
San Joaquin County Public Works Secretary (1)	Kris	Balaji •				
Stockton East Water District Vice Chair (2)	Melvin	Panizza •	Y	Andrew	Watkins	
San Joaquin County Chairman (3)	Chuck	Winn •	Y	Kathy	Miller	



# EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY

## Memo

**To:** GSA members

**From:** Matt Zidar, Water Resources Manager

**RE:** Ad Hoc Budget and Steering Committee recommended budget and cost allocation

**Date:** May 1, 2020

This memo is to brief the GSAs regarding the proposed FY 20/21 Budget and GSA Cost allocation recommendation of the GWA Steering Committee and the Ad Hoc Budget Committee. It also serves as a request for written comment.

**Background:** The East San Joaquin Groundwater Authority (GWA) formed the Steering Committee at the February 2020 meeting. The Steering Committee met March 11, 2020 to begin discussion of the FY 20/21 budget and cost allocation strategy. At this meeting an Ad Hoc Budget Committee was formed<sup>1</sup> to help evaluate different cost allocation scenarios and develop a recommendation to the Steering Committee who would then take action to make a recommendation to the full GWA Board. Two Ad Hoc Budget committee meetings were held in April and a recommendation presented to the Steering Committee at their April 29, 2020 meeting. The Steering Committee considered the proposed Ad Hoc Budget Committee recommendation and adopted a motion to take the recommendation to the full Board, also directing staff to send the recommendation to the individual GSAs for their consideration. The intent is to provide time for the GSAs to evaluate the budget and cost allocation recommendation, develop their position and be prepared for subsequent GWA Board discussion at the May 13th GWA meeting. It is expected that the budget and cost allocation would then be considered for adoption by the full Board at the June 10th meeting. Written GSA comments should be submitted no later than May 29th so they can be consolidated and provided to the GWA Board in the June agenda package to be mailed on June 5th.

## Discussion

The GWA adopted a 6-month budget in January 2020 for the balance of FY 19/20, also considering a range of approaches for allocating costs to each of the GSAs. At that time various cost allocation principles were developed and applied to the different expenditure categories (in-kind, equal share, minimum fee and proportionate). Different metrics were considered for assigning proportionate costs (groundwater pumping, population, land acreage). A range of cost allocation scenarios to distribute costs were developed and considered for the planned 6 month expenditures.

For the FY 20/21 budget (July 1, 2020 - June 30, 2021) a proposed budget has been developed (attached Table 1) showing the expenses for:

- Monitoring & Reporting (green) which are a combination of Zone 2 and GSA “in-kind” services assigned to the GSP implementation program

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<sup>1</sup> Watkins (large ag), Lytle (urban), Zidar (staff) and Nakagawa (large ag), Herrick (low pumping, low population)

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- Program Management/Technical Support (blue), originally allocated as 'equal share' costs in the 6-month budget
  - Reserve Cost for 5 yr. Model and GSP update- Water Use/Population Split (corn flower), originally allocated by ratio of groundwater and population (e.g.; 50/50, 60/40, etc.)

Table 2, Budget Summary and GSAs Cost, shows the expense summary (\$1,021,000). The funding sources applied to meeting the expenses include the Proposition 68 Grant, Zone 2 contribution, GSA in kind, carryover of member contributions from the prior year, and the 2020-21 GSA member contributions (yellow highlight) needed to balance the budget. The revenue shortfall of approximately \$300,000 is the target amount needed from the member GSAs to balance the budget. This amount was then used to test different cost allocation scenarios.

After much deliberation and review of numerous scenarios, the Ad Hoc Budget Committee and Steering Committee is recommending the cost distribution shown in Table 3. The Ad Hoc Budget and Steering Committee believed that this was the clearest, easiest and most equitable way of allocating costs to generate the needed revenue to balance the budget, and recognized the principles and metrics previously discussed by the GWA. The total revenue needed to be generated (\$300K) to balance the budget was split 60 % groundwater pumping and 40% population. The analysis also included a minimum membership fee of \$8,500 and the adjustments to the East Side SJ GSA since they are not part of Zone 2. The table also shows the total cost per GSA and the percentage of the total costs contributed by the GSA.

As explained in Tables 4 and 5, all of the GSAs were sorted into a Population Class and a Groundwater Pumping Class. Table 4, Cost Allocation Class - Groundwater Pumping, shows five pumping classes (Col. 1), Agency Type and number of agencies per class (Col. 2), GSA Agencies assigned to the class based on their current pumping (Col 3), number of agencies in the class (Col. 4), Cost/GSA in the class (Col. 5), and the total costs or revenue generated per pumping class (Col. 6 = Col. 4 X Col. 5). The total revenue generated by this approach (\$170K) is 60% of the total cost based on groundwater pumping after the \$8,500 minimum fee has been factored into the analysis.

Table 5 shows the same information but for the population class analysis, which shows how \$114K, or 40% of the total cost of \$300,000 are allocated based on population to each GSA and after the \$8,500 minimum fee has been factored into the analysis.

The Steering Committee recommended showing a table comparing the other cost allocation scenarios. Table 6 shows different analysis. The highlighted columns show the recommended budget. The others scenarios were:

- 50/50 GW/Pop split of the Reserve costs with even split of the Program Management costs
- 50/50 GW/Pop split of total Reserve and Program Management costs with a minimum membership cost of \$5,000 assumed
- 60/40 GW/Pop split of total Reserve and Program Management costs with a minimum membership cost of \$5,000 assumed
- Equal share split of all costs

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I should also be noted that all of the scenarios included an assumed total Zone 2 contribution of \$225,000 and an adjustment to the East Side San Joaquin GSA costs to reflect that areas outside the County are unable to be subsidized by Zone 2.

Attachments