

**Cosumnes Groundwater Authority  
Board of Directors Meeting**

Meeting Minutes  
October 4, 2023 - 9:00am

**Call to Order: 9:07am**

1) Introductions / Determine if Quorum is Present

Directors in Attendance: Gary Thomas, Mike Selling , Leo VanWarmerdam , Mark Stretars , Pat Hume, Chris Hunley, John Mulrooney, Herb Garms, Gary Silva, Jay Vandenburg, Lindsay Liebig

**Regular Business Action Items**

2) Consent Items

- a. Agenda – September 18, 2023
- b. Minutes – September 18, 2023
- c. Financial Report – October 2023

*Director Thomas moved to approve the Agenda and Minutes.*

*Director Liebig seconded the motion.*

*The motion passed with all in favor.*

Staff discussed the financials which included an EKI Invoice, and in particular, who may be responsible for approving the payments of these invoices. Rebecca with Downey Brand noted that it is technically the CGA Chair and Staff's responsibility to approve these payments but that the CGA Treasurer Rick Ferriera and signers are certainly looped in, as well.

*Director Thomas moved to approve the Financial Report.*

*Director Selling seconded the motion.*

*The motion passed with all in favor.*

**Informational Presentation**

3) Sacramento County Agriculture Commissioner, Chris Flores

Chris Flores presented information regarding the future of Ag within the County, including background information on the department and what they do. The Department of Agriculture, Weights and Measures has 26 Full Time Employees and 15-25 seasonal staff to do pest detection tracking with an office in Sacramento and Galt. One of their programs is the inspections at certified farmers markets (108 certified producers in 2021, 656 commodities grown and 690 acres farmed by certified producers). Another program is their pest detection and pesticide use enforcement including seasonal trap servicings and delimitation trapping. In 2021, they conducted about 300 pesticide use enforcement (PUE) inspections with the top 5

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commodity exports being almonds, walnuts, pears, yams and american hazelnuts. The oriental fruit fly, in particular, was found in a high amount of exports. In terms of Summary of Production, it was found that the 2021 gross production value of agricultural commodities in Sacramento County was \$568 million dollars. The top 10 commodities in the County are: grapes, milk, pears, nursery stock, poultry, cherries, aquaculture, hay, corn and cattle.

There are 3 main groundwater subbasins in Sacramento County including: North American, South American and Cosumnes. Chris showed the Sac County's Department of Conservation (DOC) Farmland Mapping and Monitoring Program which shows the average annual acreage change from 1988 to present (a downward trend). Chris also shared her email and phone number with the Board so they may reach out to her if they have any questions. [florescj@saccounty.gov](mailto:florescj@saccounty.gov) and (916) 875-0538.

### **Regular Business Action Items**

#### 4) Fiscal Year 2023-2022 Audit

Richardson & Company, LLP conducted and completed CGA's FY 2021-2022 Audit. They are also working on closing out our FY 2022-2023 Audit. Several recommendations were included and discussed including a bank reconciliation process with established support from the Treasurer, "The Authority should consider approving accounting policies and procedures, an employee expense reimbursement policy, an anti-fraud policy and a whistleblower policy." Staff explained that they have met with Rick Wood at CSDA to further develop these policies to display before the Board in the coming months.

*Director Selling made a motion to approve the FY '21 - '22 Audit Payment.*

*Director Thomas seconded the motion.*

*The motion passed with all in favor.*

#### 5) Member Contribution Agreements

At the October 4, 2023 CGA Board meeting, SCI will present a draft fee proposal for feedback and discussion by the CGA Board. These materials are intended as a resource for all members: CGA will not be directly implementing or adopting any fee.

Rather, under the current governance structure, CGA is responsible for: (1) Identifying an annual budget; (2) facilitating and funding the underlying work for the fee study; and (3) collecting member contributions. Members are responsible for: (1) Participating and providing feedback on budget discussions and the fee study; (2) remitting annual member contributions to CGA; and (3) developing and implementing a mechanism to fund their member contributions.

Staff shared the Member Contribution Commitments & CGA Budgeting documents led in conversation by Rebecca from Downey Brand. This document had three recommendations in total.

1. "Confirm each member agency's contributions during the 5-year period of the Draft Fee Proposal. Is each member willing to commit its identified "slice" of the pie? If yes, proceed to Recommendation #2. If no, provide direction to staff/SCI for modification."

2. Execute an updated funding agreement, memorializing each member's expected contributions for the 5 year term of the proposed fee study and identifying a path forward if actual contributions are less than budgeted.
3. : If members have consensus on contribution amounts, each member should consult with counsel to confirm (1) the total amount of revenue required by that member from fee collection, based on CGA participation and any other revenue needs (e.g., member-specific projects and costs); and (2) the appropriate mechanism for collecting that revenue.

The Board discussed the Revenue by GSA that was listed and noted that the numbers seemed a bit high. Rebecca explained that the numbers are not final and are subject to change. She also insisted that the Board is not required to use this methodology but if they do, they need to come to an agreement on what the numbers should be. One issue the Board brought up in terms of Amador is that these fees are based on irrigated lands and not surface water acres. No action was looked for in this conversation but Rebecca stressed that it is a decision that needs to be reached in the coming months as it could present a problem later on.

#### 6) CGA Cost of Service Study Development Update

SCI Consulting has drafted a Draft Fee Implementation Memo recapping the status of our developing and updated cost of service study which staff showed to the Board. This will serve as the foundations of outreach efforts this fall and winter. On September 26th, staff received written public comment from Barbara Washburn which was also attached and displayed for the Board. Ryan from SCI went over the Draft Fee Memo to the Board going over specifically the Review Fee Structure (projected five-year budget, base charge fee, public water system fee and irrigated acreage fee), the Review Revenue Summary (revenue by groundwater user class and cost allocation) and Looking Forward (discussion of fee study needs, current tasks and fee implementation).

Ryan recommended that the PMA budget be looked over and reworked in order to adjust the budget. The Board noted that it seemed like base charges adding up to \$223,575 to run CGA are preferred over the \$800,000 proposed by Staff. Staff explained that this is truly just the base justification that does not allow CGA to do any projects, run committees, hold workshops, etc. Lindsay pointed out that 68% of administrative fees would be based on charges by the GSA's while 32% would be based on residential parcels-users in the basin. There was a discussion between Board members on how the parcel fees were broken down by GSA and parcel users. Rebecca explained that CGA is responsible for implementing a fee and that the Board will need to agree on how this is broken down and implemented, in the long-run.

In terms of the Public Water System Fee, the revenue added to \$35, 704 while the irrigated acre fee added to \$546, 199 (proposed). Agricultural users would be paying about 72% of the fees in terms of groundwater usage with residential users about 23%. Looking forward to fee study needs, Ryan spelled out the next steps needed including identification of specific PMAs to be funded by the fees, updated Amador parcel layer, determination of aquaculture approach, and more. In terms of a timeline, a final fee report will be presented to the Board by April 2024.

#### 7) November Public Outreach Events

Theresa, the Chair of the Outreach and Engagement Committee, shared a quick update on the Workshops that will take place on November 1 and 4. Outlines of the poster topics were shared with the Board. Staff will be editing the outline into poster formats to display at the Workshops. The Committee has met several times to discuss the workshops and will meet once more in October to tie up any loose ends.

#### **Informational Items**

##### 8) Monitoring Network Update

None.

##### 9) Committee Reports

None.

##### 10) CGA Staff Reports

##### 11) CGA Counsel Reports

None.

##### 12) DWR North Central Regional Office Update

None.

##### 13) Received Correspondence

None.

##### 14) Director/Member GSA Comments

None.

##### 14) Upcoming Agenda Items

The following items were identified: None.

#### **Public Comment on Non-Agenda Items**

##### 15) Public Comment

#### **Adjourn Meeting**

*Chair Hunley adjourned the meeting by consensus at 11:32pm.*

**PLEASE NOTE STARTING IN OCTOBER, REGULAR MEETINGS OF CGA WILL BE HELD ON THE 1ST WEDNESDAY EACH MONTH. THE NEXT MEETING WILL BE HELD ON NOVEMBER 1, 2023.**