

**South San Joaquin Groundwater Sustainability Agency
Regular Meeting
Manteca, California
October 21, 2020**

The Governing Board of the South San Joaquin Groundwater Sustainability Agency (SSJGSA) met in regular session in person at the South San Joaquin Irrigation District (SSJID) Board Room at 9:00 a.m., with public access provided via the online Zoom meeting platform. Chairman Holmes called the meeting to order and led the flag salute.

Upon roll-call the following members were noted present:

PRESENT: Tammy Alcantor, City of Escalon
Daniel de Graaf, City of Ripon
Robert Holmes, South San Joaquin Irrigation District
Dave Kamper, South San Joaquin Irrigation District
Mike Weststeyn, South San Joaquin Irrigation District

ABSENT: NONE

Also present were SSJID General Manager, Peter Rietkerk; SSJID Water Resources Coordinator, Brandon Nakagawa; Special SSJGSA Counsel, Valerie Kincaid; SSJID General Counsel, Mia Brown; and SSJID Clerk of the Board, Danielle Barney.

Public Comment – None

ACTION CALENDAR

Item #1 – Approval of the Meeting Minutes of August 18, 2020

MOTION: A motion was made by Director de Graaf and seconded by Director Alcantor to approve the minutes as submitted.

The motion passed 5 to 0 by the following vote:

AYES: ALCANTOR de GRAAF HOLMES KAMPER WESTSTEYN
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

Item #2 – Presentation of YTD Financial Statements Through September 2020

Mr. Bere Lindley, SSJGSA Treasurer and SSJID Assistant General Manager, addressed the Board and distributed the YTD Financial Statements through September 2020, which provided an accounting history since the inception of the SSJGSA in 2018. Mr. Lindley gave a detailed description of the Expenses and Member Contributions including the initial 2018 member contributions totaling \$167,447; expenses from 2018-2020 totaling \$333,613; and preliminary calculations for additional member contributions totaling \$166,166. He noted that the additional member contributions are not final and may be subject to change if expenses arise before December 31, 2020. Mr. Lindley also provided a brief summary of YTD expenses, wages, and 2020 payroll taxes and employee benefits; and expenses transaction details for 2018 and 2019.

Item #3 – Discussion and Possible Action on Preliminary SSJGSA Budget and Send Invoices to the Members for Past Expenditures

Mr. Brandon Nakagawa, SSJID Water Resources Coordinator, addressed the Board and distributed a handout titled SSJGSA YTD Expenditures and 2021 Preliminary Budget, Version 2. He provided detailed descriptions of the listed budget variances, and the SSJGSA proposed preliminary budget expenses for 2021 including staff time, Eastern San Joaquin Groundwater Authority (ESJGWA) contributions for 2020 and 2021 member dues, legal, technical consultants, conferences, memberships and general materials totaling \$244,900. Staff is recommending the board members present the preliminary 2021 SSJGSA budget and cost share of expenses to their respective councils, with adoption of the SSJGSA 2021 budget anticipated for January 2021. He further explained the billing structure will be to invoice the cities in arrears for any expenses incurred on a quarterly basis.

Mr. Nakagawa explained the YTD expenditures totaling \$333,619.56, the allocated member share of expenses (SSJID = 85%, Ripon = 10%, Escalon = 5%), the monies paid by the member cities (SSJID = \$100,000, Ripon = \$16,746, Escalon = \$8,373), and the amount due by the member cities to true-up their share of expenses (Ripon = \$16,616, Escalon = \$8,308).

At this time, staff is requesting Board approval to invoice the member cities the amounts due to true-up their share of expenses.

MOTION: A motion was made by Director de Graaf and seconded by Director Weststeyn to invoice the SSJGSA member cities the amounts due to true-up their share of expenses (Ripon = \$16,616, Escalon = \$8,308).

The motion passed 5 to 0 by the following vote:

AYES: ALCANTOR de GRAAF HOLMES KAMPER WESTSTEYN
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

Item #4 – Approval of Payment to the Eastern San Joaquin Groundwater Authority for FY 2020-21 Membership Dues in the Amount of \$16,000

Mr. Nakagawa addressed the Board regarding the SSJGSA cost share of membership dues to the ESJGWA per ESJGWA Resolution #R-20-03 Adopting the Fiscal Year 2020-21 Budget, Establishing Member Cost Allocations and Authorizing the Secretary of the Authority to Invoice Member Agencies. The San Joaquin County (SJC) Public Works invoice #WR2009-13, in the amount of \$16,000, covers ESJGWA member costs through June 2021.

At this time, staff is requesting Board approval to pay SJC Public Works invoice #WR2009-13 for ESJGWA FY 2020-21 member dues in the amount of \$16,000.

MOTION: A motion was made by Director de Graaf and seconded by Director Alcantor to authorize staff to pay the San Joaquin County Public Works invoice #WR2009-13 for the ESJGWA FY 2020-21 member dues in the amount of \$16,000.

The motion passed 5 to 0 by the following vote:

AYES: ALCANTOR de GRAAF HOLMES KAMPER WESTSTEYN
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

Item #5 – Presentation on Sustainable Groundwater Management Act (SGMA) and the Common Law of Groundwater Rights – Finding a Consistent Path Forward for Groundwater Allocation

Ms. Valerie Kincaid, Special SSJGSA Counsel, addressed the Board regarding SGMA and the Common Law of Groundwater Rights and gave a PowerPoint presentation titled “Summary of Allocations Structures” which defined the allocation structure concept and groundwater rights. She explained that future allocations could be necessary within the Eastern San Joaquin Subbasin to determine who can extract water, how the water will be extracted, and when the water will be extracted in the hypothetical event that groundwater sustainability is not achievable under the Eastern San Joaquin Groundwater Authority’s groundwater sustainability plan.

Ms. Kincaid summarized the definition of allocations; the purpose for the allocation structure; what is being allocated; and who is included in the allocations. She provided detailed descriptions of the allocation options including net acreage; irrigated acreage, historic pumping; and hybrid. Ms. Kincaid recommended the hybrid approach and opined that it is most fair and based on equity.

Discussion among the Board included that the California Department of Water Resources (DWR) is the regulatory agency and would be monitoring allocations; discussion needs to occur at the ESJGWA level; and strategizing needs to occur at the SSJGSA level. Ms. Kincaid concluded her presentation and stated that allocations do not need to occur unless and until it is determined that sustainability is not achievable without allocations.

Item #6 – Discussion on Eastern San Joaquin Groundwater Authority Business

Mr. Nakagawa reported that the ESJGWA Board of Directors met on October 14. Action at the meeting included approval of a resolution to authorize the Secretary of the ESJGWA to approve expenditures and execute contracts within the designations and limitations of the approved budget resolution. He added that development of the ESJGWA Groundwater Sustainability Plan was paid for by the ESJGWA and that the County is still owed reimbursement from DWR in the amount of \$700K. Mr. Nakagawa concluded his discussion and stated that Mr. Matt Zidar, SJC Public Works – Water Resources Coordinator, is acclimating into the position and the ESJGWA seems to be running smoothly.

COMMUNICATIONS

Item #7 – Communications

- a) **Staff and Consultant Updates**
None
- b) **Technical Advisory Committee**
None
- c) **Member Reports**
None
- d) **Correspondence**
None

It was announced that all items in Closed Session would be discussed. Ms. Kincaid disclosed that there were no matters in Closed Session requiring Board discussion at this time. Board consensus was to move forward to Item #9 – Adjournment.

CLOSED SESSION

Item #8 – Closed Session

8. a) Conference with Legal Counsel – Existing Litigation
Paragraph (1) of subdivision (d) of Government Code Section 54956.9
- 1 case

California Sportfishing Protection Alliance v. Eastern San Joaquin Groundwater Authority et al.
Superior Court of Stanislaus County
Case No. CV-20-001720

Disclosure of reportable actions taken in Closed Session, pursuant to Government Code Section 54957.1: There were no reportable actions taken in closed session.

ADJOURNMENT

Item #9 – Adjournment

There being no further business to discuss, the meeting was adjourned at 10:37 a.m.

ATTEST:

Danielle Barney, Clerk of the Board