

**SPECIAL MEETING OF THE
FLORIN RESOURCE CONSERVATION DISTRICT
BOARD OF DIRECTORS**

Agenda

Wednesday, January 30, 2018

5:30 PM

**9257 Elk Grove Blvd.
Elk Grove, CA 95624**

Compliance with Government Code Section 54957.5

The Board will discuss all items on the agenda, and may take action on any item listed as an "Action" item. The Board may discuss items that do not appear on the agenda, but will not act on those items unless there is a need to take immediate action and the Board determines by a two-thirds (2/3) vote that the need for action arose after posting of the agenda.

If necessary, the Meeting will be adjourned to Closed Session to discuss items on the agenda listed under "Closed Session." At the conclusion of the Closed Session, the meeting will reconvene to "Open Session."

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

- 1. Sacramento Central Groundwater Authority Fiscal Year 2018-19 Contribution – Request for Reconsideration** (Mark Madison, General Manger)

Associate Director Comment

Public Comment

Recommended Action: Reconsider the amounts withheld from the payment of the Fiscal Year 2018-19 contribution to the Sacramento Central Groundwater Authority

- 2. 2019-2023 Strategic Plan Board Workshop #1** (Sarah Jones, Program Manager)

Associate Director Comment

Public Comment

Adjourn to Regular Meeting – February 20, 2019

January 30, 2019

TO: Chairperson and Directors of the Florin Resource Conservation District
FROM: Mark J. Madison, General Manager
SUBJECT: **SACRAMENTO CENTRAL GROUNDWATER AUTHORITY FISCAL YEAR 2018-19 CONTRIBUTION – REQUEST FOR RECONSIDERATION**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors reconsider the amounts withheld from the payment of the Fiscal Year 2018-19 contribution to the Sacramento Central Groundwater Authority.

SUMMARY

On June 13, 2018, the Sacramento Central Groundwater Authority (SCGA) adopted their proposed Fiscal Year (FY) 2018-19 budget, which included increased contribution amounts from member agencies, including the Florin Resource Conservation District/Elk Grove Water District (FRCD/EGWD). The contribution amount for the FRCD/EGWD increased from \$34,325 in FY 2017-18 to \$45,460 in FY 2018-19.

On September 19, 2018, the FRCD Board of Directors (Board) instructed the General Manager to pay the contribution amount, withholding \$27,259 in charges that were deemed to be inappropriate. On November 14, 2018, the FRCD/EGWD received a letter from SCGA requesting the FRCD/EGWD reconsider these withholdings.

This item is intended to convey SCGA's request to the Board and obtain direction on the matter.

DISCUSSION

Background

On August 8, 2018, Sacramento County invoiced the FRCD/EGWD \$45,460 for its annual contribution toward the SCGA FY 2018-19 budget.

On September 19, 2018, the Board convened on this matter and determined that the FRCD/EGWD would pay a lesser amount due to concerns expressed by the FRCD/EGWD during the SCGA budget process.

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY FISCAL YEAR 2018-19
CONTRIBUTION – REQUEST FOR RECONSIDERATION**

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Specifically, the Board authorized payment of the invoice, less the Base Contribution amount of \$10,000, less the Connection Contribution amount of \$14,942, and less a calculated amount of \$2,317 for Zone 13 that was believed to be a double assessment to EGWD customers, which totaled \$18,201.

Accordingly, the contribution authorized by the Board was made as follows:

Invoiced Amount	\$45,460
Deduction for the Base Contribution	(\$10,000)
Deduction for the Connection Contribution	(\$14,942)
Deduction for the Zone 13 Double Assessment	<u>(\$2,317)</u>
Contribution Amount Paid by the FRCD/EGWD	\$18,201

At the SCGA Board meeting on November 14, 2018, a draft letter was proposed to the SCGA Board requesting that the FRCD/EGWD reconsider the amounts withheld and pay the full annual contribution amount of \$45,460. This item was approved by the SCGA Board and the FRCD/EGWD subsequently received the letter (Attachment 1) on November 29, 2018.

On December 12, 2018, the SCGA Board also took action to approve an amendment to SCGA Policy 100.1. This amendment (Attachment 2) generally gives the SCGA Board the authority to suspend an SCGA member that has not paid their full annual contribution amount after receiving a 30-day Notice of Violation (NOV).

Present Situation

On January 10, 2019, the FRCD/EGWD received a NOV from the SCGA (Attachment 3) dated December 31, 2018. The NOV has an effective date of January 10, 2019 and requires the FRCD/EGWD to fully pay the annual amount within 30 days, or by February 9, 2019.

At this time, staff is forwarding SCGA's request for reconsideration to the Board and is requesting direction as to how to proceed.

ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations associated with this item.

January 30, 2019

**SACRAMENTO CENTRAL GROUNDWATER AUTHORITY FISCAL YEAR 2018-19
CONTRIBUTION – REQUEST FOR RECONSIDERATION**

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STRATEGIC PLAN CONFORMITY

The direction requested in this staff report conforms to the values of the FRCD/EGWD 2012-2017 Strategic Plan, notably including Leadership, Integrity, and Professionalism.

FINANCIAL SUMMARY

The contribution amount previously paid is \$18,201. The contribution amount that was not previously paid is \$27,259. If this remaining balance is authorized for payment, the total FRCD/EGWD full contribution amount for FY 2018-19 will be \$45,460. Funds for the full contribution amount have been budgeted for, and approved, in the EGWD's FY 2018-19 Operating Budget.

Respectfully submitted,



MARK J. MADISON
GENERAL MANAGER

MJM/bk

Attachments

827 7th St, Rm 301
Sacramento, CA 95814



Sacramento Central Groundwater Authority
*Managing Groundwater Resources
in Central Sacramento County*

Tel: (916) 874-6851
Fax: (916) 874-5698
www.scgah2o.org

RECEIVED

NOV 29 2018

November 14, 2018

Darrell K. Eck
Executive Director

Mark J. Madison, General Manager
Florin Resource Conservation District/Elk Grove Water District
9257 Elk Grove Boulevard
Elk Grove, CA 95624

Dear Mr. Madison:

This letter is in response to your letter dated October 3, 2018 in regard to the Florin Resource Conservation District/Elk Grove Water District (FRCD/EGWD) Fiscal Year 2018/19 Contribution to the Sacramento Central Groundwater Authority (SCGA). In this letter the FRCD/EGWD asserts that the agency “will pay a lesser amount due to concerns expressed in our... letter to you dated May 14, 2018 and SCGA’s non-compliance with two requests made by the FRCD/EGWD at the SCGA Special Board meeting on June 27, 2018.” According to the letter this “lesser amount” is in reference to an invoice dated August 8, 2018 requesting that FRCD/EGWD pay their annual contribution of \$45,460 which was approved by the SCGA Board of Directors on June 27, 2018. According to the October 3 letter, the FRCD Board determined that \$18,201 was an appropriate amount given that the SCGA Board did not support identified concerns.

As you are aware, the concerns raised by FRCD/EGWD regarding funding for the Authority in the May 14, 2018 letter have been the subject of an opinion by counsel and have been vetted through the Board on more than one occasion. On each occasion the Board has recognized that the funding methodology described in the JPA was a negotiated process and that the negotiators (including representatives of FRCD/EGWD) were aware these issues existed. The Board has also recognized that a process is moving forward that will make changes to the Authority’s funding methodology that would remedy these concerns and at the same time acknowledges that there are a number of uncertainties that affect the ability to complete this process within FRCD/EGWD’s desired timeframe. These uncertainties were enumerated in board items heard at the May 31, 2018, June 27, 2018, and September 12, 2018 Board meetings. With regard to the interim rate structure not

- California-American Water Company
- City of Elk Grove
- City of Folsom
- City of Rancho Cordova
- City of Sacramento
- County of Sacramento
- Florin Resource Conservation District/Elk Grove Water Service
- Golden State Water Company
- Omochumne-Hartnell Water District
- Rancho Murieta Community Services District
- Sacramento Regional County Sanitation District
- Agricultural Representative
- Agricultural-Residential Representative
- Commercial/Industrial Representative
- Conservation Landowners
- Public Agencies/Self-Supplied Representative

complying with the JPA, counsel has opined that Section 8(e) allows for this modification. As stated previously, the SCGA Board approved Resolution 2018-02 on June 27, 2018, "Adopting and Assigning Costs to Fund Administrative and Program Budgets for Fiscal Year 2018/2019 and Adjust Annual Contributions." Voting was in accordance with the requirements set forth in Sections 8(a), (c), and (e) of the First Amended and Restated Joint Powers Agreement Between the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, and the County of Sacramento Creating the Sacramento Central Groundwater Authority (JPA). Once the budget has been adopted identified participating members in the budgetary process are expected to meet their financial responsibility in the funding of the organization. There are no provisions within the JPA that permits a participating member of the governing board to reduce or modify their annual contribution. Once approved by the Board the annual contribution is a required payment. Any change in annual contributions requires the affirmative vote of 11 of the 16 members of the Board.

The Board of Directors of the Groundwater Authority are made up of sixteen members representing the signatory agencies, public agencies, private water purveyors, agricultural interests, agriculture-residential groundwater users, commercial/industrial self-supplied groundwater users, conservation landowners, and public agency self-supplied groundwater users. The stakeholders who participated in the development of SCGA, including the governing JPA, anticipated that there would be disagreement at times over decisions necessary to govern and operate the agency. That is why a robust board and JPA were adopted in order to work collaboratively through these issues. The SCGA Board encourages the FRCD/EGWD board to reconsider their decision and continue to work collaboratively on the business of sustainable groundwater management.

Sincerely,



Forrest Williams
Chair, Sacramento Central Groundwater Authority

cc: Board, Florin Resource Conservation District
Elk Grove City Council

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

RESOLUTION NO. 2018-_____

RESOLUTION AMENDING SACRAMENTO CENTRAL GROUNDWATER AUTHORITY POLICIES AND PROCEDURES MANUAL “RULES OF PROCEDURE” POLICY NUMBER 100.1, CHAPTER 1, ARTICLE 2, SECTION 1.23(m); AND POLICY NUMBER 100.1, CHAPTER 3; AND POLICY NUMBER 100.1, CHAPTER 5, ARTICLE 1, SECTION 5.01(g)

WHEREAS, the Sacramento Central Groundwater Authority (“Authority”) Policies and Procedures Manual “Rules of Procedure” Policy Number 100.1 Chapter 1, Article 2, Section 1.25 identifies that changes to the “Rules of Procedure” shall be by resolution; and

WHEREAS, the Authority’s Policies and Procedures do not address conditions and remedies of non-payment of financial obligations by member agencies that have been approved by the governing Board;

NOW, THEREFORE, BE IT RESOLVED the SCGA Board of Directors:

1. Amends Policy Number 100.1, Chapter 1, Article 2, Section 1.23(m) in the manner identified in Exhibit A, attached hereto.
2. Amends Policy Number 100.1, Chapter 3 in the manner identified in Exhibit B, attached hereto.
3. Amends Policy Number 100.1, Chapter 5, Article 1, Section 5.01(g) in the manner identified in Exhibit C, attached hereto.

ON A MOTION by Director _____, and seconded by Director _____, the foregoing resolution was passed and adopted by the Board of Directors of SCGA this 12th day of December, 2018, by the following vote, to wit:

AYES: Directors,

NOES: Directors,

RECUSAL: Directors,
(PER POLITICAL REFORM ACT (§ 18702.5))

ABSENT: Directors,

ABSTAIN: Directors,

Chair of the Board of Directors
of the Sacramento Central Groundwater Authority,
a duly formed Joint Powers Authority

(SEAL)

ATTEST: _____
Clerk of the Board of Directors of
the Sacramento Central Groundwater Authority

Policy 100.1, Chapter 1, Article 2, § 1.23(m) - “Tracked
Changes” Version

- (b) as further and more precisely depicted in the boundary map identified as Exhibit A. The boundaries of the Authority shall be amended or changed only by amendment to the Joint Powers Agreement.

**ARTICLE 2.
CONSTRUCTION OF RULES OF PROCEDURE**

§ 1.21 Scope of Rules of Procedure

- (a) Unless these Rules specifically or by context indicate to the contrary, the general provisions and definitions set forth in this Chapter govern the construction of these Rules.
- (b) When these Rules refer to an officer, employee, or other function, such references shall be to the appropriate or designated officer, employee, or function of the Authority.
- (c) Chapter and section headings in these Rules shall not govern, limit or modify the scope, meaning, or intent of these Rules.
- (d) Nothing in these Rules is intended to alter, amend or otherwise change any provision of the Joint Powers Agreement between and among the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of Sacramento. In any instance where there is a conflict between the Joint Powers Agreement, as it may be amended, and these Rules, the provisions of the Joint Powers Agreement shall govern.

§ 1.22 Severability

In the event that any Chapter, section, subsection, sentence, clause or phrase of these Rules are held invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of these Rules.

§ 1.23 Definitions

As used in these Rules, the following terms are defined as follows:

- (a) “Administrative Costs” refers to all costs and expenses of the Authority related to the administration and management of the Authority, excluding “Water Costs” as defined in this section.
- (b) “Agricultural Interests” refers to all persons or entities that pump groundwater within the boundaries of the Authority for agricultural purposes, other than a Retail Provider, and that are represented on the Board by the agricultural representative nominated by the Sacramento County Farm Bureau and appointed by the Sacramento County Board of Supervisors.

- (c) “Agricultural-Residential Groundwater User” refers to all persons that pump groundwater within the boundaries of the Authority for agricultural-residential purposes, other than a Retail Provider, and that are represented on the Board by the Agricultural-Residential Groundwater Users representative nominated by the Vineyard Community Advisory Council in consultation with adjacent Councils within the Central Basin and appointed by the County of Sacramento Board of Supervisors.
- (d) “Annual Pumping” for the purposes of determining assessments, fees or charges for management and operations of the Authority shall mean the total amount of groundwater produced within the boundaries of the Authority by each retail provider, by agricultural interests, by agricultural-residential groundwater users, by commercial/industrial self-supplied groundwater users and by public agency self-supplied groundwater users, for use within the boundaries of the Authority and other areas approved by the Authority’s Board of Directors excluding the first five thousand (5000) acre-feet of groundwater pumping by each such user.
- (e) “Appointing Authority” refers to the individual signatory party responsible for appointing a specific member to the Board, as set forth in section 3.04(a) of these Rules.
- (f) “Authority” refers to the Sacramento Central Groundwater Authority that is established pursuant to the Joint Powers Act and the executed Joint Powers Agreement.
- (g) “Board” refers to the governing Board of Directors of the Sacramento Central Groundwater Authority.
- (h) “Central Basin” refers to the groundwater basin underlying the area within the boundaries of the Authority.
- (i) “Commercial/Industrial Self-Supplied Groundwater Users” refers to all persons or entities that pump groundwater within the boundaries of the Authority for commercial and industrial purposes, other than a Retail Provider, and that are represented on the Board by the Commercial/Industrial Self-Supplied Water User representative appointed by the County of Sacramento. The Board shall establish by resolution a minimum quantity of water that must be produced annually by such commercial/industrial self-supplied pumpers in order to qualify as a “Commercial/Industrial Self-Supplied Water User” under these Rules and the Joint Powers Agreement.
- (j) “Conjunctive Use” refers to the planned management and use of both groundwater and surface water resources in order to maintain the sustainable yield of the Central Basin.
- (k) “Conservation Landowner” refers to a non-profit land trust holding a fee or easement interest in two thousand five hundred (2500) acres or more of land located within the boundaries of the Authority in consultation with environmental and community organizations that are signatories to the Water Forum Agreement, as required by Joint Powers Agreement §7(b), the Board shall appoint the representative of conservation land owners.
- (l) “Director” or “Directors” refer to individuals or groups of individuals comprising the membership of the Board of the Authority.

- (m) “Financing Plan for the Administrative Budget” refers to the revenue-generating plan annually adopted by the Board to finance the Authority’s administrative budget. The financing plan shall include the levy of assessments, fees and charges, or any combination thereof, as well as any other revenue-generating devices, including **voluntary** contributions from water users or purveyors within the Authority’s boundaries.
- (n) “Groundwater Management Plan” refers to the document adopted by the Board which sets forth the Authority’s plan to manage groundwater quantity and quality in the Central Basin.
- (o) “Joint Powers Agreement” refers to the Joint Powers Agreement, as it may be modified or amended, between and among the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova establishing the Sacramento Central Groundwater Authority.
- (p) “Public Agency Self-Supplied Groundwater User” refers to all persons or entities that pump groundwater within the boundaries of the Authority for Public Agency purposes, other than a Retail Provider, and that are represented on the Board by the Public Agency Self-Supplied Groundwater Users representative nominated by the Southgate Recreation and Park District in consultation with other public agencies that are self-supplied groundwater users within the Central Basin and appointed by the County of Sacramento Board of Supervisors.
- (q) “Retail Provider” refers to established water purveyors within the boundaries of the Authority that sell water on a retail basis and that are represented on the Board by an elected member of their respective governing bodies, as set forth in Section 3.02(b)(1) and (2) of these Rules.
- (r) “Rules” refers to these Rules of Procedure, as may be amended, supplemented or changed.
- (s) “Signatory Parties” refer to the County of Sacramento, City of Sacramento, City of Elk Grove, City of Folsom and City of Rancho Cordova, each of which executed the Joint Powers Agreement establishing the Authority.
- (t) “Sustainable Yield” refers to the amount of groundwater which can be safely extracted from the Central Basin on an estimated average annual basis while maintaining groundwater elevations and groundwater quality at acceptable levels as set forth in the Groundwater Management Plan. Sustainable Yield requires a balance between extraction and basin recharge and is expressed as the number of acre feet of groundwater which can be extracted from the Central Basin on an average annual basis as set forth in the Groundwater Management Plan.
- (u) “Water Costs” refer to costs or expenses incurred by the Authority for the purposes of:
 - (1) purchasing or otherwise acquiring water;
 - (2) pumping and treatment costs; and
 - (3) other costs related to a Conjunctive Use program.

§ 1.24 Maintenance of Rules

A copy of these Rules shall be maintained in the clerk’s office of the City of Elk Grove, the City of Folsom, the City of Rancho Cordova, the City of Sacramento, and the County of

Policy 100.1, Chapter 1, Article 2, § 1.23(m) - “Final” Version
(Attachment A)

Attachment A

- as further and more precisely depicted in the boundary map identified as Exhibit A.
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Attachment A

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Attachment A

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Policy 100.1, Chapter 3 - “Tracked Changes” Version

- (5) Matters requested by a Director or Directors to be included as an agenda item, and which was not placed on the agenda;
 - (6) The number and title of ordinances and resolutions.
 - (7) Minutes shall at a minimum list the public member's name, if provided, and at a maximum include the overall topic and stance/position.
- (c) The written minutes are not the official minutes until approved by the Board at a subsequent public meeting. Upon approval, the minutes shall be signed by the Chair, or in the event the Chair is not available, the Vice-Chair, and shall be attested to by the Clerk.
 - (d) Official minutes as well as an audio recording of the Board's proceedings shall be posted to the Authority's website.

§ 3.16 Member in Good Financial Standing

- (a) **A Member's financial obligation to the Authority is determined by the Authority's approved fiscal year budget. Once invoiced, a Member's financial obligation must be paid in full within 60 days to remain in good financial standing. The only valid exceptions to these criteria are:**
 - (1) **A written and signed payment plan provided and agreed to by a Member and approved by the Authority Board of Directors. A Member must timely pay an invoice or received an approved payment plan in order to be in good financial standing.**
 - (2) **Members that are funded by others as provided for in the JPA.**
- (b) **If a Member's invoice has not been paid within 60 days, the Member will be sent a notice of violation, and shall have 30 days from the notice of violation to correct the violation. If the violation is not corrected within 30 days, the Member shall be suspended and identified as "not in good financial standing". The Authority shall notify the Member by email of its suspension. The notice shall include the reason why the Member is not in good financial standing and the date of the suspension.**
- (c) **The Member shall remain not in good financial standing until the invoice is paid in full. A Member not in good financial standing will have all rights and privileges of membership of the governing board suspended until the violation has been remedied and the Member is reinstated by the Board, including the loss of voting rights, committee assignments, and sitting on the board during board meetings.**
- (d) **The effective date of any suspension of a Member that is not in good financial standing shall be no less than 30 days from the notice that the Member is in violation, unless the Member exercises its right to be heard prior to being suspended as set forth below:**
 - (1) **A Member that wishes to be heard prior to being suspended must notify the Authority's Executive Director and the Member's Appointing Authority that it would like to be heard no less than five days before the effective date of suspension set forth in the notice of suspension. The Member shall provide such notice in writing, including by email. It is the sole responsibility of the Member to insure**

- that such notice is timely received by the Executive Director and the Member's Appointing Authority.**
- (2) Upon notice by a Member that it would like to be heard prior to being suspended, the matter shall be placed on the agenda of, and held at, a regularly scheduled meeting of the Board of Directors or at the Board's discretion, a special meeting, either of which shall occur within 30 days of the date of the written notice.**
 - (3) After considering the oral and written statements of the Member, the Board of Directors shall vote whether to suspend the Member. The minimum vote required to suspend a Member is a majority of the directors present at a duly held meeting of the Board of Directors. Suspension shall be effective immediately upon the vote of the Board to suspend a Member unless the Board of Directors determines otherwise.**
- (f) A decision of the Board of Directors to suspend a Member is final.**

CHAPTER 4. OFFICERS AND EMPLOYEES

§ 4.01 General

- (a) The Board of the Authority shall appoint an Executive Director and Legal Counsel, and may appoint, commission, employ, contract with, or retain contractors as the Board deems appropriate to carry out the administration and management of the Authority. The appointment of the Controller and Treasurer shall be as set forth in section 4.03 of these Rules and in the Joint Powers Agreement.
- (b) All officers, the Executive Director, Legal Counsel, and contractors, except the Controller and Treasurer, shall serve at the pleasure of the Board.

§ 4.02 Executive Director

- (a) The Board of the Authority, with the concurrence of the Sacramento County Water Agency, shall appoint an Executive Director who shall be responsible to the Board for the proper and efficient administration of the Authority as directed by the Board pursuant to the terms and provisions of the Joint Powers Agreement, these Rules, and any ordinance, resolution, order or motion of the Board.
- (b) In addition to other duties and authority which may be assigned by the Board, the Executive Director shall have the following authority:
 - (1) To plan, organize and direct all Authority activities, pursuant to the policy direction of the Board;
 - (2) To authorize expenditures within the designation and limitations of the budget approved by the Board;
 - (3) To make recommendations to and requests of the Board concerning any matter which is to be performed, done or carried out by the Board;

Policy 100.1, Chapter 3 - “Final” Version (Attachment B)

Attachment B

- (5) Matters requested by a Director or Directors to be included as an agenda item, and which was not placed on the agenda;
 - (6) The number and title of ordinances and resolutions.
 - (7) Minutes shall at a minimum list the public member's name, if provided, and at a maximum include the overall topic and stance/position.
- (c) The written minutes are not the official minutes until approved by the Board at a subsequent public meeting. Upon approval, the minutes shall be signed by the Chair, or in the event the Chair is not available, the Vice-Chair, and shall be attested to by the Clerk.
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 - (1) A written and signed payment plan provided and agreed to by a Member and approved by the Authority Board of Directors. A Member must timely pay an invoice or received an approved payment plan in order to be in good financial standing.
 - (2) Members that are funded by others as provided for in the JPA.
- (b) If a Member's invoice has not been paid within 60 days, the Member will be sent a notice of violation, and shall have 30 days from the notice of violation to correct the violation. If the violation is not corrected within 30 days, the Member shall be suspended and identified as "not in good financial standing". The Authority shall notify the Member by email of its suspension. The notice shall include the reason why the Member is not in good financial standing and the date of the suspension.
- (c) The Member shall remain not in good financial standing until the invoice is paid in full. A Member not in good financial standing will have all rights and privileges of membership of the governing board suspended until the violation has been remedied and the Member is reinstated by the Board, including the loss of voting rights, committee assignments, and sitting on the board during board meetings.
- (d) The effective date of any suspension of a Member that is not in good financial standing shall be no less than 30 days from the notice that the Member is in violation, unless the Member exercises its right to be heard prior to being suspended as set forth below:
 - (1) A Member that wishes to be heard prior to being suspended must notify the Authority's Executive Director and the Member's Appointing Authority that it would like to be heard no less than five days before the effective date of suspension set forth in the notice of suspension. The Member shall provide such notice in writing, including by email. It is the sole responsibility of the Member to insure that such notice is timely received by the Executive Director and the Member's Appointing Authority.

Attachment B

- (2) Upon notice by a Member that it would like to be heard prior to being suspended, the matter shall be placed on the agenda of, and held at, a regularly scheduled meeting of the Board of Directors or at the Board's discretion, a special meeting, either of which shall occur within 30 days of the date of the written notice.
- (3) After considering the oral and written statements of the Member, the Board of Directors shall vote whether to suspend the Member. The minimum vote required to suspend a Member is a majority of the directors present at a duly held meeting of the Board of Directors. Suspension shall be effective immediately upon the vote of the Board to suspend a Member unless the Board of Directors determines otherwise.
- (f) A decision of the Board of Directors to suspend a Member is final.

CHAPTER 4. OFFICERS AND EMPLOYEES

§ 4.01 General

- (a) The Board of the Authority shall appoint an Executive Director and Legal Counsel, and may appoint, commission, employ, contract with, or retain contractors as the Board deems appropriate to carry out the administration and management of the Authority. The appointment of the Controller and Treasurer shall be as set forth in section 4.03 of these Rules and in the Joint Powers Agreement.
- (b) All officers, the Executive Director, Legal Counsel, and contractors, except the Controller and Treasurer, shall serve at the pleasure of the Board.

§ 4.02 Executive Director

- (a) The Board of the Authority, with the concurrence of the Sacramento County Water Agency, shall appoint an Executive Director who shall be responsible to the Board for the proper and efficient administration of the Authority as directed by the Board pursuant to the terms and provisions of the Joint Powers Agreement, these Rules, and any ordinance, resolution, order or motion of the Board.
- (b) In addition to other duties and authority which may be assigned by the Board, the Executive Director shall have the following authority:
 - (1) To plan, organize and direct all Authority activities, pursuant to the policy direction of the Board;
 - (2) To authorize expenditures within the designation and limitations of the budget approved by the Board;
 - (3) To make recommendations to and requests of the Board concerning any matter which is to be performed, done or carried out by the Board;
 - (4) To have the authority to appoint, discipline, assign, promote, and otherwise supervise and control the activities of any employees or contractors which may be hired or retained by the Authority; and
 - (5) To have charge of, handle and have access to any property of the Authority.

Policy 100.1, Chapter 5, Article 1, § 5.01(g) - “Tracked
Changes” Version

**CHAPTER 5.
FINANCE**

**ARTICLE 1.
BUDGET**

§ 5.01 Establishment of Budget

- (a) Prior to the commencement of each fiscal year, the Board shall adopt a budget for the Authority for the ensuing fiscal year.
- (b) The Executive Director shall present to the Board a proposed budget no later than the last regularly scheduled meeting before the commencement of the ensuing fiscal year.
- (c) The Board shall direct that a copy of the budget be filed with the Controller within a reasonable time after adoption.
- (d) The Executive Director shall recommend modifications of the budget to the Board if the approved budget is inadequate due to events occurring subsequent to the approval of the budget. The Board shall consider the recommended modifications and shall vote to adopt the amended budget as it deems appropriate. The amended budget shall be filed with the Controller within a reasonable time after adoption.
- (e) The Executive Director shall implement the budgets and amended budgets approved by the Board. Expenditures of the Authority shall be made in accordance with the procedures set forth in Article 3 of this Chapter.
- (f) The fiscal year for the Authority is July 1 through June 30.
- (g) The Board shall maintain a reserve for operation expenses at a minimum of twenty (20) percent of the projected annual expenditures. Said reserve will be taken from the prior year fund balance and shall be used to meet Authority operating expenses until contributions **required by the Joint Powers Agreement have been received as set forth in Article 2 of this Chapter have been received.**

**ARTICLE 2.
ASSESSMENTS, FEES, AND CHARGES**

§ 5.21 General

Assessments, fees and charges shall be approved, levied, collected and spent consistent with these Rules and all applicable laws and constitutional limitations.

§ 5.22 Adoption of Assessments, Fees and Charges

- (a) The Board shall establish assessments, fees, and/or charges sufficient to recover the costs of services provided by the Authority. Assessments, fees, and charges shall not exceed the reasonable cost of the services provided.

Policy 100.1, Chapter 5, Article 1, § 5.01(g) - “Final” Version
(Attachment C)

Attachment C

CHAPTER 5. FINANCE

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ARTICLE 2. ASSESSMENTS, FEES, AND CHARGES

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§ 5.22 Adoption of Assessments, Fees and Charges

- (a) The Board shall establish assessments, fees, and/or charges sufficient to recover the costs of services provided by the Authority. Assessments, fees, and charges shall not exceed the reasonable cost of the services provided.
- (b) The Board shall conduct at least one public meeting and one public hearing prior to adopting or increasing an assessment, fee, or charge. Notice of the meeting and



Sacramento Central Groundwater Authority
Managing Groundwater Resources
in Central Sacramento County

827 7th St, Rm 301
Sacramento, CA 95814

Tel: (916) 874-6851
Fax: (916) 874-5698
www.scgah2o.org

Darrell K. Eck
Executive Director

December 31, 2018

California-American
Water Company

City of Elk Grove

City of Folsom

City of Rancho Cordova

City of Sacramento

County of Sacramento

Florin Resource Conservation
District/Elk Grove Water
Service

Golden State Water Company

Omochumne-Hartnell
Water District

Rancho Murieta Community
Services District

Sacramento Regional
County Sanitation District

Agricultural Representative

Agricultural-Residential
Representative

Commercial/Industrial
Representative

Conservation Landowners

Public Agencies/Self-
Supplied Representative

Mark J. Madison, General Manager
Florin Resource Conservation District/Elk Grove Water District
9257 Elk Grove Boulevard
Elk Grove, CA 95624

Dear Mr. Madison:

This letter constitutes a Notice of Violation (NOV) for the Florin Resource Conservation District/Elk Grove Water District's (FRCD/EGWD), due to its non-payment of the August 8, 2018 invoice from the Sacramento Central Groundwater Authority (SCGA). The invoice is currently over 60 days old and remains unpaid in full. Pursuant to SCGA Policies and Procedures Section 3.16-Member in Good Financial Standing, FRCD/EGWD has thirty (30) days from the date of this NOV to correct the violation.

On December 12, 2018, at your request, SCGA approved an effective date for the FRCD/EGWD NOV to be no sooner that two (2) weeks after the December 12, 2018 board meeting, to allow sufficient time for you to discuss this matter with the FRCD/EGWD board in January 2019. **Therefore, the effective date for this NOV is January 10, 2019.** FRCD/EGWD has 30 days from January 10, 2018 to correct the NOV or be suspended and identified as "not in good financial standing", as defined in the aforementioned Policies and Procedures

As of December 31, 2018, there is an outstanding balance of \$27,259. The violation can be corrected by paying the remaining balance of the August 8, 2018 invoice in full.

Sincerely,

Forrest Williams
Chair, Sacramento Central Groundwater Authority

Attachments: SCGA Policies and Procedures Section 3.16
November 14, 2018 Letter SCGA to FRCD/EGWD
October 3, 2018 Letter FRCD /EGWD to SCGA

Cc: Board, Florin Resource Conservation District
Elk Grove City Council

- (5) Matters requested by a Director or Directors to be included as an agenda item, and which was not placed on the agenda;
- (6) The number and title of ordinances and resolutions.
- (7) Minutes shall at a minimum list the public member's name, if provided, and at a maximum include the overall topic and stance/position.
- (c) The written minutes are not the official minutes until approved by the Board at a subsequent public meeting. Upon approval, the minutes shall be signed by the Chair, or in the event the Chair is not available, the Vice-Chair, and shall be attested to by the Clerk.
- (d) Official minutes as well as an audio recording of the Board's proceedings shall be posted to the Authority's website.

§ 3.16

Member in Good Financial Standing

- (a) A Member's financial obligation to the Authority is determined by the Authority's approved fiscal year budget. Once invoiced, a Member's financial obligation must be paid in full within 60 days to remain in good financial standing. The only valid exceptions to these criteria are:
 - (1) A written and signed payment plan provided and agreed to by a Member and approved by the Authority Board of Directors. A Member must timely pay an invoice or received an approved payment plan in order to be in good financial standing.
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January 30, 2019

TO: Chairperson and Directors of the Florin Resource Conservation District
FROM: Sarah Jones, Program Manager
SUBJECT: **2019-2023 STRATEGIC PLAN BOARD WORKSHOP #1**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

A brief outline of the upcoming strategic planning process is discussed.

DISCUSSION

Background

The Florin Resource Conservation District/Elk Grove Water District (FRCD/EGWD) 2012-2017 Strategic Plan has expired and a new FRCD/EGWD 2019-2023 Strategic Plan (Strategic Plan) will be developed. The Strategic Plan will be presented at the regularly scheduled board meeting on June 19, 2019 for the FRCD Board of Directors (Board) consideration.

Present Situation

As a key objective for the 2018-2019 fiscal year, a Strategic Plan will be developed to update and replace the expired 2012-2017 FRCD/EGWD Strategic Plan. With input from a series of Board Workshops, leadership team meetings, and interviews, Michael Ward of HighBar Consulting will develop both a draft and final Strategic Plan. The draft will be reviewed at the regularly scheduled board meeting on May 15, 2019 and the final Strategic Plan will be presented for consideration of adoption at the regularly scheduled board meeting on June 19, 2019, as indicated in the proposed timeline (Attached).

The Strategic Plan Board Workshop #1 is the first of two workshops facilitated by Mr. Ward. The purpose of the first workshop is to develop a framework for the Strategic Plan, to discuss and explore leadership team priorities in context with the Board priorities, and to establish a cohesive and coherent long term vision for the FRCD/EGWD.

January 30, 2019

2019-2023 STRATEGIC PLAN BOARD WORKSHOP #1

Page 2

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

Developing a new 2019-2023 Strategic Plan complies with the District's Regulatory Compliance goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

There is no direct financial impact associated with this report.

Respectfully submitted,



SARAH JONES
PROGRAM MANAGER

Attachment

ATTACHMENT A

EGWD would like to adopt the Final Strategic Plan in June 2019. Consistent with expectations outlined by the EGWD General Manager here is a draft format for meetings, key project deliverables, and associated hours. Note: the fee structure (in general) assumes 3 hours of total pre-meeting/ session preparation and follow up documentation and reporting for each hour of in person or “direct” service with an estimated 25 Hours of direct service as outlined below. The documentation function encompasses iterative strategic plan drafting and final plan production.

- 2 (3 hour) Board Workshops
- 4 (1 hour) progress meetings with Mark/Sarah
- 6 (1 Hour) face-to-face meetings with Admin team (individual)
- 3 (0.5 hour) meetings with Supervisors (individual)
- 2 (2 hour) meetings with entire Leadership team
- 2 (1 hour) presentations at Board Meetings (draft and final)

Work Plan Milestones	Due Date(s)	Focus & Milestones
1st Leadership Meeting	January 23	<ol style="list-style-type: none"> 1. Establish Leadership Perspective on Strategic Priorities over 5 to 20 year Timescales 2. Obtain Guidance on Effective Engagement with Board for Workshop & Interviews
1 st Board Workshop	January 30	<ol style="list-style-type: none"> 1. Establish A Long Term Vision for EGWD 2. Discuss Leadership Team Priorities in Context with Board Priorities
Staff/ Board Interviews	Mid-to-late February	Understand Multiple Lens Perspectives to Further Inform the Draft Strategic Plan; Schedule of In Person Interviews
2 nd Board Workshop	Mid-March	Review Initial Draft Plan Framework, Establish Goals and Metrics for Refinement by the Leadership Team
Draft development	Thru April	Iterate and Refine the Strategic Plan as Per the Proposed Framework; Identify Remaining Questions or Issues to be Resolved with the Leadership Team
Draft Plan Due	May 13	Prepare and Submit Draft Plan to Leadership for Review in Preparation for Board Meeting
Draft Presented to Board	May 15 - regular board meeting	Presentation to the Board for Review, Discussion, Resolution of Remaining Questions
Final Plan Due	June 10	Final Plan Debrief with the Leadership Team
Final Presentation	June 19 - regular board meeting	Final Plan Presentation – Celebration!