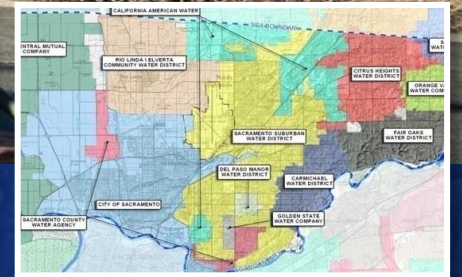


Report of the 3x3 RWA-SGA-SCGA ad hoc committee



Origins of the Groundwater Sustainability Agencies

- Water Forum Agreement Groundwater Element
 - Coordination was always envisioned in the WFA.
 - “Safeguard the viability of the total basin through coordination of policies and activities across the three sub-areas of the basin”
 - “Facilitate cooperation among the three sub-areas on projects or programs of mutual benefit”
 - “Promote efficient operation through cost-sharing arrangements, shared staff, equipment, facilities, etc. if possible and appropriate”
- SGMA responsibilities

History - SCGA interest in RWA Staffing

- SCGA Strategic Plan
 - “Consider status quo, merger with SGA, or other measures to most effectively and efficiently govern”
 - “Create new governance to foster independence, transparency, accountability, and cost efficiency as it relates to the long term management of the basin”
- August 2019 – 2x2 meetings
- December 2019 – RWA Presentation to SCGA Board
- March 2020 – Water Forum “white paper” presentation
- July 2020 – RWA-SGA-SCGA MOU adopted

Memorandum of Understanding

- ...THEREFORE, the AUTHORITIES agree through this Memorandum of Understanding to work cooperatively towards an integration of SCGA into the existing joint operation of RWA and SGA, subject to the following framework and guiding principles.

Partial List of principles:

5. Operational and administrative as well as governance changes may be needed to implement an effective collaborative solution.
6. Any potential operational or governance agreement among the AUTHORITIES shall be beneficial to each in its own right, both financially and in terms of the level and quality of services provided. The Boards of the independent AUTHORITIES will make this determination.
7. Any potential operational or governance agreement among the AUTHORITIES shall strive to be beneficial, or be at least neutral, to each AUTHORITY, both financially and in terms of the level and quality of services provided.
8. Implementation of any operational or governance agreement shall be structured and phased in a manner that minimizes disruption of ongoing operations of each AUTHORITY

3x3 Committee

- Chair and vice chair +1 from RWA, SGA, SCGA

RWA: Kerry Schmitz (Sacramento County Water Agency), Sean Bigley (City of Roseville) , Cathy Lee (Carmichael Water District)

SGA: Caryl Sheehan (Citrus Heights Water District), Brett Ewart (City of Sacramento), Robert Reisig (Rio Linda Elverta Community Water District)

SCGA: Todd Eising (City of Folsom), Paul Schubert (Golden State Water Co.), Dalia Fadl (City of Rancho Cordova)

What we think the Authorities want?

- SCGA: Independent Staffing from the current County arrangement
- Lower costs to the members
- Improved/expanded services
- Better Coordination
- SCGA and SGA: Successful Implementation of SGMA

Benefits

- Economies of scale
- Improved regional coordination on GW banking and other issues
- Coordinated SGMA compliance in NA and SA subbasins
- Opportunities for sharing staff to right-size all three organizations
- Additional source of stable funding for RWA
- Helps to retain institutional knowledge
- Allows for senior staff to work on higher value activities

3x3 Discussions

- Staffing the three Authorities and challenges
- Staffing a consolidated SGA and SCGA
- Timing?

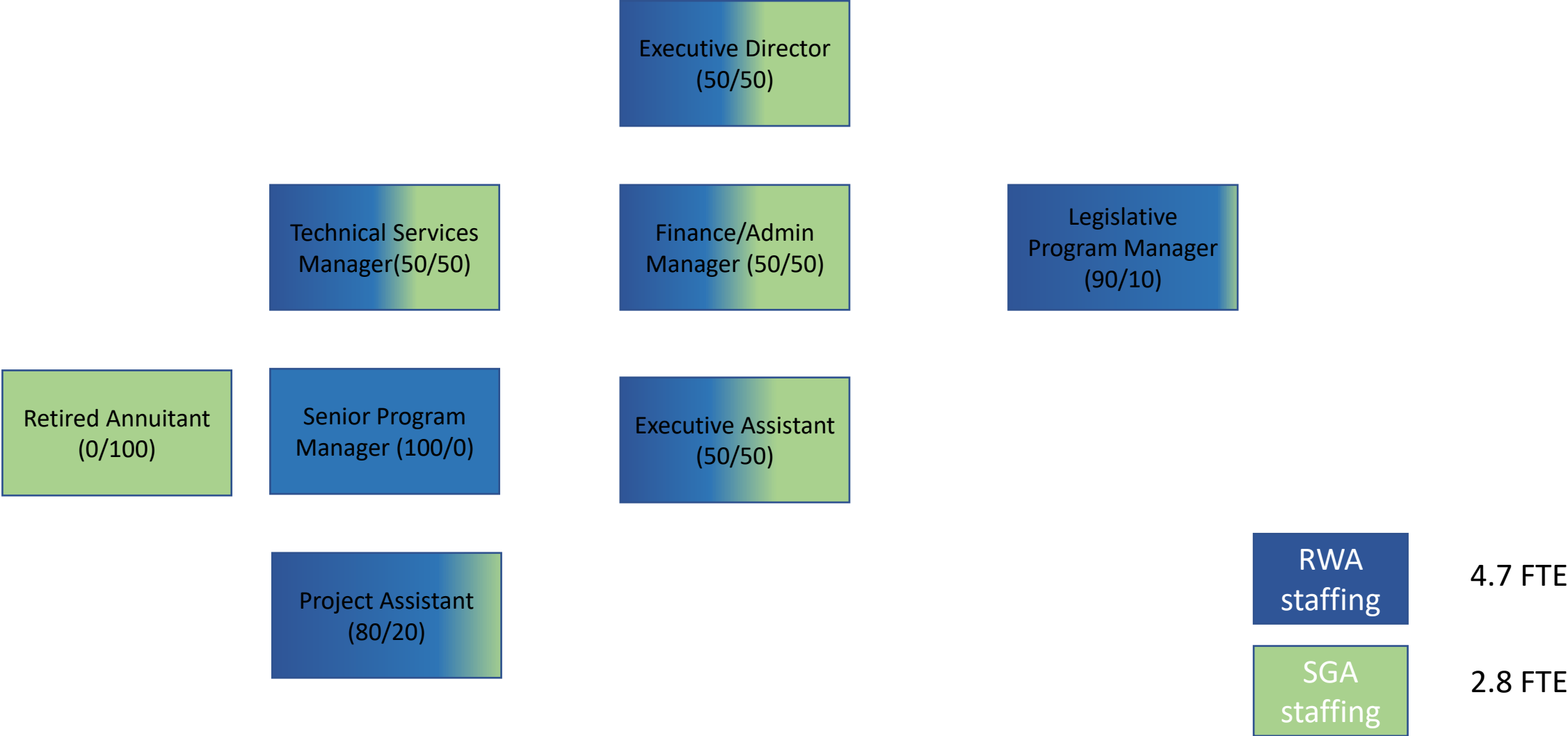
Background - Board Representation

| Agency | RWA | SGA | SCGA |
|--|-----------|--------|--------|
| California American Water | Member | Member | Member |
| Carmichael Water District | Member | Member | |
| Citrus Heights Water District | Member | Member | |
| City of Elk Grove | | | Member |
| City of Folsom | Member | Member | Member |
| City of Lincoln | Member | | |
| City of Rancho Cordova | | | Member |
| City of Roseville | Member | | |
| City of Sacramento | Member | Member | Member |
| City of West Sacramento | Member | | |
| City of Yuba City | Member | | |
| Del Paso Manor Water District | Member | Member | |
| El Dorado Irrigation District | Member | | |
| Elk Grove Water District | Member | | Member |
| Fair Oaks Water District | Member | Member | |
| Golden State Water Company | Member | Member | Member |
| Orange Vale Water Company | Member | Member | |
| Placer County Water Agency | Member | | |
| Rancho Murieta Community Services District | Member | | Member |
| Rio Linda/Elverta Community Water District | | Member | |
| Sacramento County Water Agency | Member | Member | Member |
| Sacramento Suburban Water District | Member | Member | |
| San Juan Water District | Member | Member | |
| County of Placer | Associate | | |
| El Dorado County Water Agency | Associate | | |
| Sacramento Area Flood Control Agency (SAFCA) | Associate | | |
| Sacramento Municipal Utility District (SMUD) | Associate | | |
| Sacramento Regional County Sanitation District | Associate | | Member |
| Agriculture | | Member | Member |
| Natomas Central MWC | | Member | |
| Self Supplied Industry | | Member | Member |
| Agricultural-Residential | | | Member |
| Conservation Landowners | | | Member |
| Public Agencies Self-Supplied | | | Member |

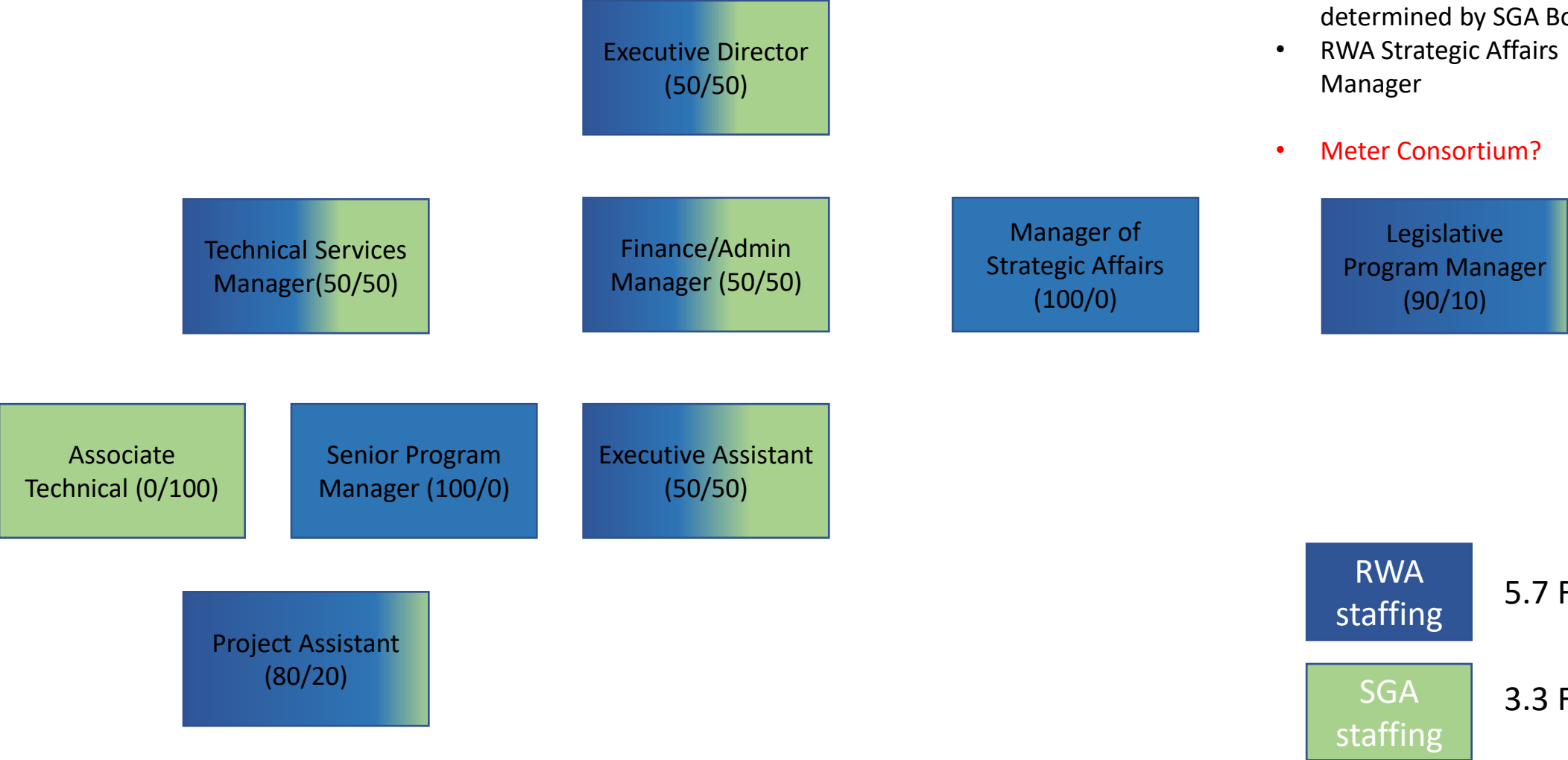
Potential Staffing Plans and Costs

- Current RWA and SGA
- Proposed RWA and SGA
- Proposed RWA-SGA-SCGA
- Recommended RWA-SGA*

RWA-SGA Current Staffing



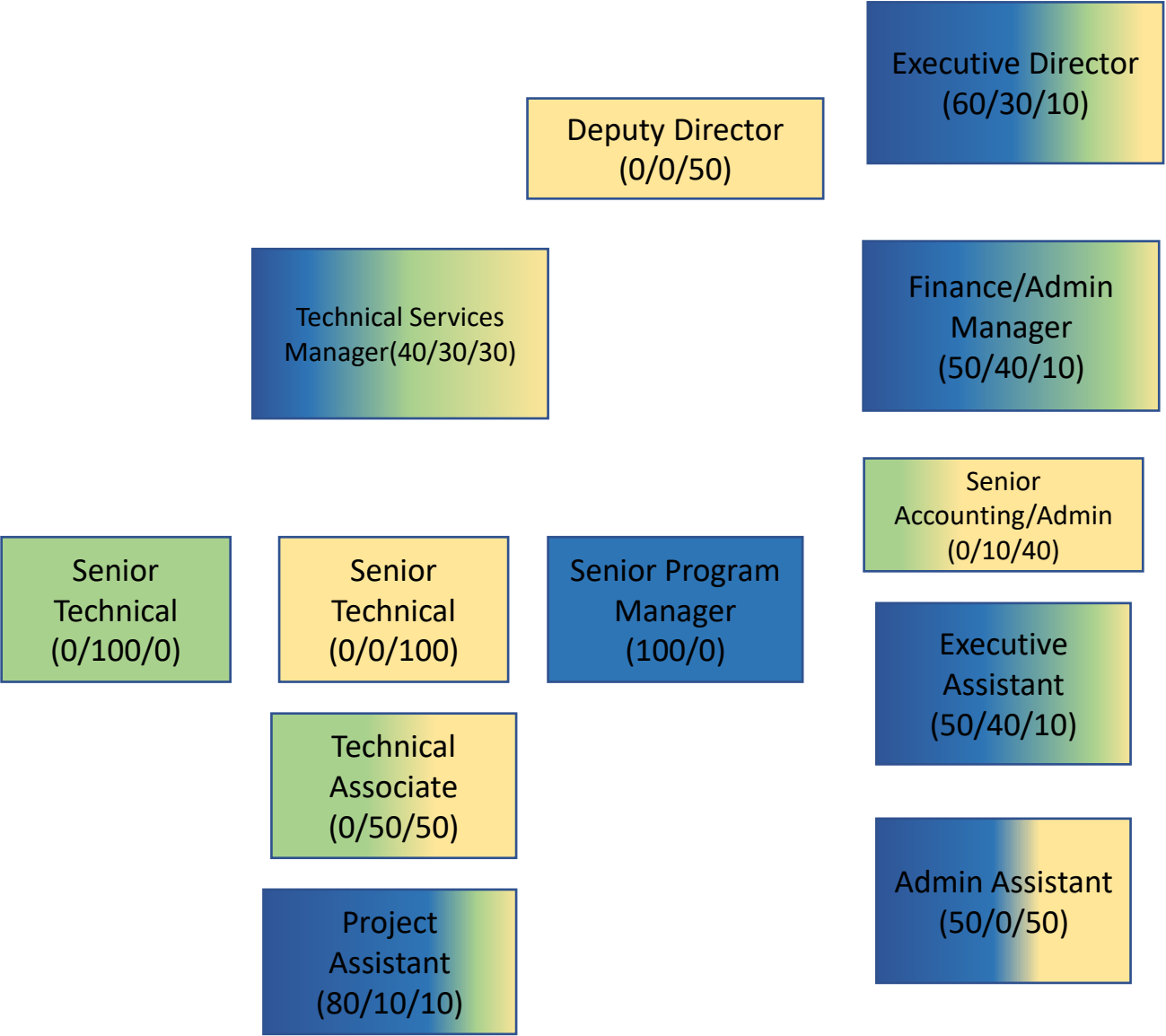
RWA-SGA Future Staffing



Adds

- Associate Specialist for SGA SGMA implementation (to be determined by SGA Board)
- RWA Strategic Affairs Manager
- Meter Consortium?

RWA-SGA-SCGA Future



Adds

- Senior Specialist for SCGA SGMA implementation
- Associate Specialist to support SGA and SCGA SGMA Implementation (offsets reduced Tech Mgr. time)
- ½ time Deputy ED to support SCGA Board
- ½ time Senior Admin Support for SCGA
- Admin Asst. to support SCGA and RWA increased services

Manager of Strategic Affairs
(100/0)

Legislative Program Manager
(90/5/5)

RWA staffing

5.7 FTE

SGA staffing

3.15 FTE

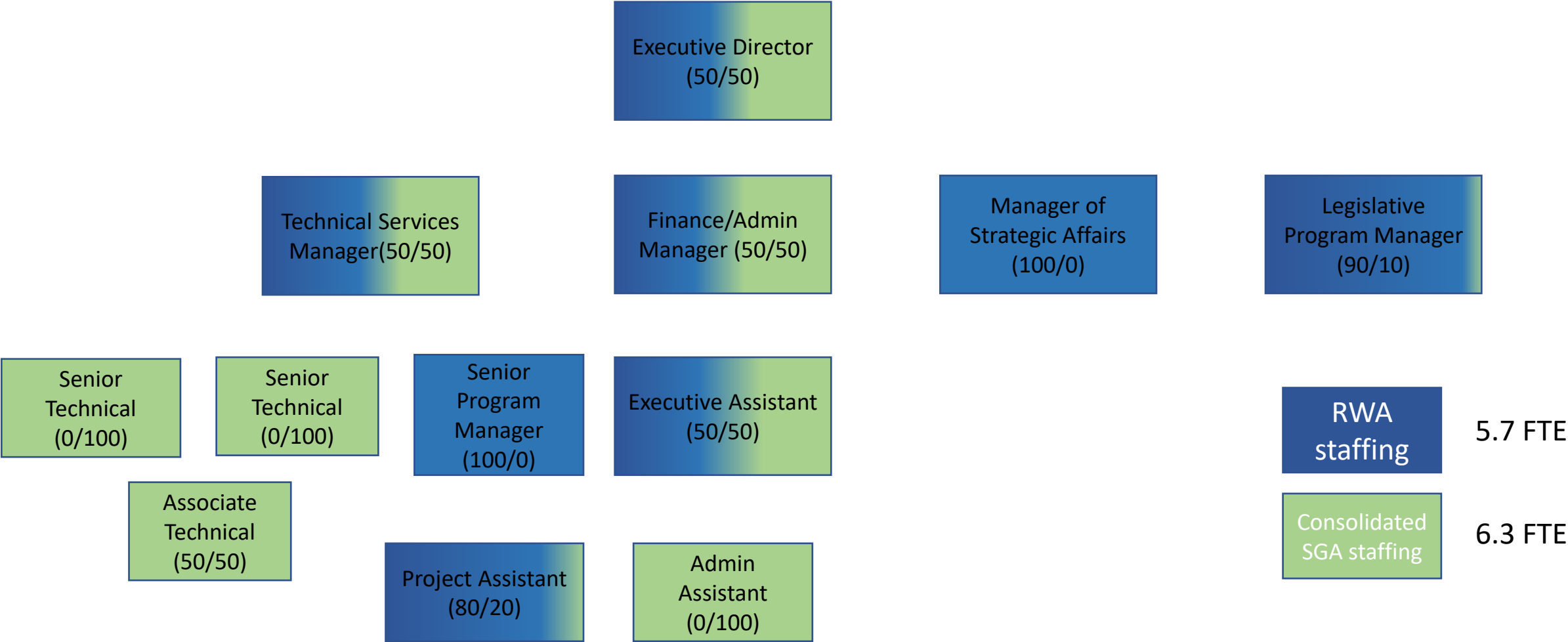
SCGA staffing

3.65 FTE

RWA-Consolidated SGA Future

Consolidation reduces need for

- ½ time Deputy Director
- ½ time Deputy Admin Mgr.



Next Steps...

- Facilitation Services
- Continue discussion with SGA Board on Staffing Needs

Questions?