



## SPECIAL STEERING COMMITTEE MEETING

### AGENDA

Wednesday, June 1, 2022

9:30 a.m. – 11:00 a.m.

**Microsoft Teams Meeting – Login Information Below**

#### I. Call to Order/Roll Call

#### II. Scheduled Items – *Presentation Materials to be Posted on ESJGroundwater.org and Emailed Prior to the Meeting.*

##### A. Discussion/Action Items

1. Review the Draft GWA Budget ([Attachment 1 – Page 2](#))
2. Status Report and Discussion on the GWA Response to DWR Comments on GSP

#### III. Staff Reports

#### IV. Public Comment (non-agenized items)

#### V. Director Comments

#### VI. Future Agenda Items

#### VII. Adjournment

##### Next Scheduled Meeting

Wednesday, June 8, 2022

8:30 am to 10:00 am

San Joaquin County Robert J. Cabral Agricultural Center

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## Staff Report

**TO:** GWA Board Steering Committee

**FROM:** Matt Zidar

**Date:** May 27, 2022

**Subject:** FY 2022-23 Draft Budget

**Attachment:** GSP Budget Tables 1-6

The Eastern San Joaquin Groundwater Authority (GWA) Board (Board) adopts an annual budget each fiscal year (July 1 to June 30). A preliminary draft budget was presented to the Board at their May 11 meeting. It was referred to the Steering Committee meeting for further review and discussion and to formulate a recommendation to the Board. Attached are the following budget tables.

### Budget Scenarios

**Table 1. FY 2022-23 Budget Scenarios** shows two scenarios: Required and Desired. As in prior years, the approach is to define known revenues, generate expense scenarios and calculate the difference between known revenues and planned expenses. These costs are then distributed to the Groundwater Sustainability Agencies (GSAs) to generate revenue and balance the budget as described further below.

The Required scenario is to meet the barest of SGMA requirements and baseline program management actions identified in the Groundwater Sustainability Plan (GSP) and seek to keep GSA costs to a minimum. Table 1 also shows a Desired budget scenario that includes things that should be undertaken to further implementation of the GSP. Column D of the spreadsheet shows the difference between the two scenarios.

**Revenues** are from member GSA contributions, grants, and Zone 2 of the San Joaquin County Flood Control and Water Conservation District (District) and costs allocated to the GSAs (lines 9-18). The Revenue include all sources of funding from existing grants under contract and the pending DWR SGMA Implementation Round 1 Grant that was recently awarded to the GWA (\$7.6 M). The highlighted cell shows the GSA costs based on the method above.

**Expenses** were categorized into General Office, Management and Administration, Technical and Engineering, Work in Progress and Reserves. The Desired scenarios include expenses for outreach (line 42) and Grant Writing (line 44). Under the Technical and Engineering Services expenses, the Desired Scenario includes work items that are shaded green that may be eligible for grant funding and are believed to be important for implementing the GSP (lines 49-53). Some of these may be cost shared with the Tracy Subbasin GSAs and represent project management actions included in the response to DWR comments or investments that would result in cost savings to the GSAs over time. The green shaded items include the following.

- Implementation of Instrumentation (Representative Wells). This would be to put solid state data recorders, transducers, and telemetry on representative monitoring wells. This would improve data collection, reduce the cost for field visits, increase the data available and provide

more accurate information. This is a three to five year effort to put in between 5-10 collection platforms per year.

- **Monitoring Network Evaluation.** The purpose of this work is to evaluate and redesign the groundwater level and quality monitoring network to reduce the overall cost while keeping or improving the information quality and representativeness.
- **DMS Implementation.** The purpose of this task is to coordinate with the Tracy subbasin to identify and implement a Data Management Systems that would serve both basins; and improve quality control, data management, analysis and required reporting. There are currently two different systems. These and other alternatives would be evaluated, demonstrated, and selected by an interbasin work group and then implemented to meet business needs.
- **Response and Coordination for DWR review.** We are not anticipating further work in this area but may need to design and implement other project or program management actions that may be needed for DWR to accept the GSP as complete. This could tap into the reserves, or we could delay or modified any of the other technical and engineering service tasks.
- **Model Development & Support.** The model was upgraded and has been applied to the analysis of the priority projects. This budget is to support the further analysis of the water accounting framework and to evaluate other projects that may seek to be grant funded so that benefits may be quantified, and impacts evaluated. Some of these costs could be borne by project proponents but it is recommended some funds be allocated to this purpose should it be necessary to further apply the model to demonstrate to DWR that the proposed project management actions would help achieve sustainability goals.

The orange highlighted expense line items show how the pending DWR Implementation Grant funding will be allocated. Work in Progress includes existing contracted work, most of which has been grant funded.

The Reserve expenditure (line 69) is to build funding for the five-year update or to serve as a contingency fund for the GWA to allocate as issues or opportunities arise (e.g.; grants).

### Cost Allocation

Tables 2 and 3 show the Cost Allocation Based 60/40 w/ Minimum and East Side Zone 2 Adjustment for the Required and Desired scenarios respectively. This means that the costs were born proportionately by the GSAs based on 60% groundwater pumping and 40% population, a minimum cost of \$8,500 and apportionment of the Zone 2 benefits to those within the zone. Only the East Side GSA is not in Zone 2 and therefore cannot receive the benefit.

Tables 4 and 5, Classes Cost Allocation for Required and Desired scenarios, show the alternative cost allocation methods where the GSAs are grouped into classes based on groundwater pumping and populations, a cost per class is assigned, and then costs are distributed based on the member class.

Tables 6 and 7 show the comparison of the Required and Desired GSA costs scenarios using the two cost allocation approaches.

	E	O	P	Q	RS	T	U	V	W
3	<b>Table 1. FY 2022-23 Budget Scenarios</b>								
4		<b>Required</b>				<b>Desired</b>			
5		<b>FY 22-23</b>		6221100802		<b>FY 22-23</b>		6221100802	
6	<b>Revenue</b>	<b>Contract /ODC</b>	<b>Staff</b>	<b>Total</b>		<b>Contract /ODC</b>	<b>Staff</b>	<b>Total</b>	<b>Delta</b>
7									
8									
9	Interest Income								
10	Other Govt Aid (Initial Member Dues)								
11	Other Govt Aid (GSA Cost Allocation)							\$ -	
12	GWA GSAs Cost Allocation	\$ 261,000		\$ 261,000		\$ 813,000		\$ 813,000	\$ 552,000
13	Other Govt Aid From Zone 2	\$ 225,000		\$ 225,000		\$ 225,000		\$ 225,000	\$ -
14	State (DWR) Sustainable GW Grant (Well)	\$ 175,000		\$ 175,000		\$ 175,000		\$ 175,000	\$ -
15	P68 Implementation Grant (WAF & FF)	\$ 402,000		\$ 402,000		\$ 402,000		\$ 402,000	\$ -
16	SGMA Impl Grant Round 1	\$ 7,600,000		\$ 7,600,000		\$ 7,600,000		\$ 7,600,000	\$ -
17	Rebates & Refunds			\$ -				\$ -	\$ -
18	Carry Over (use of fund balance)	\$ 200,100		\$ 200,100		\$ 200,100		\$ 200,100	\$ -
19	Allocated from Reserve	\$ -		\$ -		\$ -		\$ -	\$ -
20	<b>TOTAL REVENUES</b>	<b>\$ 8,863,100</b>		<b>\$ 8,863,100</b>		<b>\$ 9,415,100</b>		<b>\$ 9,415,100</b>	<b>\$ 552,000</b>
21									\$ -
24	<b>Expense</b>								
25	<b>General Office</b>								
26	Supplies	\$ 500		\$ 500		\$ 500		\$ 500	\$ -
27	Office Expenses - General	\$ 500		\$ 500		\$ 500		\$ 500	\$ -
28	Office Supplies-Purch-ISF			\$ -				\$ -	\$ -
29	Website Maintenance	\$ 5,000		\$ 5,000		\$ 5,000		\$ 5,000	\$ -
30	Advertising			\$ -				\$ -	\$ -
31	Rents Structures & Grounds	\$ 4,800		\$ 4,800		\$ 4,800		\$ 4,800	\$ -
32	Small Tools & Instruments			\$ -				\$ -	\$ -
33	Postage	\$ 1,000		\$ 1,000		\$ 1,000		\$ 1,000	\$ -
34	Auditor's Payroll & A/P Charges	\$ 1,000		\$ 1,000		\$ 1,000		\$ 1,000	\$ -
35		\$ 12,800	\$ -	\$ 12,800		\$ 12,800	\$ -	\$ 12,800	\$ -
36	<b>Management and Administration</b>								\$ -
37	Meetings (Clerk and Records)		\$ 20,000	\$ 20,000			\$ 20,000	\$ 20,000	\$ -
38	Budget, Contract Administration and Accounting		\$ 30,000	\$ 30,000			\$ 30,000	\$ 30,000	\$ -
39	Professional Services PW Admin		\$ 60,000	\$ 60,000			\$ 60,000	\$ 60,000	\$ -
40	Professional Services: GWA Legal	\$ 15,000		\$ 15,000		\$ 15,000		\$ 15,000	\$ -
41	Professional Services: County Legal	\$ 12,000		\$ 12,000		\$ 12,000		\$ 12,000	\$ -
42	Professional Services Public Outreach		\$ 15,000	\$ 15,000		\$ 40,000	\$ 15,000	\$ 55,000	\$ 40,000
43	Interbasin Coordination		\$ 2,000	\$ 2,000			\$ 2,000	\$ 2,000	\$ -
44	Grant writing			\$ -		12,000	3,000	\$ 15,000	\$ 15,000
45		\$ 27,000	\$ 127,000	\$ 154,000		\$ 79,000	\$ 130,000	\$ 209,000	\$ 55,000
46	<b>Technical and Engineering Services</b>								\$ -
47	2023 Annual Report	\$ 40,000	\$ 5,000	\$ 45,000		\$ 40,000	\$ 5,000	\$ 45,000	\$ -
48	Groundwater Data Collection		\$ 16,000	\$ 16,000			\$ 16,000	\$ 16,000	\$ -
49	Implementation of Instrumentation (Representative Wells)	\$ -	\$ -	\$ -		\$ 24,000	\$ 4,000	\$ 28,000	\$ 28,000
50	Monitoring Network Evaluation	\$ -	\$ 6,400	\$ 6,400		\$ 125,000	\$ 40,000	\$ 165,000	\$ 158,600
51	DMS Implementation		\$ 12,000	\$ 12,000		\$ 150,000	\$ 25,000	\$ 175,000	\$ 163,000
52	Response and Coordination for DWR review		\$ 8,000	\$ 8,000			\$ 8,000	\$ 8,000	\$ -
53	Model Devel & Support		\$ 7,500	\$ 7,500		\$ 130,000	\$ 24,000	\$ 154,000	\$ 146,500
54	Grant Funded (SGMA Imple Grant Award)			\$ -				\$ -	\$ -
55	Grant Administration		\$ 100,000	\$ 100,000			\$ 100,000	\$ 100,000	\$ -
56	Mokelumne River Water Rights Development	\$ 3,000,000	\$ 300,000	\$ 3,300,000		\$ 3,000,000	\$ 300,000	\$ 3,300,000	\$ -
57	NSJWCD North Systems	\$ 3,900,000		\$ 3,900,000		\$ 3,900,000		\$ 3,900,000	\$ -
58	City of Stockton Geophysical Survey	\$ 300,000		\$ 300,000		\$ 300,000		\$ 300,000	\$ -
59		\$ 7,240,000	\$ 454,900	\$ 7,694,900		\$ 7,669,000	\$ 522,000	\$ 8,191,000	\$ 496,100
60									
61	<b>Work in Progress</b>								
62	Professional Services (WC A-18-01) Shallow Wells	\$ 175,000		\$ 175,000		\$ 175,000		\$ 175,000	\$ -
63	Professional Services (WC A-20-01)	\$ 472,000		\$ 472,000		\$ 472,000		\$ 472,000	\$ -
64	Funding and Financing (Prop 68)	\$ 125,000	\$ 15,000	\$ 140,000		\$ 125,000	\$ 15,000	\$ 140,000	\$ -
65	Water Accounting Framework	\$ 100,000	\$ 15,000	\$ 115,000		\$ 100,000	\$ 15,000	\$ 115,000	\$ -
66		\$ 872,000	\$ 30,000	\$ 902,000		\$ 872,000	\$ 30,000	\$ 902,000	\$ -
67									
68	<b>Reserved Expenditure</b>								\$ -
69	Reserve- dedication	\$ 100,000		\$ 100,000		\$ 100,000		\$ 100,000	\$ -
70				\$ -				\$ -	\$ -
71		\$ 100,000	\$ -	\$ 100,000		\$ 100,000	\$ -	\$ 100,000	\$ -
72	<b>TOTAL EXPENSES</b>	<b>\$ 8,251,800</b>	<b>\$ 611,900</b>	<b>\$ 8,863,700</b>		<b>\$ 8,732,800</b>	<b>\$ 682,000</b>	<b>\$ 9,414,800</b>	<b>\$ 551,100</b>
78									
79				Reserve Balance				Reserve Balance	
80	Reserve			\$ 270,000				\$ 270,000	
81	FY 22/23 Reserve Contribution			\$ 100,000				\$ 100,000	
82				\$ 370,000				\$ 370,000	

**Table 2 - Required Cost Allocation Based 60/40 w/ Membership Minimum and East Side Z2 Adj**

GSA	Total Pumping-Projected (AFY)	Population (2017)	GSA Funding				East Side GSA Non-Zone 2 Adjustment	Total	%
			Minimum	Pumping	Population				
CDWA	9,611	1,629	\$ 8,500	\$ 901	\$ 136	\$ (1,000)	\$ 8,537	3.3%	
CSJWCD	138,809	8,047	\$ 8,500	\$ 13,019	\$ 671	\$ (1,000)	\$ 21,190	8.1%	
Eastside SJ GSA	63,500	10,498	\$ 8,500	\$ 5,956	\$ 876	\$ 15,000	\$ 30,331	11.6%	
LCSD	1,153	1,558	\$ 8,500	\$ 108	\$ 130	\$ (1,000)	\$ 7,738	3.0%	
LCWD	485	2819	\$ 8,500	\$ 45	\$ 235	\$ (1,000)	\$ 7,781	3.0%	
Lodi	14,520	58,174	\$ 8,500	\$ 1,362	\$ 4,852	\$ (1,000)	\$ 13,714	5.3%	
Manteca	18,985	64,279	\$ 8,500	\$ 1,781	\$ 5,361	\$ (1,000)	\$ 14,642	5.6%	
NSJWCD	146,158	21,977	\$ 8,500	\$ 13,708	\$ 1,833	\$ (1,000)	\$ 23,041	8.8%	
OID	39,952	1,890	\$ 8,500	\$ 3,747	\$ 158	\$ (1,000)	\$ 11,405	4.4%	
SDWA	4,532	7,136	\$ 8,500	\$ 425	\$ 595	\$ (1,000)	\$ 8,520	3.3%	
SEWD	165,025	41,134	\$ 8,500	\$ 15,478	\$ 3,431	\$ (1,000)	\$ 26,408	10.1%	
SJC #1	74,448	16,859	\$ 8,500	\$ 6,982	\$ 1,406	\$ (1,000)	\$ 15,889	6.1%	
SJC #2	8,183	39,779	\$ 8,500	\$ 767	\$ 3,318	\$ (1,000)	\$ 11,585	4.4%	
SSJ GSA	60,031	38,080	\$ 8,500	\$ 5,630	\$ 3,176	\$ (1,000)	\$ 16,306	6.2%	
Stockton	23,035	277,120	\$ 8,500	\$ 2,160	\$ 23,114	\$ (1,000)	\$ 32,774	12.6%	
WID GSA	31,238	8,488	\$ 8,500	\$ 2,930	\$ 708	\$ (1,000)	\$ 11,138	4.3%	
	<b>799,665</b>	<b>599,467</b>	<b>\$ 136,000</b>	<b>\$ 75,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ 261,000</b>	<b>100.0%</b>	

**Table 3 Percentage**

	% Split	GW	Pop
Medium Cost		60%	40%
Need	\$ 261,000	\$ 156,600	\$ 104,400
Balance after Minimum	\$ 125,000	\$ 75,000	\$ 50,000
Minimums total	\$ 136,000		

**Table 3 - Desired Scenarios, Cost Allocation Based 60/40 w/ Minimum and East Side Z2 Adjustment**

GSA	Total Pumping-Projected (AFY)	Population (2017)	Minimum	Pumping	GSA Funding			Total	%
					Population	EastSide GSA Non-Zone 2 Adjustment	Total		
CDWA	9,611	1,629	\$ 8,500	\$ 4,882	\$ 736	\$ (1,000)	\$ 13,118	1.6%	
CSJWCD	138,809	8,047	\$ 8,500	\$ 70,510	\$ 3,635	\$ (1,000)	\$ 81,645	10.0%	
Eastside SJ GSA	63,500	10,498	\$ 8,500	\$ 32,256	\$ 4,742	\$ 15,000	\$ 60,498	7.4%	
LCSD	1,153	1,558	\$ 8,500	\$ 586	\$ 704	\$ (1,000)	\$ 8,789	1.1%	
LCWD	485	2819	\$ 8,500	\$ 246	\$ 1,273	\$ (1,000)	\$ 9,020	1.1%	
Lodi	14,520	58,174	\$ 8,500	\$ 7,376	\$ 26,279	\$ (1,000)	\$ 41,155	5.1%	
Manteca	18,985	64,279	\$ 8,500	\$ 9,644	\$ 29,037	\$ (1,000)	\$ 46,181	5.7%	
NSJWCD	146,158	21,977	\$ 8,500	\$ 74,243	\$ 9,928	\$ (1,000)	\$ 91,671	11.3%	
OID	39,952	1,890	\$ 8,500	\$ 20,294	\$ 854	\$ (1,000)	\$ 28,648	3.5%	
SDWA	4,532	7,136	\$ 8,500	\$ 2,302	\$ 3,224	\$ (1,000)	\$ 13,026	1.6%	
SEWD	165,025	41,134	\$ 8,500	\$ 83,827	\$ 18,582	\$ (1,000)	\$ 109,908	13.5%	
SJC #1	74,448	16,859	\$ 8,500	\$ 37,817	\$ 7,616	\$ (1,000)	\$ 52,933	6.5%	
SJC #2	8,183	39,779	\$ 8,500	\$ 4,157	\$ 17,970	\$ (1,000)	\$ 29,626	3.6%	
SSJ GSA	60,031	38,080	\$ 8,500	\$ 30,494	\$ 17,202	\$ (1,000)	\$ 55,196	6.8%	
Stockton	23,035	277,120	\$ 8,500	\$ 11,701	\$ 125,185	\$ (1,000)	\$ 144,386	17.8%	
WID GSA	31,238	8,488	\$ 8,500	\$ 15,868	\$ 3,834	\$ (1,000)	\$ 27,202	3.3%	
	<b>799,665</b>	<b>599,467</b>	<b>\$ 136,000</b>	<b>\$ 406,200</b>	<b>\$ 270,800</b>	<b>\$ -</b>	<b>\$ 813,000</b>	<b>100.0%</b>	
							<b>\$ 813,000</b>		

**Table 3 Percentage**

	% Split	GW	Pop
Low Cost		60%	40%
Need and without minimum	\$ 813,000	\$ 487,800	\$ 325,200
Balance after Minimum	\$ 677,000	\$ 406,200	\$ 270,800
Minimums total	\$ 136,000		

**Table 4 Classes Cost Allocation for Required**

	Total				
Combined GW and Population	Agency Type Per Class (Ag/Ur)	Agency Name	Agency Per Class	Cost/GSA Cost	Total Cost Per Pumping Class
5	3 - Ag	CSJWCD; NSJWCD; SEWD	3	\$ 40,450	\$ 121,350
4	2 - Ag	Eastside SJ; SJC #1	2	\$ 26,950	\$ 53,900
3	3 - Ag	WID; SSJ; OID	3	\$ 16,850	\$ 50,550
2	3 - Ur	Lodi; Manteca; Stockton	3	\$ 7,575	\$ 22,725
1	3 - Ur 2 - Ag	LCSD; LCWD; SJC #2; CDWA; SDWA	5	\$ 2,525	\$ 12,625
Total					\$ 261,150

**Table 5 Classes Cost Allocation for Desired**

	Total				
Combined GW and Population	Agency Type Per Class (Ag/Ur)	Agency Name	Agency Per Class	Cost/GSA Cost	Total Cost Per Pumping Class
5	3 - Ag	CSJWCD; NSJWCD; SEWD	3	\$ 125,800	\$ 377,400
4	2 - Ag	Eastside SJ; SJC #1	2	\$ 83,800	\$ 167,600
3	3 - Ag	WID; SSJ; OID	3	\$ 52,400	\$ 157,200
2	3 - Ur	Lodi; Manteca; Stockton	3	\$ 23,550	\$ 70,650
1	3 - Ur 2 - Ag	LCSD; LCWD; SJC #2; CDWA; SDWA	5	\$ 7,850	\$ 39,250
Total					\$ 812,100

**Table 6 Comparison of Cost Allocation Based 60/40 w/ Membership Minimum and East Side Z2 Adj**

GSA	Desired		Required	
	Total	%	Total	%
CDWA	\$ 13,118	1.6%	\$ 8,537	3.3%
CSJWCD	\$ 81,645	10.0%	\$ 21,190	8.1%
Eastside SJ GSA	\$ 60,498	7.4%	\$ 30,331	11.6%
LCSD	\$ 8,789	1.1%	\$ 7,738	3.0%
LCWD	\$ 9,020	1.1%	\$ 7,781	3.0%
Lodi	\$ 41,155	5.1%	\$ 13,714	5.3%
Manteca	\$ 46,181	5.7%	\$ 14,642	5.6%
NSJWCD	\$ 91,671	11.3%	\$ 23,041	8.8%
OID	\$ 28,648	3.5%	\$ 11,405	4.4%
SDWA	\$ 13,026	1.6%	\$ 8,520	3.3%
SEWD	\$ 109,908	13.5%	\$ 26,408	10.1%
SIC #1	\$ 52,933	6.5%	\$ 15,889	6.1%
SIC #2	\$ 29,626	3.6%	\$ 11,585	4.4%
SSI GSA	\$ 55,196	6.8%	\$ 16,306	6.2%
Stockton	\$ 144,386	17.8%	\$ 32,774	12.6%
WID GSA	\$ 27,202	3.3%	\$ 11,138	4.3%
<b>Total</b>	<b>\$ 813,000</b>		<b>\$ 261,000</b>	

**Table 7 Comparison of Totals (by Class)**

Combined GW and Population	Agency Type Per Class (Ag/Ur)	Agency Name	Agency Per Class	Desired		Required	
				Cost/GSA Cost	Total Revenue for pumping class	Cost/GSA Cost	Total Revenue for pumping class
5	3 - Ag	CSJWCD; NSJWCD; SEWD	3	\$ 125,800	\$ 377,400	\$ 40,450	\$ 121,350
4	2 - Ag	Eastside SJ; SIC #1	2	\$ 83,800	\$ 167,600	\$ 26,950	\$ 53,900
3	3 - Ag	WID; SSJ; OID	3	\$ 52,400	\$ 157,200	\$ 16,850	\$ 50,550
2	3 - Ur	Lodi; Manteca; Stockton	3	\$ 23,550	\$ 70,650	\$ 7,575	\$ 22,725
1	3 - Ur 2 - Ag	LCSD; LCWD; SIC #2; CDWA; SDWA	5	\$ 7,850	\$ 39,250	\$ 2,525	\$ 12,625
<b>Total</b>				\$ 812,100	\$ 812,100	\$ 261,150	\$ 261,150
