

**BEFORE THE BOARD OF DIRECTORS OF THE
EASTERN SAN JOAQUIN GROUNDWATER AUTHORITY**

RESOLUTION R-20-02

**RESOLUTION AMENDING THE FISCAL YEAR 2019-2020 BUDGET, ESTABLISHING
MEMBER COST ALLOCATIONS AND AUTHORIZING THE SECRETARY OF THE
AUTHORITY TO INVOICE THE MEMBER AGENCIES**

WHEREAS, the Eastern San Joaquin Groundwater Authority ("Authority") is a Joint Powers Authority created pursuant to California statute, and which is a public entity separate and apart from the Members; and

WHEREAS, the Authority was formed to provide coordination among the Members to develop and implement a Groundwater Sustainability Plan ("GSP") for the Eastern San Joaquin Subbasin ("Basin") in accordance with the Sustainable Groundwater Management Act of 2014 ("SGMA"); and

WHEREAS, Article 5 of the Joint Exercise of Powers Agreement Establishing the Eastern San Joaquin Groundwater Authority ("JPA Agreement") sets forth the Financial Provisions of the Authority; and

WHEREAS, Section 5.1 and Section 5.5 of the JPA Agreement provide the Authority Board of Directors shall adopt a budget for the Authority for each fiscal year and Members shall share in the general operating and administrative costs of operating the Authority in accordance with the allocation determined by the Authority Board of Directors; and

WHEREAS, an amendment to the Fiscal Year 2019-2020 Authority budget is necessary to begin implementing the GSP and cover costs not identified in the original FY 2018-19 budget which was adopted to develop the GSP; and

WHEREAS, the Authority Board of Directors created an Ad Hoc committee to examine costs to be incurred by the Authority after adoption of the GSP, consider a methodology to apply those costs to the Members, and make a recommendation to the Authority Board of Directors; and

WHEREAS, at the December 11, 2019 and January 8, 2020 Authority Board of Directors Meeting, the Ad Hoc committee budget recommendation and cost allocation, attached hereto as Exhibit "A", was presented to the Board of Directors for consideration; and

WHEREAS, if the budget amendment and cost allocation is approved, the Secretary of the Authority will invoice each of the Member agencies and each Member shall pay the invoice within ninety (90) days of receiving the invoice from the Secretary.

NOW, THEREFORE, BE IT RESOLVED:

1. Amended Budget: The Authority Board of Directors hereby amends its Fiscal Year 2019-2020 budget to reflect total expenses for the six-month period of January 1, 2020 through June 31, 2020 not to exceed \$382,500, as shown in Exhibit A, with up to \$185,000 to be

funded through Member contributions, up to \$170,000 (\$112,500 plus \$57,500) to be funded from allocated Zone 2 funds, and \$27,500 worth of monitoring to be provided by Members in-kind.

2. Invoicing: The County will advance funds to cover the budgeted expenses from Zone 2, and then the County, as the Secretary of the ESJGWA, shall bill Members in arrears, no more frequently than monthly. Expenses covered by grant funding will not be invoiced to Members. Each invoice will apply the cost allocation methodology set forth in Exhibit A as applicable to the expenses included in the invoice:
 - a. Model refinement costs (up to \$15,000) will be allocated based on percentage of population and percentage of total groundwater pumping within each GSA (column 10). The groundwater pumping numbers used for the cost allocation are preliminary projected total pumping in each GSA in the year 2040.
 - b. Public outreach and Administrative costs (up to \$170,000) will be subject to even split (column 11).
 - c. There shall be an adjustment to account for the Eastside GSA not being part of Zone 2, as reflected in Exhibit A (column 12).
3. No Precedent: This amended budget and cost allocation methodology (including underlying assumptions about groundwater pumping amounts) are for purposes of a temporary cost allocation method only and are not intended to create any precedent or reflect an allocation or determination of water rights. The budget and cost allocation methodology are subject to revision for the next fiscal year.

PASSED AND ADOPTED this 8th day of January, 2020, by the following vote of the Board of Directors of the Eastern San Joaquin Groundwater Authority, to wit:

AYES:

NOES: Director Herrick, Alternate Director Nomellini

ABSENT:



ATTEST: KRIS BALAJI
Secretary of the
Eastern San Joaquin
Groundwater Authority



CHUCK WINN, Chairman
Board of Directors of the
Eastern San Joaquin
Groundwater Authority