
To: Cosumnes Subbasin SGMA Working Group Members
From: CBI and Water Forum Staff
Date: July 12 2018
Re: Near-Final Draft Framework Agreement – Phases 1 and 2

Attached is an updated draft Framework Agreement intended to cover Phases 1 and 2 of GSP development.

This document was updated based on discussion at the Working Group's June 2018 meeting. In addition to suggesting minor language revisions, primary discussion points were:

- Strengthen existing language to make clear that financial obligations need to be approved by all GSAs.
- Clarify that the Working Group may rely on subcommittees to conduct some of its work.
- Revise Collaboration Structure section to clarify that the Working Group consists of 2 or more representatives from each GSA. Voting rules (1 per GSA) remain unchanged.
- Revise cost-share information to be consistent with the cost-share agreement being developed by Sac County and the other GSAs; also clarify time period.
- Clarify the intent of the Framework Agreement (collaborative planning body working on the initial phases of GSP development)

This document will be discussed at the July Working Group so we ask that you give this a close read prior to the meeting and come prepared to suggest any additional revisions. If you have not already asked your GSA's legal counsel for review, please do so prior to the July meeting.

Based on the level of support and additional revisions needed, we will test whether GSA representatives at the table are prepared to forward this to their respective governing bodies for their respective review and confirmation.

One note: One GSA representative reiterated his concern at the June Working Group meeting that the Framework Agreement, as currently drafted, undermines constituents' rights. The Working Group has considered this concern in the past and opted not to revise language. Should Working Group members wish to incorporate this concern, we ask that specific language be suggested.

**Cosumnes Subbasin SGMA Working Group
Framework Agreement to
Guide Near-Term Working Group Deliberations
Finalized July 2017**

Purpose

The purpose of this Framework Agreement is to outline and confirm the interim process the parties (outlined in the following section) will use to work collaboratively to begin developing a SGMA-compliant Groundwater Sustainability Plan ([GSP or Plan](#)) for the Cosumnes Subbasin.

This non-binding agreement is intended to guide the parties' deliberations during the first two phases of Plan development expected to end on or about December 2019. An interim check-in will be conducted at the end of Phase 1 to assess the agreement's effectiveness. This agreement can be extended beyond Phase Two only with unanimous agreement by [the respective governing bodies \(or authorizing individuals\)](#) of all parties. Prior to Plan implementation in 2022, this or a subsequent agreement is to be replaced by an MOU, MOA, JPA or other vehicle intended to more formally codify governance, funding, outreach and implementation approaches.

This agreement is not effective until endorsed by all parties. The intention is to have a final draft of this framework agreement adopted by all parties' governing bodies ([or authorizing individuals](#)) prior to or as close to September 1, 2018, as possible.

This agreement may be amended or revised with the agreement of all parties. Parties also have the right to withdraw from this agreement. If any party is considering withdrawing from the agreement, the party is asked to disclose its intent and rationale as soon as possible to the Working Group. Formal intention of withdrawal shall be given with not less than a 30-day advance notice. Financial obligations outlined in ~~the a approved~~ budget [approved by all GSAs](#) and incurred prior to the notice to withdrawal, if any, are to be honored.

Overarching Approach

Under California law, SGMA requires the Cosumnes Subbasin groundwater sustainability agency or agencies (GSAs) to have a ~~groundwater sustainability plan~~ [GSP](#) in place by January 31, 2022.

The following agencies (referred to as the parties in this agreement) are GSAs within the Cosumnes Subbasin: Omochumne-Hartnell Water District; Sloughhouse Resource Conservation District; Galt Irrigation District; Clay Irrigation District; City of Galt; Amador County Groundwater Management Authority; and Sacramento County.

These parties commit to working cooperatively with the current goal of developing a single, integrated, SGMA-compliant [GSP](#)² to foster plan effectiveness, coordination and efficiencies.

Commented [BB1]: NOTE: The footnote included in a non-final version of the original FA is not included in this version because the content of the footnote was incorporated into (and still remains) in the body of the FA. That language, found in the last paragraph of this pages, reads:

"Nothing in this Framework Agreement precludes the GSAs from making a collective decision at a later point to pursue coordinated GSPs (as opposed to a single integrated GSP) if that is considered advantageous to facilitate implementation."

However, nothing in this Framework Agreement precludes the GSAs from making a decision to pursue coordinated GSPs (as opposed to a single integrated GSP) to facilitate implementation.

Parties recognize that the GSP may include distinct management areas to foster implementation and monitoring; these zones may or may not track fully with each GSA's respective jurisdiction. Parties further recognize that GSAs have the authority under SGMA to include distinct management areas. The intent is to give each GSA governing body the maximum flexibility to manage groundwater usage within their respective jurisdictions, [benefiting the basin as a whole](#). The exact structure of any management areas will be determined as the GSP is developed. Parties also recognize that the development of a comprehensive GSP for the defined subbasin (i.e., plan area) will require analysis of information and data from a broader geographic study area.

Parties further recognize the importance of engaging stakeholders and the broader public in discussions related to GSP development and implementation and commit to putting in place a transparent and inclusive process to foster the consideration of the beneficial uses and users of groundwater in the basin. A comprehensive Stakeholder Communication and Engagement Plan is to be developed in Phase 1 to guide stakeholder engagement throughout the [GSP Plan](#) development process.

Regarding administrative aspects related to near-term GSP development, the parties have identified Sacramento County as the contract administrator for the Prop. 1 [Sustainable Groundwater Planning](#) grant awarded by the state to support [GSP Plan](#) development in the Cosumnes Subbasin. Sacramento County undertakes this work on behalf of and at the direction of the Working Group. The Working Group has requested that the Water Forum serve as the overall "Project Manager" and point of contact for the planning work in the subbasin.

Guiding Principles

Parties agree to the following principles to inform and guide Working Group deliberations, foster constructive discussions, promote a clear and shared set of expectations, and encourage collaboration.

- ***Craft a GSP that respects local jurisdictions while building subbasin-wide approach.*** Parties are committed to working together to develop an integrated and effective GSP, while respecting each GSA's interest and expertise to oversee implementation within its unique jurisdiction or distinct planning areas.
- ***Recognize mutual interdependence.*** Parties recognize the value of all sectors in supporting a vibrant region and will work to foster dialogues that acknowledge and build on this interdependence. This includes building on past work while maintaining a forward-looking dialogue.
- ***Commitment to collaborate.*** All parties agree to work together in a constructive manner to meet SGMA requirements based on a locally driven approach. No one is to benefit at the expense of others, and all parties agree to negotiate in good faith –

communicating their interests, honoring commitments and acting consistently across different forums.

- **Strive for consensus.** SGMA demands close collaboration and coordination among the GSAs if the subbasin is to develop a credible and effective GSP. To ensure broad support, parties recognize the imperative to reach broad agreement among all parties and will strive for consensus throughout the process.
- **Rely on credible process.** To foster effective dialogues, parties agree to mutually support a transparent and inclusive process where parties: (1) have a voice through balanced representation and effective meeting protocols; (2) commit to rely on credible data and clear criteria to inform decision-making; (3) draw on the advice of a technical advisor(s) selected by the Working Group to support its development of a GSP; and (4) commit to resolve differences but include mechanisms to avoid impasse. Additionally, the convening/facilitation team is to work in service of all parties.
- **Build progress through incremental agreements.** Participants will use preliminary agreements on issues as the basis for progress towards final agreement. The Working Group will revisit preliminary agreements when new information emerges and again when finalizing overall recommendations.
- **Support effective and efficient processes.** Parties are committed to building off existing structures and past work, where practicable, to leverage past investments and make the best use of everyone's time and resources. [This may include establishing subcommittees of Working Group members, as needed.](#)
- **Accommodate uncertainties.** Parties recognize that actions both within and outside the sub-region may impact GSP development and even affect basin boundaries. Parties agree to work adaptively to track and accommodate for such uncertainties.

Collaborative Protocols

The facilitator/convening team will work with participants to create a problem-solving environment through the following collaborative protocols:

- **Broad participation**
 - Strive to attend meetings consistently; we need everyone at the table
 - Contribute your thoughts, but share time so everyone can participate
 - Seek opportunities to share your perspectives and understand the perspectives of others
 - Listen hard to what others are saying; we need to figure out together what are the better ways forward
- **Honest but respectful engagement**
 - Be as honest, fair and candid as possible (we need to understand what each other is thinking), but engage professionally
 - Respect ideas offered by others; all ideas and points of view have value
 - If you hear something you do not understand, ask questions to clarify
 - If you hear something you do not agree with, help people understand your concerns
 - Avoid personal comments; refrain from characterizing other's remarks

- **Forward-looking dialogue**

- Creative thinking and problem-solving are essential to success; try to think about problems in a new way
- Seek to integrate ideas across participants; marry a concern with a solution
- Focus on issues, not personalities
- [Focus on basin groundwater health, as a whole](#)

Near-Term Collaboration Structure

To support effective deliberations that foster informed dialogue and broadly supported actions and ensure constituents are fairly represented, the parties agree to the following collaboration structure:

- A Working Group to guide near-term, collaborative development of the subbasin's GSP. The Working Group consists of ~~up to 2~~ [up to 2 or more](#) representatives from each GSA to foster equal participation among the parties.
- Consistent with the Guiding Principles outlined above, the parties will strive to reach full consensus on all actions under discussion. To that end, each GSA commits to make a genuine effort to achieve consensus. Consensus is the preferred method for reaching agreement; voting is a last resort.
- No action will be taken at any Working Group meeting unless at least 5 of the 7 GSAs are present.
- When full consensus is not possible, fiscal decisions will require a super-majority of the GSAs (at least 5 out of 7) to balance the need for broad support among the parties, fair representation and timely action. Fiscal decisions expected in Phases 1 and 2 are summarized in [Attachment 1](#)~~the attached document~~[Attachment 1](#).
- When full consensus is not possible, non-fiscal decisions will require a simple majority of the GSAs (at least 4 out of 7). Non-fiscal decisions expected in Phases 1 and 2 are summarized in [Attachment 1](#)~~the attached document~~[Attachment 1](#).
- GSA representatives unable to attend a meeting may vote by proxy; they are, however, encouraged to provide an alternate.
- If and when votes are needed, each GSA will have one vote only to ensure equal voice among the parties.

This agreement is not intended to cover decisions related to GSP implementation (e.g., pumping fees, etc.) as those will not be considered by the Working Group within the horizon of this framework agreement. Rather, those issues are expected to be covered by whatever governance vehicle the GSAs choose to replace this Framework Agreement ~~since~~since. ~~Rather,~~ this Framework Agreement covers only Phase 1 (GSP Foundation Phase) and Phase 2 (Basin Characterization and Analysis Phase) of GSP development.

Technical Support

To support well informed decisions, the parties have established a Technical Advisory Committee (TAC) to provide input and recommendations to the Working Group on technical

aspects of ~~groundwater sustainability~~GSP plan~~GSP~~ development and, later on, implementation. The TAC works in service of the Cosumnes Subbasin SGMA Working Group. The Working Group may combine TAC/Working Group meetings as needed. A separate Terms of Reference has been developed for the TAC.

Also, consistent with the cost-share agreement, ~~t~~The Working Group ~~also~~ intends to engage technical consultant(s) to assist with GSP development. Other support (e.g., legal advisors) will be considered and secured, as needed, by the Working Group.

GSP Development Cost Share

The subbasin's overall GSP development budget of \$2,778,340 million draws on a mix of state Proposition 1 funding, in-kind contributions from Sacramento County and the Water Forum, and funding from each of the GSAs. The parties to this agreement have developed a cost-share agreement covering four years, starting July 1, 2018, and ending June 30, 2022, to multi-year budget through January 31, 2022 to cover the total expected cash costs (\$1,755,365) of GSP development. The \$xxxxx million budget draws on a mix of state Proposition 1 funding, in-kind contributions from Sacramento County and the Water Forum, and funding from each of the other six even GSAs. The proposed cost-share, outlined in the table below, was developed to cover total plan~~GSP~~ development cash costs consistent with each GSAs ability to pay, as well as a shared belief among the parties that each GSA should provide some contribution to overall GSP development costs.

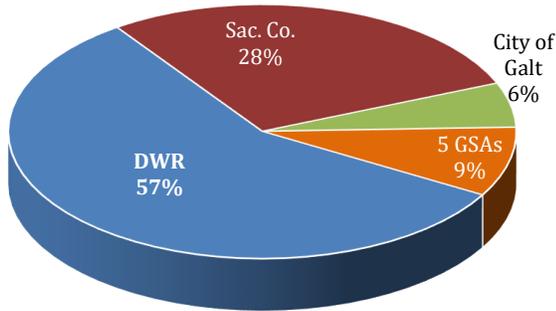
Commented [BB2]: NOTE: Edits made to be consistent with cost-share language, as directed by Working Group. No substantive changes.

Commented [FR3]: The consultant invoice for work during Jan-2022 will not likely be submitted for payment until late Feb-22 or Mar-22. Other costs could be incurred during Feb-22 and some effort might be necessary through Apr/May-22.

Cash Needs - Costs for Consulting Services

Phase	Grant		Local Cost Share			Total
	DWR	Sac. Co.	City of Galt	5 GSAs	Total GSA	Cash Need
GSP Foundation	110,821	55,411	11,082	17,218	83,711	194,532
Basin Analysis	465,194	232,597	46,519	72,275	351,391	816,585
Sustainability Planning	265,657	132,828	26,566	41,274	200,668	466,324
GSP Preparation	91,654	45,827	9,165	14,240	69,232	160,887
Project Management	66,674	33,337	6,667	10,359	50,363	117,037
Total	1,000,000	500,000	100,000	155,365	755,365	1,755,365

Funding Sources for Consulting Services



Possible Cost Per GSAs

GSA	4-Year Cost	Annual Cost*
Sac. Co.	500,000	125,000
City of Galt	100,000	25,000
Amador Co.	31,073	7,768
SRCD	31,073	7,768
OHWD	31,073	7,768
Clay WD	31,073	7,768
Galt ID	31,073	7,768
Total	755,365	188,841

*Assumes costs evenly divided between 5 GSAs over 4 years.

In-Kind Costs & Services

Phase	Sac. County		Water Forum		In-Kind Total
	Staff	Staff	Facilitation	Total WF	
GSP Foundation	84,200	169,240	90,490	259,730	343,930
Basin Analysis	0	79,680	109,130	188,810	188,810
Sustainability Planning	0	69,440	112,190	181,630	181,630
GSP Preparation	0	51,200	97,805	149,005	149,005
Project Management	159,600	0	0	0	159,600
Total	243,800	369,560	409,615	779,175	1,022,975

Total	Total
Cash Need	Cost
194,532	538,462
816,585	1,005,395
466,324	647,954
160,887	309,892
117,037	276,637
1,755,365	2,778,340

To the extent that there are unanticipated costs, parties will work collaboratively (consistent with the decision-making rules outlined above) to identify any needed additional cost-share.

GSP Development

The purpose of this Framework Agreement is to [provide organizational, decision-making and financial structure to support the GSAs working collaboratively to develop](#) ~~begin development of~~ a GSP. The Working Group, with the support of Technical Consultant, will tackle the [first two phases of the](#) four-phase Plan development outlined in the subbasin's [Proposition 1](#) application: (1) GSP Foundation, (2) Basin Characterization and Analysis, (3) Sustainability Planning, and (4) GSP Preparation and Submittal. Additionally, the Working Group commits to general management tasks, also outlined in the [Proposition 1](#) proposal, including actions such as (1) grant management and administration, (2) project management, and (3) quality assurance/quality control (QA/QC). [Any changes to the subbasin's Work Plan included in the Proposition 1 proposal are subject to the approval of the Working Group.](#)

The parties have agreed to work together [as a collaborative planning body](#) on this GSP development for their mutual benefit [and to foster effective implementation of SGMA requirements](#). The Working Group is neither a Joint Powers Authority nor a governmental entity; rather, it is a collaborative planning effort guided by the parties for their mutual benefit. Any implementation actions to be taken as a result of this planning effort are expected to be taken by the individual parties and approved by the respective governing bodies.

Nothing in this agreement precludes an individual GSA from pursuing its own individual studies at its own cost. The Working Group, with the advice of the Independent Technical Advisor, will jointly determine the extent to which such individual studies are to be used to inform the GSP.

Nothing in the agreement precludes an individual GSA from preparing its own GSP. If a GSA chooses to produce a separate GSP, a Coordination Agreement, per SGMA statute and DWR regulations, shall be developed between the preparers of the separate GSP and the Working Group.

Stakeholder Outreach and Engagement

To foster the consideration of the beneficial uses and users of groundwater in the subbasin, the parties agree to the following:

- Parties are committed to an inclusive and transparent process that proactively seeks the engagement and input of potentially impacted parties as identified in SGMA. Parties will work to develop protocols for public engagement, both at public workshops and during regular Working Group meetings.
- Parties will work collectively to develop an agreed-upon outreach plan, but each GSA is responsible for guiding efforts within their respective jurisdictions.
- Parties recognize the value in developing shared messages to ensure consistency; joint participation in outreach efforts is encouraged to foster consistency in message and concretely demonstrate the parties' coordinated effort.
- Parties recognize the need to conduct outreach in the near-term to better understand additional representation needs (e.g., environmental, tribal, riparian water users, overlying water users, etc.) beyond the signatories to this agreement. Parties commit to

revisit the near-term collaboration structure, as necessary, to account for public feedback.

An updated Stakeholder and Communication and Engagement Plan to be developed in Phase 1.

Media Contacts

Working Group members are encouraged to forward any media inquiries to the Water Forum. When talking to the press, Working Group members are asked to represent their own views only. Water Forum staff will coordinate with the Working Group to develop any needed “talking points” for media and other interested parties.

Attachment 1 - Near-Term Decisions

Below is a listing of the possible near-term decisions to be made during Phase 1 and 2 of the GSP development. This list is based on the subbasin's [Proposition 1](#) work plan and is current as of June 2018. This list will be revisited and updated, as needed,

List of Major Decisions to be made during GSP Development (by Phase and Scale)

Phase 1: GSP Foundation

Basin

- Governance/Coordination
 - Decide whether to designate jurisdictional management areas on the basis of jurisdictional (i.e., GSA) boundaries or wait and determine management areas on a scientific basis (Phase 3)
 - Potentially determine GSP structure
 - Formalize Basin-wide coordination structure (e.g., development of JPA, etc.) and governance approach (i.e., voting and cost-share structure)
- Stakeholder Engagement
 - Decide on a Basin-wide approach for stakeholder outreach/ engagement
- Technical
 - Hire a technical consultant
 - Choose a DMS
 - Choose a numerical model and modeling approach
- Funding
 - Develop cost-sharing obligations for participants in Basin-wide GSP development efforts

Local

- Stakeholder Engagement
 - Develop local outreach plan to communicate GSA-specific activities to local stakeholders and customers
- Funding
 - Develop GSA-specific GSP development funding plan (i.e., plan to fund cost-share obligations + any individual expenses anticipated by the GSA)

Phase 2: Basin Characterization and Analysis

The Basin Characterization Phase will focus on [the compilation](#) ~~development~~ of [existing](#) scientific data and information [and the collection of current data](#). Consensus on key technical elements will be important.

Long-term governance decisions are not expected within the next 6-12 months. To the extent it should prove timely to make long-term governance decisions within the next 6-12 months, the Working Group will strive for consensus.