SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA)

Thursday, May 19, 2016 - 7:00 p.m.
Simpkins Family Swim Center
979 17th Ave, Santa Cruz, CA 95062

AGENDA

1. Call To Order

2. Roll Call

3. Public Hearing
- 3.1 Hold a Public Hearing Regarding the Santa Cruz Mid-County Groundwater Agency's Intent to File with the State to be Designated as the Groundwater Sustainability Agency for the Santa Cruz Mid-County Groundwater Basin
- 3.2 Board Action following Public Hearing on Filing with the State to be Designated as the Groundwater Sustainability Agency for the Santa Cruz Mid-County Groundwater Basin

4. Oral Communications (Items Not On The Agenda)

5. Consent Agenda
- 5.1 Approve Minutes of the March 17, 2016 GSA meeting
- 5.2 Approve Agreement with Community Foundation for Staffing Services
- 5.3 Approve Letter of Representation with the County Counsel for Legal Services
- 5.4 Filing Notifications to Establish the MGA Agency via a Joint Powers Agency (JPA)

6. Administrative Business
- 6.1 Review and Take Action to Adopt Agency Bylaws or Provide Direction for Further Revisions for Consideration by the Board at its July 21, 2106 Meeting
- 6.2 Appointment of Board of Director Representatives of Private Well Owners
- 6.3 Approve Report from HydroMetrics WRI titled "Shallow Groundwater Elevation"

7. Information Items
- 7.1 Additional MGA Member Agency Contributions

8. Oral Reports
- 8.1 Board Member Reports
- 8.2 Staff Reports

9. Adjournment

May 19, 2016

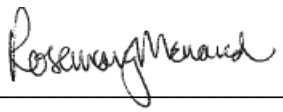
MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

Subject: Agenda Item 3.1 — Hold a Public Hearing Regarding the Santa Cruz Mid-County Groundwater Agency's Intent to File with the State to be Designated as the Groundwater Sustainability Agency for the Santa Cruz Mid-County Groundwater Basin

The state has prepared information for agencies to use in forming GSAs and in working through the process to become designated GSAs for specific basins or sub-basins.[1] For the first step of the process, as defined by Water Code §10723(b), requires that a local agency or group of local agencies hold a properly noticed public hearing(s) in the county or counties overlying the groundwater basin.

POSSIBLE BOARD ACTION

1. Open public hearing and receive public testimony.
2. By MOTION, close the public hearing.

By  (Rosemary Menard)

On behalf of the executive team of John Ricker, Ralph Bracamonte, Ron Duncan, and Rosemary Menard

[1] The complete information available from the state can be found at http://www.water.ca.gov/groundwater/sgm/pdfs/GSA_Notification_Requirements_v2_2016-01-06.pdf .

May 19, 2016

MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

Subject: Agenda Item 3.2 — Board Action following Public Hearing on Filing with the State to be Designated as the Groundwater Sustainability Agency for the Santa Cruz Mid-County Groundwater Basin

Attachment:

1. Draft Letter to State Regarding GSA Formation includes the following:
    - Copies of Required Public Notices for May 19 Public Hearing
    - Draft Resolution 2016-001
    - Map of the Santa Cruz Mid-County Groundwater Basin
    - Copy of Joint Powers Agreement for the Santa Cruz Mid-County Groundwater Agency (MGA)
    - Copy of the MGA By Laws

The State has prepared information for agencies to use in forming a Groundwater Sustainability Agency (GSA) and in working through the process to become the designated GSAs for specific basins or sub-basins.[1] The first few steps of the process are as follows:

Step 1: Decision to Form a GSA

The first step in the GSA formation process is public notification that a local agency is either (1) deciding to become a GSA or (2) deciding to form a GSA together with other local agencies. Water Code §10723(b) requires that a local agency or group of local agencies hold a public hearing(s) in the county or counties overlying the groundwater basin.

Step 2: Consideration of Interests of Beneficial Uses and Users of Groundwater

Water Code §10723.2 requires GSAs to consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing GSPs. An explanation of how those interests will be considered by a GSA when developing and implementing a GSP is required as part of the GSA formation notification requirements.

Step 3: Submittal of GSA Formation Information to DWR for Completeness Review

A local agency or group of local agencies must notify DWR and document its intent to become or form a GSA. The requirement for DWR to post complete GSA notices was added by an amendment made by SB 13 and is included in the Water Code references below.

With the completion of the Public Hearing required in Step 1, the Board is now in a position to take action on steps 2 and 3 as outlined above.

[1] The complete information available from the state can be found at http://www.water.ca.gov/groundwater/sgm/pdfs/GSA_Notification_Requirements_v2_2016-01-06.pdf .

Attached to this staff report is a letter and resolution for the Board's consideration and action. The letter includes a fairly detailed discussion and consideration of the interests on Beneficial Users and Users of Groundwater as required in Step 2. The resolution states the Board's intention to be the designated GSA for the Santa Cruz Mid-County Groundwater Basin.

Staff recommends that the Board take action to approve the attached Resolution, to authorize the Chair to sign the attached letter and to direct staff add the specified attachments and submit the package to the State.

Following the state's receipt of these materials, the state will post the MGA's materials on its website at http://www.water.ca.gov/groundwater/sgm/gsa_table.cfm. Following this posting, Water Code §10723.8 (c) includes the following provisions related to final designation of an agency as the GSA for a basin:

> The decision to become a GSA shall take effect 90 days after the department posts notice under subdivision (b) if no other local agency submits a notification under subdivision (a) of its intent to undertake groundwater management in all or a portion of the same area. If another notification is filed within the 90-day period, the decision shall not take effect unless the other notification is withdrawn or modified to eliminate any overlap in the areas proposed to be managed. The local agencies shall seek to reach agreement to allow prompt designation of a GSA. If agreement is reached involving a material change from the information in the posted notice, a new notification shall be submitted under subdivision (a) and the department shall post notice under subdivision (b). (d) Except as provided in subdivisions (e) and (f), after the decision to be a GSA takes effect, the GSA shall be presumed to be the exclusive GSA within the area of the basin within the service area of the local agency that the local agency is managing as described in the notice.

POSSIBLE ACTION

1. By MOTION, approve Resolution 2016-001, authorize the Chair to sign the attached letter and direct staff to add the specified attachments and submit the package to the State.

By Rosemary Menard (Rosemary Menard)

On behalf of the executive team of John Ricker, Ralph Bracamonte, Ron Duncan, and Rosemary Menard

May 19, 2016

Mark Nordberg, GSA Project Manager Senior Engineering Geologist
901 P Street, Room 213A
Box 942836 Sacramento, CA 94236

Re: Notice of Intent of Santa Cruz Mid-County Groundwater Agency to Become a Groundwater Sustainability Agency

Dear Mr. Nordberg:

As outlined in California Water Code, Part 2.74, Sustainable Groundwater Management Act (SGMA), sections 10723(d), 10723.6(a)(1), and 10723.8, the newly formed joint exercise of powers agency, the Santa Cruz Mid-County Groundwater Agency (MGA or Agency) hereby declares its intention to assume the role as a Groundwater Sustainability Agency (GSA) for the Santa Cruz Mid-County Groundwater Basin. The members of the Agency include the Central Water District, the City of Santa Cruz, the County of Santa Cruz, and the Soquel Creek Water District.

On March 17, 2016, Agency Board of Directors convened for the first time, elected officers, adopted a budget for FY 2017, set a public hearing on becoming the designated GSA for the Santa Cruz Mid-County Groundwater Basin for May 19, 2016, and directed staff to publish the required public notice as per California Government Code §6066 (see Attachment 1).

On May 19, 2016, the Agency held a duly noticed public hearing and passed Resolution 2016-001 (Attachment 2) wherein the Agency resolved to become a GSA for the Santa Cruz Mid-County Groundwater Agency. Attachment 2A is a map of the Santa Cruz Mid-County Groundwater Basin that the new Agency intends to manage. Attachment 3 is a copy of the fully executed Joint Powers Agreement for the Santa Cruz Mid-County Groundwater Agency and Attachment 4 is copy of the Agency's Bylaws.

Identification and Engagement of Interested Parties

Water Code section 10723.8(a)(4) requires a list of interested parties developed pursuant to Water Code section 10723.2 and an explanation of how their interests will be considered in the development and operation of the GSA and the development and implementation of the agency's sustainability plan.

Since 2014, the Santa Cruz Mid-County Groundwater Agency (MGA) and its predecessors, the Soquel-Aptos Groundwater Management Committee and the Basin Implementation Group, have

been employing a comprehensive outreach strategy. The MGA has a Community Engagement Plan which was developed by the Center for Collaborative Policy in conjunction with the MGA and includes the input of 22 stakeholders who were interviewed during development. Stakeholders included representatives from:

- Elected officials and staff from the MGA member agencies
- Staff from outside agencies and departments
- Private well owners and Small Water System operators
- Large water users in the basin (business and institutional)
- Agricultural users
- Environmental non-profits and community groups
- Environmental scientists and regulators
- Tribal representative

Outreach includes: an informative website (midcountygroundwater.org), which staff updates regularly; an electronic newsletter sent before important events; public notification before all MGA meetings; radio interviews; meetings with newspaper editorial boards; targeted stakeholder meetings; and occasional mailers in the form of postcards and bill inserts.

To date, eight informational meetings for the public have been held. Notification for the meetings has included ads in multiple local newspapers, on social media, electronic newsletters from all of the partner agencies, and postcards mailed to all private well owners, based on County Assessor records. A targeted meeting of interested private well owners hosted by the private well representatives on the MGA was also held.

The MGA will continue to engage these interests and any other interested persons or entities, including various regulatory agencies and neighboring GSAs, as it takes steps to develop and implement a Groundwater Sustainability Plan. This includes, but is not limited to, the following:

a. Holders of overlying groundwater rights

i. Agricultural users:

There is farming within the boundary area, using an estimated 10% of the total water pumped from the basin. The Ag sector comprises vineyards, vegetables, orchards, nurseries, and berries. The majority of the farming is done by a few large operations. In addition to the broad outreach, large operators will be notified individually and brought in for an introductory meeting. One of the private well representatives who sits on the MGA Board of Directors is from the Ag sector.

ii. Domestic Well Users:

Residential Private well owners use an estimated 10% of total water use in the basin. To make sure this group receives fair representation, three private well owners were appointed to the MGA after a selection process. They have already held one meeting targeting private well owners. The County sent 1700 postcards on behalf of the MGA to the owners of properties with private wells. The County will be using a grant from DWR, in which additional targeted outreach in the form of well soundings, conservation audits and additional meetings are planned.

b. Municipal well operators;
Elected officials from all the municipal well operators in the Basin are represented on the Agency Board. These are Soquel Creek Water District, Central Water District, and the City of Santa Cruz Water Department.

c. Public water systems;
All of the Public Water Systems operators in the County are on the MGA email list. The County oversees the public water systems in the region and offers quarterly forums. The SGMA has been discussed in several of these, and staff from the MGA partner agencies have presented.

d. Local land use planning agencies.
The land use planning agencies in the basin are the County of Santa Cruz, City of Santa Cruz, and the City of Capitola. Two County Supervisors are on the MGA. The newsletters are distributed to County Supervisors, City Council members, and key staff from those agencies. Staff from the MGA will make presentations to planning agency staff and officials as necessary.

e. Environmental users of groundwater;
Groundwater from the basin helps to supply streamflow fish habitat, riparian vegetation and recreational use. Agencies with interest in maintaining flow for environmental uses are the US Fish and Wildlife Service, NOAA Fisheries, California Department of Fish and Wildlife, the State Water Board, the County of Santa Cruz, and the City of Capitola. Representatives of these agencies are on the email list. There are numerous non-profit environmental groups operating in the Basin. The member agencies of the MGA have long relationships with these groups and interact with many of them regularly. Representatives from the organizations have been added to the email list.

f. Surface water users, if there is a hydrologic connection between surface and groundwater bodies;
There are no large scale users of surface water in the basin, but there are numerous small users. Surface water rights in the Soquel Creek Watershed have been adjudicated and the legitimate users of surface water have been designated. Some small water systems or agricultural users may use surface water, however, as noted above those groups will already be engaged in the process. Domestic surface water users are included in the broad notification to private property owners in the basin.

g. The federal government, including, but not limited to, the military and managers of federal lands;
The member agencies of the MGA work regularly with several Federal agencies including the USGS, the US Fish and Wildlife Service, the Monterey Bay National Marine Sanctuary and the National Marine Fisheries Service (NOAA Fisheries). Appropriate staffs from those agencies are on the email listserve. There are no military or federally-owned lands in the Basin.

h. California Native American tribes;
Staff has been developing relationships with representatives of the local tribes to ensure they are engaged with the process. One representative was interviewed during the development of the Community Engagement Plan.

i. Disadvantaged communities (DAC), including, but not limited to, those served by private domestic wells or small community water systems;
Based on 2010 Census data, there are several DAC census blocks located within the service areas of the municipal water agencies located in the Western area of the Basin. The planned outreach process is comprehensive and will reach those areas. Additional efforts to provide targeted outreach to DACs are being undertaken through the IRWM process and involves staff from the MGA member agencies.

j. Entities listed in Section 10927 that are monitoring and reporting groundwater elevations in all or a part of a groundwater basin managed by the GSA. [CA Water Code Section 10723.2.]
The agencies conducting groundwater monitoring and reporting activities for the basin are the County, the City of Santa Cruz, the Soquel Creek Water District, and Central Water District. All these agencies are members of the MGA.

As demonstrated by the information presented above, the MGA is committed to an open and inclusive process to implement the SGMA. Interest parties will have opportunities, both formal and informal, to provide input to the MGA Board and to participate in the development and public review of the Groundwater Sustainability Plan.

Copies of the joint exercise of powers agreement and recently adopted Agency bylaws for the Santa Cruz Mid-County Groundwater Agency are include with the letter as Attachments 3 and 4 respectively.

Sincerely yours,

Bruce Jaffe, Chair

Santa Cruz Mid-County Groundwater Agency Board of Directors

Attachments:

1. Copy of Required Public Notice of May 19, 2016 Public Hearing on the Santa Cruz Mid-County Groundwater Agency being designated as the Groundwater Sustainability Agency for the Santa Cruz Mid-County Groundwater Basin
2. Santa Cruz Mid-County Groundwater Agency Resolution 2016-001 Stating the Board's Intent to be the Groundwater Sustainability Agency for the Santa Cruz Mid-County Groundwater Basin
    - 2.A Santa Cruz Mid-County Groundwater Basin Map
3. Santa Cruz Mid-County Groundwater Agency Joint Exercise of Powers Agreement
4. Santa Cruz Mid-County Groundwater Agency Bylaws

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Notice Content

SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that a public hearing will be held to receive public input on: Formation of a Groundwater Sustainability Agency Date & Time: May 19, 2016 at 7:00 p.m. Location: Simpkins Family Swim Center, Live Oak Community Complex, A & B Community Room, 979 17th Ave, Santa Cruz, California All written comments must be received by 4:00 p.m., May 19, 2016, at Soquel Creek Water District, 5180 Soquel Drive, Soquel, California. If you have any questions regarding the item listed above or the public hearing please contact Sierra Ryan, Water Resource Planner at 831-454-3133. Related memo will be available on May 13, 2016, on the Santa Cruz Mid-County Groundwater Agency's website at www.midcountygroundwater.org 5/5, 5/15/16 5719572

Back

RESOLUTION NO. 2016-001

RESOLUTION OF INTENT TO ESTABLISH THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY AS THE GROUNDWATER SUSTAINABILITY AGENCY FOR THE SANTA CRUZ MID-COUNTY GROUNDWATER BASIN

WHEREAS, the Sustainable Groundwater Management Act of 2014 went into effect on January 1, 2015; and,

WHEREAS, the Sustainable Groundwater Management Act of 2014 enables the State Water Resources Control Board to intervene in groundwater basins unless a local public agency or combination of local public agencies form a Groundwater Sustainability Agency or Agencies (GSA) by June 30, 2017 (Water Code section 10735); and,

WHEREAS, retaining local jurisdiction over water management and land use is essential to sustainably manage groundwater as a critical public health resource and to the vitality of the mid-county area of Santa Cruz County's economy, communities and environment; and,

WHEREAS, Water Code Section 10721(j) defines a Groundwater Sustainability Agency as one or more local agencies that implement the provisions of the Sustainable Groundwater Management Act; and,

WHEREAS, the Santa Cruz Mid-County Groundwater Agency (Agency) is a newly formed local joint exercise of powers agency established to oversee the sustainable management of critically over-drafted groundwater resources that serve as a source of supply for a large portion of the population in Santa Cruz County; and,

WHEREAS, any local public agency that has water supply, water management or land use responsibilities within a basin may elect to be a Groundwater Sustainability Agency, and Water Code Section 10723.6(a)(1) specifically allows agencies formed by the execution of joint exercise of powers agreements to serve as Groundwater Sustainability Agencies; and,

WHEREAS, Water Code Section 10723(a) authorizes any local agency overlying a groundwater basin to establish itself as a Groundwater Sustainability Agency for that basin; and,

WHEREAS, the proposed boundaries of the Santa Cruz Mid-County Groundwater Basin (Basin) that the Agency intends to manage as a Groundwater Management Agency are set forth in Attachment A; and,

WHEREAS, establishing the Agency as the Groundwater Sustainability Agency for the Basin will enable the Agency to prepare and implement a Groundwater Sustainability Plan for the Basin that is aligned and compatible with the General Plans and Urban Water Management Plans prepared by the member agencies; and,

WHEREAS, the Santa Cruz Mid-County Groundwater Agency is committed to sustainable management of its groundwater resources; and,

WHEREAS, adoption of this Resolution does not constitute a "project" under California Environmental Quality Act Guidelines Section 15378(b)(5) including organizational and administrative activities of government because there would be no direct or indirect physical change in the environment; and,

WHEREAS, the Agency held a public hearing on this date after publications of notice pursuant to Government Code section 6066 to consider adoption of this Resolution;

NOW, THEREFORE, BE IT RESOLVED,

That the Board of Directors of the Santa Cruz Mid-County Groundwater Agency hereby declares and elects that it be and is established as the Groundwater Sustainability Agency for the Santa Cruz Mid-County Groundwater Basin, and with the powers and the duties set forth at Water Code sections 10725 et seq and further declares its intent to undertake sustainable groundwater management.

That this Groundwater Sustainability Agency shall be known as the Santa Cruz Mid-County Groundwater Agency, a JPA formed by action of the Board of Directors of the Central Water District, the Santa Cruz County Supervisors, the Santa Cruz City Council, and the Board of Directors of the Soquel Creek Water District and will use the Agency Board of Directors for governance purposes.

That the Chairperson of the Board shall submit a notice of this Resolution to the State Water Resources Control Board.

That the Agency shall consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans and will develop an outreach program for all stakeholders.

That the Agency shall establish and maintain a list of persons interested in receiving notices regarding plan preparation, meeting announcements, and availability of draft plans, maps, and other relevant documents. Any person may request, in writing, to be placed on the list of interested persons.

That such notification of interested persons shall include an explanation of how their interests will be considered in the development and operation of a Groundwater Sustainability Plan.

THIS RESOLUTION was passed by the Board of the Santa Cruz Mid-County Groundwater Agency at a regular meeting held on May 19, 2016

AYES:

NOES:

ABSENT:

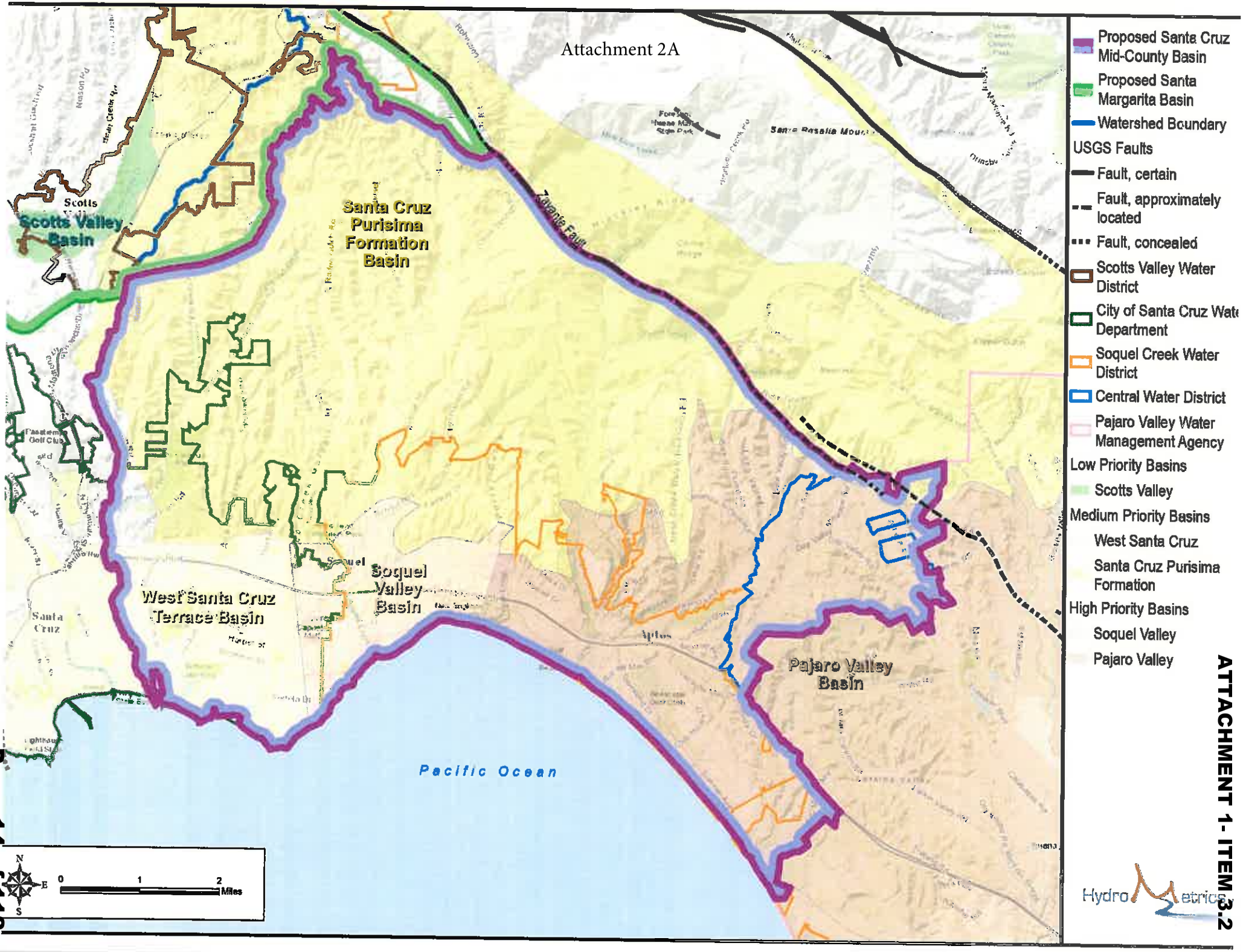
ABSTAIN:

PASSED, APPROVED and ADOPTED _____

_____
BRUCE JAFFE, CHAIR
Santa Cruz Mid-County Groundwater Agency

ATTEST:

_____
CYNTHIA MATHEWS, SECRETARY
Santa Cruz Mid-County Groundwater Agency


Scotts Valley Basin
Santa Cruz Purisima Formation Basin
Zayante Fault
West Santa Cruz Terrace Basin
Soquel Valley Basin
Pajaro Valley Basin
Pacific Ocean
Santa Cruz
Aptos
Proposed Santa Cruz Mid-County Basin
Proposed Santa Margarita Basin
Watershed Boundary
USGS Faults
Fault, certain
Fault, approximately located
Fault, concealed
Scotts Valley Water District
City of Santa Cruz Water Department
Soquel Creek Water District
Central Water District
Pajaro Valley Water Management Agency
Low Priority Basins
Scotts Valley
Medium Priority Basins
West Santa Cruz
Santa Cruz Purisima Formation
High Priority Basins
Soquel Valley
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JOINT EXERCISE OF POWERS AGREEMENT

by and among

CENTRAL WATER DISTRICT

CITY OF SANTA CRUZ

COUNTY OF SANTA CRUZ

and

SOQUEL CREEK WATER DISTRICT

creating the

SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

March 17, 2016

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JOINT EXERCISE OF POWERS AGREEMENT OF THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

This **Joint Exercise of Powers Agreement ("Agreement")** is made and entered into as of March 17, 2016 ("Effective Date"), by and among the Central Water District, the City of Santa Cruz, the County of Santa Cruz, and the Soquel Creek Water District, sometimes referred to herein individually as a "**Member**" and collectively as the "**Members**" for purposes of forming the Santa Cruz Mid-County Groundwater Agency ("**Agency**") and setting forth the terms pursuant to which the Agency shall operate. Capitalized defined terms used herein shall have the meanings given to them in Article 1 of this Agreement.

RECITALS

A. Each of the Members is a local agency, as defined by the Sustainable Groundwater Management Act of 2014 ("**SGMA**"), duly organized and existing under and by virtue of the laws of the State of California, and each Member can exercise powers related to groundwater management.

B. SGMA requires designation of a groundwater sustainability agency ("**GSA**") by June 30, 2017, for groundwater basins designated by the California Department of Water Resources ("**DWR**") as medium- and high-priority basins.

C. SGMA requires adoption of a groundwater sustainability plan ("**GSP**") by January 31, 2020, for all medium- and high-priority basins identified as being subject to critical conditions of overdraft.

D. Each of the Members either extracts groundwater from or regulates land use activities overlying a common groundwater basin located within the mid-county coastal region of the County of Santa Cruz. This Basin includes all or part of four basins identified in DWR's Bulletin Number 118, including the following basins (designated by the name of the basin and number assigned to it in DWR-Bulletin No. 118): Soquel Valley (3-1), West Santa Cruz Terrace (3-26), Santa Cruz Purisima Formation (3-21), and Pajaro Valley Basin (3-2). All or some of these basins have been designated as medium or high priority basins. Through the Agency, the Members provided modifications to the Bulletin-118 boundaries as allowed by Title 23 of the California Code of Regulations to create a new consolidated basin called the "Santa Cruz Mid-County Groundwater Basin" with 3-1 as the number for the consolidated basin under DWR Bulletin No. 118 (hereafter "**Basin**").

E. The Members intend for the Agency to develop a GSP and manage the Basin pursuant to SGMA.

F. Under SGMA, a combination of local agencies may form a GSA through a joint powers agreement.

G. The Members have determined that the sustainable management of the Basin pursuant to SGMA may best be achieved through the cooperation of the Members operating through a joint powers agency.

H. The Joint Exercise of Powers Act of 2000 ("Act") authorizes the Members to create a joint powers authority, to jointly exercise any power common to the Members, and to exercise additional powers granted under the Act.

I. The Act, including the Marks-Roos Local Bond Pooling Act of 1985 (Government Code sections 6584, *et seq.*), authorizes an entity created pursuant to the Act to issue bonds, and under certain circumstances, to purchase bonds issued by, or to make loans to, the Members for financing public capital

improvements, working capital, liability and other insurance needs or projects whenever doing so results in significant public benefits, as determined by the Members. The Act further authorizes and empowers a joint powers authority to sell bonds so issued or purchased to public or private purchasers at public or negotiated sales.

J. The Members have a history of collaborating on groundwater management issues in the Santa Cruz Mid-County Groundwater Basin, originally with a joint powers agreement formed in 1995 by the Soquel Creek Water District and the Central Water District, which was subsequently amended in August of 2015 to include the City of Santa Cruz and the County of Santa Cruz, to form the Soquel-Aptos Groundwater Management Committee.

K. The Members agree that by approving the creation of the Santa Cruz Mid-County Groundwater Agency they are withdrawing from and disbanding the joint powers agency formed as a result of earlier joint powers agreements originally creating the Basin Implementation Group as subsequently amended to create the Soquel-Aptos Groundwater Management Committee.

L. Based on the foregoing legal authority, the Members desire to create a joint powers authority for the purpose of taking all actions deemed necessary by the joint powers authority to ensure sustainable management of the Basin as required by SGMA.

M. The governing board of each Member has determined it to be in the Member's best interest and in the public interest that this Agreement be executed.

TERMS OF AGREEMENT

In consideration of the mutual promises and covenants herein contained, the Members agree as follows:

ARTICLE 1
DEFINITIONS

The following terms have the following meanings for purposes of this Agreement:

1.1 "Act" means the Joint Exercise of Powers Act, set forth in Chapter 5 of Division 7 of Title 1 of the Government Code, sections 6500, *et seq.*, including all laws supplemental thereto.

1.2 "Agreement" has the meaning assigned thereto in the Preamble.

1.3 "Auditor" means the auditor of the financial affairs of the Agency appointed by the Board of Directors pursuant to Section 14.3 of this Agreement.

1.4 "Agency" has the meaning assigned thereto in the Preamble.

1.5 "Basin" has the meaning assigned thereto in Recital D.

1.6 "Board of Directors" or "Board" means the governing body of the Agency as established by Article 6 of this Agreement.

1.7 "Bylaws" means the bylaws, if any, adopted by the Board of Directors pursuant to Article 11 of this Agreement to govern the day-to-day operations of the Agency.

1.8 "Director" and "Alternate Director" mean a director or alternate director appointed pursuant to Sections 6.3 and 6.4 of this Agreement. "Member Director" is a Director or Alternate Director appointed by and representing a Member agency pursuant to Section 6.1.1 of this agreement.

1.9 "DWR" has the meaning assigned thereto in Recital B.

1.10 "GSA" has the meaning assigned thereto in Recital B.

1.11 "GSP" has the meaning assigned thereto in Recital C.

1.12 "Member" means each party to this Agreement that satisfies the requirements of Section 5.1 of this Agreement, including any new members as may be authorized by the Board, pursuant to Section 5.2 of this Agreement.

1.13 "Officer(s)" means the Chair, Vice Chair, Secretary, or Treasurer of the Agency to be appointed by the Board of Directors pursuant to Section 7.1 of this Agreement.

1.14 "SGMA" has the meaning assigned thereto in Recital A.

1.15 "State" means the State of California.

ARTICLE 2
CREATION OF THE AGENCY

2.1 Creation of a Joint Powers Authority. There is hereby created pursuant to the Act a joint powers authority, which will be a public entity separate from the Members to this Agreement, and shall be known as the Santa Cruz Mid-County Joint Powers Agency ("**Agency**"). Within 30 days after the Effective Date of this Agreement and after any amendment, the Agency shall cause a notice of this Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by Government Code section 6503.5. Within 10 days after the Effective Date of this Agreement, the Agency shall cause a statement of the information concerning the Agency, required by Government Code section 53051, to be filed with the office of the California Secretary of State and with the County Clerk for the County of Santa Cruz, setting forth the facts required to be stated pursuant to Government Code section 53051(a).

2.2 Purpose of the Agency. Each Member to this Agreement has in common the power to study, plan, develop, finance, acquire, construct, maintain, repair, manage, operate, control, and govern the water supply and water management within the Basin, either alone or in cooperation with other public or private non-member entities, and each is a local agency eligible to serve as a GSA within the Basin, either alone or jointly through a joint powers agreement as provided for by SGMA. The purpose of this Agency is to serve as the GSA for the Basin and to develop, adopt, and implement the GSP for the Basin pursuant to SGMA and other applicable provisions of law.

ARTICLE 3
TERM

This Agreement shall become effective upon execution by each of the Members and shall remain in effect until terminated pursuant to the provisions of Article 17 (Withdrawal of Members) of this Agreement.

ARTICLE 4
POWERS

The Agency shall possess the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Agency, including but not limited to the following powers, together with such other powers as are expressly set forth in the Act and in SGMA. For purposes of Government Code section 6509, the powers of the Agency shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed on the County of Santa Cruz, and in the event of the withdrawal of the County of Santa Cruz as a Member under this Agreement, then the manner of exercising the Agency's powers shall be those restrictions imposed on the City of Santa Cruz.

4.1 To exercise all powers afforded to a GSA pursuant to and as permitted by SGMA.

4.2 To develop, adopt and implement the GSP pursuant to SGMA.

4.3 To adopt rules, regulations, policies, bylaws and procedures governing the operation of the Agency and adoption and implementation of the GSP.

4.4 To obtain rights, permits and other authorizations for or pertaining to implementation of the GSP.

4.5 To perform other ancillary tasks relating to the operation of the Agency pursuant to SGMA, including without limitation, environmental review, engineering, and design.

4.6 To make and enter into all contracts necessary to the full exercise of the Agency's power.

4.7 To employ, designate or otherwise contract for the services of agents, officers, employees, attorneys, engineers, planners, financial consultants, technical specialists, advisors, and independent contractors.

4.8 To exercise jointly the common powers of the Members, as directed by the Board, in developing and implementing a GSP for the Basin.

4.9 To investigate legislation and proposed legislation affecting the Basin and to make appearances regarding such matters.

4.10 To cooperate and to act in conjunction and contract with the United States, the State of California or any agency thereof, counties, municipalities, public and private corporations of any kind (including without limitation, investor-owned utilities), and individuals, or any of them, for any and all purposes necessary or convenient for the full exercise of the powers of the Agency.

4.11 To incur debts, liabilities or obligations, to issue bonds, notes, certificates of participation, guarantees, equipment leases, reimbursement obligations and other indebtedness, and, to the extent provided for in a duly adopted Agency to impose assessments, groundwater extraction fees or other charges, and other means of financing the Agency as provided in Chapter 8 of SGMA commencing at Section 10730 of the Water Code.

4.12 To collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the Basin.

4.13 To establish and administer a conjunctive use program for the purposes of maintaining sustainable yields in the Basin consistent with the requirements of SGMA.

4.14 To exchange and distribute water.

4.15 To regulate groundwater extractions as permitted by SGMA.

4.16 To impose groundwater extraction fees as permitted by SGMA.

4.17 To spread, sink and inject water into the Basin.

4.18 To store, transport, recapture, recycle, purify, treat or otherwise manage and control water for beneficial use.

4.19 To apply for, accept and receive licenses, permits, water rights, approvals, agreements, grants, loans, contributions, donations or other aid from any agency of the United States, the State of California, or other public agencies or private persons or entities necessary for the Agency's purposes.

4.20 To develop and facilitate market-based solutions for the use and management of water rights.

4.21 To acquire property and other assets by grant, lease, purchase, bequest, devise, gift or eminent domain, and to hold, enjoy, lease or sell, or otherwise dispose of, property, including real property, water rights, and personal property, necessary for the full exercise of the Agency's powers.

4.22 To sue and be sued in its own name.

4.23 To provide for the prosecution of, defense of, or other participation in actions or proceedings at law or in public hearings in which the Members, pursuant to this Agreement, may have an interest and may employ counsel and other expert assistance for these purposes.

4.24 To exercise the common powers of its Members to develop, collect, provide, and disseminate information that furthers the purposes of the Agency, including but not limited to the operation of the Agency and adoption and implementation of the GSP to the Members, legislative, administrative, and judicial bodies, as well the public generally.

4.25 To accumulate operating and reserve funds for the purposes herein stated.

4.26 To invest money that is not required for the immediate necessities of the Agency, as the Agency determines is advisable, in the same manner and upon the same conditions as Members, pursuant to Government Code section 53601, as it now exists or may hereafter be amended.

4.27 To undertake any investigations, studies, and matters of general administration.

4.28 To perform all other acts necessary or proper to carry out fully the purposes of this Agreement.

ARTICLE 5
MEMBERSHIP

5.1 Members. The Members of the Agency shall be the Central Water District, the City of Santa Cruz, the County of Santa Cruz, and the Soquel Creek Water District, as long as they have not, pursuant to the provisions hereof, withdrawn from this Agreement.

5.2 New Members. Any public agency (as defined by the Act) that is not a Member on the Effective Date of this Agreement may become a Member upon: (a) the approval of the Board of Directors by a supermajority of at least seventy-five (75%) of the votes held among all Directors as specified in Article 9 (Member Voting); (b) payment of a pro rata share of all previously incurred costs that the Board of Directors determines have resulted in benefit to the public agency, and are appropriate for assessment on the public agency; and (c) execution of a written agreement subjecting the public agency to the terms and conditions of this Agreement.

ARTICLE 6
BOARD OF DIRECTORS AND OFFICERS

6.1 Formation of the Board of Directors. The Agency shall be governed by a Board of Directors ("**Board**"). The Board shall consist of eleven (11) Directors consisting of the following representatives who shall be appointed in the manner set forth in Section 6.3:

6.1.1 Two representatives appointed by the governing board of each of the following public agency Members: the Central Water District, the City of Santa Cruz, the County of Santa Cruz, and the Soquel Creek Water District.

6.1.2 Three representatives of private well owners within the boundaries of the Agency.

6.2 Duties of the Board of Directors. The business and affairs of the Agency, and all of its powers, including without limitation all powers set forth in Article 4 (Powers), are reserved to and shall be exercised by and through the Board of Directors, except as may be expressly delegated to the staff or others pursuant to this Agreement, Bylaws, or by specific action of the Board of Directors.

6.3 Appointment of Directors. The Directors shall be appointed as follows:

6.3.1 The two representatives from the Central Water District shall be appointed by resolution of the Central Water District Board of Directors.

6.3.2 The two representatives from the City of Santa Cruz shall be appointed by resolution of the City of Santa Cruz City Council.

6.3.3 The two representatives from the County of Santa Cruz shall be appointed by resolution of the County of Santa Cruz Board of Supervisors.

6.3.4 The two representatives from the Soquel Creek Water District shall be appointed by resolution of the Soquel Creek Water District Board of Directors.

6.3.5 The three representatives of private well owners shall be appointed by majority vote of the eight public agency Member Directors. The procedures for nominating the private well owners shall be set forth in the Bylaws.

6.4 Alternate Directors. Each Member may have one Alternate to act as a substitute Director for either of the Member's Directors. One Alternate shall also be appointed to act as a substitute Director for any of the three Directors representing private well owners. All Alternates shall be appointed in the same manner as set forth in Section 6.3. Alternate Directors shall have no vote, and shall not participate in any discussions or deliberations of the Board unless appearing as a substitute for a Director due to absence or conflict of interest. If the Director is not present, or if the Director has a conflict of interest which precludes participation by the Director in any decision-making process of the Board, the Alternate Director appointed to act in his/her place shall assume all rights of the Director, and shall have the authority to act in his/her absence, including casting votes on matters before the Board. Each Alternate Director shall be appointed prior to the third meeting of the Board. Alternates are strongly encouraged to attend all Board meetings and stay informed on current issues before the Board.

6.5 Requirements. Each Member's Directors and Alternate Director shall be appointed by resolution of that Member's governing body to serve for a term of four years except, for the purpose of establishing staggered terms, one of the initially-appointed Directors of each Member shall, as designated by the Member, serve an initial term of two years. A Member's Director or Alternate Director may be removed during his or her term or reappointed for multiple terms at the pleasure of the Member that appointed him or her. A Director representing private well owners may be removed or reappointed in the same manner as he or she was appointed as set forth in Section 6.3. No individual Director may be removed in any other manner, including by the affirmative vote of the other Directors.

6.6 Vacancies. A vacancy on the Board of Directors shall occur when a Director resigns or at the end of the Director's term as set forth in Section 6.5. For Member Directors, a vacancy shall also occur when he or she is removed by his or her appointing Member. For Directors representing private well owners, a vacancy shall also occur when the Director is removed as set forth in Section 6.5. Upon the vacancy of a Director, the Alternate Director shall serve as Director until a new Director is appointed as set forth in Section 6.3 unless the Alternate is already serving as a substitute Director in the event of a prior vacancy, in which case, the seat shall remain vacant until a replacement Director is appointed as set forth in Section 6.3. Members shall provide notice of any changes in Director or Alternate Director positions to the Board of Directors or its designee in writing and signed by an authorized representative of the Member.

ARTICLE 7
OFFICERS

7.1 Officers. Officers of the Agency shall be a Chair, Vice Chair, Secretary, and Treasurer. The Treasurer shall be appointed consistent with the provisions of Section 14.3. The Vice Chair, or in the Vice Chair's absence, the Secretary, shall exercise all powers of the Chair in the Chair's absence or inability to act.

7.2 Appointment of Officers. Officers shall be elected annually by, and serve at the pleasure of, the Board of Directors. Officers shall be elected at the first Board meeting, and thereafter at the first Board meeting following January 1st of each year, or as duly continued by the Board. An Officer may serve for multiple consecutive terms, with no term limit. Any Officer may resign at any time upon written notice to the Board, and may be removed and replaced by a simple majority vote of the Board.

7.3 Principal Office. The principal office of the Agency shall be established by the Board of Directors, and may thereafter be changed by a simple majority vote of the Board.

ARTICLE 8
DIRECTOR MEETINGS

8.1 Initial Meeting. The initial meeting of the Board of Directors shall be held in the County of Santa Cruz, California, within thirty (30) days of the Effective Date of this Agreement.

8.2 Time and Place. The Board of Directors shall meet at least quarterly, at a date, time and place set by the Board within the jurisdictional boundaries of one or more of the Members, and at such other times as may be determined by the Board.

8.3 Special Meetings. Special meetings of the Board of Directors may be called by the Chair or by a simple majority of Directors, in accordance with the provisions of Government Code section 54956.

8.4 Conduct. All meetings of the Board of Directors, including special meetings, shall be noticed, held, and conducted in accordance with the Ralph M. Brown Act (Government Code sections 54950, *et seq.*). The Board may use teleconferencing in connection with any meeting in conformance with and to the extent authorized by applicable law.

8.5 Local Conflict of Interest Code. The Board of Directors shall adopt a local conflict of interest code pursuant to the provisions of the Political Reform Act of 1974 (Government Code sections 81000, *et seq.*)

ARTICLE 9
MEMBER VOTING

9.1 Quorum. A quorum of any meeting of the Board of Directors shall consist of an absolute majority of Directors plus one Director. In the absence of a quorum, any meeting of the Directors may be adjourned by a vote of the simple majority of Directors present, but no other business may be transacted. For purposes of this Article, a Director shall be deemed present if the Director appears at the meeting in person or participates telephonically, provided that the telephone appearance is consistent with the requirements of the Ralph M. Brown Act.

9.2 Director Votes. Voting by the Board of Directors shall be made on the basis of one vote for each Director. A Director, or an Alternate Director when acting in the absence of his or her Director, may vote on all matters of Agency business unless disqualified because of a conflict of interest pursuant to California law or the local conflict of interest code adopted by the Board of Directors.

9.3 Affirmative Decisions of the Board of Directors. Except as otherwise specified in this Agreement, all affirmative decisions of the Board of Directors shall require the affirmative vote of a simple majority of all appointed Directors participating in voting on a matter of Agency business, provided that if a Director is disqualified from voting on a matter before the Board because of a conflict of interest, that Director shall be excluded from the calculation of the total number of Directors that constitute a majority. Notwithstanding the foregoing, a unanimous vote of all Member Directors participating in voting shall be required to approve any of the following: (i) any capital expenditure that is estimated to cost $100,000 or more; (ii) the annual budget; (iii) the GSP for the Basin or any amendment thereto; (iv) the levying of assessments or fees; (v) issuance of indebtedness; or (vi) any stipulation to resolve litigation concerning groundwater rights within or groundwater management for the Basin.

ARTICLE 10
AGENCY ADMINISTRATION, MANAGEMENT AND OPERATION

The Board of Directors may select and implement an approach to Agency administration and management that is appropriate to the circumstances and adapted to the GSA's needs as they may evolve over time. Details of the Board's decision on Agency administration, management and operation shall be incorporated into the GSA's bylaws and reviewed and revised as needed using the established process for revising the GSA's bylaws.

ARTICLE 11
BYLAWS

The Board of Directors shall cause to be drafted, approve, and amend Bylaws of the Agency to govern the day-to-day operations of the Agency. The Bylaws shall be adopted at or before the first anniversary of the Board's first meeting.

ARTICLE 12
ADVISORY COMMITTEES

The Board of Directors may from time to time appoint one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objectives of the Agency. The Board shall determine the purpose and need for such committees and the necessary qualifications for individuals appointed to them.

ARTICLE 13
OPERATION OF COMMITTEES

Each committee shall include a Director as the chair thereof. Other members of each committee may be constituted by such individuals approved by the Board of Directors for participation on the committee. However, no committee or participant on such committee shall have any authority to act on behalf of the Agency except as duly authorized by the Board.

ARTICLE 14
ACCOUNTING PRACTICES

14.1 General. The Board of Directors shall establish and maintain such funds and accounts as may be required by generally accepted public agency accounting practices. The Agency shall maintain strict accountability of all funds and a report of all receipts and disbursements of the Agency.

14.2 Fiscal Year. Unless the Board of Directors decides otherwise, the fiscal year for the Agency shall run concurrent with the calendar year.

14.3 Appointment of Treasurer and Auditor; Duties. The Treasurer and Auditor shall be appointed in the manner, and shall perform such duties and responsibilities, specified in Sections 6505.5 and 6505.6 of the Act.

ARTICLE 15
BUDGET AND EXPENSES

15.1 Budget. Within 120 after the first meeting of the Board of Directors, and thereafter prior to the commencement of each fiscal year, the Board shall adopt a budget for the Agency for the ensuing fiscal

year no later than June 30th . In the event that a budget is not so approved, the prior year's budget shall be deemed approved for the ensuing fiscal year, and any groundwater extraction fee or assessment(s) of contributions of Members, or both, approved by the Board during the prior fiscal year shall again be assessed in the same amount and terms for the ensuing fiscal year.

15.2 Agency Funding and Contributions. For the purpose of funding the expenses and ongoing operations of the Agency, the Board of Directors shall maintain a funding account in connection with the annual budget process. The Board of Directors may fund the Agency and the GSP as provided in Chapter 8 of SGMA, commencing with Section 10730 of the Water Code, and may also issue assessments for contributions by the Members in the amount and frequency determined necessary by the Board. Such Member contributions shall be paid by each Member to the Agency within 30 days of assessment by the Board.

15.3 Return of Contributions. In accordance with Government Code section 6512.1, repayment or return to the Members of all or any part of any contributions made by Members and any revenues by the Agency may be directed by the Board of Directors at such time and upon such terms as the Board of Directors may decide; provided that (1) any distributions shall be made in proportion to the contributions paid by each Member to the Agency, and (2) any capital contribution paid by a Member voluntarily, and without obligation to make such capital contribution pursuant to Section 15.2, shall be returned to the contributing Member, together with accrued interests at the annual rate published as the yield of the Local Agency Investment Fund administered by the California State Treasurer, before any other return of contributions to the Members is made. The Agency shall hold title to all funds and property acquired by the Agency during the term of this Agreement.

15.4 Issuance of Indebtedness. The Agency may issue bonds, notes or other forms of indebtedness, as permitted under Section 4.11, provided such issuance be approved at a meeting of the Board of Directors by unanimous vote of the Member Directors as specified in Article 9 (Member Voting).

ARTICLE 16
LIABILITIES

16.1 Liability. In accordance with Government Code section 6507, the debt, liabilities and obligations of the Agency shall be the debts, liabilities and obligations of the Agency alone, and not the Members.

16.2 Indemnity. Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. Other than for gross negligence or intentional acts, to the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are in any way attributable, in whole or in part, to negligent acts or omissions of the Agency or its employees, officers or agents or the employees, officers or agents of any Member, while acting within the course and scope of a Member relationship with the Agency.

ARTICLE 17
WITHDRAWAL OF MEMBERS

17.1 Unilateral Withdrawal. Subject to the Dispute Resolution provisions set forth in Section 18.9, a Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon 30 days written notice to the Board of Directors or its designee.

17.2 Rescission or Termination of Agency. This Agreement may be rescinded and the Agency terminated by unanimous written consent of all Members, except during the outstanding term of any Agency indebtedness.

17.3 Effect of Withdrawal or Termination. Upon termination of this Agreement or unilateral withdrawal, a Member shall remain obligated to pay its share of all debts, liabilities and obligations of the Agency required of the Member pursuant to terms of this Agreement, and that were incurred or accrued prior to the effective date of such termination or withdrawal, including without limitation those debts, liabilities and obligations pursuant to Sections 4.11 and 15.4. Any Member who withdraws from the Agency shall have no right to participate in the business and affairs of the Agency or to exercise any rights of a Member under this Agreement or the Act, but shall continue to share in distributions from the Agency on the same basis as if such Member had not withdrawn, provided that a Member that has withdrawn from the Agency shall not receive distributions in excess of the contributions made to the Agency while a Member. The right to share in distributions granted under this Section 17.3 shall be in lieu of any right the withdrawn Member may have to receive a distribution or payment of the fair value of the Member's interest in the Agency.

17.4 Return of Contribution. Upon termination of this Agreement, any surplus money on-hand shall be returned to the Members in proportion to their contributions made. The Board of Directors shall first offer any property, works, rights and interests of the Agency for sale to the Members on terms and conditions determined by the Board of Directors. If no such sale to Members is consummated, the Board of Directors shall offer the property, works, rights, and interest of the Agency for sale to any non-member for good and adequate consideration. The net proceeds from any sale shall be distributed among the Members in proportion to their contributions made.

ARTICLE 18
MISCELLANEOUS PROVISIONS

18.1 No Predetermination or Irretrievable Commitment of Resources. Nothing herein shall constitute a determination by the Agency or any of its Members that any action shall be undertaken, or that any unconditional or irretrievable commitment of resources shall be made, until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, has been completed.

18.2 Notices. Notices to a Director or Member hereunder shall be sufficient if delivered to the respective Director or clerk of the Member agency and addressed to the Director or clerk of the Member agency. Delivery may be accomplished by U.S. Postal Service, private mail service or electronic mail.

18.3 Amendments to Agreement. This Agreement may be amended or modified at any time only by subsequent written agreement approved and executed by all of the Members.

18.4 Agreement Complete. The foregoing constitutes the full and complete Agreement of the Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

18.5 Severability. Should any part, term or provision of this Agreement be decided by a court of competent jurisdiction to be illegal or in conflict with any applicable federal law or any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions hereof shall not be affected thereby, provided however, that if the remaining parts, terms, or provisions do not comply with the Act, this Agreement shall terminate.

18.6 Withdrawal by Operation of Law. Should the participation of any Member to this Agreement be decided by the courts to be illegal or in excess of that Member's authority or in conflict with any law, the validity of the Agreement as to the remaining Members shall not be affected thereby.

18.7 Assignment. The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void.

18.8 Binding on Successors. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Members.

18.9 Dispute Resolution. In the event that any dispute arises among the Members relating to (i) this Agreement, (ii) the rights and obligations arising from this Agreement, or (iii) or a Member proposing to withdraw from membership in the Agency, the aggrieved Member or Member proposing to withdraw from membership shall provide written notice to the other Members of the controversy or proposal to withdraw from membership. Within thirty (30) days thereafter, the Members shall attempt in good faith to resolve the controversy through informal means. If the Members cannot agree upon a resolution of the controversy within thirty (30) days from the providing of written notice specified above, the dispute shall be submitted to mediation prior to commencement of any legal action or prior to withdraw of a Member proposing to withdraw from membership. The mediation shall be no less than a full day (unless agreed otherwise among the Members) and the cost of mediation shall be paid in equal proportion among the Members. The mediator shall be either voluntarily agreed to or appointed by the Superior Court upon a suit and motion for appointment of a neutral mediator. Upon completion of mediation, if the controversy has not been resolved, any Member may exercise all rights to bring a legal action relating to the controversy or (except where such controversy relates to withdrawal of a Member's obligations upon withdrawal) withdraw from membership as otherwise authorized pursuant to this Agreement.

18.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

18.11 Singular Includes Plural. Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

18.12 Member Authorization. The legislative bodies of the Members have each authorized execution of this Agreement, as evidenced by their respective signatures below.

IN WITNESS WHEREOF, the Members hereto have executed this Agreement by authorized officials thereof.

CENTRAL WATER DISTRICT

By: _____

Title: Board President - CWD

APPROVED AS TO FORM:

By: _____

Title: District Counsel

CITY OF SANTA CRUZ

By: _____

Title: City Manager
2-23-16

APPROVED AS TO FORM:

By: _____
Anthony P. Condotti

Title: City Attorney

COUNTY OF SANTA CRUZ

By: _____

Title: County Administrative Officer

APPROVED AS TO FORM:

By: _____

Title: County Counsel

SOQUEL CREEK WATER DISTRICT

By: Bruce Daniels

Title: President, Board

APPROVED AS TO FORM:

By: _____

Title: District Counsel

BYLAWS

of the

SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

May 19, 2016

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PREAMBLE

These Bylaws are adopted and effective as of May 19, 2016, pursuant to the Joint Exercise of Powers Agreement of the Santa Cruz Mid-County Groundwater Agency (the "Agreement").

ARTICLE 1. THE AGENCY

1.1 NAME OF AGENCY. The name of the Agency created by the Agreement shall be the Santa Cruz Mid-County Groundwater Agency ("MGA" or "Agency").

1.2 OFFICE OF AGENCY. The principal office of the Agency shall be at the Soquel Creek Water District located at 5180 Soquel Drive, Soquel, CA 95073, or at such other location as the Board may designate by resolution.

1.3 POWERS. The powers of the Agency shall be as set forth in Article 4 of the Agreement.

ARTICLE 2. BOARD OF DIRECTORS

2.1 BOARD OF DIRECTORS. The Agency shall be governed by a Board of Directors (the "Board") as set forth in Article 6 of the Agreement.

2.2 PROCEDURE FOR APPOINTMENT OF DIRECTORS REPRESENTING PRIVATE WELL OWNERS.

2.2.1 Notification. The Board shall issue formal notification of the opportunity to apply for the appointment to the Board as Directors representing the interests of private well owners.

I. The notification shall include a description of the work of the Agency, the desired characteristics and skills of Directors representing the interests of private well owners and the screening criteria to be used in evaluating applications received, as well as the timeline for decision-making on appointees.
II. The Board shall use a variety of print media, electronic and other formal and informal communication mechanisms in this notification, and the period of notification will cover, at a minimum, 10 working days.
III. A standardized application will be required as part of each applicant's submittal.
IV. Applications submitted by hand delivery, mail or electronically must be received in the Agency's offices (the Soquel Creek Water District) by the close of the filing period.

2.2.2 Screening and Interviews. A subcommittee of the Board, with member agency staff participation as appropriate, shall screen applications using the set of screening criteria included in the notification described in 2.2.1. The subcommittee shall hold interviews with the top candidates from the screening process and develop recommendations for the full Board's consideration.

2.2.3 Nomination. The subcommittee of the Board involved with screening and interview of candidates shall nominate candidates for appointment to the Director positions representing private well owners.

2.2.4 Appointment. Appointment of Directors representing private well owners shall be made by a majority vote of the Member Directors in compliance with Section 6.3.5 of the Agreement.

ARTICLE 3. BOARD MEETINGS

3.1 MEETINGS. The Board's regular meeting schedule shall be developed and adopted by the Board at its first meeting after January 1st of each year. Special meetings of the Board may be called by the Chair or any four directors by written request. Board meetings shall be conducted in compliance with Article 8 of the Agreement, all applicable laws, and as further specified herein.

3.2 QUORUM. In determining a quorum as defined by Section 9.1 of the Agreement, Alternate Directors attending meetings shall not be counted as part of any meeting quorum unless such Alternate Director is formally representing an absent appointed Director.

3.3 ORDER OF BUSINESS. In general, at the regular meetings of the Board, the following will be the order of business:

3.3.1 Call to Order.

3.3.2 Roll Call.

3.3.3 Oral Communications Related to Items Not on the Agenda.

3.3.4 Approval of Minutes of the Previous Meeting.

3.3.5 Agenda Items, including any appropriate combination of consent items, regular business items, or public hearing items.

3.3.6 Oral Updates from Directors and Staff.

3.3.7 Adjournment.

3.4 ACTION BY THE BOARD. Action by the Board on all resolutions or ordinances shall be taken using a roll-call vote and shall be recorded in writing, signed by the Chair, and attested to by the Secretary. All other actions of the Board shall be by motion recorded in written minutes. The Chair shall announce the results of the vote including the names of the Directors, if any, voting in the minority.

3.5 RULE OF ORDER. All rules of order not otherwise provided for in these Bylaws shall be determined, to the extent practicable, in accordance with "Rosenberg's Rules of Order;"[1] provided, however, that no action of the

[1] Rosenberg's Rules of Order is appended to these Bylaws as Attachment A

Board shall be invalidated or its legality otherwise affected by the failure or omission to observe or follow "Rosenberg's Rules of Order."

ARTICLE 4. OFFICERS

4.1 OFFICERS. The Officers of the Agency are the Chair, Vice-Chair, and Secretary, as provided for in Article 6 of the Agreement. All Directors are eligible to serve as an Officer. The Chair, the Vice Chair, and the Secretary must be Directors. The Treasurer shall be appointed consistent with the provisions of Section 14.3 of the Agreement, will not be a Director.

4.2 ELECTION OF OFFICERS. At the first meeting of the Board of each fiscal year, nominations for the Officers will be made and seconded by a Director. If more than two (2) Directors are nominated for any one office, voting occurs until a nominee receives a majority of the votes cast. The initial term of the elected Officers shall run from the date of their election to office until June 30, 2017. Thereafter, each Officer shall serve a term of one (1) year. An Officer may succeed himself/herself and may serve any number of consecutive or non-consecutive terms.

4.3 REMOVAL OF ELECTED OFFICERS. An Officer may be removed, with or without cause, by a majority vote of the Board at a regular or special meeting.

4.4 VACANCIES. Any vacancy in the offices because of death, resignation, removal, disqualification, or any other cause will be filled for the balance of the vacated term in the manner prescribed in these Bylaws for regular appointments to that office; provided, however, that such vacancies may be filled at any regular or special meeting of the Board.

4.5 RESIGNATION OF OFFICERS. Any Officer may resign at any time by giving written notice to the Board Chair or Secretary. Any resignation takes effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation is not necessary to make it effective.

4.6 RESPONSIBILITIES OF OFFICERS.

4.6.1 Chair of the Board. The Chair of the Board shall preside at meetings of the Board and exercise and perform such other powers and duties as may be assigned to him/her by the Board or prescribed by these Bylaws.

4.6.2 Vice-Chair of the Board. The Vice-Chair of the Board shall fulfill all the duties of the Chair in his/her absence and exercise and perform such other powers and duties as may be assigned to him/her by the Board.

4.6.3 Secretary. The Secretary shall perform, but not be limited to, the following duties:

I. Book of Minutes. Keep or cause to be kept, at the principal executive office of the Agency or such other place as the Board may direct, a book of minutes of all meetings and actions of Directors and Committees of the Agency, with the time and place of holding the meeting, whether regular or special, and, if special, how authorized, the notice given, the names of those

present and absent at such meetings and the proceedings of such meetings. Minutes will be in the form of Action Minutes and a meeting summary.

II. Notices and Other Duties. Prepare, give, or cause to be given, notice of, and agendas for, all meetings of the Board and committees of the Agency.

III. Exercise and perform such other powers and perform such other duties as may be assigned to him/her by the Board.

ARTICLE 5. BOARD COMMITTEES, WORKING GROUPS, AND ADVISORY COMMITTEES

5.1 BOARD COMMITTEES. The Board may establish temporary or permanent Board Committees composed entirely of Board Members to facilitate conduct of its work. Temporary Board Committees will have a specific charge and operational duration not to exceed six months and are not subject to the Brown Act unless they include more than seven Directors as Committee members. Permanent Committees will be given a specific role and regardless of the number of Directors appointed shall be subject to compliance with the Brown Act. All Board Committees will make provide regular updates to the full Board about their activities and the progress of their work.

5.2 WORKING GROUPS. Informal working groups may be formed from time to time to provide opportunities for a small subset of Directors to work with staff on specific planning, analytical, or community engagement activities. Such working groups will have a defined area as the focus for its work and may function for a duration of up to six months, and may include such membership as needed to accomplish the object for which the working group was created.

5.3 ADVISORY COMMITTEES. Pursuant to Section 12 of the Agreement, the Board may establish one or more advisory committees to assist in carrying out the purposes and objectives of the Agency.

5.3.1 In establishing an Advisory Committee, the Board shall provide specific direction to the Committee as to its charge, expected duration for completion of its charge, and a summary of the resources, including staff or consultant support available to the Committee in performing its work.

5.3.2 Advisory Committee membership and appointments shall be at the Board's discretion based on the creating the membership needed to meet the purpose for which the Advisory Committee was created.

5.3.3 Any advisory committee shall exercise such powers as may be delegated to it, except that no committee may:

i. Take any final action on matters which, under the Agreement, require approval by a majority vote of the Board;
ii. Amend or repeal the Bylaws or adopt new Bylaws;
iii. Amend or repeal any resolution of the Board; or
iv. Appoint any other committees of the Board or the members of these committees.

5.3.4 Advisory committees shall meet at the call of their respective committee chairs. All advisory committee meetings shall be conducted in accordance with the Ralph M. Brown Act (California Government Code sections 54950 et seq.). Minutes of committee meetings shall be recorded and upon approval shall be distributed to the Board.

ARTICLE 6. AGENCY ADMINISTRATION, MANAGEMENT AND STAFFING

6.1 COLLABORATIVE MANAGEMENT. Except for the Agency's Treasurer function, Agency administration and management will be conducted using a collaborative staffing model in which the professional and technical staff of the member agencies work together to provide staff leadership, management and administration of the agency.

6.1.1 Staffing Support for Agency Officers and Board Members. Senior level executive staff will work together to provide staff support for the Agency Officers and Board members. Board agenda and meeting materials will generally be prepared by or reviewed by one or more members of the executive staff prior to being finalized. Should member agency senior level staff not be in agreement on any topic, the Agency Board Chair and Vice-Chair will be consulted to provide the necessary direction. Any issue not resolvable by member agency senior staff and the Agency Board Chair and Vice-Chair will be referred to the full Board for decision.

6.1.2 Staffing support for Implementation of the Agency Work Plan. Both senior level executive staff from the Agreement member agencies and other professional and technical staff from the member agencies will be involved in providing staff support for the Agency.

6.1.3 In-Kind Contribution of Staff. Unless otherwise specified in the Agreement or these Bylaws, member agency staff contributions will be in the form of "in kind" contributions. The Agency will not budget for or reimburse member agencies for the work contributed by their staff to the administration or management of the Agency.

6.1.4 Agreement with Community Foundation for Planning and Administrative Support Staff. The Board has agreed to contract with the Community Foundation ("Foundation") for a senior planner to work on development of the Groundwater Sustainability Plan ("GSP") and a part time administrative staff person.

i. Professional staff hired through the Agreement with the Community Foundation will provide professional level planning services and will receive day-to-day direction by the General Manager of the Soquel Creek Water District.
ii. Administrative support staff hired through the Agreement with the Community Foundation will provide administrative support for the Board, including preparing meeting packets and meeting minutes, and being responsible for developing and posting notices required to comply with the Brown Act.

6.2 TREASURER. The Treasurer shall be the depository and have custody of all the money of the Agency from whatever source, and shall provide strict accountability of said funds in accordance with Government Code Sections 6505 and 6505.5. The Treasurer shall possess the powers of, and shall perform those functions required by Government Code Sections 6505, 6505.5, and all other applicable laws and regulations, including any subsequent amendments thereto.

6.2.1 Memorandum of Understanding ("MOU") for Treasurer Services with the Soquel Creek Water District ("District"). The Board has appointed the Finance Manager of the Soquel Creek Water District as Agency Treasurer and will execute a MOU with the District to reimburse them for these services. Reimbursement will include necessary staff time as well as the purchase and maintenance of any necessary materials and/or equipment required by the Treasurer in order to complete the work.

6.2.2 Treasurer's Duties. Particularly, the Treasurer shall perform, but not be limited to, the following duties:

I. Books of Account. Keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of Agency, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account will be open to inspection by any Director at all reasonable times.

II. Deposit and Disbursement of Money and Valuables. Consistent with the provisions of Article 14 of the Agreement, deposit all money and other valuables in the name and to the credit of the Agency within such depository accounts as may be designated by the Board; disburse the funds of the Agency as may be ordered by the Board; and render to the Board, whenever requested, an account of all of his/her transactions as Treasurer and of the financial condition of the Agency.

III. Exercise and perform such other powers and perform such other duties as may be assigned to him/her by the Board.

6.3 STAFFING STRATEGY REVIEW UPON COMPLETION OF THE GROUNDWATER SUSTAINABILITY PLAN. The collaborative staffing model for the Agency will be reviewed and revised if or as needed upon completion of the development of the Groundwater Sustainability Plan. In particular, the performance of the collaborative staffing model in meeting the Agency's needs and the proposed role of the Agency in implementing projects identified and recommended for implementation in the GSP will be considered when determining the potential need future staffing needs of the Agency.

ARTICLE 7. FINANCES

7.1 DEPOSIT AND DISBURSEMENT OF FUNDS. All funds of the Agency shall be deposited in one or more depository accounts as may be designated by the Board. Such accounts shall be independent of any account owned by or exclusively controlled by any of the Members. No disbursements of such funds shall be made unless the same shall have been approved in the annual operating budget, or otherwise specifically approved by the Board. All disbursements shall be by check. Disbursements of not more than five thousand dollars ($5,000) may be issued pursuant to the Treasurer's sole signature. Disbursements in excess of five thousand dollars ($5,000) may only be issued upon the signature of the Treasurer and Chair, or in the Chair's absence, the Vice-Chair. The Treasurer may establish and implement a protocol allowing for electronic signatures by the Chair or Vice-Chair in order to facilitate efficient operation of the Agency.

7.2 BUDGET. The Agency shall operate pursuant to an operating budget to be adopted prior to the beginning of each new fiscal year. The Agency shall endeavor to operate each year pursuant to an annually balanced budget so that projected annual expenses do not exceed projected annual revenues. Budget adjustments to the annual

budget shall be reviewed and acted upon by the Board at a regularly scheduled Board meeting occurring after January 1 of each calendar year. The Board may take action to amend the budget at other times if circumstances require more immediate action.

ARTICLE 8. DEBTS AND LIABILITIES

The debts, liabilities and obligations of the Agency are not and will not be the debts, liabilities or obligations of any or all of the Members. However, nothing in this Article or in the Agreement prevents, or impairs the ability of, a Member or Members, from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation or liability of the Agency, including but not limited to, any bond or other debt instrument issued by the Agency.

ARTICLE 9. RECORDS RETENTION

9.1 MAINTENANCE OF THE AGENCY RECORDS. The Agency will keep:

9.1.1 Adequate and correct books and records of account; and of the Board.

9.1.2 Minutes in written form of the proceedings of its Board, and committees, and advisory committees, if any.

9.1.3 All such records will be kept at the Agency's principal office.

9.2 RECORDS RETENTION POLICY AND SCHEDULE. By June 30, 2017 the Board will review and adopt a Records Retention Policy and Schedule that specifies the retention period of different categories of materials. Implementation of this Policy will be the responsibility of Agency staff.

9.3 INSPECTION RIGHTS.

8.2.1 Any Member may inspect the accounting books and records and minutes of the proceedings of the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest.

8.2.2 Any inspection and copying under this Section may be made in person or by an agent or attorney or the entity entitled thereto and the right of inspection includes the right to copy and make extracts.

9.4 MAINTENANCE AND INSPECTION OF AGREEMENT AND BYLAWS. The Agency will keep at its principal executive office the original or copy of the Agreement and these Bylaws as amended to date, which will be open to inspection by the Agency or any Member at all reasonable times during office hours.

9.5 INSPECTION BY DIRECTORS. Every Director has the absolute right at any reasonable time to inspect all non-confidential books, records, and documents of every kind and the physical properties of the Agency. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE 10. ETHICS AND CONFLICTS OF INTEREST

The Agency shall be subject to the conflict of interest rules set forth in the Political Reform Act (commencing with Section 81000 of the Government Code of the State of California) and Sections 1090 et seq. of the Government Code of the State of California, and the Agency shall adopt an ethics policy as well as a conflict of interest code as required and as provided by the implementing regulations of the Political Reform Act.

ARTICLE 11. AMENDMENT

These Bylaws may be amended from time to time by resolution of the Board duly adopted upon majority of the Board at a regular or special meeting of the Board; provided, however, that no such amendment shall be adopted unless at least thirty (30) days written notice thereof has previously been given to all members of the Board. Such notice shall identify the Article to be amended, the proposed amendment, and the reason for the proposed amendment.

ARTICLE 12. DEFINITIONS AND CONSTRUCTION

Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement. If any term of these Bylaws conflicts with any term of the Agreement, the Agreement's terms shall prevail, and these Bylaws shall be amended to eliminate such conflict of terms. Unless the context or reference to the Agreement requires otherwise, the general provisions, rules of construction, and definitions in the California Civil Code will govern the construction of these Bylaws.

SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (SCMCGA)
MEETING MINUTES

March 17, 2016

1. CALL TO ORDER

Dr. Bruce Jaffe called the meeting to order at 7:02 pm.

2. ROLL CALL

Soquel Aptos Groundwater Management Committee Members Present

Dr. Bruce Jaffe, Chair, Soquel Creek Water District
Dr. Tom LaHue, Vice Chair, Soquel Creek Water District (left at 8:40 pm)
John Benich, Central Water District
Bob Postle, Central Water District
Zach Friend, County of Santa Cruz (left at 8:33 pm)
Cynthia Mathews, City of Santa Cruz
Micah Posner, City of Santa Cruz
Curt Abramson, Private Well Owner Representative
Jim Kerr, Private Well Owner Representative
Jon Kennedy, Private Well Owner Representative
John Ricker, County of Santa Cruz, Alternate (arrived at 7:12 pm)

Committee Members Absent

John Leopold, County of Santa Cruz

Others Present

Ralph Bracamonte, Central Water District
Rosemary Menard as Alternate, City of Santa Cruz
Ron Duncan, Soquel Creek Water District
Heidi Luckenbach, City of Santa Cruz
Julia Townsend, Regional Water Management Foundation
Tim Carson, Regional Water Management Foundation
Matt Orbach, Soquel Creek Water District
Rob Marani, Central Water District
Sierra Ryan, County of Santa Cruz
Chris Olvera, California Department of Water Resources
Leslie Strohm, Soquel Creek, Water District
Members of the public (7)

3. ACTIONS TO INITIATE NEW AGENCY

3.1 Board Actions Needed to Enable the New Santa Cruz Mid-County Groundwater Agency to do Business:

A. Acknowledge Member Agency Appointees (Directors and Alternates) to the Agency Board

Mr. Benich commented on the importance of judgment, ethics, and accountability in garnering public trust in the newly formed SCMCGA. Mr. Benich questioned if it is appropriate for Mr. Posner to continue to serve SCMCGA in light of recent information regarding his building code violations. Mr. Benich expressed his preference for the

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SCMCGA to start with a clean slate, and suggested that Mr. Posner resign. Mr. Kerr added that public perception and social capital are crucial as part of the SCMCGA process. Mr. Marani expressed that he shared Mr. Benich's opinion citing the need for credibility, transparency, and validity as core operating principles for the group. Dr. LaHue noted that SCMCGA procedures dictate that agencies can choose their representatives at any time. Dr. Jaffe expressed his gratitude for Mr. Posner's input and dedication to the group over time, and reiterated that the decision rests with the City of Santa Cruz.

Ms. Mathews reviewed the process by which committee assignments are made by the city, and reported on the city council's recent actions including censure and exploring conflict of interest issues. Mr. Posner expressed his hope that the group would still allow him to serve and then apologized and offered to step down if so desired. Dr. Jaffe reviewed the motion on the table and the procedure. Mr. Friend underlined the importance of respecting the process and autonomy of the entities that agreed to join the SCMCGA as willing partners. He offered as a point of order that the group suggests that the mayor consider whether Mr. Posner should continue to serve as part of the group and respond with her preference at the next meeting. The conversation was opened to the public, no comments were made.

MOTION: Mr. Friend; Second: Dr. LaHue; To acknowledge the representatives appointed by the member agencies to be the Directors and Alternate Directors for the Santa Cruz Mid-County Groundwater Agency. Amended, to suggest to the Mayor of the City of Santa Cruz reconsider Mr. Posner's position of the agency board and the Mayor's preference be reported to the group at the next meeting. Motion carried unanimously.

B. Election of Officers

The group discussed Dr. Jaffe's memo in support of Mr. Posner and whether his signature as Chair denoted the support of the group as a whole. Mr. Friend suggested formalizing a stipulation whereby the Chair's signature would be considered an action from the SCMCGA. Ms. Mathews recommended that members use discretion and note when they are representing their own opinion and not that of the larger group. Dr. Jaffe apologized and stated that his intention was not to represent the group as a whole. The group decided to make singular motions for Chair, Vice Chair, and Secretary respectively. The first member to receive the majority vote wins.

MOTION: Mr. Benich; Second: Mr. Friend. To elect Tom LaHue as Chair.
MOTION: Mr. Ricker; Second: Dr. LaHue. To elect Bruce Jaffe as Chair.
VOTE: Dr. LaHue 4 votes, Dr. Jaffe 4 votes.

MOTION: Mr. Benich; Second: Mr. Marani. To elect Tom LaHue as Chair.
MOTION: Mr. Friend; Second: Mr. Ricker. To elect Bruce Jaffe as Chair.
VOTE: Dr. LaHue 2 votes, Dr. Jaffe 5 votes. Mr. Posner abstained.

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MOTION: Mr. Benich; Second: Mr. Ricker. To elect Rob Marani as Vice Chair. Motion passed unanimously.

The group noted that the SAGMC has been dissolved. Mr. Kennedy observed as a point of order that it seems strange that private well owners do not get to vote. The group discussed this item briefly then concluded that the procedure should be upheld as written because the by-laws need to be developed first. The group discussed the practical need for a Secretary. Mr. Friend noted that if the Chair and Vice-Chair are not present, the Secretary runs the meeting.

MOTION: Mr. Posner; Second: Mr. Friend; To elect Cynthia Mathews as Secretary. Motion carried unanimously.

C. Appointment of Interim Representatives of Private Well Owners

Ms. Menard reviewed the intended plan; to appoint Private Well Owner Representatives now, complete the bylaws by July, and use the mechanism in the bylaws to confirm the representatives. Dr. Jaffe reviewed the process of selecting the current representatives. The group responded to a public comment asking why Private Well Owner Representatives cannot vote. Ms. Menard clarified that the representatives will be able to vote on officers and policy decisions once they become formally appointed and the bylaws are finalized. At the present time there is no official mechanism to appoint them. Mr. Posner invited the representatives to provide input on the decision of whether or not he will step down, and encouraged them to talk with Ms. Mathews.

MOTION: Dr. LaHue; Second: Mr. Ricker; To appoint the current representatives as interim representatives of Private Well Owners to the Board. Motion carried unanimously.

D. Establish a Parent Agency

Ms. Menard suggested voting on items D through I in one block.

MOTION: Dr. LaHue; Second: Mr. Benich; To address items D through I in one block. Motion carried unanimously.

Mr. Friend clarified that since the group is not a small body, the Chair can vote but may not make a motion. Dr. Jaffe reported that legal counsel recommended going with an agency with greater powers, and that practically it makes sense for the Soquel Creek Water District to serve as the Parent Agency. Ms. Menard agreed. Mr. Kennedy added that for situations where policies are not outlined in the bylaws, the SCMCGA would adopt the existing policies of the Parent Agency. Mr. Marani asked about existing guidance for creating bylaws for GSAs. Ms. Menard replied that the Subcommittee will look for models, and will follow up with Association of California Water Agencies (ACWA). Mr. Olvera reported that the Department of Water Resources offers a facilitation service.

MOTION: To establish the Agency's Principal Office and the Agency's parent agency, for the Agency's policies, procedures, and operating systems. Motion carried unanimously.

E. Appoint a Treasurer

MOTION: To appoint Leslie Strohm as Agency Treasurer and, if appropriate, authorize including reimbursement for these services to the district or member agency providing these services in the Agency's annual budget. Motion carried unanimously.

F. Appoint an Attorney

MOTION: To provide direction on the appointment of one or more Agency attorney (s). Motion carried unanimously.

G. Assume contracts for services from the former JPA (Basin Implementation Group and/or the Soquel-Aptos Groundwater Management Committee)

MOTION: To approve assumption of existing contracts for services entered into by the BIG/SAGMC JPA. Motion carried unanimously.

H. Assume responsibility as the Requesting Agency for the Santa Cruz Mid-County Groundwater Basin Boundary Modification Request Initiated by SAGMC

MOTION: To approve assumption of responsibility for the Santa Cruz Mid-County Groundwater Basin Boundary Modification Request initiated by SAGMC. Motion carried unanimously.

I. Establish the Agency's Fiscal Year

MOTION: To establish the fiscal year as July 1 – June 30 for the Santa Cruz Mid-County Groundwater Agency. Motion carried unanimously.

J. Appoint a Bylaws Subcommittee

Ms. Menard reported that the Subcommittee intends to bring the bylaws to the May meeting, and hopes that the bylaws will be in place by the July meeting of this group. Dr. LaHue asked if the Subcommittee members can be provisional. Ms. Menard answered yes, and said that the Subcommittee can have up to five members. Mr. Benich suggested that the Subcommittee be made up of one representative from each District and one Private Well Owner. The group agreed. Dr. Jaffe asked for volunteers: Mr. Friend, Mr. Marani, Mr. Kennedy, Dr. Jaffe, and Ms. Mathews volunteered. The group responded to a public comment asking how small water companies have been incorporated into the process. Mr. Ricker mentioned that during the process of selecting Private Well Owner Representatives non-municipal entities (e.g., small water systems, Cabrillo College, Seascape Golf Course, and agricultural users) were able to apply.

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MOTION: Mr. Friend; Second: Dr. LaHue; To appoint the above volunteers to serve on the Bylaws Development Subcommittee, a temporary subcommittee serving until July 21, 2016 and established to develop a draft of Agency bylaws for review and action by the full Board. Motion carried unanimously.

K. Direct staff to prepare for the Chair's signature the necessary filings related to the formation of the Joint Powers Agency

MOTION: Dr. LaHue; Second: Ms. Menard; To direct staff to prepare for the Chair's signature the filings required to complete the notifications required in JPA Section 2.1. Motion carried unanimously.

3.2 Executive Committee Staffing Recommendations

The Executive Team (Mr. Duncan, Ms. Menard, Mr. Ricker, Mr. Bracamonte) reported on and reviewed their recommendations for staffing the agency including working with the Regional Water Management Foundation (RWMF) and hiring 1.5 Full-Time Equivalent (FTE). Tim Carson reported on meeting with Executive Committee to outline a general plan for the proposed structure and support from the RWMF and the Community Foundation of Santa Cruz County (CFSCC). He noted that staff hires would be employees of the CFSCC, and that both organizations have given their initial support. Dr. Jaffe opened the discussion up to public comment, no comments were offered. Mr. Ricker clarified that the approach outlined is a collaborative staffing model, and that the plan is to hire staff by July 1, 2016. Mr. Duncan introduced Leslie Strohm, the Finance Manager for the Soquel Creek Water District who will be the Treasurer for the new organization and managing the financial aspects of the agency moving forward.

MOTION: Dr. LaHue; Second: Mr. Benich; To accept the direction of the Executive Committee regarding staffing recommendations as outlined in the meeting packet. Motion carried unanimously.

3.3 Date for Public Hearing Required to Occur in Advance of the SCMCGA Filing with the State to be Designated as the Groundwater Sustainability Agency

Ms. Menard proposed directing staff to prepare the materials necessary to be submitted by the next meeting on May 19th. Dr. Jaffe opened to public comments. A member of the public noted that there are constituents without internet or email, and that mailing should be encouraged. The group discussed the continued need to communicate about the existence of the group. Mr. Posner asked for input on whether now is a good time to communicate or focus on the development of the Groundwater Sustainability Plan. Mr. Ricker replied that a key time for public involvement will be as the plan is developed. He reported that the group sent a mailing to 1,700 well owners a few months ago. Bill Wigginton (part of the formation committee for SAGMC) noted that financial staffing is critical, and that budget tracking should be ongoing. He expressed his desire for the financial management aspects of the group to be emphasized more today and in the future.

Mr. Kennedy shared advice from legal counsel to designate someone that already is a Certified Public Accountant (CPA) within one of the agencies. He noted that designating a treasurer was addressed briefly previously on the agenda, and budget procedures can be specified in the bylaws. Mr. Wigginton asked the group to consider appointing an independent financial manager, stating that the current financial structure might look too embedded in terms of public perception. Ms. Strohm added that this group will have separate books and audits independent from the Soquel Creek Water District. The group then discussed the background of the RWMF in response to a public comment requesting more information.

MOTION: Dr. LaHue; Second: Ms. Mathews; To direct staff to prepare JPA formation materials be submitted by the next meeting on May 19th. Motion carried unanimously.

4. ORAL COMMUNICATIONS *(items not on the Agenda)*

None

5. PLANNING BUDGET FOR THE FISCAL YEAR 2016/17

5.1 Approve Annual Budget for Fiscal Year 2016/17 for SCMCGA

The group reviewed the total budget and agency split outlined in the meeting packet. Dr. LaHue noted that the salaries listed include benefits. Ms. Menard noted that the amounts listed include additional in-kind services to be contributed by the agencies in the amount of $300,000-$400,000. Dr. LaHue requested recommendations from the group as to how the hiring of staff will work. Mr. Kennedy requested that the managerial oversight for staff be clarified. The group discussed the need for clarification of roles for the new hires. Ms. Menard envisioned that the FTE will work on plan development, and agency coordinators will staff the board. The group agreed to discuss the selection and hiring process of staff at the next meeting as well as anticipated roles for staff in relation to the Executive Team, Board and Subcommittees. Mr. Friend and Dr. LaHue left the meeting.

MOTION: Ms. Mathews; Second: Mr. Benich; To approve the budget for Fiscal Year 2016/2017 for SCMCGA. Motion carried unanimously.

6. ACCEPT MINUTES

6.1 Accept Minutes from January 21, 2016 SAGMC Meeting

MOTION: Ms. Mathews; Second: Mr. Posner; To approve the minutes of January 21, 2016. Motion carried unanimously.

7. INFORMATION ITEMS

7.1 Final Working Version of Community Engagement Plan

No comments.

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7.2 Lessons Learned About SGMA-Related Collaboration Support Based on State Water Resources Control Board (SWRCB)-Funded Assistance for Stakeholders in the Soquel Valley Groundwater Basin

No comments.

8. **REPORTS**

8.1 Oral – time for any SCMCGA member to report out.

Mr. Kerr reported from the Communications Working Group. Matt Orbach sent out an email blast through Mail Chimp that had an open rate of 58%, and a click rate of 10%. The most popular link was www.midcountygroundwater.org. Future email blasts will go out under the new group name and are anticipated to be bi-monthly in months with meetings or events scheduled. A web developer has set up Google analytics for the website, and Sierra Ryan has been working on adding content. Mr. Kerr encouraged the group to provide feedback. Mr. Kerr provided an update from the working group meeting on February 19th. He highlighted the potential for the editorial board at the Sentinel covering the new group, GSA, and GSP process. Ms. Menard was recently on the radio, and KSCO is a consistently receptive channel. The Communications Working Group will meet next on Monday, March 21st to create an official list of interested and affected parties for the GSP, logo, and style guide.

The Private Well Representatives held a meeting on March 8th, and shared that there were about 20 people in attendance with 2/3rds of the attendees being the same individuals that applied for a seat on the SAGMC initially. The working group will deliver the input received at that meeting at the next SCMCGA meeting. Mr. Kennedy underlined the importance of the SCMCGA acting as an effective marketing group to engage agricultural communities and institutional water users like Cabrillo and golf course stakeholders. The group discussed the crucial nature of communications moving forward. Mr. Duncan shared an email from Brian Lockwood citing the Pajaro Valley Water Management Agency's approval of the basin boundary request and intention to work together in the future.

Future agenda items mentioned: outreach update and discussion of how best to treat the input of members of the Communications Working Group that may be non-voting.

9. **ADJOURNMENT**

Being no further business, the meeting was adjourned at 8:56 p.m. The next meeting of the Santa Cruz Mid-County Groundwater Agency will be held on Thursday, May 19, 2016.

SUBMITTED BY:

Julia Townsend, Program Associate
Regional Water Management Foundation

APPROVED BY:

Ron Duncan, General Manager
Soquel Creek Water District

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May 19, 2016

MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA)

Subject: Consent Agenda Item 5.2 Approve Agreement with Community Foundation for Staffing Services

Attachment
Memorandum of Agreement (MOA) with Community Foundation of Santa Cruz County (CFSCC)

Agency Administration:
The purpose of the cooperative MOA is to affirm the mutual understanding between the Agency and the Regional Water Management Foundation (RWMF), a subsidiary of the CFSCC, with respect to their general roles and responsibilities.

Administrative functions anticipated to be carried out by the RWMF would include the following:

- Distribution of meeting notices, agendas, and supporting material and attendance at MGA Board of Directors meetings, preparation of minutes.
- Oversight and Supervision of Resource Planner and other MGA staff.
- Possible fiscal administration of grants and contracts.

POSSIBLE BOARD ACTION

1. By MOTION, approve Memorandum of Agreement with Community Foundation of Santa Cruz County for staffing Services

2. Take no action.

By _____ (~~R~~alph Bracamonte)
On behalf of the staff executive team of
Ron Duncan, Rosemary Menard, John Ricker, Ralph Bracamonte

COMMUNITY FOUNDATION
SANTA CRUZ COUNTY

Memorandum of Agreement
Staff Support to the Santa Cruz Mid-County Groundwater Agency

This memorandum of agreement (MOA) indicates a voluntary agreement between the signing parties regarding the dedicated staff support and administrative assistance to be provided by the Regional Water Management Foundation (RWMF), a subsidiary of the Community Foundation Santa Cruz County (CFSCC), to the Santa Cruz Mid-County Groundwater Agency (MGA).

INTENT

The purpose of this cooperative MOA is to affirm the mutual understanding of the participating organizations with respect to their general roles and responsibilities.

BACKGROUND AND PARTNERS

Starting in 2015, the RWMF/CFSCC provided limited administrative staff support to Soquel Creek Water District related to meetings of the Soquel Aptos Groundwater Management Committee. This Committee disbanded with the formation of its successor agency the MGA. In 2016, the MGA member agencies approached the RWMF/CFSCC regarding staff support to assist this newly formed agency by providing a dedicated senior level staff person to support the completion of a Groundwater Sustainability Plan (GSP) and additional related staff to support this effort and related administrative duties of the MGA. The development of the GSP is anticipated to occur from July 2016 until July 2018.

The partners to this MOA include:

- Santa Cruz Mid-County Groundwater Agency (www.midcountygroundwater.org)
- Community Foundation Santa Cruz County (www.cfscc.org)
- Regional Water Management Foundation (www.rwmf.org)

Santa Cruz Mid-County Groundwater Agency

In response to California's landmark Sustainable Groundwater Management Act (SGMA), the Santa Cruz Mid-County Groundwater Agency (MGA) was established in 2016 to serve as the groundwater sustainability agency (GSA) for the mid-County groundwater basin. The MGA was formed by a Joint Exercise of Powers Agreement entered into by the County of Santa Cruz, City of Santa Cruz, Central Water District and Soquel Creek Water District, effective March 17, 2016. The MGA intends to develop and implement a Groundwater Sustainability Plan (GSP) for the Santa Cruz Mid-County Groundwater Basin under the Sustainable Groundwater Management Act of 2014 (SGMA). The Agency is governed by an 11-member Board of Directors consisting of two representatives from each of the member agencies and three public representatives appointed by the member directors. The MGA currently operates under a cooperative staff arrangement with staffing provided by the executive team, designated member agency staff and consultant services.

Community Foundation Santa Cruz County

Community Foundation Santa Cruz County (CFSCC) formed in 1982. CFSCC works to improve the quality of life in Santa Cruz County, and beyond, through philanthropy. Currently at $100 million in assets, CFSCC supports nonprofit activities in fields that include the arts, education, health, human services, environment and disaster relief. In 2015, the CFSSC awarded $4.75 million in grants to nonprofits.

Regional Water Management Foundation

The RWMF formed in 2007 as a subsidiary of the Community Foundation Santa Cruz County (CFSCC). The RWMF is a separate 501(c)(3) tax-exempt nonprofit organization with its office located at the CFSCC. The RWMF was established to support local agencies in Santa Cruz County Integrated Regional Water Management (IRWM) efforts. The primary objectives of the RWMF are to (1) protect communities in Santa Cruz County from water shortages and floods; (2) protect and improve water quality and the natural environment; and, (3) improve water supply reliability in Santa Cruz County. The RWMF served as the grantee on four Integrated Regional Water Management (IRWM) grants awarded by the state, providing approximately $14.8m to support water resource planning and projects. The RWMF served as the fiscal agent and provided management and administration of these grants. The RWMF has also provided administrative support to local agencies for other water related grants.

RWMF staff members are employees of CFSCC. CFSCC is responsible for recruiting, hiring and maintaining the employment relationship for employees that are leased to RWMF pursuant to an Employee Lease Agreement.

RWMF Supporting Services

Representatives of the agencies forming the MGA requested RWMF provide a budget to render supporting services to the MGA. RWMF provided a budget (dated March 10, 2016) which anticipated staffing needs of 1.5 full-time equivalent staff, a full-time Senior Water Resource Planner, 15% of the RWMF Program Director's time and 35% of an administrative staff member's time. The budget projection included a 10% administrative fee (based on actual personnel compensation and benefits) which provides compensation for office space and related office expenses. In March 2016, the MGA Board approved the executive committee's staffing recommendation for

RWMF support and also approved the MGA annual budget for 2016/17 which included the anticipated expenses for RWMF staff support.

PARTNER ROLES

Regional Water Management Foundation

The RWMF will provide dedicated staffing and administrative assistance to the MGA to facilitate the preparation of the GSP and conduct other administrative functions. It is anticipated that this would consist of one dedicated Senior Water Resource Planner position (1 Full time employee (FTE)), the RWMF Program Director (0.15 FTE), and administrative personnel (0.35 FTE).

Senior Water Resource Planner will play a key role in the development of the GSP. With direction from the MGA executive team, the Senior Planner will have the principal role in content development for the GSP. The Senior Planner's role will vary across the different sections and developmental stages of the GSP and include leading certain tasks, participating in designing and supporting other tasks, and providing support to the MGA executive team, subcommittees and/or consultants. The Senior Planner will be supervised by the RWMF Program Director and report to the MGA executive team. The Senior Planner will be located at the Soquel Creek Water District and will routinely coordinate with the RWMF program director and work in close coordination with staff of the agencies that comprise the MGA. The development of the GSP is anticipated to occur from July 2016 to July 2018; the position is not anticipated to continue in the same capacity following the completion of the GSP.

Typical Duties:

- Leads drafting and editing the GSP content
- Plans, coordinates, directs assigned efforts related to the completion of the GSP
- Coordinates and participates in the review of pertinent local planning, resource planning and water supply documents
- Develops and presents analyses and reports related to complex questions related to SGMA and the GSP to provide information and recommendations to the MGA
- Analyzes information related to SGMA to determine conformity with laws, regulations, and policies
- Initiates and facilitates in inter-agency coordination on planning activities
- Drafts and edits reports for the MGA
- Makes presentations and prepares material for the MGA, agencies, and community groups
- May provide direction to professional, technical and office support staff
- May provide direction and manage the work of consultants performing planning projects or studies

RWMF Program Director will serve as a member or the MGA executive team that oversees and provides direction to the Senior Water Resource Planner.

Typical Duties:

- Participates as member of the executive team
- Will be the supervisor of the Senior Water Resource Planner and administrative support provided by RWMF. This includes managing all employment related issues such as participating in employee evaluations and relationship with CFSCC.
- Limited participation the review and preparation of the GSP and related items
- Attendance at MGA Board of Directors meetings
- Day-to-day oversight and direction to the RWMF Administrative staff related to MGA tasks
- Preparation of an annual budget for RWMF/CFSCC support to the MGA

RWMF administrative personnel will provide support to the Senior Water Resource Planner, RWMF Program Director, and MGA.

Typical Duties:

- Support to the Senior Water Resource Planner, includes but is not limited to: research assistance; document review; data compilation; preparation or review of GSP related documents; scheduling and/or notetaking at meetings
- MGA Board of Directors meeting support, including: distribution of meeting notices, compilation of packets and agendas, and supporting material
- Attendance at MGA Board of Directors meetings, preparation of minutes

Santa Cruz Mid-County Groundwater Agency

The MGA has the responsibility of developing its guiding policies that will inform the development of the GSP. MGA appointed subcommittees will oversee the development these guiding policies. The MGA executive team is tasked with overseeing the completion of the GSP. Duties of the MGA executive team related to the GSP completion and the RWMF/CFSCC include:

- Providing direction to the Water Resource Senior Planner on tasks related to the completion of the GSP
- Attendance at regularly scheduled meetings with the Water Resource Senior Planner
- Routine communications with the RWMF Program Director and Senior Planner
- Promptly pay (within 30 days of receipt) invoices submitted by RWMF

INVOICING

The RWMF will invoice the MGA on a monthly basis for work performed and costs incurred in support of the MGA. The invoice will include a summary of services performed, hours worked and hourly rates, and a reasonable itemization with supporting documentation for any costs incurred (e.g., employee vehicle mileage for meetings, etc.). Hourly billing rates and administrative fees will be consistent with the proposed budget provided by the RWMF to the MGA.

OFFICE SPACE, SUPPLIES, EQUIPMENT, etc.

The CFSCC will provide office space, supplies, computer, telephone, internet services and related items necessary for personnel to provide the services outlined in this agreement for the RMWF Program Director and the RWMF Administrative staff.

The MGA will provide office space at the Soquel Creek Water District, supplies, computer, telephone, internet services and related items necessary for the Senior Water Resource Planner to provide the services outlined in this agreement.

TERM OF THIS AGREEMENT

The term of this agreement is effective May 19, 2016 upon execution of all parties and will remain in effect through the completion and MGA Board approval of the GSP. The agreement may be extended upon mutual agreement of all parties.

TERMINATION

This MOA may be terminated with or without cause, in whole or in part, by mutual agreement of the partners. For individual entities withdrawing from the partnership, verbal, email or written notice shall be given to RWMF President, the CFSCC Chief Executive Officer and the MGA Board of Directors Chair.

Signing this MOA indicates agreement with the foregoing.

_____ _____

Chair, Santa Cruz Mid-County Groundwater Agency Date

_____ _____

CEO, Community Foundation Santa Cruz County Date

_____ _____

President, Regional Water Management Foundation Date

May 19, 2016

MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA)

Subject: Consent Agenda Item 5.3 Approve and Sign Legal Counsel Letter Proposal

Attachment:
Legal Counsel Letter Proposal

Background
The Santa Cruz Mid-County Groundwater Agency (MGA) will require the services of an attorney periodically to provide legal review of documents, advice to the Board on policy, regulatory and legal issues. Thus, at the March 17, 2016 MGA Board Meeting, the Board approved the legal services of Dana McRae, who is also legal counsel for the County of Santa Cruz, at rate of $250 per hour and a total fiscal year (FY) 2016/17 budget of $20,000.

Purpose
The purpose of this memo is for the Board to review and authorize the Board President to sign the attached letter authorizing the representation by Dana McRae for the MGA. As noted in the attached letter, Ms. McRae will report directly to the Board; however, the SCMCGA Executive Team will have access to Ms. McRae to facilitate the business actions of the agency.

Additional Legal Services
In case of a conflict or the need for specialized legal water-related counsel, the Board also approved legal counsel representation by Russ McGlothlin of the Brownstein Hyatt Farber Schreck law firm, but that contract will be provided in a subsequent memo. The total amount FY 2016/17 budgeted for that contract is $10,000 for FY 2016/17.

POSSIBLE ACTION

1. By MOTION, authorize the Board President to sign the attached letter authorizing the representation by Dana McRae for the MGA.

By (Ron Duncan)
On behalf of the staff executive team of
John Ricker, Ralph Bracamonte, Rosemary Menard, Ron Duncan

COUNTY OF SANTA CRUZ

OFFICE OF THE COUNTY COUNSEL

701 OCEAN STREET, SUITE 505, SANTA CRUZ, CA 95060-4068 (831) 454-2040 FAX: (831) 454-2115

DANA McRAE, COUNTY COUNSEL
JASON M. HEATH, CHIEF ASSISTANT

Assistants
Jane M. Scott | **Tamyra Rice** | **Shannon M. Sullivan** | **Betsy L. Allen** | **Jessica C. Espinoza**
Sharon Carey-Stronck | **Jordan Sheinbaum** | **T. Brooke Miller** | **J. Omar Rodriguez**

April 27, 2016

MGA
c/o Soquel Creek Water District
P.O. Box 1550
Capitola, CA 95010

Re: Representation Letter

Dear MGA Board:

The Office of the County Counsel is pleased to provide legal representation to the Santa Cruz Mid-County Groundwater Agency (MGA). This letter constitutes our agreement setting forth the terms of our representation.

An attorney-client relationship requires mutual trust between the client and the attorney. It is understood that communications exclusively between counsel and the client are confidential and protected by the attorney-client privilege.

To also assure mutuality of trust, we maintain a strict adherence to the laws regarding conflicts of interest. Because this Office represents the County of Santa Cruz, it is possible that a conflict could arise in our representation of MGA. In the event of such a conflict, this Office would step down as MGA's counsel.

Our understanding is that we, as counsel to MGA, will report directly to the MGA Board. However, the MGA staff executive team will also have direct access to attorney support from this Office to facilitate accomplishing the business of MGA.

The current billing rate for every attorney in this Office is $250 per hour. MGA will receive a monthly invoice for legal services.

On a personal note, I am pleased MGA has selected this Office for legal representation. I look forward to a long and valued relationship and appreciate your confidence in selecting us. If you have any questions at any time about our services or billings, please do not hesitate to contact me.

If this letter meets with your approval, please sign and date it, and return the original to this Office. We have enclosed a separate signed copy of this letter for your records.

Very truly yours,

By _____
DANA McRAE, COUNTY COUNSEL

AGREED AND ACCEPTED:

By: _____
MGA Board President, Dr. Bruce Jaffe

Dated: _____

May 19, 2016

MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA)

Subject: Consent Agenda Item 5.4 Filing Notifications to Establish the MGA Agency via a Joint Powers Agency (JPA)

Attachment:
Formation Filing Documents

Purpose and Background
The purpose of this memo is to provide documentation of the required materials to be filed when establishing a JPA. At the March 17, 2016 Mid-County Groundwater Agency (MGA), the Board directed staff to complete the filing notifications necessary for the MGA to become a Joint Power Agency (JPA).

Documents Filed
Article 2.1 of the JPA identifies the following filings necessary upon the creation of a new JPA:

- Statement of Facts Roster of Public Agencies Filing (Gov. Code section 53051).
- Notice of a Joint Powers Agreement (Gov. Code Section 6503.5).

Both documents have been filed with the State and the first document is being filed with the County of Santa Cruz. The proper documents have been filed within the required timeframes.

POSSIBLE ACTION

1. By MOTION, accept the attached documentation was properly filed for becoming a JPA.

By (Ron Duncan)
On behalf of the staff executive team of
John Ricker, Ralph Bracamonte, Rosemary Menard, Ron Duncan

State of California
Secretary of State

FILE NO. _____

(Office Use Only)

NOTICE OF A JOINT POWERS AGREEMENT
(Government Code section 6503.5)

Instructions:

1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870.
2. Include filing fee of $1.00.
3. Do not include attachments, unless otherwise specified.
4. A copy of the full text of the joint powers agreement and amendments, if any, must be submitted to the State Controller's office. For address information, contact the State Controller's office at www.sco.ca.gov.

Name of the agency or entity created under the agreement and responsible for the administration of the agreement:
Santa Cruz Mid-County Groundwater Agency

Agency's or Entity's Mailing Address: 5180 Soquel Drive, Soquel, CA 95073

Title of the agreement: Joint Exercise of Powers Agreement by and among Central Water District, City of Santa Cruz, County of Santa Cruz, and Soquel Creek Water District creating the Santa Cruz Mid-County Groundwater Agency

The public agencies party to the agreement are (if more space is needed, continue on a separate sheet and attach it to this form):

(1) Soquel Creek Water District
(2) Central Water District
(3) County of Santa Cruz

Effective date of the agreement: March 17, 2016

Provide a condensed statement of the agreement's purpose or the powers to be exercised:
The purpose of this Agency is to serve as the GSA for the Basin and to develop, adopt, and implement the GSP for the Basin pursuant to SGMA and other applicable provisions of law

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME [Santa Cruz Mid-County Groundwater Agency]

ADDRESS 5180 Soquel Drive

CITY/STATE/ZIP [Soquel, CA 95073]

4-5-16
Date

Signature

Bruce Jaffe, President
Typed Name and Title

SEC/STATE NPSF 404A Rev 04/2015

Attachment to SEC/STATE NPSF 404A Rev 04/2015

Notice of a Joint Powers Agreement
Additional Public Agencies Party to The Agreement Of The Santa Cruz Mid-County Groundwater Agency

City of Santa Cruz

State of California
Secretary of State

STATEMENT OF FACTS
ROSTER OF PUBLIC AGENCIES FILING
(Government Code section 53051)

(Office Use Only)

Instructions:

1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870 (916) 653-3984
2. A street address must be given as the official mailing address or as the address of the presiding officer.
3. Complete addresses as required.
4. If you need additional space, attach information on an 8½" X 11" page, one sided and legible.

New Filing [✓] Update [ ]

Legal name of Public Agency: Santa Cruz Mid-County Groundwater Agency

Nature of Update:

County: Santa Cruz

Official Mailing Address: 5180 Soquel Drive, Soquel, CA 95073

Name and Address of each member of the governing board:

Chairman, President or other Presiding Officer (Indicate Title): President

Name: Bruce Jaffe Address: 5180 Soquel Drive, Soquel, CA 95073

Secretary or Clerk (Indicate Title): Secretary

Name: Cynthia Mathews Address: 809 Center Street, Room 10, Santa Cruz, CA 95060

Members:

Name: Tom LaHue Address: 5180 Soquel Drive, Soquel, CA 95073
Name: Robert Marani Address: PO Box 1869, Aptos, CA 95001
Name: John Benich Address: PO Box 1869, Aptos, CA 95001
Name: Micah Posner Address: 809 Center Street, Room 10, Santa Cruz, CA 95060
Name: Zach Friend Address: 701 Ocean Street, Suite 500, Santa Cruz, CA 95060

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME [Santa Cruz Mid-County Groundwater Agency]

ADDRESS 5180 Soquel Drive

CITY/STATE/ZIP [Soquel, CA 95073]

4-5-16
Date

Signature

Bruce Jaffe, President
Typed Name and Title

SEC/STATE NPSF 405 Rev 04/2015

Attachment to SEC/STATE NPSF 405 Rev 04/2015

Roster of Public Agencies Filing
Additional membership of the Santa Cruz Mid-County Groundwater Agency

John Leopold	701 Ocean Street, Suite 500, Santa Cruz, CA 95060
Curt Abramson	1602 Ocean Street, Santa Cruz, CA 95060
Jon Kennedy	3987 Glen Haven Road, Soquel, CA 95073
Jim Kerr	2125 Cox Road, Aptos, CA 95003

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES MICROPRINTED ENDORSEMENT LINES AND WATER DISPLAY

SOQUEL CREEK WATER DISTRICT

WATER MAINTENANCE
& OPERATING FUND
5180 SOQUEL DRIVE
SOQUEL, CA 95073
(831) 475-8500

SANTA CRUZ COUNTY BANK
505 Auto Center Drive
Watsonville, CA 95076
90-4373/1211

Date 04/01/2016

Amount 1.00

Pay: ONE AND XX / 100

To the order of:

CA. SECRETARY OF STATE
PO BOX 942870
SACRAMENTO, CA 94277-0001

Ron Duncan

Fusin Saon

HEAT SENSITIVE RED IMAGE DISAPPEARS WITH HEAT

HEAT SENSITIVE COLOR FADES WITH HEAT

⑈038834⑈ ⑆121143736⑆ 023003999⑈

240-1010

Vendor: CA. SECRETARY OF STATE

Vendor No. SECRE001 Vendor Account No:

Check Date: 04/01/2016

Check Amount: 1.00

Invoice Number	Date	Description	Invoice Amount
FEE	3/21/2016	NOTICE OF JOINT POWERS AGREEMENT FILING FEE	1.00

SOQUEL CREEK WATER DISTRICT

38834

May 19, 2016

MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

Subject: Agenda Item 6.1 Review and Take Action to Adopt Agency Bylaws or Provide Direction for Further Revisions for Consideration by the Board at its July 21, 2106 Meeting

Attachments:
1. Bylaws
2. Rosenberg's Rules of Order

Article 11 of the Santa Cruz Mid-County Groundwater Agency (Agency or MGA) Joint Powers Agreement requires the Board to adopt bylaws for the agency within one year of the Agency's formation. At its inaugural meeting on March 17, 2016, the Board created a temporary Board Committee to develop draft bylaws for its consideration at its May 19th meeting.

Board Committee members included Bruce Jaffe, Agency Chair, Rob Marani, Agency Vice Chair, Cynthia Mathews, Agency Secretary, and directors Zach Friend and Jon Kennedy representing the County and private well owners respectively.

Staff created a draft set of bylaws using examples and templates from other similar agencies and provided a working draft to Committee members for their review in advance of the Committee meeting, which was held on Wednesday, May 4, 2016. Santa Cruz City Attorney Tony Condotti reviewed and provided a few comments on the initial draft which were incorporated into the version distributed to the Committee Members. At the Committee meeting, members provided staff with feedback and agreed that to recommend to the Board the use of Rosenberg's Rules of Order as the Agency's to guide the Agency's meetings.

A second draft of bylaws was developed to incorporate Committee suggestions and resubmitted to Committee members of a second review. No additional comments were received. The Bylaws have also been sent to Agency Attorney, Dana McRae for review. No comments from this review have been received at this point, but an annotated copy of the bylaws will be provided at the meeting with any comments received.

Based on the Board's review and discussion of these draft bylaws, the Board can either act to adopt them or provide direction to the Committee to make additional revisions and bring the revised bylaws back for Board action at its July 21, 2016 meeting.

POSSIBLE BOARD ACTION

By motion, take action on the draft bylaws and recommended use of Rosenberg's Rules of Order.

By:

On behalf of the executive team of John Ricker, Ralph Bracamonte, Ron Duncan, and Rosemary Menard

BYLAWS

of the

SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

May 19, 2016

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PREAMBLE

These Bylaws are adopted and effective as of May 19, 2016, pursuant to the Joint Exercise of Powers Agreement of the Santa Cruz Mid-County Groundwater Agency (the "Agreement").

ARTICLE 1. THE AGENCY

1.1 NAME OF AGENCY. The name of the Agency created by the Agreement shall be the Santa Cruz Mid-County Groundwater Agency ("MGA" or "Agency").

1.2 OFFICE OF AGENCY. The principal office of the Agency shall be at the Soquel Creek Water District located at 5180 Soquel Drive, Soquel, CA 95073, or at such other location as the Board may designate by resolution.

1.3 POWERS. The powers of the Agency shall be as set forth in Article 4 of the Agreement.

ARTICLE 2. BOARD OF DIRECTORS

2.1 BOARD OF DIRECTORS. The Agency shall be governed by a Board of Directors (the "Board") as set forth in Article 6 of the Agreement.

2.2 PROCEDURE FOR APPOINTMENT OF DIRECTORS REPRESENTING PRIVATE WELL OWNERS.

2.2.1 Notification. The Board shall issue formal notification of the opportunity to apply for the appointment to the Board as Directors representing the interests of private well owners.

I. The notification shall include a description of the work of the Agency, the desired characteristics and skills of Directors representing the interests of private well owners and the screening criteria to be used in evaluating applications received, as well as the timeline for decision-making on appointees.
II. The Board shall use a variety of print media, electronic and other formal and informal communication mechanisms in this notification, and the period of notification will cover, at a minimum, 10 working days.
III. A standardized application will be required as part of each applicant's submittal.
IV. Applications submitted by hand delivery, mail or electronically must be received in the Agency's offices (the Soquel Creek Water District) by the close of the filing period.

2.2.2 Screening and Interviews. A subcommittee of the Board, with member agency staff participation as appropriate, shall screen applications using the set of screening criteria included in the notification described in 2.2.1. The subcommittee shall hold interviews with the top candidates from the screening process and develop recommendations for the full Board's consideration.

2.2.3 Nomination. The subcommittee of the Board involved with screening and interview of candidates shall nominate candidates for appointment to the Director positions representing private well owners.

2.2.4 Appointment. Appointment of Directors representing private well owners shall be made by a majority vote of the Member Directors in compliance with Section 6.3.5 of the Agreement.

ARTICLE 3. BOARD MEETINGS

3.1 MEETINGS. The Board's regular meeting schedule shall be developed and adopted by the Board at its first meeting after January 1st of each year. Special meetings of the Board may be called by the Chair or any four directors by written request. Board meetings shall be conducted in compliance with Article 8 of the Agreement, all applicable laws, and as further specified herein.

3.2 QUORUM. In determining a quorum as defined by Section 9.1 of the Agreement, Alternate Directors attending meetings shall not be counted as part of any meeting quorum unless such Alternate Director is formally representing an absent appointed Director.

3.3 ORDER OF BUSINESS. In general, at the regular meetings of the Board, the following will be the order of business:

3.3.1 Call to Order.

3.3.2 Roll Call.

3.3.3 Oral Communications Related to Items Not on the Agenda.

3.3.4 Approval of Minutes of the Previous Meeting.

3.3.5 Agenda Items, including any appropriate combination of consent items, regular business items, or public hearing items.

3.3.6 Oral Updates from Directors and Staff.

3.3.7 Adjournment.

3.4 ACTION BY THE BOARD. Action by the Board on all resolutions or ordinances shall be taken using a roll-call vote and shall be recorded in writing, signed by the Chair, and attested to by the Secretary. All other actions of the Board shall be by motion recorded in written minutes. The Chair shall announce the results of the vote including the names of the Directors, if any, voting in the minority.

3.5 RULE OF ORDER. All rules of order not otherwise provided for in these Bylaws shall be determined, to the extent practicable, in accordance with "Rosenberg's Rules of Order;"[1] provided, however, that no action of the

[1] Rosenberg's Rules of Order is appended to these Bylaws as Attachment A

Board shall be invalidated or its legality otherwise affected by the failure or omission to observe or follow "Rosenberg's Rules of Order."

ARTICLE 4. OFFICERS

4.1 OFFICERS. The Officers of the Agency are the Chair, Vice-Chair, and Secretary, as provided for in Article 6 of the Agreement. All Directors are eligible to serve as an Officer. The Chair, the Vice Chair, and the Secretary must be Directors. The Treasurer shall be appointed consistent with the provisions of Section 14.3 of the Agreement, will not be a Director.

4.2 ELECTION OF OFFICERS. At the first meeting of the Board of each fiscal year, nominations for the Officers will be made and seconded by a Director. If more than two (2) Directors are nominated for any one office, voting occurs until a nominee receives a majority of the votes cast. The initial term of the elected Officers shall run from the date of their election to office until June 30, 2017. Thereafter, each Officer shall serve a term of one (1) year. An Officer may succeed himself/herself and may serve any number of consecutive or non-consecutive terms.

4.3 REMOVAL OF ELECTED OFFICERS. An Officer may be removed, with or without cause, by a majority vote of the Board at a regular or special meeting.

4.4 VACANCIES. Any vacancy in the offices because of death, resignation, removal, disqualification, or any other cause will be filled for the balance of the vacated term in the manner prescribed in these Bylaws for regular appointments to that office; provided, however, that such vacancies may be filled at any regular or special meeting of the Board.

4.5 RESIGNATION OF OFFICERS. Any Officer may resign at any time by giving written notice to the Board Chair or Secretary. Any resignation takes effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation is not necessary to make it effective.

4.6 RESPONSIBILITIES OF OFFICERS.

4.6.1 Chair of the Board. The Chair of the Board shall preside at meetings of the Board and exercise and perform such other powers and duties as may be assigned to him/her by the Board or prescribed by these Bylaws.

4.6.2 Vice-Chair of the Board. The Vice-Chair of the Board shall fulfill all the duties of the Chair in his/her absence and exercise and perform such other powers and duties as may be assigned to him/her by the Board.

4.6.3 Secretary. The Secretary shall perform, but not be limited to, the following duties:

I. Book of Minutes. Keep or cause to be kept, at the principal executive office of the Agency or such other place as the Board may direct, a book of minutes of all meetings and actions of Directors and Committees of the Agency, with the time and place of holding the meeting, whether regular or special, and, if special, how authorized, the notice given, the names of those

present and absent at such meetings and the proceedings of such meetings. Minutes will be in the form of Action Minutes and a meeting summary.

II. Notices and Other Duties. Prepare, give, or cause to be given, notice of, and agendas for, all meetings of the Board and committees of the Agency.

III. Exercise and perform such other powers and perform such other duties as may be assigned to him/her by the Board.

ARTICLE 5. BOARD COMMITTEES, WORKING GROUPS, AND ADVISORY COMMITTEES

5.1 BOARD COMMITTEES. The Board may establish temporary or permanent Board Committees composed entirely of Board Members to facilitate conduct of its work. Temporary Board Committees will have a specific charge and operational duration not to exceed six months and are not subject to the Brown Act unless they include more than seven Directors as Committee members. Permanent Committees will be given a specific role and regardless of the number of Directors appointed shall be subject to compliance with the Brown Act. All Board Committees will make provide regular updates to the full Board about their activities and the progress of their work.

5.2 WORKING GROUPS. Informal working groups may be formed from time to time to provide opportunities for a small subset of Directors to work with staff on specific planning, analytical, or community engagement activities. Such working groups will have a defined area as the focus for its work and may function for a duration of up to six months, and may include such membership as needed to accomplish the object for which the working group was created.

5.3 ADVISORY COMMITTEES. Pursuant to Section 12 of the Agreement, the Board may establish one or more advisory committees to assist in carrying out the purposes and objectives of the Agency.

5.3.1 In establishing an Advisory Committee, the Board shall provide specific direction to the Committee as to its charge, expected duration for completion of its charge, and a summary of the resources, including staff or consultant support available to the Committee in performing its work.

5.3.2 Advisory Committee membership and appointments shall be at the Board's discretion based on the creating the membership needed to meet the purpose for which the Advisory Committee was created.

5.3.3 Any advisory committee shall exercise such powers as may be delegated to it, except that no committee may:

i. Take any final action on matters which, under the Agreement, require approval by a majority vote of the Board;
ii. Amend or repeal the Bylaws or adopt new Bylaws;
iii. Amend or repeal any resolution of the Board; or
iv. Appoint any other committees of the Board or the members of these committees.

5.3.4 Advisory committees shall meet at the call of their respective committee chairs. All advisory committee meetings shall be conducted in accordance with the Ralph M. Brown Act (California Government Code sections 54950 et seq.). Minutes of committee meetings shall be recorded and upon approval shall be distributed to the Board.

ARTICLE 6. AGENCY ADMINISTRATION, MANAGEMENT AND STAFFING

6.1 COLLABORATIVE MANAGEMENT. Except for the Agency's Treasurer function, Agency administration and management will be conducted using a collaborative staffing model in which the professional and technical staff of the member agencies work together to provide staff leadership, management and administration of the agency.

6.1.1 Staffing Support for Agency Officers and Board Members. Senior level executive staff will work together to provide staff support for the Agency Officers and Board members. Board agenda and meeting materials will generally be prepared by or reviewed by one or more members of the executive staff prior to being finalized. Should member agency senior level staff not be in agreement on any topic, the Agency Board Chair and Vice-Chair will be consulted to provide the necessary direction. Any issue not resolvable by member agency senior staff and the Agency Board Chair and Vice-Chair will be referred to the full Board for decision.

6.1.2 Staffing support for Implementation of the Agency Work Plan. Both senior level executive staff from the Agreement member agencies and other professional and technical staff from the member agencies will be involved in providing staff support for the Agency.

6.1.3 In-Kind Contribution of Staff. Unless otherwise specified in the Agreement or these Bylaws, member agency staff contributions will be in the form of "in kind" contributions. The Agency will not budget for or reimburse member agencies for the work contributed by their staff to the administration or management of the Agency.

6.1.4 Agreement with Community Foundation for Planning and Administrative Support Staff. The Board has agreed to contract with the Community Foundation ("Foundation") for a senior planner to work on development of the Groundwater Sustainability Plan ("GSP") and a part time administrative staff person.

i. Professional staff hired through the Agreement with the Community Foundation will provide professional level planning services and will receive day-to-day direction by the General Manager of the Soquel Creek Water District.
ii. Administrative support staff hired through the Agreement with the Community Foundation will provide administrative support for the Board, including preparing meeting packets and meeting minutes, and being responsible for developing and posting notices required to comply with the Brown Act.

6.2 TREASURER. The Treasurer shall be the depository and have custody of all the money of the Agency from whatever source, and shall provide strict accountability of said funds in accordance with Government Code Sections 6505 and 6505.5. The Treasurer shall possess the powers of, and shall perform those functions required by Government Code Sections 6505, 6505.5, and all other applicable laws and regulations, including any subsequent amendments thereto.

6.2.1 Memorandum of Understanding ("MOU") for Treasurer Services with the Soquel Creek Water District ("District"). The Board has appointed the Finance Manager of the Soquel Creek Water District as Agency Treasurer and will execute a MOU with the District to reimburse them for these services. Reimbursement will include necessary staff time as well as the purchase and maintenance of any necessary materials and/or equipment required by the Treasurer in order to complete the work.

6.2.2 Treasurer's Duties. Particularly, the Treasurer shall perform, but not be limited to, the following duties:

I. Books of Account. Keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of Agency, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account will be open to inspection by any Director at all reasonable times.

II. Deposit and Disbursement of Money and Valuables. Consistent with the provisions of Article 14 of the Agreement, deposit all money and other valuables in the name and to the credit of the Agency within such depository accounts as may be designated by the Board; disburse the funds of the Agency as may be ordered by the Board; and render to the Board, whenever requested, an account of all of his/her transactions as Treasurer and of the financial condition of the Agency.

III. Exercise and perform such other powers and perform such other duties as may be assigned to him/her by the Board.

6.3 STAFFING STRATEGY REVIEW UPON COMPLETION OF THE GROUNDWATER SUSTAINABILITY PLAN. The collaborative staffing model for the Agency will be reviewed and revised if or as needed upon completion of the development of the Groundwater Sustainability Plan. In particular, the performance of the collaborative staffing model in meeting the Agency's needs and the proposed role of the Agency in implementing projects identified and recommended for implementation in the GSP will be considered when determining the potential need future staffing needs of the Agency.

ARTICLE 7. FINANCES

7.1 DEPOSIT AND DISBURSEMENT OF FUNDS. All funds of the Agency shall be deposited in one or more depository accounts as may be designated by the Board. Such accounts shall be independent of any account owned by or exclusively controlled by any of the Members. No disbursements of such funds shall be made unless the same shall have been approved in the annual operating budget, or otherwise specifically approved by the Board. All disbursements shall be by check. Disbursements of not more than five thousand dollars ($5,000) may be issued pursuant to the Treasurer's sole signature. Disbursements in excess of five thousand dollars ($5,000) may only be issued upon the signature of the Treasurer and Chair, or in the Chair's absence, the Vice-Chair. The Treasurer may establish and implement a protocol allowing for electronic signatures by the Chair or Vice-Chair in order to facilitate efficient operation of the Agency.

7.2 BUDGET. The Agency shall operate pursuant to an operating budget to be adopted prior to the beginning of each new fiscal year. The Agency shall endeavor to operate each year pursuant to an annually balanced budget so that projected annual expenses do not exceed projected annual revenues. Budget adjustments to the annual

budget shall be reviewed and acted upon by the Board at a regularly scheduled Board meeting occurring after January 1 of each calendar year. The Board may take action to amend the budget at other times if circumstances require more immediate action.

ARTICLE 8. DEBTS AND LIABILITIES

The debts, liabilities and obligations of the Agency are not and will not be the debts, liabilities or obligations of any or all of the Members. However, nothing in this Article or in the Agreement prevents, or impairs the ability of, a Member or Members, from agreeing, in a separate agreement, to be jointly and/or severally liable, in whole or in part, for any debt, obligation or liability of the Agency, including but not limited to, any bond or other debt instrument issued by the Agency.

ARTICLE 9. RECORDS RETENTION

9.1 MAINTENANCE OF THE AGENCY RECORDS. The Agency will keep:

9.1.1 Adequate and correct books and records of account; and of the Board.

9.1.2 Minutes in written form of the proceedings of its Board, and committees, and advisory committees, if any.

9.1.3 All such records will be kept at the Agency's principal office.

9.2 RECORDS RETENTION POLICY AND SCHEDULE. By June 30, 2017 the Board will review and adopt a Records Retention Policy and Schedule that specifies the retention period of different categories of materials. Implementation of this Policy will be the responsibility of Agency staff.

9.3 INSPECTION RIGHTS.

8.2.1 Any Member may inspect the accounting books and records and minutes of the proceedings of the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest.

8.2.2 Any inspection and copying under this Section may be made in person or by an agent or attorney or the entity entitled thereto and the right of inspection includes the right to copy and make extracts.

9.4 MAINTENANCE AND INSPECTION OF AGREEMENT AND BYLAWS. The Agency will keep at its principal executive office the original or copy of the Agreement and these Bylaws as amended to date, which will be open to inspection by the Agency or any Member at all reasonable times during office hours.

9.5 INSPECTION BY DIRECTORS. Every Director has the absolute right at any reasonable time to inspect all non-confidential books, records, and documents of every kind and the physical properties of the Agency. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE 10. ETHICS AND CONFLICTS OF INTEREST

The Agency shall be subject to the conflict of interest rules set forth in the Political Reform Act (commencing with Section 81000 of the Government Code of the State of California) and Sections 1090 et seq. of the Government Code of the State of California, and the Agency shall adopt an ethics policy as well as a conflict of interest code as required and as provided by the implementing regulations of the Political Reform Act.

ARTICLE 11. AMENDMENT

These Bylaws may be amended from time to time by resolution of the Board duly adopted upon majority of the Board at a regular or special meeting of the Board; provided, however, that no such amendment shall be adopted unless at least thirty (30) days written notice thereof has previously been given to all members of the Board. Such notice shall identify the Article to be amended, the proposed amendment, and the reason for the proposed amendment.

ARTICLE 12. DEFINITIONS AND CONSTRUCTION

Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement. If any term of these Bylaws conflicts with any term of the Agreement, the Agreement's terms shall prevail, and these Bylaws shall be amended to eliminate such conflict of terms. Unless the context or reference to the Agreement requires otherwise, the general provisions, rules of construction, and definitions in the California Civil Code will govern the construction of these Bylaws.

Rosenberg's Rules of Order: Simple Parliamentary Procedures for the 21st Century

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About the Author

Dave Rosenberg is an elected county supervisor representing the 4th District in Yolo County. He also serves as director of community and intergovernmental relations, director of operations, and senior advisor to the governor of California. He has served as a member and chair of numerous state and local boards, both appointed and elected, and also served on the Davis City Council for 12 years, including two terms as mayor. He has taught classes on parliamentary procedure and has served as parliamentarian for large and small governing bodies. In the fall of 2003, Gov. Davis appointed Rosenberg as a judge of the Yolo County Superior Court.

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Rosenberg's Rules of Order: Simple Parliamentary Procedures for the 21st Century

by Dave Rosenberg

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that hasn't always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules, *Robert's Rules of Order*, which are embodied in a small but complex book. Virtually no one I know has actually read this book cover to cover.

Worse yet, the book was written for another time and purpose. If you are running the British Parliament, *Robert's Rules of Order* is a dandy and quite useful handbook. On the other hand, if you're running a meeting of a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order. Hence, the birth of "Rosenberg's Rules of Order."

This publication covers the rules of parliamentary procedure based on my 20 years of experience chairing meetings in state and local government. These rules have been simplified and slimmed down for 21st century meetings, yet they retain the basic tenets of order to which we are accustomed.

"Rosenberg's Rules of Order" are supported by the following four principles:

1. **Rules should establish order.** The first purpose of the rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate and those who do not fully understand and do not fully participate.
3. **Rules should be user-friendly.** That is, the rules must be simple enough that citizens feel they have been able to participate in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of the rules of procedure is to encourage discussion and to facilitate decision-making by the body. In a democracy, the majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself (but not dominate) and fully participate in the process.

The Chairperson Should Take a Back Seat During Discussions

While all members of the governing body should know and understand the rules of parliamentary procedure, it is the chairperson (chair) who is charged with applying the rules of conduct. The chair should be well versed in those rules, because the chair, for all intents and purposes, makes the final ruling on the rules. In fact, all decisions by the chair are final unless overruled by the governing body itself.

Because the chair conducts the meeting, it is common courtesy for the chair to take a less active role than other members of the body in debates and discussions. This does *not* mean that the chair should not participate in the debate or discussion. On the contrary, as a member of the body, the chair has full rights to participate in debates, discussions and decision-making. The chair should, however, strive to be the last to speak at the discussion and debate stage, and should not make or second a motion unless he or she is convinced that no other member of the body will do so.

> There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire to move on.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, published agenda; informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon road map for the meeting. And each agenda item can be handled by the chair in the following basic format.

First, the chair should clearly announce the agenda item number and should clearly state what the subject is. The chair should then announce the format that will be followed.

Second, following that agenda format, the chair should invite the appropriate people to report on the item, including any recommendation they might have. The appropriate person may be the chair, a member of the governing body,

a staff person, or a committee chair charged with providing information about the agenda item.

Third, the chair should ask members of the body if they have any technical questions for clarification. At this point, members of the governing body may ask clarifying questions to the people who reported on the item, and they should be given time to respond.

Fourth, the chair should invite public comments or, if appropriate at a formal meeting, open the meeting to public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of each public speaker. At the conclusion of the public comments, the chair should announce that public input has concluded (or that the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion from the governing body members. The chair should announce the name of the member who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member who seconds the motion. It is normally good practice for a motion to require a second before proceeding with it, to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and a vote on the motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion. This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the members of the governing body. If there is no desired discussion or the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or a very brief discussion, the vote should proceed immediately, and there is no need to repeat the motion. If there has been substantial discussion, it is normally best to make sure everyone understands the motion by repeating it.

> Debate on policy is healthy; debate on personalities is not. The chair has the right to cut off discussion that is too personal, too loud or too crude.

Ninth, the chair takes a vote. Simply asking for the "ayes" and then the "nays" is normally sufficient. If members of the body do not vote, then they "abstain." Unless the rules of the body provide otherwise or unless a super-majority is required (as delineated later in these rules), a simple majority determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and should announce what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members, if any, who voted in the minority on the motion. This announcement might take the following form: "The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring 10 days' notice for all future meetings of this governing body."

Motions in General

Motions are the vehicles for decision-making. It is usually best to have a motion before the governing body prior to discussing an agenda item, to help everyone focus on the motion before them.

Motions are made in a simple two-step process. First, the chair recognizes the member. Second, the member makes a motion by preceding the member's desired approach with the words: "I move …" A typical motion might be: "I move that we give 10 days' notice in the future for all our meetings."

The chair usually initiates the motion by:

1. Inviting the members to make a motion: "A motion at this time would be in order."
2. Suggesting a motion to the members: "A motion would be in order that we give 10-days' notice in the future for all our meetings."
3. Making the motion.

As noted, the chair has every right as a member of the body to make a motion, but normally should do so only if he or she wishes a motion to be made but no other member seems willing to do so.

The Three Basic Motions

Three motions are the most common:

1. **The basic motion.** The basic motion is the one that puts forward a decision for consideration. A basic motion might be: "I move that we create a five-member committee to plan and put on our annual fundraiser."
2. **The motion to amend.** If a member wants to change a basic motion that is under discussion, he or she would move to amend it. A motion to amend might be: "I move that we amend the motion to have a 10-member committee." A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

3. **The substitute motion.** If a member wants to completely do away with the basic motion under discussion and put a new motion before the governing body, he or she would "move a substitute motion." A substitute motion might be: "I move a substitute motion that we cancel the annual fundraiser this year."

Motions to amend and substitute motions are often confused. But they are quite different, and so is their effect, if passed.

A motion to amend seeks to retain the basic motion on the floor, but to modify it in some way.

A substitute motion seeks to throw out the basic motion on the floor and substitute a new and different motion for it.

The decision as to whether a motion is really a motion to amend or a substitute motion is left to the chair. So that if a member makes what that member calls a motion to amend, but the chair determines it is really a substitute motion, the chair's designation governs.

When Multiple Motions Are Before The Governing Body

Up to three motions may be on the floor simultaneously. The chair may reject a fourth motion until the three that are on the floor have been resolved.

When two or three motions are on the floor (after motions and seconds) at the same time, the *first* vote should be on the *last* motion made. So, for example, assume the first motion is a basic "motion to have a five-member committee to plan and put on our annual fundraiser." During the discussion of this motion, a member might make a second motion to "amend the main motion to have a 10-member committee, not a five-member committee, to plan and put on our annual fundraiser." And perhaps, during that discussion, a member makes yet a third motion as a "substitute motion that we not have an annual fundraiser this year." The proper procedure would be as follows.

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passes*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be complete. No vote would be taken on the first or second motions. On the other hand, if the substitute motion (the third motion) *failed*, the chair would proceed to consideration of the second (now the last) motion on the floor, the motion to amend.

If the substitute motion failed, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would now move to consider the main motion (the first motion) as *amended*. If the motion to amend failed, the chair would now move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee) or, if amended, would be in its amended format (10-member committee). And the question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are *not* debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

A motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. This motion requires a simple majority vote.

A motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess, which may range from a few minutes to an hour. It requires a simple majority vote.

> The challenge for anyone chairing a public meeting is to accommodate public input in a timely and time-sensitive way, while maintaining steady progress through the agenda items.

A motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: "I move we adjourn this meeting at midnight." It requires a simple majority vote.

A motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to

be placed on "hold." The motion may contain a specific time in which the item can come back to the body: "I move we table this item until our regular meeting in October." Or the motion may contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

A motion to limit debate. The most common form of this motion is to say: "I move the previous question" or "I move the question" or "I call for the question." When a member of the body makes such a motion, the member is really saying: "I've had enough debate. Let's get on with the vote." When such a motion is made, the chair should ask for a second to the motion, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body. Note that a motion to limit debate could include a time limit. For example: "I move we limit debate on this agenda item to 15 minutes." Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item.* This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

If you are running the British Parliament, *Robert's Rules of Order* is a dandy and quite useful handbook.

Majority and Super-Majority Votes

In a democracy, decisions are made with a simple majority vote. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions occur when the body is taking an action that effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super-majority) to pass:

Motion to limit debate. Whether a member says, "I move the previous question," "I move the question," "I call for the question" or "I move to limit debate," it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body, such as the chair, nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers, and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary, because the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself: the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to reconsider is made.

A motion to reconsider requires a majority vote to pass, but there are two special rules that apply only to the motion to reconsider.

First is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon or at the very next meeting of the body. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted *in the majority* on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body may second the motion). If a member who voted *in the minority* seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of the minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. And at the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

It is usually best to have a motion before the governing body prior to discussing an agenda item, to help everyone focus.

The chair should always ensure that debate and discussion of an agenda item focus on the item and the policy in question, not on the personalities of the members of the body. Debate on policy is healthy; debate on personalities is not. The chair has the right to cut off discussion that is too personal, too loud or too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body. Can a member of the body interrupt the speaker? The general rule is no. There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be: "Point of privilege." The chair would then ask the interrupter to "state your point." Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person's ability to hear.

Order. The proper interruption would be: "Point of order." Again, the chair would ask the interrupter to "state your point." Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting; for example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Motions to amend and substitute motions are often confused. But they are quite different, and so is their effect, if passed.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, "Let's return to the agenda." If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair's determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined here help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.

Public input is essential to a healthy democracy, and community participation in public meetings is an important element of that input. The challenge for anyone chairing a public meeting is to accommodate public input in a timely and time-sensitive way, while maintaining steady progress through the agenda items. The rules presented here for conducting a meeting are offered as tools for effective leadership and as a means of developing sound public policy. ■

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May 19, 2016

MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

Subject: Agenda Item 6.2 Appointment of Board of Director Representatives of Private Well Owners

Section 6.3.5 of the Santa Cruz Mid-County Groundwater Agency's (MGA or Agency) Joint Powers Agreement establishes that "three representatives of private well owners shall be appointed by majority vote of the eight public agency Member Directors" using the procedure set forth in the Agency Bylaws.

Section 2.2 of the Agency Bylaws the Board is reviewing and taking action on agenda item immediately preceding this one lays out the procedure for making these appointments. This procedures matches the procedure used in the appointment of the three private well owner Directors serving on the Mid-County Groundwater Agency's predecessor, the Soquel Aptos Groundwater Management Committee (SAGMC).

The Agency's attorney, County Counsel Dana McCrae, has advised staff that if the new procedure for appointing Directors representing the interests of private well owners is the same as the procedure used to appoint these Directors to the SAGMC may appoint these same individuals to the MGA's Board if they wish to do so. The Board also has the option of reopening the appointment process and make the appointments to these Director positions following the process laid out in section 2.2 of the Bylaws.

By MOTION, take action to either make appointments of the current three Provisional Directors representing the interests of private well owners or choose to initiate the appointment process outlined in Section 2.2 of the Bylaws, providing direction to staff as needed to allow the Board to make these appointments at its scheduled July 21, 2016 meeting.

By Rosemary Menard
On behalf of the executive team of John Ricker, Ralph Bracamonte, Ron Duncan, and Rosemary Menard

May 19, 2016

MEMO TO THE SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA)

Subject: Agenda Item 6.3 Approve Report from HydroMetrics WRI titled "Shallow Groundwater Elevation"

Attachment:
Draft Technical Memorandum "Shallow Groundwater Elevation", by HydroMetrics WRI, dated May 10, 2016

Background and Purpose
The attached memorandum presents the findings from a shallow groundwater data review and analysis effort on behalf of the Santa Cruz Mid-County Groundwater Agency (MGA). The evaluation was recommended by Todd Groundwater in its Peer Review of Technical Water Resources Studies (Todd Groundwater, 2014), which stated that HydroMetrics WRI should "*compile groundwater elevation data for shallow monitoring wells in the coastal plain area and compare those with invert elevations of nearby creeks and gulches to investigate the possibility that some shallow groundwater discharges to those waterways or directly to the ocean.*" The information gathered will aid the groundwater model, which will also further evaluate groundwater-surface water interactions.

Summary of Results
The study distinguishes between shallow groundwater levels in alluvial material directly connected to streams and shallow groundwater levels in terrace deposits that overlie the Purisima and Aromas Red Sands but are not directly connected to streams. The report indicates that the saturated shallow alluvial material near streams does seem connected with the stream flows, but relatively de-coupled from the underlying productive aquifer units, which seem to have little direct effect on stream-adjacent hydrology in the coastal plain area. The report also states "*In shallow terrace deposits not directly adjacent to streams, groundwater levels appear to be well above the streambeds, so that saturated groundwater may exist here under perched or semi-perched conditions and is not strongly linked to either stream-aquifer interactions or the deeper productive aquifers …In general, groundwater elevations in deeper Aromas and Purisima formation wells were well below water levels in shallow wells associated with surficial alluvium or terrace deposits."*

POSSIBLE ACTION

1. By MOTION, accept the attached report as complete.

2. Take no action.

By _____(Ron Duncan)
On behalf of the staff executive team of
John Ricker, Ralph Bracamonte, Rosemary Menard, Ron Duncan

HydroMetrics WRI
1814 Franklin St, Suite 501
Oakland, CA 94612

DRAFT TECHNICAL MEMORANDUM

To: Ron Duncan

From: Sean Culkin and Cameron Tana

Date: May 10, 2016

Subject: Shallow Groundwater Evaluation

INTRODUCTION

This memorandum presents the findings from a shallow groundwater data review and analysis effort on behalf of the Santa Cruz Mid-County Groundwater Agency (MGA). The main water-producing aquifers in this area of the proposed Santa Cruz Mid-County Basin are within the various hydrostratigraphic units of the Aromas Red Sands and Purisima Formation. However, shallower alluvial units that overlay the Aromas and Purisima, including coastal terrace deposits and other alluvial material, may also act as marginal groundwater bearing units in this area. Figure 1 depicts the outcrop areas for Purisima and Aromas units, as well as the approximate extent of coastal terrace deposits.

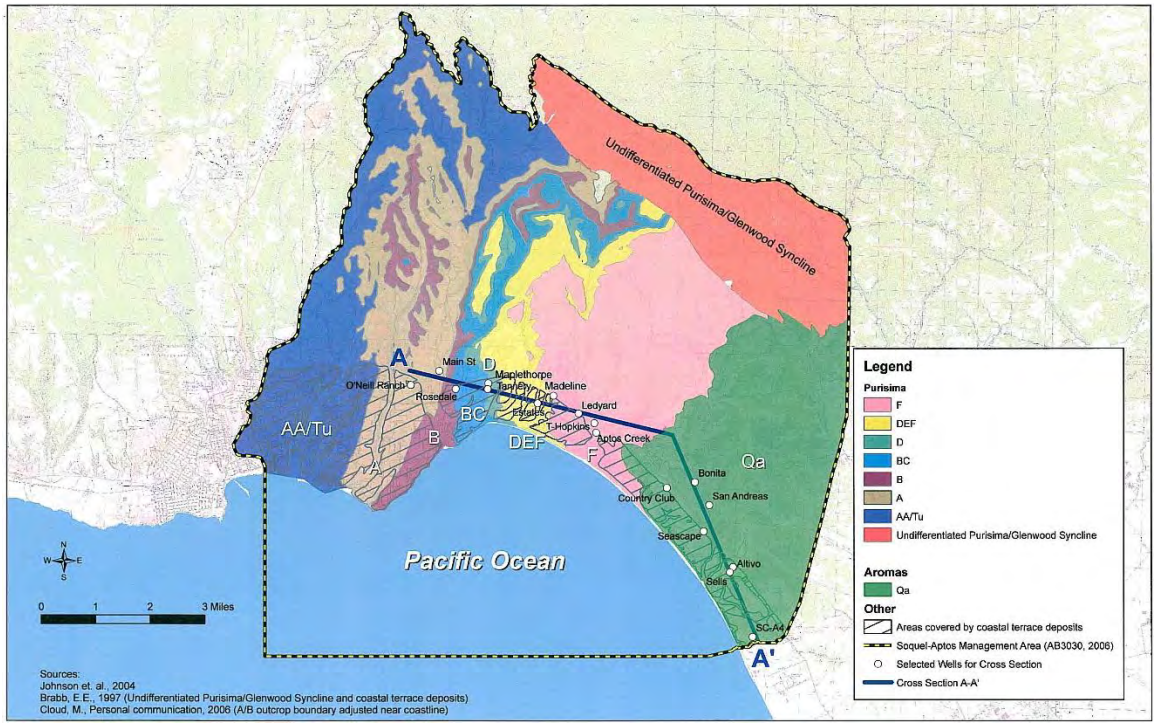

Figure 1: Estimated Surface Projection of Hydrostratigraphic Units and Coastal Terrace Deposits

This evaluation was recommended by Todd Groundwater in its *Peer Review of Technical Water Resources Studies* (Todd Groundwater, 2014), which states that HydroMetrics WRI should "compile groundwater elevation data for shallow monitoring wells in the coastal plain area and compare those with invert elevations of nearby creeks and gulches to investigate the possibility that some shallow groundwater discharges to those waterways or directly to the ocean." As developing a regional conception of shallow groundwater dynamics also ties into the overall conceptual model of the Santa Cruz Mid-County Basin, this work also supports ongoing development of a groundwater model that will simulate groundwater-surface water interaction.

Shallow groundwater data from wells installed approximately 100 feet below ground surface (bgs) or less over the extent of the Santa Cruz Mid-County Basin was found to be relatively sparse, but four representative study areas were chosen for this analysis distributed throughout the coastal plain area of the proposed basin and model domain. Where shallow groundwater, stream data, and data from a deeper Purisima or Aromas well (>100 feet bgs) were available in a relatively localized area, we were able to assess a useful hydrogeologic conceptual model. We also distinguished between shallow groundwater levels in alluvial material directly connected to streams and shallow groundwater levels in terrace deposits that overlie the Purisima and Aromas Red Sands but are not directly connected to streams.

In the Soquel Creek area where shallow wells in stream alluvial material exist, shallow groundwater levels for alluvial material and Purisima aquifer material in the vicinity of streams are similar to water levels and streambed elevations of the streams themselves, with gaining or losing conditions dependent on local conditions. Long-term groundwater trends in these unconfined stream-adjacent materials appear to be more linked to local precipitation and stream hydrology than the regional confined aquifer system. Groundwater levels in shallow alluvium and shallow stream-adjacent aquifer units were generally much higher than in the underlying pumped aquifers, where long-term trends are strongly linked to response to pumping. In terms of the greater conceptual model for the Basin, these results indicate that saturated groundwater flow does occur in aquifer units in the vicinity of streams, but may be relatively de-coupled from the underlying productive aquifer units, which seem to have little direct effect on stream-adjacent hydrology.

In shallow terrace deposits not directly adjacent to streams, groundwater levels appear to be well above the streambeds, so that saturated groundwater may exist here under perched or semi-perched conditions and is not strongly linked to either stream-aquifer interactions or the deeper productive aquifers.

Data Compilation

HydroMetrics WRI compiled available and representative data related to this investigation, focusing on the time period of 2005 through 2015, which is concurrent with part of the anticipated time domain of the model under development.

Shallow Well Data

Shallow well data were compiled from GeoTracker GAMA (geotracker.waterboards.ca.gov/gama). A search was done in the Santa Cruz Mid-County area to find shallow groundwater monitoring wells screened in the terrace deposits or surficial alluvium close to streams and creeks. The area of the coastal plain was examined between 7th Avenue in Santa Cruz (Arana Gulch) to the Pajaro River in Watsonville. Watersheds that fall in this area are: Arana Gulch, Rodeo Gulch, Soquel Creek, Aptos Creek, Valencia Creek, Harkins Slough and Watsonville Slough. Twenty one sites were identified, mostly underground storage tank sites, cleanup sites and land disposal sites. Many sites had data from multiple monitoring wells, so the wells with the longest record was used to make a representative hydrograph for each site. Generally, only one or two shallow monitoring wells were chosen as representative wells for each study area. For sites with multiple shallow groundwater wells, initial analyses attempted to compare shallow groundwater lateral flow directions and gradients with those in the underlying Aromas Red Sands and Purisima Formation.

However, given the localized and disparate nature of the sites and time periods for which shallow data were available, these localized groundwater flow directions were not considered useful at the scale of this study or the forthcoming model.

2 shows the distribution of shallow groundwater wells with representative data that were identified within the Santa Cruz Mid-County Basin for this analysis, as well as Soquel Creek Water District (SCWD) and Pajaro Valley Water Management Agency (PVWMA) monitoring wells for reference. Table 1 depicts the subset of wells chosen for water level evaluation.

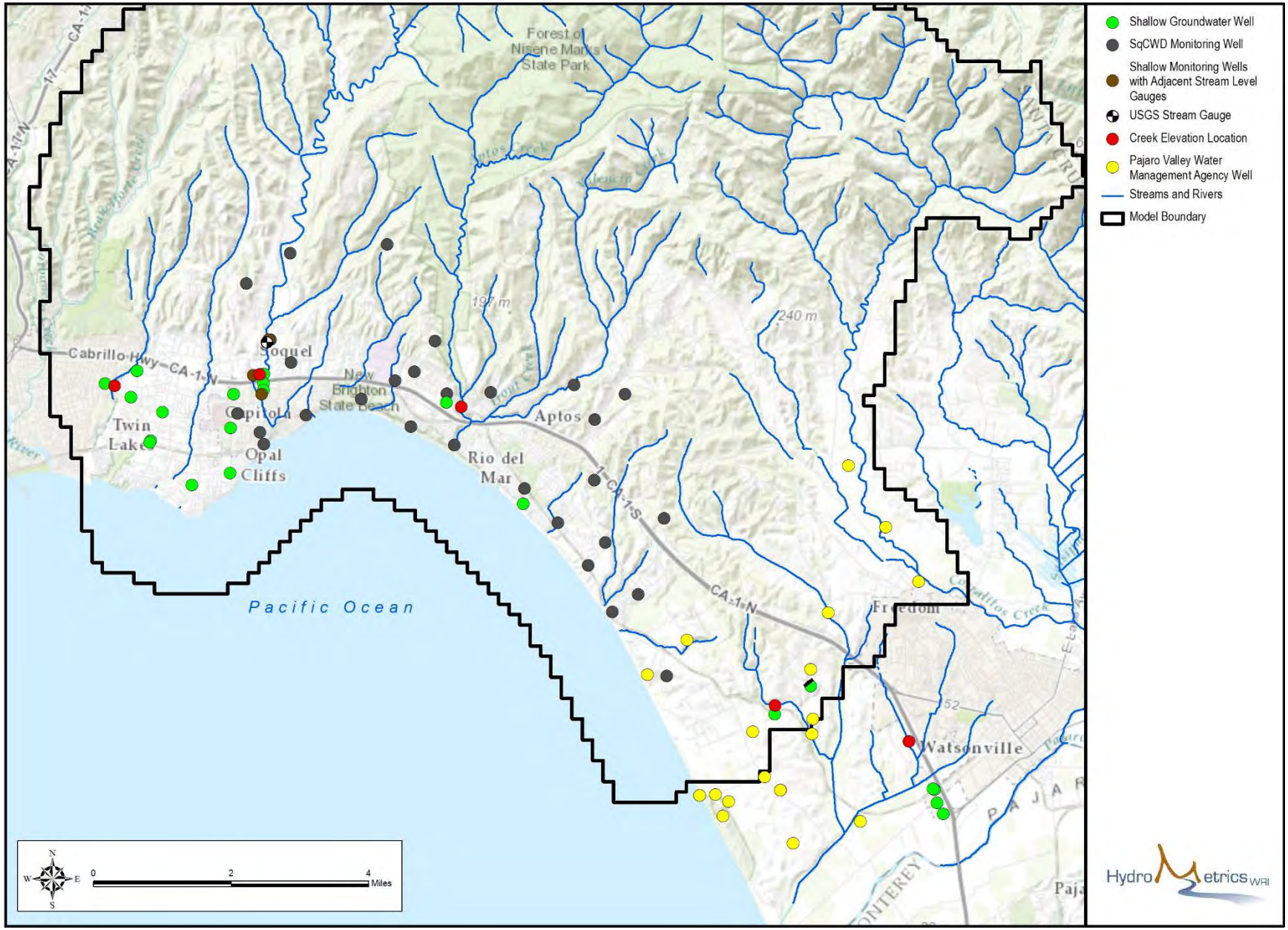

Figure 2: Overview of Shallow Groundwater Data in Santa Cruz Mid-County Basin

Table 1: Summary of Wells Used in Shallow Groundwater Analysis

Well Name	Source/Site Name	Screened Interval	Associated Material Type
Buena Vista MW-01	Buena Vista Disposal Site	Unknown	Aromas
Exxon 7-0281 MW-1	Former Exxon 7-0281	Unknown	Alluvium[1]
Exxon 7-3604 MW1A	Former Exxon 7-3604	Unknown	Alluvium[1]
Redtree MW-6	Redtree Properties	Unknown	Alluvium[1]
Shell Service MW-3	Shell Service Station	Unknown	Terrace Deposits[1]
Shell Station S-4	Former Shell Station	Unknown	Purisima A[1]/Terrace Deposits[2]
Watsonville TW-2	Watsonville City Landfill	Unknown	Terrace Deposits
Shell Rancho Del Mar MW-1	Shell Rancho Del Mar	Unknown	Terrace Deposits[1]
Whalers MW-1	Whalers Carwash	Unknown	Terrace Deposits[1]
Main St. SW-1	SqCWD	37-47 feet bgs[3]	Purisima A
Nob Hill SW	SqCWD	21-31 feet bgs	Purisima A
SC-18A	SqCWD	320-380	Purisima AA
SC-17D	SqCWD	210-230, 320-340 feet bgs	Purisima DEF
SC-22A	SqCWD	150-230 feet bgs	Purisima A
PVWMA Well	PVWMA	110-394 feet bgs	Aromas
Wharf Road Shallow Well	SqCWD	40-50 feet bgs	Purisima A

[1] interpolated from geologic maps
[2]interpolated from groundwater elevations
[3] depth below ground surface

Based on the distribution of sites and representative shallow monitoring data available, four generalized study areas were selected for this analysis: Soquel Creek, the Aptos-Valencia area, the Arana Gulch area, and the Watsonville Landfill area. In addition, historical water level data from Soquel Creek Water District (SqCWD) or Pajaro Valley Water Management Agency (PVWMA) were previously available to HydroMetrics WRI. Observation data from selected SqCWD and PVWMA wells were used where available to compare stream and shallow groundwater levels to levels within underlying Purisima and Aromas aquifers.

Stream Data

Surface water elevation data were available for Soquel Creek at two points, from SCWD stream gauges near Main Street and Nob Hill. Data from a USGS stream gauge near Main Street was also available, but consists of stage height rather than water surface elevation as there is no survey data available for this location.

Where no gauge data were available, stream bed elevations near each study area were estimated from digital elevation model (DEM) data. This was done to at least provide a reference point elevation against which shallow groundwater elevations could be measured. To determine the streambed elevation, a location was chosen that was the closest straight line distance to the nearest shallow monitoring well. The elevation of the streambed was determined using a 10 meter Raster DEM dataset of elevation in the Santa Cruz, Soquel and Aptos area. The National Elevation Dataset (NED) is the primary elevation data product produced and distributed by the USGS. In absence of survey data, the NED provides the best available public domain raster elevation data of the United States.

HYDROGEOLOGIC EVALUATION

The following sections present the evaluation results of each study area. Four separate study areas were chosen based on the availability of grouped stream and shallow monitoring well data. The Soquel Creek area contained the highest data density, and three separate areas along the length of the stream had relevant available data. Since it had the most available data, the Soquel Creek area is presented first in the sections below, followed by the other areas ordered west to east. The Arana Gulch study area comprises a grouping of monitoring locations near the eastern edge of the City of Santa Cruz along Arana Gulch. This study area is also near the western boundary of the basin-wide groundwater model. The Aptos-Valencia study area contains one grouping of stream and monitoring well data near the confluence of Aptos Creek and Valencia Creek. Near the southeastern boundary of the model in Watsonville, the only representative shallow groundwater data available was in the vicinity of the Watsonville Landfill. Location maps and associated monitoring data are shown in the sections below for each of the four study areas.

Soquel Creek Study Area

Soquel Creek provided the most comprehensive shallow groundwater data available of the study areas considered in this analysis. Three areas were chosen along the stream where representative shallow groundwater and/or stream data were available in relatively well-constrained areas with respect to well and stream gauge locations. These

were, in descending order: the Main Street area, a former Exxon station, and the Nob Hill area. A map of the study area is shown on Figure 3 with local surficial geology (Brabb et. al., 1997), and the monitoring data associated with these three areas are shown on the following figures.

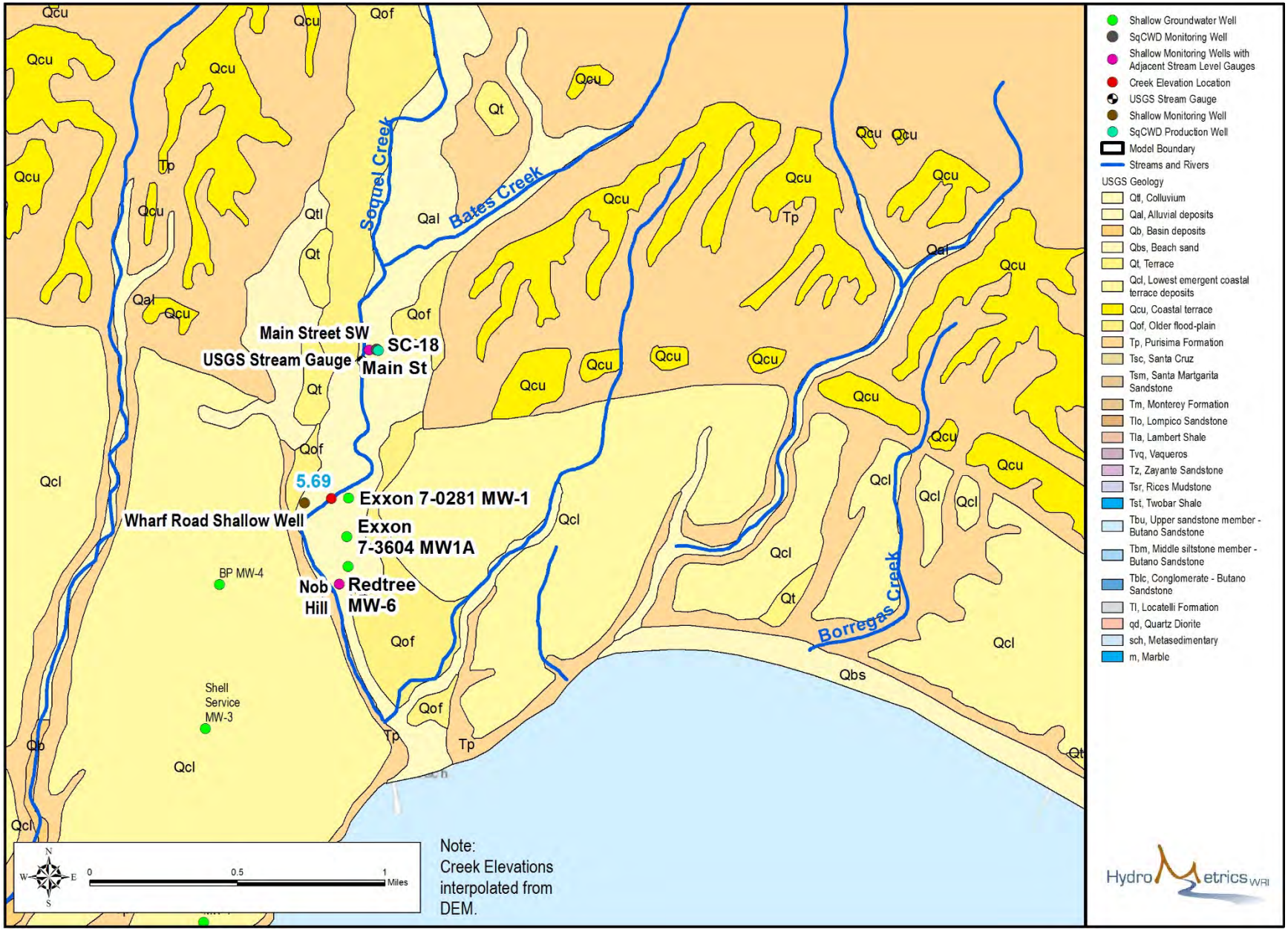

Figure 3: Soquel Creek Study Area

Figure 4 shows data from the shallow well SW-1 and stream elevation for the Main Street well area of Soquel Creek, along with associated groundwater elevation data from SC-18A at the Main Street well site, which is screened in the deeper Purisima AA unit. It should be noted that the original well SC-18A has been replaced, and higher-resolution data from the replacement well is shown for 2014 and 2015. This group of monitoring locations is in the vicinity of the Main Street well, which is an active pumping well producing from the Purisima AA and underlying Tu aquifers. From these data, it is clear that groundwater in the Purisma AA unit is probably around 10 to 15 feet below the stream water surface elevation and the shallow groundwater level.

SC-18A also exhibits seasonal fluctuations in groundwater elevation on the order of 20 feet or more, which is a response to pumping operations at the Main Street well. The amplitude of seasonal fluctuations at shallow well SW-1 are relatively small, indicating that there is less hydraulic connection between the shallow stream-adjacent Purisima A aquifer and the deeper pumped Purisima AA aquifer in this area, especially when water levels in the deeper aquifer are lowered by ongoing pumping. More recent data show there was an extended period where water levels at SC-18A recovered to a level close to the surrounding shallow groundwater when pumping at the Main Street well was mostly offline between April 2014 and February 2015, but a downward vertical gradient between the Purisima A and AA units still remained during this time. Groundwater levels in SC-18A were 10 to 30 feet below nearby SW-1 through most of the historical period evaluated.

Water levels in well SW-1 are consistently lower than the stream water surface elevation in the Main Street location of the study area. These observations suggest potential for ongoing loss of streamflow to the adjacent Purisima A formation. Although this does not lead to a conclusive relationship between the creek and the stream channel alluvium in this area, SW-1 was apparently screened in material just below the identified surficial alluvium and does not exhibit a strong seasonal drawdown response to pumping in the deeper Purisima AA aquifer. As such, SW-1 may be more hydraulically connected with the overlaying shallow quaternary alluvium in the area, and water levels here appear to be more dependent on stream-aquifer interactions rather than pumping. Potential stream loss has been identified in this area by previous investigations (Appendix A of Johnson et. al., 2004). The Main Street location was the farthest upstream location along Soquel Creek used in this analysis, and this relatively upland position may also contribute to the observed stream-aquifer hydrology here.

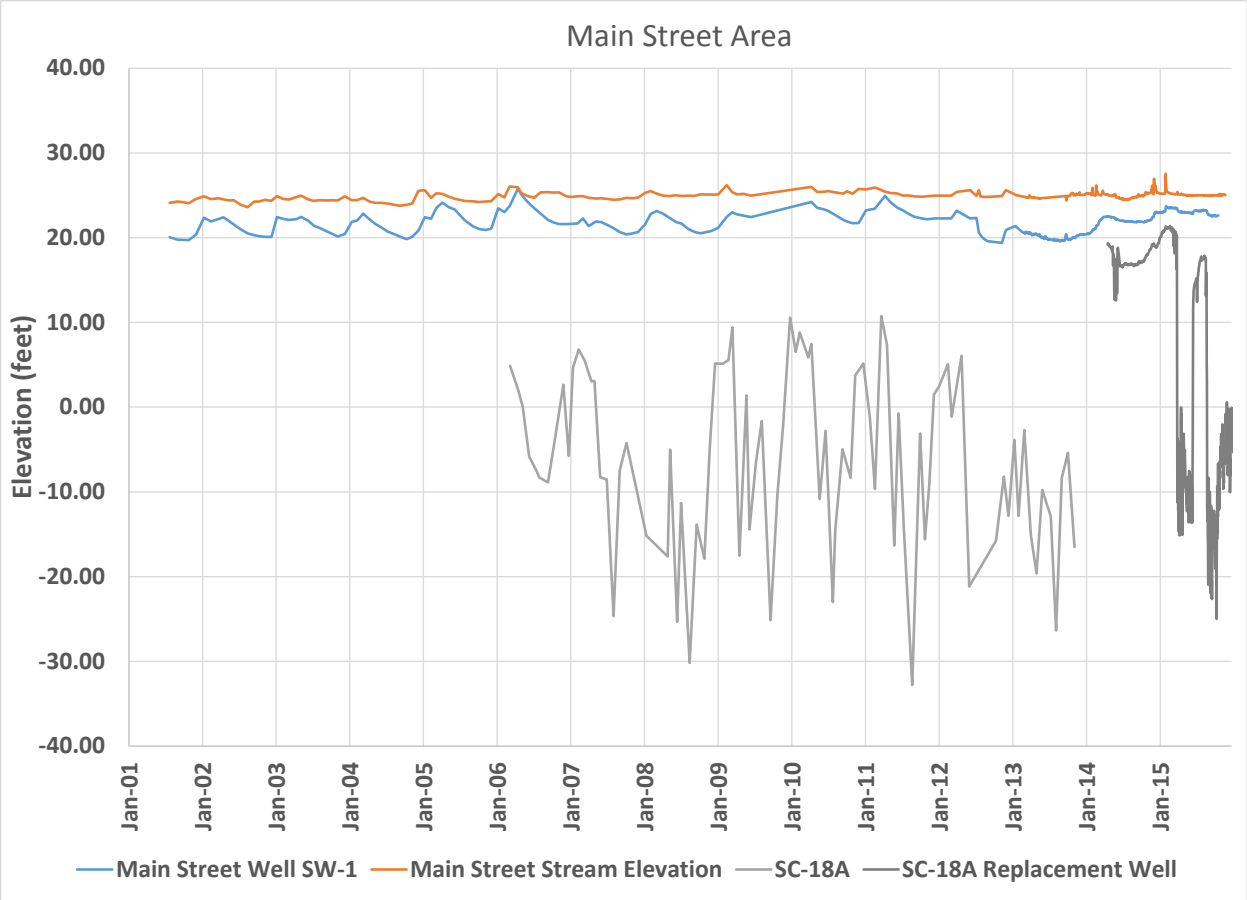

Figure 4: Soquel Creek Main Street Area Groundwater and Surface Water Elevations

Figure 5 shows data associated with the former Exxon station area of Soquel Creek. Three shallow monitoring wells were selected here, and the estimated streambed elevation is shown. Although no stream water surface elevation data is available in this location, the USGS stream stage data, collected slightly upstream, was interpolated here as water surface elevation using the estimated stream bed elevation as a reference point. Assuming that stage elevation in this location was similar to slightly upstream, this may be an acceptable representation of stream water surface elevation here.

Unlike the Main Street area, shallow groundwater elevations here are generally above the stream bed elevation by about 10 feet at the shallow Exxon wells, and about 7 feet at the nearby Wharf Road shallow well. They are also generally above the interpolated water surface elevation, except for brief periods of very high stream discharge where the stream water surface appears to exceed the shallow groundwater elevation. The USGS gauge data is very high resolution compared to the groundwater or Main Street stream surface elevation, so it is possible that these data indicate very concise periods where the creek may discharge to groundwater. These periods of high discharge also appear to correlate with increasing shallow groundwater elevations. However, it is clear

that the general trend in this area is that of conditions conducive to shallow groundwater discharge to the stream. Both of the shallow Exxon wells evaluated here are screened within shallow alluvium adjacent to the stream, but the Wharf Road shallow well is associated with the Purisima A formation. Although there appears to be a small downward gradient between the Exxon wells and the Wharf Road well, the similarity of water level trends among these three wells indicate that there is a hydraulic connection between shallow alluvium and the shallowest unit of the Purisima formation in the vicinity of the stream. Although gaining conditions exist in this area, the shallow hydrology appears to be consistent with what was observed in the Main Street area data, where shallow groundwater flow is associated with the hydrology of the stream rather than deeper groundwater pumping.

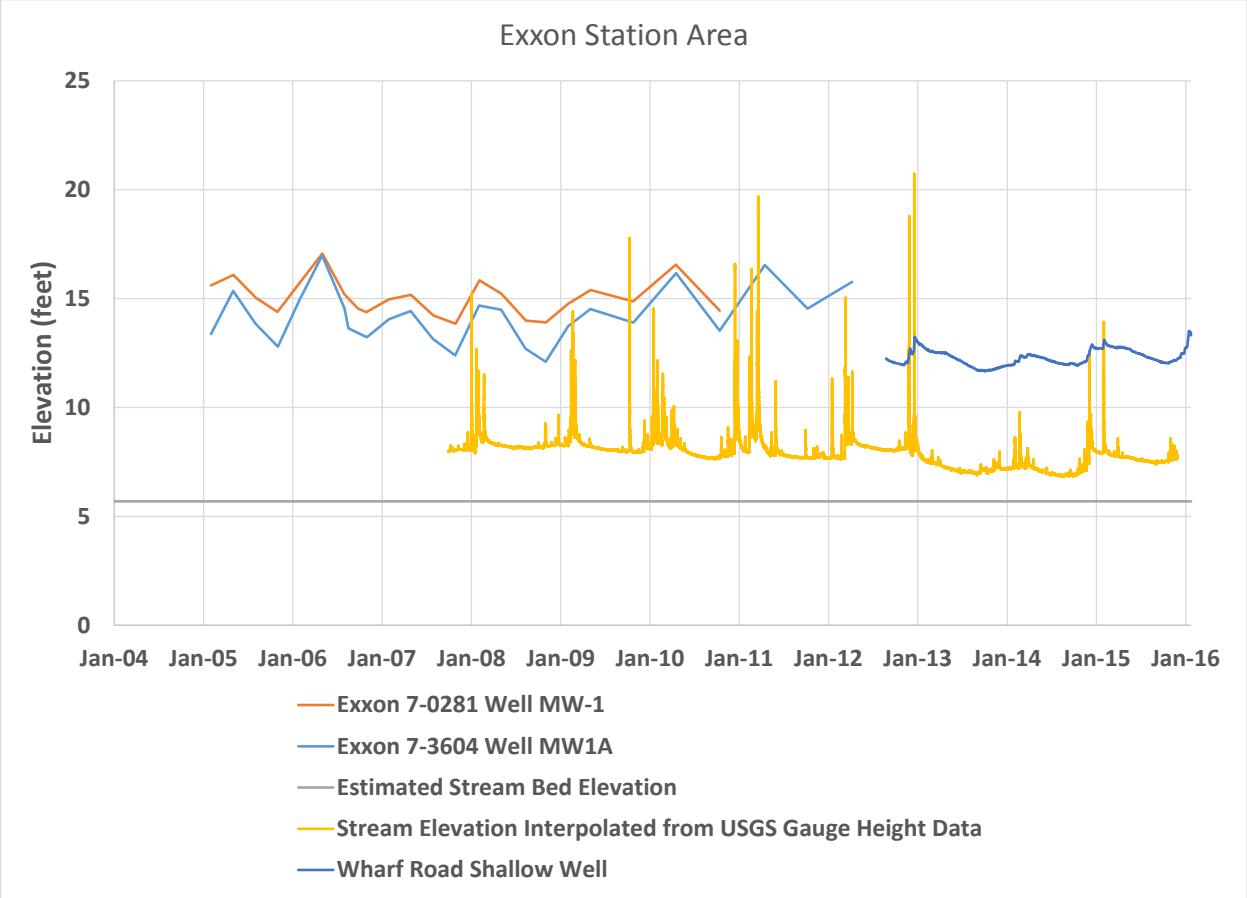

Figure 5: Soquel Creek Exxon Station Area Groundwater and Stream Elevation

Figure 6 shows data from the Nob Hill area of Soquel Creek. This is the southernmost area evaluated for Soquel Creek, and the closest to its discharge point to the ocean. Two shallow wells here were selected for evaluation, and a stream gauge provided stream water surface elevations. It should be noted that, a replacement Nob Hill shallow well was installed in 2012, and is indicated as such on the figure. As in the Exxon Station

area of Soquel Creek, shallow groundwater level was above the water surface elevation. The difference between the stream and groundwater elevations are generally between 5 and 10 feet, indicating that shallow groundwater levels are closer to stream water levels near the stream discharge point. Water levels at the replacement Nob Hill well are 2 to 4 feet above the stream elevation; this likely reflects the slightly different well configuration at the replacement well relative to the original well, but water levels here still reflect a similar hydraulic trend.

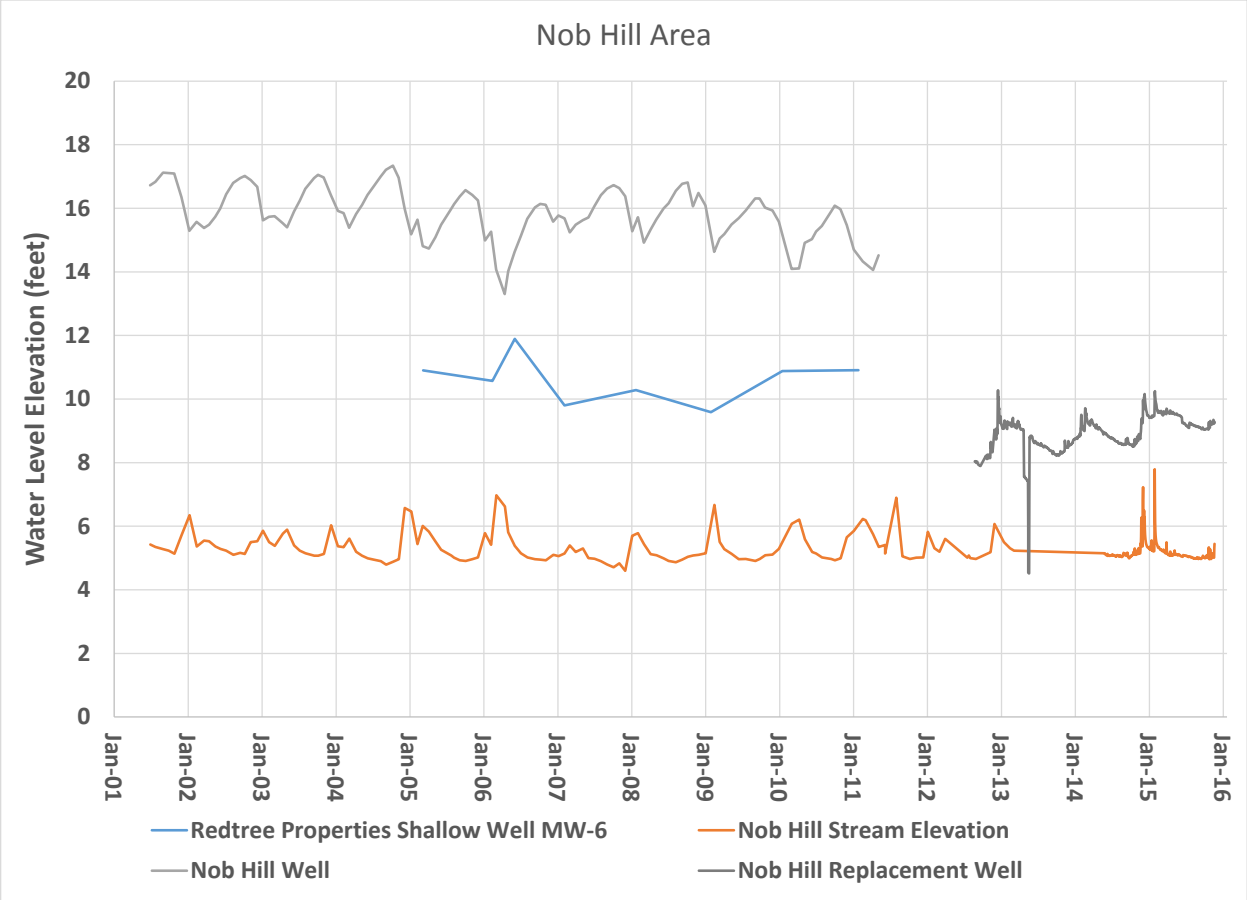

Figure 6: Soquel Creek Nob Hill Area Groundwater and Surface Water Elevations

Arana Gulch Study Area

A map showing the monitoring locations selected for analysis in the Arana Gulch area is presented on Figure 7. Figure 8 shows shallow groundwater data from two monitoring wells near Arana Creek, as well as the estimated streambed elevation. No representative Purisma formation monitoring well data were available in this area. It is evident from this data that for both the Whalers Carwash well and the Former Shell well, shallow water levels are generally about 50 feet above the streambed elevation. It is evident from the geologic map presented on Figure 7 that the Whalers Carwash well

is located in a terrace deposit formation. Although the Former Shell well appears to be located in a marginal area of stream alluvium, based on historical water levels it is likely that this well may be more accurately associated with the local terrace deposit formation. Given reasonable estimates of stream stage height, this probably also indicates shallow groundwater that is well above the stream water surface elevation in this area. These wells were reasonably close to Arana Creek, but the relatively steep topography on the banks of Arana Creek likely means these shallow terrace formation deposits are located well above the Creek and therefore may hold groundwater at a higher elevation.

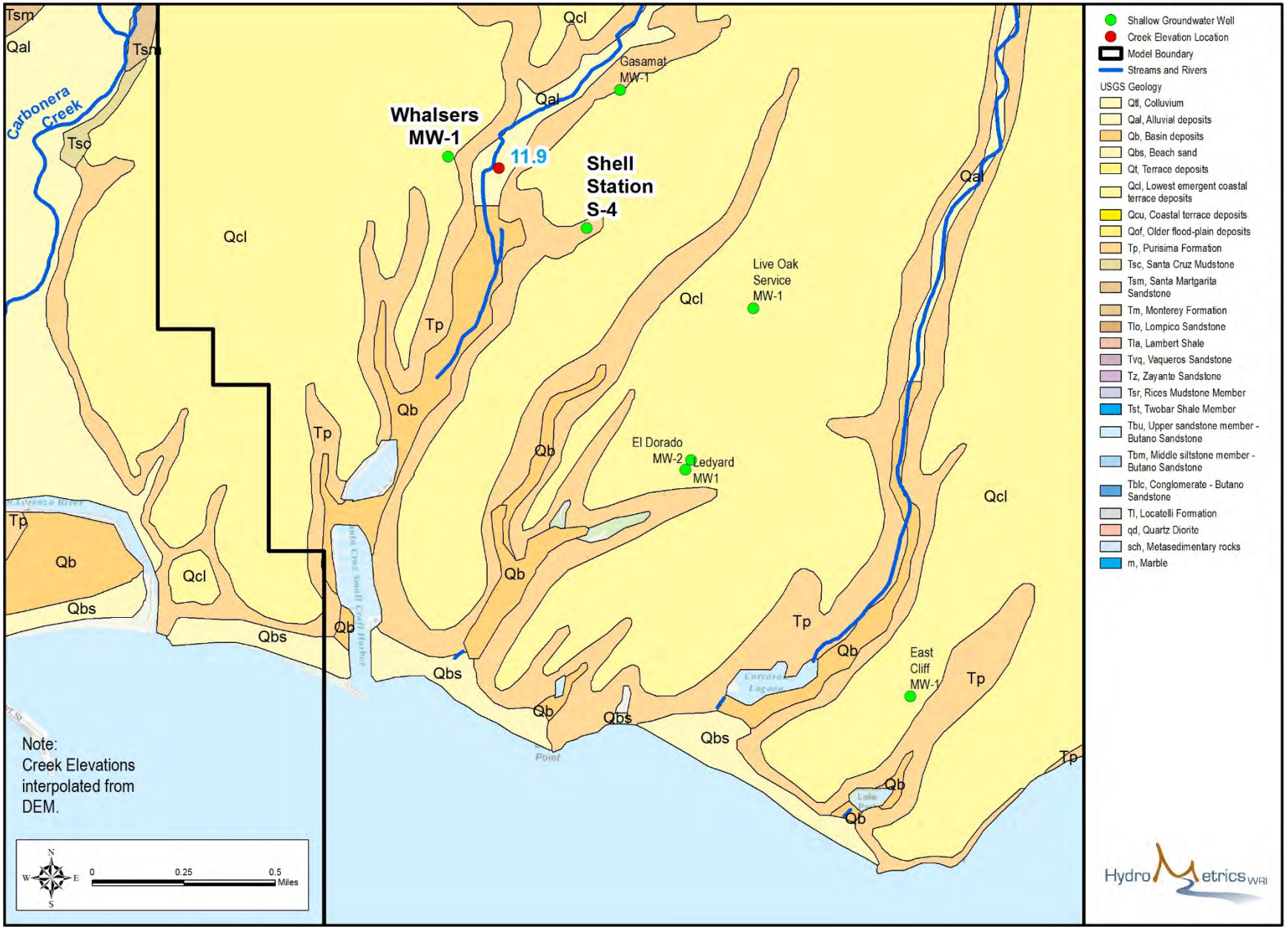

Figure 7: Arana Gulch Study Area

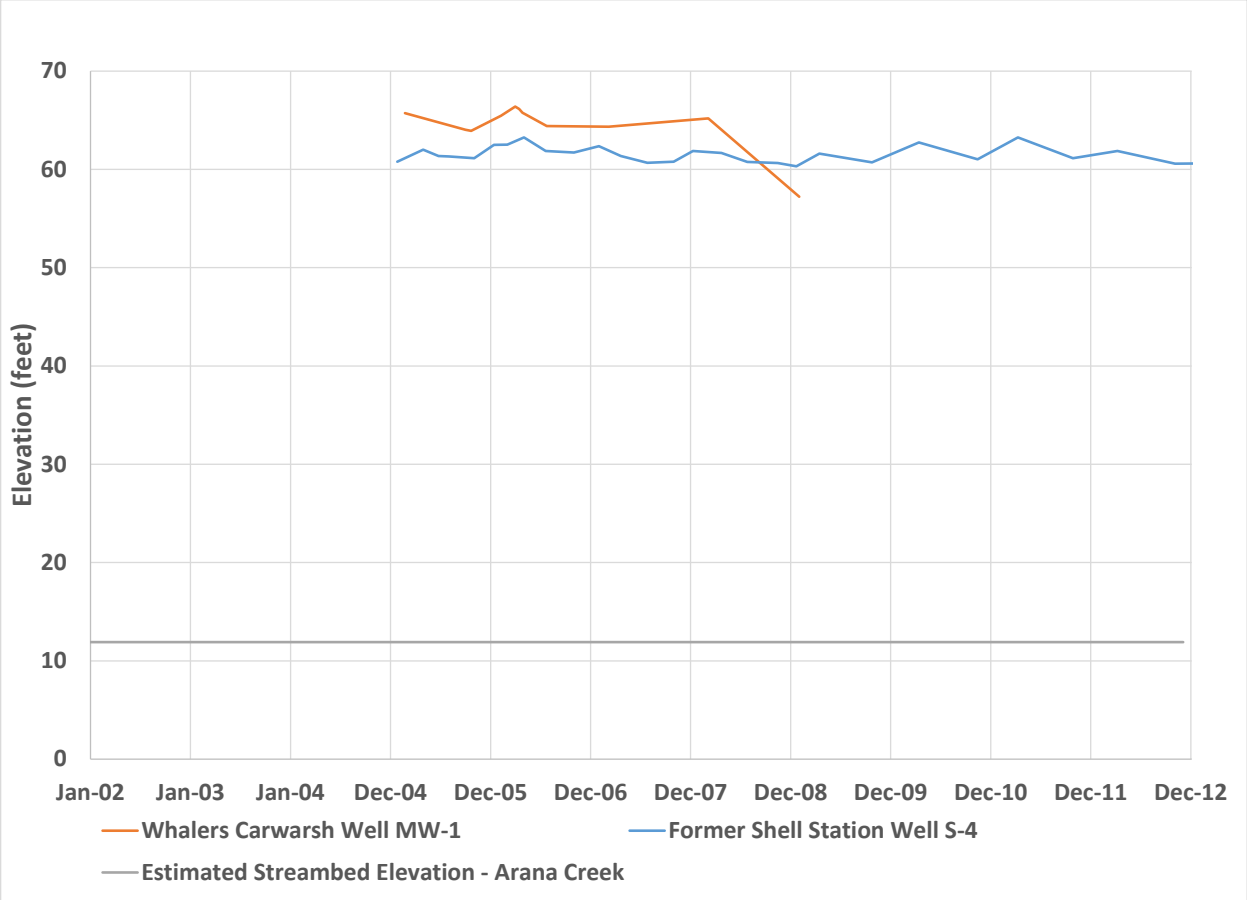

Figure 8: Arana Gulch Study Area Groundwater and Streambed Elevation

Aptos-Valencia Creek Study Area

Shallow groundwater data in the Aptos-Valencia area was somewhat sparse, but one shallow groundwater well near the confluence of Aptos, Trout, and Valencia Creeks was selected for analysis. A map of this study area is shown on Figure 9. Figure 10 shows shallow groundwater data from the Shell Rancho Del Mar well s, as well as interpolated streambed elevation and data from SCWD well SC-17D. The Shell Rancho Del Mar well appears screened in the terrace formation deposit and the shallow groundwater level there is well above the streambed elevation, generally by about 30 feet. Assuming reasonable values for stream stage elevation, it is likely that this indicates shallow groundwater that is generally well above the creek water surface elevation. The Shell Rancho Del Mar well also does not exhibit the same responses to pumping stress as is observed in the deeper aquifer units. Unlike the Soquel Creek area, groundwater elevations within nearby Purisima DEF formation monitoring well SC-17D are generally above the estimated streambed elevation, especially in recent data. This well is screened within the Purisima, and these data may indicate that discharging

conditions may exist along Aptos Creek near its outlet to the ocean. As a Purisima formation well, SC-17D also exhibits large seasonal fluctuations in water level that are indicative of a response to pumping. The long-term water level trend at this well may also be the result of reduced pumping in coastal areas over the last several years. The Purisima water levels at SC-17D remain well below the shallow terrace deposit water levels observed in the Shell Rancho Del Mar well. However, the downward vertical gradient between the shallow groundwater and deeper Purisima groundwater in this area appears to be decreasing with the rise in Purisima groundwater levels, also likely due to reduced pumping.

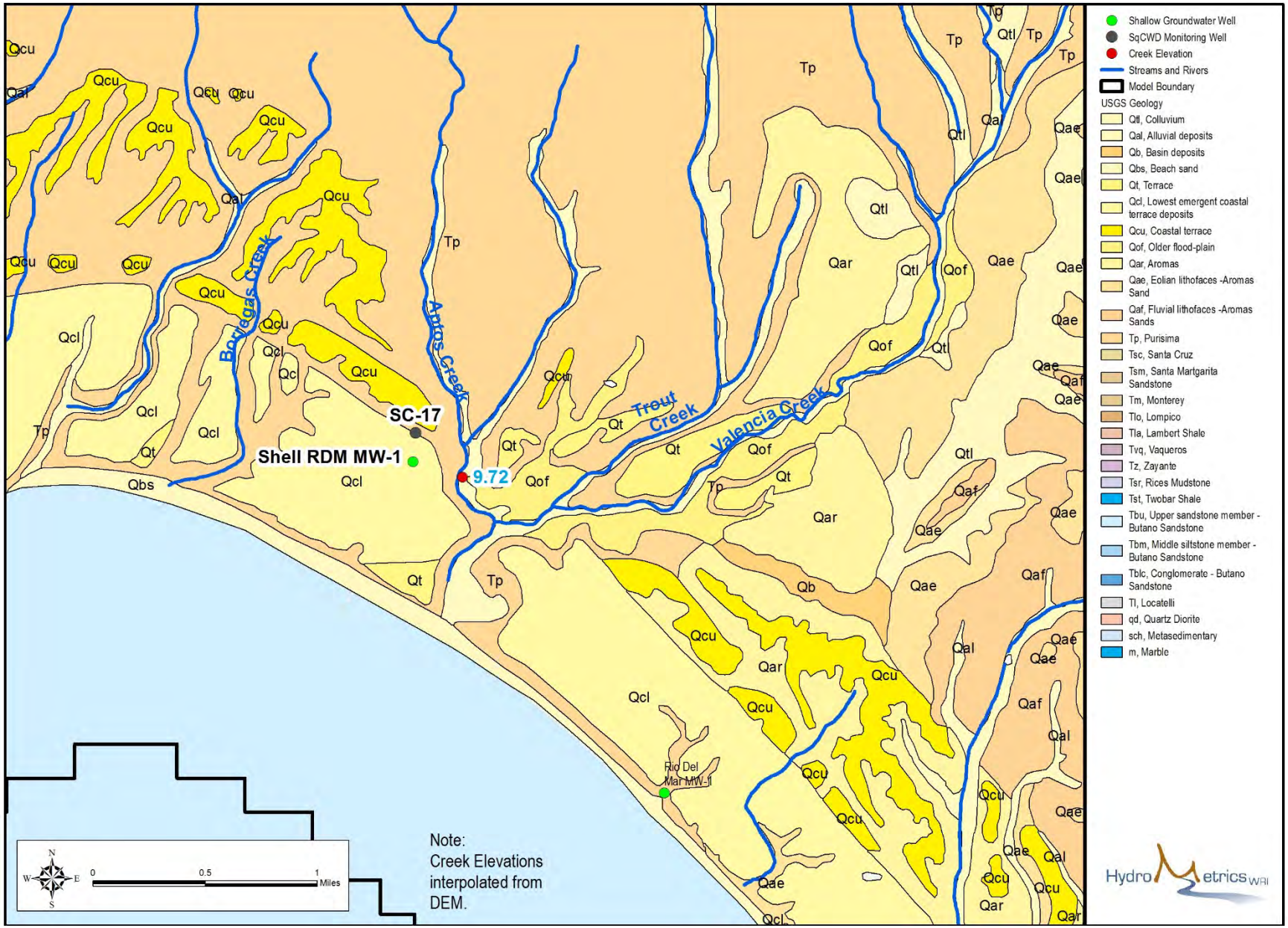

Figure 9: Aptos-Valencia Creek Study Area

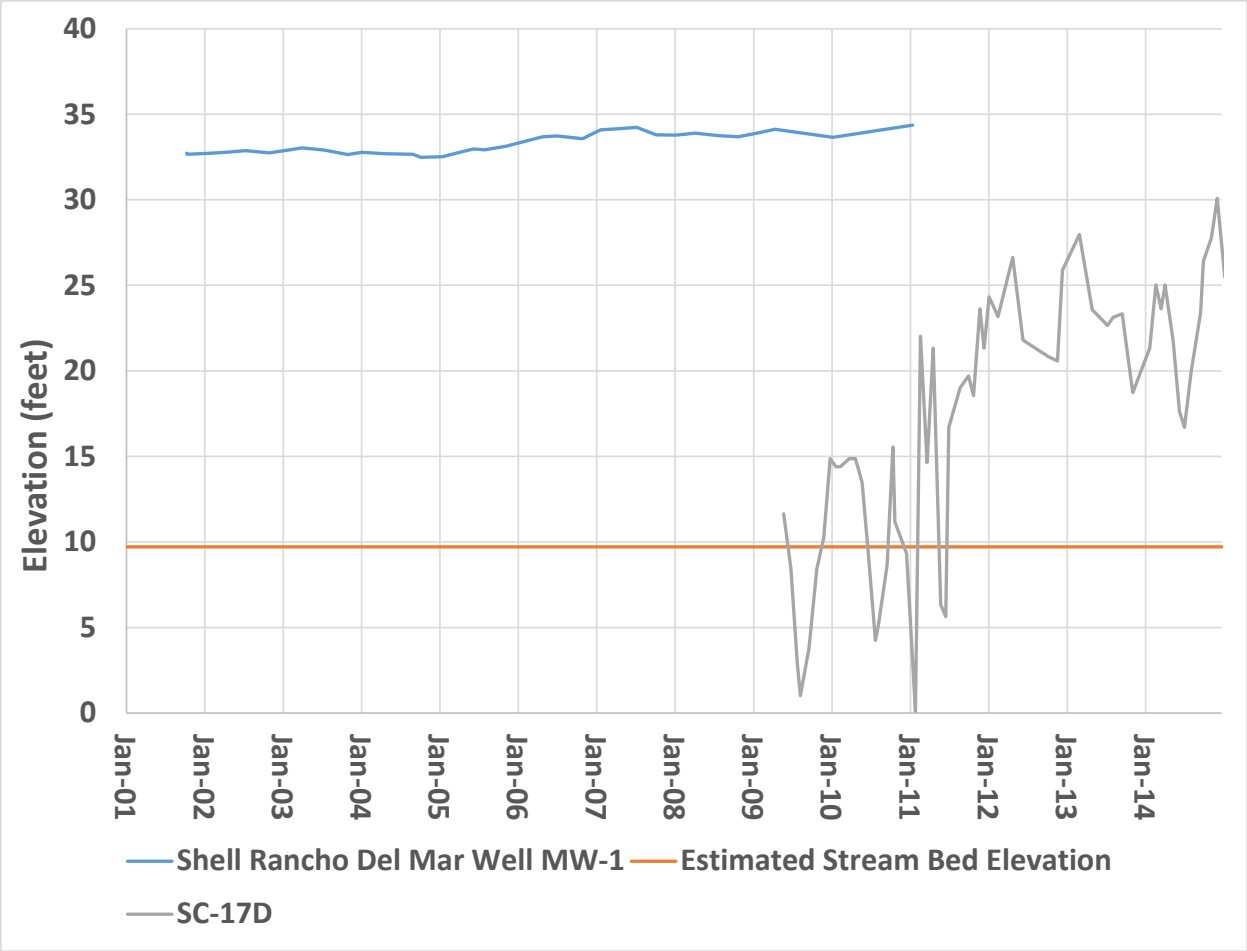

Figure 10: Aptos-Valencia Creek Study Area Groundwater and Streambed Elevation

Watsonville Landfill Study Area

Figure 11 presents a map of the Watsonville Landfill Study Area near Gallighan Slough, and data from selected monitoring locations within this area are plotted on Figure 12. This was the only area where representative shallow groundwater data were available in the Watsonville area of the Santa Cruz Mid-County Basin. This area is also near the southeastern boundary of the forthcoming groundwater model, which is a potentially important variable head boundary. This figure indicates that shallow groundwater in the Watsonville Landfill well is approximately 80 feet above the estimated streambed elevation, which again indicate shallow groundwater far above the likely stream water surface elevation in Gallighan Slough. The Watsonville Landfill well appears to be screened in a terrace deposit that rises steeply from the streambed of Gallighan Slough, which likely contributes to this difference in water level elevation. Water levels at nearby PVWMA well are approximately 10 feet below the streambed elevation, and are often below sea level. This well is screened in the Aromas Red Sands, and these data indicate that the Aromas does not likely discharge to Gallighan Slough, and that a large vertical gradient exists between the shallow terrace deposit groundwater and the

Aromas. The Buena Vista Landfill well, which is approximately one half mile away from Gallighan Slough and was identified as a shallow groundwater well, has a similar groundwater elevation trend to PVWMA well 240. Local geologic maps indicate that this well is likely screened in the Aromas Red Sands, which confirms the vertical separation of shallow groundwater in alluvial or terrace formations in this area.

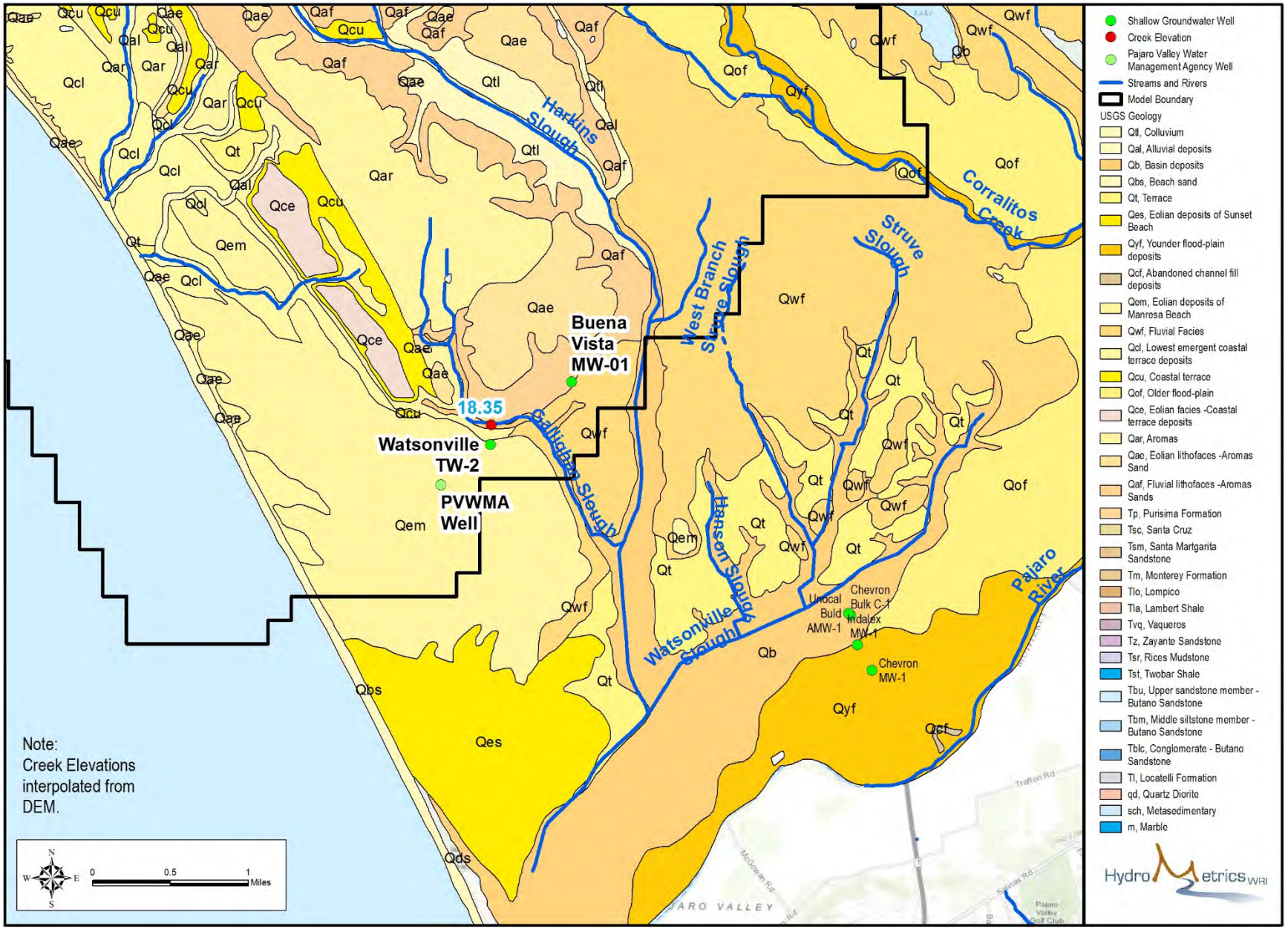

Figure 11: Watsonville Landfill Study Area

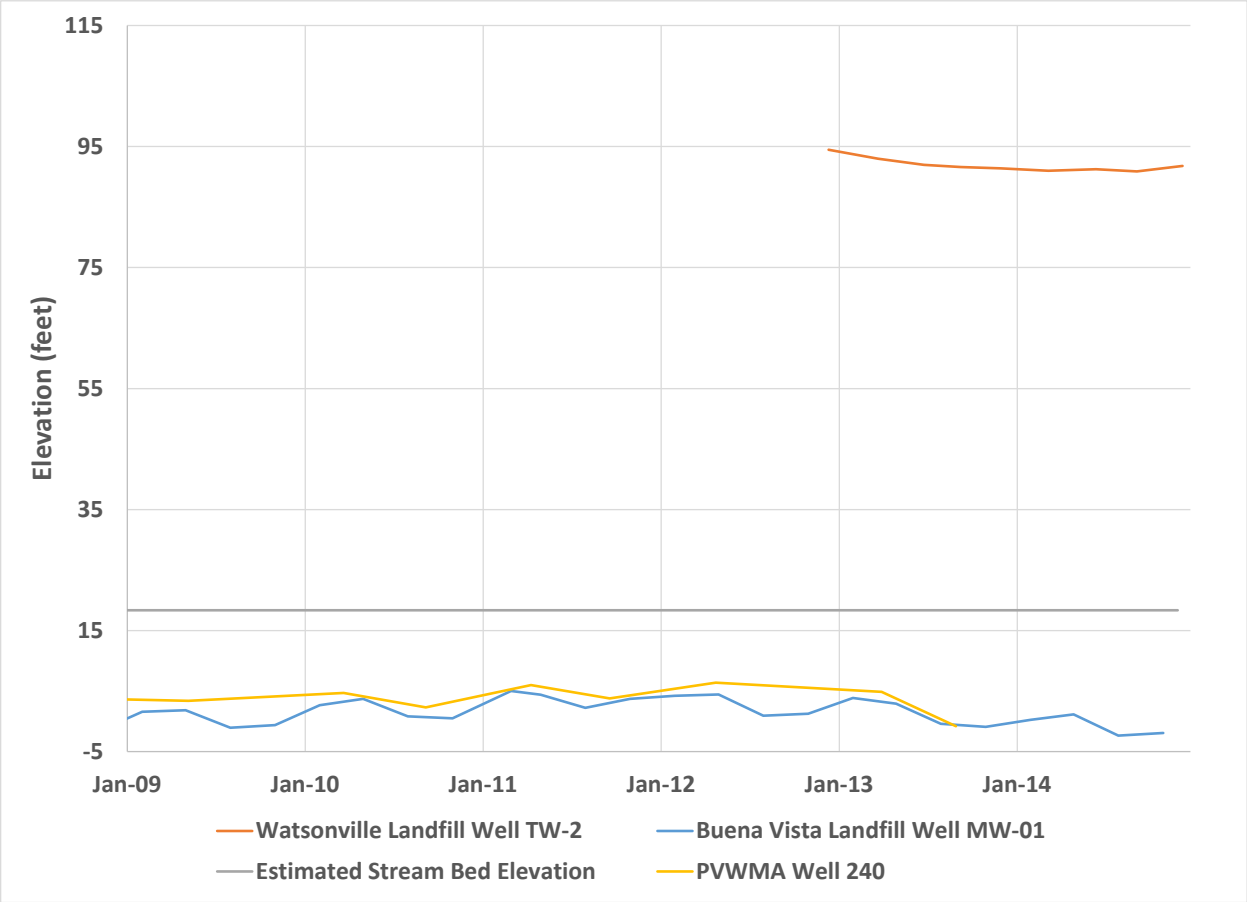

Figure 12: Watsonville Landfill Study Area Groundwater and Streambed Elevation

CONCLUSIONS

Four study areas in the coastal plain area were selected to evaluate the relationship of shallow groundwater and stream elevation within the Santa Cruz Mid-County Basin and associated groundwater model domain. In general, the data collected indicate shallow water levels in coastal alluvial or surficial material are significantly above streambed and stream water surface elevations, with the exception of brief periods of high stream discharge that are associated with increasing shallow groundwater elevations. The three locations along Soquel Creek chosen for this analysis demonstrate that there is potential for stream loss farther upland, as observed in the Main Street area, which switches to gaining conditions farther downstream.

In general, groundwater elevations in deeper Aromas and Purisima formation wells were well below water levels in shallow wells associated with surficial alluvium or terrace deposits. This demonstrates the hydraulic separation between shallow surficial material and deeper aquifer units that is indicative of perched or semi-perched conditions in the shallower units. These perched conditions do not appear to be

strongly influenced by groundwater pumping, which produced significant drawdown in the productive aquifer units. These responses to pumping were not observed in shallow groundwater wells, which had trends more indicative of seasonal precipitation. This suggests that recharge to the shallow alluvium, and by extension discharge into the streams from this alluvium, is from more localized aerial precipitation or infiltration as compared to the basin-wide aquifers.

The results of this analysis yield several insights to the ongoing development of the groundwater-surface water model. Simulated groundwater elevations in the Purisima and Aromas Red Sands formations will likely be well below the simulated shallow alluvium during periods of significant groundwater pumping. In this case, the model may not simulate saturated flow in these perched or semi-perched alluvial zones. Nevertheless, these apparent perched conditions indicate a resistance to vertical groundwater flow from the alluvium to the underlying aquifers which will be modeled the unsaturated zone package of the model. Likewise, it may not be important to simulate saturated flow in the simulated terrace deposits under perched conditions. These deposits also appear to be relatively isolated geologically and topographically from the surrounding streams and aquifer units. As such, their contribution to the water budget within the model may come predominantly in the form of vertical recharge via the unsaturated zone package and assigned material properties. In this way, the lack of simulated saturated flow within the terrace and other alluvial materials may not detract from the overall usefulness of the model. For simulated streamflow, it may be important to maintain lateral connection of simulated stream and surficial alluvial material to simulated streams within the model domain. However, groundwater levels within stream alluvium will be less connected to lateral groundwater flow within the aquifer units over most of the model domain by having a relatively low vertical hydraulic conductivity, except near potential discharge areas near the coast, where water levels within the stream alluvium and underlying aquifer unit are above the streambed. Long-term water level trends indicate that reductions in pumping may result in current or future reversals in the downward vertical gradient between surficial alluvium and the deeper aquifers. As such, it important to maintain the potential for alluvium to transmit discharge from the aquifers to the streams via lateral groundwater flows.

REFERENCES

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May 19, 2016

MEMO TO THE Santa Cruz MID-COUNTY GROUNDWATER AGENCY (MGA)

Subject: Agenda Item 7.1 Additional MGA Member Agency Contributions

Purpose
This memo illustrates that the Santa Cruz Mid-County Groundwater Agency (MGA) member agencies make significant additional financial contributions that are not shown in the MGA budget.

Background
The MGA budget was adopted on March 17, 2016. The total estimated FY 2016/17 budget is $1,292,500. Accounting for $140,000 of grant aid, the total budget that partner agencies must contribute to is reduced to $1,152,500.

The current cost-sharing agreement percentages among the partner agencies and resulting contributions based on the $1,152,500 budget are:
• Soquel Creek Water District 70% = $806,750
• Central Water District 10% = $115,250
• City of Santa Cruz 10% = $115,250
• County of Santa Cruz 10% = $115,250.

However, the above budget does not capture the total contributions of each agency. Additional contributions (as shown below) may be reflected in future MGA budgets as the agency evolves and the member partner agencies start tracking and allocating costs.

Additional Costs Not Presented in the MGA Budget
The list below is not a comprehensive evaluation, but aims to show some significant contributions. The total amount is $466,000.

Central Water District
- New monitoring well - $55,000

City of Santa Cruz
- Water quality data effort and software purchase - $81,000

Soquel Creek Water District
- Water quality data effort - $200,000

County of Santa Cruz
- Streamflow measurements, private well soundings, well database update, recharge project development, and additional grant funded items - $130,000

POSSIBLE ACTION
1. Informational only, no action necessary.

By _____(Ron Duncan)
On behalf of the staff executive team of
John Ricker, Ralph Bracamonte, Rosemary Menard, Ron Duncan