



SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY
Final Meeting Minutes
March 16, 2017

1. Call to Order

The meeting was called to order at 7:09 pm by Chair Jaffe.

2. Roll Call

Board Members Present: B. Jaffe, R. Marani, Z. Friend, J. Leopold, C. Mathews, D. Baskin, C. Abramson, J. Kerr, J. Kennedy, R. Bracamonte (Alternate for J. Benich)

Staff Present: J. Ricker, R. Menard, R. Duncan, D. Pruitt, J. Townsend, T. Carson, L. Strohm, S. Ryan

Board Members Absent: T. LaHue, J. Benich

Others Present: There were approximately 15 members of the public in attendance & three staff members from other agencies or public water systems: B. Lockwood (Pajaro Valley Water Management Agency), M. Mills (PureSource Water), and A. Peisch-Derby (Department of Water Resources).

Presentations

There were no presentations given during this meeting.

3. Oral Communications for Items Not on the Agenda

Public Comment: Martin Mills spoke on behalf of PureSource Water. As a local water supply provider, he asked to be notified early about rate increases that might affect his customers. He cited Assembly Bill 2874, noting that if the Santa Cruz Mid-County Groundwater Agency (MGA) increases fees all Public Utilities Commission must be notified. See Exhibit A.

Public Comment: Jerry Paul urged the group to look at his handout, and asked that the "Lochquifer Solution" be mentioned by name. He referenced the potential savings in his project, and closed by saying he would be happy to meet with anyone individually. See Exhibit B.

4. Administrative Items

4.1 Approve Meeting Schedule for 2017

Correction: should read November 16th instead of 17th in the memo.

MOTION: Ms. Mathews; Second: Mr. Kennedy. To approve the meeting schedule for 2017. Motion passed unanimously.

4.2 Approve Minutes from November 17, 2016 MGA Meeting

Mr. Duncan suggested an edit on p.5 of 120 for Item 5.2: “the working group will be temporary and not beholden to the Brown Act,” add “and made up of a minority of board members, and therefore not beholden...”

MOTION: Mr. Leopold; Second: Mr. Marani. To approve the meeting minutes from November 2016. Motion passed with one abstention (D. Baskin).

4.3 Adopt Conflict of Interest (COI) Code

Mr. Ricker reviewed the process of developing the COI Code which identifies designated positions that need to file Form 700s (e.g., board members, alternates, and executive team members). If adopted tonight, the COI Code will be transferred to the Santa Cruz County Board of Supervisors before being entered into the County Elections system. Mr. Ricker reviewed the steps for filing.

MOTION: Ms. Mathews; Second: Mr. Leopold. To adopt the proposed Conflict of Interest Code and direct the secretary to transmit it to the Santa Cruz County Board of Supervisors for approval. Motion passed unanimously.

4.4 Report on MGA Plan Development Working Group

Mr. Kennedy provided an update on the group’s work which began by focusing on areas of contention and/or interest. Agency staff will handle the technical aspects of the plan development. The working group will continue to develop the group charge, membership, and subcommittees. He asked for input and noted that the board and staff should be responsible for communications rather than the working group. Mr. Kerr concurred that outreach should be taken on elsewhere. He mentioned the need to incorporate various communications channels (e.g., broadcasting this meeting.). Mr. Leopold agreed, underscoring the need for developing an effective outreach strategy.

Ms. Menard suggested discussing the communications plan at May’s board meeting. Mr. Kennedy expressed the need for a simple narrative on the core elements of the planning process and what the MGA is required to do. Mr. Leopold recommended involving the City of Capitola. Mr.

Baskin raised concerns about the lack of a schedule for developing the GSP. He asked the working group to draft one and present it to the group.

Ms. Mathews suggested that the working group incorporate existing agency schedules. The working group will be dissolved in June, but will report out at July's board meeting. The goal is to provide enough direction to proceed with the formation of the GSA Working Group and GSP. The working group currently meets on the 1st & 3rd Fridays of each month.

Public Comment Becky Steinbruner: Encouraged the MGA to use simple language so the public can anticipate how decisions will affect them. She expressed her support for using video as an outlet, and asked for permission to film this meeting. Permission was granted. She applauded the group's efforts to bring in land use connections, and sees a disconnect between planning for future growth and water availability. She advocated for the public to be able to provide input throughout the process, and asked for a Prop 218 vote to be included for the Pure Water Soquel Creek process.

Public Comment: Request for physical signage for upcoming meetings, not just social media.

Public Comment: Jerry Paul's solution looks good.

Mr. Baskin asked when the GSP development schedule would be presented. Ms. Menard replied that the working group will bring a draft schedule to May's board meeting, and a draft charter in July.

MOTION: Mr. Baskin; Second: Mr. Leopold. To accept the working group's report and move forward with the scheduling option discussed above. Motion passed unanimously.

4.5 Approval of HydroMetrics Modeling Budget Reallocation

Mr. Williams was present from HydroMetrics WRI to answer questions. Mr. Duncan reviewed the budget reallocation details and importance of the modeling work. Mr. Marani expressed his discontent with going beyond the Not to Exceed amount in any MGA contracts. Mr. Duncan asked what remains to be accomplished; the impact of private pumping on the water budget. HydroMetrics is planning to bring the model to the group in July. The group discussed the legalities of the contract of the US Geoleogical Surevey (USGS) contract. Mr. Duncan offered to look at the details. Mr. Baskin expressed his view that delivery should be done in a timely manner or without payment. Mr. Jaffe abstained as a USGS employee, noting that the cost for this service is most likely below market rate. Mr. Kerr asked if this information is critical? Mr. Ricker replied that

it is not essential, but could show how fast the saltwater interface is moving and in what direction.

Public Comment Becky Steinbruner: Asked when the group will get the information it needs. She questioned the validity of the increase in the price of providing quarterly reports, and the decision to hire Barry Hecht.

Brian Lockwood, Interim General Manager for the PVWMA, serves on the Technical Advisory Committee: Stated that this tool would be useful given the challenges inherent to tracking groundwater changes without being able to see where it is located. He recommended getting an estimate. Ms. Mathews expressed her understanding that this tool is foundational for future modeling, and suggested that the motion include a provision that the contract with USGS be clarified so the MGA does not pay for something that it does not receive.

<p>MOTION: Ms. Mathews; Second: Mr. Baskin. To approve the HydroMetrics WRI budget request for \$107,070 for groundwater modeling. To seek a provision in the USGS contract regarding the note above. Abstentions: Mr. Jaffe, Mr. Bracamonte. Nays: Mr. Marani. Motion passed.</p>
--

The group discussed parliamentary protocol for financial decisions that do not achieve consensus. Ms. Strohm noted that the Soquel Creek Water District does not consider modeling to be a capital expenditure. According to the JPA, expenses that are not capital expenditures do not require consensus. The motion passed therefore without issue.

4.6 Consideration of Funding Approval for Work to Locate Seawater Interface Offshore

Mr. Duncan provided an overview of the purpose of the funding consideration (e.g., locating the offshore freshwater-seawater interface via helicopter based data collection). He suggested collaborating with Stanford. Mr. Leopold suggested clarifying in future board memos whether or not funding requests are capital expenditures. Ms. Strohm clarified that paying for a service in this case is not a capital expenditure.

Mr. Ricker noted that the Danes are at the forefront of groundwater mapping given that their entire water supply is groundwater. This technology has been used by USGS in the Central Valley, is very effective, and would provide critical information. Mr. Leopold was inclined to support it. Mr. Bracamonte agreed, stating that the public has requested data so that decisions are not made in the dark. Mr. Ricker asked where the \$100,000 would come from; unused funds in other categories. Mr. Kerr asked if the data could be integrated into the HydroMetrics model; yes.

Public Comment Becky Steinbruner: What would the geographic scope be? Does Dr. Rosemary Knight agree that this is a valuable tool? Mr. Jaffe responded that it would be within the purview of the subcommittee to figure out whether the tool is viable and valuable.

Public Comment: Can members of the public attend meetings with the Danish contingent? Mr. Leopold replied that the board and/or staff will decide whether those meetings will be open to the public.

Mr. Lockwood offered to convey this opportunity to the PVWMA in the hopes of sharing costs. The group agreed to limit the size of the subgroup to remain below a quorum. Mr. Jaffe will determine whether the meetings will be public, and clarify the role of public attendees as needed.

MOTION: Ms. Mathews; Second: Mr. Leopold. For the board chair to designate board members to join staff in meeting with Danish representatives from March 24th-31st. For the board chair to work with staff to form a subgroup to assess if the proposed work appears viable and, if so, approve funding up to \$100,000. Motion passed unanimously.

4.7 Preliminary Review of Fiscal Year 2017-2018 Budget

Mr. Carson provided an overview of the proposed budget for Fiscal Year 2017-2018. There will be a discussion about reducing the quarterly reports to semi annual reports before the budget is finalized. It is up to the board to decide how to proceed with unused amounts from the previous year. Ms. Strohm offered that unspent funds can become part of the reserve to be spent the following year. One option would be to use the funds to reduce agency contributions next year. Mr. Leopold suggested identifying categories for reserves to keep budget flows steady over time. Ms. Menard suggested that the Executive Team develop an analysis of the pros and cons of designating reserve funds to present to the board in May.

Public Comment (Becky Steinbruner): asked for more information regarding the need to hire additional legal counsel since Ms. Pruitt is a lawyer. Mr. Ricker replied that the additional funds are intended to fund, if needed, legal expertise specific to water issues.

5. Information Items

5.1 MGA Recognized in Stanford University Report

Mr. Duncan acknowledged the presence of Amanda Peisch-Derby from the Department of Water Resources, and thanked DWR for being instrumental with the MGA's success to date.

5.2 Treasurer’s Report

Ms. Strohm reviewed the latest financial figures. No questions.

5.3 Quarterly Monitoring Data Update

Mr. Ricker reflected that groundwater levels are generally improving. Mr. Williams agreed, and added that improvements were partially due to rainfall, and largely due to reductions in pumping. Water quality is generally stable. Wells must improve and maintain levels over time in order to achieve sustainability goals for the region. In the next five years saltwater intrusion should not be a factor. Mr. Duncan shared that early analyses indicates shifting pumping inland as an effective strategy as well.

6. Oral Reports

6.1 Outreach Reports

Sierra Ryan reported on website visitation (350 per month, half new visitors). The monthly email is currently going to 500 people. The MGA hosted a large water users meeting in January, where 45 people attended. Ms. Ryan noted that the group is planning to host a large stakeholder meeting in conjunction with a GSP kickoff in May or June.

6.2 Board Member Reports

Ms. Mathews reminded the group that April 22nd is Earth Day. The City of Santa Cruz, County of Santa Cruz, Water Conservation Coalition, and others will host events. There will also be a satellite “March for Science” starting at Santa Cruz City Hall. Contact Ms. Mathews with questions.

6.3 Staff Reports

Mr. Ricker provided a brief update on the GSA process for other basins in the area. The Santa Margarita Basin held a stakeholder meeting last month, and are currently forming a GSA. Their board will hopefully be established by July. Mr. Ricker noted that all basins must have a GSA by June 30th or the State Water Board will intervene. The county is currently seeking authorization to declare itself as the GSA for the West Santa Cruz Terrace and Purisima Highlands. Those basins are anticipated be reprioritized as low or very low, and as such will not require management under SGMA. The city supports this approach, considering that under SGMA the county is the default GSA in any case.

7. Adjournment

The group adjourned at 9:25 pm.

SUBMITTED BY:

APPROVED BY:

Julia Townsend
Program Associate
Regional Water Management Foundation

Cynthia Mathews
Board Secretary
City of Santa Cruz