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I INTRODUCTION

I.1 Purpose of the Groundwater Sustainability Plan

In 2014, Governor Edmund G. Brown, Jr. signed three laws that make up the Sustainable Groundwater Management Act (SGMA). SGMA took effect on January 1, 2015 requiring local water agencies to manage groundwater sustainably. This Groundwater Sustainability Plan (GSP or Plan) is a collaborative effort between local water agencies, technical experts, land use agencies, environmental managers, and community members to manage the groundwater basin sustainably. This Plan is prepared by the Santa Cruz Mid-County Groundwater Agency (MGA). Together the people involved in the preparation of this Plan represent water uses and users within the Santa Cruz Mid-County Groundwater Basin (Basin) (Figure 1-1). The intent of the Plan is to guide long-term management of the shared groundwater resource to ensure a reliable water supply for community needs and the natural environment now and into the future.

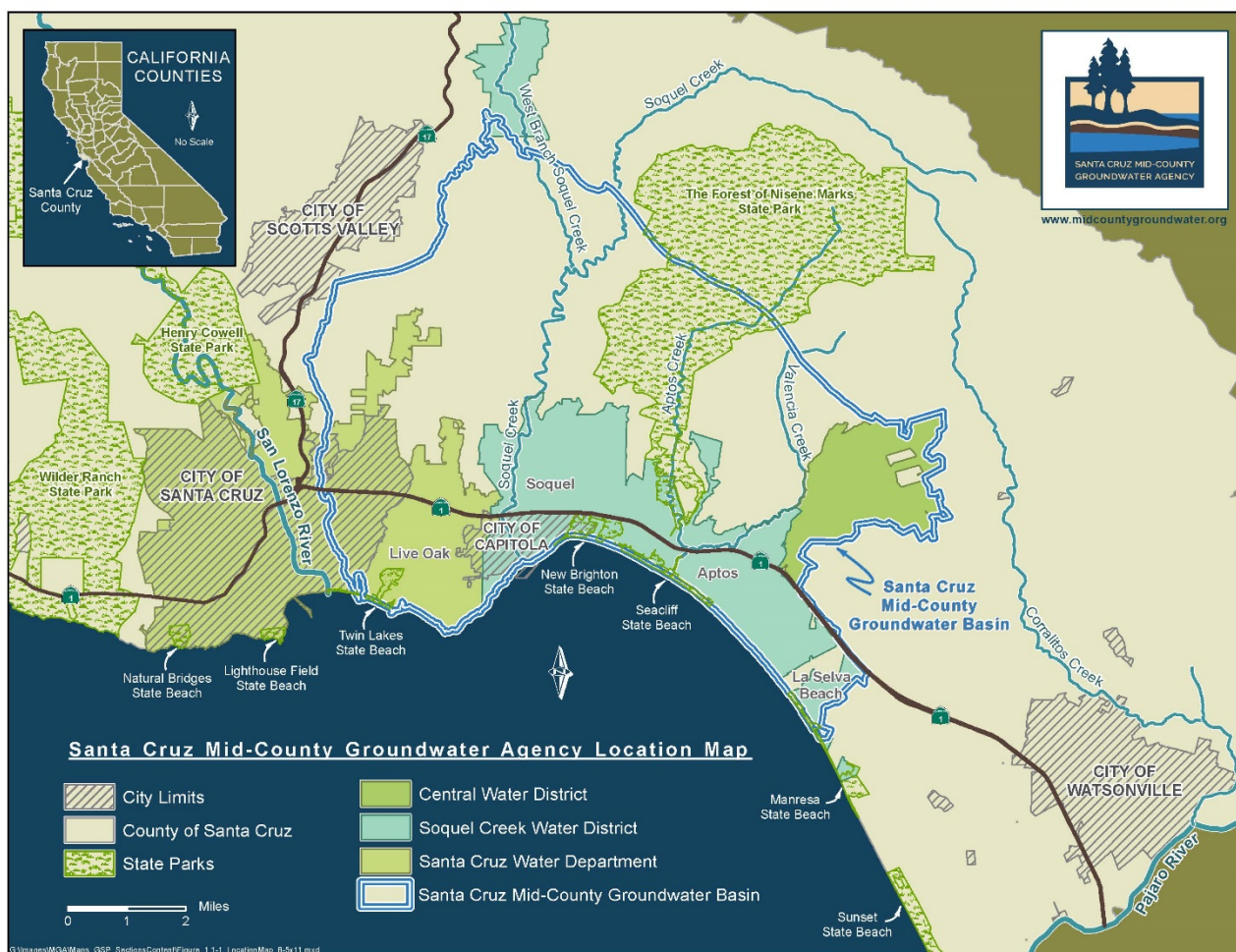


Figure 1-1. Basin Location Map

Statewide, California's groundwater basins support at least one-third of the water used by nearly 39 million people, sustain the nation's most robust agricultural industry, and support hundreds of billions of dollars in economic activity each year (DWR, 2018a). The Basin is located at the northern end of the Central Coast region. This region gets approximately 85% of its water supply from groundwater and is the most groundwater dependent hydrologic region in all of California (DWR, 2013). All the major water supply purveyors in Santa Cruz County rely upon local sources and receive no imported water from outside the County.

The Basin is a high priority groundwater basin in critical overdraft and threatened by seawater intrusion (DWR, 2018b). For many years, the amount of groundwater extracted from the Basin exceeded the amount naturally recharging groundwater through rainfall. Despite extensive water conservation efforts and reductions in groundwater pumping in recent years compared to prior decades, the long-term overdraft of the Basin lowered groundwater elevations along portions of the coast. Lowered groundwater levels have allowed seawater intrusion into coastal portions of the groundwater aquifers and pose the threat of more widespread seawater contamination of groundwater. Once contaminated with seawater, it can be irreversible and can result in either abandoning water supply wells or requiring costly treatment to make the water useable.

While the state's historic SGMA groundwater mandate now requires regional groundwater sustainability, it was not the catalyzing event for sustainable groundwater management in the Santa Cruz Mid-County Groundwater Basin. Water management agencies that share responsibility for our groundwater resources have studied and developed groundwater management strategies since the

The Association of Monterey Bay Area Government projects the population within the Basin in 2018 is approximately 92,000 (AMBAG, 2018). Of those, approximately 50,000 Basin residents are primarily served by groundwater wells or municipal suppliers whose only source of water is groundwater. The remaining 42,000 are served by the City of Santa Cruz Water Department. In years with average or above average precipitation the City's water supply is approximately 95% surface water from sources outside the Basin and 5% groundwater from the Basin (SCWD, 2016). The amount of groundwater needed from the Basin to fulfill the City of Santa Cruz's water demand goes up in years with below average rainfall.

The goal of SGMA legislation is to avoid undesirable results for the six sustainability indicators identified by the State of California. The six sustainability indicators are: groundwater level declines, groundwater storage reductions, land subsidence, interconnected surface water depletions, seawater intrusion, and water quality degradation.

The two key sustainability indicators in the Basin are seawater intrusion and interconnected surface water depletions. Successful implementation of projects and management actions to effectively protect against adverse impacts for these two regionally significant sustainability indicators should result in groundwater conditions that protect the Basin against undesirable effects for all six state identified sustainability indicators.

Sustainability Indicators

SGMA requires GSAs to develop and implement Groundwater Sustainability Plans (GSPs) for managing and using groundwater. Each GSP must consider the following sustainability indicators:



Groundwater-Level Declines

Long-term declines in groundwater levels occur when groundwater withdrawals exceed recharge of the aquifer system. Such declines are indicative of unsustainable groundwater use, and are the primary cause of the other sustainability indicators, described below.



Land Subsidence

Extensive groundwater withdrawals from aquifer systems have caused land subsidence in many California basins. Land subsidence can damage structures such as wells, buildings, and highways. They also can create problems in the design and operation of facilities for drainage, flood protection, and water conveyance. Groundwater-level and land-subsidence monitoring provide the information needed to guide mitigation efforts and management of future effects.



Seawater Intrusion

Seawater intrusion associated with lowering of groundwater levels is an important issue in many of California's coastal groundwater basins. Quantifying the rate and extent of seawater intrusion involves understanding the aquifer-ocean interconnection and distinguishing among multiple sources of saline water.



Groundwater-Storage Reductions

Long-term declines in groundwater levels, if predominant within a basin and not offset by rising groundwater levels, cause long-term reductions in groundwater storage. Changes in groundwater storage can be estimated by using direct measurements, such as measuring groundwater levels, and indirect measurements, such as remote sensing, coupled with modeling tools.



Interconnected Surface-Water Depletions

Groundwater and surface water are interconnected resources. Much of the flow in streams, and the water in lakes and wetlands, is sustained by the discharge of groundwater, particularly during dry periods. Coordinated measurement and modeling of surface and groundwater conditions generally are needed to estimate surface-water changes that result from groundwater development.



Water-Quality Degradation

Determining changes in groundwater quality over time, often associated with changing groundwater levels, involves systematic monitoring of constituents of concern, coupled with understanding of the dynamics of the groundwater-flow system.

Figure 1-2. Sustainability Indicators¹

1.2 Sustainability Goal

Regulations prepared by the Department of Water Resources (DWR) to implement SGMA require that each Plan develop a sustainability goal that "...culminates in the absence of undesirable results within 20 years...." (23 CCR § 354.24) The Plan must include Basin information used to establish the sustainability goal and a discussion of the measures that will be implemented to ensure that the Basin will be operated to achieve sustainability within the 20-year planning timeframe.

As discussed in the GSP (Section 2.1.5), the MGA selected a GSP Advisory Committee consisting of representatives of the Basin's groundwater users, interest groups and stakeholders. The Advisory Committee analyzed and provided recommendations to the MGA Board on key policy issues to inform the development of the GSP. Together with MGA member agency staff, technical consultants, and community input, the Advisory Committee developed a vision for Basin sustainability.

¹ Figure courtesy USGS

The Basin sustainability goal is:

Manage the groundwater Basin to ensure beneficial uses and users have access to a safe and reliable groundwater supply that meets current and future Basin demand without causing undesirable results and:

- Ensures groundwater is available for beneficial uses and a diverse population of beneficial users;
- Protects groundwater supply against seawater intrusion;
- Prevents groundwater overdraft within the Basin and resolves problems resulting from prior overdraft;
- Maintains or enhances groundwater levels where groundwater dependent ecosystems exist;
- Maintains or enhances groundwater contributions to streamflow;
- Supports reliable groundwater supply and quality to promote public health and welfare;
- Ensures operational flexibility within the Basin by maintaining a drought reserve;
- Accounts for changing groundwater conditions related to projected climate change and sea level rise in Basin planning and management; and,
- Does no harm to neighboring groundwater basins in regional efforts to achieve groundwater sustainability.

MGA modeling results of the Basin and Projects and Management Actions (presented in Section 4) indicate that maintaining groundwater elevations needed to protect against seawater intrusion will largely prevent undesirable results occurring for all six sustainability indicators. Additional localized groundwater pumping management in the Purisima aquifers where those aquifers are connected to surface water may also be necessary. This additional pumping management may be needed to ensure significant and unreasonable depletion of surface water supporting groundwater dependent ecosystems does not occur from groundwater pumping.

The Basin water budget and water demand forecasts presented in Section 2 indicate that groundwater sustainability in the Basin will require multiple projects and management actions. These will include the continuation of water conservation and demand management, the redistribution of municipal groundwater pumping, and the development of water augmentation Projects and Management Actions as presented in Section 4.

I.3 Agency Information

In March 2016, the Santa Cruz Mid-County Groundwater Agency (MGA) formed. The four member agencies include: Central Water District, City of Santa Cruz, County of Santa Cruz, and Soquel Creek Water District. These are the principal public agencies that extract groundwater from or regulate groundwater extraction and/or land use activities in the Basin. In May 2016, the MGA submitted an Initial Notice of Intent to DWR to become the Groundwater Sustainability Agency (GSA) for the Santa Cruz Mid-County Groundwater Basin. In August 2017, the MGA filed the initial notification to prepare a GSP for the Santa Cruz Mid-County Groundwater Basin.

The MGA contact information and mailing address is:

Santa Cruz Mid-County Groundwater Agency
c/o Soquel Creek Water District
Attention: Board Secretary
5180 Soquel Drive
Soquel, CA 95073

I.3.1 Organization and Management of the Santa Cruz Mid-County Groundwater Agency

The MGA was created in March 2016 under a Joint Exercise of Powers Agreement. The MGA is governed by an 11-member board of directors consisting of representatives from each member agency and private well representatives within the boundaries of the MGA. The MGA board is comprised of:

- Two representatives from the Central Water District appointed by the Central Water District Board of Directors.
- Two representatives from the City of Santa Cruz appointed by the City of Santa Cruz City Council.
- Two representatives from the County of Santa Cruz appointed by the County of Santa Cruz Board of Supervisors.
- Two representatives from the Soquel Creek Water District appointed by the Soquel Creek Water District Board of Directors.
- Three representatives of private well owners in the Basin appointed by majority vote of the eight public agency member agency directors.
- In addition, an alternate representative for each member agency and for the private well owners is appointed to act in the absence of a representative at Board meetings

In May 2016, the MGA adopted bylaws establishing provisions relating to how the MGA conducts its affairs, including the duties of its directors and officers, provisions relating to committees and working groups, the framework for the MGA's administration, management and the collaborative staffing approach. The JPA and Bylaws serve as the governing documents for the MGA. The Board is to convene at minimum on a quarterly basis; currently the Board convenes its public meetings every other month (six times per year).

The MGA uses a collaborative staffing model to accomplish its work. Professional and technical staff from MGA member agencies provide staff leadership, management, work products, and administrative support for the MGA. MGA member agency executive staff, comprised of the member agency general managers and directors, provide staff support for MGA officers and Board members. The MGA also contracts with the Regional Water Management Foundation (RWMF) for administrative and planning support.

The development of the GSP was supported by MGA member agency staff, RWMF staff, and consultants providing hydrologic technical support, planning process and facilitation support of the GSP Advisory Committee and public engagement.

The contact information for the GSP manager is:

Darcelle Pruitt, Senior Planner
Regional Water Management Foundation
Community Foundation Santa Cruz County
7807 Soquel Drive | Aptos, CA 95003 | 831.662.2052
dp Pruitt@cf SCC.org | www.cf SCC.org | www.midcountygroundwater.org

1.3.2 Legal Authority of the Santa Cruz Mid-County Groundwater Agency

The MGA has legal authority to perform duties, exercise powers, and accept responsibility for managing groundwater sustainably within the Santa Cruz Mid-County Groundwater Basin. Legal authority comes from the Sustainable Groundwater Management Act, the JPA signed by MGA member agencies and effective on March 17, 2016 and the MGA Bylaws. The JPA is attached as Appendix A1-A to this document. These laws and agreements, taken together, provide the necessary legal authority for the MGA Board to carry out the preparation and implementation of the Basin's Groundwater Sustainability Plan.

I.3.3 Estimated Cost of Implementing the GSP and the MGA's Approach to Meet Costs

The estimated cost of implementing the GSP is presented by category identified below but also includes maintaining a prudent fiscal reserve and other miscellaneous costs. The major cost categories include:

- Agency Administration and Operations
- Legal
- Management & Coordination
- Data Collection, Analysis, and Reporting
- GSP Reporting (annual and 5-year reports) and
- Outreach and Education
- Contingency (10%)

As presented in Section 5, the estimated cost of implementing the GSP over a twenty-year time horizon is approximately \$12 million. These are based on the current best estimates with some uncertainties, so the actual costs may vary from those used in making the cost estimate projection. The MGA will not serve as the lead implementing agency for projects in the Basin, this is a role the individual member agencies will continue to fulfill. The various projects, costs and potential funding mechanisms are discussed individually in more detail in Sections 4 and 5.

The MGA's approach to meeting the GSP implementation costs is considered in two phases. In the initial GSP Implementation Phase 1 (2020 – 2025) funding is anticipated to be obtained from the annual contributions of the MGA member agencies. This funding approach has been used since the MGA's formation in 2016. The contribution amounts will be assessed based upon the MGA's annual budget. The MGA will continue to pursue funding from state and federal sources to support GSP planning and implementation activities.

The approach to meeting the GSP implementation costs in Phase 2 (2026 – 2040) will be further evaluated as the GSP implementation proceeds. As described in Section 5, the MGA conducted a preliminary evaluation of funding mechanisms and fee criteria to identify opportunities for the MGA to recover costs of GSP administration and management. As authorized under Chapter 8 of SGMA, a GSA may impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs including groundwater sustainability planning and program activities and administration. The MGA will further evaluate the funding mechanisms, the potential application of fees and the fee criteria for non-*de minimis* and *de minimis* users alike.

A key success factor is developing a cost allocation that is equitable to GSA members and basin users. MGA member agencies agreed early in the SGMA process that the general approach to fund the Plan implementation will be to spread the costs of achieving basin sustainability among groundwater users in a manner that allocates a greater share of costs to users with greater impacts upon groundwater sustainability indicators in the Basin. The findings

from the MGA Model will support an assessment of impacts to the Basin and will inform the evaluation of funding mechanisms and fee criteria as the GSP implementation proceeds.

I.4 Member Agency Descriptions

I.4.1 Soquel Creek Water District

Soquel Creek Water District (SqCWD) was originally established as a county water district in 1961 to provide flood control and water conservation services. In 1964, SqCWD acquired Monterey Bay Water Company and began delivering water to customers. Today, SqCWD is a public agency that provides potable drinking water and groundwater resource management within its service area in the Santa Cruz Mid-County Groundwater Basin. SqCWD is the largest individual groundwater provider in the Basin and shares the Basin with the City of Santa Cruz Water Department (SCWD), Central Water District (CWD) and a variety of small private wells, small water systems, institutional and agricultural groundwater pumpers. SqCWD serves a population of approximately 40,400 through 15,800 service connections, of which 94 percent are residential. SqCWD's service area includes portions of the City of Capitola, and the unincorporated communities of Aptos, La Selva Beach, Rio Del Mar, Seascape, Seacliff, and Soquel. As a water district, SqCWD has no land use authority within its service area.

Except for pilot surface water transfers with SCWD during the winter months that began in 2018, the sole water source for SqCWD is groundwater from the Basin. The Basin is currently listed in critical overdraft by DWR. As a result of historic Basin overdraft, portions of the groundwater basin along the coastline have been impacted by seawater intrusion. The Basin is still in long-term overdraft with coastal groundwater elevations below protective levels at five of 13 coastal monitoring well locations (see Section 2.2 for a full discussion of protective elevations and how they are used to evaluate current groundwater levels).

I.4.2 City of Santa Cruz Water Department

The City of Santa Cruz (City), located on the northern shore of Monterey Bay, was established as a Spanish mission in 1791 and incorporated as a town in 1866. The City administers land use within its municipal boundaries and is the county seat of Santa Cruz County. The Santa Cruz Water Department (SCWD) provides water service to an area of approximately 20 square miles, including the entire City, adjoining unincorporated areas of Santa Cruz County, a small part of the City of Capitola, and coastal agricultural lands north of the City. SCWD is responsible for potable water supply in the SCWD's service area to 24,504 connections and a total population of approximately 98,000. The eastern half of the SCWD's service area is within the Basin with an estimated population of approximately 42,000.

The City first acquired an interest in the Basin in 1967 when it purchased its Beltz groundwater wells. SCWD relies on a water supply that is primarily dependent on local surface water runoff, with groundwater contributing only 5 percent of the annual water supply and no connection to an imported water source from outside the region. The strong reliance on local surface water

sources and the system's limited ability to store wet season flows for use in the dry season as well as having its groundwater resources in an over-drafted basin that is subject to seawater intrusion are the primary threats to water supply reliability. Due to the water system's limited ability to store wet season flows for use in the dry season, the City is currently focused on increasing its drought supply and is exploring a number of alternatives, including strategies to store wet season flows in regional aquifers for use during droughts.

I.4.3 Central Water District

Central Water District (CWD) was first organized and approved as Central Santa Cruz County Water District 1950 by local residents, voters, and the County Board of Supervisors to address the shortage of potable water in the Pleasant Valley area. By December 1953, it had acquired Valencia Water Works and was serving 80 customers. In 1980, the name was shortened to Central Water District. CWD's service area is approximately 3,200 acres or 5 square miles in area and is completely contained within the Basin. Compared to other MGA member agencies, CWD is a relatively small water district serving a rural community that is 98% residential and primarily made up of large residential and agricultural parcels. CWD is solely dependent on groundwater for its water supply and pumps an average of 400 acre-feet per year. Average water use for customers within CWD's service area is approximately 120 gallons per person per day. CWD has participated in groundwater management activities within the Basin since 1995 and has two seats on the MGA board of directors. The total number of active services is 899 providing water to an approximate population of 2,700. As a water district, CWD has no land use authority within its service area.

I.4.4 Santa Cruz County

The County of Santa Cruz (County) was founded in 1850 as one of the 27 original California counties at the time of statehood. The County has a total area of 607 square miles, 445 square miles of which is land area (73%) and the remaining 162 square miles is water (27%) (US Census, 2010). The County is the land use jurisdiction for all unincorporated areas outside of city boundaries and is the largest land use jurisdiction within the Basin. The population residing in the unincorporated area of the County within the Basin is approximately 69,500. Of this number, approximately 11,600 people reside in the unincorporated County and do not receive water from a municipal supplier. The County does not provide water service, but does permit and regulate private groundwater wells and small water systems that serve this population. The County's Environmental Health Services Agency (EH) includes the Water Resources Division which participates in countywide planning and management efforts on a variety of water resource programs, including: groundwater management, water quality, stormwater management, water conservation, fish (steelhead) monitoring, watershed and stream habitat protection. The County participated in establishing the groundwater estimates incorporated into the MGA's Model to estimate domestic private well and small water system groundwater pumping at 2,000 acre-feet per year. This estimate was based on groundwater production data from small water systems that are metered. Most private wells within the basin are not metered.

1.5 Private Well Owner Representation

Private well owner representatives participate in Basin groundwater management activities. Since at least the mid-1990s, private well owners have been included in discussions and oversight on groundwater management activities in the Soquel-Aptos area. In 2015, the Soquel-Aptos Groundwater Management Committee (SAGMC), a predecessor groundwater agency to the MGA, expanded private well representation to three seats on the SAGMC board. The MGA governance structure continues this engagement approach by including three private well owners on the MGA board of directors. MGA private well owner representatives are required to live within the Basin and receive their domestic or agricultural water supply from a private well, shared well, or small water system.

1.6 GSP Organization

1.6.1 Groundwater Sustainability Plan Organization

The MGA's GSP is organized based upon the DWR's GSP Annotated Outline with additional information to address content requirements found in the *Preparation Checklist for GSP Submittal* (DWR, 2016).

The GSP is organized as follows:

- **Executive Summary:** This section presents an overview of the GSP, background information on the groundwater conditions in the Basin, an overview the GSP development process, and key information from each of the five sections.
- **Section 1.0 Introduction:** This section presents the purpose of the GSP, the Basin's Sustainability Goal, information about the MGA, and the organization of the GSP.
- **Section 2.0 Plan and Basin Setting:** This section describes the Santa Cruz Mid-County Groundwater Basin, existing conditions in the Basin, provides historical data, and uses the data to make prospective estimates for future conditions in the Basin. It is this historic and projected data that set the stage for groundwater planning within the Basin. This section summarizes historic groundwater management within the Basin, and provides context for this long-range groundwater planning effort.
- **Section 3.0 Sustainable Management Criteria:** This section presents the sustainability goal for the Basin and details the criteria for evaluating the SGMA's six sustainable management indicators and the associated undesirable results, minimum thresholds, and measureable objectives. These are the indicator's by which the sustainability of the Basin will be evaluated as the GSP implementation occurs.
- **Section 4.0 Projects and Management Actions to Achieve Sustainability Goal** This section provides a description of projects and management actions necessary to achieve

the Basin sustainability goal and to respond to changing conditions in the basin. These were developed to address sustainability goals, measurable objectives, and undesirable results. The projects and management actions are presented in three groups to provide the clearest description of how and when projects and management actions will be taken to reach sustainability.

- **Section 5.0 Plan Implementation:** This section presents an estimate of GSP implementation costs, the implementation schedule, and outlines the procedural and substantive requirements for the annual and periodic (5-year) evaluations of the GSP.

I.6.2 Preparation Checklist for GSP Submittal

An example *Preparation Checklist for GSP Submittal* based on the DWR's 2016 Guidance is presented in Appendix A1-B. The Checklist identifies where in this GSP each of the statutory requirements under SGMA are addressed. Currently, DWR is finalizing a spreadsheet Checklist tool. It is expected that the MGA will use this tool and the completed checklist will be included in the Final GSP.

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APPENDIX A1-A

Santa Cruz Mid-County Groundwater Agency Joint Exercise of Powers 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

March 17, 2016

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Draft Report for Public Review
**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

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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.

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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.

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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.

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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

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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.

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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.

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CENTRAL WATER DISTRICT

APPROVED AS TO FORM:

By: 

Title: Board President - CWD

By: 

Title: District Counsel

CITY OF SANTA CRUZ

APPROVED AS TO FORM:

By: 

Title: City Manager
2-23-16

By: 

Title: Anthony P. Condotti
City Attorney

COUNTY OF SANTA CRUZ

APPROVED AS TO FORM:

By:

Title: County Administrative
Officer

By: 

Title: County Counsel

SOQUEL CREEK WATER DISTRICT

APPROVED AS TO FORM:

By: 

Title: President, Board

By: 

Title: District Counsel

APPENDIX A1-B

Example Preparation Checklist for GSP Submittal

MGA Draft GSP Note – this will be completed for the Final GSP. DWR is finalizing the Checklist format/tool.

DWR Draft Preparation Checklist for GSP Submittal

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 3. Technical and Reporting Standards				
352.2		Monitoring Protocols	<ul style="list-style-type: none"> Monitoring protocols adopted by the GSA for data collection and management Monitoring protocols that are designed to detect changes in groundwater levels, groundwater quality, inelastic surface subsidence for basins for which subsidence has been identified as a potential problem, and flow and quality of surface water that directly affect groundwater levels or quality or are caused by groundwater extraction in the basin 	
Article 5. Plan Contents, Subarticle 1. Administrative Information				
354.4		General Information	<ul style="list-style-type: none"> Executive Summary List of references and technical studies 	
354.6		Agency Information	<ul style="list-style-type: none"> GSA mailing address Organization and management structure Contact information of Plan Manager Legal authority of GSA Estimate of implementation costs 	
354.8(a)	10727.2(a)(4)	Map(s)	<ul style="list-style-type: none"> Area covered by GSP Adjudicated areas, other agencies within the basin, and areas covered by an Alternative Jurisdictional boundaries of federal or State land Existing land use designations Density of wells per square mile 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 5. Plan Contents, Subarticle 1. Administrative Information (Continued)				
354.8(b)		Description of the Plan Area	<ul style="list-style-type: none"> • Summary of jurisdictional areas and other features 	
354.8(c) 354.8(d) 354.8(e)	10727.2(g)	Water Resource Monitoring and Management Programs	<ul style="list-style-type: none"> • Description of water resources monitoring and management programs • Description of how the monitoring networks of those plans will be incorporated into the GSP • Description of how those plans may limit operational flexibility in the basin • Description of conjunctive use programs 	
354.8(f)	10727.2(g)	Land Use Elements or Topic Categories of Applicable General Plans	<ul style="list-style-type: none"> • Summary of general plans and other land use plans • Description of how implementation of the GSP may change water demands or affect achievement of sustainability and how the GSP addresses those effects • Description of how implementation of the GSP may affect the water supply assumptions of relevant land use plans • Summary of the process for permitting new or replacement wells in the basin • Information regarding the implementation of land use plans outside the basin that could affect the ability of the Agency to achieve sustainable groundwater management 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 5. Plan Contents, Subarticle 1. Administrative Information (Continued)				
354.8(g)	10727.4	Additional GSP Contents	Description of Actions related to: <ul style="list-style-type: none"> • Control of saline water intrusion • Wellhead protection • Migration of contaminated groundwater • Well abandonment and well destruction program • Replenishment of groundwater extractions • Conjunctive use and underground storage • Well construction policies • Addressing groundwater contamination cleanup, recharge, diversions to storage, conservation, water recycling, conveyance, and extraction projects • Efficient water management practices • Relationships with State and federal regulatory agencies • Review of land use plans and efforts to coordinate with land use planning agencies to assess activities that potentially create risks to groundwater quality or quantity • Impacts on groundwater dependent ecosystems 	
354.10		Notice and Communication	<ul style="list-style-type: none"> • Description of beneficial uses and users • List of public meetings • GSP comments and responses • Decision-making process • Public engagement • Encouraging active involvement • Informing the public on GSP implementation progress 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 5. Plan Contents, Subarticle 2. Basin Setting				
354.14		Hydrogeologic Conceptual Model	<ul style="list-style-type: none"> • Description of the Hydrogeologic Conceptual Model • Two scaled cross-sections • Map(s) of physical characteristics: topographic information, surficial geology, soil characteristics, surface water bodies, source and point of delivery for imported water supplies 	
354.14(c)(4)	10727.2(a)(5)	Map of Recharge Areas	<ul style="list-style-type: none"> • Map delineating existing recharge areas that substantially contribute to the replenishment of the basin, potential recharge areas, and discharge areas 	
	10727.2(d)(4)	Recharge Areas	<ul style="list-style-type: none"> • Description of how recharge areas identified in the plan substantially contribute to the replenishment of the basin 	
354.16	10727.2(a)(1) 10727.2(a)(2)	Current and Historical Groundwater Conditions	<ul style="list-style-type: none"> • Groundwater elevation data • Estimate of groundwater storage • Seawater intrusion conditions • Groundwater quality issues • Land subsidence conditions • Identification of interconnected surface water systems • Identification of groundwater-dependent ecosystems 	
354.18	10727.2(a)(3)	Water Budget Information	<ul style="list-style-type: none"> • Description of inflows, outflows, and change in storage • Quantification of overdraft • Estimate of sustainable yield • Quantification of current, historical, and projected water budgets 	
	10727.2(d)(5)	Surface Water Supply	<ul style="list-style-type: none"> • Description of surface water supply used or available for use for groundwater recharge or in-lieu use 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 5. Plan Contents, Subarticle 2. Basin Setting (Continued)				
354.20		Management Areas	<ul style="list-style-type: none"> • Reason for creation of each management area • Minimum thresholds and measurable objectives for each management area • Level of monitoring and analysis • Explanation of how management of management areas will not cause undesirable results outside the management area • Description of management areas 	
Article 5. Plan Contents, Subarticle 3. Sustainable Management Criteria				
354.24		Sustainability Goal	<ul style="list-style-type: none"> • Description of the sustainability goal 	
354.26		Undesirable Results	<ul style="list-style-type: none"> • Description of undesirable results • Cause of groundwater conditions that would lead to undesirable results • Criteria used to define undesirable results for each sustainability indicator • Potential effects of undesirable results on beneficial uses and users of groundwater 	
354.28	10727.2(d)(1) 10727.2(d)(2)	Minimum Thresholds	<ul style="list-style-type: none"> • Description of each minimum threshold and how they were established for each sustainability indicator • Relationship for each sustainability indicator • Description of how selection of the minimum threshold may affect beneficial uses and users of groundwater • Standards related to sustainability indicators • How each minimum threshold will be quantitatively measured 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 5. Plan Contents, Subarticle 3. Sustainable Management Criteria (Continued)				
354.30	10727.2(b)(1) 10727.2(b)(2) 10727.2(d)(1) 10727.2(d)(2)	Measureable Objectives	<ul style="list-style-type: none"> • Description of establishment of the measureable objectives for each sustainability indicator • Description of how a reasonable margin of safety was established for each measureable objective • Description of a reasonable path to achieve and maintain the sustainability goal, including a description of interim milestones 	
Article 5. Plan Contents, Subarticle 4. Monitoring Networks				
354.34	10727.2(d)(1) 10727.2(d)(2) 10727.2(e) 10727.2(f)	Monitoring Networks	<ul style="list-style-type: none"> • Description of monitoring network • Description of monitoring network objectives • Description of how the monitoring network is designed to: demonstrate groundwater occurrence, flow directions, and hydraulic gradients between principal aquifers and surface water features; estimate the change in annual groundwater in storage; monitor seawater intrusion; determine groundwater quality trends; identify the rate and extent of land subsidence; and calculate depletions of surface water caused by groundwater extractions • Description of how the monitoring network provides adequate coverage of Sustainability Indicators • Density of monitoring sites and frequency of measurements required to demonstrate short-term, seasonal, and long-term trends • Scientific rational (or reason) for site selection • Consistency with data and reporting standards • Corresponding sustainability indicator, minimum threshold, measureable objective, and interim milestone 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
			(Monitoring Networks Continued) <ul style="list-style-type: none"> Location and type of each monitoring site within the basin displayed on a map, and reported in tabular format, including information regarding the monitoring site type, frequency of measurement, and the purposes for which the monitoring site is being used Description of technical standards, data collection methods, and other procedures or protocols to ensure comparable data and methodologies 	
354.36		Representative Monitoring	<ul style="list-style-type: none"> Description of representative sites Demonstration of adequacy of using groundwater elevations as proxy for other sustainability indicators Adequate evidence demonstrating site reflects general conditions in the area 	
354.38		Assessment and Improvement of Monitoring Network	<ul style="list-style-type: none"> Review and evaluation of the monitoring network Identification and description of data gaps Description of steps to fill data gaps Description of monitoring frequency and density of sites 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 5. Plan Contents, Subarticle 5. Projects and Management Actions				
354.44		Projects and Management Actions	<ul style="list-style-type: none"> • Description of projects and management actions that will help achieve the basin's sustainability goal • Measureable objective that is expected to benefit from each project and management action • Circumstances for implementation • Public noticing • Permitting and regulatory process • Time-table for initiation and completion, and the accrual of expected benefits • Expected benefits and how they will be evaluated • How the project or management action will be accomplished. If the projects or management actions rely on water from outside the jurisdiction of the Agency, an explanation of the source and reliability of that water shall be included. • Legal authority required • Estimated costs and plans to meet those costs • Management of groundwater extractions and recharge 	
354.44(b)(2)	10727.2(d)(3)		<ul style="list-style-type: none"> • Overdraft mitigation projects and management actions 	

GSP Regulations Section	Water Code Section	Requirement	Description	Section(s) or Page Number(s) in the GSP
Article 8. Interagency Agreements				
357.4	10727.6	Coordination Agreements - Shall be submitted to the Department together with the GSPs for the basin and, if approved, shall become part of the GSP for each participating Agency.	Coordination Agreements shall describe the following: <ul style="list-style-type: none"> • A point of contact • Responsibilities of each Agency • Procedures for the timely exchange of information between Agencies • Procedures for resolving conflicts between Agencies • How the Agencies have used the same data and methodologies to coordinate GSPs • How the GSPs implemented together satisfy the requirements of SGMA • Process for submitting all Plans, Plan amendments, supporting information, all monitoring data and other pertinent information, along with annual reports and periodic evaluations • A coordinated data management system for the basin • Coordination agreements shall identify adjudicated areas within the basin, and any local agencies that have adopted an Alternative that has been accepted by the Department 	