



SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY

Thursday, March 21, 2019 - 7:00 p.m.
Simpkins Family Swim Center
979 17th Avenue, Santa Cruz, California

MINUTES

1. Call to Order

The meeting was called to order at 7:00 p.m. by Chair LaHue.

2. Roll Call

Board members present: Mr. Abramson, Mr. Baskin, Dr. Daniels, Dr. LaHue, Mr. Kennedy, Supervisor Leopold, Mr. Kerr, Mr. Marani, Ms. Matthews, Mr. Romanini.

Staff present: Mr. Bracamonte, Mr. Carson, Mr. Duncan, Ms. Menard, Ms. Partch, Ms. Pruitt, Mr. Ricker, Ms. Ryan.

Others present: Approximately 5 members of the public.

3. Public Comments

None.

4. Consent Agenda

Item 4.1 was pulled from the Consent Agenda.

4.2 Accept Audited 2017/18 Financial Statements

4.3 Acknowledge Member Agency Board Appointments

4.4 Authorize Contract Amendment to Include Applicable Grant Conditions

4.5 Approve Meeting Schedule for 2019

MOTION: Dr. Daniels; Second: Supervisor Leopold. To approve the Consent Agenda except for Item 4.1. Motion carries.

4.1 Approve Minutes from November, 15, 2018 Board Meeting

MOTION: Ms. Matthews; Second: Mr. Kennedy. To approve minutes from the November 15, 2018 meeting. Motion carries with abstentions by Dr. LaHue, Supervisor Leopold, and Mr. Romanini.

5. General Business

5.1 Review Budget for Fiscal Year (FY) 2018-2019 and Preliminary Budget for FY 2019-2020

Staff reported the budget is presented in a new format to better reflect the overall fiscal condition of the Santa Cruz Mid-County Groundwater Agency (MGA), and includes the annual reserves.

Table 1 shows reserves of \$325,357 at the beginning of FY 2018–2019, expense projections for FY 2018-2019, and the significant increase in cash reserves in FY 2019-2020 to \$588,476.

What will the MGA be doing in the first half of 2020 after the Groundwater Sustainability Plan (GSP or Plan) has been submitted?

- The MGA will be submitting the first annual report in April, be engaged in outreach, and likely be involved with implementation activities such as monitoring wells or gaging stations. There are unknowns ahead, which is why it is helpful to have the reserves.

A staff report was requested on expected MGA responsibilities and activities once the Plan has been submitted.

- The Plan will provide a list of activities, including monitoring, so this report should be provided after the draft Plan is complete.

Returning to the budget, to date member agency contributions have been the bulk of operating revenue. The grant will fund up to \$1.5 million related to Plan development, but the state withholds 10% until the grant is closed out. While this 10% may become available in 2020, staff has not included it in the FY 2019–2020 budget.

The proposed member agency contributions are reduced by 40% from the prior year, which reflects a shift to the later stages of planning. This trend is expected to continue although there will still be ongoing responsibilities and costs.

Operating expenses are set forth in Table 2. Administrative costs are expected to decrease next year as grant reporting is completed and the MGA moves from planning to implementation.

It is anticipated the MGA will need hydrologic technical support from Montgomery and Associates (M&A) next year related to management of the MGA basin (Basin).

The \$105,000 for the groundwater model is expected to be fully expended this year and completes a \$219,000 multi-year contract. The \$25,000 in the

budget for next year is a placeholder, and if needed would require a new scope of work.

Semiannual groundwater monitoring updates will be replaced by the annual reports required by Sustainable Groundwater Management Act in the specific format required by the Department of Water Resources (DWR).

Money allocated for monitoring wells and stream gages has not been spent as work is still underway to identify and evaluate potential locations. M&A and the GSP Advisory Committee will identify suitable monitoring locations. This work is funded in part by the grant and will be expended in FY 2019-2020.

All technical support funds for M&A should be expended in FY 2019-2020.

Graphical support funds are expected to be used for a user-friendly version of the Plan with graphics to show both the process and the findings of the Plan.

Community outreach funds have been used for various outreach activities and before the end of the fiscal year will also be used to support a postcard mailer and an online survey in preparation for the roll out of the Plan.

Who will the postcard go out to?

- This will be the first postcard going out under the MGA umbrella and will go to every person and business within the Basin, an estimated 34,000 parcels. It is intended to make sure people are aware of the MGA, direct them to an online survey, describe projects under development, and let them know that the member agencies are working together towards a sustainable Basin.

Will it go to residents or property owners?

- Residents, property owners, and businesses.

The MGA received a \$1.5 million grant, but in FY 2019-20 the proposed member agency contributions (\$715,415) appear to be fully covering the proposed operating expenses (\$715,415), so it appears the grant funding is only going towards operating reserves. Why isn't the grant funding offsetting FY 2019-20 contributions?

- The grant will fund up to \$1.5 million for the GSP development, and the MGA has budgeted to receive \$1.34 million in FY 2019-20. The MGA must meet its local funding match contribution of \$1.5 million before the grant funds are released. The grant funding is not anticipated to be received until later 2019 or 2020, so the MGA

still needs the member agency contributions to pay expenses in the meantime.

Public Comments

Member of the public Becky Steinbruner requested information on an outreach meeting, along with other questions regarding the agenda.

- Staff clarified that the earlier discussion regarded an outreach postcard, which would be addressed more fully under Staff Reports.

MOTION: Supervisor Leopold; Second Ms. Matthews. To accept the Financial Report for the period ending June 30, 2018. Motion carries.
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5.2. Approve Revised Email Policy

A proposed MGA Email Policy (Policy) came to the Board in July. The Board directed staff to revise the Policy to make it optional for non-member agency-related Board and Advisory Committee members to use an MGA email account. The Board also requested that the Policy state that staff support will be available for managing MGA emails and MGA email accounts.

After coordination with legal counsel, a revised Policy states that the use of an MGA email account is optional, and provides guidance regarding emails under the Brown Act. A recent ethics training offered by the Soquel Creek Water District (District) provided additional guidance on the use of emails under the Brown Act.

The revised Policy provides information on the California Public Records Act (CPRA) so those using personal email accounts for MGA business are aware that, in the event of a request under the CPRA, they will be required to search personal email accounts for MGA records. A Verification form, based upon a County of Santa Cruz (County) form, is attached to the revised Policy.

The revised Policy provides that emails that are not proactively saved for retention are automatically deleted after 60 days. Staff explained this follows the policy of the County, and reflects that emails are intended as a communication tool rather than a records storage system, so emails will need to be saved to be retained.

The Policy provides for staff support in using the MGA Email System.

Has the 60-day retention period been tested in court, since it might result in the routine destruction of a select group of public records?

- The email protocol and retention period is based upon the County's policy which was vetted by the County Counsel.

It was explained that the County went through an extensive process in developing its policy to establish procedures that were both reasonable and feasible, and that the County understood that other jurisdictions have adopted this practice.

Further discussions were had on whether other means of archiving emails might be relatively easy and not require extensive storage space, and if this Policy reflects current technology where storage is generally not a problem and most items can be retrieved.

Staff was directed to correct the third sentence of the third paragraph of Page 1 to read “Any Board or Committee member may request MGA administrative support related to the use and management of the MGA Email System and public inquiries submitted to MGA email accounts.”

A concern was raised by language that emails and attachments were the “sole property” of the MGA. A discussion followed regarding either the removal of the word “sole” or use of the word “copies” instead.

- Staff stated that if the Board intended to approve the Policy, staff would need the specific language changes stated in the motion. If not, changes would need to come back to the Board for approval.

A suggestion was made to request the discussed changes and bring the policy back to the Board on the next consent agenda. A request was made to address the “sole” property language and to also to check with legal counsel about the archiving of MGA emails.

Other Board members suggested approving the revised Policy with the directed changes, since one was grammatical, the other clarifying, and that the motion direct staff to contact counsel about questions that had been raised.

A member of the public asked questions regarding the revised Policy, the retrieval of MGA records, prior requests for information from the MGA, and contact with the Advisory Committee.

- Staff stated that the MGA is a public agency subject to the CPRA. The MGA is required to respond to public records requests. The intent of the email Policy is to establish agency email accounts in order to facilitate communication with the public.

MOTION: Ms. Matthews, Second Dr. LaHue. To approve the MGA Email Policy with the two amendments discussed and with direction to ask legal counsel about the archiving of MGA emails and whether a 60-day automatic deletion of emails not saved as records has been upheld by a California court. Motion carries with 10 members in favor, one opposed.

6. Informational Updates

6.1 Treasurer's Report

The Treasurer's Report indicates that the MGA is in good financial shape. Treasurer Leslie Strohm was unable to attend the meeting, but any questions could be forwarded to her.

A member of the public questioned a specific expenditure and requested use of the "memo description" column for a brief explanations of payments.

- Staff responded that one expenditure was for website updates.

A Board member agreed the use of the "memo description" column in the future would be helpful. Staff will coordinate with District's finance staff to see if this request can be accommodated.

6.2 Notice of Intent to File Amended CEQA Petition

Member of the public Becky Steinbruner described the legal action she has filed in pro per.

MOTION: Supervisor Leopold; Second Ms. Matthews. To acknowledge Notice of Intent. Motion passed unanimously.

6.3 Outreach Reports (Oral)

Staff reported that in addition to regular outreach efforts, in February the MGA presented an enrichment session on the model with a discussion led by Cameron Tana of M&A. Participation was in-person at the Community Foundation or online. A recording of the presentation is on the MGA website.

A second enrichment session is set for April on water demand forecasting, which informs both the model and the Plan. Participation will again be available online or in-person, and the recording posted on the MGA website.

For the outreach postcard, a group with representatives from each agency has met to get started and has hired Miller Maxfield to design the postcard.

Staff is planning a second online survey although the scope has yet to be fully developed. While an earlier survey went to private well owners, this next one will go to everyone in the Basin. Information about the survey will be on the postcard and distributed via other means. The postcard and survey will help lead to the roll out of the Plan. Staff is currently discussing this with DWR.

Sierra Ryan recently presented at a Groundwater Sustainability Agency (GSA) forum on outreach in Sacramento and reported that the MGA seems to be somewhat ahead of the game in terms of both the Plan and outreach. The MGA received positive feedback on outreach from DWR and other GSAs.

Will the online survey include demographic information so that it is clear the responses are representative of the whole population?

- Staff will consider this in the design of the survey. The results may not be statistically significant, but will be designed to avoid skewed results. Phone surveys are more expensive, and it is not clear that would be more valuable.

Once the Board gets the draft Plan, will there be an additional public meeting for presentation and feedback?

- Those plans have not been finalized, but there are plans for a user-friendly summary guide to the Plan.

How much money does the MGA expect to spend on a consultant for the online survey?

- About \$20,000.

Would a scientifically valid poll be that much more expensive?

- The City recently did a statistically valid poll for \$32,000.

A discussion was held based on the experience of Board members and staff with polling and demographics. Staff was encouraged to pursue a survey that would be scientifically valid.

Member of the public Becky Steinbruner asked additional questions about the survey.

- Staff responded that consultants, staff and executive team will likely be devising the survey questions. The survey will be used to inform the next steps for outreach.

6.4 Board Member Reports

Director Daniels spoke on climate change to the Santa Margarita Groundwater Agency (SMGWA) as part of their third outreach session.

Board members were encouraged to attend Pat McCormick's final LAFCO meeting in early May in recognition of his many years of service.

6.5 Groundwater Sustainability Plan Advisory Committee

The Advisory Committee met several times since the last Board meetings, the Plan is taking shape and is on schedule with a few issues still to resolve.

A presentation on modeling from a recent Advisory Committee meeting would be helpful for Board members to view. It was encouraging that modeling shows projects coming in over time are projected to do what they are intended to do.

- Board members are welcome to sit in on upcoming presentations at Advisory Committee meetings, and power point presentations with sound are available on the MGA website. A link to the recordings will be sent to Board members.

6.6 Groundwater Sustainability Plan Advisory Committee Meeting Summaries from December 2018 and January 2019

6.7 Staff Reports

6.7.1 Updates from the City of Santa Cruz and Soquel Creek Water District

The City has a Water Commission meeting in April with former members of the Water Supply Advisory Committee (WSAC). It will include major updates on progress on the WSAC's recommendations and present the latest

information on recycled water, in lieu, and Aquifer Storage and Recovery (ASR). Presentations will be informative, but no decisions will be made.

6.7.2 Coordination with Neighboring Basins

Two MGA members are also members of the Santa Margarita Groundwater Agency (SMGWA), so the MGA has a good sense of what is happening with SMGWA. SMGWA will be hiring technical consultants soon. The three SMGWA information sessions are available on the SMGWA website.

Staff reported that Brian Lockwood of Pajaro Valley Water Management Agency indicated they may use grant funds to extend their boundary further north, which could provide some benefits to the MGA Basin.

6.7.3 Reminder on Annual Form 700 Filing Requirement

6.7.4 Groundwater Sustainability Planning Grant Update

The grant was formally executed in late November. The MGA will be filing quarterly reports starting in 2019.

Public member questions: what is the grant money earmarked for?

- The grant is funding the development of the GSP and related activities including outreach to the community.

7. Written Communications and Correspondence

7.1 Email communication from G. Lindstrum, dated March 10, 2019.

8. Future Agenda Items

No requests from the Board.

Member of the public Jerry Paul requested that the Board address aquifers that are in vulnerable states and a presentation on in lieu versus injection.

The next meeting is May 16th and is a Joint Meeting of the MGA Board and the GSP Advisory Committee. The Board meeting starts at 6:30, the Joint meeting at 7:00 p.m.

Adjournment

Meeting adjourned by Chair LaHue at 8:23 p.m.