



**SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY**  
**Board of Directors Remote-Access Meeting**  
Thursday, September 17, 2020 – 7:00 p.m.

**MINUTES**

**1. Call to Order**

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

**2. Roll Call**

Directors present: Curt Abramson, David Baskin, Bruce Daniels, Zach Friend, Jim Kerr, Tom LaHue, Cynthia Mathews, and Marco Romanini.

Directors absent: Jon Kennedy, John Leopold, and Rob Marani.

Staff present: Ralph Bracamonte, Ron Duncan, Rosemary Menard, John Ricker, Leslie Strohm, Tim Carson, Sierra Ryan, Laura Partch.

Staff noted the meeting was being conducted remotely pursuant to public health orders and provided directions and guidance for board and public participation.

**3. Oral Communications Related to Items Not on the Agenda**

No oral communications.

**4. Election of Officers**

**4.1 Elections for Chair, Vice Chair, and Secretary**

Election of Chair: Vice Chair Mathews nominated Chair LaHue to continue as Chair. Director Baskin seconded the nomination. No other nominations. Roll call vote taken, none opposed. Chair LaHue reelected Board Chair.

Election of Vice Chair: Vice Chair Mathews nominated Director Baskin for Vice Chair. Director Daniels seconded the nomination. No other nominations. Roll call vote taken, none opposed. Director Baskin elected Vice Chair.

Election of Secretary: Director Romanini nominated Director Kerr to continue as Secretary. Chair LaHue seconded the nomination. Roll call vote taken, none opposed. Director Kerr reelected Secretary.

## **5. Consent Agenda**

### **5.1 Approve Minutes from June 18, 2020, Board Meeting (no memo)**

MOTION: Director Daniels; Second, Director Baskin. To approve the consent agenda. Motion passed unanimously by roll call vote.

## **6. General Business**

### **6.1 Approve Proposed MGA Procurement Policy**

Staff reported that the proposed MGA Procurement Policy (Policy) was developed by MGA Treasurer Leslie Strohm, Program Director Tim Carson, and Executive Team member Ron Duncan.

In the absence of a policy, the MGA follows the policies of its parent agency, the Soquel Creek Water District (SqCWD). In 2019, the SqCWD procurement policy was revised to follow the Federal Uniform Code in anticipation of federal funding for the Pure Water Soquel project. As the revised policy was more complex and had higher thresholds that did not meet the needs of the MGA, this Policy was developed to be a better fit for an agency the size of the MGA.

The proposed Policy requires purchase orders for purchases over \$5,000. Purchases between \$5,000 and \$50,000 require prices and rate quotations from three qualified sources, unless it is a documented sole source procurement. Purchases over \$50,000 require formal solicitation, either a Request for Qualifications (RFQ) or a Request for Proposals (RFP).

While maintaining a focus on competitive procurements, the factors for sole source procurement, which must be documented for any procurement over \$5,000, offer more flexibility for the MGA. Procurement procedures are contained in a separate, administrative document.

Board Comment:

A request was made to change Section 6.1 to read “The price of any purchase must be considered reasonable by anyone duly authorized by the MGA” in order to avoid these considerations coming before the Board.

Public Comment:

Larry Freeman requested that the Policy include a credit or preference to encourage small or local business participation in bidding, as other local agencies have done. A discussion was held on local agency policies that include such preferences.

Board Discussion:

Board members expressed support for adding the suggested language to Section 6.1, and directed staff to bring back to the Board an amended policy that included a local preference.

MOTION: Director Baskin; Second, Director Daniels. To approve the proposed MGA Procurement Policy with the following change to Section 6.1: “The price of any purchase must be considered reasonable by anyone duly authorized by the MGA”, and a direction to staff to bring back to the Board an amended policy that includes a local business preference. Motion passed unanimously by roll call vote.

**7. Informational Updates**

**7.1 Treasurer’s Report**

Staff provided the regular Treasurer’s Report for June through August 2020, an update to prior Treasurer’s Reports.

No public or Board comments.

**7.2 Staff Reports (Oral report)**

**i. Update on the Data Management System**

The Sustainable Groundwater Management Act (SGMA) requires Groundwater Sustainability Agencies (GSAs) to have a Data Management System (DMS). The MGA is now working on the DMS, and has \$95,000 in grant funding for this task.

Both the County and City of Santa Cruz are involved with the MGA and the Santa Margarita Groundwater Agency (SMGWA), and so the staff of both GSAs explored the idea of a joint DMS to avoid issues that might arise from working with multiple DMSs. Once this was determined to be the best approach, the idea was expanded to include all relevant water data gathered by all the partner agencies. Most did not already have a satisfactory system, and there are obvious benefits to having all the data stored in one place. The member agencies of the GSAs determined that the County should lead this effort. An RFQ was released in August, and three responsive SOQs were received.

A review team, including technical staff from the County, the City of Santa Cruz, Scotts Valley Water District and SqCWD, selected Water Information Systems KISTERS (WISKI). The partner agencies will be working on developing the scope of work and the budget negotiations. The scope of work is expected go to the County Board of Supervisors in December. After the initial development, which is included in the budgets of both GSAs, there will be ongoing hosting, licensing, and maintenance fees. Memoranda of understanding will be used to set out each agency's costs and services received. Pajaro Valley Water Management Agency already has a DMS, but was involved in some discussions and may join the new system at some point.

ii. Update on the Request for Qualifications for Planning and Technical Services for the Groundwater Sustainability Plan Implementation and Reporting

As the MGA shifts from planning to implementation, technical and planning services will be required for at least the next four years in four areas: 1) the annual report due to DWR by April 1<sup>st</sup> of each year, which summarizes progress towards the sustainability matrix set out in the GSP (the first was submitted in March 2020); 2) technical support for SGMA-related items distinct from reporting (the MGA has funding in the budget under hydrologic technological support and groundwater modeling for work needed for the annual report, but the MGA may need additional modeling not done by any member agency); 3) any response to DWR comments on the GSP or annual reports (DWR has up to two years to complete its technical review of the GSP, so the need for MGA responses is uncertain); and 4) the five-year periodic update of the GSP.

Given the steep learning curve for any consultant to become familiar with the data regarding the GSP and the Basin, the MGA is aiming for consistent technical support through the annual reports and the five-year report. Performance will be evaluated annually, and subsequent scopes of work and budgets will be based upon performance in a single year.

The RFQ will go out soon given the upcoming deadline for the annual report. The contract will come to the final 2020 Board meeting, and the annual report will come to the Board at its first meeting in 2021 for approval prior to submittal to DWR.

Board Comment:

The MGA is opening it up at this point to give other vendors the opportunity to bid on this work for the coming years?

- Exactly.
- The City of Santa Cruz has used master services agreements to provide flexibility when every item of the scope cannot be established at the onset. Amendments to a master services agreement are made once the scope becomes clear. This approach allows building a relationship with a consultant and not starting over each time, while still being performance based. Now is a good time to open up this process to other consultants for the next round of work.

Has the MGA heard anything at all from DWR?

- No, only that it is under review. No responses have come in through the Basin Point of Contact email.

iii. Update on Monitoring Network Expansion

The GSP has a monitoring plan that includes additional deep monitoring wells, shallow wells and stream gauges to better characterize groundwater/surface water interactions. Grant funding will cover a lot of this work.

Both the MGA and SMGWA had discussed whether the GSA or the member agencies would own the wells and stream gauges. It was decided that member agencies should take responsibility for monitoring wells and stream gauges within their jurisdiction. However, given the County's overarching interest in surface water and stream flows, a tentative agreement was reached for the County to take the lead for surface water

monitoring and the shallow groundwater wells that are adjacent to the creeks. The plan is for this project to go out through the County with funding from MGA grants or member agency contributions. As none of the member agencies have a lot of available staff time, the County is working on a fairly comprehensive RFQ for a consultant to both plan and do the work, which will include locating wells and gauges, a subcontract for drilling and installment of the gauges and the wells, and working with property owners. The contract is expected to go to the County Board of Supervisors in December so work can begin next spring.

The issue of ownership still needs to be resolved so that fixed assets are added to the balance sheets of the MGA or the member agencies. It will also address any issues of ongoing maintenance and liability.

Board Discussion:

Will there be agreements detailing the responsibilities of the different agencies that will require approval?

- Initial steps are being taken to get things set up, but ultimately there will be memoranda of agreement to lay everything out.

A request was made for the agreements to be approved sooner rather than later so that there is sufficient buy-in from all agencies.

- An agreement in concept should be available soon to address Board concerns, after which issues will be resolved in detail.

iv. Added, Impromptu Informal Staff Update on Fire Impacts

There was damage in the Laguna watershed, the Liddell watershed was not as affected, but the extent and the impact from areas further up in the watersheds is not yet clear. The Majors watershed was marginally affected at the top.

In the San Lorenzo Valley, the Mill Creek watershed did not experience damage, but there has been burning in about 20% of a 73-acre watershed area. The primary issues going forward will be water quality changes and debris flows. It appears the potential for debris flows is less in the San Lorenzo Valley than other areas.

The City of Santa Cruz is focused on water quality, robust data collection, making preparations for the treatment of impaired water, and planning for winter storms.

**8. Future Agenda Items**

None.

**9. Written Communications and Submitted Materials**

None.

**10. Adjournment**

The meeting was adjourned at 8:00 p.m.