



SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY
Board of Directors Remote-Access Meeting
Thursday, November 19, 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, Jon Kennedy, Jim Kerr, Tom LaHue, Cynthia Mathews, and Marco Romanini.

Alternate Director present: Allyson Violante.

Directors absent: John Leopold and Rob Marani.

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

Others present: Becky Steinbruner and one other member of the public.

The Chair thanked and acknowledged the significant contributions of departing Board member Cynthia Mathews and Executive Team member John Ricker.

Staff noted the meeting was being conducted remotely pursuant to COVID-19 public health orders and provided directions and guidance for board and public participation.

3. Oral Communications Related to Items Not on the Agenda

Becky Steinbruner asked the Santa Cruz Mid-County Groundwater Agency (MGA) to pursue grant money from the Department of Water Resources (DWR) for a rudimentary version of the SkyTem survey, and provide more information to private well owners both in general and through a workshop with the Local Agency Formation Commission (LAFCO).

4. Consent Agenda

- 4.1 Approve Minutes from September 17, 2020, Board Meeting (no memo)
- 4.2 Biennial Review of Conflict of Interest Code
- 4.3 Approve Guidance for Public Participation in Santa Cruz Mid-County Groundwater Agency (MGA) Board Meetings

Public Comment:

Becky Steinbruner requested clarifications on Items 4.2 and 4.3.

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

5. General Business

- 5.1 Approve Consultant Selection and Planning and Technical Services for Groundwater Sustainability Plan Implementation and Reporting Professional Services Agreement

Staff report that in September 2020, the MGA issued a Request for Statements of Qualifications (RFQ) from qualified consultants to provide Planning and Technical Services for the Groundwater Sustainability Plan (GSP) implementation and reporting. Staff reported the RFQ was sent to ten firms and posted on the MGA website. The purpose of the RFQ is to select a consultant to enter into a multi-year agreement to perform services, including four main tasks: 1) annual reporting, 2) GSP technical support, 3) Sustainable Groundwater Management Act (SGMA) program development and DWR consultation, and 4) periodic (5-year) reporting. A single responsive submittal was received from the firm Montgomery & Associates (M&A). After a thorough review of the Statement of Qualifications and checking references, M&A was determined to be highly qualified and possessing the required experience.

The proposed approach is to enter into a multi-year Professional Services Agreement (PSA) for planning and technical services, initially for three years. Provided performance is satisfactory, the PSA would be extended to five years, through the completion of the 5-Year GSP update and the submittal of the annual report due in April 2025.

The overall scope of services is known, but all specific tasks are not yet identified. The PSA will be amended multiple times over the years as new tasks are identified and specific tasks refined. The initial scope of work covers the remainder of the current fiscal year and work will include completion of the Year 2 annual report due in January, technical support tasks, ongoing consultation with DWR, and SGMA developments.

Board Comment:

A discussion was held in response to a question on the possibility of the MGA obtaining key person insurance, separate from the contract, to protect against costs incurred by the potential loss of key M&A personnel.

- Staff responded this concern could be addressed by contract, but that M&A has deep expertise and would have the capacity to complete the contract.

Public Comment:

Becky Steinbruner requested that speakers identify themselves before speaking, requested additional information, supported pursuing key person insurance, and noted a discrepancy about the amount included in the motion.

- Staff responded that the M&A total is in the motion. The contract includes a subcontractor; the motion should be for the contract amount of \$127,120.

MOTION: Director Mathews; Second, Director Baskin. To approve the recommended actions to select the consultant (M&A) to provide planning and technical services for the Groundwater Sustainability Plan and the Professional Services Agreement in the amount as amended (\$127,120), and to ask staff to investigate possible actions regarding key personnel coverage. Motion passed by unanimous roll call vote.

5.2 Amend Procurement Policy to Include Local Business Preference

Staff noted the Board had requested staff return with an Amended Procurement Policy that included a local preference. Staff found the best model was from the City of Santa Cruz. The motion is to amend the MGA Procurement Policy.

Board Questions:

Information was requested on the mechanics of the local preference.

- Staff stated it was for scoring competitive bids.

Public Comment:

Becky Steinbruner requested local vendors be prohibited from subcontracting to non-local vendors.

Board Comment:

A request was made for the experience of staff with local preferences.

- Staff stated the City of Santa Cruz (City) local preference pertains to goods and services, not professional services, and that the City has a separate local preference for construction projects. For professional services, agencies typically have a score sheet on a variety of items.
- Staff noted that the MGA has very few contracts, and most of the contracts are qualifications-based selections which are excepted from the policy. It is understood the intent is to support local businesses, and staff will adhere to the local business preference as applicable towards that intent.

MOTION: Director Mathews; Second, Director Kennedy. To adopt the amended Procurement Policy. Motion passed by unanimous roll call vote.

5.3 Approve Resolution to Apply for Proposition 68 Implementation Grant, Round 1, through the Sustainable Groundwater Management Grant Program

Staff announced that DWR recently announced a grant funding opportunity through its Sustainable Groundwater Management Program, with grant awards of \$2 million to \$5 million. The grant requires a local cost share funding match of 25% of the total project cost. Staff will be meeting soon to evaluate possible projects/activities that may be a good fit for this round of funding. A Board resolution approving the submittal of the grant application is required with the application. Applications are due in January, and the next Board meeting is in March, so staff is requesting the Board approve the resolution to maintain the option of applying for funds pending further staff review.

Board Comment:

Sustainability of the Santa Cruz Mid-County Basin (Basin) depends upon member agency projects; if these efforts don't meet the GSP's sustainability goals, the state could take control of Basin management. This funding could be an MGA contribution to support those projects.

Public comment.

Becky Steinbruner opposed the MGA pursuing these grant funds and disagreed with the prior comment, stating that since the GSP has been submitted to DWR and is being implemented, the state would not take over Basin management.

Board discussion:

A discussion was held on the role of the MGA. The Board previously determined that while the MGA reserves the right to do projects if necessary in the future, at present the MGA does not intend to implement projects as the individual member

agencies will have the lead role in implementing projects to achieve sustainability in the Basin. The MGA is, however, expected to pursue funding opportunities such as grants to support the GSP objectives. Concerns were raised, however, about approving a grant application that requires significant matching funds without having any details on the potential proposed projects. It was suggested the Board could be informed once potential projects are evaluated, prior to submitting an application, perhaps through a report or a special meeting could be called.

MOTION: Director Baskin; Second, Director Mathews. To adopt Resolution No. 20-01 to authorize the submittal of an application and the execution of an agreement with the State of California for a Sustainable Groundwater Planning Program - Round 1 Grant. Motion passed by roll call vote [8:1]. Director Romanini voted NO.

5.4 Affirm the Approach to Near-Term Groundwater Sustainability Plan (GSP) Implementation Activities for Basin Monitoring and Data Management

Staff noted that the GSP identified the need for monitoring network improvements and a Data Management System (DMS).

Monitoring activities in the Basin are currently being led by the member agencies, with an extensive network of approximately 170 wells that are routinely monitored. The MGA is also currently funding streamflow monitoring in the Soquel Creek Watershed through a contract with Trout Unlimited.

Monitoring improvements include the installation of two deep water coastal monitoring wells, neither of which are grant funded. One was recently completed by the City, and the other is planned by the Soquel Creek Water District (SqCWD). The DWR Grant will be funding installation of new shallow monitoring wells, streamflow gauges, the implementation of a groundwater extraction metering program and the development of the DMS.

The DMS is for the MGA and Santa Margarita Groundwater Agency (SMGWA), and conceptually will cover the entire county. The County has agreed to a scope of work and budget with Kisters North America for the DMS. The MGA's DWR grant fund will cover \$95,000 of that cost. The contract is going to the County in December, and the work should be completed by the end of June.

On the monitoring system, the County has released an RFP with tasks including site selection for new stream gages and shallow water wells, as well as work with landowners on landowner agreements. The consultant will not do the installations,

but will help with the siting, design, specs, and will oversee the contracts to install the wells, and train staff. A contract is expected to go to the County in early 2021.

For the well metering program, the MGA will be developing a non de minimis well metering program for the rest of the Basin. Based upon data in the GSP, it will likely impact less than 50 parcels. County staff, with input from private well owners representatives, will be outlining this program in early 2021 and preparing an RFP. Development of the program will include an opportunity for public input.

Public comment:

Becky Steinbruner supported grant funding for monitoring, asked why Pajaro Valley Water Management Agency (PV Water) was not participating, and asked about property owners who choose not to participate in a well metering program.

- Staff responded that PV Water has attended DMS meetings from the outset and is following the DMS work to stay informed as they are interested and see potential benefits in collaboration. PV Water is not joining the current DMS collaboration because their current system does not need updating.

MOTION: Director Mathews; Second, Director Baskin. To affirm the approach proposed for the near-term Groundwater Sustainability Plan (GSP) implementation activities related to the Basin Monitoring Network and the development of a Data Management System. Motion passed unanimously by roll call vote.

6. Informational Updates

6.1 Treasurer's Report

Responding to a question about a net loss for the year, the Treasurer explained there were no member agency contributions in 2020, that the MGA had been using reserves, but grant revenues are now coming in and the cash position is strong.

Public comment: None.

6.2 Staff Reports

6.2.1 Oral Reports

Staff reported it is working on amendments to the Joint Powers Agreement and Bylaws. Draft revisions will come to the Board in March, and a final version will come to the Board in June.

The City of Santa Cruz was congratulated for obtaining millions of dollars in low-interest loans for infrastructure improvements.

6.2.2 Proposed Board meeting dates for 2021

A change to one meeting date was requested due to a conflict with a religious holiday. The revised schedule will return to the Board in March for approval.

6.2.3 MGA Letter of Support for RCD Grant Application

7. Future Agenda Items

Requests for the agenda to include page numbers and hyperlink for agenda items and staff recommendations.

Becky Steinbruner requested a Board workshop with Dr. Helen Dahlke (UC Davis), on her work in the central valley, and with Dr. Andy Fisher (UC Santa Cruz).

8. Written Communications and Submitted Materials

No comments.

9. Adjournment

The meeting was adjourned at 8:35.

Next Board Meeting: March 18, 2021