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SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY (MGA)

Board of Directors Remote-Access Meeting Thursday, June 16, 2022

MINUTES

1. Call to Order

The meeting was called to order at 6:04 p.m. by Vice-Chair Baskin.

2. Roll Call

Directors present: Curt Abramson, David Baskin, Bruce Jaffe, Jon Kennedy, Jim Kerr, Manu Koenig, Tom LaHue (late arrival), Donna Meyers, and Marco Romanini.

Alternate Directors present: Allyson Violante (late arrival).

Directors absent: Zach Friend, and Rob Marani.

Staff present: Ralph Bracamonte, Ron Duncan, Tim Carson, and Laura Partch.

Others present: Robert Schultz (alternate director) and a member of the public.

Chair Tom LaHue arrived.

3. Oral Communications Related to Items Not on the Agenda

Issues within the purview of the Santa Cruz Mid-County Groundwater Agency (MGA). Guidelines attached.

None.

4. Consent Agenda

4.1 Approve March 17, 2022 Board Meeting Minutes (no memo)

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

5. General Business

5.1 Consider Board Resolution No. 22-02 to Authorize Remote Meeting

MOTION: Director Jaffe; Second, Director Romanini. To adopt Resolution 22-02 authorizing the next Board meeting, whether a regularly scheduled or a special meeting, to be held virtually in accordance with Government Code § 54953(e). Motion passed unanimously by roll call vote.

5.2 Approve Annual Budget for Fiscal Year 2022-2023

Staff reported that the Fiscal Year (FY) 2022-2023 budget is similar to the draft budget presented to the Board in March, with a few exceptions. To create consistency with the County contract award for Groundwater Sustainability Agencies (GSAs) Administrative Services, administrative costs for the Sustainable Groundwater Planning Grant (SGWP Grant) were shifted from Administration to Management and Coordination, specifically Planning Activities & Implementation Coordination. While not a meaningful shift, it is important for tracking services.

Management & Coordination also includes administrative services for the Sustainable Groundwater Management Implementation Grant (SGMI Grant). Planning and Coordination Services, previously included with Groundwater Sustainability Plan (GSP) Reporting Activities, are cleaner and more consistent under Management and Coordination.

Monitoring had been budgeted for another Airborne Electromagnetic (AEM) survey to monitor seawater intrusion, but this remains tentative for the current fiscal year. Staff is keeping an eye on whether the MGA could benefit from upcoming AEM surveys conducted by the California Department of Water Resources (DWR). The state-led AEM surveys may not be directly comparable to the MGA's 2017 AEM surveys due to the different flight patterns and other factors. The MGA Board previously expressed interest in replicating the MGA AEM surveys over time to monitor changes.

The FY Budget was reviewed by the Executive Team and Treasurer Leslie Strohm.

No questions or comments.

MOTION: Director Baskin; Second, Director Kennedy. To approve the Fiscal Year 2022-2023 Budget. Motion passed unanimously by roll call vote.

5.3 Authorize Execution of a Revenue Agreement Between MGA and County of Santa Cruz

Staff reported that the proposed Revenue Agreement is an amendment to the existing Revenue Agreement that extends the term for Data Management Systems (KISTERS), and adds additional monitoring (Balance Hydrologics), monitoring well construction (Storesund Construction, Inc.) and planning and administrative support services (Regional Water Management Foundation (RWMF)). Each contract has been approved by the County and now requires MGA Board approval.

MOTION: Director Baskin; Second, Director Koenig. To authorize the Board Chair to execute an amendment to the current agreement with the County of Santa Cruz for monitoring, administrative and planning services, and data management system hosting and maintenance, in the amount not to exceed \$1,321,179 for a three-year period, and authorize the General Manager of Soquel Creek Water District to sign the related purchase order. Motion passed unanimously by roll call vote.

5.4 Authorize Execution of a Contract with Regional Water Management Foundation for Grant Administration Services for the Sustainable Groundwater Management Implementation Grant

Executive Staff stated that this is a separate 3-year contract for grant administrative services for the recently awarded \$7.6 million-dollar SGMI Grant. The total amount of the contract with RWMF is \$380,000, with \$140,000 allocated for the 2022-2023 fiscal year.

MOTION: Director Jaffe; Second, Director Romanini. To authorize the Executive Staff of the Member Agencies to finalize contract negotiations and authorize the Board Chair to execute a contract with the RWMF for a total amount not to exceed \$380,000 for the Scope of Services in Amendment 1 and authorize the General Manager of Soquel Creek Water District to sign a purchase order for the RWMF in an amount not to exceed \$140,000 for services in Fiscal Year 2022-2023 (Year 1). Motion passed unanimously by roll call vote.

5.5 Authorize Execution of a Contract with Montgomery & Associates for Fiscal Year 2022-2203

Staff reported this annual contract is part of a multi-year contract initially entered into with Montgomery & Associates in 2020. The scope of services is similar to the previous annual contract and includes evaluating the groundwater model and looking ahead to what will be required for the 5-year update.

Alternate Director Allyson Violante arrived.

MOTION: Director Kerr; Second, Director Jaffe. To authorize the Board Chair to execute a contract with Errol L. Montgomery and Associates, Inc. for the Scope of Services in Attachment 1, and authorize the General Manager of Soquel Creek Water District to sign the associated purchase order for a total amount not to exceed \$137,190. Motion passed unanimously by roll call vote.

5.6 Authorize License Agreements for Access to Streamflow Monitoring Sites

Staff reported four landowners agreed to the installation of stream gages on their property, three of which are private landowners. The License Agreements are the next step in this process and were reviewed by MGA counsel.

MOTION: Director Baskin; Second, Director Meyers. To authorize the Board Chair to Authorize the Board Chair to sign four Landowner License Agreements on behalf of the MGA. Motion passed unanimously by roll call vote

5.7 Approve Process to Respond to the Recent Santa Cruz Civil Grand Jury Report on Water

Staff sought Board input on the process and considerations in responding to the civil Grand Jury report entitled *Our Water Account Is Overdrawn: Beyond Conservation: Achieving Drought Resilience (Report)*. The MGA needs to respond to a subset of the findings and recommendations by August 22, 2022. Included among the list of invited respondents is the Point of Contact, Mid-County Groundwater Management Agency. Other MGA Member Agencies (Soquel Creek Water District, City of Santa Cruz), as well as other agencies, are also required responders.

MGA legal counsel, Daniel Zazueta, provided general information on the purposes of the Civil Grand Jury and the MGA obligations in responding. Staff encouraged Board members to go to the Grand Jury website to get a sense of other reports and responses. Staff sought Board input on the timing of a special meeting in August for the Board to consider approval of the responses to the Grand Jury findings and recommendations.

A concern was raised about the Grand Jury recommendation to change the MGA charter to take on new obligations. It was noted that the MGA is already addressing resiliency and drought preparedness through the AB 522 Drought Working Group.

Given the short response time, the preferred approach of the MGA Member Agency staff is to work at the staff level in drafting a response, collaborate with the member agencies of the Santa Margarita Groundwater Agency, and bring a response to the MGA Board at a special meeting for Board review and approval. In the meantime, it was proposed that Directors could discuss any concerns or input on responses with their Member Agency executive staff or Tim Carson.

Staff will follow up with Board members to confirm a quorum for a special meeting in August for Board approval of the MGA response.

MOTION: Director Baskin; Second, Director Jaffe. To authorize Member Agency Executive Staff to draft the response to the Grand Jury report. Motion passed unanimously by roll call vote.

MOTION: Director Kerr; Second, Director Jaffe. To authorize Member Agency Executive Staff to schedule an MGA Board meeting in August 2022 for the Board to review and approve the response. Motion passed unanimously by roll call vote.

6. Informational Updates

6.1 Treasurer's Report

The MGA Treasurer could not attend, and Directors were invited to email questions to staff.

6.2 Oral Reports

Staff is still working with the DWR to finalize the SGMI Grant agreement. Local project sponsor agreements are expected to come to the Board for approval in August or September.

The County entered into a contract for monitoring network improvements, with construction expected to begin this summer, possibly July. A next step is the execution of the Landowner Agreements.

A monitoring Request for Proposals to oversee and conduct monitoring activities is expected to go out towards the end of 2022.

The MGA letter of support for a Pure Water Soquel grant application was omitted from the previous packet. SqCWD has not yet received a response.

Staff is working with the Santa Cruz Public Libraries for using the Capitola library for future in-person MGA meeting. A final agreement will come to the Board for approval.

As RMWF is now performing administrative services for both the MGA and SMGWA, there will be an effort to streamline and align the processes of both agencies to create efficiencies. For example, the MGA may move toward shorter, action minutes, and memos in the Board packet shorter and the packet easier to use. It was suggested that staff to consider using Zoom transcripts. Staff may consider switching to Zoom webinar.

The KISTERS Data Management System portal has been completed and released. Staff is still in the process of working with it, after which it will be available to the public.

7. Future Agenda Items

8. Written Communications and Submitted Materials

9. Adjournment

Chair LaHue adjourned the meeting at 7:06 p.m.

Next Regularly Scheduled Board Meeting: September 15, 2022