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SANTA CRUZ MID-COUNTY GROUNDWATER AGENCY
Board of Directors Meeting

March 19, 2026, at 6:00 p.m.
Capitola Branch Library, 2005 Wharf Road, Capitola
Meeting webcast (via Zoom) for remote viewing.

MINUTES

1. Call to Order

The meeting was called to order at 6:00 p.m. by Chair Kennedy.

2. Roll Call

Directors present: (Alternates acting as voting Directors shown in *italics*)
Jon Kennedy (Chair) – Private Well Owner
Carla Christensen (Vice Chair) – Soquel Creek Water District (arrived at 6:03 p.m.)
Jim Kerr (Secretary) – Private Well Owner
David Baskin – City of Santa Cruz
Kimberly De Serpa – County of Santa Cruz (arrived at 6:08 p.m.)
Keith Gudger – Private Well Owner
Robert Marani – Central Water District
Susie O'Hara – City of Santa Cruz
Marco Romanini – Central Water District
Jennifer Balboni – Soquel Creek Water District
Jillian Ritter – County of Santa Cruz

Alternates present as non-voting observers:
Robert Schultz – Private Well Owner

Member Agency Staff present:
Heidi Luckenbach – City of Santa Cruz
Melanie Mow Schumacher – Soquel Creek Water District
Sierra Ryan – County of Santa Cruz
Ralph Bracamonte – Central Water District
Leslie Strohm, Treasurer – Soquel Creek Water District

Supporting Staff and Consultants:
Tim Carson, Rob Swartz, Sophia Sholtz – Regional Water Management Foundation (RWMF)
Ryan Aston (remote via Zoom) – SCI Consulting Group (SCI)
Georgina King (remote via Zoom) – Montgomery & Associates (M&A)

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3. Oral Communications Related to Items Not on the Agenda

Becky Steinbruner commented. Another member of the public commented.

4. Consent Agenda

4.1 Approve December 11, 2025 Meeting Minutes
4.2 Treasurer's Report for Period Ending February 28, 2026
4.3 Acknowledge 2026 MGA Board Appointments
4.4 Approve Amendment to Agreement with Trout Unlimited for Streamflow and Shallow Well Monitoring (Year 4)

No questions or comments on this item.

MOTION: Director Kerr; Second: Director Romanini; to approve the consent agenda. Motion passed (9:2). Director Gudger, Director Baskin, abstained from voting on the minutes.

5. General Business

5.1 Approve Submittal of Santa Cruz Mid-County Basin Water Year 2025 Annual Report to the California Department of Water Resources

Georgina King presented on the 7th Santa Cruz Mid-County Basin (Basin) Annual Report for Water Year 2025 (WY25). Precipitation in the Basin was below average, and about 100 acre-feet (AF) more groundwater was pumped in WY25 than the average of the previous five years.

Eight of 19 wells continue to exceed seawater intrusion groundwater level minimum thresholds (MTs), which indicates an undesirable result according to the MGA's Groundwater Sustainability Plan (GSP). Two wells in the Purisima F Unit exceed chloride MTs, which also indicate an undesirable result for that sustainability criteria.

For the Chronic Lowering of Groundwater Level Sustainability Criteria, groundwater levels remain at well above the MTs set in the GSP, indicating no undesirable results.

Reduction of Groundwater in Storage is measured in three different aquifer unit groups: Aromas Red Sands and Purisima F; Purisima DEF, BC, A, and AA; and Tu. The Aromas Red Sands and Purisima aquifer unit groups have a five-year moving average net extraction that exceeds the minimum threshold, which indicates an undesirable result. The Tu group has a five-year moving average net extraction below the minimum threshold, meaning there is not an undesirable result happening in that aquifer group.

Degradation of Groundwater Quality uses Iron/Manganese, Total Dissolved Solids (TDS)/Chloride, and Nitrates as sustainability indicators. Seventeen wells have Iron/Manganese levels that exceed MTs, three wells have TDS/Chloride MT exceedances and one well has a Nitrate exceedance. However, based on the GSP criteria these MT exceedances do not indicate undesirable results for groundwater quality.

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Depletions of Interconnected Surface Water is measured by monitoring wells along Soquel Creek. There is one monitoring well whose groundwater level is lower than the MT, which the MGA GSP defines as an undesirable result.

The MGA has until January 2040 to achieve sustainability by showing no undesirable results as defined by the MGA's GSP.

The MGA's first Periodic Evaluation (PE) was submitted to the California Department of Water Resources in January 2025, and comments are expected from DWR later this year. Pure Water Soquel, one of the largest Project and Management Actions for the MGA, completed construction in WY 25 and started recharging the Basin on December 1, 2025. The City of Santa Cruz Aquifer Storage and Recovery (ASR) project is underway, with modifications being made to existing production wells to become ASR wells.

Georgina King answered questions from Directors.

Becky Steinbruner commented.

MOTION: Director Baskin; Second: Director Christensen; to approve the submittal of the Santa Cruz Mid-County Basin Water Year 2025 Annual Report to the California Department of Water Resources. Motion passed unanimously.

5.2 Seascape Area Seawater Intrusion Investigation

Georgina King presented on the Seascape Area Seawater Intrusion Investigation conducted due to increasing chloride concentrations found in two monitoring wells along the coast in the Seascape Area. Undesirable results have been occurring in these wells since 2021. Key questions that this investigation hoped to answer are: What are the causes of chloride increases? Is seawater intrusion advancing? Could there be further impacts to beneficial users in the Seascape area?

This investigation undertook a three-pronged approach to answering the posed questions: review groundwater level data; review existing and collect new water quality data; and review existing and collect new geophysical data in order to understand the flow of groundwater, the extent and temporal trends of potential intrusion, and the extent and potential movement of saline water into the aquifers.

There was additional water quality monitoring to better understand the freshwater/seawater interface and a review of existing regional flow modeling results to estimate effects of future projects on groundwater flow gradients.

Georgina King presented the three key findings of this investigation. The first is that seawater intrusion continues in the Purisima F Unit aquifer and has existed there since at least the 1970s when it was first observed. The saltwater wedge has moved inland over time, and geophysical data indicates the toe extends just over a mile inland at a depth of 600 feet below ground surface, but that there is no impact on drinking water due to the screening depth of production wells in the area.

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The second key finding is that there is emerging seawater intrusion occurring in the upper Purisima F aquifer. The third key finding is that the Shallow Aromas aquifer is mostly unintruded, but that there is a limited area of intrusion that is unrelated to the intrusion in the upper Purisima F aquifer.

The report's recommendations include continuing to monitor and report on the conditions in the area. At the monitoring wells showing an exceedance of TDS/chlorides, use continuous electrical conductivity monitoring and annual induction logging to track continued intrusion. It is also recommended to notify private groundwater pumpers in the Seascape area of the study results and to work collaboratively with them in continued monitoring.

Georgina King answered Board questions.

Becky Steinbruner commented.

MOTION: Director O'Hara; Second: Alternate Director Ritter; to accept the Seascape Area Seawater Intrusion Investigation Report. Motion passed unanimously.

5.3 Establish an ad hoc Committee to Assess Funding Options and Appoint Committee Members

Prior to discussion of forming the ad hoc committee, Director Baskin made a motion to continue the item until the June meeting, and requested that at the June meeting each Member Agency inform the Board if they believe the current system is inequitable and why.

Director O'Hara seconded Director Baskin's motion with a friendly amendment to direct Member Agency staff to work with their Agency's appointed Board Member to develop a Member Agency recommended funding model and its related methodology, including but not limited to all previously suggested potential funding models presented by Ryan Aston (SCI Consulting Group) in the Funding Options assessment.

Gizelle Sipin made a public comment. Becky Steinbruner made a public comment.

MOTION: Director Baskin; Second: Director O'Hara; to direct MGA staff and Member Agency staff work to prepare and direct a facilitated session on June 18, 2026, which would include a report out from each Member Agency and their respective Board Member(s) on:

1. Why they believe the current system is inequitable (Motion from Director Baskin), **and**

2. A proposed funding allocation including appropriate methodologies from the SCI report (friendly Amendment from Director O'Hara).

Motion passed (10:1). Director Gudger voted no.

Ryan Aston from SCI Consulting Group (SCI) presented his final report on the Funding Options Technical Memorandum. This tech memo describes issues related to funding MGA's Sustainable Groundwater Management Act (SGMA) compliance efforts: MGA Basin

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characteristics, funding mechanism legal frameworks, funding mechanism methodologies, and key local considerations.

Becky Steinbruner commented.

5.4 Approve Amendment to Agreement with SCI Consulting Group for SGMA Compliance Funding Options Assessment

SCI was selected via a competitive proposal to lead the funding options assessment in February of 2025. The Executive Team approved a contract with them for one year. At the December Board meeting, Directors expressed support in extending the contract with SCI so that they could participate in further funding discussions once their initial report was completed.

This amendment would serve to extend SCI's current contract terms and add an amount not-to-exceed $15,640 for further support through the next phase of the funding agreement. Tim Carson requested Board feedback, given the amended motion on Item 5.3, on whether the Board was still interested in amending the current agreement.

After Board questions, Tim Carson clarified that the nature of the amendment did not bind the MGA to spend the full amount, but that it allowed the Agency to spend up to that amount at the Agency's discretion.

Becky Steinbruner commented.

MOTION: Director Romanini; Second: Director Christensen; to authorize the General Manager of Soquel Creek Water District to execute Amendment 1 to Agreement (2024-01) with SCI for an additional amount not-to-exceed $15,640. Motion passed unanimously.

5.5 Review Budget for Fiscal Year 2025-2026 and Provide Direction on Preliminary Budget for Fiscal Year 2026-2027

Tim Carson presented the approved and projected budgets for Fiscal Year 2025-2026 (FY 25/26) as well as the preliminary budget for FY 26/27. The projected expenses for FY25/26 are higher than the approved budget by approximately $39,000; the Contingency approved for FY25/26 is $94,985. He reviewed the Operating Expenses, which show an overall decrease of 25% from FY 25/26 to FY26/27. The majority of cost savings stem from the Management & Coordination and Monitoring line items, which are reduced by approximately $155,000 and $75,000, respectively.

Tim Carson then reviewed the budget summary, showing a reduction of the Reserves in line with the Reserves Policy adopted in 2024. It is recommended that beginning next fiscal year, the MGA begin to collect Member Agency contributions to avoid spikes in future Member Agencies as Reserves are drawn down and which begins on the next Periodic Evaluation. As such, there will be a slight increase in ending reserves, but will continue to be spent down in future Fiscal Years.

Tim Carson answered Board questions about the authority that Staff and the Executive Team have regarding changing the budget and discretionary spending. Under the Procurement

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Policy, the Executive Team is authorized to incur expenses up to $50,000, and anything over $50,000 must come to the Board for approval.

Note: Zoom recording stopped at this item due to a loss of internet connectivity at the library.

Informational item only, no action required.

5.6 Conduct Annual Election of Officers

Director Romanini was nominated and elected as the Chair, Director O'Hara was nominated and elected as the Vice Chair, and Director Kerr was nominated and elected as the Secretary. All elections were majority vote.

MOTION: Alternate Director Ritter; Second: Director Kennedy; to approve the Officer appointments. Motion passed unanimously.

6. Informational Updates

6.1 Staff Reports

- GSP Implementation Status Update

Rob Swartz gave a brief oral update from the GSP Implementation Status Update memo that was provided Agenda Packet.

No questions or comments were received on the item.

- SGMI Grant Update

Information on the status projects funded by the Agency's Sustainable Groundwater Management Implementation (SGMI) grant awarded by DWR can be found in the Agenda Packet for review.

Tim Carson updated the Board on the status of various SGMI grant projects, including the City of Santa Cruz' Aquifer Storage and Recovery Well project.

No questions or comments were received on the item.

6.2 FPPC Compliance Report

No questions or comments were received on the item.

7. Future Agenda Items

Director Marani commented on the State's Regional Housing Needs Allocation to increase housing in Santa Cruz County and directed staff to work with County Planning staff to estimate the water

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impact of future required development, estimate number of units, and estimated locations of proposed developments.

Director Baskin requested that Staff return with information on what the GSA can do regarding proposed developments.

8. Written Communications and Submitted Materials

Written comments can be found at the MGA website.

9. Adjournment

Meeting adjourned at 8:47 p.m.

Next Board Meeting: June 18, 2026

SUBMITTED BY:

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Sophia Sholtz
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Sophia Sholtz
Regional Water Management Foundation

DocuSigned by:
Jim Kerr
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Jim Kerr, Secretary
Santa Cruz Mid-County Groundwater Agency