



**BOARD OF DIRECTORS
REGULAR MEETING AGENDA**

**MARCH 8, 2018
3 P.M.**

**CITY HALL ROTUNDA, 200 LINCOLN AVENUE
SALINAS, CALIFORNIA 93901**

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

Proclamation

National Groundwater Awareness Week, March 11 – March 17, 2018

4. General Public Comment

Members of the public may comment on matters within the jurisdiction of the agency that are not on the agenda. Public comments generally are limited to two (2) minutes per speaker; the Chair may further limit the time for public comments depending on the agenda schedule. Comments on agenda items should be held until the items are reached. To be respectful of all speakers and avoid disruption of the meeting, please refrain from applauding or jeering speakers.

5. Special Board Matters

- a) Howard Franklin, Water Resources Agency, Projects Status Report

6. Consent Items

All matters listed under the Consent Agenda may be enacted by one motion unless a member of the Board, audience, or staff requests discussion or a separate vote.

- a) Approve February 8, 2018 regular meeting minutes.
- b) Approve February 22, 2018 special meeting minutes.
- c) Approve Advisory Committee membership roster.

- d) Approve the January Financial Reports.

7. Scheduled Items

Receive Staff report, Directors' questions, public comments, Directors' comments and consider Board action on each of the following items.

- a) Approve budget adjustment of \$1.5 Million for Groundwater Sustainability Planning Grant.
- b) Adopt a Resolution and authorize Board Chair to execute an agreement with HydroMetrics Water Resources Inc. to complete Groundwater Sustainability Plans for the Salinas Valley Basin.
- c) Authorize the General Manager to transmit to the California Department of Water Resources and other interested parties a Notice of Intent to Prepare a Groundwater Sustainability Plan.
- d) Direct staff to negotiate scope of work and agreement with selected consultant to provide fee/tax/assessment analysis and rate setting services

8. General Manager's Report

- a) Update on Ninety Day Work Plan

9. Directors' Reports

10. Future Agenda Items

- The April 12, 2018 SVBGSA Board meeting will be held in the Gonzales City Council Meeting Chambers, 117 4th Street, Gonzales, CA

11. Closed Session

- a) None

12. Adjournment

MEETING ACCOMMODATION

Disability-related modification or accommodation, including auxiliary aids or services, may be requested by any person with a disability who requires modification or accommodation in order to participate in the meeting. Requests should be referred to Ann Camel, Clerk to the Board at camela@svbgsa.org or 831-471-7519 as soon as possible but by no later than 5 p.m. two business days prior to the meeting. Hearing impaired or TTY/TDD text telephone users may contact the Agency by dialing 711 for the California Relay Service (CRS) or by telephoning any other service providers' CRS telephone number.

VIEWING MEETINGS

Live meetings are televised on Channel 25 at www.youtube.com/thesalinaschannel. The recorded meeting schedule may be viewed at <http://tinyurl.com/salinas25>

AGENDA POSTING

The meeting agenda was posted on March 2, 2018 at www.svbgsa.org, at the City Clerk's Office, in the City Hall Rotunda, 200 Lincoln Avenue, Salinas, CA 93901 and at Monterey County Offices, 1441 Schilling Place, Salinas, CA.



**BOARD OF DIRECTORS
UNOFFICIAL MEETING MINUTES
FEBRUARY 8, 2018**

1. Call to order

The meeting convened at 3 p.m. in the Salinas City Hall Rotunda, 200 Lincoln Avenue, Salinas.

2. Roll call

Present:

Chairperson Joe Gunter

Vice Chair Michael McHatten

Director Luis Alejo (arrived at 3:05 p.m.)

Director Janet Brennan

Director Lou Calcagno

Director Brenda Granillo

Director Bill Lipe (arrived at 3:02 p.m.)

Director Steve McIntyre

Director Colby Pereira

Director Adam Secondo

Director Ron Stefani

Absent:

None

Also Present: Gary Petersen, General Manager; Les Girard, Agency Counsel; Roberto Moreno, RGS Senior Advisor; Ann Camel, Clerk of the Board

3. Pledge of Allegiance

4. General Public Comments

None

Director Lipe arrived at the meeting at 3:02 p.m.

5. Special Board Matters

a) Pure Water Monterey Project

Mike McCullough, Monterey One Water, shared a power point presentation on the Pure Water Monterey groundwater replenishment project. The project would provide 3,500 acre feet of advanced treated water for injection into the Seaside Groundwater Basin for both urban and ag uses. New water sources include the Blanco drain, reclamation ditch, and ag wash water.

Monterey One Water is partnering with Marina Coast Water District on the conveyance pipeline. Last August, the CPUC asked Monterey One Water for scenarios that would create approximately 230 acre feet of additional water per month. The unused water could come from municipal wastewater, ag return flows, urban storm water runoff, and the Salinas industrial pond water. They are working closely with ag and the City of Salinas, e.g., to fact check.

In response to questions, Mr. McCullough stated that blending waste water dilutes some of the nitrates, e.g. If not diverted, ag return flows go to the treatment plant. They are trying to address the concern regarding impairment to the industrial ponds if the diverted water is no longer percolated in the pond. They are working on a holding area for urban storm water runoff. Injection wells would be 800 to 850 feet in the Seaside Basin and would inject approximately 1,000 gallons per minute.

Eric Tynan, Castroville Community District General Manager, stated that the water project is badly needed because the new strawberry fields by Marina require 5,100 acre feet, six times that of Castroville and twice what Marina is pumping.

6. Consent Items

The Board unanimously approved the Consent Items. Ayes: Directors Alejo, Brennan, Calcagno, Granillo, Lipe, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Gunter. Noes: None. Abstain: None. Absent: None.

- a) Approved January 11, 2018 regular meeting minutes.
- b) Approved Budget and Finance Committee recommendation that the Board receive monthly financial reports one month in arrears.

7. Scheduled Items

- a) Direct Staff to Negotiate Scope of Work and Agreement with Selected Groundwater Sustainability Planning Consultant.

Mr. Petersen stated that two responses were received to the request for proposals. Of the five organizations registered to respond, four appeared in the proposal of one team and one appeared on both teams. Fifty or more requests for proposals have been issued statewide, therefore more proposals were not received. Yesterday they completed interviews with the two teams and failed to reach a conclusion. It is extremely close. Rather than recommending negotiations with a firm, a set of supplemental questions were issued today and background checks are being conducted. He anticipates that a special meeting of the Board would be required two weeks from today to consider selecting a consultant for negotiations. Mr. Petersen announced that the \$1.5 million planning grant was awarded.

In response to Directors, Mr. Petersen stated that nine people have reviewed the proposals. Any material desired would become public after the selection. The

supplemental digs deeper on local issues and information that may separate the proposals. The agreement would not require exclusivity. Both firms are competent, with similar approaches but different styles. They could assist in developing a compliant Plan within the deadline. Some Advisory Committee members were on the panel and read the proposals.

Norm Groot, Monterey County Farm Bureau, urged that the process not become overly complicated because of the pending deadlines.

Christopher Bunn suggested the Agency contract with an additional outside, uninvolved party to look over the shoulder of the consultant.

Tom Virsik stated that the supplemental questions would dig in on local issues. Having the questions would make the process transparent and public

Scott Wagner, California Water Service Company, stated that the firm's style will determine how they work with the Board and could avoid delays.

b) Fiscal Year 2017-18 Mid-Year Budget Adjustments

Roberto Moreno presented his report. In respond to Director Granillo, Mr. Petersen answered that the communications consultant's activities would be carried out by a RGS employee, including managing social media and the communication plan.

The Board unanimously approved the 2017-18 Mid-Year Budget Adjustments. Ayes: Directors Alejo, Brennan, Calcagno, Granillo, Lipe, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Gunter. Noes: None. Abstain: None. Absent: None.

8. General Manager's Report

a) Update on Ninety Day Work Plan

Mr. Petersen stated that the working group is comprised of County Environmental Health and Water Resources Agency employees, Director McIntyre, and Alternate Director/Advisory Committee member Lebow. They are closing on recommendations that are more nuanced than simply creating a moratorium. The working group will be meeting tomorrow to finalize recommendations for the Board of Supervisors' consideration before the end of February.

Director Lipe asked whether the working group is discussing optimizing CSIP, growers' advance ordering of water, and Tom Virsik's comments addressing who would pay a portion of the costs. Mr. Petersen stated that all of these alternatives are being looked at, and they will be meeting with those who are affected by these regulations.

Tom Virsik offered to clarify any questions on his letter. The Water Resources Agency Board of Supervisors' meeting agenda includes a fiscal restructuring of the CSIP and an appeal of a deep well denial on the Supervisor's agenda.

Eric Tynan referenced Armstrong Ranch, and he would like more pushing on desalination from the GSA.

Christopher Bunn stated that replacement wells are on the short list of topics for the Supervisors, He is appealing the denial of his permit for well replacement. Expansion of CSIP would help him, but seven years for CSIP is unacceptable.

b) Water Resources Agency Status Report.

No new update.

c) Arroyo Seco/Greenfield Coordination Agreement

Mr. Petersen stated that the latest draft agreement was received yesterday and is being reviewed.

d) Update on Planning and Technical Advisory Committees

Mr. Petersen stated that the Committee will be finalized once a consultant firm is on board.

e) 2018 Board Meeting Location Alternatives

The Board unanimously approved scheduling the April 6, 2018 Board meeting at the Gonzales Council Chambers. Ayes: Directors Alejo, Brennan, Calcagno, Granillo, Lipe, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Gunter. Noes: None. Abstain: None. Absent: None.

9. Directors' Reports

None.

10. Future Agenda Items

None.

11. Closed Session

None

12. Adjournment

The meeting adjourned at 4 p.m..



**BOARD OF DIRECTORS
UNOFFICIAL MEETING MINUTES
FEBRUARY 22, 2018**

1. Call to order

The special meeting convened at 10 a.m. in the Salinas City Hall Rotunda, 200 Lincoln Avenue, Salinas.

2. Roll call

Present:

Chairperson Joe Gunter

Vice Chair Michael McHatten

Director Tom Adcock (alternate)

Director Luis Alejo (arrived at 3:10 p.m.)

Director Janet Brennan

Director Lou Calcagno

Director Lawrence Hinkle (alternate; arrived at 3:02 p.m.)

Director Steve McIntyre

Director Colby Pereira

Director Adam Secondo

Director Ron Stefani

Also Present: Gary Petersen, General Manager; Les Girard, Agency Counsel; Ann Camel, Clerk of the Board

3. Pledge of Allegiance

4. Scheduled Items

- a) Direct Staff to Negotiate Scope of Work and Agreement with HydroMetrics WRI to complete Groundwater Sustainability Plan for the Salinas Valley Basin.

Mr. Petersen reported that readers, including members of the Board, evaluated the two responses to requests for proposals, and they were tied after their interviews. Six supplemental questions were developed to assess firms' understanding of the basins. Based on their responses, the evaluators agreed to recommend HydroMetrics Water Resources Inc. (WRI). Hydrometrics WRI has worked in Paso Robles, Santa Cruz County and on the Seaside Groundwater Basin adjudication, and they have a strong team. Their inclusion of an economist from the beginning for cost effectiveness of decisions was attractive.

Director Hinkle arrived at the meeting.

Director McIntrye commended the process. HydroMetrics' proposal was more policy driven while Kennedy Jenks was more technically driven, although Kennedy Jenks will continue to serve the Agency with grant writing and into the future.

In response to Director Adcock, Mr. Petersen stated that compensation would be negotiated. HydroMetrics has adequate staffing capacity, although they are not as large as Kennedy Jenks with 450 employees. They believe that HydroMetrics could assist with the operation and maintenance phase, but the recommendation was driven by the planning phase. They are based in Oakland, which provides reasonable proximity.

In response to Director Secondo, Mr. Petersen stated that the questions and proposals would be posted to the website following negotiations.

Director Alejo arrived at the meeting.

Director Pereira stated that HydroMetrics presented an aggressive but realistic timeline. A strong working relationship with DWR is needed in order to ensure submittal of an acceptable plan.

Tom Virsik does not have an opinion about HydroMetrics. He is interested in reviewing the proposals and questions when posted to understand their strengths and weaknesses.

In response to Director Hinkle, Mr. Petersen stated that HydroMetrics gave a clear timeline and tasks, with information gathering at the front.

Chair Gunter would like a press release to inform the public so they are aware of the Agency's actions.

The Board voted unanimously to direct staff to negotiate the scope of work and agreement with HydroMetrics WRI to complete the Groundwater Sustainability Plan for the Salinas Valley Basin.

5. Adjournment

The meeting adjourned at 10:18 a.m.



STAFF REPORT

AGENCY MEETING DATE: March 8, 2018

AGENDA ITEM: 6c

SUBJECT: Advisory Committee Membership Roster

RECOMMENDATION: Approve Advisory Committee Membership Roster

BACKGROUND:

The Joint Exercise of Powers Agreement establishing the Salinas Valley Basin Groundwater Sustainability Agency provides for the establishment of the Advisory Committee. On March 9, 2017, the SVBGSA Board appointed the members of the Collaborative Working Group to serve as the Advisory Committee. The Advisory Committee held its inaugural meeting on April 7, 2017. On April 20, 2017, the Board approved the Advisory Committee's Charter and Bylaws. On December 14, 2017, the Board's Bylaws were adopted, which included the Advisory Committee Charter and Bylaws as Exhibit D (attached). The Committee was meeting every two months until January 2018, when it elected to schedule monthly meetings.

DISCUSSION:

The attached roster reflects recent changes to the Advisory Committee membership roster. In keeping with the Board's and Advisory Committee's bylaws, the Board is requested to approve the current Advisory Committee membership roster.

FISCAL IMPACT:

None

ATTACHMENT(S):

Advisory Committee Membership Roster
SVBGSA Bylaws Section 6.6
Advisory Committee Charter and Bylaws

APPROVED BY:

Gary Petersen, General Manager

**Salinas Valley Basin Groundwater Sustainability Agency
Advisory Committee Members**

Interest	Organization	Primary Alternate
Agriculture	Driscoll Strawberry Associates	Emily Paddock Kevin Healy- alternate <i>Dennis Lebow-</i> alternate
	Grower-Shipper Association of Central California	Abby Taylor-Silva
	Monterey County Farm Bureau	Norm Groot Kevin Piercy
	Monterey County Vintners & Growers	Kurt Gollnick Kim Stemler
	Salinas Valley Sustainable Water Group	Brett Harrell Alternate vacant <i>Matt Simis-alternate</i>
	Salinas Valley Water Coalition	Nancy Isakson Steve McIntyre
County and City Governments	City of Salinas	Gary Petersen <i>Brian Frus</i>
	City of Gonzales	Harold Wolgamott Don Wilcox
	Monterey County	Lew Bauman
	San Luis Obispo County, Water Resources Division	Carolyn Berg Alternate vacant <i>Angela Ruberto-</i> alternate
Disadvantaged Communities and Housing	CHISPA	Alfred Diaz-Infante Alternate vacant <i>Paul Tran-Alternate</i>
	Environmental Justice Coalition for Water	Heather Lukacs Alternate vacant <i>Moises Moreno-Rivera</i> <i>Horacio Amezcuita-</i> Alternate
Environmental	California Native Plant Society and Carmel River Steelhead Association Environmental Caucus	Brian LeNeve Jan Shriner Robin Lee Abigail Hart
	The Nature Conservancy <i>Surf Riders</i>	Kevin Miller <i>Brian LeNeve</i>
Industrial	Chevron U.S.A.	Dallas Tubbs Jeff Johnson
Municipal Well Operators and PUC-Regulated Water Companies	Alco	Tom Adcock Adnen Chaabane
	Cal Water Service	Brenda Granillo Scott Wagner
Planning / Land Use	LandWatch	<i>Tom Ward - primary</i> Janet Brennan (primary);

		<i>alternate)</i> Alternate vacant
Rural Residential Well Owners	Rural Residential Well Owner, North County	Seat Empty <i>Michael Foster</i>
	Rural Residential Well Owner, South County	Chris Lopez
Water Supply and Management	Castroville Community Service District <i>Note: Castroville is a disadvantaged community.</i>	Eric Tynan Ron Stefani
	Marina Coast Water District	Keith Van Der Maaten <i>Mike Wegley-Alternate</i>
	Monterey County Regional Water Pollution Control Agency	Mike McCullough
	Water Resources Agency	Robert Johnson Howard Franklin <i>Amy Woodrow, Alternate</i>
	Seaside Basin Watermaster, Technical Program Manager	Robert Jaques

VI. COMMITTEES.

6.1 Standing Committees. The Board shall maintain the following standing committees: Executive Committee, Budget and Finance Committee, and a Planning Committee. Meetings of the standing committees shall be subject to the provisions of the Ralph M. Brown Act (Government Code section 54950 et seq.). Standing committees shall meet as frequently as is necessary to fulfill the committee's duties, but in any event, not less than quarterly. Standing committees shall consist of not more than five (5) Directors. Each standing committee shall elect a Chairperson and Vice Chairperson.

6.2 Appointment and Terms of Committees. The Board shall appoint members of standing committees at its regular meeting in July of each year, and terms of committee members shall last until June 30 of the succeeding calendar year or until a successor is appointed. Members of committees may be re-appointed for succeeding terms, without limitation.

6.3 Executive Committee. The Executive Committee shall consist of the Chairperson and Vice-Chairperson, and three (3) other Directors as appointed by the Board. The Executive Committee shall receive direction from and report directly to the Board of Directors on all matters considered. The Executive Committee shall consider and make recommendations to the full Board on all matters requiring a Super Majority or Super Majority Plus vote. The Executive Committee shall also consider and make recommendations on items referred by the other standing committees, the performance of the Executive Director/General Manager and Agency Counsel, and changes in By-Laws.

6.4 Budget and Finance Committee. The Finance Committee assists in establishing and enhancing valid business and financial management systems, and makes appropriate recommendations to the Board. It annually reviews and recommends the budget, and quarterly it reviews the Agency's financial performance under the adopted budget. The committee acts as the audit committee for the Board of Directors and makes recommendations on capital expenditures. The committee reviews the financial aspects of projects proposed to be implemented by the Agency, and reviews charges proposed to be levied by the Agency.

6.5 Planning Committee. The Planning Committee shall assist the Executive Director/General Manager develop short- and long-range plans for the Agency with respect to all activities in which the Agency is involved or might become involved, and make appropriate recommendations to the Board. The Planning Committee will screen, evaluate, and prioritize projects and programs considered for implementation by the Agency, and review the Agency's ongoing projects and programs.

6.6 Advisory Committee. The Board shall establish an Advisory Committee as provided in the Agreement. Director membership on the Advisory Committee shall be structured such that there shall not be more than a quorum of Directors, whether Primary or Alternate, participating in Advisory Committee meetings in an official capacity at any one time. Membership on the Advisory Committee shall not have a term, but shall be at the pleasure of the Board, and Advisory Committee members may be removed with or without cause. The Advisory Committee Charter, attached hereto as Exhibit D and incorporated herein, shall be the bylaws of the Committee.

6.7 Additional Committees. The Board may by majority vote establish additional committees from time to time, including standing committees and ad hoc committees. Ad hoc committees may not consist of more than five (5) Directors, shall be advisory only, and shall have

Salinas Valley Basin Groundwater Sustainability Agency Advisory Committee

Committee Charter and By-laws

V 2017_04-10

V 2017_04-03 Shared for Advisory Committee Review and Discussion on 4/7/2017-

The Salinas Valley Basin Groundwater Sustainability Agency Board of Directors will make the final decision to approve the Advisory Committee charter

Approved by SVBGSA JPA Board as final on April 20, 2017 as recorded in Minutes of that meeting.

Charge

The purpose of the Advisory Committee is to provide input and recommendations to the Board of Directors ("Board") of the Salinas Valley Basin Groundwater Sustainability Agency ("Agency"). At the request of the Board, the Advisory Committee will provide input on groundwater sustainability plan development and implementation and Agency policies. The intent of the Committee is to provide community perspective and inclusive participation in the Agency.

The Advisory Committee will review and/or provide recommendations to the Board on groundwater-related issues that may include:

- Development, adoption or amendment of the Groundwater Sustainability Plan ("GSP")
- Sustainability goals and objectives
- Monitoring programs
- Annual work plans and reports (including mandatory 5-year milestone reports)
- Modeling scenarios
- Inter-basin coordination activities
- Projects and management actions to achieve sustainability
- Community outreach
- Local regulations to implement Sustainable Groundwater Management Act ("SGMA")
- Fee proposals
- General advisory

Brown Act, Open Process and Conflicts of Interest

1. Advisory Committee meetings are subject to the Brown Act. All meetings of the Advisory Committee are open to the public. The Advisory Committee shall adopt a schedule and location for regular meetings, and meeting agendas shall be posted in compliance with the Brown Act.
2. The Board will maintain an interested parties list, develop an application process, and make appointments to the Advisory Committee from time-to-time.

3. **Members of the Advisory Committee are subject to all applicable conflict of interest laws including Government Code section 1090 and the California Political Reform Act. The Board shall adopt a conflict of interest code for the Advisory Committee.**

Roles and Responsibilities

Agency Board of Directors

The Board commits to the value of the Advisory Committee and will consider Advisory Committee recommendations when making its policy decisions.

Advisory Committee

The purpose of the Advisory Committee is to incorporate community and stakeholder interests into consensus recommendations on SGMA implementation in the Salinas Valley Groundwater Basin for the Board to consider in its decision-making process.

Advisory Committee members represent the diverse interests of GSA-eligible agencies and groundwater users. The criteria for Advisory Committee members are to:

- **Serve as a strong effective advocate**
- **Work collaboratively with others**
- **Commit time needed for ongoing discussions**
- **Collectively reflect diversity of interests**
- **Maintain Committee size to support focused deliberations**

Sub-Committees

The Advisory Committee may establish ad hoc sub-committees to come together periodically to manage a specific task. Sub-committees would develop options for the Advisory Committee to contemplate and refine before sharing with the Board. Sub-committees would be small and focused on a particular task. Participants could be, but do not need to be, members of the Advisory Committee, would have expertise related to the sub-committee's purpose, and would reflect a diversity of interests when possible. The Advisory Committee would define its scope and purpose.

An Engagement Sub-Committee could work with Agency staff and the facilitation team to develop and implement a communication and engagement plan. A Technical Sub-Committee could begin advising on development of the groundwater sustainability plan.

Facilitator

The facilitator will remain impartial toward the content of the issues under discussion. The facilitator will work with all the parties to ensure the process is credible, fair, and effective.

The facilitator will:

- **Chair meetings of the Advisory Committee.**
- **In consultation with the staff, formulate the agenda and desired outcomes for the sessions, including developing a meeting work plan.**
- **Identify and synthesize points of agreement and disagreement.**
- **Assist in building consensus among participants.**
- **Work with members to ensure process and participation agreements are followed.**

- Assure a fair, effective, and credible process, but remain impartial with respect to the outcome of the deliberations.

If a Committee member has a concern about bias, neutrality or performance of the facilitator, s/he should raise the concern first with the facilitator and then the General Manager or Legal Counsel.

Decision Making

To inform the Board's decision-making, the Advisory Committee will provide written recommendations on subjects that the Board assigns to the Advisory Committee. The recommendations will identify areas of agreement and disagreement.

The Advisory Committee will be consensus seeking. The Advisory Committee will strive to reach consensus on its recommendations. The definition of consensus spans the range from strong support to neutrality, to abstention, to "I can live with it," to "I will let this go forward." When unable to reach consensus on recommendations, the Advisory Committee will outline the areas of agreement and areas in which it does not agree, providing explanation to inform the Board's decision-making. Then, the Advisory Committee will forward this summary via the Agency staff to the Board. To comply with the Brown Act, the position of each Advisory Committee member on the points of consensus or summary will be noted in the Committee's records.

The Advisory Committee may request that one or more members present its recommendations to the Board, including areas of agreement and disagreement, consistent with Advisory Committee deliberations.

Membership

The initial membership of the Advisory Committee has been established as of March 9, 2017, by the Agency Board of Directors to include the members of the Collaborative Working Group (see Appendix A) The intent of the Advisory Committee is to provide broad participation and advice to the Board. Board members may serve on the Advisory Committee, but will encourage others to participate in the Advisory Committee to maximize participation from different interests and voices as outlined below. (Note, the number of Board Members serving on the Advisory Committee must be less than a Board quorum.) To facilitate effective meetings and manage group size, ~~is no set limit on membership on~~ the Committee will not exceed 25 members. Each seat has a primary representative and an alternate.

The Advisory Committee will manage its membership and composition, and the Agency Board of Directors may make appointments from time-to-time after receiving Advisory Committee recommendations and corresponding applications from interested parties to serve on the Committee. Organizations that hold seats on the Advisory Committee select their representatives (primary and alternate), which the Advisory Committee recommends to the Board for appointment. When an organization's representative is no longer able to serve, the organization will recommend a new representative to the Advisory Committee. If the organization withdraws from the Advisory Committee, the Advisory Committee will identify another organization and corresponding representative to fill that interest-based seat and recommend the organization to the Board for appointment. If a stakeholder seat, not affiliated with an organization becomes vacant, the Advisory Committee will solicit applications for the seat and then make a recommendation for the stakeholder's replacement to the Board.

The Advisory Committee strives to include a range of interests in groundwater in the Salinas Valley and outlined in the Sustainability Groundwater Management Act. Advisory Committee members live in the Salinas Valley or represent organizations with a presence or agencies with jurisdiction in the Salinas Valley groundwater basin, including:

- All Groundwater Users
- Municipal Well Operators, Public Utilities Commission-Regulated Water Companies, and Private and Public Water Systems
- County and City Governments
- Planning Departments / Land Use
- Local Landowners
- Disadvantaged Communities
- Business and Agriculture
- Rural Residential Well Owners
- Environmental Uses
- Water Supply and Management Surface Water Users (if connection between surface and ground water)

The Advisory Committee, at this time, does not include representatives from:

- Tribes
- Federal Government

Organization and Functions

The facilitator will convene each meeting as service as the “chair” of the meeting. The facilitator will preside over the conduct of Advisory Committee meetings in conformance with the posted agenda. A leader shall be chosen for any established sub-committees.

All Committee meetings shall provide for public comment in conformance with the Brown Act, including non-agenda public comment and public comment on individual agenda items. Public Comment will generally be limited to 3 minutes, but the time may be adjusted based upon meeting circumstances. Special and Emergency meetings need not provide for non-agenda public comment, but such comment may be allowed in the Advisory Committee’s discretion.

Process Agreements

To conduct a successful process, the parties agree to the procedures that the Committee will use as well as define individual behaviors or ground rules.

- ✓ **Everyone agrees to negotiate in good faith.** All participants agree to participate in decision making, to act in good faith in all aspects of this effort and to communicate their interests during meetings. Good faith also requires that parties not make commitments they do not intend to follow through with, and that parties act consistently in the meetings and in other forums where the issues under discussion in these meetings are also being discussed.
- ✓ **Everyone agrees to address the issues and concerns of the participants.** Everyone who is joining in the Advisory Committee is doing so because s/he has a stake in the issue at hand. For the process to be successful, all the parties agree to validate the issues and

concerns of the other parties and strive to reach an agreement that takes all the issues under consideration. Disagreements will be viewed as problems to be solved, rather than battles to be won.

- ✓ **Agreements stand even if representatives change.** If an organization changes its representatives, organizations commit to a thorough debriefing of new representatives including with the facilitator. New representatives agree to uphold previous agreements reached.
- ✓ **Everyone agrees to inform their leadership and constituents about the outcome of the facilitated discussions.** Meeting scheduling will allow for participants to inform and seek advice from their leadership, constituents, attorneys, and scientific advisors about the discussions and negotiated outcomes. Participants can express conditional support to an agreement, but will need to solicit input and support in their organization or interest group caucus before reaching final agreement.
- ✓ **Everyone agrees to attend all the meetings to the extent possible.** Continuity of the conversations and building trust are critical to the success of the Advisory Committee. Participants are encouraged to turn off cell phones and focus on the issue at hand. Every effort will be made to accommodate the schedule of the participants. GSA staff or the facilitator will coordinate the meeting schedule.
- ✓ **Everyone agrees that parties can meet with other organizational or interest group members.** Advisory Committee members may find it helpful to caucus or meet with other organizations or interest group members and to consult with constituents outside of the meeting or to talk privately with other meeting participants. Participants or the facilitator can request a caucus. Participants agree to use caucuses as a tool to move agreements forward and explore topics of concern. The facilitator may attend and consult with parties during caucus discussions.

Participation Agreements

The facilitator and participants will work together to create a problem-solving environment and to implement these agreements to that aim.

Use Common Conversational Courtesy

All Ideas and Points of View Have Value

All ideas have value in this setting. We are looking for innovative ideas. The goal is to achieve understanding. Simply listen, you do not have to agree. If you hear something you do not agree with or you think is "silly" or "wrong," please remember that the purpose of the forum is to share ideas.

Be Honest, Fair, and as Candid as Possible

Help others understand you and work to understand others.

Avoid Editorials

It will be tempting to analyze the motives of others or offer editorial comments. Please talk about *your own* ideas and thoughts. Avoid commenting on why you believe another participant thinks something.

Honor Time and Be Concise

People's time is precious; treat it with respect.

Think Innovatively and Welcome New Ideas

Creative thinking and problem solving are essential to success. "Climb out of the box" and attempt to think about the problem in a new way.

Invite Humor and Good Will

Be Comfortable

Please feel help yourself to refreshments or take personal breaks. If you have other needs please inform the facilitator.

Communication & Media

Agency staff will serve as primary contacts for all communication, outreach and media. At the request of the Agency Board of Directors, or staff, the Advisory Committee may advise on outreach and community engagement.

Advisory Committee members reserve freedom to express their own opinions to media representatives, but not the opinions of others. The temptation to discuss someone else's statements or position should be avoided. Participants can refer media inquiries to Committee members for individual comments.

If contacted by the press or an external party concerning the discussions, participants are asked to:

- Point out that they are not speaking on behalf of the Committee, unless specifically authorized by the Committee to do so.
- Present their views only and conscientiously refrain from expressing, characterizing, or judging the views of others.
- Avoid using the press as a vehicle for negotiation.

The facilitator will avoid speaking with the media.

Amendments

The Advisory Committee can recommend future changes to the charter and by-laws. The Board may amend the charter and by-laws when needed using its decision-making guidelines.



STAFF REPORT

MEETING DATE: March 8, 2018

AGENDA ITEM: 6d

SUBJECT: Receive January 2018 Financial Reports

RECOMMENDATION:

The Budget and Finance Committee recommends approval of the January Financial Reports.

BACKGROUND:

Section 10.2 of the Joint Exercise of Powers Agreement forming the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) states “The Agency shall maintain strict accountability of all funds and report all receipts and disbursements of the agency on no less than a quarterly basis.” Reports are being presented monthly.

DISCUSSION:

On March 1, 2018 the Budget and Finance Committee reviewed the January Financial Statements. Attached are the following financial statements for the Agency thru January 31, 2018:

- Statement of Revenue & Expense - Budget vs. Actual – shows revenues exceeding expenditures by \$974,031.
- Balance Sheet – shows \$1,009,334 in cash
- Payment & Disbursement Report – shows detail of deposits and disbursements for the month of January with a net decrease of \$43,739.45

FISCAL IMPACT:

None.

ATTACHMENT(S):

Financial Statements as stated above

PREPARED BY:

Roberto Moreno, RGS Senior Advisor

Salinas Valley Basin Groundwater Sustainability Agency
Statement of Revenue and Expense Budget vs. Actual
 July 2017 through June 2018

11:19 AM
 02/20/2018
 Accrual Basis

	<u>Jan '18</u>	<u>Jul '17 - Jan 18</u>	<u>Annual Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
440000 · Member Contributions		1,145,000	1,145,000	100%
Total Income		<u>1,145,000</u>	<u>1,145,000</u>	<u>100%</u>
Expense				
520000 · Administrative Services	32,136	107,643	255,500	42%
530000 · Groundwater Sustainability Plan			424,006	
530500 · Legal Services	1,393	5,013	60,000	8%
540100 · Agency Financing Plan			85,000	
540200 · Facilitation Services			40,000	
540300 · Grant Writing / Lobbying		27,720	62,000	45%
540400 · Outside Specialty Legal Svcs				
540500 · Communications Consultant			20,000	
550200 · Conferences / Training	1,118	1,118	12,500	9%
550300 · Dues and Subscriptions		300	3,000	10%
550600 · Insurance Premium		2,219	2,300	96%
550700 · Legal Notices & Ads			3,000	
550800 · Office Supplies		295	2,500	12%
550900 · Postage and Delivery		3	1,000	0%
551000 · Printing and Reproduction	127	2,752	6,000	46%
551100 · Office Rent		800	10,000	8%
551200 · Technology	334	1,756	3,500	50%
551220 · Website Upgrade			5,000	
551250 · Agenda Management Software			3,600	
551300 · Travel Expense			10,000	0%
551400 · Bank Service Charges	20	60	300	20%
551500 · Recruitments		9,551	10,000	96%
551800 · Meals and Meeting Expenses		50	2,500	2%
551810 · Mileage Reimbursement		148	1,000	15%
551900 · Board Stipends	1,747	11,618	22,500	52%
Total Expense	<u>36,875</u>	<u>171,046</u>	<u>1,045,206</u>	<u>16%</u>
Net Ordinary Income	-36,875	973,954	99,794	976%
Other Income/Expense				
Other Income				
702000 · Interest Income	14	77	200	39%
Total Other Income	<u>14</u>	<u>77</u>	<u>200</u>	<u>39%</u>
Net Other Income	<u>14</u>	<u>77</u>	<u>200</u>	<u>39%</u>
Net Income	<u>-36,861</u>	<u>974,031</u>	<u>99,994</u>	<u>974%</u>

Salinas Valley Basin Groundwater Sustainability Agency
Balance Sheet
As of January 31, 2018

12:12 PM
02/20/2018
Accrual Basis
Jan 31, 18

ASSETS

Current Assets

Checking/Savings

100100 · Rabobank Checking 4,257

100200 · Rabobank Money Market 205,077

100300 · CalTrust Medium Term Funds 800,000

Total Checking/Savings 1,009,334

Total Current Assets 1,009,334

TOTAL ASSETS 1,009,334

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

200000 · Accounts Payable 35,301

Total Accounts Payable 35,301

Total Current Liabilities 35,301

Total Liabilities 35,301

Equity

Net Income 974,033

Total Equity 974,033

TOTAL LIABILITIES & EQUITY 1,009,334

Salinas Valley Basin Groundwater Sustainability Agency
Payment & Disbursement Report
January 2018

12:13 PM
02/20/2018
Accrual Basis

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
Bill Pmt -Check	01/10/2018	1038	Kennedy/Jenks Consulting	Grant appliaction for SVB project.	-14,855.00
Bill Pmt -Check	01/10/2018	1039	Office of the County Counsel of Monterey	For legal services rendered Nov 1, 2017 to Nov 30th, 2017	-2,367.34
Bill Pmt -Check	01/10/2018	1040	Regional Government Servies	December 2017 Contract Services	-22,792.10
Bill Pmt -Check	01/10/2018	1041	U.S. Bank - CalCard	4246 0445 5575 9400	-132.33
Check	01/16/2018			Service Charge	-20.00
Bill Pmt -Check	01/25/2018	1042	Regional Government Servies	Reimbursable Expenses	-2,034.65
Bill Pmt -Check	01/25/2018	1043	U.S. Bank - CalCard	4246 0445 5575 9400	-1,552.06
Deposit	01/31/2018			Interest	14.03
					<u>-43,739.45</u>



STAFF REPORT

MEETING DATE: March 8, 2018

AGENDA ITEM: 7a

SUBJECT: Approve Budget Adjustment of \$1.5 Million for GSP Planning Grant

RECOMMENDATION:

Recommendation is to approve a budget adjustment of \$1.5 million for GSP Planning Services.

BACKGROUND:

The SVBGSA applied for a Groundwater Sustainability Planning (GSP) Planning Grant from the California Department of Water Resources (DWR). The SVBGSA is ready to begin work on the GSP. The current budget has \$424,006 for the preparation of the GSP.

DISCUSSION:

The SVBGSA has been notified by the California Department of Water Resources that it will be awarded a grant of \$1,500,000 for developing the GSP. The GSA is ready to approve a contract for GSP Planning services. In order to approve the contract, the GSA must first approve a budget adjustment for the GSP Planning Grant and services.

This action will increase estimated revenue by \$1.5 million and increase appropriations by \$1.5 million for GSP Planning Services as shown below:

Adjustments	Current Budget	Budget Adjustment	Revised Budget
<u>Revenues</u>			
Prop 1 DWR Grant	-	1,500,000	1,500,000
<u>Appropriations</u>			
Groundwater Sustainability Plan	424,006	1,500,000	1,924,006
Adjustment Net Impact		-	

FISCAL IMPACT:

This action increases the funding of the GSP by \$1,500,000. This will increase the appropriation for the Groundwater Sustainability Plan to \$1,924,006.

ATTACHMENT(S):

None.

PREPARED BY:

Roberto Moreno, RGS Senior Advisor

STAFF REPORT

AGENCY MEETING DATE: March 8, 2018

AGENDA ITEM: 7b

SUBJECT: Agreement for Groundwater Sustainability Planning Services with Hydrometrics WRI (HM WRI).

RECOMMENDATION: Adopt a Resolution and authorize Board Chair to execute an agreement with HM WRI to complete Groundwater Sustainability Plans for the Salinas Valley Basin.

BACKGROUND: The Sustainable Groundwater Management requires the SVBGSA to adopt and submit for approval to the California Department of Water Resources Groundwater Sustainability Plans (“GSPs”) for the 180/400 foot aquifer, and that portion of the Paso Robles Basin in Monterey County, no later than January 31, 2020. All other sub-basins of the Salinas Valley Groundwater Basin must have GSPs adopted no later than January 31, 2022.

DISCUSSION: The SVBGSA has succeeded in developing a GSA, establishing boundaries, creating an organizational infrastructure and applying for a Proposition 1 Grant that will provide funding to develop a GSP. With those tasks completed, staff distributed an RFQ to begin the process of acquiring a Consultant who can best provide services to the SVBGSA to develop a GSP for the Salinas Basin and the seven (7) sub-basins that require these plans.

Staff distributed the RFQ through a variety of list serves and emails, and publication on the SVBGSA web page. Five parties registered as receiving the RFQ, so they could receive updates or addendums.

Two qualified responses were received. Interestingly four of the five initial registrants formed a partnership on a single submittal. A committee of “readers” rated the two proposals for completeness and ability to complete the project. Interviews were conducted, and a series of supplementary questions were provided to the consulting firms to further determine their specific knowledge of the Salinas Valley Basin. The unanimous decision by the selection committee was to work with Hydrometrics WRI to prepare GSPs for the Salinas Valley Basin.

During a special meeting of the SVBGSA Board of Directors on February 22, 2018 staff was directed to negotiate an agreement and scope of work with HM WRI that would be returned to your board for approval on March 8th.

FISCAL IMPACT: The funding to provide planning services is available through matching funds already paid for operational costs of the SVBGSA, and the planning grant awarded to the SVBGSA for this project. The agreement is written in an amount not to exceed \$1,800,000.

PREPARED BY: Gary Petersen, General Manager

**Before the Board of Directors of the
Salinas Valley Basin Sustainable Groundwater Management Agency**

Resolution No. 2018 -

Resolution authorizing an agreement with)
HydroMetrics WRI for the provision of)
Groundwater Sustainability planning and)
preparation services)

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) has applied for and received tentative notice of the award of a Groundwater Sustainability Planning Grant that is a requirement of the Sustainable Groundwater Management Act (SGMA); and

WHEREAS, the preparation of Groundwater Sustainability Plans (GSP) will require specialized consulting services to develop the plan in alignment with SGMA regulations; and

WHEREAS, a Request for Qualifications was prepared and distributed to acquire the services of an organization to provide these services; and

WHEREAS, two responses were received to the RFQ, and a group of interested stakeholders was convened to evaluate the proposals and a panel that included Agency Board Members and Advisory Committee Members was convened to conduct interviews; and

WHEREAS, the panel unanimously agreed that staff should request board authorization to negotiate a scope of work and an agreement with Hydrometrics WRI (HM WRI) to provide GSP planning and preparation services; and

WHEREAS, the Agency Board authorized negotiations with HM WRI at a special board meeting held on February 22, 2018; and

WHEREAS, an agreement and scope of work has been successfully negotiated with HM WRI that will be paid with a combination of matching funds from the Agency and the Proposition 1 planning grant in an amount not to exceed \$1.8 million, attached hereto as Exhibit A; NOW, THEREFORE,

BE IT RESOLVED, by the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency as follows:

1. The above recitals are true and correct.
2. The Chair of the Board of Directors is hereby authorized and directed to execute for and on behalf of the Agency the agreement with HydroMetrics WRI for Groundwater Sustainability Planning and Preparation Services attached hereto as Exhibit A.
3. The General Manager is hereby authorized and directed to take such other and further actions to implement the intent and purposes of this resolution.

PASSED AND ADOPTED on this ____ day of _____, _____, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

I, Ann Camel, Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Directors duly made and entered in the minutes thereof of Minute Book _____ for the meeting on _____.

Dated:

Ann Camel, Clerk of the Board of Directors of the Salinas Valley Basin
Groundwater Sustainability Agency,
County of Monterey, State of California

SALINAS VALLEY BASIN GROUND WATER SUSTAINABILITY AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES

This Professional Services Agreement (“Agreement”) is made by and between the Salinas Valley Basin Groundwater Sustainability Agency, a Joint Powers Authority of the State of California (hereinafter “GSA”) and: **Hydrometrics WRI** (hereinafter “CONTRACTOR”).

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **SERVICES TO BE PROVIDED.** The GSA hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The services are generally described as follows:

Provide Groundwater Sustainability Plan planning and preparation services.

2. **PAYMENTS BY GSA.** GSA shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by GSA to CONTRACTOR under this Agreement shall not exceed the sum of \$1,800,000.

3. **TERM OF AGREEMENT.** The term of this Agreement is from the date last executed by one of the parties, which date is March 8, 2018 to approval of a Groundwater Sustainability Plan for the Salinas Valley Basin by the California Department of Water Resources, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and GSA and with GSA signing last, and CONTRACTOR may not commence work before GSA signs this Agreement.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

5. **PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR’s agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the GSA, or immediate family of an employee of the GSA.

5.02. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use GSA premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to GSA. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the GSA may require. The Contract Administrator or his or her designee shall certify the invoice; either in the requested amount or in such other amount as the GSA approves in conformity with this Agreement, and shall promptly submit such invoice to the GSA Auditor-Controller for payment. The GSA Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. Reimbursement for travel expenses shall conform to federal guidelines, including per diems and mileage rates.

7. TERMINATION.

7.01. During the term of this Agreement, the GSA may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. The GSA may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If GSA terminates this Agreement for good cause, the GSA may be relieved of the payment of any consideration to CONTRACTOR, and the GSA may proceed with the work in any manner, which GSA deems proper. The cost to the GSA shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. INDEMNIFICATION.

CONTRACTOR shall indemnify, defend, and hold harmless the GSA, its officers and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death to the proportional extent that such claims, liabilities, and losses arise out of the CONTRACTOR's negligence or willful misconduct under this Agreement. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

Notwithstanding the foregoing, for any claim alleging the CONTRACTOR's negligent performance of professional services, the CONTRACTOR's obligations regarding the GSA's defense under this paragraph shall include only the reimbursement of the GSA's reasonable defense costs incurred to the extent of the CONTRACTOR's judicially determined negligence.

9.0 INSURANCE.

9.01 Evidence of Coverage:

Prior to commencement of this Agreement, the Contractor shall provide a “Certificate of Insurance” certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the GSA’s, Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a “Notice to Proceed” with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the GSA. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 Qualifying Insurers:

All coverage’s, except surety, shall be issued by companies which hold a current policy holder’s alphabetic and financial size category rating of not less than A- VII, according to the current Best’s Key Rating Guide or a company of equal financial stability that is approved by the GSA’s Purchasing Manager.

9.03 Insurance Coverage Requirements:

Without limiting CONTRACTOR’s duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Workers’ Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer’s Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a “claims-made” basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, maintain liability insurance for three years following termination of this agreement, or obtain extended reporting coverage (“tail coverage”) with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

9.04 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the GSA and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the GSA shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the GSA, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR’S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the GSA and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR’S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the GSA, CONTRACTOR shall file certificates of insurance with the GSA’s contract administrator and GSA’s Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by GSA, annual certificates to GSA's Contract Administrator and GSA's Contracts/Purchasing Division. If the certificate is not received by the expiration date, GSA shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles GSA, at its sole discretion, to terminate this Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

- 10.01 Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the GSA or prepared in connection with the performance of this Agreement, unless GSA specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to GSA any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.02 GSA Records. When this Agreement expires or terminates, CONTRACTOR shall return to GSA any GSA records which CONTRACTOR used or received from GSA to perform services under this Agreement.
- 10.03 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and GSA rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.04 Access to and Audit of Records. The GSA shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the GSA or as part of any audit of the GSA, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 10.05 Royalties and Inventions. GSA shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of GSA.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR’s employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations, which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.
12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the GSA pursuant to a contract with the state or federal government in which the GSA is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, GSA will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.
13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the GSA. No offer or obligation of permanent employment with the GSA or particular GSA department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from GSA any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers’ compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR’s performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold GSA harmless from any and all liability, which GSA may incur because of CONTRACTOR’s failure to pay such taxes.
14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the GSA and CONTRACTOR’S contract administrators at the addresses listed below:

FOR CONTRACTOR:	FOR GSA:
<hr/> Derrick Williams, President Name and Title	<hr/> Gary Petersen, General Manager Name and Title
1814 Franklin Street, Suite 501 Oakland, CA 94612 <hr/> Address	P.O. Box 1350 Carmel Valley, CA 93924 <hr/> Address
(510) 903-0458 <hr/> Phone	(831) 682-2592 <hr/> Phone

15. MISCELLANEOUS PROVISIONS.

- 15.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 15.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the GSA and the CONTRACTOR.
- 15.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the GSA and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the GSA. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the GSA. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the GSA and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both GSA and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

- 15.13 Construction of Agreement. The GSA and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 Authority. Any individual executing this Agreement on behalf of the GSA or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represent the entire Agreement between the GSA and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the GSA and the CONTRACTOR as of the effective date of this Agreement, which is the date that the GSA signs the Agreement.
- 15.17 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

This space left blank intentionally

IN WITNESS WHEREOF, GSA and CONTRACTOR have executed this Agreement as of the day and year written below.

SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

By _____
Joseph Gunter, Chair of the Board of Directors

Dated: March ____, 2018

APPROVED AS TO FORM

Leslie J. Girard, Agency Counsel

HYDROMETRICS WRI

By _____

Dated: March ____, 2018

Exhibit A

Scope of Work

The following scope of work generally follows the tasks outlined in HydroMetrics WRI's proposal. The scope of work is based on and incorporates by reference the following assumptions; if these assumptions do not materialize, the parties shall negotiate in good faith for changed conditions that affect the deliverables and tasks described herein.

Assumptions

- Stakeholder outreach will be led by SVBGSA or their facilitation/outreach consultant. The HM WRI team will attend meetings and present at meetings as necessary, but will not be responsible for setting up meetings, documenting meetings, etc.
- The required communication and engagement plan will be developed by SVBGSA's existing facilitation consultant, and the HM WRI team will review the draft plan before it is finalized.
- SVBGSA staff will take the lead on developing intra-basin and inter-basin coordination agreements. HM WRI will assist with developing these plans as requested.
- Developing funding mechanisms will be led by SVBGSA's financial consultant. HM WRI and HM WRI's subconsultants will provide technical support as necessary.
- Water budgets may be extracted from the groundwater model being developed for the County by the U.S. Geological Survey (the Salinas Valley Integrated Hydrologic Model or "SVIHM"), and that will be available to the SVBGSA.
- The SVIHM will be sufficient to produce historical, current, and future groundwater budgets, and is capable of simulating potential groundwater management actions and projects. No additional model calibration or modification is necessary.
- The SVBGSA will enter into an agreement with Monterey County Water Resources Agency (MCWRA) to provide data information to support GSP development.
- MCWRA has appropriate cross-section of the Salinas Valley Groundwater Basin that can be used in the preparation of the GSP.
- Data relevant to current conditions is available from MCWRA (see Task 8, "Current Conditions").
- All meetings with the SVBGSA Board of Directors and the Advisory Committee are open meetings subject to the Brown Act.

PRIMARY DELIVERABLE

- HydroMetrics WRI (“HM WRI”) will produce a single GSP by September 30, 2019. The single GSP will comprise:
 - A single introductory section for the entire basin,
 - A single hydrogeologic conceptual model, including one longitudinal cross-section and one cross-wise cross section for the entire valley,
 - An integrated valley-wide water budget,
 - Separate sustainability criteria will be identified in separate chapters for each sub-basin,
 - Management actions will be set for the entire valley, and
 - A single data management system for the entire valley

Note that HM WRI proposes that this approach be discussed with DWR staff early in the GSP process.

Task 1. Groundwater Sustainability Plan Public Outreach and Stakeholder Forums

This task includes HM WRI’s attendance at SVBGSA Advisory Committee (“Advisory Committee”) meetings and stakeholder forums necessary for setting groundwater management policies and communicating plan progress. HM WRI staff will attend each Advisory Committee meeting and public forum. HM WRI staff will inform attendees about plan progress, identify upcoming opportunities for public or Advisory Committee engagement, and receive input on groundwater management policies. HM WRI will prepare and give a short presentation at each meeting, if requested to do so.

Task 2. Coordinate with Monterey County Water Resources Agency

SVBGSA will endeavor to obtain necessary data from MCWRA, supplemented by data from other sources. HM WRI’s team will hold five meetings with MCWRA staff to obtain information and data relevant to the GSP. Before each meeting, the HM WRI’s team will identify what information is needed for the GSP. HM WRI’s team will provide MCWRA with a list of information and data HM WRI would like to get from the meeting. In this way, each meeting will be efficiently run to obtain information that is directly relevant to the GSP.

Task 3. Develop Intrabasin Coordination Agreements

HM WRI will facilitate coordination agreements and provide advice that protects SVBGSA’s interests. HM WRI will do this by providing technical and policy support to SVBGSA as it develops its coordination agreements. In particular, the coordination agreements must demonstrate a united hydrologic conceptual model and water budget for each basin, supplied by HM WRI. Additionally, HM WRI will review and comment on any aspects of the agreements that may impact SVBGSA’s responsibilities or ability to achieve sustainability.

Task 4. Develop Interbasin Agreements

Inter-Basin agreements are not required by SGMA, but SGMA does require that GSPs “not adversely affect an adjacent basin’s ability to implement its Plan”. HM WRI suggests that formal inter-basin agreements only be initiated if necessary. More productive will be informal coordination meetings with Pajaro Valley Water Management Agency (PVWMA) and the Seaside Basin Watermaster. During these meetings,

HM WRI will negotiate on how the basins should be managed and negotiate mutually acceptable groundwater conditions at basin boundaries. The ultimate goal of these meetings is to obtain letters from PVWMA and the Seaside Basin Watermaster that can be included as appendices to the GSP, stating that the GSP does not interfere with their ability to achieve sustainability.

HM WRI will attend three meetings each with the Seaside Basin Watermaster and the PVWMA to develop cooperative understanding of how the individual basins will be managed.

Task 5. Develop Funding Mechanism for SVBGSA Operations

The general concepts and approaches to funding must be developed by local interests with local input to ensure broad support for the funding. HM WRI will provide crucial engineering support to the local interests as they develop funding mechanisms.

Task 6. Use the Salinas Valley Integrated Hydrologic Model to Help Develop the GSP

The HM WRI team will conduct early meetings between its modeling staff and SVBGSA and MCWRA staff to identify the necessary SGMA requirements for the hydrologic model. Based on conversations with consultants familiar with the SVIHM, HM WRI assumes that no additional model updates will be needed and the model will be capable of producing all the information necessary for the GSP.

Specific tasks and activities where the SVIHM will be used include:

- Developing the historical basin wide groundwater budget;
- Developing the current basin wide groundwater budget;
- Developing the future basin wide groundwater budget;
- Developing the future basin wide groundwater budget under climate change;
- Establishing the effects of various projects or groundwater management activities
- Establishing the list of projects and activities needed to achieve sustainability
- Demonstrating sustainability under likely climate change
- Establishing that various sustainability criteria can be met simultaneously
- Establishing Interim milestones for each of the six sustainability indicators.

Task 7. Develop Introductory and Administrative Information

HM WRI will develop the introductory and administrative information in accordance with SGMA Regulations §354.2 through §354.6. HM WRI will identify the state, federal, and local agencies in the Salinas Valley Basin in Monterey County (“Plan Area”) and describe the authority of each relating to water resources and land use. Using GIS, maps of the Plan Area HM WRI will summarize information on jurisdictions, water purveyor service areas, wells in the Plan Area, and existing land use designations.

HM WRI will summarize County and City General Plans in Monterey County, specific plans, and other planning documents affecting land use and water use. This requires some careful consideration about: 1) how the land use plans could affect the ability of the SVBGSA to achieve sustainable groundwater management over the planning and implementation horizon, 2) how GSP implementation could affect the water supply assumptions of land use plans, and 3) how implementation of land use plans outside the Basin could affect the ability of the SVBGSA to achieve sustainable management.

This task also involves summarizing the County's well permitting process, local well ordinances, and relevant zoning codes and policies that have been adopted by the County or other public agencies. A key part of this section is providing an estimate of the costs to implement the GSP and how the SVBGSA plans to meet those costs. This likely will be done after the GSP has been developed, when the costs can be summarized in this section.

HM WRI assumes the notice and communication section of this chapter will be developed by SVBGSA's facilitation and outreach consultant.

This task will conclude with HM WRI drafting the introduction and administrative information chapter of the GSP. HM WRI will provide the SVBGSA one draft copy of the introduction and administrative information chapter. HM WRI will incorporate comments from the SVBGSA into the chapter, then release the draft chapter to the public. HM WRI will not incorporate any public comments until the final GSP is developed.

Task 8. Develop Plan Area and Basin Setting Section

The basin setting section of a GSP requires: 1) describing the hydrogeologic conceptual model, 2) documenting the current conditions of the groundwater basin, and 3) quantifying historical, current, and future water budgets.

Hydrologic Conceptual Model

HM WRI will develop the Valley-wide Hydrologic Conceptual Model in accordance with all of the requirements of SGMA Regulations § 354.14. HM WRI's approach is to accept MCWRA's interpretations of the hydrogeologic conceptual model to the degree possible. HM WRI will leverage easily obtainable data to produce the required maps that may not exist.

Scaled cross sections of the Valley are required by SGMA Regulations § 354.14 (c). HM WRI assumes that, because this GSP represents the entire Salinas Valley, only one longitudinal and one crosswise cross-section will be necessary.

As part of this task, HM WRI will develop the necessary required maps, including:

- Topographic information derived from the U.S. Geological Survey or another reliable source.
- Surficial geology.
- Soil characteristics as described by the appropriate Natural Resources Conservation Service soil survey.
- Delineation of existing recharge areas that substantially contribute to the replenishment of the basin, potential recharge areas, and discharge areas, including significant active springs, seeps, and wetlands within or adjacent to the basin.
- Surface water bodies that are significant to the management of the basin.
- The source and point of delivery for imported water supplies.

Current Conditions

HM WRI will describe current conditions in accordance with all of the requirements of SGMA Regulations § 354.16. These regulations require the use of best available information to document current and historical:

- Groundwater elevations, including:
 - Groundwater elevation maps
 - Groundwater hydrographs,
- Graphs of groundwater storage change, including water use and water year type,
- Seawater intrusion conditions, including maps and cross sections showing the extent of seawater intrusion,
- Groundwater quality issues,
- The extent of, rate of, and cumulative total land subsidence,
- Locations of interconnected surface water systems and groundwater-dependent ecosystems.

Water Budgets

HM WRI will develop the necessary water budgets in accordance with SGMA Regulations §354.18. Because this GSP is a Salinas Valley wide GSP, HM WRI assumes only one basin-wide groundwater budget is necessary. HM WRI will develop water budgets for three different periods: historical, current, and projected. The HM WRI team proposes that the basin-wide water budget be extracted from the SVIHM for all three periods. This has three advantages. First, this approach is simple and saves effort. Second, the water budget will be consistent with the model analyses used to demonstrate sustainability. Third, this will facilitate more refined analyses for each sub-basin if required by DWR.

In accordance with SGMA Regulations §354.18, the water budget will include:

- Description of inflows, outflows, and change in storage
- Where overdraft conditions occur, quantification of overdraft over a period of average years
- Quantification of current, historical, and projected water budgets
- Description of surface water supply used or available for groundwater recharge or in-lieu use.

The water budget will be summarized in a clear, concise tabular and graphical form. The description of the water budgets will include definitions of the geographic area, groundwater storage volume and study period(s) used in the water budget analysis.

This task will conclude with HM WRI drafting the basin setting chapter of the GSP. HM WRI will provide the SVBGSA one draft copy of the basin setting chapter. HM WRI will incorporate comments from the SVBGSA into the chapter, then release the draft chapter to the public. HM WRI will not incorporate any public comments until the final GSP is developed.

Task 9. Establish Basin Sustainable management Criteria

The sustainable management criteria define the groundwater conditions the SVBGSA must achieve. DWR expects all GSPs to have clearly stated and factually supported sustainability criteria, and HM WRI will develop one set of overall sustainable management criteria for the entire Salinas Valley Basin, and include specifics for each sub-basin in individual chapters if necessary.

HM WRI will start by holding meetings with the SVBGSA Board of Directors, the Advisory Committee, and other interested parties to clarify the terminology and process for setting sustainable management criteria.

Following the introductory meetings, Sustainability Criteria will be developed through a structured, iterative procedure.

The general steps to developing sustainability criteria include

- Establishing with the Board of Directors which sustainability criteria apply to the Salinas Valley Basin.
- Conducting meetings to assess public and stakeholder interpretations of “significant and unreasonable” conditions. An understanding of what is significant and unreasonable must be developed for each of the six sustainability indicators.
- Drafting minimum thresholds that reflect the agreed to significant and unreasonable conditions. Minimum thresholds must be set at every representative monitoring point for each of the six sustainability indicators. This could be an extensive effort.
- Combining the minimum thresholds into six undesirable results. One undesirable result will be set for each of the six sustainability indicators. The undesirable result will apply across the Salinas Valley Basin. It is possible that the Basin could be broken into management areas in order to apply the undesirable result locally. HM WRI will conduct meetings with board members and the public to assess the desire to apply undesirable result locally, rather than Basin wide.
- Conducting meetings to receive feedback on whether the minimum thresholds and undesirable results reflect the vision of the public and stakeholders.
- Developing measurable objectives for each representative monitoring point. Measurable objectives are the quantifiable goals at each representative monitoring point, and will be developed largely based on historical variability in hydrologic conditions.

This task will conclude with HM WRI drafting the sustainable management criteria chapter of the GSP. HM WRI will provide the SVBGSA one draft copy of the sustainable management criteria chapter. HM WRI will incorporate comments from the Board of Directors into the chapter, then release the draft chapter to the public. HM WRI will not incorporate any public comments until the final GSP is developed.

Task 10. Establish Monitoring Network and Protocols

HM WRI will establish the required monitoring network and monitoring protocols in accordance with SGMA Regulation § 354.34 and § 354.36. To the degree possible, the monitoring network will be based on MCWRA’s existing monitoring network and will incorporate MCWRA’s existing monitoring protocols. HM WRI will begin by requesting a copy of MCWRA’s monitoring protocols, along with digital maps of MCWRA’s monitoring locations.

HM WRI will compare MCWRA’s existing monitoring locations and depths to the hydrologic conceptual model developed in Task 10. Each significant hydrologic unit must be covered by an adequate number of monitoring locations. The HM WRI team will identify areas where additional monitoring locations must be added. In areas with ample monitoring locations, HM WRI will assess whether a single representative monitoring point can substitute for many nearby monitoring locations. HM WRI will compare historical data from adjacent monitoring points to establish the reliability of the representative monitoring points.

In accordance with SGMA Regulation § 354.34, HM WRI’s description of the monitoring systems will document the scientific rationale for monitoring site selection, consistency with data and reporting standards, and the links to the corresponding sustainability indicators, minimum thresholds, measurable objectives, and milestones.

After the sustainability criteria are agreed upon, HM WRI will revisit this monitoring network to ensure that adequate monitoring exists to substantiate all of the sustainability criteria. After HM WRI revisits the monitoring network, the HM WRI team will draft a monitoring plan, complete with monitoring protocols, which address all six sustainability indicators. HM WRI will develop a plan to fill monitoring gaps. The monitoring network improvement plan will include a schedule, anticipated costs, and potential sources of funding for improving the monitoring well network.

This task will conclude with HM WRI drafting section 3.5 of the GSP. This section will be incorporated into the sustainable management criteria chapter. This section will be reviewed and commented on in parallel with the rest of the sustainable management criteria chapter.

Task 11. Develop Projects and Management Actions

HM WRI will develop projects and management actions consistent with SGMA Regulations § 354.44. The management actions set out the activities SVBGSA must undertake and fund to achieve sustainability within 20 years.

HM WRI will start by holding workshops with the SVBGSA Board of Directors, the Advisory Committee, and other interested parties to brainstorm which management actions may be viable. This is important to establish the scale of what will be acceptable to all parties. Subsequent meetings will be held in each sub-basin to receive input on which actions are acceptable.

Based on input from the brainstorming meetings, HM WRI will develop a list of potential management actions and projects. Each likely project or management action will be developed to the preliminary degree necessary to assess its impact on groundwater conditions. Rough cost will be developed for each project or management action.

Each management action will be simulated using the SVIHM. The effect of the management action on each of the six sustainability indicators will be documented. The SVIHM will then be used to assess the effect of combinations of projects and management actions. Various combinations and scales of projects and management actions will be simulated until a combination is found that avoids all six undesirable results after 20 years. The SVIHM will additionally be used to simulate the combinations of projects and management actions under assumed climate change conditions. This will demonstrate the robust nature of the selected projects and management actions.

This task will conclude with HM WRI drafting the projects and management actions chapter of the GSP. In our documentation, the description of each project or management action will include:

- Measurable objective expected to benefit from the project
- Circumstances for implementation
- Public noticing
- Permitting and regulatory process
- Time-table for initiation, completion, and accrual of benefits
- Expected benefits and how they will be evaluated
- How the project or management action will be accomplished
- Legal authority required
- Estimated costs and plans to meet those costs (economic analysis and finance strategy)
- Management of groundwater extractions and recharge

- Relationship to additional GSP elements as described in Water Code §10727.4.

HM WRI will provide the SVBGSA one draft copy of the projects and management actions chapter. HM WRI will incorporate comments from the SVBGSA into the chapter, then release the draft chapter to the public. HM WRI will not incorporate any public comments until the final GSP is developed.

Task 12. Define Plan Implementation Actions

This section of the GSP demonstrates to DWR that the SVBGSA is committed to implementing the GSP. HM WRI will develop an implementation schedule, and identify the funding stream for the projects. HM WRI will additionally develop outlines and formats for annual reports to DWR, as well as five-year update reports.

This task will conclude with HM WRI drafting the implementation actions chapter of the GSP. HM WRI will provide the SVBGSA one draft copy of the implementation actions chapter. HM WRI will incorporate comments from the SVBGSA into the chapter, then release the draft chapter to the public. HM WRI will not incorporate any public comments until the final GSP is developed.

Task 13. Draft and Final GSPs

This task entails producing and submitting the single GSP for the Salinas Valley Basin. Each section of the GSP will be written as the work is performed, and drafts will be made available for review by the SVBGSA Board, Advisory Committee, and public. This task includes developing a draft GSP, holding public meetings to receive comment on the GSP, incorporating comments into the GSP, and submitting the final GSP to DWR.

Task 14. Collect Additional Data

While much of the groundwater data necessary for developing the GSP will be provided by MCWRA, additional sources of data will be necessary including statewide data sets and potentially data from Basin landowners. These data may include crop information, geologic information, or climate data such as rainfall. Under this task, HM WRI will collect all data necessary to produce the final GSP.

Task 15. Develop and Populate a Data Management System

HM WRI will develop and populate a data management system in accordance with SGMA Regulations § 352.6. The data management system will be capable of storing and reporting information relevant to development or implementation of the GSP.

The data management system will be built in phases, starting with necessary elements and adding additional elements as they are needed – this approach will control costs and result in a more effective data management system. This task may include a number of subtasks including preparing a data management plan, designing and populating a data management system, and delivering and deploying the DMS. HM WRI will leverage existing data platforms to develop the data management system, and not reinventing new system from scratch.

Anticipated data types include: water quality, groundwater levels, surface water flow, groundwater recharge, and others. All data will be collected from the recommended SGMA Monitoring Network. DWR will develop a web portal for submission of data required by SGMA and collected by the SVBGSA, and HM WRI will ensure that the DMS transmits data smoothly to DWR.

Task 16. Define Management Areas

Management areas may allow differing management practices or funding mechanisms in various areas of the Salinas Valley Basin. As part of this task, HM WRI will meet with the SVBGSA Board of Directors and Advisory Committee to present and clarify the benefits and difficulties of setting up management areas. Should the Board opt to set up management areas, HM WRI will establish them and describe them as required SGMA Regulations § 354.20. Our description of management areas will include:

- The reason for the creating each area,
- The rationale for sustainability criteria in each area,
- The level of monitoring and analysis, and
- How the management areas will not cause undesirable results outside the management area.

HM WRI recognizes that the SVBGSA has held preliminary discussions with the Marina Coast GSA regarding a management agreement for a portion of the Monterey sub-basin, and will work with SVBGSA staff towards such an agreement.

Task 17. Basin Boundary Modification (optional task)

If requested to do so by SVBGSA, HM WRI will develop and submit to DWR a basin boundary modification request for the Salinas Valley Basin. The basin boundary modification request will be a jurisdictional request that separates the Salinas Valley Basin from the Paso Robles Basin at the Monterey County/San Luis Obispo County line.

The basin boundary modification request will be based on the previous request submitted by MCWRA. HM WRI will meet with DWR to clarify reasons for why the previous MCWRA request was denied and will then focus HM WRI's efforts on addressing the shortcomings in the previous request.

The deliverable for this task will be a complete basin boundary modification request. The request will be submitted to DWR through its modification request system website. The request will be submitted before the due date of June 30, 2018.

Task 18. Project Management

This task ensures that the project is proceeding in a timely and efficient manner. HM WRI will conduct regular team meetings to ensure that all GSP elements are proceeding on schedule, and HM WRI will identify any potential schedule or budget concerns that may arise.

HM WRI will produce monthly invoices, accompanied by monthly updates on project progress. A percent spent and percent complete estimate will accompany each invoice.

HM WRI will provide SVBGSA quarterly progress reports to justify DWR Proposition 1 reimbursement.

HydroMetrics WRI Rate Schedule

**Employees who
may work on**

SVBGA GSP	Position	Rate
Derrick Williams	President	\$225
Cameron Tana	Vice President	\$210
Georgina King	Principal Hydrogeologist	\$200
Joe Oliver	Principal Hydrogeologist	\$215
Pascual Benito	Senior Hydrogeologist	\$180
Esther Adelstein	Hydrogeologist 2	\$125
Nick Byler	Hydrogeologist 2	\$125
Sandra Inouye	Office Support	\$80

- Other Direct Costs and Subconsultants charged at cost + 10%
- Reproduction charged at \$0.10 per page (exclusive of labor and other direct costs, e.g. binders)
- Mileage charged at current federal rate

AMEC Foster Wheeler Rate Schedule

Professional.....	Rate
Les Chau	\$245.91
Matthew Baillie.....	\$171.39
Jim McCord	\$262.91
Seth Jelen	\$197.78
Greg Hamer.....	\$245.78
Craig Stewart	\$269.52

Wallace Group Rate Schedule

Principal	\$195
Principal Engineer.....	\$190
Director	\$175
Senior Engineer I-II	\$160 - \$170
Engineer I-IV	\$140 - \$155
Associate Engineer I-II	\$95 - \$105
Senior GIS Specialist	\$145
GIS Specialist.....	\$130
Senior Designer I-III.....	\$138 - \$148
Designer I-IV	\$75 - \$105
Assistant Designer	\$70
Office Assistant.....	\$60

WestWater Rate Schedule

Director	\$275
Principals.....	\$220
Regional Directors	\$200
Sr. Associates.....	\$135 - \$150
Associates	\$100 - \$125
Analysts.....	\$75 - \$95
Administration	\$65



Salinas Valley Basin

Groundwater Sustainability Agency

AGENCY MEETING DATE: March 8, 2018

AGENDA ITEM: 7c

SUBJECT: Notice of Intent to Prepare a Groundwater Sustainability Plan

RECOMMENDATION:

It is recommended that the Board of Directors authorize the General Manager to transmit to the California Department of Water Resources and other interested parties a Notice of Intent to Prepare a Groundwater Sustainability Plan.

BACKGROUND

Section 10727.8 of the California Water Code requires that the SVBGSA provide notice to the Department of Water Resources (“DWR”), the public, the County of Monterey and the cities within the Salinas Valley Groundwater Basin, and the California Public Utilities Commission (because there are regulated water companies within the basin) notice of the SVBGSA’s intent to prepare a Groundwater Sustainability Plan (“GSP”). Section 10727.8 provides:

Prior to initiating the development of a groundwater sustainability plan, the groundwater sustainability agency shall make available to the public and the department a written statement describing the manner in which interested parties may participate in the development and implementation of the groundwater sustainability plan. The groundwater sustainability agency shall provide the written statement to the legislative body of any city, county, or city and county located within the geographic area to be covered by the plan. The groundwater sustainability agency may appoint and consult with an advisory committee consisting of interested parties for the purposes of developing and implementing a groundwater sustainability plan. The groundwater sustainability agency shall encourage the active involvement of diverse social, cultural, and economic elements of the population within the groundwater basin prior to and during the development and implementation of the groundwater sustainability plan. If the geographic area to be covered by the plan includes a public water system regulated by the Public Utilities Commission, the groundwater sustainability agency shall provide the written statement to the commission.

DISCUSSION

As the Board knows, the SVBGSA has established an Advisory Committee with members representing a broad spectrum of interested parties, especially those that are not represented on the SVBGSA Board of Directors. SVBGSA staff, working with the Advisory Committee, will develop an outreach plan to solicit and encourage participation by the broadest possible cross-section of interested parties and groundwater users in the Basin towards the development of a GSP.

As the SVBGSA is considering the retention of a consultant to begin preparation of a GSP, it is appropriate to file a Notice of Intent with the DWR, and provide the notice to the required parties and interests. A draft Notice of Intent is enclosed as Attachment A, and it is requested that the Board authorize the General Manager to transmit the notice to DWR, and distribute it as required by state law.

FISCAL IMPACT

None with the approval of the Notice of Intent.

ATTACHMENT

A – Draft Notice of Intent to Prepare Groundwater Sustainability Plan

PREPARED BY:

Leslie J. Girard
Agency Counsel

APPROVED BY:

Gary Petersen
General Manager

DRAFT NOTICE OF INTENT TO PREPARE GROUNDWATER SUSTAINABILITY PLAN

To the Department of Water Resources, the California Public Utilities Commission, and Interested Parties:

Pursuant to Water Code Section 10727.8 and the Title 23, Section 353.6 of the California Code of Regulations, the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”), a California Joint Powers Authority (“JPA”), hereby gives notice that it intends to initiate development of a Groundwater Sustainability Plan (“GSP”) for the Salinas Valley Groundwater Basin (Basin no. 3-004) within Monterey County, including the following: 1) 180/400 Foot Aquifer (No. 3-004.01); 2) East Side Aquifer (3-004.02); 3) Forebay Aquifer (3-004.04); 4) Upper Valley Aquifer (3-004.05); 5) Langley Area (3-004.09); 7) Monterey sub-basin (3-004.10); and, 8) the Paso Robles Area (3-004.06). Not included in the area for the GSP are the jurisdictional boundaries of the Marina Coast Water District (acting as the Marina Coast Groundwater Sustainability Agency), the City of Greenfield (acting as the Arroyo Seco Groundwater Sustainability Agency), and the adjudicated Seaside sub-basin (No. 3-004.08).

The development of the Salinas Valley Groundwater Basin GSP will be in coordination with the groundwater sustainability agencies (“GSAs”) for the Paso Robles Area in San Luis Obispo County, the Pajaro Valley Water Management Authority, the Seaside Basin Water Master, the Marina Coast GSA (operating within the jurisdictional boundaries of the Marina Coast Water District), and the Arroyo Seco GSA (operating within the jurisdictional boundaries of the City of Greenfield). The SVBGSA anticipates entering into a management area agreement with the Marina Coast GSA for management of a portion of the Monterey sub-basin. Other management area agreements are possible.

As mentioned, the SVBGSA is a JPA formed by the County of Monterey, the Monterey County Water Resources Agency, the Cities of Salinas, Soledad, Gonzales, and King, the Castroville Community Services District, and Monterey One Water (formerly the Monterey Regional Water Pollution Control Agency, itself a JPA). The Board of Directors of the SVBGSA includes representative from the GSA eligible entities within the Basin, and agricultural, environmental, disadvantaged community and rural residential well owners. Meetings of the SVBGSA are subject to the California Open Meeting Law (the “Brown Act”), and the public is invited and encouraged to attend. Meetings of the SVBGSA Board are broadcast live and on replay.

Interested parties are encouraged to participate in the GSP development, and the SVBGSA has established an Advisory Committee as contemplated in Water Code section 10727.8. Advisory Committee meetings are subject to the Brown Act, and the Committee has members from a broad spectrum of interests, including members from agriculture, the environmental community, urban/domestic users, and disadvantaged communities. The Advisory Committee will be intimately involved in the development of the GSP for the Salinas Basin. Interested members of the public can participate in Advisory Committee and Board of Directors meetings, which are publicly noticed at the SVBGSA’s website: <https://svbgsa.org>. In

DRAFT NOTICE OF INTENT TO PREPARE GROUNDWATER SUSTAINABILITY PLAN

addition, the SVBGSA will hold numerous public workshops related to the development of the GSP.

The SVBGSA looks forward to working with the Department of Water Resources and basin stakeholders towards sustainable groundwater management planning and implementation. Please do not hesitate to contact Gary Petersen, SVBGSA General Manager, at peterseng@svbgsa.org if you have questions or comments.



STAFF REPORT

MEETING DATE: March 8, 2018

AGENDA ITEM: 7d

SUBJECT: Selection of Consulting Firm to Provide Fee/Tax/Assessment Analysis and Rate Setting Services

RECOMMENDATION: Direct Staff to Negotiate Scope of Work and Agreement with Selected Consultant

BACKGROUND:

The SVBGSA Joint Powers Agreement provides funding through June 30, 2019. If the GSA does not develop a funding mechanism, the GSA is dissolved and the State will step in to manage the basins.

In order to develop a funding mechanism to pay for operational costs beyond June 30, 2019 the GSA issued an RFQ for a consultant to develop the funding methodology that will be used.

DISCUSSION:

On January 12, the GSA released a Request for Qualifications (RFQ) for consultants to analyze the viability of fees, taxes or assessments for funding operations and capital improvements as well as developing the methodology for any new rates. By January 31, eight (8) consulting firms replied that they were interested in submitting a proposal. On February 15, four (4) proposals were received from the following firms:

- Hansford Economic Consulting
- Lechowicz + Tseng Municipal Consultants
- NBS
- Raftelis Financial Consultants

On February 28, all four consultants were interviewed by a panel consisting of Board member Adam Secondo, Agency Counsel Les Girard, General Manager Gary Petersen and RGS Senior Advisor Roberto Moreno. The interview panel unanimously selected a firm which will be announced at the Board meeting once all reference checks are finalized.

FISCAL IMPACT:

There is no fiscal impact in terms of negotiating a scope of work and an agreement. The agreement is expected to be before your Board in April.

PREPARED BY: Roberto Moreno, RGS Senior Advisor



STAFF REPORT

MEETING DATE: March 8, 2018

AGENDA ITEM: 10

SUBJECT: Future Agenda Items

Following is a list of items tentatively scheduled for future meetings.

APRIL 12, 2018 - at Gonzales City Council Chambers

Consider Approval of Purchasing Policies (Budget & Finance Committee)
Consider Approval of GSA Financial Policies (Budget & Finance Committee)
Consider Approval of Consultant Contract for Rates Study (Budget & Finance Committee)
RGS Task List Status Report

MAY 10, 2018

Consider Approval of RGS Agreement for FY 2018-19 (Budget & Finance Committee)
Receive Preliminary Budget for FY 2018-19 (Budget & Finance Committee)

JUNE 14, 2018

Consider Approval of FY 2018-19 Budget (Budget & Finance Committee)
Election of Officers/Committee

JULY 12, 2018

AUGUST 9, 2018

SEPTEMBER 13, 2018

OCTOBER 11, 2018

Consider Rates Study Recommendations (Budget & Finance Committee)

NOVEMBER 8, 2018

DECEMBER 13, 2018