



Salinas Valley Basin

Groundwater Sustainability Agency

AGENDA

April 20, 2017

Agenda for a meeting of the Salinas Valley Groundwater Sustainability Agency to be held on THURSDAY April 20, 2017 at 4:00 p.m., in the CITY HALL ROTUNDA, 200 Lincoln Avenue, Salinas, California, 93901.

The Chairperson may limit the length of individual presentations, Public Comments limited to 2 minutes.

1. **Call to order**
2. **Roll call**
3. **Pledge of allegiance**
4. **Public Comment**
Members of the public may comment on matters within the jurisdiction of the Agency but not on the agenda. Public comments generally are limited to two minutes per speaker; the Chair may further limit the time for public comments depending on the agenda schedule. Inappropriate language will not be tolerated. Please refrain for using profanity.
5. **Approve Minutes of March 9, 2017 and April 13, 2017**
6. **Receive a report on the California Public Records Act and the use of personal devices and e-mail accounts for Agency business, the establishment of an Agency e-mail account, and the establishment of an Agency web-site.**
7. **Approve and authorize the Vice-Chair of the Board of Directors to execute an agreement with the City of Salinas and the County of Monterey for interim administrative and legal services.**
8. **Approve and authorize the Chair of the Board of Directors to execute a Memorandum of Agreement with Cal Water and Alco regarding participation on the Board of Directors of the Agency.**
9. **Continue the noticed public hearing opened on April 13, 2017 and consider approving and authorizing the filing of a Notice of Intent (NOI) with the Department of Water Resources including a report on the status of other GSAs in**

the Salinas Valley Groundwater Basin; provide direction to staff to prepare an NOI for the SVBGSA in the Salinas Valley Groundwater Basin.

- a. Review NOI procedure;
- b. Consider whether to overlay the Marina Coast Water District NOI;
- c. Consider whether to file over the City of Greenfield and the Clark Colony Mutual Water Company;
- d. Provide direction to staff.

10. Consider establishing Board committees:

- a. Executive,
- b. Budget and Finance,
- c. Planning.

11. Report on establishment of an Advisory Committee.

- a. Charter Revisions

12. Issuance of Requests for Proposals or Requests for Qualifications for General Manager Position for the SVBGSA,

13. Update on provision of services:

- a. Clerk,
- b. Secretarial and other support.
- c. Preparation of draft FY 17/18 SVBGSA Budget
- d. Establishment of banking services and interim financial services for SVBGSA

14. Receive a report and provide direction on future agenda items.

15. Adjourn.

AGENDA MATERIAL

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 the City Clerk's Office at 200 Lincoln Avenue, Salinas, 758-7381, as soon as possible but by no later than 5 p.m. of the last business day prior to the meeting. Hearing impaired or TTY/TDD text telephone users may contact the City by dialing 711 for the California Relay Service (CRS) or by telephoning any other service providers' CRS telephone number.

PUBLIC NOTIFICATION

This agenda was posted on April 14, 2017 at the City Clerk's Office, in the City Hall Rotunda.



Salinas Valley Basin

Groundwater Sustainability Agency

SALINAS VALLEY BASIN GROUND WATER SUSTAINABILITY AGENCY UNOFFICIAL MEETING MINUTES MARCH 9, 2017

CALL TO ORDER

The meeting convened in the Salinas City Hall Rotunda, 200 Lincoln Avenue, Salinas at 4:31 p.m.

Gary Petersen, Public Works Director for the City of Salinas, provided a brief history of the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) establishment and procedures for the initial SVBGSA meeting.

SWEARING-IN OF DIRECTORS

Hon. Judge Stephanie E. Hulsey administered the oath of office to the appointed SVBGSA Board of Directors and alternate Board members as follows:

Joseph Gunter, Salinas Mayor
Michael McHatten, Soledad City Manager
Rene Mendez, Gonzalez City Manager (Alternate)
Paul Scutio, Monterey Regional Walter Pollution Control Agency (Alternate)
Ron Stefani, Castroville CSD
Brenda Granillo, California Water Service Company
Tom Adcock, Alisal Water Company (Alternate)
Bill Lipe, Rava Ranch
Roger Moitoso, Arroyo Seco Vineyards (Alternate)
Colby Pereira
Kevin Healy (Alternate)
Steve McIntyre
Tim Borel (Alternate)
Adam Secondo
Dennis Lebow (Alternate)
Janet Brennan
Brian LeNeve (Alternate)
Lou Calcagno
Glenn Church (Alternate)

ROLL CALL

Present:

Board Member Janet Brennan
Board Member Lou Calcagno
Board Member Brenda Granillo
Board Member Bill Lipe
Board Member Michael McHatten
Board Member Steve McIntyre
Board Member Colby Pereira
Board Member Adam Secondo
Board Member Ron Stefani
Board Chair Joe Gunter.

Board Member Luis Alejo arrived later in the meeting and was sworn in as a Director

Election of Officers

BOARD ACTION

Upon motion by Board Member Lipe, second by Board Member Granillo, the SVBGSA approve nomination of Joseph Gunter as Chair and Board Member Michael McHatten as Vice-Chair of the SVBGSA. AYES: Board Members: Brennan, Calcagno, Granillo, Lipe, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Gunter. NOES: None. ABSTAIN: None. ABSENT: Board Member Alejo.

Public Comment

The following audience members provided general public comment:

Bill Carrothers
Pam Silkwood, Clark Colony
Tom Versik, Law Offices of Patrick J. Maloney
Marina Coast Water District

Receive a presentation on the basics of the Brown Act (California Open Meeting law) and Political Reform Act, and direct preparation of an Agency Conflict of Interest Code

Chief Assistant County Counsel, Leslie Girard provided his presentation highlighting the Conflict of Interest Code, Brown Act, ethics mandate (AB 1234) and the Political Reform Act. Presentation filed for the record with the SVBGSA Clerk.

The following audience members commented on the report:

Bill Carrothers
Tom Versik

Adopt regular meeting schedule, including date, time and location

Gary Petersen, Interim Executive Director, provided a proposed meeting calendar thru September 2017 which is filed with the Clerk for the record. Upon approval by the Board staff

recommends the SVBGSA meet on the 2nd Thursday of every month at 4:00 p.m. in the Salinas Rotunda, 200 Lincoln Avenue, Salinas.

BOARD ACTION

Upon motion by Board Member Lipe, second by Board Member McHatten, the SVBGSA approved the proposed meeting calendar as presented by staff. AYES: Board Members: Brennan, Calcagno, Granillo, Lipe, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Gunter. NOES: None. ABSTAIN: None. ABSENT: Board Member Alejo.

Consider establishing Board Committees

Mr. Petersen, provided his report reviewing the work plan through September 2017. He reported that the Board of Direction will be required to consider establishment of an Executive, Budget and Finance and Planning committees for final approval and appointment at the April 13, 2017 meeting. Work Plan filed with the Clerk for the record.

Chair Gunter stated he would work with the Vice-Chair, General Manager and an additional Board Member to consider appointment to the Executive, Budget and Finance and Planning committees accordingly.

Consider establishing an Advisory Committee

Mr. Petersen reported there will also be a need to establish an Advisory Committee and further recommended the original stakeholder group that participated in the establish of the SVBGSA take part in the Advisory Committee.

BOARD ACTION

Upon motion by Board Member Lipe, second by Board Member McIntyre, the SVBGSA approved appointment of the original SBVGSA stakeholder group to serve as the Advisory Committee. AYES: Board Members: Brennan, Calcagno, Granillo, Lipe, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Gunter. NOES: None. ABSTAIN: None. ABSENT: Board Member Alejo.

Consider authorizing issuance of Requests for Proposals or Requests for Qualifications:

Additionally, Mr. Petersen reported that staff will begin the development of an RFP for the following services allowing the General Manager to participate in the selection process.

- a. General Manager Position for the SVBGSA,
- b. Groundwater Sustainability Plan consultant(s),
- c. Legal services,
- d. Financial consultant.
- e. Auditing

The RFP will be presented to the Board of Directors for final approval prior to authorizing the issuance and submittal of RFP's.

Consider Providing direction regarding other services

Mr. Petersen reminded the Board of Directors that there are general services that will require future consideration during the April 13 and May 11 meetings. General services include the following:

- a. Clerk,
- b. Secretarial and other support.
- c. Direct General Manager to prepare draft FY 17/18 SVBGSA Budget
- d. Direct General Manager to establish banking services and interim financial services for SVBGSA

Meeting Stipend

Mr. Petersen further added, that there will be a stipend provided per meeting. As such, meeting attendance is being tracked effective March 9, 2017 and Board Members will be paid accordingly following July 1, 2017. Funding is not available until the FY 2017/18 budget is completed. The Finance Committee members will work with the Executive Director to develop the budget and stipend amounts.

Receive a presentation on the general requirements for the filing of a Notice of Intent (NOI) with the Department of Water Resources including a report on the status of other GSAs in the Salinas Valley Groundwater Basin; provide direction to staff to prepare an NOI for the SVBGSA in the Salinas Valley Groundwater Basin.

Mr. Girard, Legal Counsel, provided his report regarding the Notice of Intent process. Staff recommends Board approval for the preparation of an NOI for the Salinas Valley Basin, and notice public hearing for April 13, 2017 Board meeting.

Mr. Girard stated that approval of NOI will include decision on whether to overlay Marina Coast Water District's NOI or to accede to the District's NOI and consideration whether to include or exclude one or both boundaries of Greenfield and Clark Colony.

BOARD ACTION

Upon motion by Board Member Brennan, second by Board Member Pereira, the Board approved preparation of an NOI for the Salinas Valley Basin and notice public hearing for April 13, 2017 meeting. AYES: Board Members: Brennan, Calcagno, Granillo, Lipe, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Gunter. NOES: None. ABSTAIN: None. ABSENT: Board Member Alejo.

Receive a report and provide direction on future agenda items

Mr. Petersen added that agreements with the City of Salinas and County of Monterey for interim administrative and legal services will need to be executed. He added that there are other agreements for services such as insurance, D&O, and worker’s compensation will also be presented to the Bard for approval during the April 13, 2017 meeting.

Future agenda Items

None.

Prior to adjournment, Chair Gunter administered the oath of office to Board Member Luis Alejo and Kimbley Craig.

Adjournment

Meeting adjourned at 5:45 p.m.

APPROVED:

Joe Gunter, Chair

ATTEST:

Gary Petersen, Interim Executive Director



Salinas Valley Basin

Groundwater Sustainability Agency

SALINAS VALLEY BASIN GROUND WATER SUSTAINABILITY AGENCY UNOFFICIAL MEETING MINUTES April 13, 2017

CALL TO ORDER

The meeting convened in the Salinas City Hall Rotunda, 200 Lincoln Avenue, Salinas at 4:15 p.m.

SWEARING-IN OF DIRECTORS

Kimbley Craig serving as Alternate Chair Person administered the oath of office to Paul Scuito, General Manager of the Monterey Peninsula Regional Water Pollution Control Agency as an alternated Board Member.

ROLL CALL

Present:

Board Member Janet Brennan

Alternate Board Member Glenn church for Member Lou Calcagno

Board Member Brenda Granillo

Board Member Bill Lipe

Board Member Michael McHatten

Board Member Steve McIntyre

Board Member Colby Pereira

Board Member Adam Secondo

Board Member Ron Stefani

Alternate Board Member Paul Scuito for Member Luis Alejo

Alternate Board Chair Kimbley Craig for Chair Joe Gunter.

Absent: None

Public Comment

The following audience members provided general public comment:

Norm Groot – Monterey County Farm Bureau

Open the noticed public hearing to consider approving and authorizing the filing of a Notice of Intent (NOI) with the Department of Water Resources and continue the public hearing to a special meeting of the Agency on April 20, 2017 at 4 p.m.

BOARD ACTION

Board Member Lipe proposed a motion to move the Public Hearing to April 27, 2017, citing his inability or his alternates inability to attend the April, 20, 2017 proposed continuation date. A second was initially proposed but withdrawn once clarity shift in the date was provided. Board Member Lipe's motion failed when it did not receive a second. A motion was then proposed by Board Member McIntyre that was seconded by Board Member Granillo. AYES: Board Members: Brennan, Church, Scuito, Granillo, McHatten, McIntyre, Pereira, Secondo, Stefani, and Chair Craig. NOES: Lipe, ABSTAIN: None. ABSENT: None

Adjournment

Meeting adjourned at 4:45 p.m.

APPROVED:

Joe Gunter, Chair

ATTEST:

Gary Petersen, Interim Executive Director



Salinas Valley Basin

Groundwater Sustainability Agency

AGENCY MEETING DATE: April 20, 2017

AGENDA ITEM: 7

SUBJECT: Agreement with Monterey County and the City of Salinas regarding Interim Services

RECOMMENDATION: Approve the Agreement

BACKGROUND

Section 9.1 of the Joint Exercise of Powers Agreement (“JPA Agreement”) forming the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) provides that one or more members of the Agency will provide interim administrative, legal and other support services at no cost to the Agency until the appointment of the Permanent Board of Directors (no later than October 1, 2017). As reported at the initial meeting of the Agency Board on March 9, 2017, the City of Salinas (“City”) has provided interim General Manager and Clerk of the Board services to the Agency, and the County has provided interim legal and administrative services. The JPA Agreement requires that the provision of these interim services be formalized and documented with the Board’s approval.

DISCUSSION

The City and the County are prepared to provide the indicated services, and others as may be necessary, at no cost until the appointment of the Permanent Board. Enclosed as Attachment A is a draft three-party agreement between the Agency, City and County that memorializes the provision of services. As consideration for the provision and receipt of the services, it is recommended that the parties mutually waive any claim for damages against each other in the provision of the services. In addition, the draft agreement acknowledges that County Counsel, who will provide the interim legal services, represents other entities (County, Water Resources Agency, TAMC, LAFCO, Air District, for example). While no conflict currently exists, the draft agreement provides that the parties will confer if an actual conflict arises and the Agency may either waive the conflict or retain at its sole cost other counsel. Finally, the draft agreement provides that the services will be provided until the earlier of October 1, 2017, the seating of a Permanent Board of Directors, or the securing by the Agency of substitute services at its sole cost.

This agreement is not prohibited by Government Code section 1090 because the representation of the City and County on the Agency’s Board of Directors is subject to the exception set forth in Government Code section 1091.5 (9) (non-interest). In addition, this agreement does not create a

conflict of interest for the City and County Directors under the Political Reform Act because they do not have a financial interest in the draft agreement pursuant to the exceptions provided in definition of “income” set forth in Government Code section 82030 (b).

In an abundance of caution, it is proposed that the agreement be executed by the Vice-Chair of the Agency, and we ask that the City and County Directors not participate in the discussion or vote on the draft agreement. Enclosed as Attachment B is a draft resolution authorizing the Vice-Chair to execute the agreement.

Attachments: A – Draft Agreement
B – Draft Resolution

ATTACHMENT A

AGREEMENT REGARDING INTERIM ADMINISTRATIVE AND LEGAL SERVICES

between

THE COUNTY OF MONTEREY,

THE CITY OF SALINAS,

and

THE SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

ATTACHMENT A

RECITALS

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”) is a joint powers authority (“JPA”) formed pursuant to state law and by agreement effective December 22, 2017 (“JPA Agreement”); and

WHEREAS, the JPA agreement forming the SVBGSA provides that one or more of the members of the SVBGSA will provide interim administrative, legal and other support services to the SVBGSA at no cost, until no later than September 30, 2017; and

WHEREAS, the City of Salinas (“City”) and the County of Monterey (“County”) are currently providing such interim services to the SVBGSA; and

WHEREAS, the parties desire to memorialize the nature, extent, and continued provision of the interim services provided for in the JPA Agreement; NOW THEREFORE,

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the County, the City, and the SVBGSA agree that the County and City will provide interim administrative and legal services to the SVBGSA at no cost as follows:

1. The County will provide the following interim services to the SVBGSA:
 - a. Interim legal services through the Office of the County Counsel by an attorney designated by the County Counsel; and
 - b. Interim administrative and other support services through the County Administrative Office.
2. The City will provide the following interim administrative services to the SVBGSA:
 - a. The City Manager will designate an interim General Manager for the SVBGSA; and,
 - b. The City Clerk will provide interim Clerk of the SVBGSA Board of Directors services.
3. The SVBGSA hereby accepts the proffered services, and waives any claim for damages against the County and City, and each of them, their officers and employees related to or arising from the provision of the indicated services. The City and County, and each of them hereby waive any claim for damages against the SVBGSA, and its Board of Directors, and any claim for damages against each other, and their respective officers and employees, related to or arising from the provision of the indicated services.
4. The SVBGSA acknowledges that County Counsel represents other clients, including the County of Monterey, LAFCO of Monterey County, the Transportation Agency of Monterey County, the Water Resources Agency of Monterey County, and the Monterey Bay Unified Air Pollution Control District, which representation may, from time-to-time,

ATTACHMENT A

present a conflict of interest with the representation of the SVBGSA. County Counsel shall promptly inform the SVBGSA of any situation giving rise to a conflict of interest in the representation of the SVBGSA, and the parties shall confer in good faith regarding a potential waiver of any conflict. Should any conflict not be waived, the SVBGSA shall retain at its own cost legal services from a different attorney of its choice regarding that matter.

5. The interim services provided for herein shall be provided until the earlier of the seating of the Permanent Board of Directors, October 1, 2017, or such time as the SVBGSA secures other or permanent replacement services, which such service shall not be a financial obligation of the City or County.

CITY OF SALINAS

COUNTY OF MONTEREY

By _____
Ray Corpuz
City Manager

By _____
Lew C. Bauman
County Administrative Officer

Dated: April __, 2017

Dated: April __, 2017

SALINAS VALLEY BASIN
GROUNDWATER SUSTAINABILITY
AGENCY

By _____
Michael McHatten
Vice-Chair

Dated: April __, 2017

APPROVED AS TO FORM

Charles J. McKee
County Counsel

APPROVED AS TO FORM

Christopher A. Callihan, City Attorney

ATTACHMENT B

**Before the Board of Directors of the
Salinas Valley Basin Groundwater Sustainability Agency**

Resolution No.

Resolution authorizing the Vice-Chair of the)
Board of Directors to execute the Agreement)
with Monterey County and the City of Salinas)
regarding Interim Services.)

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) was formed by a Joint Exercise of Powers Agreement (“JPA Agreement”) effective December 22, 2017; and

WHEREAS, the JPA Agreement provides that one or more members of the Agency will provide interim administrative, legal, and other support services until no later than October 1, 2017; and

WHEREAS, the City of Salinas (“City”) and the County of Monterey (“County”), members of the Agency, are currently providing such services to the Agency; and

WHEREAS, it is necessary and appropriate to memorialize the continued provision of such services by the City and the County to the Agency; 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 Vice-Chair of the Agency is hereby authorized and directed to execute for and on behalf of the Agency the Agreement regarding Interim Administrative and Legal Services with the City of Salinas and the County of Monterey, enclosed herewith as Attachment A.

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

AYES:
NOES:
ABSENT:

I, Patricia M. Barajas, Salinas City Clerk and Interim Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, hereby certify that the foregoing is the true original resolution of said Board of Directors duly adopted and entered in the minutes thereof for the meeting on April 13, 2017.

Dated:



Salinas Valley Basin

Groundwater Sustainability Agency

AGENCY MEETING DATE: April 20, 2017

AGENDA ITEM: 6

SUBJECT: Memorandum of Agreement with California Water Service Co. and Alisal Water Corp. regarding participation on the Board of Directors of the Agency

RECOMMENDATION: Approve the Agreement

BACKGROUND

Section 6.5 (e) of the Joint Exercise of Powers Agreement (“Agreement”) forming the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) provides that the water utility companies regulated by the California Public Utilities Commission (“CPUC”) and operating within the Salinas Valley Groundwater Basin will have one Director seat on the Agency’s Board of Directors (“CPUC Entity Directors”). The largest of these are the Salinas and King City districts of California Water Service Company (“Cal Water”) and Alisal Water Corporation dba Alco Water Service (“Alco”), representatives of which participated in the collaborative working group process leading to the establishment of the Agency. The City of Salinas has appointed representatives of Cal Water and Alco to the Primary and Alternate, respectively, CPUC Entity Director positions on the Board of Directors.

Cal Water and Alco have requested that their participation on the Board of Directors be memorialized in a Memorandum of Agreement (“MOA”) between them and the Agency.

DISCUSSION

As mentioned, the Agreement provides for the participation of CPUC regulated water utility companies on the Board of Directors. Such entities cannot, however, be members of the Agency as they are not eligible to be groundwater sustainability agencies (“GSA”) themselves under the Sustainable Groundwater Management Act (“SGMA”). SGMA provides, however, that such entities may participate in a GSA by a memorandum of agreement. Cal Water and Alco have requested that their participation on the Board of the Agency be so memorialized.

Enclosed as Attachment A is a draft MOA. It describes how Cal Water and Alco participated in the collaborative working group process, the outreach to other regulated water companies, and the selection process to participate on the Board of Directors. The MOA also memorializes the appointed Directors’ obligation to participate in meetings of the Board. Finally, consistent with SGMA, the MOA acknowledges that participation on the Board does not alter the water rights held by any of the participating regulated water companies.

The MOA is not prohibited by Government Code section 1090 because: 1) the currently appointed Directors representing Cal Water and Alco do not have a financial interest in the MOA because the Agreement, to which they are not parties, provides for their participation on the Board, thus the MOA merely memorializes what is provided for in the Agreement; and 2) the receipt of a per diem from the Agency as a Director does not create a financial interest in the MOA pursuant to Government Code section 1091.5 (9) (non-interest).

In addition, the MOA does not create a conflict of interest for the Cal Water and Alco Directors under the Political Reform Act: 1) for the same reasons as stated above; 2) because it is not reasonably foreseeable that the approval of the MOA will have a material financial effect on the Directors or their companies (Cal. Code Regs. Section 18701 (b)); and 3) the receipt of a per diem from the Agency does not create a financial interest under Government Code section 82030 (b) (exceptions to “income”).

In an abundance of caution, the MOA will be executed by officers in the companies other than the appointed CPUC Entity Directors, and we ask that they not participate in the discussion or vote on the MOA. Enclosed as Attachment B is a draft resolution authorizing the Chair to execute the MOA for the Agency.

Attachments: A – Draft Agreement
B – Draft Resolution

ATTACHMENT A

MEMORANDUM OF AGREEMENT (MOA) BETWEEN CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) REGULATED WATER COMPANIES AND THE SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY (GSA) REGARDING MEMBERSHIP ON GSA BOARD OF DIRECTORS

THIS MEMORANDUM OF AGREEMENT (“MOA”) memorializes the participation of certain CPUC regulated water companies in the Salinas Valley Basin Groundwater Sustainability Agency (“Salinas Valley GSA”), and the procedure for representatives of the companies to serve as Primary Director and Alternate Director to represent the companies on the Board of Directors of the Salinas Valley GSA. This MOA is made and entered into as of _____ (“Effective Date”), by and between the Salinas Valley GSA, the Alisal Water Corporation, dba Alco Water Service (“Alco”) and the California Water Service Company, Salinas and King City districts (“Cal Water”) (Alco and Cal Water are collectively referred to herein as “Companies,” and Salinas Valley GSA and the Companies are collectively referred to herein as “Parties”).

WHEREAS, in the fall of 2014 the California legislature adopted, and the Governor signed into law, three bills (SB 1168, AB 1739, and SB 1319) collectively referred to as the “Sustainable Groundwater Management Act” (“SGMA”), that initially became effective on January 1, 2015, and that has been amended from time-to-time thereafter; and

WHEREAS, the stated purpose of SGMA, as set forth in California Water Code section 10720.1, is to provide for the sustainable management of groundwater basins at a local level by providing local groundwater agencies with the authority, and technical and financial assistance necessary, to sustainably manage groundwater; and

WHEREAS, SGMA requires the designation of Groundwater Sustainability Agencies (“GSAs”) for the purpose of achieving groundwater sustainability through the adoption and implementation of Groundwater Sustainability Plans (“GSPs”) or an alternative plan for all medium and high priority basins as designated by the California Department of Water Resources; and

WHEREAS, SGMA requires that a basin have a designated GSA by no later than June 30, 2017, and an adopted GSP by no later than January 31, 2020, if a high or medium priority basin in critical overdraft, and no later than January 31, 2022, if a high or medium priority basin; and

WHEREAS, California Water Code Section 10723.6(b) authorizes water companies regulated by the CPUC to participate in a GSA through a Memorandum of Agreement or other legal agreement, and

WHEREAS, California State Senator Pavley, the author of Senate Bill 13 which revised Water Code Section 10723.6(b), stated in a letter dated September 11, 2015 to the Secretary of

ATTACHMENT A

the Senate, "Section 10723.6 (b) achieves two important outcomes: (1) it properly precludes the ability of local agencies to deny membership and participation in a GSA by these regulated public water systems, and (2) ensures that when a regulated water supplier has the largest or one of the largest groundwater management operations in a basin or subbasin subject to SGMA's requirements, the GSA in question will have the benefit of that supplier's experience, management expertise and technical prowess. Section 10723.6 (b) is intended to prevent local agencies from excluding PUC regulated water corporations from an executive management role in a GSA, to give these regulated public water suppliers the authority necessary to fully participate in a GSA and to clarify that public agency approval is not necessary. Any GSA that includes a geographic area where water is provided by a water corporation regulated by the Public Utilities Commission, should include these water utilities as full participating members.", and

WHEREAS, as of the date of this MOA, the entities listed on Exhibit A are CPUC regulated water companies within that portion of the Salinas Valley Groundwater Basin ("SVGB") within Monterey County, which is designated basin number 3-004 in Department of Water Resources Bulletin No. 118 (update 2016), and consists of seven sub-basins plus that portion of the Paso Robles sub-basin within Monterey County (but not including the adjudicated portion of the Seaside sub-basin), each of which is designated as either a high or medium priority basin, and one of which (the 180/400 ft. aquifer) is designated in critical overdraft. and

WHEREAS, a Collaborative Work Group ("CWG") was established, consisting of stakeholders in the SVGB, to form the Salinas Valley GSA and determine its governing board

WHEREAS, Alco and Cal Water are members of the CWG and have regularly attended and participated in the CWG meetings; and

WHEREAS, Alco and Cal Water on November 8, 2016 jointly sent letters to the other companies listed on Exhibit A that had not regularly attended or participated in the CWG, notifying them of the status of the GSA formation for the SVGB and seeking their interest in participation in the Salinas Valley GSA and input regarding the manner in which the interest of all the CPUC regulated water companies would best be represented on the Salinas Valley GSA board; and

WHEREAS through various means, the other companies listed on Exhibit A declined to actively participate in the Salinas Valley GSA; and

WHEREAS, certain local agencies, as defined by SGMA, within that portion of the SVGB have entered into a Joint Exercise of Powers Agreement dated December 22, 2016, ("JPA Agreement") and have established the Salinas Valley GSA to jointly exercise those powers granted by SGMA, and any additional powers which are common among them; and

ATTACHMENT A

WHEREAS, the JPA Agreement, in order to ensure that the interests of customers of the CPUC regulated water companies are also represented in the Salinas Valley GSA, established an eleven-member Board of Directors to govern the Salinas Valley GSA , with one of the eleven seats designated to be filled by a representative from a CPUC regulated water company who will represent all of the companies listed on Exhibit A; and

WHEREAS, the Companies and the Salinas Valley GSA enter into this MOA in order to memorialize the participation of the Companies in the Salinas Valley GSA, and to agree how to choose the representative, for both Primary and Alternate Director positions, for the Companies on the board of the Salinas Valley GSA;

NOW THEREFORE,

In consideration of the matters recited and the mutual promises, covenants, and conditions set forth in this MOA, the Salinas Valley GSA and the Companies hereby agree as follows:

1. Authorization of Salinas Valley GSA. The Parties agree that the Salinas Valley GSA will cooperatively carry out the requirements of SGMA by, including, but not limited to, serving as the GSA for the SVGB and developing, adopting and implementing a GSP that achieves groundwater sustainability in the SVGB, all through the exercise of powers granted to a GSA by SGMA and the JPA Agreement. The Companies additionally agree that they will abide by and be bound by the JPA Agreement, to the extent applicable.
2. Agreement for Director Seat. The Salinas Valley GSA agrees that representatives of the Companies will hold a Primary Director and Alternate Director Position on the Permanent Board of the Salinas Valley GSA through the designated CPUC Regulated Water Company Director Position, pursuant to Section 6.5(e) of the JPA Agreement.
3. Eligibility to Participate in this MOA. In order for a Company to be eligible to participate in and be a signatory to this MOA, it must be a CPUC regulated water company as defined by Public Utilities (“PU”) Code Sections 241 and 2701, it must have been granted a Certificate of Public Convenience and Necessity by the CPUC for a service area within the SVGB, it must use or provide groundwater within the SVGB boundary currently or in the future, and it must be in agreement with the conditions set forth herein.
4. Eligibility to Represent CPUC Regulated Water Companies on the SVGB GSA Board of Directors as Primary Director and Alternate Director. In order to ensure that the interests of the CPUC regulated water companies in the SVGB and their customers are represented in the Salinas Valley GSA, one seat (“Seat”) of the eleven seat Board of Directors of the Salinas Valley GSA is designated as a CPUC Regulated Water Company position. In order to be eligible to hold this Seat, the person must be the owner of,

ATTACHMENT A

officer of, employee of, or agent of a Class A or Class B CPUC Regulated Water Company that meets the requirements of Section 3 above, the person must meet the general qualifications at Section 6.4 of the JPA Agreement, and the person must have direct experience with their company's compliance with CPUC regulatory issues.

5. Representation on the Seat. Cal Water and Alco will alternate terms for representation as the Primary Director Seat, with the other Company holding the position of Alternate Director, for the first two two-year terms (a total of four years), with Cal Water as the first Primary Director (with Alco as the first Alternate Director) for the first two-year term and then Alco as Primary Director (with Cal Water as Alternate Director) for the second two-year term, and then continuing to alternate in the same manner for successive four year periods.
6. Nomination by Appointing Authority. The Companies shall present the persons selected to serve as Primary and Alternate Director for the Seat on the Salinas Valley GSA to the "Appointing Authority" for approval and appointment to the Seat, pursuant to Section 6.5(e) of the JPA Agreement.
7. Removal of Director. A Representative or Alternate Director representing the Companies may be removed and replaced pursuant to Section 6.5(e)(v) of the JPA Agreement for egregious acts or misrepresentation of the Companies' philosophies if the Companies unanimously agree, and subject to the approval of the Appointing Authority, pursuant to Section 6.5(e)(v) of the JPA Agreement. A representative and/or alternate shall be automatically removed if they cease employment, authorized agency or ownership in, or are no longer an officer of, their CPUC regulated company.
8. Alternating Representation. So long as only Cal Water and Alco are the only nominating signatories, it is mutually agreed that Cal Water and Alco will alternate terms for representation as the Primary Director Seat to the Salinas Valley GSA, with the other Company holding the position of Alternate Director.
9. Representation of Other Water Companies. Cal Water and Alco are the only CPUC regulated water companies listed in Exhibit A that are signatories and parties to this MOA and as such will represent the interests of all CPUC regulated water companies in the SVGB listed in Exhibit A through this MOA, through their participation in the Salinas Valley GSA, and through the designated CPUC Regulated Water Company Seat on the board of the Salinas Valley GSA.
10. Representation of Additional Parties to MOA. In the event any other CPUC regulated water company joins this MOA, then the Companies may, as necessary, agree on and establish a new or alternate voting structure for selection of and term for Primary and Alternate Director Seats.
11. Meetings of Water Companies. The Companies shall initiate meetings for representatives of all CPUC regulated water companies listed on Exhibit A within the SVGB

ATTACHMENT A

and within close proximity of the SVGB boundaries no less than quarterly until a GSP for the SVGB is accepted by the State of California. The frequency of the meetings will be determined by the Companies as needed once the GSP is finalized. A report shall be presented at these meetings by the Board member on the activities of the Salinas Valley GSA and shared with the CPUC regulated water companies within the SVGB.

12. Committee Membership. Representatives of the Companies will designate individual representatives of the Companies or other CPUC regulated water companies in the SVGB to serve as members of advisory or technical committees, or any other type of committee, for the Salinas Valley GSA, as requested by the Board of the Salinas Valley GSA.
13. Attendance at Board Meetings. Representatives shall maintain a good attendance record for the Salinas Valley GSA at the Salinas Valley GSA Board meetings and quarterly meetings of the CPUC regulated water companies within the SVGB in accordance with Section 6.4 of the JPA Agreement.
14. Authorization for Actions of Board Members. The Companies and other CPUC regulated water companies within the SVGB should provide general or specific direction and authorization to the appointed Board Members on the Salinas Valley GSA, to the extent possible and legally permissible, before that individual casts any votes or take any official position on behalf of the GSA on any substantive matter.
15. Additional Parties to MOA. In the case another CPUC regulated water company in the SVGB is interested in joining the MOA, they shall contact the Companies and request participation. The interested party shall be allowed to join in accordance with Section 6.5(e) of the JPA Agreement and the terms of this MOA.
16. No Impact on Water Rights. This MOA, and the Companies' participation in the Salinas Valley GSA, shall not alter, modify or have any impact on the water rights of Companies or other CPUC regulated water companies in the SVGB. The Companies and other CPUC regulated water companies in the SVGB will retain separate and sole ownership and control of all water rights held by them prior to formation of the Salinas Valley GSA and the execution of this MOA.
17. Confidential Information. Any confidential, privileged, protected and trade secret information of the Parties shall remain confidential, privileged and protected, even if the information is shared with the other Party or utilized in connection with this MOA or the Salinas Valley GSA, to the extent allowed under applicable authority.
18. Informal Dispute Resolution. In the event that a dispute arises among the Parties relating to this MOA, if the Parties are not able to reach consensus or unanimous agreement and approval, where required by this MOA, the Parties shall attempt in good faith to resolve the dispute through informal means. If the Parties cannot resolve a dispute within 30 days of the commencement of efforts to informally resolve the

ATTACHMENT A

dispute, the Parties may submit the dispute to an impartial mediator or arbitrator mutually agreed upon by the Parties. The mediator or arbitrator will have the option of meeting and conferring with the Parties informally to resolve the dispute, to conduct a more formal but non-binding mediation session, not to exceed one business day, or to engage in any other informal or formal dispute resolution process as agreed upon by the parties. Upon completion of any formal mediation session, or after 60 days following the initial submission of the dispute to the mediator or arbitrator, if the dispute has not been resolved, any Party shall have the right to bring a legal action relating to the dispute.

By: _____
Chair of the Board of Directors
Salinas Valley Basin Groundwater Sustainability Agency

By: _____
Timothy Treloar
VP, Water Quality & Chief Utility Operations Officer
California Water Service Company

BY: _____
Marino Rodriguez
CFO/Controller
Alisal Water Corporation
dba Alco Water Service

APPROVED AS TO FORM

Leslie J. Girard
Chief Assistant County Counsel/Interim General Counsel

ATTACHMENT B

**Before the Board of Directors of the
Salinas Valley Basin Groundwater Sustainability Agency**

Resolution No.

Resolution authorizing the Chair of the Board)
of Directors to execute the Memorandum of)
Agreement with California Water Service)
Company and Alisal Water Corporation dba)
Alco Water Service regarding Participation on)
the Board of Directors of the Salinas Valley)
Basin Groundwater Sustainability Agency.)

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) was formed by a Joint Exercise of Powers Agreement (“JPA Agreement”) effective December 22, 2017; and

WHEREAS, the JPA Agreement provides that the Agency will be governed by an eleven-member Board of Directors; and

WHEREAS, the JPA Agreement further provides that one of the Director positions (the “CPUC Entity Director”) is to be filled by a representative of water utility companies operating in the Salinas Valley Groundwater Basin and regulated by the California Public Utilities Commission, to be appointed by the City of Salinas; and

WHEREAS, the Sustainable Groundwater Management Act (“SGMA”) provides that, while CPUC regulated water utilities cannot be groundwater sustainability agencies (“GSAs”), they may participate in GSAs pursuant to a memorandum of agreement (“MOA”); and

WHEREAS, representatives of California Water Service Company (“Cal Water”) and Alisal Water Corporation dba Alco Water Service (“Alco”) have been appointed to the Primary and Alternate, respectively, CPUC Entity Director position; and

WHEREAS, Cal Water and Alco have requested that their participation on the Agency’s Board of Directors as set forth in the JPA Agreement be further memorialized in an MOA with the Agency; 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 Agency is hereby authorized and directed to execute for and on behalf of the Agency the Memorandum of Agreement regarding the participation of CPUC regulated water utility companies on the Agency’s Board of Directors, enclosed herewith as Attachment A.

ATTACHMENT B

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

AYES:

NOES:

ABSENT:

I, Patricia M. Barajas, Salinas City Clerk and Interim Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, hereby certify that the foregoing is the true original resolution of said Board of Directors duly adopted and entered in the minutes thereof for the meeting on April 13, 2017.

Dated:



Salinas Valley Basin

Groundwater Sustainability Agency

AGENCY MEETING DATE: April 20, 2017

AGENDA ITEM: 9

SUBJECT: Public Hearing to Consider Filing a Notice of Intent to form a Groundwater Sustainability Agency

RECOMMENDATION

It is recommended that the Board of Directors conclude a public hearing and adopt a resolution authorizing the transmission to the state Department of Water Resources (“DWR”) a Notice of Intent (“NOI”) to form a Groundwater Sustainability Agency (“GSA”) for the Salinas Valley Groundwater Basin (“Basin”) but not including the adjudicated Seaside sub-basin, and subject to the inclusion or exclusion of the areas described in the NOI filed by the County of Monterey (“County”), the jurisdictional boundaries of the City of Greenfield, and the service territory of the Clark Colony Mutual Water Company (“Clark Colony”).

This matter was previously noticed for the regular Board meeting of April 13, 2017, but the public hearing was opened and continued to this special meeting on April 20, 2017,

BACKGROUND

The Sustainable Groundwater Management Act (“SGMA”) authorizes a combination of local agencies to form a GSA by entering into a joint powers authority (“JPA”) agreement as authorized by the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) and to declare its intent to be a Groundwater Sustainability Agency (“GSA”) over a groundwater basin, or a portion of a basin. The Agency is such a JPA and is so authorized to file the appropriate Notice of Intent with DWR. The original intent for the Agency was to be the exclusive GSA for the Basin including that portion of the Paso Robles sub-basin within Monterey County. SGMA also requires that basins have a designated GSA by no later than June 30, 2017, and an adopted GSP by no later than January 31, 2020, if designated a high or medium priority basin that is in critical overdraft; and no later than January 31, 2022, if designated a high or medium priority basin but not in critical overdraft.

The Basin, denominated Basin No. 3-004, extends south into San Luis Obispo County. In Monterey County the Basin consists of the following sub-basins/aquifers: 1) 180/400 Foot Aquifer, also known as the Pressure sub-basin (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) the newly designated Monterey sub-basin (3-004.10) (formerly the unadjudicated Seaside area and the Corral de Tierra area); 8) the adjudicated Seaside sub-basin (3-004-08); and, 9) the portion of the Paso Robles Area (3-004.06) in Monterey County. The Basin is a combination of high and medium priority sub-basins, and the 180/400 foot aquifer and the Paso Robles area are designated in critical overdraft.

The process for becoming a GSA is for the interested agency to file an NOI with DWR. The filing must be preceded by a noticed public hearing (publication once a week for two weeks) at which time the public may comment on the proposed GSA formation. The NOI is to include information concerning the area over which the agency is to become the GSA, maps of the area, and information regarding how the proposed GSA will take into consideration the interests of the many stakeholders within the boundaries of the proposed GSA.

Here, the public hearing was properly noticed in the Monterey County Herald, King City Rustler, Greenfield News, Soledad Bee, Gonzales Tribune and the Register-Pajaronian. Enclosed as Attachment A is a draft NOI; however, the Board needs to determine whether to ask the County to withdraw its NOI filed for the Monterey sub-basin and include that sub-basin in the Agency's NOI, and whether to include in the Agency's NOI the area within the jurisdictional boundaries of the City of Greenfield and the service area of Clark Colony.

DISCUSSION

A discussion of the issues relevant to the County's NOI is enclosed as Attachment B. A discussion of the issues relevant to the Greenfield/Clark Colony matter is enclosed as Attachment C. A draft resolution is enclosed as Attachment D.

ATTACHMENT A

VIA ELECTRONIC AND U.S. MAIL

Mark Norburg,
GSA Project Manager Senior Engineering Geologist
California Department of Water Resources
901 P Street, Room 213A
P.O. Box 942836
Sacramento, CA 94236
Mark.Nordberg@water.ca.gov

Mike McKenzie
Senior Engineering Geologist
3374 East Shields Avenue
Fresno, CA 93726
Charles.McKenzie@water.ca.gov

Re: Notice of Intent by the Salinas Valley Basin Groundwater Sustainability Agency to Become the Exclusive Groundwater Sustainability Agency for the Salinas Valley Groundwater Basin (Basin No. 3-004) within Monterey County.

Dear Mr. Norburg and Mr. McKenzie:

Pursuant to Water Code section 10723.8, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) hereby provides notice of its intent (“NOI”) to become the exclusive Groundwater Sustainability Agency (“GSA”) for the Salinas Valley Groundwater Basin (Basin No. 3-004) within Monterey County, but not including the area within the jurisdictional boundaries of the Marina Coast Water District (“District”) or the adjudicated Seaside sub-basin (No. 3-004.08).

After giving the notice required by Water Code section (10723 (b), the Agency Board of Directors commenced a public hearing on April 13, 2017, and continued the public hearing to April 20, 2017, at which time the decision to become the GSA for the Basin was made.

The Agency is a Joint Powers Authority whose members include the County of Monterey, the Water Resources Agency of the County of Monterey, the Cities of Salinas, Soledad, Gonzales and King, the Castroville Community Services District, and the Monterey Regional Water Pollution Control Agency (also a Joint Powers Authority). As a Joint Powers Authority that includes the County, the Agency’s service area is the entirety of the County itself. As described above, the Agency has determined to be the exclusive groundwater sustainability agency for the Salinas Valley Groundwater Basin within Monterey County, excluding the area within the jurisdictional boundaries of the District and the adjudicated Seaside sub-basin (No. 3-004.08).

The Basin and its boundaries are identified as Basin No. 3-004 in Bulletin 118 (2016 update) and includes the following sub-basins: 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) the Monterey sub-basin (3-004.10); and, 8) the portion of the Paso Robles Area (3-004.06) in Monterey County.

The Agency understands that the County of Monterey filed an NOI for the Monterey sub-basin, excluding the area within the jurisdictional boundaries of the Marina Coast Water District, and became the exclusive GSA for that sub-basin effective April 4, 2017. The Agency has

requested that the County withdraw its NOI so that the Agency can include that sub-basin within its NOI. The County's request to that effect will be sent under separate cover, but a copy is enclosed herein.

Enclosed you will find all applicable information listed in Water Code section 10723.8 (a). These include:

1. Proof of publication of the notice of the public hearing, published in a newspaper of general circulation in Monterey County;
2. A copy of the resolution adopted by the Agency Board of Directors on April 20, 2017;
3. A map and GIS shape file showing the jurisdictional boundary/service area of the Agency, which is co-extant with the boundary of the County;
4. A map and GIS shape file showing the boundary of the Salinas Valley Basin;
5. A map and GIS shape file showing the relationship of the County boundary with the boundary of the Basin;
6. A map and GIS shape file showing the boundary of the area over which the Agency intends to be the exclusive GSA (which area does not include the area within the jurisdictional boundary of the District or the adjudicated Seaside sub-basin);
7. A map and GIS shape file showing the relationship of the County boundary to the proposed Agency GSA area;
8. A map and GIS file showing the jurisdictional boundary of the Marina Coast Water District; and
9. An initial list of interested parties with an explanation as to how their interest will be considered in the development and operation of the GSA, and the development and implementation of a groundwater sustainability plan.

The Agency will consider the interests of all beneficial uses and users of groundwater within the Basin, and will enter into the required cooperative agreements with any adjacent GSA.

The Agency, through its members, has the long-term technical, managerial, and financial capability to sustainably manage groundwater resources in the Basin, and to prepare a groundwater sustainability plan.

Please contact me if you have questions or need any further information.

Sincerely,

ATTACHMENT B

Monterey County NOI

1. Background

Marina Coast Water District is a County Water District formed pursuant to the provisions of California Water Code section 30000 et seq. Pursuant to Government Code sections 56036, 56100 and 56425, the District is subject to the jurisdiction of the Local Agency Formation Commission of Monterey County (“LAFCo”) with respect to the determination of its boundaries, annexations and sphere of influence. The District is a “local agency” and thus eligible to declare its intent to be a GSA pursuant to Water Code sections 10721 (n) and 10723 (a). The District has defined jurisdictional boundaries. Pursuant to a contract with the U.S. Army and the Fort Ord Reuse Authority, the District serves a large area outside its jurisdictional boundaries encompassing most of what is the former Fort Ord and what is now called the “Ord Community”

The District initially participated in the collaborative working group process that led to the creation of the Agency but in the summer of 2016 decided to form its own GSA over a portion of the newly designated Monterey sub-basin (formerly the unadjudicated Seaside area and the Corral de Tierra area). In September of 2016 the District Board of Directors voted to submit an NOI to form a GSA to DWR. The area over which the District desired to be a GSA is mostly outside of its jurisdictional boundaries, and is many times the size of the District itself. The area includes mostly unincorporated area, but also includes most of the City of Marina and a portion of the City of Seaside. A graphical representation showing the jurisdictional boundaries of the District and the area it proposed to serve as the exclusive GSA is enclosed.

The posting of the District’s NOI by DWR, began a 90-day period during which any other NOI could be submitted for the same area. SGMA provides that, if no such overlapping NOI was filed within the 90-day window, the District would be presumed to be the exclusive GSA for the area designated. If an overlapping NOI was filed, SGMA requires that the respective entities meet to discuss and come to an agreement regarding the boundary dispute for the GSA. The 90-day period for the District’s NOI extended through December 28, 2016.

Due to the risk that the State Board would not recognize the District’s ability to be a GSA for an area outside its jurisdictional boundaries, and that area be declared unmanaged and potentially probationary (a precedent to state intervention) the County filed an NOI on December 19, 2016, covering the entire Monterey sub-basin but not including the jurisdictional boundaries of the District. This action preserved for the Agency a determination of whether to include that area in its NOI. A map showing the area of the County’s NOI is enclosed.

On April 13, 2017, the County received a letter from Sam Boland-Brien, Chief of the State Water Resources Control Board’s Groundwater Management Program, confirming that the District cannot act as a GSA outside its jurisdictional boundaries. The letter also states that the State Board, which has jurisdiction to recognize GSA or declare areas unmanaged, recognizes the County as the exclusive GSA for the Monterey sub-basin, except the jurisdictional boundaries of the District, effective April 4, 2017. A copy of the letter is enclosed.

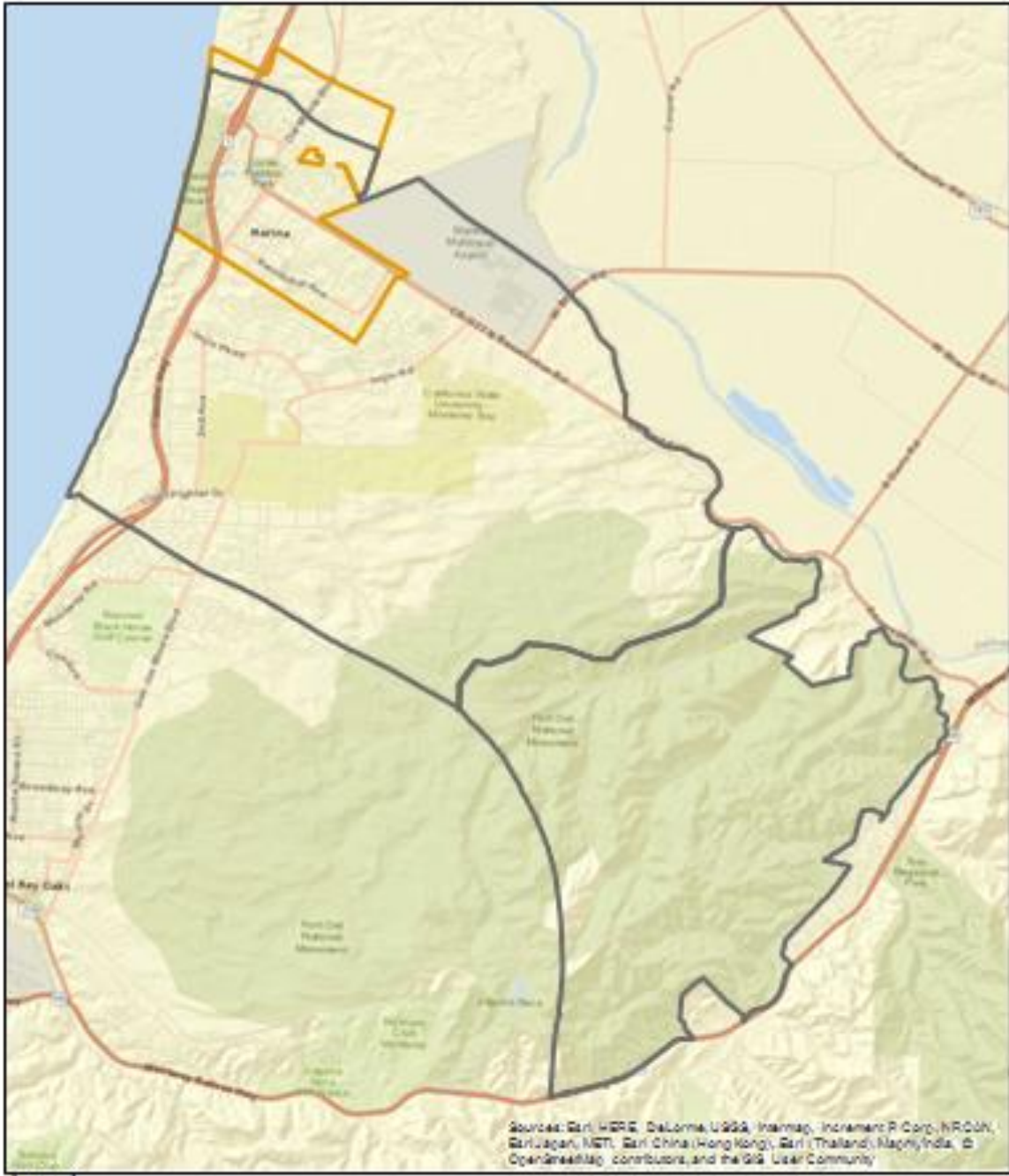
ATTACHMENT B

2. Discussion

In approving the filing of its NOI, the County recognized that the Agency may file an NOI and desire to include the Monterey sub-basin. Accordingly, the Board of Supervisors authorized County staff to withdraw the County's NOI should the Agency elect to include the Monterey sub-basin in its NOI. A copy of the Board Order to that effect is enclosed.

Accordingly, it is recommended that, should the Board of Directors determine to include the Monterey sub-basin in the Agency's NOI, that staff be directed to request County staff to file with DWR a request to withdraw the County's NOI.

Marina Coast Water District & GSA Boundaries



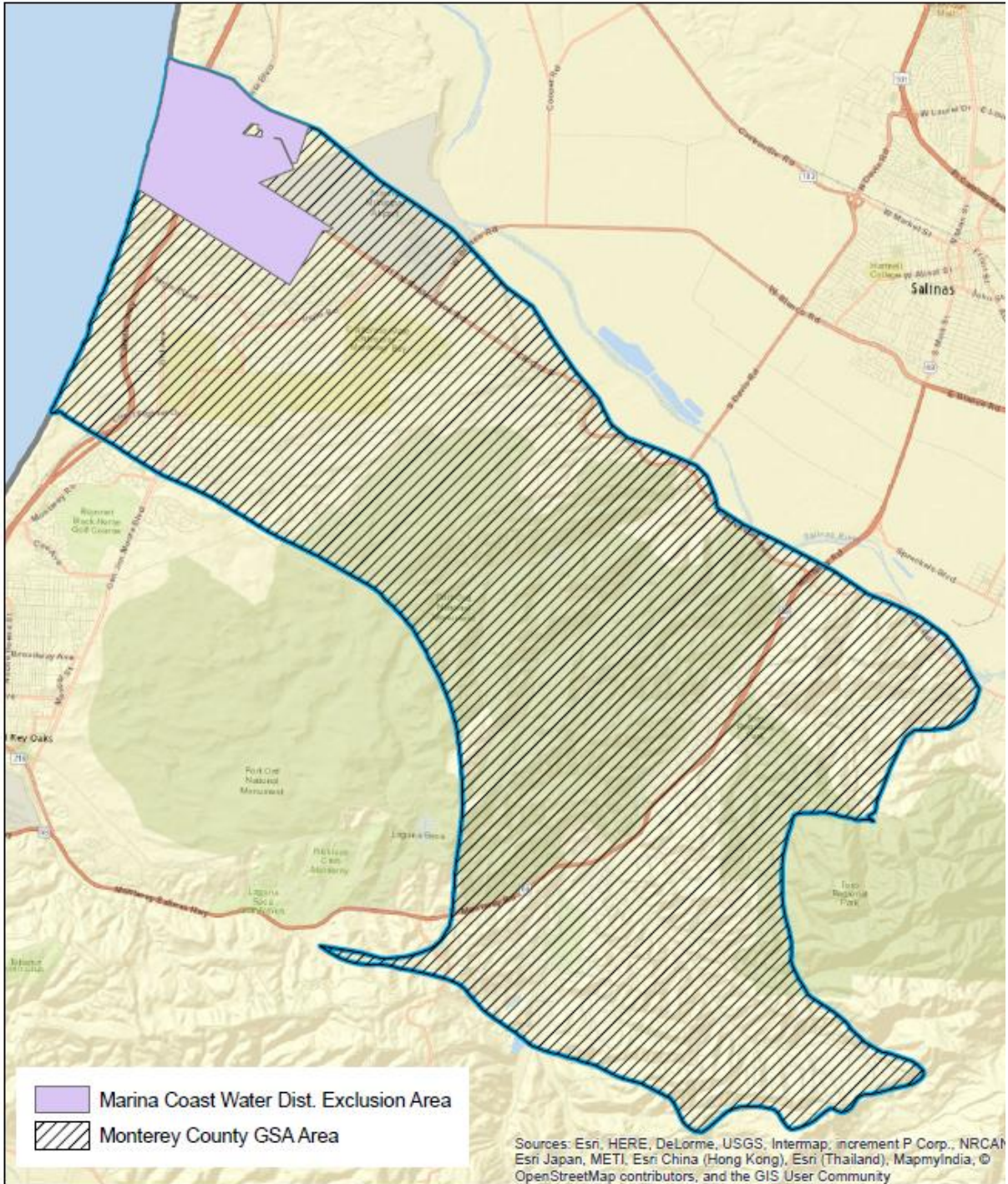
Sources: Esri, HERE, DeLorme, USGS, Imagery, Intermap, iPCorp, IRIDIUM, Swisstopo, GEBCO, Esri, China (Hong Kong), Esri (Thailand), Swisstopo, Esri, OpenStreetMap contributors, and the GIS User Community

Legend

- Marina Coast GSA
- Marina Coast Water District Boundary



Monterey Hydrologic Sub-Basin



ATTACHMENT B



State Water Resources Control Board

April 12, 2017

Mr. Leslie J. Girard, Chief Assistant County Counsel
County of Monterey
168 W. Alisal Street, 3rd Floor
Salinas, CA 93901

REQUEST FOR CLARIFICATION REGARDING GROUNDWATER SUSTAINABILITY AGENCY FORMATION NOTICES

Dear Mr. Girard:

I am responding to your request for advice from the State Water Resources Control Board (State Water Board) regarding the eligibility of Marina Coast Water District (District) to serve as a groundwater sustainability agency pursuant to the terms of the Sustainable Groundwater Management Act, Water Code section 10720, et seq. (SGMA), for a portion of the Monterey Subbasin outside of the District's jurisdictional boundaries.

On September 29, 2016, the Department of Water Resources (DWR) posted the District's notification of intent to be the groundwater sustainability agency for lands within the District's jurisdictional boundaries. This notice was revised by the District on February 7, 2017. On January 4, 2017, DWR posted notification by the County of Monterey of intent to manage that portion of the Monterey Subbasin within the county that is not within the District's jurisdictional boundaries. The areas covered by the District's and County's filings were mutually exclusive. On March 14, 2017, DWR posted notification by the District of its intent to be the groundwater sustainability agency for a portion of the Monterey Subbasin outside of the District's jurisdictional boundaries known as the Ord Community, thereby creating overlap with the notification filed by the County.

The District provides water and sewer service to the Ord Community, but the area is not within the District's jurisdictional boundaries. According to the District's five-year strategic plan, the District intends to work with LAFCO to expand the District's Sphere of Influence and legal boundary to include the Ord Community by 2018.

Any local agency or combination of local agencies overlying a groundwater basin may decide to become a groundwater sustainability agency for that basin. (Wat. Code, § 10723, subd. (a).) The District's jurisdictional boundaries overlay a portion of the Monterey Subbasin, so the District can be a groundwater sustainability agency for the basin and exercise the powers and authorities granted by SGMA within its jurisdictional boundaries. (Wat. Code, § 10726.8, subd. (b).) The District cannot impose fees or regulatory requirements on activities outside of its jurisdictional boundaries, even if those areas are within its water and sewer service area. Due

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | www.waterboards.ca.gov



ATTACHMENT B

- 2 -

April 12, 2017

to the inability to impose fees or regulatory requirements, the District lacks the authority to undertake groundwater management in the Ord Community.

Because the District lacks the authority to undertake groundwater management in the Ord Community, the State Water Board does not consider the District's notice posted on March 14, 2017, to create overlap with the County's notification that would prevent the County from becoming a groundwater sustainability agency. Unless another local agency with jurisdiction files a competing notice, Monterey County will become the exclusive groundwater sustainability agency for the area on April 4, 2017. In that case, the reporting requirements of Water Code section 5202, subdivision (a)(2), will not apply to a person who extract groundwater within that portion of the Monterey Subbasin that the county intends to manage.

This letter offers a non-binding, advisory opinion. It is not a declaratory decision and does not bind the State Water Board in any future determination.

Sincerely,



Sam Boland-Brien, Chief
Groundwater Management Program
State Water Resources Control Board



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Upon motion of Supervisor Armenta, seconded by Supervisor Potter and carried by those members present, the Board of Supervisors hereby:

- a. Conducted a noticed public hearing and adopted Resolution 16-330 authorizing the transmission to the state Department of Water Resources a Notice of Intent to form a Groundwater Sustainability Agency over the newly designated Monterey sub-basin of the Salinas Valley Groundwater Basin, but not including the area within the jurisdictional boundaries of the Marina Coast Water District; and
- b. County staff is authorized to withdraw the Notice of Intent, or disclaim GSA status, if the Salinas Valley Basin Groundwater Sustainability Agency files and overlying Notice of Intent.

PASSED AND ADOPTED on this 22nd day of December 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 79 for the meeting on December 22, 2016.

Dated: December 22, 2016
File ID: 17-0005
Corrected: December 23, 2016

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

ATTACHMENT C

City of Greenfield/Clark Colony Water Company

1. Background

The City of Greenfield (“City”) is an incorporated city within the Salinas Valley Groundwater Basin, and is a “local agency” eligible to be a GSA pursuant to SGMA. A map showing the City boundaries of Greenfield is enclosed. Clark Colony is a mutual water company that has pre-1914 surface water rights on the Arroyo Seco river. SGMA allows a mutual water company to participate in a GSA by agreement (Water Code section 10723.6), but a mutual water company is not a “local agency” eligible to be a GSA (Water Code sections 10721 (j) and (n)). An aerial diagram showing the approximate boundaries of the Clark Colony service area is enclosed.

For the same reasons that Marina Coast Water District cannot be a GSA outside its jurisdictional boundaries (see April 12 letter from State Water Resources Control Board to Monterey County) the City cannot be a GSA outside its boundaries. Apparently, the City proposes to form a joint powers authority or enter into a joint powers agreement (“JPA”) with Clark Colony in order to be a GSA that includes the Clark Colony service area. The City and Clark Colony cannot form a JPA that can act as a GSA, however.

Under California law one or more public entities may enter into JPAs for the purpose of exercising powers held in common. Government Code section 6502. Mutual water companies may be members of JPAs specifically for the purpose of exercising powers held in common. Government Code section 6525 (a). Because mutual water companies cannot be GSAs, however, there is no common power between the City and Clark Colony to be a GSA that can be exercised through or by a JPA. The attempt to form such a JPA would be a legal nullity and would not be recognized by the State Water Resources Control Board. The State Board has posted a series of “frequently asked questions” on its website and no. 7 addresses this issue:

7. How can a water corporation regulated by the California Public Utilities Commission or a mutual water company participate in a GSA?

Only local public agencies can become or form a GSA. However, a water corporation regulated by the California Public Utilities Commission or a mutual water company may participate in a GSA through a MOA or other legal agreement. The structure of an agreement that allows participation by private water entities is up to the GSA to determine, but that agreement must be in compliance with applicable laws governing agreements between public and private entities. SGMA does not confer any additional powers to a nongovernmental agency. Some mutual water companies have proposed to participate in a GSA by entering a joint powers agreement with other local agencies. Unlike water corporations, mutual water companies may enter into a joint powers agreement with one or more public agencies for the purpose of jointly exercising any power common to the contracting parties. (Gov. Code, §

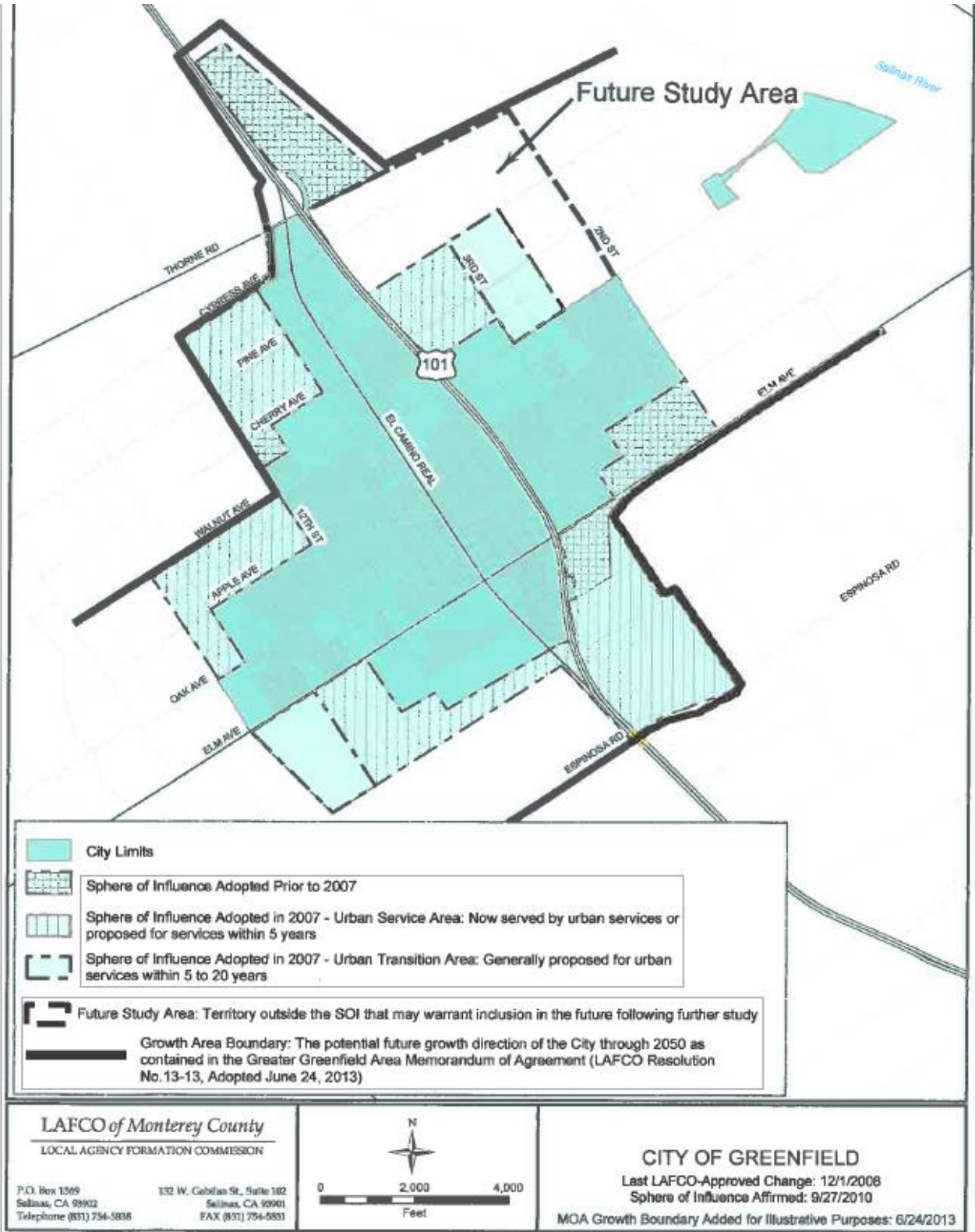
ATTACHMENT C

6525.) However, only local public agencies are authorized by Water Code section 10723.6 to form a GSA using a joint powers agreement. Furthermore, an agency created by a joint powers agreement holds only those powers that are common to its signatory members. Because a mutual water company does not have the independent authority to become a GSA, a JPA that includes a mutual water company as a signatory member also lacks the authority to become a GSA. This does not foreclose a mutual water company from participating in a GSA that has been formed by a joint powers agreement. Although it cannot be a signatory member, a mutual water company may participate in the governance of a GSA if the members agree to grant it a seat on the governing board. An example of a joint powers authority that includes representatives of local mutual water companies on its governing board is the Sacramento Central Groundwater Authority, whose joint powers agreement is available here:

<http://www.scgah2o.org/documents/Sacramento%20Central%20JPA.pdf>.

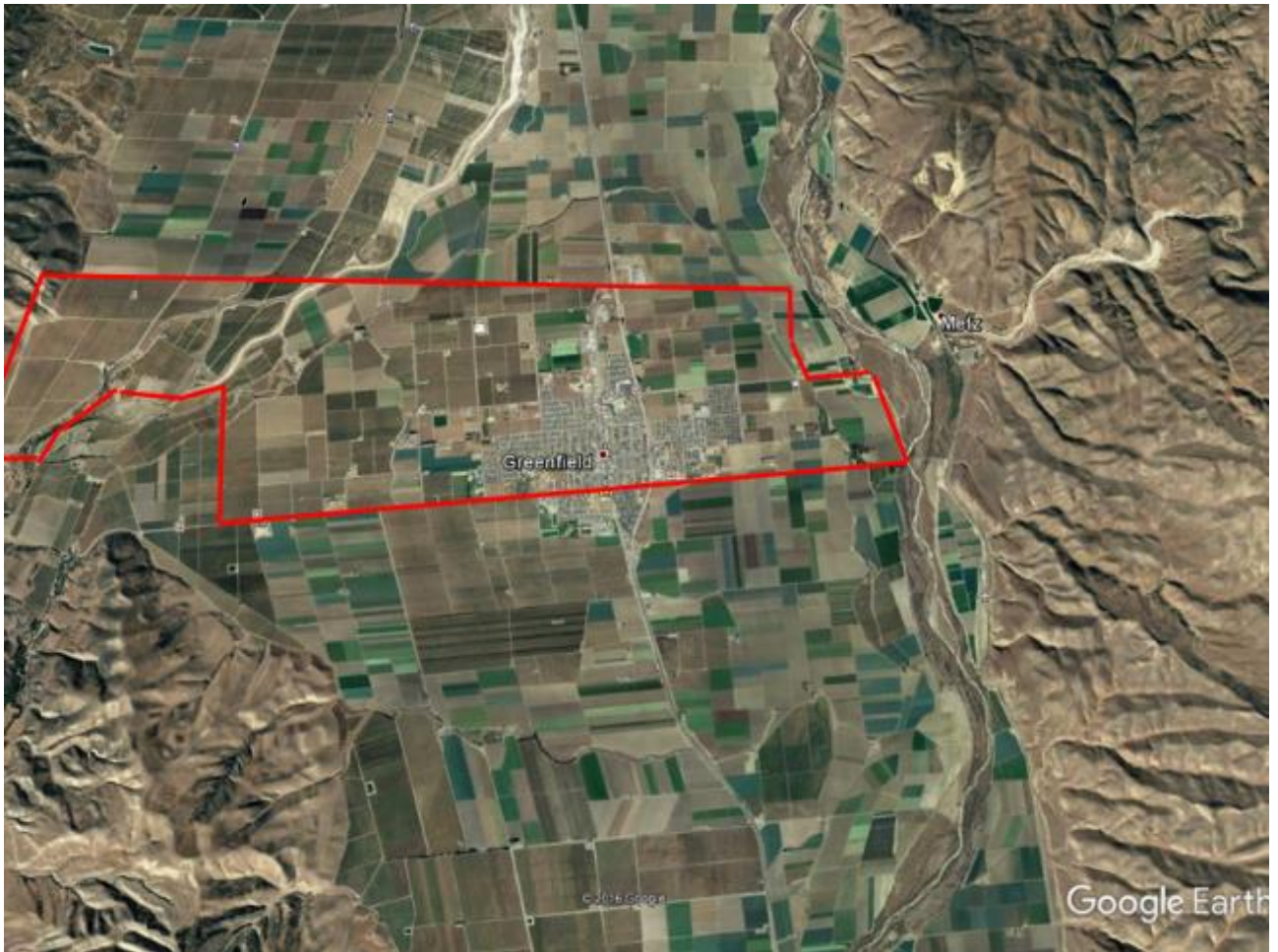
It is therefore recommended that the Agency include the area within the city limits of the City and the service area of Clark Colony in its NOI otherwise that area will be declared unmanaged by the State Board and subject to potential state intervention.

ATTACHMENT C



ATTACHMENT C

CLARK COLONY SERVICE AREA



ATTACHMENT D

**Before the Board of Directors of the
Salinas Valley Basin Groundwater Sustainability Agency**

Resolution No.

Resolution authorizing the Submission to the)
state Department of Water Resources a Notice)
of Intent to form a Groundwater Sustainability)
Agency for the Salinas Valley Groundwater)
Basin)

WHEREAS, in the fall of 2014 the California legislature adopted, and the Governor signed into law, three bills (SB 1168, AB 1739, and SB 1319) collectively referred to as the “Sustainable Groundwater Management Act” (“SGMA”), that initially became effective on January 1, 2015, and that has been amended from time-to-time thereafter; and,

WHEREAS, the stated purpose of SGMA, as set forth in California Water Code section 10720.1, is to provide for the sustainable management of groundwater basins at a local level by providing local groundwater agencies with the authority, and technical and financial assistance necessary, to sustainably manage groundwater; and,

WHEREAS, SGMA requires the designation of Groundwater Sustainability Agencies (“GSAs”) for the purpose of achieving groundwater sustainability through the adoption and implementation of Groundwater Sustainability Plans (“GSPs”) or an alternative plan for all medium and high priority basins as designated by the California Department of Water Resources (“DWR”); and,

WHEREAS, SGMA requires that a basin have a designated GSA by no later than June 30, 2017, and an adopted GSP by no later than January 31, 2020, if a high or medium priority basin in critical overdraft, and no later than January 31, 2022, if a high or medium priority basin; and,

WHEREAS, SGMA authorizes a combination of local agencies to form a GSA by entering into a joint powers agreement as authorized by the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code) (“Act”); and,

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) is such a joint powers authority and formed effective December 22, 2016, for the purpose of being the GSA for the Salinas Valley Groundwater Basin (“Basin”); and,

WHEREAS, notice of a public hearing was published as required by SGMA and Government Code section 6066 in the Monterey Herald on March 29 and April 5, 2017; and,

WHEREAS, the Agency opened the required public hearing on April 13, 2017, and continued the hearing to April 20, 2017; and,

WHEREAS, the Agency conducted the public hearing on April 20, 2017; and

ATTACHMENT D

WHEREAS, the County of Monterey submitted a notice of intent to be the GSA for the Monterey sub-basin of the Basin, and has been declared by the State Water Resources Control Board to be the exclusive GSA for that sub-basin effective April 4, 2017; and

WHEREAS, it was the express intent of the County that the GSA responsibilities for the Monterey sub-basin be transferred or assumed by the Agency; and

WHEREAS, the Agency is committed to the sustainable management of groundwater within the Basin, and all of its sub-basins and aquifers; and,

WHEREAS, it would be in the best interests of the residents, businesses, interested parties and stakeholders in the Basin for the Agency to be designated the exclusive GSA for the Basin (but not including the area within the jurisdictional boundaries of the Marina Coast Water District or the adjudicated Seaside sub-basin); 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 Agency hereby elects to be the Groundwater Sustainability Agency for the Salinas Valley Groundwater Basin within Monterey County, but not including the area within the jurisdictional boundaries of the Marina Coast Water District or the adjudicated Seaside sub-basin.
3. Staff is authorized and directed to submit to the Department of Water Resources a Notice of Intent to be a Groundwater Sustainability Agency in form and substance substantially similar to Attachment A, attached hereto, together with any modifications as may have been directed by the Board of Directors at the public hearing.
4. Staff is authorized and directed to take such other and further actions as may be necessary or appropriate to implement the intent and purposes of this Resolution.

PASSED AND ADOPTED on this 20th day of April, 2017, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

I, Patricia M. Barajas, Salinas City Clerk and Interim Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, hereby certify that the foregoing is the true original resolution of said Board of Directors duly adopted and entered in the minutes thereof for the meeting on April 20, 2017.

Dated:



Salinas Valley Basin

Groundwater Sustainability Agency

AGENCY MEETING DATE: April 20, 2017

AGENDA ITEM: 1

SUBJECT: Advisory Committee Charter By-Laws and Membership

RECOMMENDATION: Adopt Resolution approving the Charter and By-Laws of the Advisory Committee and Committee Membership Structure.

BACKGROUND

Over the last two years a Stakeholder Group met for the purpose of developing the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) including the governance structure for the Joint Powers Authority (JPA) Board that governs the SVBGSA. One of the first actions of the JPA Board was to request that the Stakeholder Group transition into the Advisory Committee (Committee) that was included in the agreement forming the JPA.

DISCUSSION

When the Board requested the transition of the Stakeholder Team to the Committee the Advisory Group became a "Standing Committee" of the Board. This is a formal designation that requires the Committee to conduct its activities in compliance with Government Code Section 54950 - "the Brown Act".

In order to ensure compliance with the Brown Act, and to clarify roles and responsibilities, the Committee has developed a Charter and By-laws that identifies those areas where compliance with the Brown Act is required. The document also clarifies the membership structure and the process by which members or stakeholders are added to the Committee.

The document also meets the challenge of moving the Stakeholder Group to a more structured format while retaining the collaborative nature of the process. The document also allows for the Committee to meet its objective of providing a diverse base of representation to advise the Board on important decisions. This document is included as Attachment A.

The Committee has also agreed to retain the membership structure that was originally developed for the Stakeholder Group. This structure currently includes twenty-three (23) members and is attached as Attachment B. One seat of the twenty-three is currently vacant.

Staff is working to validate all members' interest in continuing as representatives as there may be representatives to broaden the base of participation. This, however, is not a requirement and an individual can hold seats on both the Committee and the Board, provided that a voting majority of the Board is not represented on the Committee.

The Committee in its deliberation has also expressed concern that, at this time, the numbers of participants not exceed twenty-five (25). This would leave two seats open for additional stakeholder representatives. It may also be reasonable in the future for the Committee and Board to expand membership on the Committee to provide needed input or expertise on the Committee.

As an example the Seaside Basin Watermaster has requested an appointment to the Committee that will be considered at the next Advisory Committee Meeting. A recommendation to your Board will follow.

The process for approving new members or expanding the number of members is for the Committee to identify candidates or increased stakeholder representation that they would then recommend to the Board for appointment or approval. Conversely the Board may make recommendations, or provide direction to the Committee.

- A- Charter and Bylaws
- B- Advisory Committee Roster
- C- Resolution

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.

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.

Attachment B

Salinas Valley Basin Groundwater Sustainability Agency

Advisory Committee Members

Updated: April 10, 2017

Interest (Alphabetical organization)	Organization	Primary Alternate
Agriculture	Driscoll Strawberry Associates	Emily Paddock Kevin Healy
	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
	Salinas Valley Water Coalition	Nancy Isakson Steve McIntyre
County and City Governments	City of Salinas	Gary Petersen
	City of Gonzales	Harold Wolgamott Don Wilcox
	Monterey County	Lew Bauman
	San Luis Obispo County, Water Resources Division	Carolyn Berg
Disadvantaged Communities and Housing	CHISPA	Alfred Diaz-Infante
	Environmental Justice Coalition for Water	Heather Lukacs
Environmental	California Native Plant Society and Carmel River Steelhead Association	Brian LeNeve Jan Shriner
	The Nature Conservancy	Abigail Hart
Municipal Well Operators and PUC-Regulated Water Companies	Alco	Tom Adcock Adnen Chaabane
	Cal Water Service	Brenda Granillo Scott Wagner
Planning / Land Use	LandWatch	Janet Brennan
Rural Residential Well Owners	Rural Residential Well Owner, North County	<i>Seat Empty</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
	Monterey County Regional Water Pollution Control Agency	Mike McCullough
	Water Resources Agency	Robert Johnson Howard Franklin

**Before the Board of Directors of the
Salinas Valley Basin Groundwater Sustainability Agency**

Resolution No.

Resolution approving the Charter and By-Laws)
of the Advisory Committee and Committee)
Membership Structure of the Salinas Valley)
Basin Groundwater Sustainability Agency)

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) was formed by a Joint Exercise of Powers Agreement (“JPA Agreement”) effective December 22, 2017; and

WHEREAS, the Formation of the JPA contemplates the formation of an Advisory Committee to ensure stakeholder representation and to provide useful advice on a number of matters to the Agency Board from those impacted by its decisions; and

WHEREAS, the Agency Board has requested that the standing Stakeholder Group that was instrumental in developing the Agency, transition to the Advisory Committee; and

WHEREAS, to succeed in this transition the Advisory Committee developed a Charter and By-Laws and confirmed its Membership Structure for the purpose of complying with Government Code Section 54950 “the Brown Act”; and

WHEREAS, it is necessary and appropriate to memorialize the Charter and By-Laws and Membership Structure set forth by the Advisory Committee to the Agency Board;

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

1. The Board of the Salinas Valley Basin Groundwater Sustainability Agency approves the Charter and By-Laws and Membership Structure of the Advisory Committee.

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

AYES:

NOES:

ABSENT:

I, Patricia M. Barajas, Salinas City Clerk and Interim Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, hereby certify that the foregoing is the true original resolution of said Board of Directors duly adopted and entered in the minutes thereof for the meeting on April 202017.

Dated:



Salinas Valley Basin

Groundwater Sustainability Agency

AGENCY MEETING DATE: April 20, 2017

AGENDA ITEM: 12

SUBJECT: Request for Proposals or Qualifications (RFQ) for General Management Services

RECOMMENDATION: Adopt Resolution approving Distribution of RFQ

BACKGROUND

Currently, Section 9.1 of the Joint Exercise of Powers Agreement (“JPA Agreement”) forming the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) provides that one or more members of the Agency will provide interim administrative, legal and other support services at no cost to the Agency until the appointment of the Permanent Board of Directors (no later than October 1, 2017). As reported at the initial meeting of the Agency Board on March 9, 2017, the City of Salinas (“City”) has provided interim General Manager and Clerk of the Board services to the Agency, and the County has provided interim legal and administrative services. The JPA Agreement requires that the provision of these interim services be formalized and documented with the Board’s approval, and there is an item on the Board’s agenda to that effect.

The request before you is to approve a Request for Qualifications document that will begin the process of selecting an individual or organization that will provide General Manager or Management services or the GSA.

DISCUSSION

The process of selecting an individual or organization to provide general management services begins with the issuance of the attached Request for Qualifications (RFQ). An RFQ differs from a Request for Proposals (RFP) in that it is designed to select the most qualified individual or organization without consideration of cost. Costs are negotiated once a selection of the most qualified candidate is completed. Should an agreement fail to be reached the next qualified candidate would enter into negotiations. This would continue until the process was complete or there are no qualified candidates remaining. In this situation the RFQ is being used rather than an RFP as some state or federal grant processes require this type of selection process.

The RFQ would be issued for approximately four weeks with a deadline set for the submittal of a statement of qualifications (“SOQ”). The RFQ would be distributed through a number of organizations or websites that specialize in the distributions of RFQs. Once the SOQs were

returned the General Manager would work with the Board and the Board Chair to develop a process for selecting the most qualified candidate. The process could take place in a number of ways but often includes a first panel to read and rank SOQs to determine which applicants should move on to an interview process. A second group would be convened for the purpose of interviewing and ranking the individuals or organizations that would enter into negotiations.

It is expected that it would take an additional four to six week to complete evaluations and negotiations. Once negotiations are completed the final agreement would be returned to the Board for approval.

A- Resolution

Before the Board of Directors of the

Salinas Valley Basin Groundwater Sustainability Agency

Resolution No.

Resolution authorizing the Issuance of a)
Request for Qualifications to provide General)
Management Services for the Salinas Valley)
Basin Ground Sustainability Agency)

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) was formed by a Joint Exercise of Powers Agreement (“JPA Agreement”) effective December 22, 2017; and

WHEREAS, the Formation of the JPA requires that the services of a General Manager be secured to support the development of the Agency; and

WHEREAS, a Request for Qualifications has been prepared for distribution to acquire the services of an individual or organization to serves as the General Manager of the Agency; and

WHEREAS, it is necessary and appropriate to memorialize the issuance of the Request for Qualifications process for General Management Services to the Agency; NOW, THEREFORE,

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

1. The Interim General Manager Vice-Chair of the Agency is hereby authorized and directed to issue a Request for Qualifications for General Management Services to the Agency and is further directed to work with the Board to develop a selection process to identify and negotiate with the most qualified candidate.

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

AYES:
NOES:
ABSENT:

I, Patricia M. Barajas, Salinas City Clerk and Interim Clerk of the Board of Directors of the Salinas Valley Basin Groundwater Sustainability Agency, hereby certify that the foregoing is the true original resolution of said Board of Directors duly adopted and entered in the minutes thereof for the meeting on April 13, 2017.

Dated: _____

Request for Statement of Qualifications

For provision of General Management Services supporting the development and operations of the Salinas Valley Basin Groundwater Sustainability Agency.



Response Submittals Due _____

Request for Statements of Qualifications to provide General Management services supporting the development and operations of the Salinas Valley Basin Groundwater Sustainability Agency.

SECTION 1. NOTICE OF REQUEST FOR QUALIFICATIONS.

The interim Board of Directors for the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA or “Agency”) is requesting Statements of Qualifications from professional firms or individuals qualified to provide General Management services to support the Agency in development and implementation of a Salinas Groundwater Basin Sustainability Plan for the Salinas Valley Groundwater Basin within Monterey County. It is expected that the qualified firm or individual will serve as the Agency’s General Manager and provide these services through the implementation of organizational infrastructure and management practices (meeting management, staffing, record keeping financial management etc.) that support the newly constituted Agency in complying with California Senate Bills 1168 and 1319, and California Assembly Bill 1739 (collectively, the “Sustainable Groundwater Management Act” or “SGMA”), and the regulations promulgated thereunder.

The selected firm or individual will focus on developing day to day operations of the Agency including the following tasks:

- Serve as the General Manager to the Agency’s Board of Directors
- Manages the selection, training, recruitment and supervision of staff and/or contractors to provide necessary services;
- Coordinates Agency activities with all other member agencies and organizations
- Ensures compliance with all state, local, and federal laws;

- Prepares, evaluates, and implements Agency budgets short and long term financial strategies; and prepares a Capital Improvement Program and planning projects as required.
- Provides legislative direction/advice to Board;
- Works with Board in developing Agency priorities and implements Board policies and directives communicating them to the public;
- Serves as the principal spokesperson for the Agency and represents the Agency at public and professional functions; oversees public information and public education programs, and coordinates media relations;
- Ensures Agency records are maintained;
- Oversees development and implementation of a Ground Water Sustainability Plan, that will be successful in achieving long-term ground water sustainability and achieving the goals outlined in SGMA.

SECTION 2. BACKGROUND AND SCOPE

Governor Brown’s signing of the Sustainable Groundwater Management Act (SGMA) in September 2014 put in effect motion legislation that has resulted in the formation of the SVBGSA.. The Agency was formed in order to comply with the three bills that make up SGMA (Assembly Bill 1739 by Assembly Member Roger Dickinson, and Senate Bill 1319 and Senate Bill 1168 by Senator Fran Pavley).

The following provides a summary of the Sustainable Groundwater Management Act:

1. Provides for sustainable management of groundwater basins;
2. Enhances local management of groundwater consistent with rights to use or store groundwater;
3. Establishes minimum standards for effective, continuous management of groundwater;
4. Provides local groundwater sustainability agencies “GSAs” with the authority and technical, and financial assistance needed to maintain groundwater supplies;
5. Requires the avoidance or minimization of impacts resulting in land subsidence;

6. Improves data collection and understanding of groundwater resources and management;
7. Requires the avoidance or minimization of the depletion of groundwater storage and removes impediments to recharge; and
8. Empowers local agencies to manage groundwater basins, while minimizing state intervention.

In order to meet these requirements a group of stakeholders met multiple times to establish a governance structure, known as the Salinas Valley Basin Groundwater Sustainability Agency which has been created as a Joint Powers Authority representing a broad base of Salinas Valley stakeholder interests. The legislation requires that one or more GSAs for a basing be formed by the end June of 2017 prior to developing groundwater sustainability plans for groundwater basins or sub-basins that are designated as medium or high priority, or in critical condition of overdraft. The GSA is required to have authority over the basin or sub-basins it will manage. The SGMA goes on to say that GSAs must adopt a Groundwater Sustainability Plan (“GSP”) by 2020 that will demonstrate sustainability by the 20th year after adoption, with measurable objectives and milestones in 5-year increments. If at any point the GS fails to form, or function as a GSA or fails to deliver a GSP the State Department of Water Resources can usurp local authority and take responsibility of implementation of the legislation.

The SVBGSA was formed effective as of December 22, 2016, and voted to send to the Department of Water Resources a Notice of Intent to be the GSA for the Salinas Valley Groundwater Basin on April 13, 2017.

SCOPE OF WORK

The statement of qualifications should clearly describe how the responding firm or individual is qualified to address the following scope of work:

- Develop and manage an organizational structure that provides for an Agency General Manager that is successful in managing the day-to-day operations maintenance, and functions of the GSA
- Work with the Agency's Board and member agencies to develop, implement and adopt budgets, and financial strategies including the development of a sustainable fee structure to fully fund and ensure the independence and financial sustainability of the Agency no later than Fiscal Year 2019/20.
- Hire or otherwise provide adequate staffing to complete all organizational needs.
- Acquire legal, accounting, financial, and other support services for the Agency
- Contract with a consulting firm qualified to develop a GSPP that satisfies all the legislative and regulatory requirements while meeting the needs of a wide range of stakeholders
- Establish and maintain effective and cooperative working relationships with Board Members, employees, officials, and the general public

SECTION 3. MINIMUM QUALIFICATIONS AND CRITERIA FOR EVALUATION

The firm or individual ultimately selected is expected to hold the following minimum qualifications and will be evaluated by representatives of the Agency on the following criteria:

- a. Demonstrated knowledge and recent experience designing and completing similar successful public projects within the scope.
- b. Solid track record of agency organization and management.
- c. Demonstrated ability to accurately assess current and future needs agency needs.
- d. Creativity in working with diverse stakeholders to arrive at unique decisions.
- e. Ability to bring together a complete, competent team addressing all necessary disciplines to operate the Agency.
- f. Strong understanding of the Sustainable Groundwater Management Act related to the requirements of creating a Groundwater Sustainability Agency and Groundwater Sustainability Plan with the ability to acquire and manage services that can produce a viable groundwater management plan.

Desirable, but not required, is a strong understanding of the Salinas Groundwater Basin, Monterey County Water Resources Agency projects, agricultural community, and municipal and other water interests.

A selection committee comprised of members of the Agency and the interim Agency staff will review the Statements of Qualifications submitted in response to this RFQ and may request interviews with some firms or individuals. The selection committee will rank the top firms and individuals based on Statements of Qualifications and interviews (if conducted).

SECTION 4. STATEMENT OF QUALIFICATIONS: RESPONSE FORMAT

Statements of Qualifications should include the following information in the following order and format describing the prospective consultant's availability, interests, qualifications, and current relevant experience. The response to this RFQ will identify a qualified team or individual that has substantial experience in preparing the requested deliverables.

1. Consulting firm or individual's information.
2. Cover letter indicating the RFQ due date and title, the firm or individual's name, address, telephone number, fax number, and email contact address(es).
3. Firm or individual profile.
4. Identify team members (if appropriate) and provide résumés of the team members and identify the agents and subcontractors (if any) that the firm or individual anticipates assigning in conjunction with this project. Include a discussion of the expertise of the individuals who will be assigned to the project team, along with a description of their individual roles.
5. Describe why the firm or individual is the best qualified to perform the scope of services in a timely and responsive manner.
6. A detailed list of the tasks to be performed, to include a proposed schedule for performance, and an analysis of each task to include the personnel assigned and the proposed methodology for completing the task.

7. A schedule showing the various tasks, the time to complete each task, and a total time frame proposed to complete the project.
8. Current billing rate schedule and the proposed total cost for the services to be completed to meet the expectations outlined in this RFQ; The billing rate will be applicable throughout the term of the agreement for the work on this project. The schedule should include the rates for all personnel who would potentially work on the project. The billing rate schedule and the proposed total cost shall be submitted in a separate sealed envelope. The envelope should be clearly marked as the price proposal, with firm name, and project name (GSA Development). Submit only one sealed envelope with one copy of the billing rate schedule and proposed total cost.
9. Describe those conditions, constraints or problems that are unique to the proposed scope of services that may adversely affect either the cost of the project or the efficient progress and completion of the project.
10. Provide at least three (3) public entity references (with contact name, address, and telephone number) for which the firm and proposed key personnel have performed (or are performing) that represents work of a similar type, scope, and complexity; and
11. Identify any legal proceedings, arbitrations, complaints or court actions files by any person against the firm or individual within the last three (3) years for any project in which the firm or the individual participated.
12. Conflict of Interest: Provide a statement that discloses any past, on-going, or potential conflicts of interest that the firm or individual may have as a result of performing work in response to this RFQ.

SECTION 5. SUBMITTAL REQUIREMENTS.

A complete response to this RFQ must include ten (10) copies of a bound written report and electronic copies of documents containing a PDF version of the Statement of Qualifications. Statements of Qualification will be received until Noon on _____, at the Salinas City Clerk's Office located at 200 Lincoln Avenue, Salinas, California 93901. Faxed responses are not acceptable and will be returned to the sender without review. The submittal deadline is

absolute. Late submittals will not be considered. Statements of Qualification received after the due date and time will not be accepted or considered and will be returned to the sender without review. Prospective firms and individuals must select a method of delivery that ensures the Statement of Qualifications will be delivered to the correct location by the due date and time. The ten copies of bound written Statement of Qualifications, and one CD shall be submitted in one package with the words "GSA Development Project". The sealed and marked price proposal envelope shall be included in the package. In case of any conflict between the PDF version sent by email, and the submitted bound copies, the submitted bound copies will control.

This RFQ may be downloaded from City of Salinas Home Web Page The Salinas Valley Groundwater Basin Management Web Page, the Planet Bid website or provided by the City Clerk at the address listed above. Note that failure to notify the City that you have downloaded an RFQ will preclude you from receiving updates or amendments, if issued. Questions regarding this RFQ may be directed to the Agency at garyp@ci.salinas.ca.us.

Interested firms or individuals are required to identify any potential or perceived conflict of interest (personal and/or property interest in the subject scope of work). Pre-qualification is not required. All interested firms and individuals responding to this RFQ are required to comply with all applicable provisions of federal, state, and local law.

The Agency reserves the right to (1) reject any or all responses, (2) waive informalities in a response, (3) select a firm or individual who has submitted fully responsive Statement of Qualifications and who is determined by the Agency to be a professional, qualified firm or individual, or (4) take whatever action or make whatever decision it determines to be appropriate including allowing the selected consultant to continue on to final design and construction without re-advertising the project. The Agency assumes no obligation in this general solicitation of Statements of Qualifications and all costs and expenses of responding to this RFQ shall be borne by the interested firms or individuals.

SECTION 6. RECORDS AND FINANCIAL DATA

All correspondence with the Agency, including responses to this RFQ, will become the exclusive property of the Agency upon receipt and will become public records under the California Public Records Act. Financial data, rates for services, and cost sheets are not considered confidential or proprietary. All documents submitted in response to this RFQ will be subject to disclosure if requested by a member of the public. There are a very limited number of exceptions to this disclosure requirement. During this selection process, until a firm or an individual is selected, the Agency will not disclose submittals (or any parts thereof), except as required under applicable law. This means that, depending on the nature or timing of the request, or future court decisions, that information may not remain private or confidential and may be publically disclosed.

SECTION 7. GENERAL PROVISIONS

Each prospective firm or individual submitting a Statement of Qualifications in response to this RFQ agrees that the preparation of all materials for submittal to the Agency and all presentations are at the firm or individual's sole cost and expense, and the Agency will not, under any circumstance, be responsible for any costs or expenses incurred by a prospective firm or individual. In addition, each prospective firm understands and agrees that all documentation and materials submitted with a Statement of Qualifications will remain the property of the Agency and will become a public record; the Agency will assume ownership of all documents and deliverables submitted by prospective firms and individuals.

Release of this RFQ does not commit the Agency to the selection of a firm or an individual and does not commit the Agency to enter into any agreement with a firm or an individual identified by the Agency through this process and the most qualified to provide the services described in this RFQ.

Prospective firms and individuals are responsible for making necessary investigations and examination of records. Failure to do so will not act to relieve any condition of a potential professional services agreement or the requirements set out in this RFQ. It is mutually understood and agreed that the submission of a Statement of Qualifications shall be considered evidence that the prospective firm has made such examinations and investigations. No request

for modification of a Statement of Qualifications shall be considered after its submission on the grounds that the prospective firm or individual was not fully informed as to any fact or condition.

A prospective firm or individual may withdraw their submittal at any time prior to the date and the time which is set forth herein as the deadline or submittal of Statements of Qualifications.

The Agency reserves the right to request additional information at any time from any and all prospective firms or individuals as deemed necessary by the Agency to evaluate the submittals. This process may not be used, however, as an opportunity to submit missing documentation or to make substantive revisions to the original Statement of Qualifications.

If a prospective firm or individual has a question or requests clarification pertaining to this RFQ, such question or request for clarification must be put in writing and submitted to the Agency in the manner identified below. The Agency will provide all prospective firms or individuals who have provided their contact information with a list of all questions and requests for clarification, as well as the answers to the questions and responses to the requests for clarification.

All Statements of Qualifications will remain in effect and legally binding for at least one hundred twenty (120) days from the date of submission.

This Request for Qualifications shall be governed in accordance with the laws of the State of California and the jurisdiction of any disputes hereunder shall be Monterey County, or in the appropriate federal court with jurisdiction over the matter.

Unless otherwise directed, all communications regarding this RFQ, including all questions, should be submitted to the Agency at gsafacilitation@simplelists.com.

SECTION 8. SCHEDULE

The following is the tentative schedule for selection of a consultant:

_____	RFQ Release Date
_____	Deadline for Submittal of Questions or Requests for Clarification
_____	RFQ Response Submittals Due to the Agency
_____	Agency Review