



# Monterey County

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## Board Report

Legistar File Number: A 18-440

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Introduced: 10/26/2018

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve Amendment No. 3 to Joint Funding Agreement (JFA) 16WSCA600466210 with the U.S. Geological Survey (USGS) in order for the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) to utilize the Salinas Valley Integrated Hydrologic Model (SVIHM), on a reimbursement basis, in the amount of \$50,514 (\$45,949 to be funded by County; \$4,565 to be provided as match funding by USGS), for a total amount not to exceed \$1,381,074 (\$1,226,571 to be funded by County; \$114,503 to be provided as match funding for USGS); and,
- b. Authorize the Resource Management Agency Director to execute Amendment No. 3 to Joint Funding Agreement No. 16WSCA600466210 and future amendments to the Agreement where the amendments do not significantly alter the scope of work or change the approved Agreement amount.

### RECOMMENDATION:

It is recommended that the Monterey County Board of Supervisors:

- a. Approve Amendment No. 3 to Joint Funding Agreement (JFA) 16WSCA600466210 with the U.S. Geological Survey (USGS) in order for the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) to utilize the Salinas Valley Integrated Hydrologic Model (SVIHM), on a reimbursement basis, in the amount of \$50,514 (\$45,949 to be funded by County; \$4,565 to be provided as match funding by USGS), for a total amount not to exceed \$1,381,074 (\$1,226,571 to be funded by County; \$114,503 to be provided as match funding for USGS); and,
- b. Authorize the Resource Management Agency Director to execute Amendment No. 3 to Joint Funding Agreement No. 16WSCA600466210 and future amendments to the Agreement where the amendments do not significantly alter the scope of work or change the approved Agreement amount.

### SUMMARY/DISCUSSION:

In July 2014, as part of a settlement of litigation over the 2010 Monterey County General Plan, the County began a five-year comprehensive water resources assessment of Zone 2C of the Salinas Valley Groundwater Basin - the *Salinas Valley Groundwater Basin Investigation* ("Investigation"). A primary objective of the Investigation is to assess the general health of the Salinas Valley Groundwater Basin (SVGB) with regards to its ability to provide a sustainable supply of water for land use activities projected to the year 2030 to meet County General Plan obligation.

As part of the Investigation the County entered into a cooperative agreement with the U.S. Geological Survey (USGS) to configure and calibrate an integrated comprehensive hydrogeologic model to assess the general health of the Groundwater Basin. A preliminary version of the Salinas Valley Integrated Hydrologic Model (SVIHM) has been calibrated through the historical hydrologic period 1967 - 2014; the SVIHM-2014. Additional updates and calibrations are scheduled throughout the five-year

Investigation for 2015, 2016, 2017, and 2018. The completed and refined SVIHM will allow for modeling of groundwater levels, seawater intrusion, and analysis of a water budget. Results and products from the initial SVIHM analyses were presented to the Board of Supervisors on July 11, 2017 (Legistar File No. 17-0712). The Board of Supervisors approved Amendments No. 1 and 2 to the JFA to add new tasks to the scope of work, extend the term of the JFA, and to increase the budget for the USGS to continue development of the model and related analyses. A summary of amendments to JFA 16WSCA600466210 is provided in Attachment 1.

Established in 2017 under California's Sustainable Groundwater Management Act (SGMA), the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA) is tasked with the ambitious goal of developing a comprehensive groundwater sustainability plan (GSP) by 2020 and implementing the plan to achieve basin sustainability by 2040. Because the work being conducted under the County's Investigation is aligned with the GSP, it is beneficial for both agencies to collaborate on combined studies of the SVGB. In August 2018, County staff met with the SVBGSA and the Monterey County Water Resources Department (MCWRA) to discuss the possibility of utilizing the SVIHM to assist in the development of the GSP for the 180/400-foot aquifer. The proposed JFA 16WSCA600466210 Amendment No. 3 (Attachment 2) amends the current scope of work in the existing JFA and provides for additional funding for technical support by USGS staff for the purposes of the GSP. The work will consist of the following tasks:

1. Technical support and guidance to SVBGSA and SVBGSA's consultants;
2. Technical review of the use of the model for groundwater sustainability scenarios; and,
3. Technical review memo of the use of the Model for the Groundwater Sustainability Scenarios

In September 2018, the County entered into a Memorandum of Understanding (MOU) designating the SVBGSA as an agent of the County for purposes of accessing the SVIHM and USGS technical support for development of the GSP (Attachment 3). Per the MOU, work performed on the amended JFA scope tasks will be conducted on a reimbursement basis. The tasks outlined in Amendment No. 3 are expected to occur from the date of execution until January 31, 2020.

#### OTHER AGENCY INVOLVEMENT:

The Offices of County Counsel, Auditor-Controller Office, and Risk Management have reviewed and approved JFA 16WSCA600466210-A3 as to form and legality, fiscal and liability provisions, respectively. The MCWRA is providing, under a Memorandum of Understanding with the County, technical and managerial support to the SVGB Investigation.

The SVBGSA and the County entered into an MOU to establish a reimbursement agreement for the amended work conducted under JFA 16WSCA600466210-A3 and allowing access to the SVIHM and USGS technical support. The SVBGSA and the MCWRA has been actively engaging with County staff to provide input into the recommended amendment to the JFA.

#### FINANCING:

JFA No. 16WSCA600466210 between the County and USGS is part of a larger effort of the Salinas Groundwater Basin Investigation. To date, cumulative expenditures resulting from the Investigation equals \$2,080,111. The County has received a total of \$186,481 in grant reimbursements from the Department of Water Resources. To date, the Investigation has accrued a net total of \$1,893,630 in

County General Fund contributions. The MCWRA and USGS have provided a total of \$103,692 in matching funds for the Investigation. Total General Fund contributions for USGS technical services equals \$895,332, which includes services before the establishment of the JFA. It is estimated that the total cost to complete the Investigation will be approximately \$2,592,427 through FY 2020-2021.

On May 8, 2015, the Resource Management Agency (RMA) entered into an Intergovernmental Cooperation Act Agreement (15WSZG00154386, ICA#15-4386) with the USGS for their participation in the SVGB Investigation for a total cost of \$21,786. In March 2016, the County and USGS entered into a Joint Funding Agreement No.16WSCA600466210 (JFA), with a term from January 1, 2016 to October 31, 2019, in the amount of \$757,330. The JFA was amended (JFA No. 16WSCA600466210-A1) in June 2016 to increase the match funding commitment of the USGS to \$63,608, increasing the total amount for the agreement to \$820,908. In December 2017, the JFA was amended a second time to increase the County's contribution by \$463,292, for an agreement total of \$1,220,622. The USGS increased its contribution in Amendment No. 2 by \$46,330, bringing USGS's total contribution to \$109,938.

Amendment No.3 increases the total agreement amount by \$50,514, for a total agreement amount of \$1,381,074. Amendment No. 3 increases the County's contribution by \$45,949, bringing the County's total contribution to \$1,266,571. The USGS increases its match funding contribution in Amendment No. 3 by \$4,565, bringing USGS's total match funding contribution to \$114,503. A total of \$895,332 has been paid to the USGS through FY18 for work performed pursuant to the JFA.

Per the terms of the MOU between the County and the SVBGSA, the total amount paid to the County by the end of the MOU's period of performance will equal \$45,949, which fully reimburses the County for any contributions from the proposed amended scope in the JFA Amendment No. 3. There will be a temporary impact to the County General Fund until reimbursements are received. The SVBGSA will, within 30 days of the effective date of this MOU, tender to the County the sum of \$15,924 which shall reimburse the County for expenses associated with the Amended Scope for Federal Fiscal Year ("FFY") 2018 (ending September 30, 2018). No later than October 15, 2019, the SVBGSA shall pay to the County the sum of \$16,401, and no later than October 15, 2020, the sum of \$13,624, which shall reimburse the County for the expenses associated with the Amended Scope for FFYs 2019 and 2020, respectively.

#### BOARD STRATEGIC INITIATIVES:

The execution of the agreement to complete the development of the SVGB Investigation supports the Board's 2011- 2015 Strategic Initiative (SI) No. 16 to Complete the 5-Year Report related to the General Plan Policy PS-3.1. These actions implement policy language in the County General Plan that was amended in 2013 as part of a settlement agreement with the Salinas Valley Water Coalition. MCWRA, SVBGSA and others can use the model created for the County's assessment. This model will benefit projects like the Interlake Tunnel.

Board of Supervisors Strategic Initiatives

- ☐ Economic Development
- ☒ Administration
- ☐ Health and Human Services

X Infrastructure

\_\_\_\_\_ Public Safety

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Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment 1 - Summary of Joint Funding Agreement

Attachment 2 - Joint Funding Agreement No. 16WSCA600466210-A3

Attachment 3 - SVBGSA MOU

(Attachments on file with the Clerk of the Board)