



**SANTA CLARITA VALLEY  
GROUNDWATER SUSTAINABILITY AGENCY**

**NOTICE OF CANCELLATION AND RESCHEDULING**

Notice is hereby given that the **Regular Meeting** of the Santa Clarita Valley Groundwater Sustainability Agency Board of Directors to be held on **Monday, January 7, 2019 at 2:30 PM** at the Santa Clarita Valley Water Agency at the address listed below **is hereby cancelled and rescheduled at a new time of Monday, January 7, 2019 at 1:30 PM**

The location remains the same.

Santa Clarita Valley Water Agency  
27234 Bouquet Canyon Road  
Santa Clarita, California 91350  
Rio Vista Water Treatment Plant Boardroom

Signed:   
PP William C. Cooper, President

Date: December 31, 2018

Posted on December 31, 2018

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**SANTA CLARITA VALLEY  
GROUNDWATER SUSTAINABILITY AGENCY  
SPECIAL BOARD MEETING AGENDA**

**Santa Clarita Valley Water Agency – Board Room  
Rio Vista Treatment Plant Facility  
27234 Bouquet Canyon Road  
Santa Clarita, CA 91350**

**Monday, January 7, 2019 at 1:30 P.M.**

**1. REGULAR PROCEDURES**

- 1.1 Call to Order
- 1.2 Pledge of Allegiance
- 1.3 Roll Call
- 1.4 Public Comments – Members of the public may comment as to items not on the Agenda at this time. Members of the public wishing to comment on items covered in this agenda may do so now or prior to each item as they arise. Please complete and return a comment request form to the Board Secretary. (Comments may, at the discretion of the Board's presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 1:30 P.M.
- 1.5 Approval of Agenda

**2. ELECTION OF PRESIDENT AND VICE PRESIDENT**

**3. \*APPOINTMENT OF GENERAL COUNSEL**

**4. CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by the Board by one motion. There will be no separate discussion on these items prior to the time the Board votes unless any Board member, staff or the public, requests specific items be discussed and/or removed from the Consent Calendar for separate action.

- 4.1 \* Approve Minutes of October 1, 2018 Meeting of the Board of Directors of the Santa Clarita Valley Groundwater Sustainability Agency

**5. GENERAL AGENDA ITEMS**

- 5.1 \* Overview of Public Outreach

- 5.2 \* Adopt Fiscal Year 2018-19 Budget
- 5.3 \* Approve Consultant Selection for Professional Engineering/Hydrogeology Services and Stakeholder Communication and Engagement Services

**6. CONSIDERATION OF POSSIBLE FUTURE AGENDA ITEMS**

**7. ADJOURNMENT**

- \* **Indicates attachment**
- ◆ **To be distributed**

**NOTICES:**

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Groundwater Sustainability Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.scvgsa.org>.

Posted on: December 31, 2018





**Santa Clarita Valley  
Groundwater Sustainability Agency  
Board Memorandum**

**DATE:** December 31, 2018  
**TO:** SCV-GSA Board of Directors  
**FROM:** GSA Formation Work Group  
**SUBJECT:** Appointment of General Counsel

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**PURPOSE**

Appoint a general counsel for the SCV-GSA.

**DISCUSSION**

Joseph Byrne of Best, Best & Krieger, co-general counsel for SCV Water, has been performing some of the functions of general counsel for the SCV-GSA. Staff believes it is advisable for the SCV-GSA to appoint a separate general counsel. Mr. Byrne will continue to represent the interests of SCV Water on the SCV-GSA.

General counsel will perform services relating to meetings, such as resolutions and Brown Act advice; review contracts and other documents; give advice regarding any litigation that may be filed; and advise concerning compliance with SGMA; as well as other matters that may be required.

Staff recommends Thomas Bunn of Lagerlof, Senecal, Gosney & Kruse to serve as general counsel. Mr. Bunn is the other co-general counsel for SCV Water. He has substantial experience and expertise in groundwater law. He has participated in numerous groundwater basin adjudications, and is currently advising several clients on SGMA matters.

Even though Mr. Bunn will not be representing SCV Water in GSA matters, his role as co-general counsel for SCV Water creates potential conflicts of interest. Staff recommends that the board waive these potential conflicts of interest, as shown on the attached consent letter.

**FINANCIAL**

The Agreement for Services is attached. The rates for Mr. Bunn's firm will be the same as it charges SCV Water. These costs will be paid by SCV Water as an administrative cost, pursuant to the Administrative Services Agreement between the SCV-GSA and SCV Water.

**RECOMMENDATIONS**

(1) Appoint Thomas S. Bunn III of Lagerlof, Senecal, Gosney & Kruse as general counsel.

(2) Direct the Board President to sign the letter consenting to representation.

Attachments:

Consideration Letter

Agreement for Legal Services

RDV



301 North Lake Avenue  
10th Floor  
Pasadena, CA 91101-5123  
Phone: 626.793.9400  
Fax: 626.793.5900  
www.lagerlof.com

Established 1908

December 19, 2018

Board of Directors  
Santa Clarita Valley Groundwater Sustainability Agency

Dear Board members:

Thank you for considering me to serve as general counsel. As you know, I am also co-general counsel for SCV Water. At present, I consider the interests of the SCV-GSA and SCV Water to be fully aligned. Although it is unlikely, there may come a time when those interests diverge.

A lawyer has a duty of undivided loyalty to a client. As your general counsel, I would have the duty to act in your interest at all times. If your interests became different from SCV Water's, there is a risk that my judgment would be influenced by the fact that SCV Water is a client. California law requires that you give your informed consent in this situation, even though there is no current conflict of interest.

I request that you consent to representation under these circumstances. I will not represent SCV Water in GSA matters; Joe Byrne will continue to do that.

In the unlikely event that your interests become adverse to SCV Water's, I would not be allowed to continue to represent both parties without further disclosure and consent. If either party did not consent, or if the conflict is not waivable, I would withdraw from representing you, but would continue to represent SCV Water in other matters.

Please indicate your consent to the above by signing and returning the enclosed copy of this letter. If you have any questions regarding this letter or the risks of joint representation, please let me know.

Very truly yours,

Thomas S. Bunn III

The foregoing is agreed to.

Santa Clarita Valley Groundwater Sustainability Agency

By: \_\_\_\_\_

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**AGREEMENT FOR LEGAL SERVICES  
BETWEEN  
SANTA CLARITA VALLEY GROUNDWATER SUSTAINABILITY AGENCY  
AND  
LAGERLOF, SENEAL, GOSNEY & KRUSE, LLP**

**1. PARTIES AND DATE.**

This Agreement is made and entered into as of the 1st day of January, 2019, by and between the Santa Clarita Valley Groundwater Sustainability Agency (“Client”) and Lagerlof, Senecal, Gosney & Kruse, LLP, a limited liability partnership engaged in the practice of law (“Attorney”).

**2. RECITALS.**

2.1 Client wishes to engage the services of Attorney to perform all necessary legal services for the Client on the terms set forth below.

**3. TERMS.**

3.1 Term. The term of this Agreement shall commence on the date above and shall continue in full force and effect until terminated in accordance with Section 3.19.

3.2 Scope of Services. Client is hiring Attorney to provide general and special counsel services to Client and any other legal services as may be required from time to time by the Client (“Services”). As part of the Services to be performed hereunder, Attorney shall be responsible for the following:

3.2.1 Preparation for, and attendance at, regular meetings of the Client;

3.2.2 Provision of legal counsel at such other meetings as directed by the Client;

3.2.3 Preparation or review of all Client ordinances and resolutions, together with such staff reports, orders, agreements, forms, notices, declarations, certificates, deeds, leases and other documents as requested by the Client;

3.2.4 Rendering to the officers and employees of the Client legal advice and opinions on all legal matters affecting the Client, including new legislation and court decisions, as directed by the Client;

3.2.5 Researching and interpreting laws, court decisions and other legal authorities in order to prepare legal opinions and to advise the Client on legal matters pertaining to Client operations, as directed by the Client;

3.2.6 Performing legal work pertaining to property acquisition, property disposal, public improvements, public rights-of-way and easements, as directed by the Client;

3.2.7 Responding to inquiries and review for legal sufficiency ordinances, resolutions, contracts, and administrative and personnel matters, as directed by the Client;

3.2.8 Representing and assisting on litigation matters, as directed by the Client. Such services shall include, but shall not be limited to, the preparation for and making of appearances, including preparing pleadings and petitions, making oral presentations, and preparing answers, briefs or other documents on behalf of the Client, and any officer or employee of the Client, in all federal and state courts of this State, and before any governmental board or commission, including reviewing, defending or assisting any insurer of the Client or its agents or attorneys with respect to any lawsuit filed against the Client or any officer or employee thereof, for money or damages, or for any other relief.

3.2.9 Advising the Client and representing the Client, as directed by the Client with respect to compliance with the Sustainable Groundwater Management Act and such other matters as may arise.

3.3 Designated Attorney. Thomas S. Bunn III shall be the lead attorney to the Client, and shall be responsible for the performance of all Services under this Agreement, including the supervision of Services performed by other members of Attorney. No change in this assignment shall be made without the consent of the Client.

3.4 Time of Performance. The Services of Attorney shall be performed expeditiously in the time frames and as directed by the Client.

3.5 Assistance. Client agrees to provide all information and documents necessary for the attorneys at Attorney to perform their obligations under this Agreement.

3.6 Independent Contractor. Attorney shall perform all legal services required under this Agreement as an independent contractor of the Client and shall remain, at all times as to the Client, a wholly independent contractor with only such obligations as are required under this Agreement. Neither the Client, nor any of its employees, shall have any control over the manner, mode or means by which Attorney, its agents or employees, render the legal services required under this Agreement, except as otherwise set forth. The Client shall have no voice in the selection, discharge, supervision or control of Attorney's employees, representatives or agents, or in fixing their number, compensation, or hours of service.

3.7 Fees and Costs. Attorney shall render and bill for the Services at rates set forth in Exhibit "A" attached hereto and incorporated herein by reference. These rates are subject to increase beginning January 1, 2020, upon 30 days' notice to Client. In addition, the Client shall reimburse Attorney for reasonable and necessary expenses incurred by it in the performance of the Services under this Agreement. Authorized reimbursable expenses shall include, but are not limited to, mileage expenses at the rate allowed by the Internal Revenue Service for travel to and from the Client's offices, toll road expenses, long distance telephone and facsimile tolls in excess of \$25.00 per call or fax, research services performed by Attorney's library staff, computer research charges, extraordinary mail or delivery costs (e.g. courier, overnight and express delivery), copying costs, court fees and similar costs relating to the Services that are generally chargeable to a client.

3.8 Billing. Attorney shall submit monthly to the Client a detailed statement of account for Services. The Client shall review Attorney's monthly statements and pay Attorney for Services rendered and costs incurred, as provided for in this Agreement, on a monthly basis.

3.9 Risk Transfer Provisions.

3.9.1 Workers' Compensation Insurance. Attorney certifies that it is aware of the provisions of section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Attorney will comply with such provisions before commencing the performance of the work of this agreement.

3.9.2 Indemnification. Attorney shall indemnify and hold harmless and defend the Client, its directors, officers, and employees, and each of them from and against any claims, liabilities, costs, damages, judgments or causes of action to the extent caused by Attorney's negligent acts or omissions, or its willful acts or omissions, in the course of performance of this contract. In order to defend the Client, its directors, officers and employees under this paragraph, Attorney shall retain counsel for the Client acceptable to the Client, or may defend the Client consistent with ethical obligations under California law and conditioned upon the Client's agreement. Attorney's obligation under this paragraph shall not apply to any claims, liabilities, costs, damages or causes of action caused solely by the negligent or willful acts or omissions of the Client, its directors, officers, and employees.

3.10 Required Insurance.

3.10.1 Liability Insurance. Attorney shall provide and maintain at all times during the performance of the work under this Agreement, the following commercial general liability, professional liability and automobile liability insurance:

3.11 Coverage. Coverage shall be at least as broad as the following:

3.11.1 Coverage for Professional Liability appropriate to Attorney's profession covering Attorney's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this Agreement.

3.11.2 Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

3.11.3 Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (non-owned, and hired automobiles)

3.12 Limits. Attorney shall maintain limits no less than the following:

3.12.1 Professional Liability – Two million dollars (\$2,000,000) per claim and annual aggregate.

3.12.2 General Liability – Two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or

other form with a general aggregate limit is used, the general aggregate limit shall be at least twice the required occurrence limit.

3.12.3 Automobile Liability – One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.

3.13 Required Provisions. The general liability policy must contain, or be endorsed to contain, the following provisions:

3.13.1 The Client, its directors, officers, and employees, are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of Attorney. The coverage shall contain no special limitations on the scope of protection afforded to the Client, its directors, officers, or employees.

3.13.2 Attorney's insurance shall be primary insurance as respects the Client, its directors, officers, or employees. Any insurance, self-insurance, or other coverage maintained by the Client, its directors, officers, or employees shall not contribute to it.

3.13.3 Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the Client, its directors, officers, or employees.

3.13.4 Attorney's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

3.13.5 Such liability insurance shall indemnify Attorney against loss from liability imposed by law upon, or assumed under contract by, Attorney for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.

3.13.6 The automobile liability policy shall cover all owned (if applicable), non-owned, and hired automobiles.

3.13.7 Each insurance policy required by this Agreement shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or Attorney, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the Client.

3.13.8 All of the insurance shall be provided on policy forms and through companies satisfactory to the Client.

3.14 Workers' Compensation and Employer's Liability Insurance. Attorney shall cover or insure under the applicable laws relating to workers' compensation insurance, all of their employees employed directly by them in carrying out the work contemplated under this contract, all in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any acts amendatory thereof. Attorney shall provide employer's

liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.

3.15 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and subject to approval of the Client.

3.16 Acceptability of Insurers. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by the Client.

Attorney shall, upon demand of the Client, deliver to the Client such policy or policies of insurance and the receipts for payment of premiums thereon.

3.17 Continuation of Coverage. If any of the required coverage expires during the term of this Agreement, Attorney shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the Client at least ten (10) days prior to the expiration date.

3.18 Attorney-Client Privilege. Confidential communication between the Client and Attorney shall be covered by the attorney-client privilege. As used in this article, “confidential communication” means information transmitted between the Client and Attorney in the course of the relationship covered by this Agreement and in confidence by a means that, so far as the Client is aware, discloses the information to no third persons other than those who are present to further the interests of the Client in the consultation or those to whom disclosure is reasonably necessary for the transmission of the information or the accomplishment of the purpose for which Attorney is consulted, and includes any legal opinion formed and advice given by Attorney in the course of this relationship.

3.19 Termination of Agreement and Legal Services. This Agreement and the Services rendered under it may be terminated at any time upon written notice from either party, with or without cause. In the event of such termination, Attorney shall be paid for all Services authorized by the Client and performed up through and including the effective date of termination. Attorney shall also be reimbursed for all costs associated with transitioning any files or other data or documents to a new law firm or returning them to the Client, including the cost of copying the file for Attorney’s permanent records.

3.20 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.21 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Los Angeles.

3.22 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.

3.23 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

3.24 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.25 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.26 Delivery of Notices. All notices permitted or required under this Agreement notices shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Client: Santa Clarita Valley Groundwater Sustainability Agency  
[address]

Attorney: Lagerlof, Senecal, Gosney & Kruse, LLP  
301 N. Lake Avenue Ste. 1000  
Pasadena, CA 91101  
Attention: Thomas S. Bunn III

IN WITNESS WHEREOF, the Client and Attorney have executed this Agreement for Legal Services as of the date first written above.

**SANTA CLARITA VALLEY GROUNDWATER SUSTAINABILITY AGENCY**

By: \_\_\_\_\_

Title:

**LAGERLOF, SENECAL, GOSNEY & KRUSE LLP**

By: \_\_\_\_\_

Thomas S. Bunn III  
Partner

**EXHIBIT "A"**  
**RATE SCHEDULE**

**Identification**

Client: Santa Clarita Valley Groundwater Sustainability Agency

Matter: General and Special Counsel services

Deposit: None.

<b>Rates</b>	Thomas S. Bunn III	\$320 per hour
	Partners and of Counsels	\$260-\$320 per hour
	Associates	\$225-\$250 per hour
	Paralegals and Law Clerks	\$150 per hour

All hourly rates are charged in minimum increments of 0.10 hours.

**Minimum Charges**

Review correspondence of documents	0.10 hours
Telephonic or interoffice conference	0.20 hours
Preparation and filing of legal papers	0.50 hours

**Costs**

In-office photocopying	\$0.20/page
Facsimile transmission	\$1.00/page
Mileage	current IRS rates
Computer research	Westlaw retail rates

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Minutes of the Meeting of the Board of Directors of the Santa Clarita Valley Groundwater Sustainability Agency – October 1, 2018

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A meeting of the Board of Directors of the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) was held at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, California 91350 in the Board Room at 2:30 PM on Monday, October 1, 2018. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

**DIRECTORS PRESENT:** Directors Adam Ariki, William C. Cooper, Jerry Gladbach – Alternate, Bob Kellar, R. J. Kelly – Alternate; Gina Natoli; Matt Stone - Alternate

**DIRECTORS ABSENT:** B.J. Atkins, Maria Gutzeit, Gary Martin

Also present: Steve Cole, Assistant General Manager, SCV Water; Joe Byrne, General Counsel, SCV Water; Rick Viergutz, Principal Water Resource Planner, SCV Water; Keith Abercrombie, Chief Operating Officer, SCV Water; Kathie Martin, Public Information Officer, SCV Water; Eunie Kang, Administrative Technician, SCV Water and various members of the public.

President Cooper called the meeting to order at 2:32 PM. A quorum was present.

Item 1.4: Upon motion of Vice President Kellar, seconded by Director Gladbach and carried, the Agenda was approved by the following voice votes:

Director Ariki	Yes	Vice President Kellar	Yes
Director Atkins	Absent	Director Kelly (Alternate)	Yes
President Cooper	Yes	Director Martin	Absent
Director Gladbach (Alternate)	Yes	Director Natoli	Yes
Director Gutzeit	Absent	Director Matt Stone (Alternate)	Yes

Item 2.1: Upon motion of Director Gladbach, seconded by Director Ariki and carried, Eunie Kang was appointed as Board Secretary by the following voice votes:

Director Ariki	Yes	Vice President Kellar	Yes
Director Atkins	Absent	Director Kelly (Alternate)	Yes
President Cooper	Yes	Director Martin	Absent
Director Gladbach (Alternate)	Yes	Director Natoli	Yes
Director Gutzeit	Absent	Director Matt Stone (Alternate)	Yes

Item 3: Upon motion of Vice President Kellar, seconded by Director Kelly and carried, the Board approved the Consent Calendar including Resolution No. GSA 2018-01 by the following voice votes:

Director Ariki	Yes	Vice President Kellar	Yes
Director Atkins	Absent	Director Kelly (Alternate)	Yes

President Cooper	Yes	Director Martin	Absent
Director Gladbach (Alternate)	Yes	Director Natoli	Abstain
Director Gutzeit	Absent	Director Matt Stone (Alternate)	Yes

**RESOLUTION NO. GSA 2018-01**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY GROUNDWATER SUSTAINABILITY AGENCY  
SETTING THE DATE, TIME AND LOCATION OF THE SANTA CLARITA VALLEY WATER  
GROUNDWATER SUSTAINABILITY AGENCY BOARD MEETINGS**

**WHEREAS**, the Santa Clarita Valley Groundwater Sustainability Agency Joint Powers Authority (SCV-GSA) was established on September 27, 2018 and the Board of Directors of SCV-GSA would like to set its regular Board meeting dates, time and principal place of business; and

**WHEREAS**, it is in the best interest of the SCV-GSA Board of Directors to establish regularly scheduled meetings to consider and review items, approve proposed actions, and provide direction; and

**WHEREAS**, all meetings will be conducted in full compliance with the Brown Act; and

**WHEREAS**, the Board of Directors would like to have quarterly meetings, the first Monday of every third (3rd) month at 2:30 pm for its regular meetings; and

**WHEREAS**, the Board of Directors may call a special meeting at any time as needed; and

**WHEREAS**, the principal place of business and location of said meetings will be held at the Santa Clarita Valley Water Agency Boardroom located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350.

**NOW THEREFORE BE IT RESOLVED** that the Board of Directors of SCV-GSA does hereby adopt this resolution and the schedule as listed above setting the regular Board meetings to start at 2:30 pm and be held at the Santa Clarita Valley Water Agency located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Agency’s Boardroom.

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Item 4.1: Rick Viergutz gave an overview presentation outlining key activities for the next three (3) months to the Board:

Item 4.2: Upon motion of Director Gladbach, seconded by Vice President Kellar and carried, the Board approved staff’s recommendation and adopted Resolution No. GSA 2018-02 Directing the Board President to Execute an Administrative Services Agreement with Santa Clarita Valley Water Agency to Provide Administrative, Management, and Technical Services, by the following voice votes:

Director Ariki	Yes	Vice President Kellar	Yes
Director Atkins	Absent	Director Kelly (Alternate)	Yes
President Cooper	Yes	Director Martin	Absent

Director Gladbach (Alternate)	Yes	Director Natoli	Yes
Director Gutzeit	Absent	Director Matt Stone (Alternate)	Yes

**RESOLUTION NO. GSA 2018-02**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SANTA CLARITA VALLEY GROUNDWATER SUSTAINABILITY AGENCY (SCV-GSA)  
DIRECTING THE BOARD PRESIDENT TO EXECUTE AN ADMINISTRATIVE SERVICES  
AGREEMENT WITH SANTA CLARITA VALLEY WATER AGENCY (SCV WATER)**

**WHEREAS**, the members of the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) executed a Joint Powers Agreement (JPA Agreement) effective September 27, 2018; and

**WHEREAS**, the JPA Agreement contains details regarding powers, membership, board, meetings, member contributions, voting, budget, and other details; and

**WHEREAS**, the JPA Agreement indicates that, unless otherwise determined by the SCV-GSA Board of Directors, SCV Water, under a separate Administrative Services Agreement with the SCV-GSA (Admin Agreement), will manage the administrative operations of the SCV-GSA and the development of the Groundwater Sustainability Plan; and

**WHEREAS**, the Admin Agreement requires SCV Water to provide staff resources to administer the operations of the SCV-GSA and authorizes SCV Water to contract directly with consultants and other parties to carry out the direction of the SCV-GSA Board, including the development and implantation of the Groundwater Sustainability Plan (GSP); and

**WHEREAS**, the execution of the Admin Agreement by SCV-GSA and SCV Water will enable the SCV-GSA to carry out the work necessary to comply with the Sustainable Groundwater Management Act, including the preparation of the GSP and securing of grant funds to assist with such.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors, the governing body of the Santa Clarita Valley Groundwater Sustainability Agency, resolves and orders as follows:

1. The SCV GSA Board President is directed to execute an Administrative Services Agreement with SCV Water to perform General Services and secure Consultant Services in order to administer the SCV-GSA and develop and implement the Groundwater Sustainability Plan.

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Item 4.3: Upon motion of Director Natoli, seconded by Director Kelly and carried, the Board approved staff's recommendation and adopted Resolution No. GSA 2018-03 Authorizing the Santa Clarita Valley Water Agency to Execute a Grant Agreement on Behalf of the Santa Clarita Valley Groundwater Sustainability Agency with the California Department of Water Resources, by the following voice votes:

Director Ariki	Yes	Vice President Kellar	Yes
Director Atkins	Absent	Director Kelly (Alternate)	Yes

President Cooper	Yes	Director Martin	Absent
Director Gladbach (Alternate)	Yes	Director Natoli	Yes
Director Gutzeit	Absent	Director Matt Stone (Alternate)	Yes

**RESOLUTION NO. GSA 2018-03**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SANTA CLARITA VALLEY GROUNDWATER SUSTAINABILITY AGENCY (SCV-GSA)  
AUTHORIZING THE SANTA CLARITA VALLEY WATER AGENCY (SCV WATER) TO  
EXECUTE A GRANT AGREEMENT ON BEHALF OF THE SCV-GSA WITH THE  
CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR PREPARATION OF  
PORTIONS OF A GROUNDWATER SUSTAINABILITY PLAN (GSP), AND REQUIRING  
COMPLETION OF A SCV-GSA BOARD ADOPTED FINAL GSP**

**WHEREAS**, Castaic Lake Water Agency (CLWA), along with the City of Santa Clarita, the County of Los Angeles, Los Angeles County Waterworks District No. 36, Newhall County Water District and the Santa Clarita Water Division jointly formed the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) through a Memorandum of Understanding (MOU) on May 24, 2017; and

**WHEREAS**, the MOU required that the parties cooperate and coordinate in pursuing State of California grant and loan funding opportunities that may apply to carrying out the Sustainable Groundwater Management Act (SGMA); and

**WHEREAS**, in November 2017, following adoption of Resolutions by the SCV-GSA and CLWA, CLWA applied for a Proposition 1 grant on behalf of the SCV-GSA for preparation of portions of a Groundwater Sustainability Plan (GSP) that would be made part of a SCV-GSA adopted Final GSP; and

**WHEREAS**, the grant provides significant funding for critical portions of the GSP and also requires that the full GSP be completed; and

**WHEREAS**, on January 1, 2018, the Santa Clarita Valley Water Agency (SCV Water) was formed and is the successor to Castaic Lake Water Agency, the Santa Clarita Water Division, and Newhall County Water District, pursuant to Senate Bill 634, Chapter 833 (SB 634); and

**WHEREAS**, following formation of SCV Water the members to the MOU were then SCV Water, the City of Santa Clarita, the County of Los Angeles, and Los Angeles County Waterworks District No. 36; and

**WHEREAS**, on April 4, 2018, the Department of Water Resources notified CLWA that its application for grant funds on behalf of the SCV-GSA was conditionally awarded \$416,106; and

**WHEREAS**, the members to the MOU developed a Joint Powers Agreement and Administrative Services Agreement to form the SCV-GSA Joint Powers Authority; and

**WHEREAS**, the members of the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) executed a Joint Powers Agreement (JPA Agreement) effective September 27, 2018; and

**WHEREAS**, under the Administrative Services Agreement, SCV Water will administer the conditions of the grant on behalf of the SCV-GSA Joint Powers Authority; and

**WHEREAS**, with creation of SCV Water and formation of the SCV-GSA Joint Powers Authority, DWR has requested SCV Water and the SCV-GSA prepare revised resolutions to authorize execution the grant agreement; and

**WHEREAS**, on October 2, 2018, the SCV-GSA Board of Directors will consider adopting a Resolution authorizing SCV Water, consistent with the Joint Powers Agreement and Administrative Services Agreement, to execute and administer the Proposition 1 grant for preparation of portions of a GSP, which also requires completion of a SCV-GSA Board adopted final GSP, and provision of the local cost share; and

**WHEREAS**, SCV-Water commits to administering the grant and funding the local cost share consistent with the fully executed Joint Powers Agreement and Administrative Services Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors, the governing body of the Santa Clarita Valley Groundwater Sustainability Agency, resolves and orders as follows:

1. The General Manager of SCV Water is authorized and directed to enter into and execute an agreement with DWR on behalf of the SCV GSA to receive a grant under the 2017 Sustainable Groundwater Planning Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) (Water Code Section 79700 et. seq.) for project components supporting planning and development of the GSP and requiring completion of a SCV-GSA Board adopted final GSP.

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Item 6: Upon motion of Director Kelly, seconded by Vice President Kellar and carried, the meeting was adjourned at 3:10 PM by the following voice votes:

Director Ariki	Yes	Vice President Kellar	Yes
Director Atkins	Absent	Director Kelly (Alternate)	Yes
President Cooper	Yes	Director Martin	Absent
Director Gladbach (Alternate)	Yes	Director Natoli	Yes
Director Gutzeit	Absent	Director Matt Stone (Alternate)	Yes

\_\_\_\_\_  
Eunie Kang, Board Secretary

ATTEST:

\_\_\_\_\_  
President of the Board

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## Santa Clarita Valley Groundwater Sustainability Agency Board Memorandum

**DATE:** December 31, 2018  
**TO:** SCV-GSA Board of Directors  
**FROM:** GSA Formation Work Group  
**SUBJECT:** Overview of Public Outreach

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### SUMMARY

Even in advance of hiring a Stakeholder Engagement and Communication consultant, public outreach for the Groundwater Sustainability Agency has been underway since 2017. Here are a few activities of note:

**Stakeholder list development:** An online form and paper sign-up forms at previous meetings have resulted in an interest list of 285 people. The list has been used to promote the public workshop this summer, as well as announcements for each GSA board meeting. We also have an email distribution list of about 18,000 SCV Water customers, and we are able to include occasional GSA news in the monthly e-newsletter that is sent to this group. We would also be able to send GSA-specific emails to this larger list, as there is a clear nexus between GSA updates and the request to receive news of interest to SCV Water customers.

**Website:** The previous GSA webpage, housed on [www.yourSCVwater.com](http://www.yourSCVwater.com), has now been developed into a stand-alone website at [www.scvgsa.org](http://www.scvgsa.org). Some of the features include:

- Contact form to sign up for notifications
- History of GSA development
- Governing documents and legislation
- Agendas
- Calendar of meetings

We are working on updating the feature that allows a community member to verify if their address is located within the basin boundaries. The GIS team at SCV Water is building this in-house, and we expect it to be functional by early February.

Google Analytics were recently added to the site, so in coming months we will begin reporting out on website traffic as well. Looking at the single page on the SCV Water site, it was averaging approximately 80 views a month, with a jump to 260 in October. There was an uptick the day of and just after the October GSA board meeting. That was also the month the new website was built, so internal traffic increased as we prepared to migrate the content.

**FINANCIAL CONSIDERATIONS**

N/A

**RECOMMENDATION**

Receive and file for information only.

KM





## Santa Clarita Valley Groundwater Sustainability Agency Board Memorandum

**DATE:** December 31, 2018  
**TO:** SCV-GSA Board of Directors  
**FROM:** GSA Formation Work Group  
**SUBJECT:** Adopt Fiscal Year 18/19 Budget

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### SUMMARY/DISCUSSION

At its June 4, 2018 meeting, the Board reviewed *Item 3.1 Review Draft Budget*. That item described the approach to budget development and initial budget estimates through FY 2021/22 coinciding with anticipated development of the Groundwater Sustainability Plan (GSP).

Since that time, SCV-GSA member agencies executed the Joint Powers Agreement. It states that within 120 days of the SCV-GSA Joint Powers Authority's first meeting (which was October 1, 2018), it adopt an annual budget. Budget adoption is subject to a supermajority vote. Other key activities since the June 2018 meeting include SCV-GSA and SCV Water execution of an Administrative Services Agreement, GSA Work Group<sup>1</sup> issuance of requests for proposals for consultant services to develop the GSP, review, negotiation, and recommendation of consultants.

The budget description below is structured similarly to that provided in June 2018, but where key budget changes have been made, they are briefly described. A key budget change includes lower than expected FY 18/19 expenditures, but higher future FY expenditures, including recommended additional budget for a groundwater model peer review and provision of contingency funds for other work.

### FINANCIAL CONSIDERATIONS

#### Expenditure Categories

There are two expenditure categories:

- SCV Water Staff Support to the SCV-GSA (Table 1)
- Consultant Services (Table 2)

The SCV Water staff support expenditure category provides administrative, consultant management and technical services, and public outreach support. Administrative expenditures include preparation of Board packets and minutes, financial statements, annual audits, and grant administration. Consultant management services include all phases of consultant contract administration, management and technical review of GSP work products. Public outreach expenditures include coordination with the GSP consultant as necessary for stakeholder engagement and advertisement purchases. Table 1, Estimated SCV Water Staff Costs, shows estimated costs for staff support.

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<sup>1</sup> GSA Work Group is composed of staff from each SCV-GSA member agency.

Changes for this budget category reflect updated hours for administrative support and addition of funding for advertisement purchases.

The Consultant Services category provides a broad range of services to prepare the GSP. During the June 4, 2018 meeting, staff noted that Item 3.1 provided only preliminary estimates of expenditures, as requests for proposals (RFP) for consultant support had not yet been issued. Consistent with that discussion, staff has prepared a revised Consultant Services budget.

#### Consultant Cost Estimate for GSP Development

The earlier budget estimate was \$1.375M for this entire category. It included:

- a) \$75,000 for an Advisory Committee Facilitator,
- b) \$50,000 to convert the MicroFEM groundwater flowmodel to Modflow USG, and
- c) \$1.25M for consultant services to develop the GSP.

Since that time, budget items a and b above were eliminated, but approximately \$62,000 of expenses for groundwater model calibration and consultant services to assist in GSP development were incurred. The budget item c estimate is now revised to \$1.43M.

The increase to 1.43M reflects several factors including: modest increases in detail of groundwater modeling analysis related to evaluating groundwater dependent ecosystems (i.e. additional environmental consulting time and incorporation of much of The Nature Conservancy's Groundwater Dependent Ecosystem guidance document), greater than anticipated work effort to incorporate existing information into: a data management system and that data incorporation into the hydrogeologic conceptual model, and incorporation into the groundwater flowmodel (if necessary).

Many GSAs have experienced, or are anticipating challenges to the adequacy of their numerical groundwater flowmodel. Any significant challenges or significant lack of stakeholder acceptance of the model can pose a risk to timely GSP completion and DWR acceptance. We have high confidence in the groundwater modeling skills of the recommended consultant; however, given the statewide climate, and to manage risk, a groundwater flow model peer review process may be advisable and could be completed in approximately 12 months. It would provide expert review of critical model components, feedback to the modeler, likely coordination (and increased buy-in) with the downstream Piru and Fillmore basin GSA, and may even result in some incremental model improvements. The expert panel would create documentation including a finding about the model's suitability for intended use. This is a new budget item recommended by the Work Group with an estimated cost of \$100,000.

The proposed budget is now \$1.59M with key increases related to the two items described.

#### Consultant Cost Estimated for Contingency Funded Items

This is a new budget item recommended by the Work Group. The recommended consultant proposals provide necessary components to complete the GSP; however, the consultant's scope and budget are focused, and therefore not structured to adapt to significant scope change. The biggest risk to scope change at this time relates to increases in scope for additional ("ad hoc") technical analyses and additional meetings with consultants. We anticipate scope change may result from referral of stakeholder concerns (captured as part of the required public process) to consultants for more detailed follow up outside of their scope.

For example, the GSP development will include analysis of items related to water quality (i.e. perchlorate and VOCs), groundwater dependent ecosystems, climate change, recharge areas, etc. These are

complicated issues that the SCV-GSA member agencies have significant experience with, but given the complexities and incorporation of the DWR required stakeholder process (which may include a stakeholder advisory committee), additional consultant time may be necessary to respond to stakeholder comments. The recommended consultant for Stakeholder Communication and Engagement has included budget for 10 stakeholder advisory committee meetings. The SCV-GSA will have to use discretion in authorizing additional consultant hours under the proposed contingency fund. The current consultant budgets are lean and do not provide funding for significant increases in consultant time that may be deemed necessary.

A similar possibility for increases in scope relates to the role of a Technical Advisory Group (TAG). These groups can be assembled for a range of focused to broad purposes. The most focused purpose is assembly of a TAG at the request of the Work Group or Consultant to include others with specialized knowledge or skill for a limited and focused purpose. The recommended consultant's proposal includes a budget for four TAG meetings for this focused purpose.

It is difficult at this stage of the GSP development to anticipate the extent to which additional Stakeholder and TAG efforts will be required. Because the level of this effort may broaden, the Work Group recommends contingency funding be provided. The Work Group recommends an initial contingency budget of 15% to be allocated to each consultant *through GSP development* to provide flexibility to address issues such as those described above.

#### Consultant Cost Estimate for Administration

Key changes to this budget item reflect reductions in the annual estimates of insurance, and legal fees. The June 2018 budget identified a consultant cost of \$385,000 for FY 18/19 through FY 21/22. The new budget estimate for the same period is reduced to \$235,000

#### Consultant Costs Estimate for Post GSP Adoption

This is a new budget item recommended by the Work Group. We anticipate costs beginning in FY 21/22 related to post-GSP adoption data management and reporting. This includes annual fees for database maintenance, data entry, and development of the DWR-required annual report.

#### Anticipated Revenue

The Sustainable Groundwater Management Act (SGMA) provides several opportunities to raise revenue and grants broad authority to GSAs to carry out the objectives of SGMA. Chapter 8 of SGMA is applicable to GSP development and operation of the GSA after the GSP is completed. Chapter 8 provides that a GSA may, prior to adoption of a GSP, impose fees, including but not limited to permit fees and fees on groundwater extraction to fund the costs of a groundwater sustainability program, including but not limited to preparation, adoption, and amendment of a GSP and investigations, inspections, compliance assistance, enforcement and program administration including a prudent reserve. At this time, two revenue sources exist to support the SCV-GSA through the preparation of the GSP in FY 2021/22. These are grant reimbursements and member contributions.

The proposed budget reflects the SCV-GSA's grant agreement with the Department of Water Resource's that up to \$416,106 be made as grant reimbursement to prepare the GSP. The first reimbursement is anticipated in FY 20/21, with additional reimbursement following in FY 21/22 and 22/23. The timing of the reimbursement is later than our June 2018 estimate and reflects DWRs clarified default position that reimbursement is not authorized until the GSA fully spends its required match.

The County of Los Angeles, the City of Santa Clarita, Los Angeles County Waterworks District 36, Val Verde, and Santa Clarita Valley Water Agency will each contribute a non-reimbursable \$20,000 per year for their share of administrative and GSP costs. The balance of revenue is anticipated to be provided by SCV Water under the terms of the Administrative Services Agreement and is shown on Table 3, Budget Summary, as Additional Revenue Required. The source for the additional contributions is the general fund/operating budget and fund balance of SCV Water.

## **SUMMARY**

Development of the GSP will take approximately three years. The proposed FY 18/19 budget expenditures are lower than anticipated. Higher consultant costs are anticipated to occur in future fiscal years. The proposed budget includes notable changes, such as an additional budget request for groundwater model peer review, additional budget request for contingency funding, and certain reduced costs. Consistent with the Administrative Services Agreement, approval of the proposed FY 18/19 budget will allow SCV Water to execute contracts for budget items less than \$100,000 without SCV-GSA Board approval. A separate Staff report will follow today that seeks SCV-GSA Board approval of Work Group member recommendations for contracts in excess of \$100,000.

## **RECOMMENDATION**

- 1) Adopt the proposed FY 18/19 budget detailed in the attached Tables 1, 2, and 3.
- 2) Replace the Administrative Service's Agreement's Exhibit A with Tables 1, 2, and 3.

Attachments:

Table 1. Estimated SCV Water Staff Costs Through GSP Development

Table 2. Estimated Consultant Costs

Table 3. Budget Summary

**Table 1. Estimated SCV Water Staff Costs + Ad Buy**

	<b>FY 18/19</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>TOTAL</b>
SCV Water Administrative Support	\$71,500	\$78,100	\$78,100	\$78,100	\$305,800
SCV Water Consultant Management & Technical Services	\$70,840	\$169,620	\$169,620	\$127,215	\$537,295
SCV Water Support with Public Outreach	\$28,600	\$28,600	\$28,600	\$21,450	\$107,250
Ad Buys for Outreach	\$5,000	\$10,000	\$10,000	\$10,000	\$35,000
<b>Total SCV Water Staff Cost</b>	<b>\$175,940</b>	<b>\$286,320</b>	<b>\$286,320</b>	<b>\$236,765</b>	<b>\$985,345</b>

**Table 2. Estimated Consultant Costs**

	FY 18/19	FY 19/20	FY 20/21	FY 21/22	TOTAL
<b>Consultant Cost Estimate for GSP Development</b>					
Groundwater Model Readiness - Additional Calibration of Modflow USG	\$35,000				\$35,000
RFP Development - Status of Groundwater Model Memo	\$5,800				\$5,800
RFP Development – Consultant Assistance in Drafting RFP's and Reviewing Proposals	\$20,000				\$20,000
GSP Technical Consultant	\$150,000	\$438,000	\$488,550	\$175,000	\$1,251,550
GSP Stakeholder Engagement Consultant	\$30,000	\$40,000	\$40,000	\$40,000	\$150,000
GSP Grant Administration Consultant	\$5,000	\$10,000	\$8,807	\$5,000	\$28,807
Peer Review Group to Evaluate Modflow USG for Suitability	\$25,000	\$75,000			\$100,000
<b>Subtotal</b>	<b>\$270,800</b>	<b>\$563,000</b>	<b>\$537,357</b>	<b>\$220,000</b>	<b>\$1,591,157</b>
<b>Consultant Cost Estimate for Contingency Fund</b>					
15% Contingency for GSP Technical Consultant	\$22,500	\$65,700	\$73,283	\$26,250	\$187,733
15% Contingency for Stakeholder Engagement Consultant	\$4,500	\$6,000	\$6,000	\$6,000	\$22,500
<b>Subtotal</b>	<b>\$27,000</b>	<b>\$71,700</b>	<b>\$79,283</b>	<b>\$32,250</b>	<b>\$210,233</b>
<b>Total Consultant Cost Estimate for Technical Development</b>	<b>\$297,800</b>	<b>\$634,700</b>	<b>\$616,640</b>	<b>\$252,250</b>	<b>\$1,801,390</b>
<b>Consultant Cost Estimate for Administration</b>					
Grant Application Cost					
Pre GSP Adoption Rate Study for Fee Collection		\$50,000			\$50,000
Rate Study for Post GSP Adoption Fee Collection			\$75,000		\$75,000
Agency Insurance through JPIA	\$2,500	\$2,500	\$2,500	\$2,500	\$10,000
Legal	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
Annual Audit Costs	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000
<b>Subtotal</b>	<b>\$27,500</b>	<b>\$77,500</b>	<b>\$102,500</b>	<b>\$27,500</b>	<b>\$235,000</b>
<b>Consultant Cost Estimate for Post GSP Adoption Activities</b>					
Required Annual Report, Monitoring, Reporting, Database Maintenance				\$25,000	\$25,000
Project Development (CEQA, Design, Construction, O&M)					
<b>Subtotal</b>				<b>\$25,000</b>	<b>\$25,000</b>
<b>Total Consultant Cost Estimate All Categories</b>	<b>\$325,300</b>	<b>\$712,200</b>	<b>\$719,140</b>	<b>\$304,750</b>	<b>\$2,061,390</b>

**Table 3. Budget Summary**

<b>Budget Summary</b>	<b>FY 18/19</b>	<b>FY 19/20</b>	<b>FY 20/21</b>	<b>FY 21/22</b>	<b>TOTAL</b>
<b>Table 1. Total Estimated SCV Water Staff</b>	<b>\$175,940</b>	<b>\$286,320</b>	<b>\$286,320</b>	<b>\$236,765</b>	<b>\$985,345</b>
<b>Table 2. Total Estimated Consultant Services*</b>	<b>\$325,300</b>	<b>\$712,200</b>	<b>\$719,140</b>	<b>\$304,750</b>	<b>\$2,061,390</b>
<b>Total Estimated Staff and Consultant</b>	<b>\$501,240</b>	<b>\$998,520</b>	<b>\$1,005,460</b>	<b>\$541,515</b>	<b>\$3,046,735</b>
<b>Anticipated Revenue</b>					
Estimated Grant Reimbursement			\$138,702	\$138,702	\$277,404
Member Agency Contributions	\$80,000	\$80,000	\$80,000	\$80,000	\$320,000
Additional Revenue Required*	\$421,240	\$918,520	\$786,758	\$322,813	\$2,449,331
<b>Total Revenue for GSP Development</b>	<b>\$501,240</b>	<b>\$998,520</b>	<b>\$1,005,460</b>	<b>\$541,515</b>	<b>\$3,046,735</b>
<b>Balance</b>					

\*SCV Water may, in its discretion, advance these funds, or provide a voluntary non-reimbursable Member contribution

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## **Santa Clarita Valley Groundwater Sustainability Agency Board Memorandum**

**DATE:** December 31, 2018  
**TO:** SCV-GSA Board of Directors  
**FROM:** GSA Formation Work Group  
**SUBJECT:** Approve Consultant Selection for Professional Engineering/Hydrogeology Services and Stakeholder Communication and Engagement Services

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### **SUMMARY**

In October 2018 SCV Water released Requests for Proposals to obtain proposals necessary for SCV GSA's development of its Groundwater Sustainability Plan (GSP). Proposals sought included 1) Professional Engineering/Hydrogeology Services, 2) Professional Stakeholder Communication and Engagement, and 3) Professional Grant Administration.

The GSA Work Group met twice, reviewing proposals and interviewing consultants. Following this, additional follow up took place with consultants related to final proposal clarifications and negotiations. The GSA Work Group has reached consensus on consultant selection for each RFP.

This Board Memorandum provides additional detail about the consultant selection process, Work Group recommended consultants, and budget considerations.

### **DISCUSSION**

Consistent with the Administrative Services Agreement between the SCV-GSA and SCV Water, a request for proposals (RFPs) for professional services was created to develop the GSA's Groundwater Sustainability Plan. GSA Work Group members had participated in the development of the draft RFPs.

Final RFPs for 1) Professional Engineering/Hydrogeology Services, 2) Professional Stakeholder Communication and Engagement, and 3) Professional Grant Administration were released in early October 2018 via the Planet Bids website application. This web based tool provided for sending RFPs to over 100 professional firms, a question and answer period, and online-only submittal of proposals.

The website application worked very well. Only one question was submitted and it was of a general nature regarding acceptance of proposals from countries outside of the United States.

SCV Water received seven proposal by the November 5, 2018 deadline and forwarded proposals to the GSA Work Group for review.

The GSA Work Group met in person two days later to review the proposals, reaching consensus on next steps. These included provision of a standardized list of follow up questions for each proposal type, and interview invitations for the five proposers on the first two proposal types.

On November 19, 2018 the GSA Work Group conducted interviews of five consulting firms. Following interviews the GSA Work Group further refined its selection of the proposals and arrived at a list of preferred consultants. Additionally staff sought further clarifications and initiated negotiations. Selection of the lowest bidder is not required in selection for professional services contracts. The proposing firms, costs, and Work Group recommended selection is described in the following table. Staff will further discuss proposals at the January 7, 2019 Board meeting.

<b>Professional Engineering Hydrogeology Services Proposals</b>	<b>Original Proposal Cost</b>	<b>Final Proposal Cost</b>	<b>Work Group Recommended Selection</b>
Advisian	\$828,787	\$987,998	No
GSI	\$1,536,500	\$1,251,550	Yes
<b>Stakeholder Communication and Engagement Proposals</b>			
FRW	\$135,000	\$135,000	No
CV Strategies	\$150,000	\$150,000	Yes
Dudek	\$156,282	\$156,282	No
<b>Professional Grant Administration Proposals</b>			
Dudek	\$24,997	\$28,087	Yes
Kennedy Jenks	\$45,576	\$49,716	No

### Considerations and Final Recommendations

The Work Group recommends that GSI Water Solutions be selected for Professional Engineering/Hydrogeology Services. The proposal represents a carefully assembled team with strong knowledge and experience in SGMA and the SCV-GSA's groundwater basin. GSI's team members include: an Assistant Project Manager who lives locally and works for GHD (a professional services firm), Luhdorff and Scalmanini Consulting Engineers, Richard C. Slade and Associates Consulting Groundwater Geologists, Environmental Science Associates, Kennedy Jenks and others. In addition to the strength of the team, the proposal reflects a necessary level of thought, analysis, and thorough understanding. The initial proposal fee was approximately \$1.54M, but upon further discussions and negotiations it has been reduced to \$1,251,550.

The Work Group recommends that CV Strategies be selected for Professional Stakeholder Communication and Engagement. CV Strategies has a proven track record of success with stakeholder engagement. The CV Strategies proposal reflected a deep knowledge of general facilitation and outreach best practices as well as specific knowledge of the stakeholders in the

Santa Clarita Valley. Their client list includes dozens of water agencies. The CV Strategies proposal fee is \$150,000.

The Work Group has selected Dudek to perform the Professional Grant Administration work. It has worked previously for SCV Water on grants, and its proposal provides a reasonable fee. Consistent with the Administrative Services Agreement we are not seeking your Board's approval for contracting with this firm since its proposal cost is approximately \$28,000, which is below the \$100,000 threshold requiring your Board to approve SCV Water entering into a contract.

## **FINANCIAL CONSIDERATIONS**

The three proposed consultant contract's FY 18/19 expenses are within the SCV-GSA's FY 18/19 budget, and are also forecasted through FY 21/22 in the SCV-GSAs budget.

With SCV-GSA approval, at the February 5, 2019 SCV Water board meeting, SCV Water staff will recommend its Board authorize entering into the contracts with GSI Water Solutions and CV Strategies.

## **RECOMMENDATION**

The GSA Formation Work Group recommends the Board of Directors authorize SCV Water to enter into contracts with GSI Water Solutions, and CV Strategies to develop the GSP.

RDV