

Paso Basin Cooperative Committee

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the Paso Basin Cooperative Committee will hold a Special Meeting at **4:00 P.M. on Wednesday, March 7, 2017** at the City of Paso Robles Council Chambers (1000 Spring St., Paso Robles, CA 93446).

NOTE: The Paso Basin Cooperative Committee reserves the right to limit each speaker to three (3) minutes per subject or topic. In compliance with the Americans with Disabilities Act, all possible accommodations will be made for individuals with disabilities so they may attend and participate in meetings.

John Hamon, Chairperson, City of Paso Robles
Reginald Cousineau, Member, Heritage Ranch CSD
Joe Parent, Member, San Miguel CSD
John Peschong, Vice Chairperson, County of SLO
Willy Cunha, Secretary, Shandon-San Juan WD

Steve Martin, Alternate, City of Paso Robles
Scott Duffield, Alternate, Heritage Ranch CSD
Kelly Dodds, Alternate, San Miguel CSD
Debbie Arnold, Alternate, County of SLO
Matt Turrentine, Alternate, Shandon-San Juan WD

Agenda

March 7, 2018

- 1. Call to order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Public Comment – Items not on Agenda**
- 5. Approval of Meeting Minutes**
 - a. December 6, 2017 (Special Meeting)
 - b. February 14, 2018 (Special Meeting)
- 6. Consider administration of Paso Basin Cooperative Committee**
- 7. Continued item to consider recommended GSP Consultant and related contract consistent with MOA Section 6.3**
- 8. Continued item to receive Department of Water Resources Grant Funding Award Update**
- 9. Continued item to consider approval of recommended FY 2017-2018 Annual Budget, for consideration and approval by each of the Parties consistent with MOA Section 5.2**
- 10. Future Items**
 - a. Overview of recent and upcoming studies available to support GSP development
 - b. Development of a stakeholder participation plan
- 11. Adjourn**

**Paso Basin Cooperative Committee
Minutes (DRAFT)
December 6, 2017**

The following members or alternates were present:

- John Hamon**, Chair, Member, City of Paso Robles
- John Peschong**, Vice Chair, Member, County of San Luis Obispo
- Willy Cunha**, Secretary, Member, Shandon-San Juan WD
- Reginald Cousineau**, Member, Heritage Ranch CSD
- Joe Parent**, Member, San Miguel CSD

<p>1. Call to Order</p>	<p>Member Hamon, acting as Chair, called the meeting to order at 4:30PM</p>
<p>2. Roll Call 3. Pledge of Allegiance</p>	
<p>4. Public Comment – Items not on the Agenda</p>	<p>The following members of the public spoke: Jerry Reaugh</p> <p>Chairperson Hamon closes public comment.</p>
<p>5. Approval of Meeting Minutes</p>	<p>On motion by Vice Chairperson Peschong, seconded by Secretary Cunha, the Committee moves to approve the October 18, 2017 meeting minutes and the October 25, 2017 meeting minutes.</p>
<p>6. Approach to Consultant Selection Process for Groundwater Sustainability Plan (GSP) Preparation</p>	<p>City Staff, Dick McKinley: walks Committee through proposed approach to Consultant Selection Process for GSP preparation whereby staff reviews/rates proposals and selects finalist for interviews/presentation; reviewing staff will be comprised of one member from each GSA, including Dick McKinley (City of Paso Robles), Angela Ruberto (County of San Luis Obispo), Randy Diffenbaugh (Shandon-San Juan Water District), Blaine Reely (San Miguel CSD), Scott Duffield (Heritage Ranch CSD); staff will conduct interviews and select consultant to recommend to Cooperative Committee.</p> <p>On motion by Secretary Cunha, seconded by Vice Chairperson Peschong, the Committee moves to approve the Approach to Consultant Selection Process for Groundwater Sustainability Plan (GSP) Preparation.</p> <p>On motion by Vice Chairperson Peschong, seconded by Member Parent, the Committee moves to confirm that reviewing staff be limited to the GSAs currently represented on the Cooperative Committee.</p>
<p>7. Recommendation regarding Agency Websites and Notices of Intent to collectively develop a Groundwater Sustainability Plan</p>	<p>County Staff, Angela Ruberto: reports on DWR’s Final Groundwater Sustainability Plan Emergency Regulations’ requirement that each GSA provide DWR with a Notice of Intent to initiate collective development of a GSP and to host a website on which to post pertinent information and opportunities for stakeholder and public engagement/involvement.</p>

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	<p>The Committee discussed the requirement that each GSA host a website and considers having a dedicated website for the Cooperative Committee to streamline access to GSP materials through the development and implementation phases.</p> <p>Greg Grewal spoke</p> <p>No motion is made.</p>
<p>8. Designate Point(s) of Contact to Coordinate with Salinas Valley Basin GSA (SVBGSA) and DWR, and Provide Updates to and Seek Input from Committee</p>	<p>San Miguel CSD Staff, Blaine Reely: discusses number of parties necessary to coordinate with and suggests appointing City Staff, Dick McKinley, as the primary “point-of-contact” between the five SLO County GSAs and the Salinas Valley Basin GSA (SVBGSA).</p> <p>Gary Peterson, General Manager of SVBGSA and Ben Gooding, assigned point-of-contact for DWR in the Paso Basin are introduced to the Cooperative Committee and attending public.</p> <p>On motion by Vice Chairperson Peschong, seconded by Cunha, the Committee Designates Point(s) of Contact to Coordinate with Salinas Valley Basin GSA (SVBHS) and DWR, and Provide Updates to and Seek Input from Committee.</p>
<p>9. Consider developing draft interagency agreement with SVBGSA</p>	<p>Secretary Cunha discusses requirement for formal/legal coordination with the Salinas Valley Basin GSA as a partner in the Paso Robles Groundwater Basin.</p> <p>No motion is made; the Committee directs Staff to bring back draft language for interagency agreement.</p>
<p>10. Establish Next Meeting Date, Time, and location Approval by Each of the Parties</p>	<p>Committee discusses next meeting and tentatively sets for: Wednesday, February 14, 2018 at 4:00 PM in the City’s Emergency Operations Center.</p> <p>No motion is made.</p>
<p>11. Future Items</p>	<p>Committee discusses following up on items related to GSP consultant interviews, Prop 1 Grant award, draft interagency agreement with SVBGSA and draft budget.</p> <p>On motion by Vice Chairperson Peschong, seconded by Secretary Cunha, the Committee moves to adjourn the meeting.</p>

**Paso Basin Cooperative Committee
Minutes (DRAFT)
December 6, 2017**

I, Willy Cunha, Secretary to the Paso Basin Cooperative Committee, do hereby certify that the foregoing is a fair statement of the proceedings of the meeting held on December 6, 2018, by the Paso Basin Cooperative Committee.

Willy Cunha, Secretary of the Paso Basin Cooperative Committee

Drafted by: Angela Ruberto, County of San Luis Obispo

DRAFT

**Paso Basin Cooperative Committee
Minutes (DRAFT)
February 14, 2018**

The following members or alternates were present:

- John Hamon**, Chair, Member, City of Paso Robles
- John Peschong**, Vice Chair, Member, County of San Luis Obispo
- Willy Cunha**, Secretary, Member, Shandon-San Juan WD
- Reginald Cousineau**, Member, Heritage Ranch CSD
- Joe Parent**, Member, San Miguel CSD

<p>1. Call to Order</p> <p>2. Roll Call</p> <p>3. Pledge of Allegiance</p>	<p>Member Hamon, acting as Chair, calls the meeting to order at 4:00PM</p> <p>County staff, Angela Ruberto, calls roll.</p> <p>Chairperson Hamon leads the Pledge of Allegiance.</p>
<p>4. Public Comment – Items not on the Agenda</p>	<p>Chairperson Hamon opens the floor for public comment on items not on the Agenda.</p> <p>The following members of the public speak:</p> <p>Dana Merrill: provides an update on Estrella-El Pomar-Creston Water District’s (EPCWD’s) status on GSA formation and funding.</p> <p>Greg Grewal: comments regarding LAFCO’s approval of EPCWD as a district; EPCWD’s GSA formation.</p> <p>Cody Ferguson: comments regarding the Brown Act, Agenda Item 5 and requests amendments to the meeting minutes.</p> <p>Peter Burns: comments regarding EPCWD’s GSA formation</p> <p>Chairperson Hamon closes public comment.</p>
<p>5. Approval of Meeting Minutes</p>	<p>Committee members discuss process and roles associated with developing minutes, request that meeting minutes and agendas be posted seven days before next meeting, with supporting documentation, and propose that sign-in sheets be published as records of meeting attendees.</p> <p>No motion is made; Committee directs staff to amend meeting minutes and bring back for approval at next meeting.</p>
<p>6. Consider Adopting Proposed Paso Basin Cooperative Committee Conflict of Interest Code</p>	<p>County Staff, Angela Ruberto: recommends adoption of a Conflict of Interest Code for the Paso Basin Cooperative Committee based on requirements from the Fair Political Practices Commission in compliance with the California Political Reform Act.</p> <p>Secretary Cunha: comments that the proposed Code looks standard.</p>

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	<p>Greg Grewal: speaks.</p> <p>Motion By: Secretary Cunha Second By: Vice Chairperson Peschong Motion: The Committee Adopts the Resolution of the Paso Basin Cooperative Committee Adopting a Conflict of Interest Code and request that the County of San Luis Obispo Office of the Clerk-Recorder be designated as the Committee’s filing official.</p> <table border="1" data-bbox="586 562 1484 789"> <thead> <tr> <th>Members</th> <th>Ayes</th> <th>Noes</th> <th>Abstain</th> <th>Recuse</th> </tr> </thead> <tbody> <tr> <td>John Hamon (Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>John Peschong (Vice Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Willy Cunha (Secretary)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Joe Parent (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Reginald Cousineau (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Members	Ayes	Noes	Abstain	Recuse	John Hamon (Chairperson)	X				John Peschong (Vice Chairperson)	X				Willy Cunha (Secretary)	X				Joe Parent (Member)	X				Reginald Cousineau (Member)	X			
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<p>7. Update on Coordination with Salinas Valley Basin Groundwater Sustainability Agency</p>	<p>City Staff, Dick McKinley: reports that coordination is required with the GSA overlying the portion of the Paso Basin in Monterey County, and that current discussions indicate possible willingness to work together to develop a single GSP with the Committee. No agreement is ready for the Committee’s consideration at this time.</p> <p>Chairperson Hamon: receives and files the update.</p>																														
<p>8. Consider recommended GSP Consultant and related contract</p>	<p>City Staff, Dick McKinley: reports that a request for proposal to develop the Groundwater Sustainability Plan was published and four proposals were received back. A staff working group, at the direction of the Committee, reviewed and ranked the proposals before interviewing the top candidates. HydroMetrics is found to have a solid knowledge of the basin, a solid technical team, the staff capacity to support development of the GSP, and an understanding of what the DWR is looking for in an “approvable GSP”. The staff working group recommends the Committee recommend that the Paso Robles City Council approve the HydroMetrics contract to be the GSP consultant.</p> <p>Chairperson Hamon: clarified that the Committee is comprised of separate GSAs working together in partnership and that, per the MOA, the City of Paso Robles is the lead agency charged with contracting with the GSP consultant.</p> <p>City Staff, Dick McKinley: further explains that the City of Paso, as a government agency, is suited and eligible to act as the contracting agency; the City will enter the contract(s) and invoice each GSA.</p>																														

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Chairperson Hamon: reiterated GSP Consultant selection process and opens item for questions from the Committee.

Vice Chairperson Peschong: asks if HydroMetrics has a contract with DWR and whether a conflict exists.

City Staff, Dick McKinley: states that HydroMetrics has work(ed) with DWR on developing best management practices in an advisory role and is not writing “the rules”; he does not believe a conflict exists.

Secretary Cunha: states his understanding that the other GSP consultant candidates have also worked with DWR/the State.

Vice Chairperson Peschong: asks if any of the candidates do work for the Kern Water Bank.

City Staff, Dick McKinley: states that the recommended consultant does not.

Chairperson Hamon opens the floor for public comment.

Greg Grewal, Dennis Loucks, Ann Myre and Cody Ferguson: speak

City Staff, Dick McKinley: clarified that the Committee approved the GSP Consultant selection process that staff followed at the last Cooperative Committee meeting; the working group “staff” referenced included: Dick McKinley (Director of Public Works - City of Paso Robles), Angela Ruberto (Water Resources Engineer - County of SLO), Scott Duffield (General Manager - Heritage Ranch CSD), Blaine Reeley (District Engineer - San Miguel CSD), Randy Diffenbaugh (Representative for Shandon-San Juan Water District); speaks to coordination with SVBGSA

Chairperson Hamon: closes public comment and opens Committee deliberation.

Committee clarifies that the City will be the contracting agency who will award contract, pending the Committee’s approval; discusses conflicts of interest, public trust, transparency and steps required to make Committee comfortable moving forward with GSP consultant selection.

No motion is made; Committee directs staff to follow-up with the State and with legal counsel regarding the question of GSP consultant conflicts of interest and to bring back GSP

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	<p>Consultant Selection item at next meeting; notes that the Committee has until July 2019 to develop a draft GSP and start public process.</p> <p>City Staff, Dick McKinley: comments that Agenda Items 8, 9 and 10 are linked and will be brought back at next meeting.</p> <p>Committee: Agrees to continue items at next meeting and opens Agenda Item 9 for discussion.</p>
<p>9. Department of Water Resources Grant Funding Award Update</p>	<p>City Staff, Dick McKinley: overviews the past efforts associated with a State Proposition 1 Grant opportunity, related timeline, and decision to hire consultant to write grant application; the draft State Grant funding award is for \$1.5M with a required \$1.5M local cost match to access grant funds; the Grant is for \$1.5M from the State with a \$1.5M local cost match; local cost match includes local funding spent on establishing governance and forming GSAs, and SGMA compliance dating back to January 1, 2015 (if approved by the State); the State is aware of Estrella-El Pomar-Creston Water District's (EPCWD) status; any proposed cost match deemed ineligible by the State will be removed by the City before finalizing the Grant Agreement; Paso Basin has received a draft grant award for the full \$1.5M requested.</p> <p>Chairperson Hamon: clarifies that DWR is aware of EPCWD's status pending County Board action.</p> <p>City Staff, Dick McKinley: confirms DWR's awareness of EPCWD's status; confirms that the draft grant award has been released but the grant agreement has not yet been entered; City will be the contracting agency and grant administrator who will receive invoices from consultant for GSP development, send invoices to partner GSAs based on MOA percentages, and will invoice the State for reimbursement consistent with the grant. Local cost match is not reimbursable with grant funding, but rather makes basin eligible to access grant funds.</p> <p>Chairperson Hamon: confirmed that next steps will be accepting grant after reconciling final amount with the State; requests clarification on payment process.</p> <p>City Staff, Dick McKinley: reiterates that the City will be the administrator for both the GSP Consultant and for the State Grant; states Grant money is reimbursement-based; City will receive consultant invoice, invoice and receive payment from the GSA</p>

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	<p>partners per the MOA, pay invoice from Consultant and invoice the State for reimbursement consistent with the grant; there will be a lag time between when the GSA partners pay invoices and when the State provides reimbursement.</p> <p>Greg Grewal, Jerry Reaugh and Cody Ferguson: speak.</p> <p>Committee and staff: discuss correspondence with DWR regarding Grant Application; reiterate that the State’s direction is followed in pursuit of the grant funding; confirm that the State is aware of the source for dollars of proposed cost match and, prior to entering the grant agreement, will require supporting documentation; confirm that all of the Grant money will be received by the City, as the contracting agency, and applied toward GSP preparation and related tasks at the direction of the Committee; recommend that all items be reviewed and approved by the Committee prior to submission moving forward; speak to timing, logistics, operation and structure of Committee operation.</p> <p>Motion By: Vice Chairperson Peschong Second By: Member Parent Motion: The Committee moves to continue Agenda Item 8, 9 and 10 at next meeting.</p> <table border="1" data-bbox="578 1073 1489 1297"> <thead> <tr> <th>Members</th> <th>Ayes</th> <th>Noes</th> <th>Abstain</th> <th>Recuse</th> </tr> </thead> <tbody> <tr> <td>John Hamon (Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>John Peschong (Vice Chairperson)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Willy Cunha (Secretary)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Joe Parent (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Reginald Cousineau (Member)</td> <td>X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Members	Ayes	Noes	Abstain	Recuse	John Hamon (Chairperson)	X				John Peschong (Vice Chairperson)	X				Willy Cunha (Secretary)	X				Joe Parent (Member)	X				Reginald Cousineau (Member)	X			
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<p>10. Consider Approval of Recommended FY 2017-2018 Annual Budget, for Consideration and Approval by Each of the Parties</p>	<p>Per previous motion, Agenda Item 10 continued to next meeting.</p>																														
<p>11. Future Items</p>	<p>Chairperson Hamon: reiterates that Agenda Item 8, 9 and 10 will be brought back; directs staff to seek input and legal counsel on question regarding conflicts of interest and to bring back an opinion as an Agenda item; discusses need for management and operational structure for the Cooperative Committee and directs staff to bring back a “plan”.</p> <p>County Staff, Carolyn Berg: suggests Cooperative Committee receive information at a future meeting regarding previous/current efforts in the basin that may be leveraged in GSP development.</p>																														

**Paso Basin Cooperative Committee
Minutes (DRAFT)
February 14, 2018**

Other action items: correct December 6, 2017 meeting minutes				
Next meeting set for March 7, 2018 at 4:00PM.				
Motion By: Chairperson Hamon				
Second By: Secretary Cunha				
Motion: The Committee moves to adjourn the meeting at 5:10 PM.				
Members	Ayes	Noes	Abstain	Recuse
John Hamon (Chairperson)	X			
John Peschong (Vice Chairperson)	X			
Willy Cunha (Secretary)	X			
Joe Parent (Member)	X			
Reginald Cousineau (Member)	X			

I, Willy Cunha, Secretary to the Paso Basin Cooperative Committee, do hereby certify that the foregoing is a fair statement of the proceedings of the meeting held on February 14, 2018, by the Paso Basin Cooperative Committee.

Willy Cunha, Secretary of the Paso Basin Cooperative Committee.

Drafted by: Diane V. Strang, City of Paso Robles and
Angela Ruberto, County of San Luis Obispo

PASO BASIN COOPERATIVE COMMITTEE
March 7, 2018

Agenda Item #6 Consider administration of the Paso Basin Cooperative Committee

Subject

Consider administration of the Paso Basin Cooperative Committee

Recommendation

It is recommended that the Paso Basin Cooperative Committee consider the administration/operation of the Committee and provide direction.

Prepared By

Angela Ruberto, County of San Luis Obispo
Carolyn Berg, County of San Luis Obispo

Discussion

This item is intended to provide a framework for Committee discussion and direction, starting with a proposed approach for administering the Committee and introducing other potential issues that may need to be addressed.

The Memorandum of Agreement (MOA) defines the terms under which the Committee will operate. The MOA anticipates that the Committee will largely rely on consultant services to conduct activities related to GSP development, and in-kind services by staff of the GSAs to support administrative efforts such as GSP consultant management and coordination, and Committee meeting logistics. At its February 14th meeting, the Committee requested clarity regarding the mechanics of sharing administrative roles and responsibilities of the Committee amongst the GSAs.

Attachment 1 focuses on immediate administrative needs of the Committee (i.e. meetings, agenda and content, minutes, officer roles), summarizes the MOA's intent (and roles, if defined), notes concerns, and provides a proposed approach for roles/process based on February 14th Committee discussion. Attachment 2 outlines other administrative needs that the Committee may wish to provide direction on and/or consider for a future meeting (i.e. finance, legal, outreach/engagement).

Attachments:

Attachment 1: Key Administrative Needs - Immediate

Attachment 2: Key Administrative Needs – Future

Attachment 1: Key Administrative Needs – Immediate

Key Administrative Need	MOA Intent
<p>Meetings:</p> <ul style="list-style-type: none"> • Set regular meeting schedule • Set location • Coordinate venue/equipment 	<ul style="list-style-type: none"> • MOA stipulates that Committee shall meet at least quarterly • It is anticipated that coordination efforts are provided as in-kind services by the GSAs

Concerns:

- Committee set regular meetings for 4th Wednesday of each quarter at 3:00PM (for 2018: January 24, April 25, July 25, October 24). The regular January 24 meeting was replaced by a series of special meetings. It is expected that the rest of 2018 will require at least monthly meetings in order to develop draft GSP by mid-2019.
- Setting meeting dates on an ad hoc basis and finding an adequate, available venue may not be a sustainable practice.
- The following questions are posed for Committee discussion:
 - Should the Committee set a more frequent regular meeting schedule?
 - Would the Committee prefer to hold meetings in the same location (for consistency) or vary throughout basin (for stakeholder access)?
 - Would the Committee prefer to hold meetings on the same day/time at a set frequency, or vary in an effort to avoid conflict(s) with other standing commitments?

Proposed Approach:

- Committee consider setting more frequent regular meeting schedule (e.g. monthly rather than quarterly):
 - It is recommended that this involve consultation with selected GSP Consultant to understand optimal Committee meeting dates to meet GSP development milestones.
- County/City Staff to coordinate meeting locations within the basin, to the extent feasible/ pending availability of venue (may vary).
- County Staff to provide/ coordinate and set up audio/visual (as needed).

Attachment 1: Key Administrative Needs – Immediate

Key Administrative Need	MOA Intent
<p>Agendas:</p> <ul style="list-style-type: none"> • Develop agenda and related staff reports/materials • Review/Routing protocols • Notice/publish/post 	<ul style="list-style-type: none"> • SGMA Regulations/ MOA/ Brown Act require that each GSA make information publicly available • It is anticipated that coordination efforts are provided as in-kind services by the GSAs

Concerns:

- Depending on frequency of meetings, there may be limited County Staff capacity to coordinate/route Agenda and develop/route staff report(s)/ materials within expected time frames.
- Maintaining proportionate/ equitable degree of in-kind efforts among five GSAs.
- There may be cases where the County is not best suited to develop and/or coordinate staff reports/materials (e.g. materials related to key elements of the GSP throughout its development).
- Committee will be making interim decisions to develop a final draft GSP, which will be brought to each GSA for its consideration of adoption. This may lead to disconnect between what is developed at a staff and Committee level, and what each GSA decision making body is willing to adopt.
- The following questions are posed for Committee discussion:
 - If one GSA is responsible for developing and/or coordinating the agenda and staff reports/ support materials, will the other GSAs feel there are issues with impartiality and/or trust?
 - How do we ensure that related Committee items and/or GSP draft deliverables are vetted among staff of five GSAs prior to publication deadlines?
 - How does each Committee member ensure that key milestone decisions are vetted within their GSA, the final draft GSP is considered fair and equitable to its GSA, and that the GSP is acceptable for adoption by its GSA?

Proposed Approach:

- County Staff will draft Agenda based on direction from Committee.
- County Staff will verify draft Agenda with Committee Chairperson, and in coordination with GSP Consultant.
- Upon Chairperson approval, County Staff will develop and/or coordinate development with GSP Consultant and/or appropriate GSAs agendas/ staff reports/ supporting material.
 - Task GSP Consultant with developing materials related to milestone GSP elements/ review.
 - Vet draft GSP documents with each GSAs’ staff prior to publication.

Attachment 1: Key Administrative Needs – Immediate

Key Administrative Need	MOA Intent
<p>Minutes:</p> <ul style="list-style-type: none"> • Record/develop • Review/Routing protocols • Amend (as needed) • Distribute 	<ul style="list-style-type: none"> • MOA requires that Committee prepares and maintains minutes of its meetings, and all meetings shall be conducted in accordance with Ralph M. Brown Act • It is anticipated that coordination efforts are provided as in-kind services by the GSAs

Concerns:

- Depending on frequency of meetings, there may be limited County Staff capacity to develop minutes in a timely manner, while also drafting Agenda materials.

Proposed Approach:

- County Staff will develop minutes (following typical County Board minutes) and, to the extent feasible, maintain audio recordings.
- County Staff will route draft minutes to for review by the Committee Secretary. Committee Secretary will amend as needed and approve draft minutes for inclusion in Agenda packet.
- Upon Committee Secretary approval, County Staff will incorporate in Agenda packet for publication and Committee review/approval.
- *Alternative: Committee may consider hiring a consultant to clerk meetings and develop draft minutes.*

Attachment 1: Key Administrative Needs – Immediate

Key Administrative Need	MOA Intent
<p>Officer Roles:</p> <ul style="list-style-type: none"> • Chair • Vice Chair • Secretary 	<ul style="list-style-type: none"> • The MOA is silent on Officers and their duties • Every year, the Committee and/or contracting agent shall provide the GSAs with a record of expenditures (related to the MOA) from the previous Fiscal Year

Concerns:

- The MOA is not specific about Committee members roles in administering the Committee, and therefore roles are unclear.
- It is important to maintain a transparency of financial status of the GSP development/ annual budget, and GSA contributions to efforts; however, there are not clear roles or processes set up to provide that reporting.

Proposed Approach:

- Duties of Committee Officers would be:
 - Chair: Set Agenda (based on Committee input) with County Staff; preside over meetings
 - Vice Chair: Take on Chair responsibilities in absence of the Chair
 - Secretary: Review draft Committee meeting minutes prior to publication in upcoming Agenda
- Committee may consider electing a Treasurer for finance oversight.
- Committee may consider hiring a consultant to support financial reporting, invoice/payment tracking, book/record keeping and “ledger” maintenance.

Attachment 2: Key Administrative Needs – Future

This table outlines administrative needs that may come up throughout GSP development and, while not necessary for immediate administration of the Committee, will benefit from early consideration/discussion.

Key Administrative Need	MOA Intent	Concerns
<p>Finance:</p> <ul style="list-style-type: none"> • Develop recommended Annual Budget • Approve Annual Recommended Budget • Develop Annual Record of Expenditures 	<ul style="list-style-type: none"> • It is anticipated that coordination efforts are provided as in-kind services by the GSAs 	<ul style="list-style-type: none"> • Equitable degree of in-kind efforts • Impartiality and/or trust
<p>Legal:</p> <ul style="list-style-type: none"> • Regulations/legislation (<i>advice during Committee meeting</i>) • Deliverable review 	<ul style="list-style-type: none"> • Powers and authorities of each GSA remain with that GSA. To the extent legal input is needed, it will be in the interest of each GSA to refer back to their respective Counsels 	<ul style="list-style-type: none"> • Equitable degree of in-kind efforts • Impartiality and/or trust • Each GSA’s Counsel cannot advise Committee
<p>Outreach/Engagement:</p> <ul style="list-style-type: none"> • Website • Develop content • Post • Public Meetings • Mailers/Email campaigns 	<ul style="list-style-type: none"> • A stakeholder participation plan for the basin will be developed for the GSP • Each GSA is responsible/accountable for implementing the plan and should maintain a website and an “interested parties” list to consider beneficial uses/users within their GSA 	<ul style="list-style-type: none"> • Equitable degree of in-kind efforts • Impartiality and/or trust • Content review and oversight for consistent messaging

PASO BASIN COOPERATIVE COMMITTEE
March 7, 2018

Agenda Item #7 – Consider recommended GSP Consultant

Subject

Continued item to consider recommended GSP Consultant and related contract consistent with MOA Section 6.3. Item continued from February 14, 2018.

Recommendation

It is recommended that the Paso Basin Cooperative Committee (Committee) confirm the working group and staff recommendation that the City of Paso Robles (City) contract with HydroMetrics WRI and forward said confirmed recommendation to the City Council for award of the contract, consistent with MOA Section 6.3, for Paso Robles Subbasin Groundwater Sustainability Plan (GSP) Development.

Prepared By

Dick McKinley, City of Paso Robles
Angela Ruberto, County of San Luis Obispo

Discussion

On October 18, 2017, the Committee reviewed, amended as needed, and approved the publication of a Request for Proposals (RFP) for the GSP preparation. The City published the RFP and received proposals from four consultants including Woodard & Curran, Inc. (formerly RMC Water & Environment), Luhdorff & Scalmanini, HydroMetrics WRI, and Aquilogic, Inc. by the December 4, 2017 submittal deadline. The RFP, as well as the consultant proposals received, are available at the City's website: <http://www.prcity.com/government/rfp-rfq-bids.asp> or the County's Paso Basin SGMA page: <https://slocountywater.org/site/Water%20Resources/SGMA/paso/>.

A staff working group, comprised of the City Director of Public Works (Dick McKinley), District Engineer for San Miguel Community Services District (Blaine Reely), Designated Representative from Shandon-San Juan Water District (Randy Diffenbaugh), General Manager for Heritage Ranch Community Services District (Scott Duffield) and County of San Luis Obispo Water Resources Engineer (Angela Ruberto), reviewed and evaluated the proposals. The evaluation was based on, but not limited to, responsiveness to the RFP, project approach, successful completion of similar projects, qualifications of personnel, and cost. Based on these criteria, the staff working group recommends HydroMetrics WRI as the recommended qualified consultant for the Paso Robles GSP Development.

During initial negotiations, in an effort to maintain impartiality between the consultant team and each of the GSAs, HydroMetrics WRI modified its team by exchanging one of its subconsultant engineering firms, Wallace Group, with an engineering firm equal in qualifications necessary to support the project scope, Carollo Engineers. The attached HydroMetrics WRI proposal reflects this change and contains the proposed GSP approach, consultant team and budget/schedule.

At the February 14, 2018 Committee meeting, questions were raised about whether HydroMetrics WRI has a potential conflict(s) of interest due to the firm's work efforts with the California Department of Water Resources (DWR) and/or the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA). The Committee directed staff to seek input from the DWR and to seek legal counsel regarding potential conflict(s) of interest.

Staff contacted various parties after the last Committee meeting in order to facilitate the requested assessment. HydroMetrics WRI provided a letter in response to the Committee's questions addressing its team's other work efforts of interest (Attachment 1), and provided other materials to enable legal counsel to assess possible conflicts. Under the work orders that have been issued by GEI Consultants, Inc. (the prime contractor under the DWR contract), HydroMetrics WRI, a sub-contractor, has only been tasked with supporting the development of Best Management Practices for Sustainable Groundwater Management, and has not been assigned any tasks related to the development of regulations, or the assessment of regulatory compliance. The attached email from DWR (Attachment 2) also confirms that neither GEI nor its subcontractors have been assigned any tasks related to regulatory compliance reviews. With respect to a potential conflict related to work being done for the SCBGSA, SVBGSA provided an email from its counsel stating that no conflict of interest exists (Attachment 3).

The City Attorney, as well as County Counsel, reviewed the documents mentioned above, as well as the contract between DWR and GEI Consultants, Inc. and the subcontract and work orders issued to HydroMetrics WRI under the DWR contract. Both the DWR contract and subcontract GEI and HydroMetrics WRI have extensive conflict of interest provisions, including a provision that prohibits a contractor (and by extension, a subcontractor) from reviewing its own work. The City Attorney, in consultation with County Counsel, does not believe that the City's execution of the contract with HydroMetrics WRI will result in a conflict(s) of interest under either the Political Reform Act (Gov. Code § 81000 *et seq.*) or Section 1090 of the Government Code. It should be noted that the proposed contract between the City and HydroMetrics also contains conflict of interest and disclosure provisions that will apply for the entire term of the contract.

The staff working group recommends the Committee consider the attached proposal, confirm the recommendation, and forward on to the City consistent with MOA Section 6.3.

Fiscal Impact:

The recommended Fiscal Year 2017-2018 Annual Budget reflects the costs associated with the Committee efforts to collectively develop a single GSP. Pending finalizing a contract with the selected GSP Consultant, this fiscal year budget is estimated at \$284,520 (through June 30, 2018), with total GSP development costs over three fiscal years currently estimated at \$1,384,515 (through Fiscal Year 2019-2020). The Committee Annual Budget is intended to be cost shared

among the MOA signatories (GSAs), which is anticipated to be largely reimbursed by the State Proposition 1 Sustainable Groundwater Planning Grant Program.¹

Attachments:

1. Letter from HydroMetrics WRI (dated February 21, 2018)
2. E-Mail correspondence from Department of Water Resources (dated February 22, 2018)
3. E-Mail correspondence from Salinas Valley Basin GSA (dated February 16, 2018)
4. HydroMetrics WRI Proposal

* * *

¹Pending DWR's final grant funding awards in March 2018. Grant is reimbursement based, and can take up to six months after actual expenditures to receive reimbursement from DWR.



1814 Franklin St., Suite 501
Oakland, CA 94612

Mr. Dick McKinley
Director of Public Utilities
City of El Paso de Robles
1000 Spring St.
Paso Robles, CA 93446

February 21, 2018

Subject: Conflict of Interest Assessment

Mr. McKinley:

It has come to our attention that some residents of the Paso Robles Basin have asked if the HydroMetrics WRI team has any perceived conflicts of interest with developing the Paso Robles GSP. We are certain that our team has no conflict of interest. To help alleviate concerns around this issue, we have listed below all current and reasonably foreseeable groundwater related projects that our team members have in or around the Paso Robles sub-basin. In addition, we have listed other SGMA-related work that we are involved in with DWR.

Relevant current contracts that the HydroMetrics WRI team is involved in are listed below.

HYDROMETRICS WATER RESOURCES INC.

DEPARTMENT OF WATER RESOURCES.

HydroMetrics WRI is a subcontractor to GEI on its DWR contract. The prime contract with DWR is attached. Our charge is to help DWR develop policies for implementing SGMA. This contract is not for regulatory oversight of GSPs. We have discussed this contract with DWR, and they have informed us that they see no conflict of interest between helping them develop SGMA policies and writing GSPs.

COUNTY OF SLO GSA GUIDANCE

This is an open contract to develop a guidance document that helps the County of San Luis Obispo establish its GSAs. The GSAs are now established, and so this contract will be terminated soon.

SALINAS VALLEY GSA

HydroMetrics WRI currently does not have a contract with the Salinas Valley Basin GSA. However, the Salinas Valley Basin GSA has indicated that they will soon enter into contracting negotiations with Hydrometrics WRI to develop the Salinas Valley GSP. The Salinas Valley Basin GSA has stated that they see no conflict of interest with HydroMetrics WRI working on both projects. In an email sent to HydroMetrics WRI, the attorney for the Salinas Valley Basin GSA stated:

“There is no financial conflict of interest under either Government Code section 1090 or the Political Reform Act that I can see. I don’t see one under common law either because we will need a coordination agreement with SLO.”

GEI CONSULTANTS

GEI Consultants has two ongoing projects in the Paso Robles Basin

DEPARTMENT OF WATER RESOURCES.

GEI has a contract with DWR to help develop policies for implementing SGMA. The contract with DWR is attached. This contract is not for regulatory oversight of GSPs. We have discussed this contract with DWR, and they have informed us that they see no conflict of interest between helping them develop policies and writing GSPs.

ATASCADERO SUB-BASIN GSP DEVELOPMENT

GEI has a contract with the Atascadero Mutual Water company to support the Atascadero Sub-basin GSP development.

MONTGOMERY & ASSOCIATES

Montgomery & Associates has no other local contracts that could possibly be viewed as a conflict of interest.

CAROLLO ENGINEERS

Carollo Engineers has two ongoing projects in the Paso Robles Basin

PASO BASIN SUPPLEMENTAL SUPPLY OPTIONS STUDY

This is an ongoing contract with San Luis Obispo County

RECYCLED WATER EXPANSION FINAL DESIGN

This is an ongoing contract with the City of Paso Robles.

WESTWATER RESEARCH

WestWater Research has no other local contracts that could possibly be viewed as a conflict of interest.

STRATEGY DRIVER

Strategy Driver has no other local contracts that could possibly be viewed as a conflict of interest.

Sincerely,



Derrik Williams, President
HydroMetrics Water Resources Inc.

From: Joseph, Trevor@DWR [<mailto:Trevor.Joseph@water.ca.gov>]

Sent: Thursday, February 22, 2018 8:50 AM

To: Dick McKinley <DMcKinley@prcity.com>

Subject: DWR SGM Program Questions

Mr. McKinley,

It's my understanding you are going through a process to potentially hire a consultant to aid in development of a Groundwater Sustainability Plan in accordance with the Sustainable Groundwater Management Act.

I believe a question has been raised as to whether DWR has or is using consultants to aid in the development of DWR's SGM program. The answer is yes in particular with we have active contracts with GEI and Woodard Curran. Each of these consultants has multiple subconsultants on their teams. To date these consultants have helped DWR in setting up our SGM program, however we have not used consultants on any of our regulatory functions related to Alternative Plan and Groundwater Sustainability Plan evaluations.

If you have any questions, please don't hesitate to contact me.

Thanks

Trevor

-----Original Message-----

From: Gary Petersen [<mailto:peterseng@svbgsa.org>]

Sent: Friday, February 16, 2018 2:04 PM

To: Derrick Williams <derrick@hydrometricswri.com>

Subject: Conflict of interest

Derrick

See following from my attorney.

There is no financial conflict of interest under either Government Code section 1090 or the Political Reform Act that I can see. I don't see one under common law either because we will need a coordination agreement with SLO. You should ask yourself, though, whether you would be concerned that they would favor SLO over us in any work they do. I see advantages in the arrangement however.

So there you have it, I am not concerned that you would favor SLO and I too see advantages.

Enjoy your weekend.

Gary
from my iPhone

PROPOSAL (Revised)

Paso Robles Sub-basin Groundwater Sustainability Plan Development February 7, 2018



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1814 Franklin St., Suite 501
Oakland, CA 94612

Mr. Dick McKinley, Public Works Director
City of Paso Robles – City Hall
1000 Spring Street
Paso Robles, CA 93446

February 7, 2018

Subject: HydroMetrics WRI Proposal for Developing the Paso Robles Sub-Basin
Groundwater Sustainability Plan

Mr. McKinley,

HydroMetrics Water Resources Inc. (HydroMetrics WRI) is pleased to present this proposal for developing the Paso Robles Sub-Basin Groundwater Sustainability Plan (GSP). HydroMetrics WRI is one of California's premier hydrogeology firms, specializing in providing basin-wide groundwater management since 2005. HydroMetrics WRI is incorporated in California as an S-Corporation, with the financial and human resources necessary to successfully serve its clients for over 12 years. We have complemented our talents with a team of highly motivated professionals with expertise tailored specifically for the needs of this project; including the Carollo Engineers, Montgomery & Associates (M&A), and GEI Consultants, among others.

Our team will, in close coordination and cooperation with staff of existing GSAs, develop a complete and compliant GSP that provides a path to sustainability while acknowledging important property rights and retaining the agricultural vitality of the Paso Robles Sub-Basin. Our focus is on developing a GSP that is flexible, fair to all stakeholders, and acknowledges data uncertainty. Our approach emphasizes leveraging existing data and models to develop a path to sustainability that can be verified and modified as new data become available.

We will work closely and cooperatively with the GSAs to develop a GSP that is:

Tailored to Local Concerns. The GSP will address local conditions and community concerns, acknowledge established property rights, and retain the agricultural vitality of the region.

Efficient & Compliant. We will maximize use of existing data, studies, and models to develop a GSP that is compliant with applicable regulations and will receive a "passing grade" from DWR.



A Pathway to Sustainability. We will develop conceptual sustainability management actions and projects that extend existing programs and are basin-specific, workable, fair to all stakeholders, and affordable.

Our team is unique compare to others because:

- ✓ We are impartial and not aligned with any GSAs or preconceived viewpoints.
- ✓ We are experts on SGMA; our team helped develop SGMA policies and SGMA Best Management Practice.
- ✓ Our team is led by licensed hydrogeologists that have been managing groundwater basins for decades.
- ✓ We have local water resource experience; Carollo Engineers recently completed the basin's supplemental supply study.
- ✓ Our team members wrote the Paso Robles Sub-Basin Groundwater Management Plan, developed the Proposition 1 grant application for GSP funding, and have led and worked on numerous water projects in the basin.

In addition to our demonstrated expertise, our team has the staff capacity and resources to work closely with the Paso Robles GSAs to bring stakeholders together and complete the technical requirements for drafting a GSP that meets DWR requirements. The remainder of our proposal follows the required proposal format listed in the RFP. Additionally, we have added both **Project Understanding** and **Project Approach and Schedule** sections to clarify how we will address the basin's issues in a comprehensive and efficient way.

We look forward to an opportunity to work with the GSAs and other stakeholders on this project. Please feel free to contact me by phone at (510) 903-0358 ext. 301, or email at: Derrick@HydroMetricsWRI.com.

I certify that this proposal is valid for 90 days following submission.

Sincerely,

A handwritten signature in black ink that reads "Derrick Williams".

Derrick Williams, President
HydroMetrics Water Resources Inc.
1814 Franklin St., Suite 501
Oakland, CA 94612
510-903-0458 extension 301
Derrick@HydroMetricsWRI.com

Project Understanding

The primary objective of this project is to develop a Groundwater Sustainability Plan (GSP) that 1) addresses all of the regulations and requirements, 2) relies on an extensive body of previous work, and 3) does not infringe on existing water rights. This project is not about conducting new studies; this project is about finding solutions to groundwater sustainability.

The GSP must address at least five of the six sustainability indicators identified by the legislation: seawater intrusion can likely be dismissed with a short paragraph in the GSP. The status of the five applicable sustainability indicators in the Paso Robles Sub-Basin is summarized in Figure 1. This figure highlights the areas of concern that must be addressed by *Sustainability Indicators* in the GSP, as identified by previous studies. The areas of groundwater level decline in recent decades may be related to reduction in groundwater storage, land subsidence, surface water depletions (particularly in the Salinas River), and in some areas, groundwater quality degradation.

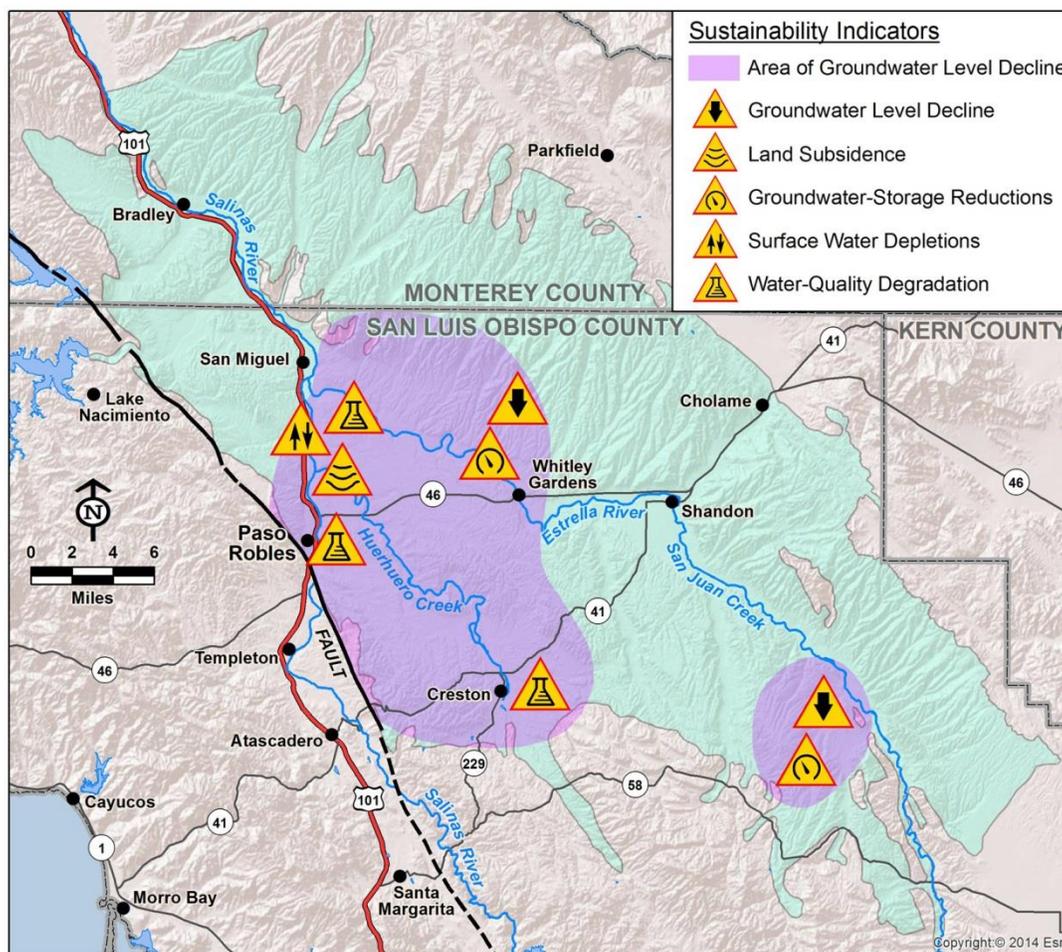


Figure 1: Generalized Locations of Sustainability Indicator Concerns



Groundwater Managers in the Paso Robles Sub-basin have come together to comply with the Sustainable Groundwater Management Act (SGMA) by developing a single, basin-wide GSP. We agree with this approach; however, this approach must address the concerns of various interested parties and groundwater users throughout the sub-basin. In particular, we are aware of local politically sensitive issues that we will carefully manage during GSP development including:

- **Concerns about groundwater exports.** The GSP must protect against groundwater mining and groundwater exports.
- **Avoiding centrally mandated groundwater management.** The GSP cannot be developed or implemented as a top-down regulatory requirement. It must be developed by local agencies, in accordance with existing property rights, and must acknowledge the concerns of individual landowners.
- **GSA independence and cooperation.** The GSAs are independent groups that have agreed to work together to achieve overall basin sustainability. This is a cooperative agreement, and one GSA cannot force another GSA to undertake activities or management actions that it feels are unfair.
- **Limited options for importing new water.** The 2017 Supplemental Supply Options report identified only three options for new water: Nacimiento Water, State Water Project, and Recycled Water. The report concluded that the supplemental supplies were insufficient to address the entire estimated future pumping shortfall.

Our team recognizes that not all GSAs and property owners suffer the same impacts from historical overdraft, and not all GSAs have the same ability or obligation to fund sustainability projects. Historical overdraft is localized in particular areas (shown in purple on Figure 1). Sustainability projects and management actions must be focused in these areas, and adopted by the local interests. Our GSP will address local groundwater issues in the Paso Robles Sub-Basin, while simultaneously presenting integrated basin-wide sustainability plan to DWR.

Goals for Paso Robles GSP

- *Be accepted as fair by all GSAs*
- *Acknowledge current uncertainties, and allow adaptive management*
- *Retain the region's agricultural economic vitality*
- *Equitably distribute implementation costs and benefits*

Developing a GSP requires an integrated process of understanding critical issues, developing insightful and acceptable approaches to sustainability, and implementing the GSP in an equitable and flexible manner. Our team's approach to addressing the critical issues is summarized in Figure 2.

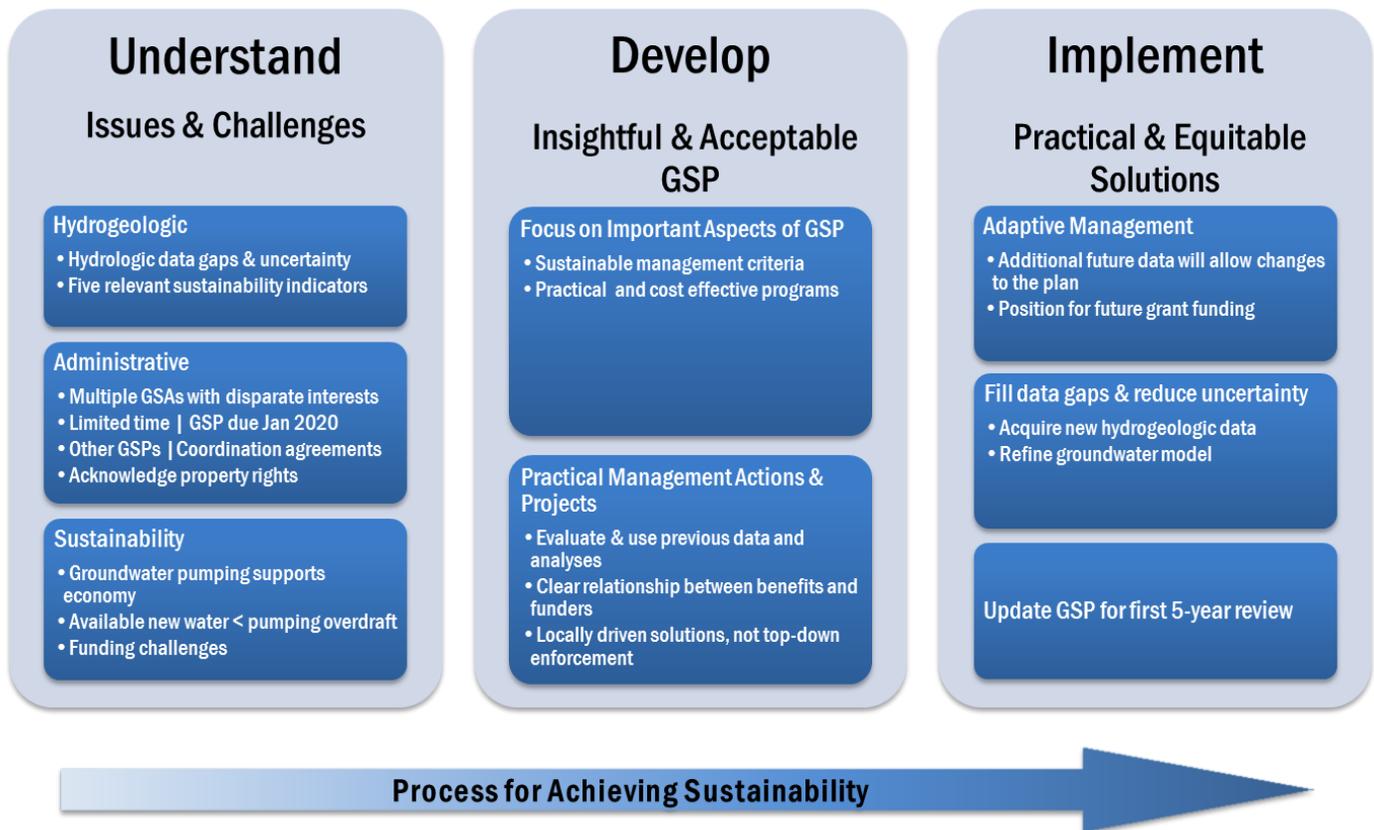


Figure 2: Critical Steps for the Paso Robles Sub-Basin GSP



Team Qualifications

The GSP is a multidimensional policy document that requires specialized expertise in hydrogeology and related water resource planning to prepare. Our Project Manager, Derrick Williams, is committed to leading the development of a widely accepted GSP that puts the GSA on a workable pathway to sustainability that is equitable to all stakeholders. Over the past year, he has met with GSA members to better understand local issues. Based on this knowledge, he complemented the capabilities of his firm with a team of experts that have the necessary range of expertise to develop the Paso Robles Sub-basin GSP.

Our team – tailored specifically for the Paso Robles Sub-basin GSP – comprises experts in hydrogeology, engineering, groundwater modeling, and data management from HydroMetrics Water Resources Inc. (WRI), Montgomery & Associates (M&A), Carollo Engineers (Carollo), and GEI Consultants, Inc. (GEI). In addition, we have complemented our team with specialists in stakeholder outreach and facilitation from Strategy Driver, Inc. and financial analyses and water marketing from WestWater Research LLC. Table 1 outlines the expertise of our team in the required disciplines for developing an effective GSP.

Table 1: Team Expertise

Expertise	Firm	Benefit to GSP
Hydrogeology	Lead: HydroMetrics WRI Support: M&A	Required to understand groundwater conditions and develop effective sustainability solutions
Engineering	Carollo	Sustainability projects and actions require conceptual engineering analysis to assess feasibility and develop planning-level costs. Engineers from Carollo understand local water supply opportunities and constraints, and can effectively develop management actions and projects for the GSP
Groundwater Modeling	Lead: M&A Support: HydroMetrics WRI	Required to develop water budgets, sustainable management criteria, and evaluate management actions and projects
Data Management	GEI	A required aspect of the GSP that should be integrated with existing data management in the sub-basin
Stakeholder Coordination	Strategy Driver, Inc.	Alignment of diverse stakeholder interests will be required for the GSP. We can support the GSA in stakeholder outreach and facilitation, as needed
Financial Analysis	WestWater Research, LLC	A conceptual understanding of the cost of future management actions and projects is required. Our team can estimate these costs and also assist the GSA with evaluation of approaches to fund future projects



Collectively, our team offers the key attributes required for developing an effective GSP, including:

- In-depth understanding of local concerns;
- Broad statewide experience in SGMA policy and groundwater planning and management; and
- Sufficient staff resources to focus on this GSP and complete it on time and under budget.

Our team of experts is at the forefront of developing successful groundwater management strategies in both urban and agricultural basins throughout California and the Western United States. We have developed integrated solutions and implemented successful multi-party groundwater management plans in basins that have competing conjunctive water uses and interests like the Paso Robles Sub-basin. Particular unique attributes of our team that set us apart from other teams and that directly benefit the Paso Robles GSAs include:

We understand local issues and concerns. Our team members have worked in the sub-basin and understand the complicated and conflicting local water resource. Our previous work in area includes:

- Developing the Paso Robles Groundwater Basin Supplemental Supply Options
- Providing engineering services to USBR's ongoing Salinas and Carmel River Basins Study
- Drafting SLO County's IRWM Implementation Grant Applications
- Developing SLO County's Master Water Plan
- Developing the 2017 Proposition 1 Grant GSP Application for GSP funding.
- Developing the 2011 Groundwater Management Plan.
- Advising the Salinas Valley Groundwater Basin GSA Board of Directors.

We are impartial. We are not affiliated with any one GSA in the Basin, nor do we have any preconceived viewpoints about the pathway to sustainability in the sub-basin. We bring a fresh perspective on sustainability that will enable us to objectively evaluate the complicated local water resource issues and guide the GSAs to a widely accepted GSP.

We understand SGMA. Our Project Manager and other team members helped DWR develop SGMA policies and draft Best Management Practices documents; hence, we understand what constitutes a passing grade for the GSP.

Our team is led by groundwater hydrologists. Effective groundwater management requires a thorough understanding of groundwater hydrology. Our team leaders are licensed geologists and hydrogeologists in California and have managed groundwater basins for decades.



Table 2 lists selected examples of projects our team has completed that demonstrate our experience with each of the key requirements for the Paso Robles GSP project.

Table 2: Representative Project Experience

Project	GW Model	GW Mgmt.	Multi-Party	SGMA Related	Local	Ag. Basin
Kings Basin Groundwater Model	✓	✓	✓	✓		✓
Kern County Model Review	✓	✓	✓			✓
DWR SGMA Implementation				✓		
San Luis Obispo GSA Guidance		✓		✓	✓	✓
Santa Cruz GSA Support		✓	✓	✓		
Three Successful Basin Boundary Modifications				✓		
Livermore Valley Groundwater Model	✓	✓				✓
Seaside Basin Groundwater Model	✓	✓				
Santa Cruz Mid-County Groundwater Model	✓	✓		✓		
Pajaro Valley Groundwater Model	✓	✓				✓
Sacramento Groundwater Restoration Model	✓	✓				
Groundwater Management Model, El Paso, TX	✓	✓				
AVEK Recharge Model / Grant Funding	✓	✓				✓
Tulare Irrigation District Recharge Study		✓				✓
Santa Clara Zone of Benefit Study		✓	✓			
Ventura County GW Model Improvements	✓	✓				✓
Paso Robles Sub-Basin Groundwater Management Plan		✓			✓	✓
SLO County Water Master Plan		✓	✓		✓	✓
Paso Robles Basin Supplemental Supply Study		✓	✓		✓	✓



INNOVATIVE AND DISTINCT APPROACHES

Having been involved in SGMA related activities since 2014, HydroMetrics WRI brings a number of distinct perspectives and approaches to GSP development. These approaches support our philosophy that GSPs must be locally driven, cooperative, and equitable. Our philosophy and approach include:

We will work cooperatively with GSAs. Local agricultural and urban water managers understand the water resource challenges in the Paso Robles Sub-basin better than anyone. We let local water managers lead and guide the direction of this GSP. Our role is to listen, and implement the solutions that are widely accepted and affordable.

We will streamline the GSP process. From the start, we will ensure that all stakeholders understand the entire GSP process and we will clearly outline how we will focus the GSP process on the most important (and potentially difficult) elements so there are no surprises late in the project. To do this, we will:

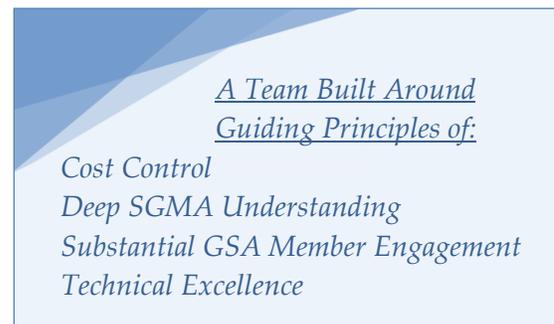
- **Host a Kickoff Workshop** – we will host a one-day workshop during the first 30 days to lay out the entire 2-year GSP process. The goal of this workshop is to build shared understanding of the road ahead on the GSP and identify key milestones that will be critical for effective GSP development.
- **Identify Potential Sustainability Actions Early.** We will work with basin stakeholders early in the process to identify potentially workable management actions and projects for reaching sustainability. This step is critical for developing achievable sustainable management criteria, and for completing the GSP on time.
- **Initiate Work on Sustainable Management Criteria Early.** We will begin the difficult process of developing sustainable management criteria early in the project. This is critical for success because development of the sustainable management criteria is a challenging process that requires significant effort to converge potentially contentious policy decisions with the hydrogeologic conditions in the basin.

We will integrate GSP work with ongoing work. Our team member, GEI, is working with San Luis Obispo County to develop a standard data management system. We will integrate the data management activities required for the GSP with the County system to reduce cost and effort.

We will actively position for additional grant funding. The projects and management actions identified in our GSP will be developed in a manner that positions them for potential grant funding. We will track upcoming planning and implementation grants, and describe our programs and management actions in a way that meets the grant requirements.

Staffing Plan

The HydroMetrics WRI team is assembled to ensure our expertise covers sustainable groundwater management from every aspect including technical groundwater expertise, organizational and institutional understanding, integrated water supply proficiency, funding, and stakeholder familiarity. Our team members have been at the forefront of developing and guiding successful groundwater management strategies in both urban and agricultural basins throughout California and the Western United States. We not only bring the full suite of capabilities needed for developing effective and practical GSPs; we additionally bring decades of experience assisting parties overcome differences, develop integrated solutions, and implement successful multi-party groundwater management plans in basins that, similar to the Paso Robles Sub-Basin, have competing water users and uses. While our team members have first-hand knowledge of the Paso Robles Sub-Basin, we do not represent the interests of any one GSA, and will bring a fresh perspective to all stakeholders.



The following organization chart identifies each member of the team's staff, and demonstrates how the team is structured around the project's functional activities. Each functional activity is led by a senior level manager, and an alternate leader is identified for each of the critical positions. Although our senior level managers are committed to devoting the time and effort necessary for developing this GSP, the GSA's requirement for alternative leaders is commendable; ensuring that adequate resources are committed at all times.

Our project manager, Derrick Williams, will be the primary point of contact for the GSAs. Although our contract is with the City of Paso Robles, Derrick's communication will always be with the full group of GSPs. We are committed to developing a cooperative and equitable GSP, based on a transparent and open GSP process.

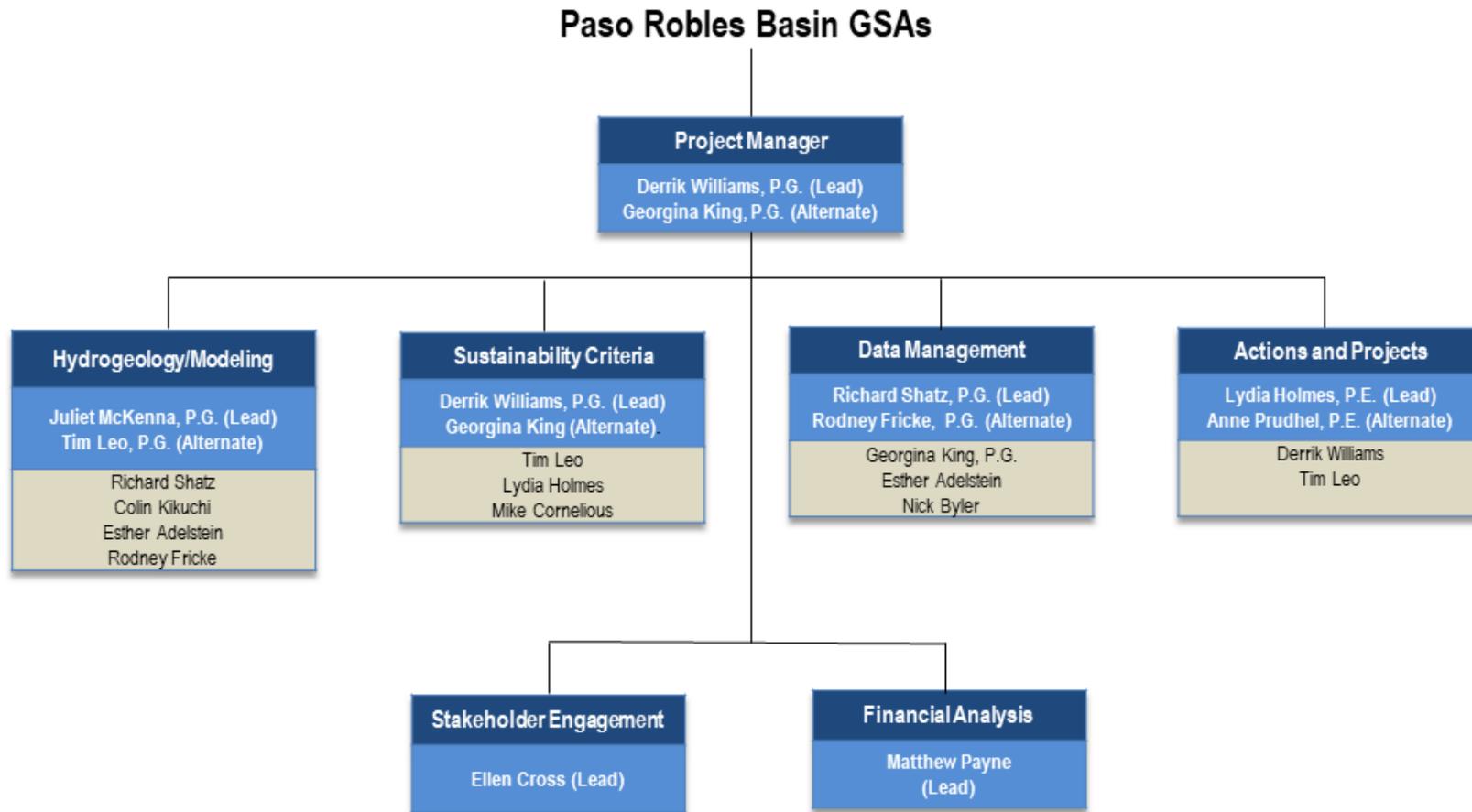


Figure 3: Organizational Chart

Short biographical sketches are included below for each of the senior task leaders and alternates. As requested in the RFP, each biographical sketch identifies the staff member's role as well as tasks for which each person is responsible. These biographical sketches include any subcontractors that are leading tasks. Two project references are provided for all senior leaders.

SENIOR TASK LEADERS AND ALTERNATES



Derrik Williams, P.G., C.Hg.

Role: Project Manager (Lead)

Lead: Task A. Develop GSP Introduction; Task F. Sustainable Management Criteria; Task J. Plan Implementation; Task L. Plan Preparation; Task M. Project Management

Derrik Williams, a California Professional Geologist and Certified Hydrogeologist, is President of HydroMetrics WRI. He will be the principal point of contact for the Paso Robles GSAs. Mr. Williams has more than 30 years of experience in applied geology and hydrogeology; managing, reviewing, and assisting on water supply and groundwater recharge projects. He has been retained by

clients to develop Basin Management Plans in agricultural areas with contentious water right issues, and has testified in court regarding groundwater-surface water interactions.

Derrik is an established leader in statewide groundwater policy. As a member of the Groundwater Committee of ACWA since 2008, Derrik helped shape the California Statewide Groundwater Elevation Monitoring Program (CASGEM) and helped develop ACWA's *Groundwater Framework* document. He also drafted ACWA's *Guidelines for Groundwater Monitoring*. Derrik is currently working with DWR to develop the state's SGMA implementation process. He reviewed and commented on the SGMA legislation while it was being drafted, and currently chairs ACWA's SGMA Best Management Practices subcommittee. He was a

"Derrik has done an excellent job of facilitating the meetings, and incorporating GMP requirements and stakeholder concerns into the plan"
Chris Bonds/DWR

References

Soquel Basin Groundwater Management Plan

Mr. Ron Duncan, General Manager

Soquel Creek Water District

(831) 475-8500 RonD@SoquelCreekWater.org

Kings Basin Groundwater Model

Mr. Eric Osterling, Kings River Conservation District

(559)237-5076, eosterling@krcd.org

contributor to the California Water Foundation's GSP regulations workshops. He has been invited to, and participated in, Stanford's Water in the West meetings on data and modeling in SGMA and the Groundwater Resources Association of California's Contemporary Groundwater Issues Council.



Georgina King, P.G., C.Hg.
Role: Project Manager (Alternate)

Georgina King is a Professional Geologist and Certified Hydrogeologist, and Principal

Hydrogeologist at HydroMetrics WRI. She has 24 years of experience in groundwater resource management and development. She has worked in both Northern and Southern California on numerous hydrogeologic studies, including water budgets, groundwater basin management, monitoring plans, and groundwater modeling.

Ms. King has worked on numerous SGMA projects along California's central coast. She has provided technical support for SGMA related basin modification requests, helped prepare the alternative GSP submittals for the Pajaro Valley Sub-basin, guided the Santa

Cruz Mid-County GSP planning process, and has experience as project manager for early GSP development of four groundwater basins in Ventura County.

References

Soquel Aptos Precipitation-Runoff Model

Mr. Taj Dufour

Soquel Creek Water District

(831) 475-8500

TajD@SoquelCreekWater.org

Santa Cruz Mid-County GSP Support

Ms. Rosemary Menard

City of Santa Cruz

(831) 420-5205

RMenard@cityofsantacruz.com



Juliet McKenna, P.G. Role: Hydrogeology/Modeling (Lead)
Lead: Task C. Plan Area, D. Basin Setting

Juliet is a Principal with M&A and has over 20 years of experience. She develops strategies for managing

groundwater resources and creating balanced water portfolios for municipal agencies, agricultural districts, and tribal groups. A licensed Professional Geologist in four states, including California, Juliet has experience coordinating the interests of multiple

jurisdictions and diverse stakeholders. Juliet was the Director of an interstate groundwater management agency that in the Palouse Region of eastern Washington and northern Idaho. After moving to Arizona, Juliet co-founded M&A's Water Resource Policy & Planning group in 2007, following over a decade of work as a hydrogeologist in California, Washington and other parts of the U.S.

Juliet led a multi-year effort to help one of Arizona's largest irrigation districts prepare for shortages of Colorado River water from the Central Arizona Project. She led a team of engineers and hydrologists to inventory 400+ wells and project water supply reductions. The team developed a phased approach to increase groundwater production while easing the economic impacts of water shortages on irrigation district farmers. Also, Juliet is the facilitator for the Cochise Conservation and Recharge Network — a diverse group of elected officials and city/county administrators coordinated by The Nature Conservancy. The group pursues funding to develop recharge projects with effluent and stormwater that sustain flows in the San Pedro River in southeastern Arizona, while supporting the local economy. She

provides the group with technical guidance and helps pursue federal and private funding for projects.

References

Water Resource Planning • San Pedro River Watershed

*Pat Call, Cochise County Supervisor, District 1
Bisbee, AZ 85603
(520) 432-9200 pcall@cochise.az.gov*

Well Inventory & Capital Improvement Plan

*Brian M. Betcher, General Manager
Maricopa Stanfield Irrigation & Drainage District
Maricopa, Arizona 85138
(520) 424-3344 brian@msidd.com*



Tim Leo, P.G., C. Hg.

Role: Hydrogeology/Modeling (Alternate)

Lead: Task E. Develop Model

Tim Leo, a California Professional Geologist and Certified Hydrogeologist, is a Principal and Director of California Operations at M&A. Tim splits his time between M&A's Sacramento and Tucson, AZ offices. For nearly 30 years, Tim has managed and participated in numerous multidisciplinary water resources and groundwater modeling projects. Through his work in Arizona, where groundwater use has been regulated for over 35 years, he has worked on a variety of projects related to groundwater resource management.

Tim specializes in analytical hydrogeology, including groundwater modeling, developing conceptual models and water

budgets, and groundwater system characterization and testing. He is also conducting project work related to SGMA, including groundwater recharge studies in Tulare County and the Antelope Valley. On both of these projects, he has provided technical support on grant applications.

References

Antelope Valley-East Kern Water Agency

*Dwayne Chisam, General Manager
Palmdale, CA
(661) 943-3201 dchisam@avek.org*

Tulare Irrigation District

*Aaron Fukuda, Tulare Irrigation District
Tulare, CA 93274
(559) 686-3425 akf@tulareid.org*



Lydia Holmes, P.E.

Role: Actions and Projects (Lead)

Lead: Task I. Projects and Management Actions

Lydia has 24 years of experience in water, wastewater and recycled water master planning, permitting, and design. Her extensive experience includes applying multi-criteria objectives to evaluate alternatives (including sustainability criteria); developing permitting strategies, obtaining grant funding, and leading stakeholders through decision processes to determine preferred projects. Lydia has specific knowledge and interest in the Paso Basin as she was the project manager for the County's Paso Basin Supply Study that evaluated ways to return to a balanced basin with the help of the groundwater modeling updated and run under a separate contract. Lydia has also worked in the County on a number of other projects including obtaining grant funding for the USBR Salinas and Carmel River Basins Study and now working on that study for USBR;

Grant writing for IRWM implementation grants; and the planning and development of the Los Osos Wastewater Treatment Plant and recycled water strategies. Lydia's knowledge of water supplies and potential conveyance concerns from the Supply

References

Paso Basin Supply Option Study

Courtney Howard

County of San Luis Obispo

(805) 781-1016 CHoward@co.slo.ca.us

Regional Recycled Water Feasibility Study

Ms. Melanie Mow-Schumacher

Soquel Creek Water District

(831) 475-8501 ext. 153

MelanieS@soquelcreekwater.org

Options Study will provide a jumping off point for the development of projects and management actions for the GSP development.



Anne Prudhel, P.E.

Role: Actions and Projects (Alternate)

Anne is a senior infrastructure engineer with 16 years of experience in planning, design, and construction of water, wastewater, and recycled water infrastructure, including water pipeline and conveyance design and rehabilitation using trenchless technologies. Anne has significant experience with feasibility

References

Carneros Recycled Water Pipeline

John Stewart, President of the Board

Napa Sanitation District

(707) 738-4600 jstewart@rsacivil.com

Urban Water Augmentation – Phase 2

Mike Wegley, District Engineer

Marina Coast Water District

(831) 883-5925 mwegley@mcwd.org

assessments, evaluation of alternative pipeline alignments, and preparation of plans, specifications, and cost estimates. Anne has served as design manager for numerous infrastructure projects including for Central Contra Costa Sanitary District,

Delta Diablo, Ukiah, Los Carneros and Marina Coast Water District. Anne will bring this valuable infrastructure experience to use in the development of the projects for realistic estimates of infrastructure needs and costs.



Richard Shatz, P.G., CEG, CHG

Role: Data Management (Lead)

Lead: Task A. Compile and Organize Data

Richard has over three decades of experience in hydrogeology. He is a senior project manager directing projects for the planning, development, and management of groundwater resources throughout California. Richard has evaluated hydrogeologic conditions for development of Groundwater Management Plans and Integrated Water Resources Management Plans (Tracy Sub-basin, Paso Robles Sub-Basin, Upper Santa Ana River Watershed, Merced River Sub-basin, Modesto Sub-basin, Santa Maria Basin) to solve high groundwater, poor quality water and overdraft along with potential projects and management actions. In preparation for SGMA, he has guided his clients through development of groundwater monitoring networks, regional water quality baseline evaluations, identification of where surface water is gaining and is being depleted, and identification of groundwater recharge areas. He has prepared two Alternative Submittals (Sutter Sub-basin and Martis

References

Sutter County Groundwater

Sustainability Plan Alternative

Guadalupe Rivera

Sutter County Development Services

530.822.7450, grivera@co.sutter.ca.us

Western Placer County Groundwater

Program Implementation

Kelye McKinney, City of Roseville

Department of Environmental Utilities

916.774.55552, KMckinney@roseville.ca.us

Valley Groundwater Basin) that are substantially equivalent to a Groundwater Sustainability Plans (GSPs). Using this knowledge, he has assisted three clients by reviewing existing technical reports and online information to identify potential data gaps and tools needed to prepare a GSP and prepared grant applications to fund these upcoming activities.



Rodney Fricke, P.G., C.E.G, C.H.G.
Role: Data Management (Alternate)
Task Lead: H. Data Management System

Rodney is a California certified Hydrogeologist and Professional Geologist specializing in groundwater remediation. Mr. Fricke has worked on various projects related to SGMA during the last two years, including coauthor for a GSP Alternative for the South American Sub-basin, assistance on DWR's effort to improve the descriptions of basin boundaries, evaluation of available hydrogeologic data for the Big Valley Basin in Lassen/Modoc Counties, assistance to Sacramento County with its GSA notification process for unmanaged areas in four sub-basins, evaluation of a considerable amount of information for the hydrogeologic conceptual model of the Kern County Sub-basin, and technical review of grant applications for the Cosumnes and Solano Sub-basins.

References

Alternative Submittal (GSP) for the South American Sub-basin,

*Darrell Eck, Sacramento Central Groundwater Authority,
 916.874.6851, eckd@sacounty.net*

SGMA On-Call Support,

*Kerry Schmitz, Sacramento County Water Agency
 916.874.4681, schmitzk@sacounty.net*

OPTIONAL ACTIVITY TASK LEADERS



Ellen Cross
Role: Facilitator,
Outreach Specialist
(optional)

Ellen Cross has more than 27 years of experience in the California water and environmental science industry creating successful innovative solutions through forums for vision, collaboration, and achievement. Ellen has a history of creating neutral forums to work on critical topics where communication and leadership are key to moving complex issues forward.

In the area of emerging challenges, Ellen has successfully facilitated public and private entities on Superfund, climate change, restoration in the Delta, water scarcity, sea

References

Interagency Flood Management Collaborative

*Jon Ericson, Chief Flood Maintenance Office
 California Dept. of Water Resources
 (916) 574-0384 jon.ericson@water.ca.gov*

Delta Conservancy Strategic Plan

*Campbell Ingraham, Executive Officer
 Delta Conservancy
 (916) 375-2084 cigram@deltaconservancy.ca.gov*

level rise and flood protection. Ellen has facilitated initiatives that envision the multi stakeholder success goals and operationalizes the tactics to achieve results on policy, governance, stakeholders, funding,

institutional and technical goals to ensure sustained success. Specific to groundwater projects, Ellen has developed strategies to develop holistic integrated scopes for Fox

Canyon GSA, Mid Kaweah, Tulare, Irvine Ranch Water District, Kings Canyon, Department of Water Resources, and Cosumnes GSP.



Matt Payne

Role: Financial Assessment (Optional)

Matt Payne is a principal with WestWater Research and leads the firm's Southwest office in Phoenix. He is dedicated to helping public, private, and non-profit sector clients address economic, financial, and strategic challenges relating to water resources and infrastructure. His areas of expertise are water resource economics, water asset transactions, and strategic planning and implementation. In recent years, Matt has been engaged by Arizona's largest water provider to lead planning and implementation of the most extensive renewable water acquisition program in the United States. The program includes plans such as rotational fallowing agreements as well as reclaimed water development. In California, Matt is working with a wholesale water agency to implement a new groundwater banking program, and is leading a water transactions program for a large investor-owned utility.

References

Financial Feasibility Assessment of the High Desert Water Bank

*Dwayne Chisam, General Manager
Antelope Valley-East Kern Water Agency,
Palmdale, CA*

(661)943-3201 dchisam@avek.org

Water Rights Acquisition Planning and Implementation

*California American Water Company
Monica Na, Manager of Operations*

(626)614-2518 Monica.na@amwater.com

Project Approach and Schedule

Our project approach is grounded in the philosophy of focusing efforts on the tasks and activities necessary to achieve a defensible and widely accepted GSP. Our approach is outcome oriented - the critical outcome is informed decisions by the GSAs on how to reach sustainability. We believe the Paso Robles Sub-basin GSAs have presented a well-reasoned and complete scope of work in the RFP that generally follows the annotated outline developed by DWR in their *Draft GSP Outline Best Management Practice*.

We will use the GSP outline prepared by DWR for the Paso Robles GSP and complete a draft GSP by September, 2019. From the beginning, we will focus on addressing the critical and challenging activities of developing sustainable management criteria and identifying projects that will lead to sustainability. At the same time, we will complete the other GSP activities that are important and required, but do not directly affect the GSAs ability to prepare a passable GSP and ultimately achieve sustainability. Table 3 outlines our approach to completing the project tasks.

Table 3: Approach to Completing Project Tasks

Task	Activities and Approaches to Task Completion
A. Compile and Organize Data	<ul style="list-style-type: none"> We will use data compiled for the 2011 groundwater management plan and modeling to reduce effort and cost This task will be integrated with development of the data management system (Task H)
B. Develop Introductory and Agency Information	<ul style="list-style-type: none"> This task is largely informational. We will keep this section noncontroversial because it has little impact on achieving sustainability
C. Describe Plan Area (plus Notice and Communication)	<ul style="list-style-type: none"> This task is largely informational. We will keep this section noncontroversial because it has little impact on achieving sustainability The notice and communication portion will be completed by the GSAs as meetings occur; we can support the GSAs as needed on this activity
D. Describe Basin Setting: Conceptual Model, Water Budgets	<ul style="list-style-type: none"> We believe this task is largely complete; we will refine as needed to meet requirements of the GSP We will use the existing hydrogeologic conceptual model underpins the groundwater model Key subtask will be aligning the reported water budget to the modeled water budget
E. Update SW-GW Model	<ul style="list-style-type: none"> We will update the model to 2016 to meet GSP requirements - additional model calibration or development is not recommended for the GSP

Task	Activities and Approaches to Task Completion
F. Identify Sustainable Management Criteria	<ul style="list-style-type: none"> • This is a critical task for the GSP • We will outline the process for developing criteria early in the project with all GSAs and stakeholders • We will integrate the criteria with the projects and management actions developed in Task I to ensure that sustainability is achievable and affordable.
G. Establish Monitoring Networks and Protocols	<ul style="list-style-type: none"> • This is a critical task for the GSP • We will use or extend existing monitoring protocols from the county, city of Paso Robles, or others • We will rely on the monitoring network assessment in the 2011 groundwater management plan to the extent possible
H. Organize Data Management System	<ul style="list-style-type: none"> • We will leverage similar work being completed for other basins in San Luis Obispo County • We will review data to ensure questionable data are not being used for important decisions
I. Develop and Analyze Projects and Management Actions	<ul style="list-style-type: none"> • This is a critical task • We will integrate projects and management actions with existing water management activities • We will assure that projects and actions align with property rights • Allow for significant adaptive management
J. Plan Implementation	<ul style="list-style-type: none"> • This task is largely informational; keep non-controversial
K. Outreach and Stakeholder Involvement	<ul style="list-style-type: none"> • We assume that GSAs will lead outreach and facilitate meetings • We will prepare communication plan in Task K • An optional task has been included to assist with facilitation
L. GSP Document Preparation	<ul style="list-style-type: none"> • We will prepare individual GSP chapters in the relevant project tasks listed above • Task L will include compiling the final draft GSP document for final approval and adoption
M. Project Management	<ul style="list-style-type: none"> • We will communicate frequently and effectively with the GSAs on project progress • We will inform the GSAs about changes to DWR's expectations

The project approach outlined in the RFP adheres relatively closely with the preferred approach to developing the GSP. Listed below are a few aspects of our approach that either differ slightly from the RFP or identify recommendations that ensures the GSP is developed efficiently.



ESTABLISH EACH GSA AS A SEPARATE MANAGEMENT AREA

The RFP states that the GSP will include individual appendices for the specific plans of each GSA. This was a common approach early in SGMA, but has been replaced in most basins by the approach of establishing each GSA as its own management area.

Establishing management areas is the legal methodology incorporated in the SGMA regulations for dividing basins into separately managed zones. We recognize that the areas of each of the two new water districts are not contiguous, and are intertwined with the other GSA properties. We have discussed this with DWR previously, and it is perfectly legal to identify non-contiguous management areas.

However, we will take particular care when developing and implementing management area-specific sustainability projects to avoid inequalities in the perceived land value or responsibilities of adjacent land owners.

DEVELOP GSP CHAPTERS THROUGHOUT THE PROCESS

Rather than write an entire GSP at the end of the process, we will prepare individual chapters and sections throughout the project. This allows stakeholders to review and understand concepts early and throughout the process, and it facilitates the more difficult tasks of developing sustainable management criteria and sustainability projects and management actions.

INTEGRATE THE DATA MANAGEMENT SYSTEM WITH OTHER COUNTY EFFORTS

Our team member, GEI, is developing the data management system for other basins in the County. We will leverage our work in

*Paso Robles Sub-Basin
GSP Development Proposal*

other basins to provide efficiency and reduce the cost of developing the data management system for this project.

INVOLVE A WATER RIGHTS ATTORNEY EARLY

Water rights are a topic of intense discussion in the Paso Robles Sub-Basin. Our projects and management actions must generally be consistent with people's existing rights, although strict adherence to water rights is impossible under SGMA. We propose using either a local attorney of the GSA's choice, or a water rights attorney we have worked with often, to guide public understanding of groundwater rights.

ANALYZE FINANCIAL ASPECTS OF SUSTAINABILITY

The project's and management actions needed to achieve sustainability may include the value of water for fallowing or trading. Also, funding actions and projects may require assessing fees on groundwater users. Our team member, WestWater Research LLC, specializes in water valuation and water trading, and will support the financial analyses required for the GSP.

FOCUS GROUNDWATER MODELING ON NECESSARY ACTIVITIES

The need for and accuracy of groundwater models is an important element in the RFP. Our team is dedicated to the premise that groundwater sustainability plans are outcome based - sustainability will be demonstrated by data – particularly groundwater elevations – collected in the future not by the groundwater model. Groundwater model results are useful for estimating the **relative** impacts for



groundwater management activities and future groundwater conditions, but uncertainty in groundwater model results is expected. We will use the existing groundwater model as much as possible and account for model uncertainties appropriately when developing projects and management actions.

Optional Services

As requested in the RFP, there are several **optional tasks** that we believe could be considered to enhance GSP development. Many of these services could also be implemented as follow on tasks after the GSP is delivered to DWR.

OPTIONAL TASK 1 - OUTREACH/FACILITATION SUPPORT

We understand that the GSAs plan to lead most of the outreach and facilitation efforts; our base cost proposal is based on this understanding. However, our team includes an expert in stakeholder coordination, Ellen Cross from Strategy Driver, Inc., who will assist the GSAs in developing the required communication and outreach plan. Ms. Cross is an experienced facilitator and mediator. If the GSAs decide that professional facilitation and mediation services are desired, we can readily provide those services. Our cost estimate includes an optional task for providing facilitation services.

OPTIONAL TASK 2 - MODEL ENHANCEMENT

We propose to conduct groundwater model option three from the RFP: updating the model through 2016. This is an inexpensive approach that will believe is required for the

GSP and an approach that will have significant benefits during GSP development. Should the GSAs realize that further model enhancements are necessary before reliable decisions can be made, we have the necessary modeling expertise to provide more extensive groundwater modeling services. Our team of groundwater modelers is one of the largest and most experienced in the western US, with extensive experience using the same model codes used for the Paso Robles groundwater model - MODFLOW and HSPF – as well as other model codes that could be used to improve analysis of sustainability in the sub-basin.

OPTIONAL TASK 3 - DEVELOPING WATER ALLOCATION OR TRADING SYSTEM

Potential groundwater management activities may include developing water allocations or trading system. If the GSAs decide this is a preferred management action, the GSP would include a conceptual evaluation to identify it as an action that will lead to sustainability over the next 20 years. However, if the GSAs would like to explore the idea of water allocations or groundwater trading further, we have the expertise on our team develop these systems.

RECOMMENDED TASK 4 - DECISION SUPPORT MODELING

Our team has the ability to apply decision support modeling (DSM), a structured and flexible planning tool, to improve development of future sustainability management actions and projects. A DSM approach integrates the critical interrelated including social, economic, water availability, and hydrogeologic factors that affect future project development into a structured



framework that enables more thorough and transparent analysis of the benefits and trade-offs of the actions and projects. If this is a

preferred approach by the GSAs, our team has the expertise to develop a DSM for the GSP.

Project Schedule

Our proposed schedule for completing the GSP is shown in Figure 4.

Proposal Task	2018				2019				2020
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
A Compile and Organize Data									
B Develop Introductory and Agency Information									
C Describe Plan Area (Notice & Communication)									
D Describe Basin Setting									
E Update SW-GW Model									
F Identify Sustainable Mgmt Criteria									
G Establish Monitoring Networks and Protocols									
H Construct Data Management System (DMS)									
I Develop Projects and Management Actions									
J Plan Implementation									
K Outreach and Stakeholder Involvement									
L GSP Document Preparation									
M Project Management									

Figure 4: Proposed Schedule



Fee Proposal

HydroMetrics WRI has developed this fee proposal based on our understanding of the effort needed to develop a compliant GSP, while avoiding any efforts needed for more than a passing grade. We understand that significant funds have already been expended, particularly by growers and individual land owners in the Paso Robles Sub-Basin. Our fee proposal leverages State Grant funds, while eliminating any additional out-of-pocket expenses by the GSAs. By developing a GSP for less than the full grant application, we retain grant funds for funding optional tasks or addressing difficulties that may be encountered during the project.

Our proposed fees are informed by the detailed costing analysis that went into the Prop 1 grant application. The detail supporting the grant application allowed us to accurately assess which tasks would take the most effort, and which tasks would take less effort. Figure 5 shows how tasks in our current fee schedule (orange) compares with the grant application (green). While our proposed costs are well within the amount of money the GSAs will receive from the grant funding, they are not so low that the GSAs will border on submitting a GSP that is not acceptable.

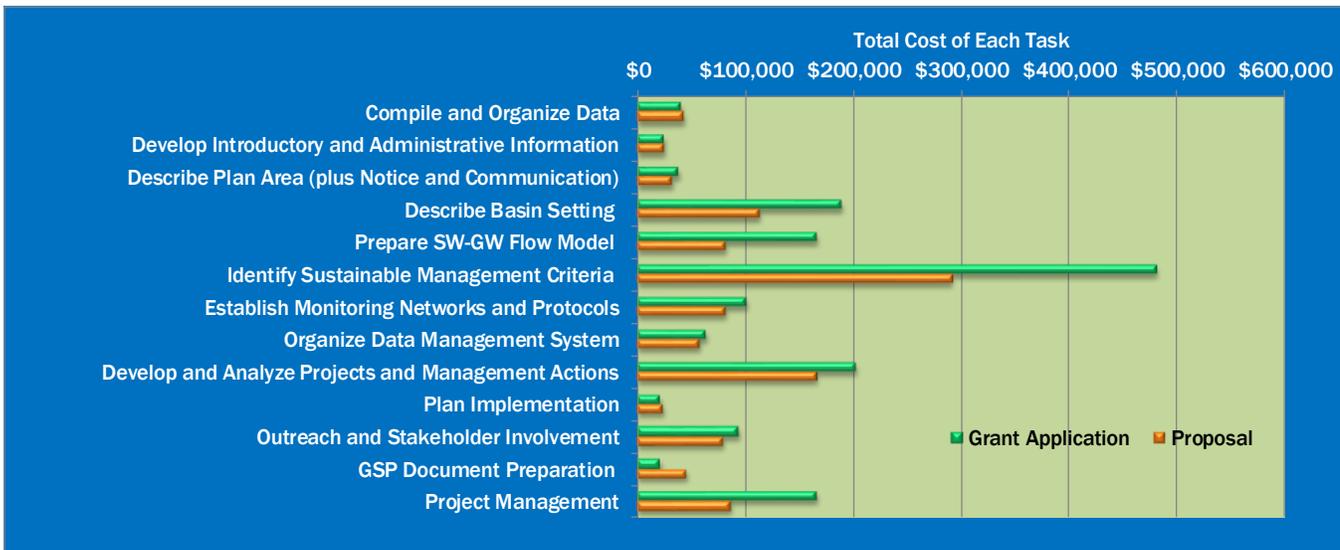


Figure 5: Comparison between Our Current Fee Schedule and the Grant Application

Our fee proposal is shown in Table 4 where the proposed fee is \$1,138,975. To present a fee proposal on one page, we have grouped various employees and subconsultants into professional categories rather than show each individual staff member. The hourly rates in Table 4 represent a weighted average of the staff members included in that category. The costs for optional and recommended tasks are estimates, and will be further refined should the GSAs choose them. Based on the hourly rates shown in Table 4, combined with the project schedule shown on Figure 4, we can develop an anticipated rate of monthly expenditures as shown on Figure 6.



Table 4: GSP Development Fee Proposal

TASK	TASK NAME	PROFESSION AL LEVEL 1	PROFESSION AL LEVEL 2	PROFESSION AL LEVEL 3	PROFESSION AL LEVEL 4	SUPPORT STAFF	TOTAL LABOR HOURS	TOTAL LABOR COST	OTHER DIRECT COSTS	TOTAL PROJECT COSTS
	Hourly Labor Rate:	\$280	\$215	\$160	\$125	\$80				
A	Compile and Organize Data	6	40	80	160	14	300	\$44,224	\$0	\$44,224
B	Develop Introductory and Administrative Information	6	24	80	40	8	158	\$25,240	\$875	\$26,115
C	Describe Plan Area (plus Notice and Communication)	4	32	120	40	10	206	\$32,984	\$0	\$32,984
D	Describe Basin Setting	0	80	400	240	36	756	\$114,080	\$0	\$114,080
E	Prepare SW-GW Flow Model	4	80	200	240	26	550	\$82,416	\$0	\$82,416
F	Identify Sustainable Management Criteria	16	360	900	400	84	1,760	\$282,584	\$10,500	\$293,084
G	Establish Monitoring Networks and Protocols	4	40	280	200	26	550	\$81,616	\$875	\$82,491
H	Organize Data Management System	24	60	200	40	16	340	\$57,916	\$875	\$58,791
I	Develop and Analyze Projects and Management Actions	16	240	420	300	49	1,025	\$164,684	\$1,750	\$166,434
J	Plan Implementation	0	24	112	8	7	151	\$24,656	\$0	\$24,656
K	Outreach and Stakeholder Involvement	220	24	24	16	24	308	\$74,520	\$5,000	\$79,520
L	Finalize GSP	16	60	80	80	80	316	\$46,580	\$0	\$46,580
M	Project Management	0	400	0	0	20	420	\$87,600	\$0	\$87,600
	TOTAL	316	1,464	2,896	1,764	400	6,840	\$1,119,100	\$19,875	\$1,138,975
OPTIONAL TASKS										
1	Stakeholder Outreach/Facilitation Support (per year)	40	20			8	68	\$16,140	\$2,000	\$18,140
2	Model Enhancement	4	24	240	300	24	592	\$84,100		\$84,100
3	Developing Water Allocation or Trading System	4	160	40	40	24	268	\$48,840	\$2,500	\$51,340
4	Decision Support Modeling	4	24	240	200	16	484	\$70,960		\$70,960
		52	228	520	540	72	1,412	\$220,040	\$4,500	\$224,540
	TOTAL WITH OPTIONAL TASKS	368	1,692	3,416	2,304	472	8,252	\$1,339,140	\$24,375	\$1,363,515

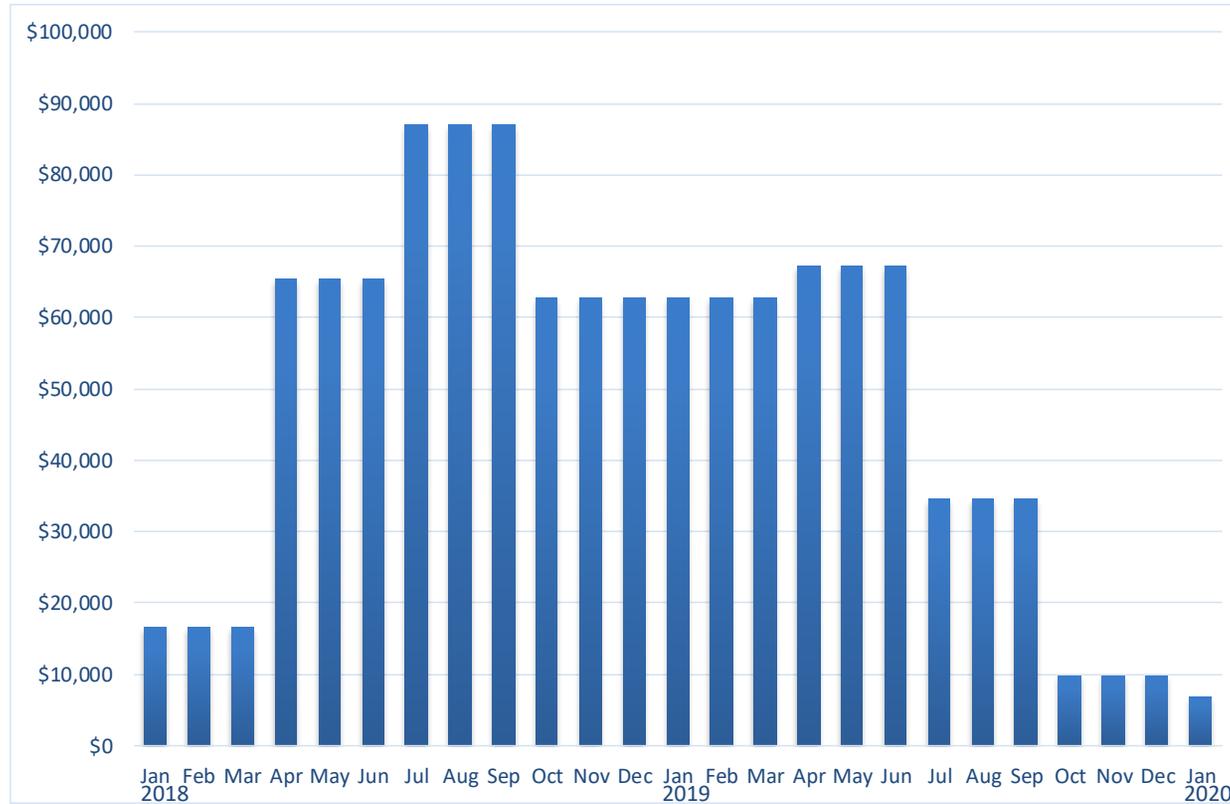


Figure 6: Anticipated Monthly Expenditures

Attachment 4: HydroMetrics WRI Proposal



Rate schedules for all consultants are included below. All follow-up consultation and services available after completion of the GSP development will be charged at these rates, with 3% annual increases.

<p>HYDROMETRICS WRI</p> <p>Staff Rate Classification..... Rate Principal Hydrogeologist...\$195-\$230 Senior /Hydrogeologist 3 \$185 Senior Hydrogeologist 2 \$175 Senior Hydrogeologist 1 \$165 Hydrogeologist 5..... \$150 Hydrogeologist 4..... \$140 Hydrogeologist 3..... \$130 Hydrogeologist 2..... \$120 Hydrogeologist 1..... \$110 Office Support \$75</p>	<p>MONTGOMERY & ASSOCIATES</p> <p>Scientist VIII\$195 Scientist VII\$184 Scientist VI.....\$172 Scientist V\$157 Scientist IV\$142 Scientist III.....\$124 Scientist II\$107 Scientist I.....\$89 GIS/Database Analyst\$91 Drafter II\$73 Technical Editor.....\$50</p>
<p>CAROLLO ENGINEERS</p> <p>Senior Professional..... \$294.00 Lead Project Professional \$272.00 Project Professional..... \$252.00 Professional..... \$213.00 Assistant Professional..... \$174.00 Senior Technicians \$183.00 Technicians..... \$131.00 Clerical..... \$115.00</p>	<p>GEI CONSULTANTS</p> <p>Senior Principal – 10..... \$330 Senior consultant – 9 \$330 Senior consultant – 8 \$267 Senior professional – 7 \$238 senior professional – 6 \$201 senior professional – 5 \$176 Project professional – 4 \$149 project professional – 3 \$133 staff professional – 2..... \$121 staff professional – 1..... \$110 CADD Drafter \$121 Office Aide \$77</p>
<p>STRATEGY DRIVER</p> <p>Ellen Cross \$250</p>	<p>WESTWATER</p> <p>Director \$275 Principals \$220 Regional Directors..... \$200 Sr. Associates..... \$135 - \$150 Associates \$100 - \$125 Analysts \$75 - \$95 Administration \$65</p>

All outside costs and services, including subcontractors, will be billed at cost +15%.



Contract Terms

We have reviewed the contract and propose that paragraph (a) of the indemnification clause remove the phrase “any alleged acts”, and modify the paragraph such that the consultant’s indemnification is in proportion to the consultant’s legally determined errors, omissions, or negligence. We also propose that paragraph (b) of the indemnification language either be struck, or state that the consultant obligation to pay for defense costs is in proportion to consultant’s legally determined errors, omissions, or negligence.

References

We have listed below selected references that demonstrate our groundwater management expertise, our SGMA knowledge, our local experience, and our strong client relationships. We encourage the Paso Robles GSAs to contact any of the clients listed below.

SANTA CRUZ MID-COUNTY GSA/ GSP SUPPORT

Client and Contact: Ms. Rosemary Menard
City of Santa Cruz
(831) 420-5205
RMenard@cityofsantacruz.com

Dates: 7/2016 to Ongoing

HydroMetrics WRI currently supplies GSP development technical and policy support to the Santa Cruz Mid-County GSA. HydroMetrics WRI earlier provided technical assistance to the GSA formation committee during the GSA formation process. Based on HydroMetrics WRI’s input, all of the signatories to the GSA clearly understood the basins conditions, and each individual GSA members contribution to the basin condition. At the same time, HydroMetrics WRI successfully applied for a basin boundary modification; combining parts of four basins into a single basin and excluding fringe areas of the basin that do not impact groundwater management.

HydroMetrics WRI is currently guiding the newly formed GSA through the GSP process. HydroMetrics has guided both the GSA and interested stakeholders though the state of the basin; and introduced the basics of Sustainable Management Criteria. Hydrometrics WRI is currently working with the GSA to map out the decisions that must be made over the next two years. Included in this ongoing contract is assistance developing the sustainable management criteria, assistance defining the state of the basin, and groundwater modeling to assess the impacts of various groundwater management projects or actions. The result of this project will be a fully compliant GSP for the Santa Cruz mid-County Basin.



DWR SGMA IMPLEMENTATION

Client and Contact: Mr. Trevor Joseph
 Department of Water Resources
 (916) 651-9218
tjoseph@water.ca.gov
Dates: 7/2016 to Ongoing

HydroMetrics WRI is part of the consulting team that is working with and guiding DWR as it implements SGMA legislation and regulations. Team member GEI is the lead consultant on this team. This project gives both GEI and HydroMetrics WRI unequaled access to DWR’s thought process, concerns, and insights on GSP development.

Significant activities that have been undertaken as part of this contract include drafting and developing the best management practices for implementing SGMA; developing tools for DWR to accept data and GSPs as they are delivered by various GSAs, strategizing on identifying the most important and critical parts of a GSP, and working with DWR to develop the data sets and information that GSAs can use in their GSPs. As part of this contract, Mr. Williams meets with DWR regularly to formulate statewide SGMA policy and draft policy documents.

PASO BASIN SUPPLY OPTIONS STUDY

Client and Contact: Ms. Courtney Howard
 County of SLO
 1144 Monterey St., Suite B
 San Luis Obispo, CA 93408
 (805) 781-1016
CHoward@co.slo.ca.us
Dates: 2014 to 2017

The Paso Robles Groundwater Basin (Paso Basin) has experienced dropping groundwater levels over several decades. In an effort to ensure sustainable water supply for the customers the Paso Basin serves while meeting its management objectives, the San Luis Obispo County Flood Control and Water Conservation District retained Carollo for a Supply Options Study to identify sources of supply that can be obtained to supplement the Paso Basin. The project develops a prioritized list of the most beneficial and viable options for procuring available water from the State Water Project water, Lake Nacimiento, local exchanges, and recycled water to wholly or in part, stabilize groundwater levels and to provide a clear path forward to obtaining these supplies for the Paso Basin.

- The primary goal of the study is to determine the quantity, quality, cost, and points of transfer of supplemental water options, infrastructure needs at transfer points, and the terms and/or conditions under which a Paso Basin entity could procure it (e.g., contractual issues, negotiations, “transfer terms”). The recently completed groundwater model (updated and improved by Geoscience) was used to determine the benefits of different supply options, including evaluation of where benefits can be maximized in the basin through direct use (offsetting pumping) or through recharge. Locations for recharge were also identified using the hydrogeology and the model.



ALTERNATIVE SUBMITTAL TO A GROUNDWATER SUSTAINABILITY PLAN FOR SUTTER SUB-BASIN, SUTTER COUNTY, CALIFORNIA

Client and Contact: Mr. Guadalupe Rivera
Sutter County Development Services (530) 822-7450,
grivera@co.sutter.ca.us
Dates: 11/2016 to 01/2017

GEI assisted Sutter County to develop an Alternative Submittal (Alternative) for the Sutter Sub-basin in little over a two-month period. The Alternative was developed by preparing an outline from the Groundwater Sustainability Plan Emergency Guidelines to ensure that all components were addressed. During the development period BMPs or

Guidance Documents were just starting to be released; therefore, GEI developed the Alternative using our knowledge of available information.

The hydrogeologic conceptual model, groundwater conditions, and water budget were all developed using available information which included Bulletin 118 and locally developed plans. General groundwater quality conditions were developed using the existing Groundwater Management Plan and also the Groundwater Assessment Report developed for the Irrigated Lands Program. Significant time was spent with stakeholders in the development and acceptance of minimum threshold values and measurable objectives.

Disclosures

HydroMetrics WRI is proud that it has never in its 12 years of existence been the subject of any litigation, arbitration or claims proceedings. Additionally, Montgomery & Associates has had no claims or litigation in the past five years.

Carollo’s disclosures for the previous five years include the following:

Year	Project	Outcome
2013	Construction damage of underground utilities	Dismissed from lawsuit
2013	Sewage overflow	Mediation, no admission of fault
2013	Civil suit regarding project delays	Mediation, no admission of fault
2015	Lawsuit regarding water rights	Lawsuit dismissed, under appeal
2015	Contaminated water	Dismissed from lawsuit
2015	Client injury during unrelated activity	Dismissed from lawsuit
2015	Errors by a painting subcontractor	Lawsuit in progress
2016	Contractor’s claim of changed subsurface conditions	Dismissed from lawsuit

PASO BASIN COOPERATIVE COMMITTEE
March 7, 2018

Agenda Item #8 DWR Grant Funding Award Update
(Discussion Item)

Subject

Continued item to review the DWR Grant funding award for Preparation of the Groundwater Sustainability Plan (GSP). Item continued from February 14, 2018.

Recommendation

It is recommended that the Paso Basin Cooperative Committee (Committee) review the Grant Funding Award for the GSP preparation.

Prepared By

Dick McKinley, City of Paso Robles

Background

The City of Paso Robles served as the official applicant for a DWR grant to fund the preparation of the GSP. The City served in this capacity by virtue of the MOA designation of the City as the contract agency for the GSP preparation consultant team contract. The Basin was successful in being granted the maximum grant allowed of \$1.5 million. This is matched by in-kind costs identified by all of the parties back to January 1, 2015. The amount of the in-kind match included in the final grant agreement will depend on the final decision regarding EPC as a GSA. The grant is a reimbursable grant, so the MOA partners will need to pay for the consultant team and other costs up front, then be reimbursed by grant funds.

Discussion

The Cooperative Committee should review the grant award and ask any questions needed. As the City of Paso Robles will serve as the grant applicant and enter into the grant agreement on behalf of the MOA partners, no specific action is required by the Committee at this time.

Attachments

1. Grant award information for Groundwater Sustainability Plan (GSP) Preparation

* * *

Attachment 1: Grant award information for Groundwater Sustainability Plan (GSP) Preparation

Draft Funding Recommendations
2017 Groundwater Sustainability Plans and Projects Solicitation
February 2018

Cat 1 Map ID	Note	Applicant Name	Application Title	Application Score (Cat 1/Cat2)	Category 1		Category 2		Total Recommended Funding	Total Cost of Proposal
					Grant Request	Recommended Funding A	Grant Request	Recommended Funding		
		Arroyo Santa Rosa Basin Groundwater Sustainability Agency	Arroyo Santa Rosa Basin Groundwater Sustainability Plan	- / 15	\$ -	\$ -	\$ 177,081	\$ 177,081	\$ 177,081	\$ 354,162
B	20	Asian Business Institute Resource Center	Southeast Asian Groundwater and Sustainability Advocacy and Outreach Program	3 / -	\$ 1,000,000	\$ 400,000	\$ -	\$ -	\$ 400,000	\$ 1,100,000
		Atascadero Mutual Water Co.	2017 Atascadero Basin Sustainable Groundwater Proposal	- / 19	\$ -	\$ -	\$ 809,250	\$ 809,250	\$ 809,250	\$ 1,660,000
		Bear Valley Basin Groundwater Sustainability Agency	Bear Valley Basin Groundwater Sustainability Plan	- / 16	\$ -	\$ -	\$ 177,000	\$ 177,000	\$ 177,000	\$ 177,000
		Bedford-Coldwater Sub-basin Groundwater Sustainability Agency	Bedford-Coldwater Sub-basin Groundwater Sustainability Plan Proposal	- / 19	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,040,000
18		Big Bear Lake Department of Water and Power	Basin Resiliency Sawmill Well Pumping Plant Project	7 / -	\$ 782,298	\$ 782,298	\$ -	\$ -	\$ 782,298	\$ 782,298
9		Biola Community Services District	Biola Groundwater Recharge Project	11 / -	\$ 705,000	\$ 705,000	\$ -	\$ -	\$ 705,000	\$ 705,000
		Butte County Department of Water and Resource Conservation	Groundwater Sustainability Plan Development for the Vina, East Butte, West Butte and Wyandotte Creek Subbasins	- / 19	\$ -	\$ -	\$ 1,498,800	\$ 1,498,800	\$ 1,498,800	\$ 1,989,683
		Catic Lake Water Agency	Santa Clarita Valley Groundwater Sustainability Agency 2017 Sustainable Groundwater Planning Grant Program Category 2 Proposal	- / 18	\$ -	\$ -	\$ 416,106	\$ 416,106	\$ 416,106	\$ 858,075
		City of Brentwood	Tracy Subbasin Groundwater Sustainability Plan Development Prop 1 Proposal	- / 19	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,598,530
		City of Corona	Sustainable Groundwater Planning Grant For the City of Corona Temescal Subbasin	- / 18	\$ -	\$ -	\$ 732,338	\$ 732,338	\$ 732,338	\$ 983,977
C		City of Paso Robles	Paso Robles Basin Groundwater Sustainability Plan Development	- / 16	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 3,068,242
		City of Redding	Eisnore Valley Groundwater Sustainability Agency Groundwater Sustainability	- / 16	\$ -	\$ -	\$ 983,230	\$ 983,230	\$ 983,230	\$ 1,161,590
		City of San Diego - Public Utilities Department	Groundwater Sustainability Plan for the San Pasqual Valley Groundwater Basin	- / 18	\$ -	\$ -	\$ 989,550	\$ 989,550	\$ 989,550	\$ 1,979,100
		Colusa Groundwater Authority	Colusa Subbasin Groundwater Sustainability Plan Development	- / 19	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,497,400
10		Community Water Center	Facilitate Participation of Severely Disadvantaged Community Stakeholders in The Tulare Lake Basin And Develop A Drinking Water Vulnerability Tool	11 / -	\$ 614,353	\$ 614,353	\$ -	\$ -	\$ 614,353	\$ 614,353
		County of Glenn	Groundwater Sustainability Plan Development in the Corning Subbasin	- / 17	\$ -	\$ -	\$ 999,980	\$ 999,980	\$ 999,980	\$ 999,980
C	6	County of San Diego	San Diego County GSP Development	12 / 18	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 4,884,260
		County of San Luis Obispo	2017 County of San Luis Obispo Sustainable Groundwater Proposal	- / 18	\$ -	\$ -	\$ 1,397,125	\$ 1,397,125	\$ 1,397,125	\$ 2,549,375
C	3	Cuyama Basin Groundwater Sustainability Agency	Cuyama Basin Groundwater Sustainability	19 / 18	\$ 648,124	\$ 648,124	\$ 1,500,000	\$ 1,500,000	\$ 2,148,124	\$ 2,148,124
		Del Norte County	Smith River Plain Groundwater Basin GSP	- / 10	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
		East Bay Municipal Utility District	East Bay Plain Subbasin Groundwater Sustainability Plan Development	- / 19	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,018,000
C		Eastern San Joaquin Groundwater Authority	Eastern San Joaquin Subbasin Groundwater Sustainability Plan Grant	- / 19	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 2,176,420
		Eisnore Valley Municipal Water District	Eisnore Valley Groundwater Sustainability Agency Groundwater Sustainability Planning Grant Proposal	- / 17	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 2,524,199
		Fillmore Piu GSA	Fillmore and Piu Basins Groundwater Sustainability Plans	- / 16	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 2,045,130
7		Freshwater Trust	Engaging Severely Disadvantaged Communities in the Development of the Solano Subbasin Groundwater Sustainability Plan	12 / -	\$ 490,000	\$ 490,000	\$ -	\$ -	\$ 490,000	\$ 490,000
C	13	Indian Wells Valley Groundwater Authority	Indian Wells Valley Groundwater Basin - Groundwater Sustainability Plan Development and SDAC Groundwater Conservation Pilot Project	10 / 18	\$ 646,000	\$ 646,000	\$ 1,500,000	\$ 1,500,000	\$ 2,146,000	\$ 3,748,600
		Inyo-Water Department, County of	Groundwater Sustainability Planning for the Owens Valley Groundwater Basin	- / 19	\$ -	\$ -	\$ 713,155	\$ 713,155	\$ 713,155	\$ 865,915
C		Kern River Groundwater Sustainability Agency	Kern County Subbasin Groundwater Sustainability Plan Support - 2017 Grant Application	- / 15	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 3,072,604

PASO BASIN COOPERATIVE COMMITTEE
March 7, 2018

Agenda Item #9 – Consider Approval of Recommended FY 2017-18 Annual Budget

Subject

Continued item to consider approval of recommended Fiscal Year 2017-18 Annual Budget. Item continued from February 14, 2018.

Recommendation

It is recommended that the Paso Basin Cooperative Committee consider approval of the recommended Fiscal Year 2017-2018 Annual Budget, for consideration and approval by each of the GSAs, consistent with the Memorandum of Agreement¹ (MOA) Section 5.2.

Prepared By

Dick McKinley, City of Paso Robles
Angela Ruberto, County of San Luis Obispo

Discussion

Terms per MOA: The MOA Section 5 details the terms of funding related to the Paso Basin Cooperative Committee cooperative efforts, and cost sharing among the MOA's member GSAs. The fiscal year of the Paso Basin Cooperative Committee is July 1st through June 30th. The Paso Basin Cooperative Committee is responsible for developing a recommended budget for consideration and approval by each GSA (each signatory to MOA). Subject to each GSA's approval of the budget for the relevant Fiscal Year, each GSA is responsible for funding a portion of the budgeted costs, in accordance with the percentages set forth in MOA Section 4.6 or 4.7.

Draft Annual Budget: Consistent with the MOA, staff developed a recommended Fiscal Year 2017-2018 Annual Budget. A majority of the budgeted costs involve consultant services related to GSP development. The recommended budget currently includes a budget line item for GSP Development based on staff's recommended GSP Consultant discussed in the prior Agenda Item 8. Pending your committee's action on Agenda Item 8, this Annual Budget line item would be confirmed or edited, as needed.

A majority of efforts necessary to support administration of the Paso Basin Cooperative Committee and its efforts involve in-kind services of the GSAs. The recommended Annual Budget does not show "in-kind" services, consistent with MOA Section 4.4(C). Two individual GSAs also took on efforts on behalf of the partners, prior to the Committee being established (e.g. grant application development), which are not reflected in the recommended Annual Budget. Pending Committee consideration of these past efforts, the efforts could be added to the Annual Budget and cost shared among the MOA parties.

Conceptual Contributions & Cash Flow: Staff of the GSAs developed and submitted a grant application on behalf of the Paso Basin, seeking Proposition 1 grant funding to offset local costs

¹ "Memorandum of Agreement Regarding Preparation of a Groundwater Sustainability Plan for the Paso Robles Groundwater Basin"; Effective as of September 20, 2017.

to develop a GSP. The State Department of Water Resources (DWR) published draft grant funding awards earlier this month, which included full funding of the Paso Basin proposal for GSP development. Pending DWR’s final funding awards, this grant funding would be available to offset local costs needed to develop a GSP.

However, this is a reimbursement-based grant. Therefore, the GSP development costs will need to be paid for by the GSAs, and be reimbursed over time by DWR. DWR’s process to review and approve invoices can take up to six months behind actual expenditures for the grant funded efforts. Therefore, for cash flow purposes, the City (as the contracting agent on behalf of the committee) will invoice each GSA consistent with the percentages set forth in MOA Section 4.6 or 4.7. As DWR reimburses the City for the approved GSP Development efforts, the City will in turn reimburse each GSA at its proportionate amount.

The table below reflects the estimated GSAs’ cost sharing amounts (both total, and net total once reimbursed by grant funding) for Fiscal Year 2017/18, based on the current MOA signatories. This does not account for potential future contributions by the Estrella El Pomar Creston Water District, if it becomes a signatory to the MOA, or the Salinas Valley GSA, pending negotiation of a coordination agreement.

MOA Signatory (GSA)	%	Proposed FY 2017/18 Cost Allocations		
		Up Front Cost Share	Reimbursed by Grant	Net FY 2017/18 Cost Share
County of San Luis Obispo	61%	\$173,557	-\$169,287	\$4,270
City of Paso Robles	15%	\$42,678	-\$41,628	\$1,050
Shandon-San Juan Water District	20%	\$56,904	-\$55,504	\$1,400
San Miguel Community Services District	3%	\$8,536	-\$8,326	\$210
Heritage Ranch Community Services District	1%	\$2,845	-\$2,775	\$70
Total	100%	\$284,520	-\$277,520	\$7,000

It is recommended that the Paso Basin Cooperative Committee consider approval of the attached recommended Fiscal Year 2017-2017 Annual Budget, for consideration and approval by each of the GSAs, consistent with MOA Section 5.2.

Fiscal Impact:

The recommended Fiscal Year 2017-2018 Annual Budget reflects the costs associated with the Paso Basin Cooperative Committee efforts to collectively develop a single GSP. Pending finalizing a contract with the selected GSP Consultant, this fiscal year budget is estimated at \$284,520 (through June 30, 2018), with total GSP development costs over three fiscal years currently estimated at \$1,384,515 (through Fiscal Year 2019-2020). The Paso Basin Cooperative Committee Annual Budget is intended to be cost shared among the MOA signatories (GSAs), which is anticipated to be largely reimbursed by the State Proposition 1 Sustainable Groundwater Planning Grant Program².

Attachments:

1. Proposed FY 2017-18 Annual Budget

* * *

² Pending DWR’s final grant funding awards in March 2018. Grant is reimbursement based, and can take up to six months after actual expenditures to receive reimbursement from DWR.

Attachment 1: Proposed FY 2017-18 Annual Budget

Draft as of 3/2/2018

Budget Line Items ¹	Total Estimated Budget (through GSP Adoption)	Proposed FY 17/18	Estimated FY 18/19	Estimated FY 19/20
Miscellaneous Cooperative Committee Costs ²	\$21,000	\$7,000.00	\$7,000.00	\$7,000.00
GSP Consultant	\$1,363,515	\$277,520	\$926,161	\$159,834
Total	\$1,384,515	\$284,520	\$933,161	\$166,834

Notes:

- (1) Various administrative costs are "in-kind services" of the GSAs and not part of this budget (e.g. agenda development, meeting preparation, manage consultant contract, invoicing for cost sharing, etc.)
- (2) Estimated costs associated with meeting room rentals, supplies, etc.