Santa Cruz County Civil Grand Jury

Santa Cruz Grand Jury <grandjury@scgrandjury.org>

MGA Response to Civil Grand Jury Report

Santa Cruz Mid-County Groundwater Agency <admin@midcountygroundwater.org>
To: Syda.Cogliati@santacruzcourt.org, grandjury@scgrandjury.org
Cc: Tom Lahue <TomL@soquelcreekwater.org>

Fri, Aug 19, 2022 at 2:43 PM

The Honorable Judge Syda Cogliati and the Santa Cruz Civil Grand Jury,

On May 19, 2022, the Santa Cruz Mid-County Groundwater Agency (MGA) received the Santa Cruz Civil Grand Jury Report, *Our Water Account is Overdrawn, Beyond Conservation: Achieving Drought Resilience.* The report required a response from the MGA Board to identified findings and recommendations. The MGA Board of Directors initially discussed the report at its meeting on June 16th. At its meeting on August 18th, the Board approved the responses to the findings and recommendations and authorized staff to submit the response for the Santa Cruz County Civil Grand Jury.

As requested, the response is submitted as a PDF file attachment to this email.

Respectfully,

Santa Cruz Mid-County Groundwater Agency

MCGMA_Required_Response_Final.pdf
218K

The 2021–2022 Santa Cruz County Civil Grand Jury

Requires the

Board of Directors,
Mid-County Groundwater Management Agency

to Respond by August 22, 2022

to the Findings and Recommendations listed below which were assigned to them in the report titled

Our Water Account Is Overdrawn

Beyond Conservation:
Achieving Drought Resilience

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond by the California Penal Code (PC) §933(c).

Your response will be considered **compliant** under PC §933.05 if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

Instructions for Respondents

Your assigned Findings and Recommendations are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase PC §933.05:

1. ***For the Findings, mark one of the following responses with an "X" and provide the required additional information:***
   a. **AGREE with the Finding**, or
   b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
   c. **DISAGREE with the Finding** – provide an explanation of the reasons why.

2. ***For the Recommendations, mark one of the following actions with an "X" and provide the required additional information:***
   a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
   b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
   c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
   d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.

3. ***Please confirm the date on which you approved the assigned responses:***

   We approved these responses in a regular public meeting as shown in our minutes dated August 18, 2022.

4. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

   The Honorable Judge Syda Cogliati Syda.Cogliati@santacruzcourt.org **and**

   The Santa Cruz County Grand Jury grandjury@scgrandjury.org.

If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to grandjury@scgrandjury.org.

Findings

F6. Limited interdistrict water transfers have been achieved and serve as proof of concept.

__ **AGREE**

_X_ **PARTIALLY DISAGREE**

__ **DISAGREE**

Response explanation (required for a response other than **Agree**):

The MGA recognizes that interdistrict water transfers, in this case specifically between the City of Santa Cruz Water Department and Soquel Creek Water District, may have a role in the sustainability of the Basin. Water Transfers are included as a Project in the Groundwater Sustainability Plan. Already, water has been transferred four (4) times since 2015 with an average of approximately 34 acre-feet per year.

How well these transfers serve as a “proof of concept” of any particular management strategy is questionable. Modeling by the City of Santa Cruz demonstrated that there is not available surface water to provide the reliability required by Soquel Creek Water District to meet their needs. Therefore, without the addition of other water supply projects, water transfers will not cause the Basin to achieve sustainability. Many factors can influence the potential success of a large-scale water transfer program which have not been fully explored, including the geologic characteristics of the aquifer and its ability to retain water for later use by the City of Santa Cruz as part of their drought resiliency efforts.

F8. Each agency described in this report communicates well with neighboring agencies, but collaboration is limited and narrow in scope.

__ **AGREE**

__ **PARTIALLY DISAGREE**

_X_ **DISAGREE**

Response explanation (required for a response other than **Agree**):

The agencies that comprise the MGA, as well as the neighboring Santa Margarita Groundwater Agency (SMGWA), do communicate well. However, the breadth of collaboration between agencies varies depending on opportunities for mutual benefit and in some cases is quite comprehensive.

The development of the two Groundwater Sustainability Agencies as Joint Powers Authorities (JPAs) in these adjacent Basin involved, and continues to involve, ample collaboration amongst the participating agencies. The JPAs are legally binding agreements that were negotiated extensively throughout their development. The inclusion of individual agency projects within the Groundwater Sustainability Plan involved regional prioritization, and jointly funded groundwater modeling. The two GSAs partnered on a regional Data Management System (DMS) to collect and store all the relevant water data from each water agency – the DMS serves as an example of a collaboration among the agencies. The MGA has a seat at the County's Senate Bill 552 drought response working group, as does the SMGWA, Pajaro Valley Water Management Agency (PVWMA), and other local stakeholders.

The collaboration between the Soquel Creek Water District and City of Santa Cruz Water Department is particularly extensive. The water transfers required jointly-managed studies before and during the transfers, and the associated legal agreements. They are currently working together on modeling the operational opportunities for their water management projects within the Basin. Once the projects are built, the operators will need to be in constant communication. In short, regional collaboration is ongoing and can in no way be described as "limited and narrow in scope."

F9. Agency communications to the public emphasize conservation and sustainability while downplaying agency planning to achieve drought resilience.

__ **AGREE**

__ **PARTIALLY DISAGREE**

_X_ **DISAGREE**

Response explanation (required for a response other than **Agree**):

Since its inception in 2016, the MGA has done extensive outreach including public meetings and workshops, tabling at public events, brochures, postcards, a tour of facilities, a website, an email listserve, radio interviews and newspaper editorials. Due to the mandate for a Groundwater Sustainability Agency as required under the Sustainable Groundwater Management Act of 2014, the primary focus of the outreach was always, appropriately, groundwater sustainability. However, for this Basin in particular, there is no separating groundwater sustainability from drought resilience, they are one in the same. If groundwater elevations along the coast were to drop due to drought, severe damage would be done to the Basin by intruding seawater. This fact was communicated repeatedly. The MGA has never communicated that water conservation alone could provide groundwater sustainability or drought resilience.

The GSP was evaluated using a climate scenario that includes several periods of drought, to ensure that minimum thresholds will continue to be met.

F10. The individual water supply districts lack funding, resources, and charters to develop county-centric drought-resilience infrastructure.

_X_ AGREE

__ PARTIALLY DISAGREE

__ DISAGREE

Response explanation (required for a response other than **Agree**):

F11. The Groundwater Sustainability Management agencies lack the charters, staff, and resources to plan or execute a county-wide drought-resilience strategy.

_X_ AGREE

__ PARTIALLY DISAGREE

__ DISAGREE

Response explanation (required for a response other than **Agree**):

While this is true on an individual Groundwater Sustainability Agency (GSA) level, it is important to note that the vast majority of the County population lives in or is served by a water agency that participates in, one of the GSAs. Therefore, regardless of lacking charters, staff and resources, the collective impacts of the GSAs and their member agencies working towards achieving groundwater sustainability will have a nearly county-wide positive impact on drought resilience.

F12. There is no county-level agency chartered to plan, propose, or build regional district-spanning drought-resilience infrastructure.

_X_ AGREE

__ PARTIALLY DISAGREE

__ DISAGREE

Response explanation (required for a response other than **Agree**):

There are many agencies that collectively span the entire County, and there have been county-level efforts for decades to help our region become more water secure. Another county-level agency is not necessary, and potentially not even desirable, due to the proven collaborative efforts of the local water agencies and the high cost of creating and running an agency.

ADDITIONAL FINDINGS (invited responses from the Mid-County Groundwater Agency Point of Contact)

F2. There is an urgent need to create a county-wide drought-resilient water storage and delivery infrastructure.

__ **AGREE**

__ **PARTIALLY DISAGREE**

_X_ **DISAGREE**

Response explanation (required for a response other than **Agree**):

The urgency for, and availability of, drought resilient water projects varies significantly throughout the County. There is not a simple one-size-fits-all solution as this finding implies. Through the projects already underway, the water supply agencies are making significant progress at tackling water supply security.

F4. Establishing a strategic groundwater reserve, as described in documents from the City of Santa Cruz, is a well-understood and achievable first step.

__ **AGREE**

_X_ **PARTIALLY DISAGREE**

__ **DISAGREE**

Response explanation (required for a response other than **Agree**):

This Finding does not describe what the “establishment of a groundwater reserve” is a first step in achieving. The MGA does identify “maintaining a drought reserve” as part of the Sustainability Goal included in the Groundwater Sustainability Plan.

The Groundwater Sustainability Plan outlines several critical projects that should happen concurrently for the Basin to reach sustainability, not one before the other as the Finding implies. One of these projects is the City of Santa Cruz Water Department’s Aquifer Storage and Recovery project in the Mid-County Basin. The Pure Water Soquel Project is another.

F7. Existing City of Watsonville and City of Santa Cruz wastewater resources are only partially utilized to address passive well resting and saltwater intrusion issues.

_X_ AGREE

__ PARTIALLY DISAGREE

__ DISAGREE

Response explanation (required for a response other than **Agree**):

The MGA agrees that the City of Santa Cruz wastewater resources are not fully utilized.

The MGA is not directly involved with the City of Watsonville and Pajaro Valley Water Management Agency on their wastewater resources and cannot respond to that item.

Recommendations

R1. By December 31, 2022, the Boards of the Santa Margarita Groundwater Management Agency and the Mid-County Groundwater Management Agency should extend their charters to include and proactively deliver drought-resilience project planning and execution.

__ **HAS BEEN IMPLEMENTED –** summarize what has been done

__ **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE –** summarize what will be done and the timeframe

__ **REQUIRES FURTHER ANALYSIS –** explain the scope and timeframe (not to exceed six months)

_X_ **WILL NOT BE IMPLEMENTED –** explain why

Required response explanation, summary, and timeframe:

The MGA operates under the powers and responsibilities provided by the Sustainable Groundwater Management Act of 2014 (SGMA). These powers and responsibilities are limited to achieving groundwater sustainability within the Santa Cruz Mid-County Groundwater Basin. To the extent that achieving groundwater sustainability will also deliver drought-resiliency, the MGA is committed to take action. Specifically, the Sustainability Goal in the adopted and approved Groundwater Sustainability Plan includes “ensure operational flexibility within the Basin by maintaining a drought reserve.”

During the development of the Groundwater Sustainability Plan, the MGA Board determined that the MGA would take a limited role in project development and implementation. Rather, the Board understood that the water supply agencies that comprise the Joint Powers Authority are better positioned to lead the design and implementation of multi-benefit projects. Neither the MGA nor the SMGWA have any direct staff.

To change the charter of the MGA would require substantial funds to hire staff to plan for projects beyond those already in the approved GSP; it would lead to questions of “scope-creep” as it is beyond the powers and responsibilities authorized by SGMA; it would be ineffective, as the water supply agencies are better suited to focus on drought response; and it would be unnecessary, as the MGA is already committed to maintaining a drought reserve within the Basin.

R2. By December 31, 2022, local water districts should jointly publish an integrated drought-resilience action plan that includes essential infrastructure improvements, estimated costs and schedule to complete improvements that will deliver drought resilience to the Mid-County Groundwater Basin, the City of Santa Cruz, and the Santa Margarita Basin by December 31, 2029. Agencies to respond are the San Lorenzo Water District, the Scotts Valley Water District, the City of Santa Cruz Water Department, the Soquel Creek Water District, the Santa Margarita Groundwater Management Agency, and the Mid-County Groundwater Management Agency.

__ **HAS BEEN IMPLEMENTED –** summarize what has been done

__ **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE –** summarize what will be done and the timeframe

__ **REQUIRES FURTHER ANALYSIS –** explain the scope and timeframe (not to exceed six months)

_X_ **WILL NOT BE IMPLEMENTED –** explain why

Required response explanation, summary, and timeframe:

Cross-agency collaboration towards regional water supply security has been ongoing for decades. This is documented in publicly available resources, which include the following:

- Individual water agency Urban Water Management Plans, water supply plans, and associated studies
- The Groundwater Sustainability Plans for MGA and SMGWA which feature projects developed by several partner agencies
- Agreements put in place to promote collaborative work including those for water transfers and operational studies between the City of Santa Cruz and Soquel Creek Water District, and a Memorandum of Understanding between the County of Santa Cruz, the City of Santa Cruz, San Lorenzo Valley Water District, and Scotts Valley Water District to investigate options for conjunctive use
- The Integrated Regional Water Management Plan for Santa Cruz County
- The Annual Water Resources Status Report produced by the County of Santa Cruz with updates on all the major water management programs throughout the County.

Neither the water supply agencies, nor the MGA and SMGWA, have the staff, money, or bandwidth to develop the proposed action plan. Further, the plan would be duplicative of existing efforts and not provide any tangible benefit to the taxpayers/ratepayers that would be funding it.

R3. By December 31, 2022, local water districts should jointly publish an integrated recycled wastewater action plan that specifies the infrastructure improvements, expected costs, and construction schedule that will fully utilize existing wastewater sources by December 31, 2026. Responding agencies are the Scotts Valley Water District, the City of Santa Cruz Water Department, the Soquel Creek Water District, the Central Water District, the Mid-County Groundwater Management Agency, the Pajaro Valley Water Management Agency, and the City of Watsonville Water Division.

__ **HAS BEEN IMPLEMENTED –** summarize what has been done

__ **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE –** summarize what will be done and the timeframe

__ **REQUIRES FURTHER ANALYSIS –** explain the scope and timeframe (not to exceed six months)

_X_ **WILL NOT BE IMPLEMENTED –** explain why

Required response explanation, summary, and timeframe:

Extensive work is underway by partners of the MGA to study the best opportunities to use recycled wastewater to achieve groundwater sustainability and provide the water supply agencies with water supply security. The MGA's Groundwater Sustainability Plan includes several recycled water projects in addition to Pure Water Soquel, which is already in the construction phase. The City of Santa Cruz Water Department is continuing to explore recycled water as part of their Water Supply Augmentation Strategy and are working with an engineering firm to study possible projects in collaboration with Soquel Creek Water District and Scotts Valley Water District.

The timeline for an integrated report as proposed in this recommendation is premature, as the regulatory landscape under which recycled water projects are permitted is expected to change to allow Direct Potable Reuse projects. Further, the studies underway by the water agencies are needed before any such plan can be finalized. And finally, this proposal is unnecessary as the agencies that can and should be engaged in recycled water project development are already working together.