



DATE: August 19, 2025

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Authorizing the City Manager to Execute Amendment No. 1 to the East Bay Plain Subbasin Groundwater Sustainability Plan Implementation Agreement between the City of Hayward and East Bay Municipal Utility District

RECOMMENDATION

That Council adopt a resolution (Attachment II) authorizing the City Manager to execute Amendment No. 1 to the Agreement with East Bay Municipal Utility District (EBMUD) for the Implementation of the East Bay Plain Subbasin (EBP Subbasin) Groundwater Sustainability Plan (GSP) jointly prepared by the City and EBMUD.

SUMMARY

The amended agreement includes a revised scope of work that will allow the City of Hayward (City) and EBMUD to prepare the required EBP Subbasin GSP Periodic Evaluation (annual report) and Amendment (5-yr report). In addition, the scope of work includes addressing the Department of Water Resources' (DWR) recommended corrective actions to the 2022 EBP Subbasin GSP, incorporating GSP implementation updates, and performing technical analyses. The work effort will also cover services to support EBMUD's installation of shallow monitoring wells near creeks, which are required as part of GSP to fill data gaps. The amendment work activities will be jointly funded by the City and EBMUD. EBMUD will fully fund the \$105,900 task related to installing shallow monitoring wells since they are all located within EBMUD's service area. The remaining tasks, totaling \$348,664, will be 35% (\$122,032) funded by the City and 65% (\$332,532) funded by EBMUD.

BACKGROUND

In response to extreme drought conditions and unprecedented low groundwater levels, Governor Jerry Brown signed three pieces of legislation in 2014, which are collectively referred to as the Sustainable Groundwater Management Act (SGMA) and created a statewide framework for sustainable, local groundwater management in California. As part of SGMA, local agencies in high- and medium-priority basins are required to form Groundwater Sustainability Agencies (GSAs) that have authority and responsibility for

developing and implementing GSPs. The EBP Subbasin, which in part underlies the City, and in part underlies EBMUD's service area, was deemed a medium-priority basin and subject to SGMA requirements. In June 2017, the State formally designated the City as the GSA for the portion of the EBP Subbasin that underlies the City. A primary responsibility of a GSA is to develop and implement a GSP to demonstrate that the Subbasin will be sustainably managed within twenty years of implementation of the GSP without adverse impacts.

The City and EBMUD entered into a Cooperating Agreement in June 2018 (subsequently amended three times) to work together to develop a single GSP for the entirety of the EBP Subbasin. This collaboration reduced duplication of technical work, improved communication with stakeholders across the entire EBP Subbasin, and resulted in a robust and effective GSP. Hayward City Council and the EBMUD Board of Directors adopted the GSP for the EBP Subbasin on December 7 and December 14, 2021, respectively, and it was submitted to DWR on January 26, 2022.

The Cooperating Agreement anticipated the possibility of grant funding from DWR to expand on the original scope of work set forth in the Agreement. EBMUD and DWR entered into agreements for Proposition 1 and Proposition 68 grant funds totaling \$1,758,000 which have been expended for additional monitoring and analysis, as well as developing a publicly accessible data management system.

It was also anticipated that a subsequent agreement would be developed and executed to address the governance structure, decision-making procedures, and allocation of costs, and responsibilities relative to implementing the GSP to ensure coordinated management and compliance with SGMA. Staff from both agencies worked together to develop an Implementation Agreement that allowed for coordinated management of the EBP Subbasin while protecting each entity's interests.

The City and EBMUD entered into an Implementation Agreement on November 17, 2022, that identified management activities and allocate costs to ensure consistent and effective management of the EBP Subbasin. The activities include: 1) Installing new groundwater monitoring wells and stream gauges as necessary; 2) Monitoring groundwater levels, quality, and local stream flow; 3) Constructing habitat surveys to confirm groundwater dependent ecosystems; 4) Coordinating with local stakeholders, to share information and provide opportunity for input; and 5) Developing and maintaining a publicly accessible data management system.

DISCUSSION

As GSAs for the EBP Subbasin, the City and EBMUD completed a single GSP for the EBP Subbasin and submitted it to DWR on January 26, 2022. DWR approved the GSP in July 2023 with nine recommended corrective actions. The GSAs are implementing the GSP to comply with the SGMA, which includes preparing a periodic evaluation at least once every five years and, and if necessary, amending the GSP. The GSAs have determined that the 2022 GSP will need to be amended to address DWR's corrective actions related to updating

certain sustainable management criteria, which are the metrics that guide groundwater basin sustainability.

In addition to preparing the GSP Periodic Evaluation and Amendment, which are due to DWR by January 31, 2027, the scope of work includes addressing DWR's recommended corrective actions, re-evaluating the number of representative monitoring wells needed, updating the EBP Subbasin groundwater model, and incorporating GSP implementation updates. An additional task includes preparing construction specifications for shallow monitoring wells and overseeing a well drilling contractor to be obtained later under a separate EBMUD contract. Shallow wells are needed as part of GSP implementation to fill data gaps near creeks within EBMUD's service area.

The City and EBMUD worked under a cooperating agreement to prepare the 2022 EBP Subbasin GSP and have been implementing the GSP under an implementation agreement executed on November 17, 2022. The implementation agreement will be amended to include the scope of work, cost sharing, and schedule.

A request for proposals was posted on EBMUD's website and sent to nine firms with expertise in groundwater management and GSP development and implementation. Three firms submitted proposals, and all three firms were short-listed and interviewed. Luhdorff & Scalmanini Consulting Engineers was the firm selected by the City and EBMUD staff based on having the best approach to addressing the scope of work and the team's expertise and familiarity with the EBP Subbasin.

ECONOMIC IMPACT

The GSP provides a strategy for long-term sustainable management of the City's groundwater resources. These actions will benefit the community's economy through improved water supply reliability.

STRATEGIC ROADMAP

This agenda item supports the FY 2025 Strategic Priority 4: Invest in Infrastructure. Specifically, this item relates to the implementation of the following project:

Project N23: Implement Groundwater Sustainability Plan

FISCAL IMPACT

The adopted FY26 CIP budget includes funds in project 07191 for Groundwater Sustainability Plan implementation activities (Water Improvement - Fund 604). There will be no impact on the General Fund.

SUSTAINABILITY FEATURES

The City's role as a GSA, along with its responsibility for preparing and implementing a GSP, provide authority to ensure that the groundwater beneath the City is protected and sustainably managed for the future. A long-term commitment to groundwater sustainability increases overall water supply reliability, maximizes local resources, and diversifies the City's water supply, to help the City respond to future uncertainties and the effects of climate change.

PUBLIC CONTACT

SGMA requires active stakeholder participation in the GSP development and implementation to ensure common understanding and transparency. Key stakeholders in the City include large groundwater users and neighboring agencies such as the Hayward Area Parks and Recreation District, Chabot College, Alameda County, and the Alameda County Water District. The City and EBMUD developed a Stakeholder Communication and Engagement Plan that guides stakeholder outreach and incorporates a broad variety of communication methods. Regular meetings have been conducted with stakeholders and interested parties throughout the development of the 2022 GSP and Annual Updates, and will continue during the development of the 5-yr update.

As noted in this discussion, the proposed Amended Implementation Agreement calls for continued active stakeholder engagement with the established Technical Advisory Committee, Inter-Basin Working Group, and other interested parties, to share information and coordinate Management Actions.

NEXT STEPS

If Council approves the recommended action, staff will execute Amendment No. 1 to the EBP Subbasin GSP Implementation Agreement with EBMUD.

Prepared by: Cheryl Muñoz, Water Resources Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Jayanti Addleman, Interim City Manager