



DATE: April 15, 2025

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Authorizing the City Manager to Execute Amendment No. 4 to the Professional Services Agreement with EKI Environment & Water, Inc. for As-Needed Technical Support Related to Implementation of the Groundwater Sustainability Plan and Increasing the Contract Amount by \$90,000 for a Total Not-to-Exceed Amount of \$235,000

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to amend the Professional Services Agreement (PSA) with EKI Environment & Water, Inc. (EKI) for as-needed technical support related to sustainable groundwater management at a cost of \$90,000, increasing the not-to-exceed (NTE) amount to \$235,000.

SUMMARY

Continued independent groundwater technical support and expertise are needed to implement the adopted Groundwater Sustainability Plan (GSP) and ensure the City's compliance with the provisions of the Sustainable Groundwater Management Act (SGMA). The City entered into a PSA with EKI in January 2021 to provide as-needed technical services. The PSA was amended in July 2021, July 2022, and March 2023 to allow for additional work activities and support for GSP implementation. A fourth amendment to increase the contract amount by \$90,000 is recommended to allow for added support to continue GSP implementation and SGMA compliance. If approved, the additional funding would increase the total not-to-exceed amount to \$235,000.

BACKGROUND

SGMA was enacted in 2014 by the State to provide a framework for comprehensive and sustainable groundwater management within the state. SGMA legislation allows for groundwater management at the local level through various provisions including the formation of Groundwater Sustainability Agencies (GSAs). As part of SGMA, local agencies in High- and Medium-Priority groundwater basins are required to form GSAs that have

authority and responsibility to develop, adopt, and implement a GSP to manage and protect groundwater basins and ensure long-term reliability if these water supplies.

The City overlays a portion of the East Bay Plain Groundwater Subbasin. The remaining portion is within the East Bay Municipal Utility District's (EBMUD) service area. The City and EBMUD each formed GSAs for the portions of the East Bay Plain Groundwater Subbasin which underlays their respective boundaries. The agencies have worked collaboratively to prepare a GSP, which was adopted by the Hayward City Council in December 2021.

The City and EBMUD, with technical consulting assistance, jointly completed a single GSP for the East Bay Plain Subbasin. In accordance with SGMA guidelines, the governing bodies of each agency conducted public hearings and adopted the GSP in December 2021. The GSP was submitted to DWR by the deadline of January 31, 2022. Annual GSP reports are required to be submitted by April 30, each year. The first annual report was submitted in March 2022 and the next is due in April 2025.

Working collaboratively with EBMUD to prepare and implement a single GSP for the entire Subbasin, under the terms and conditions of a Cooperating Agreement, has reduced duplication of technical work and thus the cost to both agencies. The Cooperating Agreement anticipated the use of consulting services. The City and EBMUD jointly selected Luhdorff & Scalmanini Consulting Engineers to provide technical consulting assistance.

Because the City does not currently have staff with extensive groundwater knowledge and experience, staff determined that retaining a consulting firm to provide independent review and technical assistance would help ensure the City's interests are protected. The City solely retained EKI in January 2021 for this purpose. The PSA has been amended three times, in July 2021, June 2022, and March 2023, to provide additional funds for continued technical support. The fourth amendment increases the NTE amount to \$235,000. Staff have identified additional tasks for which technical support will be needed.

DISCUSSION

The Hayward City Council and the EBMUD Board of Directors adopted the East Bay Plain Subbasin GSP in December 2021 and are now in the implementation phase. Implementing the GSP will ensure that the groundwater beneath the City will be managed and protected in such a way that it will remain a long-term reliable source of water for the community, particularly in the event of a water supply emergency.

GSP implementation includes technical work, such as GSP-related groundwater monitoring and preparation of annual reports. Recent work completed by EKI includes participation in technical team meetings, technical support related to well sampling and analysis, compliance with the Governor's Executive Orders, review of project studies and materials, and monitoring data management.

Because GSP- and SGMA-related activities are continuing, and technical support is integral to the City's continued compliance with SGMA, staff recommends the PSA with EKI be

amended to include an additional \$90,000 in funding for a total NTW amount of \$235,000 for ongoing sustainable groundwater management activities through January 2027. The scope of work that would be performed under the amended PSA includes:

- Perform required groundwater monitoring
- Support project and management action implementation
- Support preparation of Water Year 2024 and 2025 Annual Reports
- Support preparation of the GSP Periodic Evaluation (5-Year Update)
- Support GSP stakeholder outreach and engagement efforts
- Review and analyze the impact(s) of any new SGMA-related legislation, executive orders, and regulations
- Review of GSP materials prepared for other basins that are relevant to the City (e.g., Niles Cone Subbasin)

ECONOMIC IMPACT

Costs for implementing the GSP and the other SGMA-related activities are not expected to significantly impact customer water rates. The community could benefit from groundwater actions to achieve sustainability goals and greater diversity and reliability of water supplies, especially in the event of an emergency water supply shortage.

FISCAL IMPACT

The Water Improvement Fund in the Capital Improvement Program (CIP) includes funds for groundwater-related activities such as sustainable groundwater management. The proposed amendment to the City's PSA with EKI will increase the NTE amount by \$90,000. There is sufficient funding in the CIP fund to cover this cost. There is potential for additional costs as SGMA work progresses, and staff will return to Council if more funding is needed. This project has no impact on General Fund.

STRATEGIC ROADMAP

The agenda item is a routine operational matter and does not relate to one of the Council's six Strategic Priorities.

SUSTAINABILITY FEATURES

As a GSA, the City is responsible for the development and implementation of the GSP, including preparation of an annual update to ensure the groundwater under the City is protected and sustainably managed for the future. A long-term commitment to groundwater sustainability increases the City's overall water supply reliability, maximizes local sources, and diversifies the City's potential water supplies.

PUBLIC CONTACT

This Is the first time this routine item is being considered at a public meeting.

NEXT STEPS

If the City Council approves this item, the City Manager will execute the fourth amendment to the PSA with EKI, increasing the amount by \$90,000 for a not-to-exceed amount of \$235,000.

Prepared by: Cheryl Muñoz, Water Resources Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:

A handwritten signature in black ink, appearing to read "Dr. Alvarez", written over a horizontal line.

Dr. Ana M. Alvarez, City Manager