



DATE: May 24, 2022

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Authorizing the City Manager to Execute Amendment No. 2 to the Professional Services Agreement with EKI Environment & Water for As-Needed Technical Support Related to Implementation of a Groundwater Management Plan Increasing the Contract Amount by \$35,000 for a Total Not-to-Exceed Amount of \$95,000

RECOMMENDATION

That the Council adopts a resolution (Attachment II) authorizing the City Manager to amend the Professional Services Agreement (PSA) with EKI Environment & Water (EKI) for as-needed technical support related to sustainable groundwater management at a cost of \$35,000, increasing the total agreement not-to-exceed amount to \$95,000.

SUMMARY

Independent groundwater review and technical expertise are needed to prepare the Groundwater Sustainability Plan (GSP) and to assist with implementation activities, as well as Sustainable Groundwater Management Act compliance. To assist with these activities, the City entered into a PSA with EKI in January 2021 to provide technical services related to sustainable groundwater management. In July 2021, the agreement was amended to provide funds for additional work activities. A second amendment is recommended to allow for additional support for continuing GSP implementation and SGMA compliance. Staff recommends an increase in the agreement amount by \$35,000. If approved, the additional will increase the total agreement amount to \$95,000 for the period of May 2022 – April 2023.

BACKGROUND

SGMA was signed into law in 2014 to provide for comprehensive and sustainable management of groundwater resources within the State. The legislation provides a framework for groundwater management at the local level through formation of Groundwater Sustainability Agencies (GSAs). As part of SGMA, local agencies in Medium and High-priority basins are required to form GSAs that have the authority and responsibility to develop, adopt, and implement a GSP. Under SGMA

guidelines, the City and East Bay Municipal Utility District (EBMUD) each formed GSAs for the portions of the East Bay Plain Groundwater Subbasin (Medium-priority basin) that underlay the City and EBMUD boundaries. As GSAs for the East Bay Plain Subbasin, the City and EBMUD are responsible for developing and implementing a GSP to sustainably manage and utilize groundwater within its management area without causing adverse results.

Upon approval from Council in June 2018, the City entered into an agreement with EBMUD to jointly prepare a single GSP for the entire East Bay Plain Subbasin. Working collaboratively with EBMUD reduced duplication of technical work and thus the cost of preparing a GSP for both agencies. The Cooperating Agreement anticipated the use of outside consultants to assist with the preparation of the GSP, and thus included a preliminary scope of work, project schedule, and budget. Subsequently, the City and EBMUD jointly selected Luhdorff & Scalmanini Consulting Engineers (LSCE) to provide technical consultant assistance. The initial agreement was dated June 25, 2018, and has been amended three times (March 29, 2019, December 22, 2020, and November 16, 2021).

Additionally, the City solely retained EKI to assist with technical groundwater support services to provide independent review and technical expertise to ensure its interests were being protected as the City currently does not have staff with extensive groundwater knowledge and experience.

As the GSAs for the East Bay Plain Subbasin, the City and EBMUD, with technical consulting assistance, completed the GSP. In accordance with SGMA guidelines, both GSAs held public hearings and adopted the GSP in December 2021. The GSAs jointly submitted the GSP to DWR by the required January 31, 2022 deadline. In addition, annual GSP reports are required to be submitted by April 30th of each year. The GSAs prepared and submitted the first GSP annual report in March 2022.

DISCUSSION

Under SGMA, GSAs have specific responsibilities and authorities, including development, implementation, and monitoring of sustainable management actions, and ensuring the management actions are commensurate with sustainability. EBMUD and Hayward retained the services of LSCE to prepare the GSP and to assist with some of the implementation activities, as well as SGMA compliance. Because the City does not have staff with extensive groundwater experience and knowledge, City staff had previously relied on EBMUD staff and the consulting team for assistance. City staff determined that independent review and technical expertise were needed to ensure the City's interests were being protected.

In January 2021, the City entered into a PSA with EKI to provide as-needed groundwater technical support services. In July 2021¹, the City amended the PSA for an additional funds to continue technical support services. Because GSP- and SGMA-related activities are continuing, staff recommends the agreement with EKI be amended to include an additional \$35,000 in funding for a total agreement not-to-exceed amount of \$95,000 for ongoing sustainable groundwater management activities for the period of May 2022 – April 2023 to

¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=5018122&GUID=65E9EA51-514A-43E0-A1E4-3BF3177C01A2&Options=&Search=>

assist in Hayward's compliance with SGMA. Implementation activities will continue over the upcoming years.

ECONOMIC IMPACT

Costs for implementing the GSP and other SGMA-related activities have been estimated and are not expected to significantly impact customer water rates. The community could benefit from groundwater management actions to achieve sustainability goals resulting in greater diversity and reliability of water supplies, especially during water emergency periods.

FISCAL IMPACT

The Water Improvement Fund in the Capital Improvement Program (CIP) includes funds for groundwater-related activities such as sustainable groundwater management. The amendment to the PSA with EKI will increase the contract amount by \$35,000. Staff anticipates this amount will be sufficient for the period of May 2022 through June 2023. There is potential for additional costs as SGMA work progresses; however, none are anticipated at this time.

The following is the Scope for Work for Ongoing SGMA Support:

- Attend Regular Meetings of East Bay Plain Subbasin GSAs
- Support Known GSP Implementation Activities
 - Perform GSP-related Groundwater Monitoring (i.e., fall 2022 and spring 2023 events)
 - Support for responses to GSP-related inquiries/comments
 - Support for WY 2022 Annual Report preparation (report is due April 1, 2023)
- As-needed Technical Support (budget to be used only per specific direction from City, for specific technical issues)
- Support monitoring network expansion efforts
- Support analysis/review of new SGMA-related legislation/regulations/executive orders/etc.
- Support review of GSP materials prepared by other basins, relevant to City (e.g., Niles Cone or other)
- Support Stakeholder Outreach efforts (e.g., prepare materials for and attend as-yet-unscheduled stakeholder meeting(s))

STRATEGIC ROADMAP

This agenda item is a routine operational item 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 of the GSP (approved in December 2022), ongoing GSP implementation activities, as well as preparation of an annual GSP update to ensure the groundwater beneath 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 water supplies, which will help the

City to respond to future water supply uncertainties and the effects of climate change.

PUBLIC CONTACT

This item does not require public contact.

NEXT STEPS

If Council approves this item, the City Manager will execute an amendment to the Professional Services Agreement with EKI increasing the amount by \$35,000 for a not-to-exceed amount of \$95,000.

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 'K. McAdoo', is positioned above a horizontal line.

Kelly McAdoo, City Manager