



Santa Cruz Grand Jury <grandjury@scgrandjury.org>

---

## MGWA Response to Findings and Recommendations

---

Piret Harmon <PHarmon@svwd.org>

Thu, Aug 18, 2022 at 10:32 AM

To: "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>, "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

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

On May 25<sup>th</sup> the Santa Margarita Groundwater Agency (SMGWA) received the Santa Cruz Civil Grand Jury Report: Our Water Account is Overdrawn that included a required response to the findings and recommendations. On June 23<sup>rd</sup> the Board of Directors discussed the matter and determined that: 1) one response would be compiled on behalf of SGMWA; 2) Directors Gail Mahood, Chris Perri and Doug Engfer would work with staff to prepare a draft response for Board consideration at its next meeting; and 3) staff would conduct a survey for all Directors to submit individual responses to be used to prepare the draft response. On July 28<sup>th</sup> the Board approved and authorized staff to submit the response for the Santa Cruz County Civil Grand Jury Report: Our Water Account is Overdrawn Beyond Conservation: Achieving Drought Resilience.

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

Please contact me with any questions.

Respectfully,

Piret Harmon  
Authorized Representative  
Santa Margarita Groundwater Agency  
General Manager  
Scotts Valley Water District  
Direct: 831-600-1902  
Main: 831-438-2363  
[pharmon@svwd.org](mailto:pharmon@svwd.org)

---

 **SMGWA Grand Jury Response Approved 2022-7-28.pdf**  
205K



The 2021–2022 Santa Cruz County Civil Grand Jury  
Requires the

**Board of Directors,  
Santa Margarita 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 July 28, 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](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto: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](mailto:grandjury@scgrandjury.org).**

## Findings

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

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

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

We partially disagree with this finding because, while we agree that the water agencies in Santa Cruz County typically communicate well, we don't agree that the collaboration is "limited and narrow in scope".

The collaboration between agencies is ongoing and expanding. The breadth of collaboration varies depending on the alignment of each individual agency's activities in support of their objectives and strategic work plan. There is a clear trend toward more comprehensive collaboration among larger groups of stakeholders. The proposed projects and management actions in the Santa Margarita Groundwater Agency's (SMGWA) Groundwater Sustainability Plan (GSP) are evidence of the extensive collaboration between San Lorenzo Valley Water District (SLVWD), Scotts Valley Water District (SVWD), the County and the City of Santa Cruz Water Department (SCWD). As initial steps in those collaborations, SVWD and SCWD applied for and received grant funding to construct a pipeline that will enable water supplies to be managed more efficiently across the region, and SLVWD and SCWD signed an agreement to cooperate regarding the process to enable SLVWD to exercise its contractual right to Loch Lomond water and are currently in discussions on how to advance this project. SMGWA is working on the implementation of its GSP agreeing on the approach of advancing a suite of projects (conjunctive use, aquifer storage and recovery, purified recycled water recharge) to be further investigated by SLVWD, SCWD and SVWD.

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

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

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

We agree that water providers typically emphasize conservation and sustainability in their communications with the public, but this is driven by California regulations requiring water purveyors to implement water shortage contingency plans. In reality, achieving drought resilience is a natural outgrowth of water shortage contingency planning and sustainability planning.

The mandate of Groundwater Sustainability Agencies such as SMGWA as defined by the Sustainable Groundwater Management Act (SGMA) of 2014 is, first and foremost, to ensure groundwater sustainability. That said, the GSP developed by SMGWA includes a number of potential projects that would also improve drought resilience. This is because the climate scenario used in modeling groundwater conditions in the Santa Margarita basin for the next 20-50 years includes extended dry periods. Thus, all the projects are or will be modeled and evaluated in the context of their resiliency to drought.

The planning process used in developing the GSP was noticed to the public at great expense and effort, and open for public comment every step of the way. The public was informed and encouraged to participate not only at SMGWA Board meetings but at various public and community outreach events that allowed for open dialogue and conversation.

Drought resilience will no doubt be a positive by-product of implementation of projects in the GSP, and, as SMGWA moves forward with eliciting public input on the projects, planning for drought resilience will be a major component of the agency's communications.

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

- 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.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

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

We agree that the Groundwater Sustainability Agencies in the County cannot focus their resources on County-wide strategies. They could participate in regional or County-wide projects to the extent such projects benefit the groundwater basins and are consistent with agencies' mission under the Sustainable Groundwater Management Act.

Regardless of their lacking the charters, staff and resources, the Mid-County Groundwater Agency (MGA) and Santa Margarita Groundwater Agency are joint unions of multiple public agencies, small water systems, and private well owners, all of whom are affected by climate conditions. As such, they have considered and will continue to consider how their collective actions might address and mitigate drought impacts.

Several of the proposed management actions in the Groundwater Sustainability Plan recently adopted by SMGWA involve regional collaborations that address drought resilience -- in particular the proposed projects to use the Lompico aquifer as a drought supply storage for the City of Santa Cruz and to use wastewater generated at Santa Cruz Wastewater Reclamation Facility and further treated by Soquel Creek Water District to augment groundwater supplies in the Santa Margarita basin.

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

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

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



**Invited responses on additional findings by SMGWA representative, Piret Harmon**

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

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

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

Local water agencies and groundwater sustainability agencies are making substantial progress on tackling the challenging set of water storage and delivery infrastructure issues. They are doing so through a number of inter-agency collaborations; however, the urgency assigned to drought storage and the priorities of local water agencies vary based on their specific supply sources and technical challenges, making an over-arching, county-wide infrastructure neither desirable nor likely to be achievable.

**F3.** Interdistrict water sharing plans spanning North County and Mid-County that could benefit all residents have existed since 2015 and deserve to be accelerated.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

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

Acceleration and expansion of various water sharing plans must be considered in the context of mutual benefit, cost effectiveness and practicability. Also, it is important to note that not all residents are served by the public water agencies. Such water users are very likely the most vulnerable in severe drought conditions and it is notable that MGA and SMGWA have included private pumpers as key stakeholders in working towards a sustainable groundwater supply.

**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**
- PARTIALLY DISAGREE**
- DISAGREE**

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

Establishing a strategic groundwater reserve is well-understood in principle, but many studies and tests are required before any particular aquifer storage and recovery (ASR) project can be deemed achievable. SCWD is currently in the recovery phase of an ASR demonstration project in which excess winter surface flows were injected into Beltz wells #8 and #12. Much has been learned, and much remains to be learned about the ongoing feasibility of ASR in the Mid-County groundwater basin. Studies of creating drought storage in the over-drafted Lompico aquifer in the Santa Margarita groundwater basin are in an early stage but advancing feasibility studies is a high priority for SMGWA. The practicability of any particular ASR project will need to be assessed in comparison with alternative solutions that are also being evaluated.

An important initial step in fully implementing ASR projects in the Santa Margarita and Mid-County basins is the approval of petitions by SCWD and SLVWD before the California Water Resources Control Board to modify their water rights, changing points of diversion and places of use. This will allow water supplies to be managed regionally and more efficiently, which can support a variety of conjunctive use projects, including ASR.

## 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)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The Sustainable Groundwater Management Act of 2014 provides a list of powers that SMGWA and MGA may exercise with the objective of achieving groundwater sustainability in the basin of their particular jurisdiction. Such authority includes the ability to collaborate on drought resiliency projects to the extent such projects benefit the groundwater basins and are consistent with SMGWA's and MGA's purpose and jurisdiction as groundwater sustainability agencies. As documented in the SMGWA charter and guiding principles, it plans to work collaboratively with its member and partner agencies to achieve groundwater sustainability and, through this, drought resilience in the long run.

SMGWA and MGA are public agencies and offer ample opportunities for public to provide input to their governing bodies on defining and prioritizing issues that would serve and benefit the stakeholders.

Achieving groundwater sustainability in itself is an ambitious task that by and large is an unfunded mandate. Neither SMGWA nor MGA have dedicated staff or permanent funding sources beyond the ratepayers of local water purveyors. The groundwater sustainability agencies have neither the legal mandate nor the human and financial resources to add the task of proactively delivering drought-resilience project planning and execution to its portfolios.

**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)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Developing the suggested integrated plan would be expensive and time-consuming, requiring extensive political and legal frameworks, public education and input, planning and environmental documents and much more. It would not be an appropriate use of staff time and ratepayers/taxpayers money.

The individual water agencies are already implementing projects for each respective jurisdiction as well as working on plans to collaborate and cooperatively link the districts together via projects that are feasible. Through the various water agencies participation in SMGWA and MGA, they already have made significant contributions toward prioritizing a list of potential projects set forth in their groundwater sustainability plans. The lists include high-level regional programs and projects that would have drought resiliency benefits.