



## MEMORANDUM

**TO: CITY COUNCIL**

**FROM: TERESA MCCLISH, COMMUNITY DEVELOPMENT DIRECTOR**

**SUBJECT: CONSIDERATION OF AMENDMENT NO. 5 TO THE AGREEMENT FOR CONSULTANT SERVICES WITH WATER SYSTEMS CONSULTING INC. TO SUPPORT THE PREPARATION OF THE NORTHERN CITIES MANAGEMENT AREA 2013 ANNUAL MONITORING REPORT AND TO DEVELOP A WATER SUPPLY, PRODUCTION AND DELIVERY PLAN**

**DATE: APRIL 8, 2014**

### **RECOMMENDATION:**

It is recommended that the City Council approve and authorize the Mayor to execute Amendment No. 5 to the Consultant Services Agreement with Water Systems Consulting, Inc. ("WSC").

### **IMPACT TO FINANCIAL AND PERSONNEL RESOURCES:**

The direct cost to produce the annual groundwater monitoring report is \$203,897, which is shared among several agencies. The City is responsible for approximately 31% or \$67,148, which is paid from the Water Fund. The FY 2013-14 budget contains \$78,000 for this purpose. This amendment would increase the City's cost by \$5,270 related to the annual report and \$10,593 for the preparation of the water supply, production and delivery plan, bringing the total cost to \$83,011. The Water Fund's budget contains available contractual services funding to cover the additional \$5,011 necessary.

### **BACKGROUND:**

The City has continued to participate with neighboring jurisdictions in the preparation of required reports and studies concerning the management of the Santa Maria Groundwater Basin. For the last three years, the City has contracted with WSC Consultants to provide engineering and water resource technical services in order to meet court ordered requirements for the Santa Maria Groundwater Basin, as well as for overall water resource conjunctive use opportunities. Water sampling and preparation of the annual report is required by the Court's decision in the Santa Maria Groundwater Basin Adjudication. Staff has participated with other staff from neighboring jurisdictions to form the Northern Cities Management Area Technical Advisory Group ("NCMA") in order to coordinate these water management activities.

### **ANALYSIS OF ISSUES:**

In 2008, a water balance study of the groundwater basin conducted by Todd Engineers indicated a need to implement a monitoring and reporting program. The program was recommended as a way to more efficiently manage the condition of the water supply in the groundwater basin.

## **CITY COUNCIL**

### **CONSIDERATION OF AMENDMENT NO. 5 TO THE AGREEMENT FOR CONSULTANT SERVICES WITH WATER SYSTEMS CONSULTING INC. TO CONDUCT QUARTERLY WATER SAMPLING, PREPARATION OF THE NORTHERN CITIES MANAGEMENT AREA 2013 ANNUAL MONITORING REPORT AND THE DEVELOPMENT OF A WATER SUPPLY PRODUCTION AND DELIVERY PLAN**

**APRIL 8, 2014**

WSC's proposal for ongoing support services to the NCMA Technical Group includes contract coordination and administration and providing necessary technical analysis in support of the annual report.

Due to opportunities for grant funding, as well as the need for strategic planning due to drought conditions, WSC has been providing an additional level of service. Specifically, WSC has provided coordination and analysis for the NCMA as regards grants awarded for the regional recycled water project and the Santa Maria Groundwater Basin Characterization Study through the County's Integrated Regional Water Management Plan. Additionally, WSC continues to provide services related to drought impact analysis and the development of a draft Strategic Plan.

Additional work requested by the Technical Group in response to drought conditions is the development of a water supply production and delivery plan. The plan would provide the NCMA with a coordinated water production and delivery strategy that will allow optimization of current sources of supply and maximization of stored water for potential future dry years. The goal is to coordinate with neighboring jurisdictions to minimize groundwater pumping by utilizing other supply most efficiently in order to protect the groundwater supply.

Staff plans to bring forward the annual report and Technical Group's Strategic Plan in May, which will provide comprehensive recommendations on how to address the City's long-term water needs. However, due to timeliness regarding ongoing work and the urgent need for the water supply production and delivery plan, staff is requesting the contract amendment for these services at this time.

#### **ALTERNATIVES:**

The following alternatives are provided for the Council's consideration:

- Approve an amendment to the Agreement with WSC Consultants in the amount of \$15,863 for groundwater management and technical studies related to the NCMA;
- Do not approve an amendment to the Agreement with WSC; or
- Provide staff direction.

#### **ADVANTAGES:**

WSC has provided valuable expertise for the NCMA Technical Group, including providing quality assurance/quality control for the annual report, agency coordination and grants administration for the NCMA agencies. The water supply, production and delivery plan for the NCMA will allow evaluation of water production and delivery strategies to protect the groundwater basin and maximization of stored water for future years.

**CITY COUNCIL**

**CONSIDERATION OF AMENDMENT NO. 5 TO THE AGREEMENT FOR CONSULTANT SERVICES WITH WATER SYSTEMS CONSULTING INC. TO CONDUCT QUARTERLY WATER SAMPLING, PREPARATION OF THE NORTHERN CITIES MANAGEMENT AREA 2013 ANNUAL MONITORING REPORT AND THE DEVELOPMENT OF A WATER SUPPLY PRODUCTION AND DELIVERY PLAN**

**APRIL 8, 2014**

**DISADVANTAGES:**

By approving the amended agreement, the City will need to pay its share of the cost, which is approximately 31% according to the Arroyo Grande Groundwater Basin Management Agreement.

**ENVIRONMENTAL REVIEW:**

No environmental review is required for this item.

**PUBLIC NOTIFICATION AND COMMENTS:**

The Agenda was posted in front of City Hall on Thursday, April 3, 2014. The Agenda and staff report were posted on the City's website on Friday, April 4, 2014. No public comments were received.

**CONSULTANT SERVICES AGREEMENT**

**AMENDMENT NO. 5**

This Fifth Amendment ("Fifth Amendment") to Consultant's Services Agreement ("CSA") by and between the CITY OF ARROYO GRANDE and **WATER SYSTEMS CONSULTING INC. (WSC)**, is made and entered into this \_\_\_\_\_ day of April, 2014 based on the following facts:

**WHEREAS**, the parties entered into a CSA dated March 16, 2010 to provide as-needed staff extension services to the Northern Cities Management Area Technical Advisory Committee (NCMA); and

**WHEREAS**, the parties entered into a First Amendment to CSA dated September 26, 2011 to continue to provide support services to the Northern Cities Management Area Technical Group; and

**WHEREAS**, the parties entered into a Second Amendment to CSA dated September 25, 2012 to continue to provide support services to the Northern Cities Management Area Technical Group; and

**WHEREAS**, the parties entered into a Third Amendment to CSA dated January 22, 2013 for additional costs related to associated technical support for coordinated management of the groundwater basin; and

**WHEREAS**, the parties entered into a Fourth Amendment to CSA dated September 10, 2013 for additional costs related to associated technical support for to coordinated management of the groundwater basin; and

**WHEREAS**, the parties desire to further modify the CSA as set forth herein.

**NOW THEREFORE**, for valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The CSA is amended to include the additional services at the increased cost related to the 2013 Annual Report, related coordinated technical support, and preparation of a water supply, production and delivery plan as specified in Exhibits "A" and "B" attached hereto and incorporated herein by this reference.
2. The term of the CSA shall expire on September 10, 2014.
3. Except as modified herein, all other terms and conditions set forth in the CSA, as amended, shall remain unchanged and in full force and effect.

**IN WITNESS WHEREOF**, CITY and **CONSULTANT** have executed this Fifth Amendment the day and year first above written.

**WATER SYSTEMS CONSULTING INC.**

By: \_\_\_\_\_

**CITY OF ARROYO GRANDE**

By: \_\_\_\_\_

**Tony Ferrara  
Mayor**



3/10/2014

Northern Cities Management Area Technical Group  
Oceano Community Services District  
City of Arroyo Grande  
City of Grover Beach  
City of Pismo Beach

**SUBJECT: CONTRACT AMMENDMENT NO. 1 TO PROVIDE SUPPORT SERVICES FOR THE NORTHERN CITIES  
MANAGEMENT AREA TECHNICAL GROUP FOR FY 2013-14**

Dear NCMA TG Member Agencies,

This letter is intended to serve as an amendment to the Consultant Services Agreements by and between Water Systems Consulting, Inc. (WSC) and the Oceano Community Services District (OCSD) and the Cities of Arroyo Grande, Grover Beach and Pismo Beach, to provide ongoing support services to lead various technical and managerial activities in support of the Northern Cities Management Area Technical Group (NCMA TG) for FY 2013-14.

### **Task 1. Staff Extension**

WSC's base scope of work for providing Staff Extension Services for the Northern Cities was anticipated to include the following activities.

- Organize and lead NCMA TG meetings
- Attend Zone 3 TAC meetings on behalf of the NCMA TG
- Review analysis and recommendations for the items on the committee agendas
- Advise on proposals by the County
- Provide additional research and options as-needed
- Provide independent technical review of various work products
- Provide as-needed technical and/or managerial support
- Participate and coordinate regional water management activities on behalf of the NCMA TG
- Provide Annual Report Project Management, including:
  - Contract coordination and administration
  - Management of project budget and schedule
  - Coordination with the consultant(s) and NCMA member agencies to set meetings, obtain data, and maintain project progress
  - Technical review of consultant deliverables
  - City Council and Board of Directors presentations

Due to active leadership and participation in the following initiatives, WSC's level of effort to support the NCMA TG has exceeded projections for this point of the contract.

NCMA TG Initiatives:

- SLO County IRWM Plan Update Project Solicitation

- NCMA TG Strategic Planning
- Drought Impact Analysis

As of the end of February 2014, 22% of the contract balance is remaining, whereas 33% of the contract duration remains. To continue providing an equivalent level of staff extension services for the remainder of FY 2103/14 will cause WSC to exceed the original contract value. It is proposed that the contract amount for Task 1 of the FY 2013/14 Staff Support Services Contract be amended from \$79,000 to \$96,000, an increase of \$17,000, to allow WSC to continue to provide the desired level of service for the NCMA TG. Alternatively, the scope of services for the remainder of the FY 2013/14 Staff Extension Services could be reduced to the minimum scope allowed to complete the contract on-budget.

**Fee**

The contract amendment for Extension Services is shown in Table 1 below and are divided amongst the OCSD and the Cities of Arroyo Grande, Grover Beach, Pismo Beach based on SMGB groundwater allocation (including ag conversions), see Table 2 below.

**Table 1. Cost Share – NCMA Staff Support Services**

Task Description	Split Based on GW Allocation
Task 1 Amendment	\$17,000
Agency Cost Share	
Arroyo Grande	\$5,270.00
Grover Beach	\$5,440.00
OCSD	\$3,570.00
Pismo Beach	\$2,720.00

**Table 2. Groundwater Allocation Calculations**

	Initial Groundwater Allocation (AFY)	Ag Conversion Credits (AFY)	Current Groundwater Allocation (AFY)	Fraction of Groundwater Allocation
Arroyo Grande	1,202	121	1,323	0.31
Grover Beach	1,198	209	1,407	0.32
OCSD	900		900	0.21
Pismo Beach	700		700	0.16
Total	4,000		4,330	

We appreciate this opportunity to be of service, and look forward to supporting your ongoing efforts. If you have any questions or would like to discuss this amendment, please call Jeff at (805) 457-8833, ext. 101 or Dan at ext. 104.

Sincerely,

Water Systems Consulting, Inc.



Jeffery M. Szytel, P.E., MBA  
Principal



Daniel Heimel, P.E., M.S.  
Project Engineer

Approved and Accepted by:

**Oceano Community Services District**

**City of Arroyo Grande**

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Lonnie Curtis  
General Manager

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Teresa McClish  
Director of Community Development

**City of Grover Beach**

**City of Pismo Beach**

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Greg Ray  
Director/City Engineer

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Benjamin Fine  
Director/City Engineer





3/10/2014

Northern Cities Management Area Technical Group  
Oceano Community Services District  
City of Arroyo Grande  
City of Grover Beach  
City of Pismo Beach

**SUBJECT: PROPOSAL TO PREPARE A FY 14/15 WATER SUPPLY, PRODUCTION AND DELIVERY PLAN  
FOR THE NORTHERN CITIES**

Dear Northern Cities Management Area Technical Group,

As requested at the February 10, 2014 Northern Cities Management Area Technical Group (NCMA TG) Meeting, WSC has prepared the following proposal to develop a FY 14/15 Water Supply, Production and Delivery Plan (Plan) for the Northern Cities. The purpose of the Plan is to provide the Northern Cities with a coordinated water production and delivery strategy that will allow them to optimize the use of their current sources of supply and maximize stored water for potential future dry years. The Plan will be developed through an analysis of available water supply, seasonal demand, production capacity and intertie and turnout capacity for the Northern Cities.

Hydrologic conditions in 2013 were the driest in the period of record for San Luis Obispo County (1870-Present) and in many other areas throughout California. These unprecedented conditions have caused Governor Edmund G. Brown Jr. to declare a drought state of emergency and the Department of Water Resources (DWR) to lower the State Water Project (SWP) Table A Allocation from 5 percent to zero. Locally, below average rainfall in four out of the previous six years, has led to groundwater levels within the NCMA that are similar to those observed in 2009, when seawater intrusion was detected in one of the NCMA TG's coastal monitoring wells.

Given these conditions, the Northern Cities want to evaluate water production and delivery strategies to protect their groundwater basin and maximize stored water for future years. To develop the plan, WSC proposes the attached scope of work, schedule and fee estimate. If you have any questions please contact us at (805) 457-8833; Jeff is at ext. 101 and Dan is at ext. 104. You can also email us at [jszytel@wsc-inc.com](mailto:jszytel@wsc-inc.com) or [dheimel@wsc-inc.com](mailto:dheimel@wsc-inc.com).

Sincerely,

Water Systems Consulting, Inc.

A handwritten signature in black ink, appearing to be 'JS' with a stylized flourish.

Jeffery Szytel, PE, MBA  
Principal

A handwritten signature in black ink, clearly legible as 'Daniel Heimel'.

Daniel Heimel, PE  
Project Manager

Enclosures:

Attachment 1. Scope of Work

Attachment 2. Fee Estimate

Attachment 3. Schedule

**Attachment 1. Scope of Work**

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**Task 0.0 PROJECT MANAGEMENT/MEETINGS**

**0.1 Progress reports**

- Prepare progress reports to be submitted with each monthly invoice. The reports will include a summary of activities accomplished in the current month.

***Deliverable: WSC will prepare monthly project invoices, including activities summary.***

**0.2 Data Request**

- Prepare a data request log to track data sets requested from the Northern Cities. It is anticipated that the data request will include: detailed production data, tank operating set points, system mapping, etc.
- Maintain the data request log as items are provided by the Northern Cities or as new items are identified.

**0.3 Delivery Scenario Workshop**

- Plan, schedule and lead a workshop to evaluate supply and capacity constraints for the Northern Cities and to identify potential water delivery scenarios for the Northern Cities. Workshop will include the following elements:
  - (1) Available and Supplemental Supply Options
  - (2) Seasonal Demand Projections
  - (3) Hydraulic Capacity Results
  - (4) Potential Transfer/Exchange Opportunities
  - (5) Potential Delivery Scenarios
  - (6) Cost Share Mechanisms
- Budget is based on a 3-hour meeting attended by WSC's Principal and Associate Engineer.

***Deliverable: WSC will provide agenda and meeting materials at least three (3) working days prior to the meeting and will provide notes with action items within one (1) week following the meeting.***

**0.4 Deliverable Review Meeting: Draft FY 14/15 Water Supply, Demand and Delivery Plan TM**

- Plan, schedule and lead a meeting to review the draft FY 14/15 Water Supply, Production and Delivery Plan TM. Budget is based on a 1.5-hour meeting attended by WSC's Principal and Associate Engineer.

***Deliverable: WSC will provide agenda and meeting materials at least three (3) working days prior to the meeting and will provide notes with action items within one (1) week following the meeting.***

**0.5 Quality Assurance / Quality Control (QA/QC)**

- WSC will provide comprehensive quality control of the work items being prepared for delivery to the Northern Cities.

**Task 1.0 SUPPLY/DEMAND EVALUATION****1.1 Supply Description**

- Quantify available groundwater and surface water supplies for the Northern Cities based on published documents and current agreements.

**1.2 Demand Quantification**

- Analyze historic demands and develop seasonal demand estimates for each of the Northern Cities based on each agency's recent production data, recent master plan and/or Urban Water Management Plan.

**Task 2.0 CAPACITY EVALUATION****2.1 Arroyo Grande/Grover Beach Intertie Evaluation**

- Utilize the hydraulic models for the City of Arroyo Grande and Grover Beach to develop estimates of potential delivery through the Arroyo Grande/Grover Beach intertie. The budget assumes development of three (3) scenarios for evaluating the capacity of the intertie.
- It assumed that the both models are sufficiently up to-date and calibrated to perform the required analysis. Scope does not include budget to update or calibrate the model.

**2.2 Arroyo Grande/Grover Beach Intertie Testing**

- Develop a testing plan to evaluate the capacity of the intertie between Arroyo Grande and Grover Beach.
- Field testing to evaluate the capacity of the intertie between Arroyo Grande and Grover Beach. It is envisioned that the testing will include evaluation of system pressure under three different hydraulic grade line (HGL) scenarios.
  - (1) Performing the intertie testing will require collection of pressure and flow data (if available) across the intertie, manipulation of tank levels for the City of Arroyo Grande and Grover Beach and assistance from operations staff.
- Utilize the City of Arroyo Grande's Hydraulic Model to estimate the flow rate that could be achieved through the Arroyo Grande/Grover Beach intertie.

**2.3 Grover Beach Turnout Evaluation**

- Utilize the City of Grover Beach's hydraulic model to develop estimates of potential increased delivery capacity through the installation of a temporary pump at the City's turnout on the Lopez Pipeline. Assumes evaluation of two scenarios (i.e. pump sizes) for increased delivery through the turnout. Analysis will be limited to development of estimates of increased capacity and will not include design for pump installation.
- It assumed that the City's model is sufficiently up to-date and calibrated to perform the required analysis. Scope does not include budget to update or calibrate the model.

**Task 3.0 DELIVERY SCENARIOS**

**3.1 Baseline Production & Delivery**

- Develop a Baseline Product & Delivery scenario for water production and delivery for FY 14/15 that incorporates current operating procedures. Baseline scenario will include a description of the sources of water, and a monthly schedule for the production and delivery of the water.

**3.2 Groundwater Pumping Minimization**

- Develop a Groundwater Pumping Minimization scenario for water production and delivery for FY 14/15 that incorporates operational changes (i.e. Arroyo Grande/Grover Beach Intertie, Temporary Pump at Grover Beach Turnout) to increase surface water delivery to Grover Beach. Baseline scenario will include a description of the sources of water, and a monthly schedule for the production and delivery of the water.

**3.3 Cost Sharing**

- Develop and evaluate cost sharing mechanisms to allow water and operational costs to be shared amongst the participating agencies.

**Task 4.0 FY 14/15 WATER SUPPLY, PRODUCTION AND DELIVERY PLAN**

**4.1 Draft FY 14/15 Water Supply, Production and Delivery Plan TM**

- Prepare Draft FY 14/15 Water Supply, Production and Delivery Plan TM that summarizes the information obtained in Task Error! Reference source not found.0 and Error! Reference source not found. and the analysis completed in Error! Reference source not found., 3.0, and 4.0.

***Deliverable: Draft FY 14/15 Water Supply, Production and Delivery Plan TM***

**4.2 Final FY 14/15 Water Supply, Production and Delivery Plan TM**

- Prepare Final FY 14/15 Water Supply, Production and Delivery Plan TM based on comments received from the Northern Cities on the Draft FY 14/15 Water Supply, Production and Delivery Plan TM.

***Deliverable: Final FY 14/15 Water Supply, Production and Delivery Plan TM***

Northern Cities Management Area Technical Group  
 FY 14/15 Water Supply, Production and Delivery Plan  
 Fee Estimate  
 3/10/2014



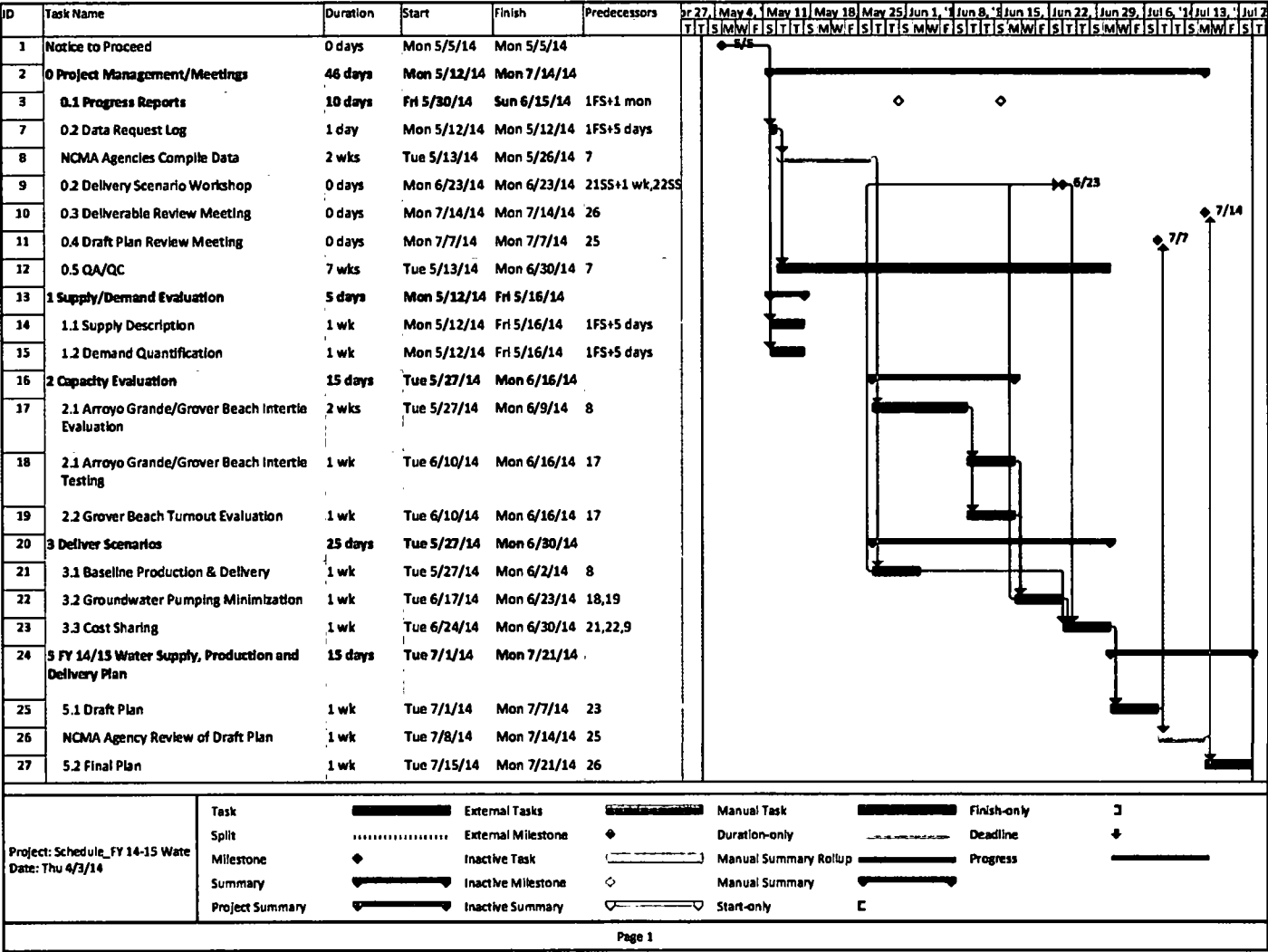
Task No.	Task Description	WSC								
		Principal	Senior Engineer III	Associate Engineer II	Staff Planner II	Clerical/Admin	Total Labor Hours	Total Labor	Expenses	Fee
<b>0</b>	<b>Project Management/Meetings</b>	<b>7</b>	<b>10</b>	<b>19</b>	<b>0</b>	<b>3</b>	<b>39</b>	<b>\$ 7,335</b>	<b>\$300</b>	<b>\$7,635</b>
0.1	Progress Reports			3		3	6	\$ 720	\$0	\$720
0.2	Data Request Log			4			4	\$ 640	\$0	\$640
0.3	Delivery Scenario Workshop	4		8			12	\$ 2,340	\$100	\$2,440
0.4	Deliverable Review Meeting	3		4			7	\$ 1,435	\$100	\$1,535
0.5	QA/QC		10				10	\$ 2,200	\$100	\$2,300
<b>1</b>	<b>Supply/Demand Evaluation</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>14</b>	<b>\$ 2,330</b>	<b>\$100</b>	<b>\$2,430</b>
1.1	Supply Description			4	2		6	\$ 920	\$0	\$920
1.2	Demand Quantification	2		2	4		8	\$ 1,410	\$100	\$1,510
<b>2</b>	<b>Capacity Evaluation</b>	<b>3</b>	<b>8</b>	<b>42</b>	<b>0</b>	<b>0</b>	<b>53</b>	<b>\$ 9,275</b>	<b>\$500</b>	<b>\$9,775</b>
2.1	Arroyo Grande/Grover Beach Intertie Evaluation	1	4	18			23	\$ 4,025	\$200	\$4,225
2.2	Arroyo Grande/Grover Beach Intertie Testing	1		12			13	\$ 2,185	\$100	\$2,285
2.3	Grover Beach Intertie Evaluation	1	4	12			17	\$ 3,065	\$200	\$3,265
<b>3</b>	<b>Delivery Scenarios</b>	<b>6</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>0</b>	<b>42</b>	<b>\$ 7,350</b>	<b>\$400</b>	<b>\$7,750</b>
3.1	Baseline Production & Delivery Scenario	2		16			18	\$ 3,090	\$200	\$3,290
3.2	Groundwater Pumping Minimization Scenario	2		12			14	\$ 2,450	\$100	\$2,550
3.3	Cost Sharing	2		8			10	\$ 1,810	\$100	\$1,910
<b>4</b>	<b>FY 14/15 Water Supply, Production and Delivery Plan</b>	<b>4</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>\$ 6,180</b>	<b>\$400</b>	<b>\$6,580</b>
4.1	Draft FY 14/15 Water Supply, Production and Delivery Plan TM	2		16			18	\$ 3,090	\$200	\$3,290
4.2	Final FY 14/15 Water Supply, Production and Delivery Plan TM	2		16			18	\$ 3,090	\$200	\$3,290
	<b>Column Totals</b>	<b>22</b>	<b>18</b>	<b>135</b>	<b>6</b>	<b>3</b>	<b>184</b>	<b>\$ 32,470</b>	<b>\$1,700</b>	<b>\$34,170</b>

Attachment 2. Fee Estimate

Attachment 2. Fee Estimate

3/10/2014

Attachment 3. Schedule



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