



Santa Clara Valley Water District

File No.: 20-0099

Agenda Date: 4/28/2020

Item No.: 3.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve Amendment No. 6 to Agreement No. A3741G, with Errol L. Montgomery & Associates, Inc., for Professional Consultant Services Related to a Groundwater Charge Zone Study (Groundwater Benefit Zone Study), Project No. 91041018, Increasing the Fee by \$50,000 for a Total Revised Not-To-Exceed Fee of \$613,547.

RECOMMENDATION:

Approve Amendment No. 6 to Agreement No. A3741G, with Errol L. Montgomery & Associates, Inc., for Professional Consultant Services Related to a Groundwater Charge Zone Study (Groundwater Benefit Zone Study), Increasing the Fee by \$50,000 for a Total Revised Not-To-Exceed Fee of \$613,547.

SUMMARY:

The Santa Clara Valley Water District (Valley Water) has sustainably managed local groundwater resources for many decades. The Santa Clara Valley Water District Act authorizes the Board of Directors to establish zones encompassing areas where groundwater pumpers benefit from Valley Water activities to protect and augment water supplies. Valley Water established the two primary groundwater benefit zones (Zones W-2 and W-5) in 1963 and 1977, respectively. Valley Water last modified Zone W-2 in 1971 and Zone W-5 in 2008.

Valley Water initiated the science-based Groundwater Benefit Zone Study to assess existing zones and recommend changes needed to ensure that ratepayers are grouped in a way that reflects the most recent and relevant data regarding the services and benefits received by well users. Errol L. Montgomery & Associates, Inc. (Montgomery & Associates; formerly Hydrometrics Water Resources Inc.) was retained to perform the study.

Consultant Work Performed to Date

Montgomery & Associates has completed approximately 90% of the project, including data evaluation, stakeholder outreach, and the preliminary report with related findings and recommendations. On October 8, 2019, the Board directed staff to prepare metes and bounds for modified groundwater benefit Zones W-2 and W-5 and new Zones W-7 and W-8 for Board consideration. Montgomery & Associates is preparing the metes and bounds for the related public hearing, which is expected to occur in April 2020.

The project budget is adequate to complete work identified in the Agreement, including Tasks 1 through 5 and supplemental services under Task 6 previously authorized by Task Order. However, additional funds are requested to support unanticipated work needed to support Board consideration of proposed groundwater benefit zones and/or zone implementation. Staff continues to recommend that the new and modified zones (if adopted) become effective on July 1, 2020 as part of the fiscal year 2021 rate-setting process. Groundwater production charges for fiscal year 2021 are scheduled to be adopted by the Board on May 12, 2020. Given this schedule, any unanticipated work would likely need to be expedited, requiring funding for related tasks to be readily available. Therefore, staff is proactively recommending adding \$50,000 to supplemental services. Examples of tasks that may require supplemental services include unanticipated needs related to zone adoption, additional stakeholder meetings, and/or filing the Record of Survey with the Office of the County Surveyor.

Amendment No. 6 to Agreement No. A3741G

The current not-to-exceed fee for this Agreement is \$563,547. Approval of this proposed amendment would increase the not-to-exceed fee to \$613,547 by adding \$50,000 to Supplemental Services (Task 6). A summary of the fees by task for the proposed amendment is presented in Table 1.

Table 1 - Summary of Tasks and Fees

Task	Description	Original Total NTE Fees	Amendment No. 3 NTE Fee	Amendment No. 6 NTE Fee	Revised Total NTE Fee
1	Project Management	\$70,352	\$8,064	\$0	\$78,416
2	Charge Zone Criteria and Study Methodology	\$56,930	\$0	\$0	\$56,930
3	Stakeholder Process	\$95,455	\$0	\$0	\$95,455
4	Groundwater Charge Zone Evaluation	\$123,550	\$0	\$0	\$123,550
5	Groundwater Charge Zone Boundaries and Final Study Report	\$19,986	\$0	\$0	\$19,986
6	Supplemental Services	\$45,743	\$143,467	\$50,000	\$239,210
Total Not-to-Exceed Amount		\$412,016	\$151,531	\$50,000	\$613,547

Note - No additional fees were added to the Agreement under Amendments 1, 2, 4, or 5. No services will be performed or fees paid to the Consultant for any Supplemental Services without prior written authorization in the form of an executed Task Order.

FINANCIAL IMPACT:

Funding for this item is available in the FY 2020 Groundwater Management Program Project budget,

Project No. 91041018. The total cost of services under the Agreement will not-to-exceed \$613,547. All unused funds will be returned to the Water Utility fund (Fund 61) upon completion of the study.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Amendment No. 6

UNCLASSIFIED MANAGER:

Garth Hall, 408-630-2750