



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** April 18, 2017  
**DEPARTMENT:** PUBLIC WORKS  
**FROM:** Gary Petersen, Director of Public Works  
**TITLE:** AGREEMENT REGARDING INTERIM SERVICES FOR THE  
GROUNDWATER SUSTAINABILITY AGENCY

RECOMMENDED MOTION:

A motion approve the attached Interim Services Agreement and authorizing the Mayor to sign the Interim Services Agreement on behalf of the City.

EXECUTIVE SUMMARY:

Section 9.1 of the Joint Exercise of Powers Agreement (“JPA Agreement”) forming the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) to which the City is a party, provides that one or more members of the Agency will provide interim administrative, legal and other support services at no cost to the Agency until the appointment of the Permanent Board of Directors (no later than October 1, 2017). The City of Salinas (“City”) has provided interim General Manager and Clerk of the Board services to the Agency, and the County has provided interim legal and administrative services. Both the City and the County are seeking approval from their Council and Board. The JPA Agreement requires that the provision of these interim services be formalized and documented with the JPA Board’s approval as well. The attached agreement accomplishes this.

BACKGROUND:

The City and the County are prepared to provide the indicated services, and others as may be necessary, at no cost until the appointment of the Permanent Board. Enclosed is a draft three-party agreement between the Agency, the City, and the County that memorializes the provision of services. As consideration for the provision and receipt of the services, it is recommended that the parties mutually waive any claim for damages against each other in the provision of the services. In addition, the draft agreement acknowledges that County Counsel, who will provide the interim legal services, represents other entities (County, Water Resources Agency, TAMC, LAFCO, Air District, for example). While no conflict currently exists, the draft agreement provides that the parties will confer if an actual conflict arises and the Agency may either waive the conflict or retain

at its sole cost other counsel. Finally, the draft agreement provides that the services will be provided until the earlier of October 1, 2017, the seating of a Permanent Board of Directors, or the securing by the Agency of substitute services at its sole cost.

This agreement is not prohibited by Government Code section 1090 because the representation of the City and County on the Agency's Board of Directors is subject to the exception set forth in Government Code section 1091.5 (9) (non-interest). In addition, this agreement does not create a conflict of interest for the City and County Directors under the Political Reform Act because they do not have a financial interest in the draft agreement pursuant to the exceptions provided in definition of "income" set forth in Government Code section 82030(b).

Enclosed is a resolution approving the agreement and authorizing the Mayor to execute the agreement.

CEQA CONSIDERTION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

This project supports the strategic initiative of Well Planned City and Excellent Infrastructure by insuring viable access to sustainable source of groundwater.

FISCAL AND SUSTAINABILITY IMPACT:

Fiscal impact is currently limited to the contribution of staff time.

ATTACHMENTS:

Resolution

Agreement

RESOLUTION NO. \_\_\_\_\_ (N.C.S.)

**RESOLUTION AUTHORIZING THE MAYOR OF SALINAS TO EXECUTE AN AGREEMENT WITH MONTEREY COUNTY AND THE SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY JOINT POWERS AUTHORITY REGARDING INTERIM SERVICES**

**WHEREAS**, the Salinas Valley Basin Groundwater Sustainability Agency (“Agency”) was formed by a Joint Exercise of Powers Agreement (“JPA Agreement”) effective December 22, 2017; and

**WHEREAS**, the JPA Agreement provides that one or more members of the Agency will provide interim administrative, legal, and other support services until no later than October 1, 2017; and

**WHEREAS**, the City of Salinas (“City”) and the County of Monterey (“County”), members of the Agency, are currently providing such services to the Agency; and

**WHEREAS**, it is necessary and appropriate to memorialize the continued provision of such services by the City and the County to the Agency;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF SALINAS** that the Interim Services Agreement is approved; and

**BE IT FURTHER RESOLVED** that the Mayor is hereby authorized and directed to execute the Interim Services Agreement for and on behalf of the City of Salinas.

PASSED AND APPROVED this 18th day of April 2017 by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

\_\_\_\_\_  
Joe Gunter, Mayor

ATTEST:

\_\_\_\_\_  
Patricia M. Barajas, City Clerk

AGREEMENT REGARDING INTERIM ADMINISTRATIVE AND LEGAL SERVICES

between

THE COUNTY OF MONTEREY,

THE CITY OF SALINAS,

and

THE SALINAS VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

RECITALS

WHEREAS, the Salinas Valley Basin Groundwater Sustainability Agency (“SVBGSA”) is a joint powers authority (“JPA”) formed pursuant to state law and by agreement effective December 22, 2017 (“JPA Agreement”); and

WHEREAS, the JPA agreement forming the SVBGSA provides that one or more of the members of the SVBGSA will provide interim administrative, legal and other support services to the SVBGSA at no cost, until no later than September 30, 2017; and

WHEREAS, the City of Salinas (“City”) and the County of Monterey (“County”) are currently providing such interim services to the SVBGSA; and

WHEREAS, the parties desire to memorialize the nature, extent, and continued provision of the interim services provided for in the JPA Agreement; NOW THEREFORE,

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the County, the City, and the SVBGSA agree that the County and City will provide interim administrative and legal services to the SVBGSA at no cost as follows:

1. The County will provide the following interim services to the SVBGSA:
  - a. Interim legal services through the Office of the County Counsel by an attorney designated by the County Counsel; and
  - b. Interim administrative and other support services through the County Administrative Office.
  
2. The City will provide the following interim administrative services to the SVBGSA:
  - a. The City Manager will designate an interim General Manager for the SVBGSA; and,

- b. The City Clerk will provide interim Clerk of the SVBGSA Board of Directors services.
- 3. The SVBGSA hereby accepts the proffered services, and waives any claim for damages against the County and City, and each of them, their officers and employees related to or arising from the provision of the indicated services. The City and County, and each of them hereby waive any claim for damages against the SVBGSA, and its Board of Directors, and any claim for damages against each other, and their respective officers and employees, related to or arising from the provision of the indicated services.
- 4. The SVBGSA acknowledges that County Counsel represents other clients, including the County of Monterey, LAFCO of Monterey County, the Transportation Agency of Monterey County, the Water Resources Agency of Monterey County, and the Monterey Bay Unified Air Pollution Control District, which representation may, from time-to-time, present a conflict of interest with the representation of the SVBGSA. County Counsel shall promptly inform the SVBGSA of any situation giving rise to a conflict of interest in the representation of the SVBGSA, and the parties shall confer in good faith regarding a potential waiver of any conflict. Should any conflict not be waived, the SVBGSA shall retain at its own cost legal services from a different attorney of its choice regarding that matter.
- 5. The interim services provided for herein shall be provided until the earlier of the seating of the Permanent Board of Directors, October 1, 2017, or such time as the SVBGSA secures other or permanent replacement services, which such service shall not be a financial obligation of the City or County.

CITY OF SALINAS

COUNTY OF MONTEREY

By \_\_\_\_\_  
 Ray Corpuz  
 City Manager

By \_\_\_\_\_  
 Lew C. Bauman  
 County Administrative Officer

Dated: April \_\_, 2017

Dated: April \_\_, 2017

SALINAS VALLEY BASIN  
 GROUNDWATER SUSTAINABILITY  
 AGENCY

By \_\_\_\_\_  
Michael McHatten  
Vice-Chair

Dated: April \_\_\_\_, 2017

APPROVED AS TO FORM

\_\_\_\_\_  
Charles J. McKee  
County Counsel

APPROVED AS TO FORM

\_\_\_\_\_  
Christopher A. Callihan, City Attorney

