



- Board of Directors
Legal and Claims Committee

5/9/2017 Board Meeting

Revised 7-5

Subject

Adopt CEQA determination and authorize increase of \$160,000 to an amount not to exceed \$235,000 for contract with GeoPentech, Inc. to continue monitoring the groundwater basin lying westerly of Diamond Valley Lake, commonly referred to as the Domenigoni Basin and to assist with development of a groundwater management plan

Executive Summary

Request is made for \$160,000 to continue monitoring the groundwater basin lying westerly of Diamond Valley Lake (DVL) under certain groundwater mitigation agreements made with overlying owners in May 1996, at the time DVL was constructed.

Details

In 1991, Metropolitan approved the Eastside Reservoir Project, today known as Diamond Valley Lake or DVL. Water began flowing into DVL in 1999. A 1991 Final Environmental Impact Report for the Eastside Reservoir Project identified a potential need for mitigation of groundwater flows after DVL's construction. Currently, Metropolitan mitigates downstream project impacts with engineered seepage from both DVL and the San Diego Canal. Metropolitan also supplies water for irrigation from the San Diego Canal as needed and domestic water delivered by Eastern Municipal Water District.

After the approval of DVL in 1991, Metropolitan began the process of acquiring land for DVL. In 1996, Metropolitan settled with five property owners overlying the Domenigoni Groundwater Basin (Owners). The settlements included five separate Groundwater Mitigation Agreements, which provide in part that Metropolitan will conduct ongoing quarterly monitoring of groundwater elevation and quality.

In March 2012, the General Counsel's office was notified through counsel that Owners in the West DVL Basin were experiencing impaired water quality in domestic and irrigation wells. Since that time, the General Counsel's office has been working cooperatively with Owners and their counsel to understand the source of impairment and identify possible physical solutions that may improve groundwater quality.

In February 2013, the General Counsel's office entered into a \$75,000 contract with GeoPentech, Inc. (GeoPentech) to develop a groundwater monitoring program and to propose a groundwater management plan. Eric Fordham of GeoPentech was selected for this work because of his long-term involvement with DVL issues and familiarity with hydrological conditions existing before and after DVL's construction.

Earlier this year, Owners and Metropolitan, working cooperatively agreed to a groundwater sampling and monitoring plan, to identify sources for groundwater impairment. One year of data sampling and analysis under the agreed groundwater monitoring plan is estimated by GeoPentech to be \$80,000, at which time Metropolitan and Owners will assess whether sufficient data has been gathered to characterize the groundwater basin. Staff is requesting an additional \$80,000 in the contract for a total increase of \$160,000 because there is a reasonable probability that data in excess of twelve months may be required to arrive at final conclusions. Once GeoPentech has identified the causes for groundwater impairment, it will develop and propose a groundwater management

plan to Owners for discussion. Any funds that are not used for groundwater monitoring will be applied to developing the groundwater management plan in cooperation with the Owners.

Metropolitan and Owners have agreed to seek grant funding for final planning and implementation of the groundwater management plan; however, grant funding is not guaranteed and Staff may return to the Board to request additional funding. The initial \$75,000 contract and new funds are paid out of Metropolitan's self-insured retention because the mitigation agreements are incorporated into the judgment that resolved DVL condemnation actions with the Owners.

Policy

Metropolitan Water District Administrative Code Section 6431: Authority to Obtain Expert Assistance

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action consists of data collection, research, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. This may be for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted or funded. Accordingly, the proposed action qualifies under a Class 6 Categorical Exemption (Section 15306 of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is categorically exempt from CEQA pursuant to Section 15306 of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination that the proposed action is categorically exempt from CEQA, and

Authorize increase of \$160,000 in General Counsel's contract with GeoPentech for ongoing groundwater monitoring in the West DVL Basin under existing groundwater mitigation agreements with Owners.

Fiscal Impact: Groundwater monitoring cost of \$160,000 will continue to be paid from self-insured retention.

Business Analysis: Groundwater monitoring agreements provide that Owners and Metropolitan are to cooperate in good faith to resolve groundwater impairment.

Option #2

Do not authorize the increase in contract.

Fiscal Impact: Metropolitan could have greater fiscal impact if mitigation activities are discontinued under the groundwater mitigation agreements.

Business Analysis: Groundwater monitoring agreements provide that Owners and Metropolitan are to cooperate in good faith to resolve groundwater impairment.

Staff Recommendation

Option #1



 Marcia Scully
 General Counsel

5/2/2017

 Date