



M E M O R A N D U M
DEPARTMENT OF PUBLIC WORKS
ENVIRONMENTAL ENGINEERING DIVISION
County of Placer

TO: Board of Supervisors DATE: June 22, 2021
FROM: Ken Grehm, Director of Public Works
By: Chris Hanson, Senior Planner
SUBJECT: GEI Consultants, Inc. / Sustainable Groundwater Management Act / Approval of
Consultant Services Agreement to Support the West Placer Groundwater Sustainability
Agency

ACTION REQUESTED

Authorize the Director of Public Works, or designee, to execute a Consultant Services Agreement with GEI Consultants, Inc. to conduct hydrogeologic studies and other technical support for the West Placer Groundwater Sustainability Agency for FY 2021-22 in the amount of \$179,271.

BACKGROUND

The Sustainable Groundwater Management Act (SGMA) requires public land use and water agencies to form Groundwater Sustainability Agencies (GSA) and develop Groundwater Sustainability Plans (GSP) to achieve or maintain sustainable groundwater supplies. In 2017, Placer County, Placer County Water Agency, City of Roseville, City of Lincoln, and the Nevada Irrigation District, with participation from California American Water Company, executed a Memorandum of Agreement (MOA) forming the West Placer Groundwater Sustainability Agency (WPGSA) to manage groundwater in a portion of the North American Sub-basin and cooperate with other GSAs in the development of a basin wide GSP.

In January 2019, Placer County, on behalf of the WPGSA, signed onto a multi-agency funding agreement for development of a GSP for the Sub-basin which covers portions of Sacramento, Placer, and Sutter Counties. The WPGSA and other agencies in the Sub-basin have been working cooperatively to complete and submit a GSP to the Department of Water Resources by the January 1, 2022 due date. Work over the past year includes extensive data gathering, development of a basin-wide groundwater model and water budget, and several draft chapters of the GSP. Work anticipated in the coming year includes refining the groundwater modeling and sustainability criteria, completing the draft GSP for public review this summer, Board consideration this fall, submittal of the GSP in January, and completion of the first GSP annual report in April 2022. Staff will return to your Board to present the results of the groundwater model, sustainability criteria, and projects and management actions proposed for inclusion in the basin wide GSP.

Since 2017, Placer County as Administering Agency for the WPGSA has contracted with GEI Consultants, Inc. (GEI) to conduct numerous activities and technical studies to support the WPGSA and development of the GSP. The activities and studies being performed by GEI are specialized in nature, and consist of work that is outside the usual course of the County's business. The division has analyzed GEI's work and confirms that GEI meets the independent contractor criteria (see attached Independent Contractor Verification) required in the Labor Code.

The proposed Agreement for FY 2021-22 includes the following tasks:

- WPGSA meeting attendance and support
- Annual water quality sampling and reporting
- Further development of groundwater recharge projects
- Monthly collection and reporting of groundwater level measurements to the State

- Optional tasks including grant preparation and additional groundwater sampling or studies, if needed.

The WPGSA members have unanimously approved the proposed GEI scope of work, annual GSA budget and agency contributions, and determined that GEI is the most qualified firm to perform these services. Placer County Procurement Services has authorized an exception to competition pursuant to the Placer County Purchasing Policy Section 3.5(b). In order to proceed, staff recommends your Board's approval of the proposed Agreement.

ENVIRONMENTAL IMPACT

Preparation of a GSP is exempt from CEQA pursuant to California Water Code Section 10728.6. In addition, this action does not constitute a "Project" under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 and is exempt under 15061(b)(3) since hiring of a consultant to conduct studies is an organizational activity that will not result in direct or indirect physical changes to the environment.

FISCAL IMPACT

The \$179,271 cost of the GEI Contract is included in the Department of Public Works FY 2021-22 Proposed Budget for Groundwater Sustainability Planning. Pursuant to the MOA, each of the five Member agencies (Placer County, Placer County Water Agency, City of Roseville, City of Lincoln, and Nevada Irrigation District) support this effort with annual contributions of \$30,000, with the California American Water Company contributing \$15,000 as a non-member agency, for a total of \$165,000. Unspent funds from the previous year provide the remaining funds needed. The County's contribution pursuant to the MOA is funded from an annual General Fund contribution to the Department of Public Works – Environmental Utilities – Water Resources.

ATTACHMENT

Independent Contractor Verification

On file with Clerk of the Board: Consultant Services Agreement

Independent Contractor Verification ***GEI Consultants, Inc.***

Placer County is subject to the Sustainable Groundwater Management Act which requires, among other things, preparation of a Groundwater Sustainability Plan. Independent contractors provide necessary resources to conduct work that is outside of the County's usual course of business, such as hydrogeologic services and studies, or other technical support that is beyond typical staff expertise.

Staff has determined that the independent contractor, GEI Consultants, Inc. (hereafter "Consultant"), performs services outside the County's usual course of business, and that that it also fits within the business-to-business exception for independent contractors (Labor Code, § 2776(a)) as follows:

1. *The business service provider (Consultant) is free from the control and direction of the contracting business entity (County) in connection with the performance of the work, both under the contract for the performance of the work and in fact.*

Environmental Engineering in no way controls or directs the performance of Consultant. Work requests are defined in advance in the consultant agreement and returned as a finished product.

2. *The business service provider is providing services directly to the contracting business rather than to customers of the contracting business.*

Environmental Engineering makes service requests directly to Consultant and Consultant provides the services directly to Environmental Engineering.

3. *The contract with the business service provider is in writing and specifies the payment amount, including any applicable rate of pay, for services to be performed, as well as the due date of payment for such services.*

Environmental Engineering has a specific written contract with Consultant outlining payments and rates of pay for services performed, as well as any due dates for payment of services.

4. *If the work is performed in a jurisdiction that requires the business service provider to have a business license or business tax registration, the business service provider has the required business license or business tax registration.*

Consultant represents that it has the necessary business tax registration and business licenses.

5. *The business service provider maintains a business location, which may include the business service provider's residence, that is separate from the business or work location of the contracting business.*

Consultant maintains an independent business location separate from and unrelated to any County or Environmental Engineering Division location.

6. *The business service provider is customarily engaged in an independently established business of the same nature as that involved in the work performed.*

Consultant's primary business is to provide geotechnical, environmental, water resources, and other such services to various cities, counties, and agencies throughout the state. Environmental Engineering has hired Consultant for work of this nature.

7. *The business service provider can, and does, contract with other businesses to provide the same or similar services and maintain a clientele without restrictions from the hiring entity.*

Consultant conducts business of the same nature with other businesses, agencies, cities and counties within the state.

8. *The business service provider advertises and holds itself out to the public as available to provide the same or similar services.*

An online search for Consultant shows that it holds itself out to the public as being available to provide its services. See <https://www.geiconsultants.com/>.

9. *Consistent with the nature of the work, the business service provider provides its own tools, vehicles, and equipment to perform the services, not including any proprietary materials that may be necessary to perform the services under the contract.*

Consultant provides its own method, machinery, materials, and manpower to complete the requested services, as described in the Consultant agreement.

10. *The business service provider can negotiate its own rates.*

Consultant offered its own rates during the County contracting process.

11. *Consistent with the nature of the work, the business service provider can set its own hours and location of work.*

Consultant sets the hours, days, and location of the work to be performed.

12. *The business service provider is not performing the type of work for which a license from the Contractors' State License Board is required, pursuant to Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code.*

The key Consultant personnel hold Professional Geologist licenses. The geotechnical and environmental services provided do not require a license from the Contractor's State License Board.