

# Monterey County

*Monterey County Government Center  
Board Chamber  
168 W. Alisal Street, First Floor  
Salinas, CA 93901*



## Meeting Agenda

Tuesday, September 13, 2016

10:30 AM

See separate agendas for Monterey County Board of Supervisors  
and Boronda County Sanitation District.

**Special Joint Meeting of Board of Supervisors of the  
Monterey County Water Resources Agency and the  
Monterey County Water Resources Agency Board of  
Directors**

**NOTE: All agenda titles related to numbered items are live web links. Click on the title to be directed to corresponding Board Report.**

**10:30 A.M. - Call to Order**

**Roll Call**

**Public Comment**

*This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board of Supervisors. Board members may respond briefly to the statement made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Board at a future meeting.*

**Consent Calendar**

1. Approve transferring a water well by Quitclaim Deed to Franklin and Eleanor Martin as provided in a 1993 Agreement; and, authorize the General Manager to execute the Quitclaim Deed.

**Attachments:** [Board Report](#)  
[Martin Agreement](#)  
[Legal Description and Map of Well Site](#)

2. Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors approve transferring a water well by Quitclaim Deed to Franklin and Eleanor Martin as provided in a 1993 Agreement; and, authorize the General Manager to execute the Quitclaim Deed.

**Attachments:** [Board Report](#)  
[Board Order](#)  
[Martin Agreement](#)  
[Legal Description and Map of Well Site](#)

**10:30 A.M. - Scheduled Matters**

3. Consider:  
Receiving a status report on the Interlake Tunnel and Spillway Modification Projects ("Project").

Attachments: [Board Report](#)  
[SB-831 Text](#)  
[Interlake Tunnel Cost Estimates](#)  
[WRAG 16-007 Executed Board Order](#)  
[PowerPoint Presentation](#)

4. Receive an update from Gina Bartlett, Consensus Building Institute (CBI), regarding the facilitated process related to development of a recommended structure for the Salinas Valley Groundwater Sustainability Agency.

Attachments: [Board Report](#)

## Adjournment







# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: WRAG 16-048

September 13, 2016

**Introduced:** 9/6/2016

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** WRA General

Approve transferring a water well by Quitclaim Deed to Franklin and Eleanor Martin as provided in a 1993 Agreement; and, authorize the General Manager to execute the Quitclaim Deed.

### RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors:

Approve transferring a water well by Quitclaim Deed to Franklin and Eleanor Martin as provided in a 1993 Agreement; and, authorize the General Manager to execute the Quitclaim Deed.

### SUMMARY:

In 1993 the Agency entered into an agreement (Agreement) with landowners Franklin and Eleanor Martin (Martins) which provided the Monterey County Water Resources Agency (Agency) with access to a portion of the Martins' property as part of a hydrogeologic investigation of the Arroyo Seco Cone. The Agreement included provisions for the Agency to construct seven monitoring wells on the Martins' property, with the condition that ownership of one well would be transferred to the Martins upon completion of the investigation.

The investigation was completed in 1994 and the Agency has not used the well on the Martin property since that time. In August 2014, an agent for the Martins contacted the Agency seeking documentation of the well transfer, as the Martins wished to begin operating the well for irrigation purposes. The request was renewed in September 2015 and, because no documentation transferring ownership of the well could be located, Agency staff has been working with County Counsel to fulfill the Martins' request and meet the terms described in the 1993 Agreement.

### DISCUSSION:

In 1993, the firm Staal, Gardner, and Dunne (SGD) initiated a hydrogeologic investigation of the Arroyo Seco Cone on behalf of the Agency. As part of this investigation, the Agency entered into an agreement with the Martins; a copy of the Agreement is attached to this report for reference.

The Agreement provided the Agency with access to a portion of the Martins' property for the purpose of constructing a temporary test percolation pond and installing seven monitoring wells. In addition, the Agreement stated that the Agency would restore the Martins' property to

its original condition following completion of the study, leaving one operational well in place, and that title to this well would be transferred to the Martins. The Agreement specified construction details for the well that was to become the responsibility of the Martins. SGD completed the hydrogeologic investigation in April 1994.

In August 2014, an agent representing the Martins contacted the Agency requesting documentation of the well transfer because the property owner wished to use the well for irrigation purposes. The agent contacted the Monterey County Health Department in September 2015, inquiring after well permitting requirements, at which time a request for documentation transferring the well's ownership was renewed with the Agency.

Agency staff was unable to locate any legal documentation that ownership of the well was transferred, so County Counsel was engaged to complete the transfer. Research and efforts by both County staff and the Martins to complete the transfer have been ongoing since September 2015. Most recently, the Martins' agent supplied survey data and a legal description for the well in March 2016, a copy of which is attached to this report.

OTHER AGENCY INVOLVEMENT:

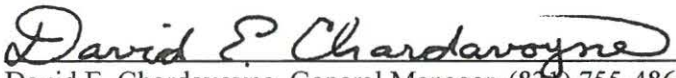
The Agency is coordinating with County Counsel on tasks described in this report.

Due to the late submission of this report, the CAO Budget and Analysis division was not provided adequate time to review for potential fiscal, organizational, policy or other implications to the County of Monterey.

FINANCING:

No financial impact is expected as a result of the transfer of ownership.

Prepared by: Amy Woodrow, Hydrologist, (831) 755-4838

Approved by:   
David E. Chardavoyne, General Manager, (831) 755-4860

Attachments:

1. Martin Agreement
2. Legal Description and Map of Well Site

RECORDING REQUESTED BY:

WHEN RECORDED MAIL DOCUMENT AND TAX STATEMENT TO:

Cynthia M. Dyer, Successor Co-Trustee  
Jack and Eleanor Martin Trust  
25465 Canada Drive  
Carmel, CA 93923

APN: 111-011-005

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

**QUITCLAIM DEED**  
(WELL)

The undersigned grantor(s) declare(s)  
DOCUMENTARY TRANSFER TAX is \$  
 Computed on full value of property conveyed, or  
 Computed on full value less liens and encumbrances remaining at time of sale  
X Unincorporated area        City of

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Monterey County Water Resources Agency, a public entity, hereby remises, releases and quitclaims to Anne M. Campbell, Cynthia M. Dyer and Jacqueline M. Brown, as Successor Co-Trustees of the JACK and ELEANOR MARTIN TRUST under declaration of Trust dated July 30, 1986 all its right, title, and interest in the real property situated in the an unincorporated area of Monterey County, California, described as follows:

Irrigation water well, as depicted in Exhibit A (legal description), incorporated by this reference.

Executed on \_\_\_\_\_, 2016, at Salinas, California.

By: \_\_\_\_\_  
David E. Chardavoyne, General Manager  
Monterey County Water Resources Agency

A notary or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness accuracy, or validity of that document.

State of California  
County of Monterey

On \_\_\_\_\_, 2016 before me, \_\_\_\_\_, personally appeared David E. Chardavoyne, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity on behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

[Seal]



# MONTEREY COUNTY

## WATER RESOURCES AGENCY

855 E. LAUREL DRIVE (BLDG. G)  
SALINAS, CA 93905  
(408) 755-4860  
TELEFAX (408) 424-7935

WILLIAM F. HURST  
GENERAL MANAGER



MAILING ADDRESS  
PO BOX 930  
SALINAS, CA 93902-0930

September 29, 1993

Mr. Stephen Dyer  
Horan, Lloyd et al.  
499 Van Buren Street  
Monterey, California 93940

RE: Martin Agreement

Dear Mr. Dyer:

Enclosed is an original Martin Agreement for your files. Mr. Martin has his original Agreement.

Sincerely,

Bob Meyer  
Water Resources Engineer

cc: William Rentz



## AGREEMENT

THIS AGREEMENT is made and entered into this 28<sup>th</sup> day of September, 1993 by and between Franklin J. Martin and Eleanor B. Martin, his wife, as Trustees of the JACK and ELEANOR MARTIN TRUST under Declaration of Trust dated July 30, 1986, herein called "Martins" and the Monterey County Water Resources Agency, herein called "Agency".

## RECITALS

(a) Subject to approval by the Agency Board of Directors of the percolation and aquifer testing effort, the Agency proposes to construct a test percolation pond and to drill seven shallow monitoring wells within the property boundary of APN 111-011-004, owned by the Martins. The test percolation pond and the wells and all work associated with them will be temporary in nature except that one well will remain to be used as an irrigation well by the Martins. The Agency proposes to hire the firm of Staal, Gardner, and Dunne to perform the construction and drilling work.

(b) The test percolation pond will be approximately 30' x 30' x 3' in size. A total of six shallow temporary monitoring wells, completed at ground level, will be installed at increasing distances from the pond on two sides of the pond. An additional shallow temporary monitoring well will be installed in the middle of the test percolation pond above ground level. The percolation pond and the shallow monitoring wells will be located in the southwest corner of APN 111-011-004, more specifically identified as a former vineyard on said parcel. A more detailed description of the work to be completed is provided in the attached Exhibit "A".

(c) Water will be pumped into the test percolation pond from a nearby well owned by the Martins. Approximately 1.5 acre feet of water will be needed over the seven day test period. All the water will be allowed to return to the groundwater supply.

## AGREEMENTS

Now, therefore, the parties agree as follows:

1. The Martins hereby permit the Agency to use that portion of the Martin property described in Exhibit B as a site on which the Agency may construct the percolation pond, drill the monitoring wells, perform the surface water spreading feasibility tests, and perform all on-site work associated with this project. Following completion of the tests, the Agency will restore the site on the Martins' property to its original condition, except that the Agency will leave one of the wells in place as described in paragraph 5 of this agreement, in operational condition, and will transfer title to that well to the Martins.

2. The Martins represent that they are the fee owners of the

subject property, that the Martins have authority to execute this agreement on behalf of any and all tenants that may be leasing the land, and that no other consents are required in order to permit the Agency to use the property as set forth herein.

3. The Agency shall cause its contractor, Staal, Gardner, and Dunne (a subsidiary of Fugro-McClelland (West), Inc.), to incorporate the Martins as additional insureds on the contractor's comprehensive general liability insurance policy. Agency will obtain a certificate of insurance from Staal, Gardner, and Dunne, showing such insurance and will provide such certificate to the Martins. The amount of the liability insurance shall be not less than one million dollars each occurrence and two million dollars aggregate, with five million dollars in excess insurance coverage.

4. The Agency will indemnify, defend, and save harmless the Martins and all of the Martins' tenants from any losses, claims, or liabilities asserted by any third party against the Martins or any of their tenants and alleged by such third party to have been caused by the Agency's activity under this contract, and from any damage to the Martins or any of their tenants resulting from negligence or willful misconduct of the Agency or its agents, servants or employees arising out of or related to the Agency's performance under this contract and/or the performance of the Agency's contractor, Staal, Gardner, and Dunne.

5. (a) After completion of the percolation test, the Agency will convert one of the monitoring wells such that it may serve as an irrigation well for the Martin's property, or will construct a new well to serve that purpose. The irrigation well will have at least an eight-inch steel casing and will be at a depth of at least one hundred twenty feet. The well will be constructed in accordance with accepted industry standards and Monterey County codes for drilling of an irrigation well. A preliminary design will be provided by Staal, Gardner, and Dunne and agreed upon by the Martins and the Agency before the well is constructed. The goal is for a well which will have the capacity to irrigate at least ten acres for a continuous 8-hour period. The Martins will be responsible for installing any permanent pump in the well. The Agency makes no warranties, express or implied, concerning this well. To the extent that the well-drilling company makes any warranties concerning the well, and to the further extent that the Agency can transfer the benefit of those warranties to the Martins, then the Agency hereby transfers the benefit of such warranties to the Martins.

(b) After conversion of the monitoring well or construction of a new irrigation well, the Agency may conduct an aquifer test, using the irrigation well. In connection with the test the Agency may install a temporary pump on the well. The test will require continuous pumping in the irrigation well for at least twelve hours. In connection with this test, the Agency may construct an additional shallow monitoring well near the irrigation well, to serve as an observation well for the aquifer test. The Agency will remove the temporary pump and the additional monitoring well upon completion of the aquifer test.



6. The Agency will pay the Martins for the power needed to pump water from the nearby irrigation wells for use in the tests at the rate of \$0.16 per kilowatt hour. These pumping costs will be based on electric meter readings taken by representatives of the Agency. The Martins may direct that these payments be made instead to the Martins' tenants.

7. The Agency will pay for all reasonable attorney fees incurred by the Martins in connection with the preparation and review of this agreement. The Martins' attorney for this purpose is Mr. Stephen W. Dyer. Upon completion of his services in this matter, Mr. Dyer will send his bill for services to the Martins, and the Martins will then forward the bill to the Agency, attention Mr. William Hurst. The Agency will then either reimburse the Martins for their payment of the bill, or will pay the bill directly to Mr. Dyer, as may be requested by the Martins.

8. The Agency's right to use the Martins' property under this agreement shall commence on October 4, 1993, or on such date thereafter as the Agency and the Martins or their tenant may agree, and shall continue for a period of one month after such commencement or until the testing is completed and the site on the Martins' property is restored to its original condition, whichever occurs first, except that the Agency may enter the property thereafter to complete development of the irrigation well and to complete the aquifer test using the irrigation well, as provided in paragraph 5. The Agency anticipates that that work will be done in November, 1993, and will require no more than five working days. The exact timing depends on the availability of the Agency's drilling company.

MONTEREY COUNTY WATER RESOURCES AGENCY

Date: 9/27/93

By: William F. Hurst  
William F. Hurst, General Manager

JACK and ELEANOR MARTIN TRUST

Date: 9/28/93

By: Franklin J. Martin  
Franklin J. Martin, Trustee

Date: 9/27/93

By: Eleanor B. Martin  
Eleanor B. Martin, Trustee

Approved as to form:

Date: 9/27/93

By: William K. Rentz  
William K. Rentz,  
Deputy County Counsel

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Stephen W. Dyer  
Attorney for Martins



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MONTEREY COUNTY WATER RESOURCES AGENCY

Date: 9/27/93

By: *William F. Hurst*  
William F. Hurst, General Manager

JACK and ELEANOR MARTIN TRUST

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Franklin J. Martin, Trustee

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Eleanor B. Martin, Trustee

Approved as to form:

Date: 9/27/93

By: *William K. Rantz*  
William K. Rantz,  
Deputy County Counsel

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Stephen W. Dyer  
Attorney for Martins

## EXHIBIT A

### SURFACE WATER SPREADING FEASIBILITY ACTIVITIES

The Agency and/or its contractor will perform the following activities on the site:

This test will require the construction of a test percolation pond approximately 30' x 30' x 3' in size. A total of six shallow temporary monitoring wells (approximately 40' deep and consisting of two inch-diameter schedule 40 PVC) completed at ground level will be installed at increasing distances from the pond on two sides of the pond. An additional shallow temporary monitoring well will be installed in the middle of the test percolation pond above ground level. The percolation pond and the shallow monitoring wells will be located in the southwest corner of APN 111-011-004, more specifically identified as a former vineyard on said parcel. Water will be pumped (approximately 1.5 acre feet over a seven day period of time) into the test percolation pond from a well owned by the Martins and located near the percolation pond. The monitoring wells will be used to monitor water levels and soil moisture response to infiltration. All the water will be allowed to return to the groundwater supply.

Upon completion of the test, the test percolation pond will be restored to original grade and all the temporary monitoring wells will be removed and the ground restored to its original grade. The monitoring wells can be left in position if the landowner/grower desires.

Work at the surface water spreading feasibility site will take approximately four weeks. Three vehicles on the average will be at the site to include a backhoe with front loading capability. The total area involved in the test, including the test percolation pond, will be confined to an area of approximately 75' x 125'. This will not include the area for some of the outlying temporary monitoring wells.

Based on electric meter readings taken by representatives of the Agency for pump use, the owner of the irrigation well will be reimbursed at the rate of \$0.16 per kilowatt hour by the Monterey County Water Resources Agency for pumping costs incurred during the test.

Before filling the pond, the Agency will cause a temporary fence to be placed around the pond site, to surround the pond completely and to remain in place until all tests are completed on the site and all water has drained from the pond.

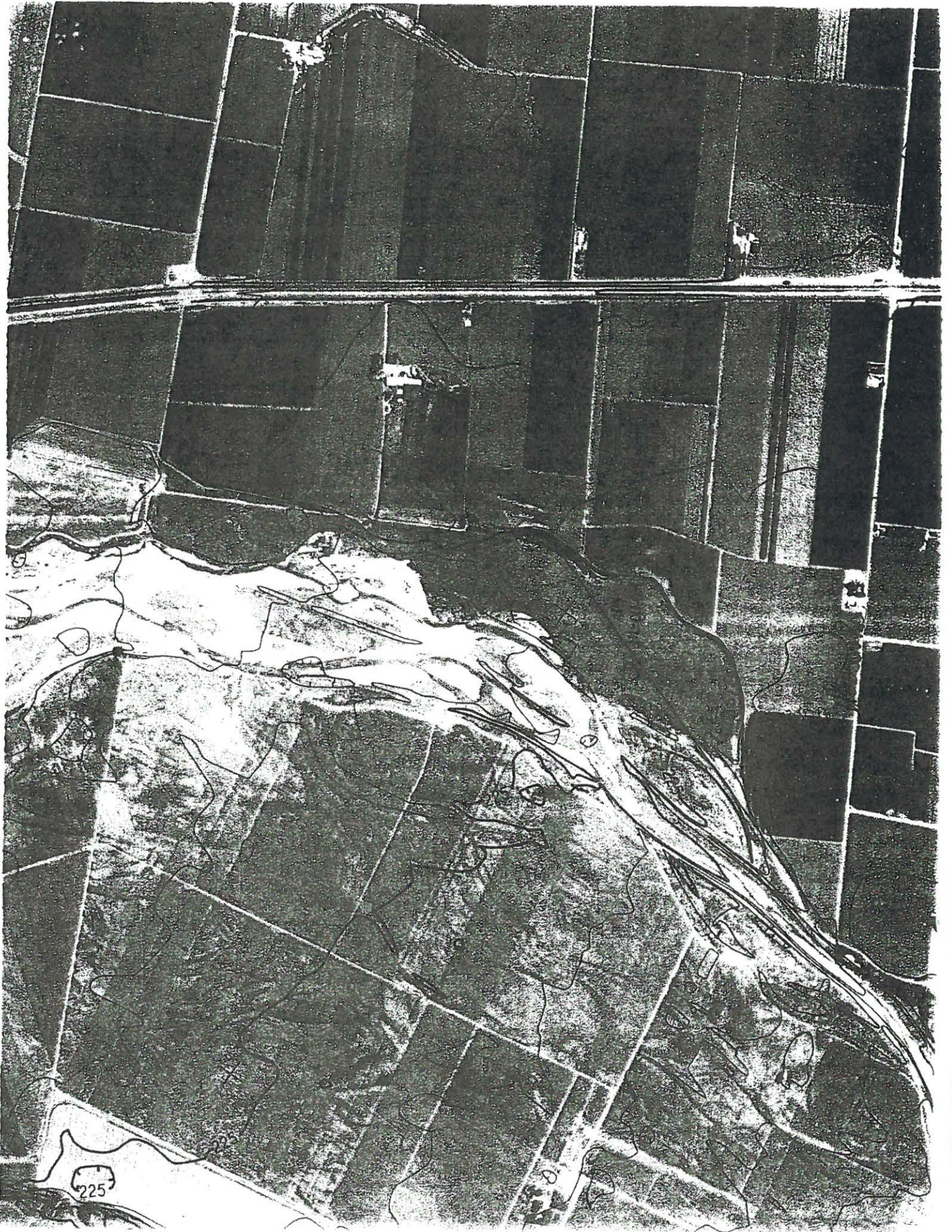
EXHIBIT B

DESCRIPTION OF THE PROPERTY

The site to be used by the Agency includes the following:

1. A 75' x 125' strip of land along the southwestern boundary of APN 111-011-004. The area is river channel located below the bench away from cultivated fields, and further identified as a former vineyard. The described property is shown on the attached map, highlighted in yellow.
2. Additional, smaller areas, to be requested by the Agency and approved by the Martins, using only such space as is reasonably necessary for the outlying temporary monitoring wells.
3. Access routes for vehicles and foot traffic, to be requested by the Agency and approved by the Martins.









MONTEREY COUNTY SURVEYORS, INC.  
*surveying Monterey County since 1937*  
ph. 831.424.1984 fax. 831.424.4099

**EXHIBIT A**

MCWRA Well Site

Jack & Eleanor Martin Trust Property  
APN 111-011-005 (portion)

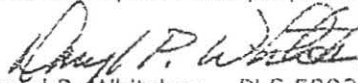
Certain real property situate in the Rancho Arroyo Seco, Monterey County, California, and being a portion of Lot 10 as shown upon the Map of Survey of The Northern Half of Arroyo Seco Rancho recorded in volume 1 of Surveys at page 95, records of said county, and being described as follows:

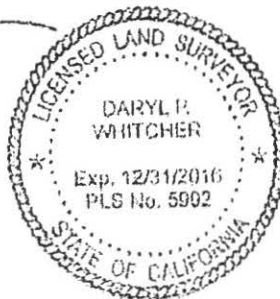
Beginning at a point in the southerly boundary of said Lot 10 on the offset centerline of Hudson Road, a 40 foot wide county road noted as a "30' wide Private Lane (now 40' wide)" on said map, from which the most westerly corner of Lot 10 bears along said Lot line and offset centerline S57°07'00"W, 2049.37 feet distant; thence leave said lot and offset centerline N32°53'00"W, 903.73 feet to the True Point of Beginning; thence

1. South 57°07'00" West, 25.00 feet; thence
2. North 32°53'00" West, 50.00 feet; thence
3. North 57°07'00" East, 50.00 feet; thence
4. South 32°53'00" East, 50.00 feet; thence
5. South 57°07'00" West, 25.00 feet to the True Point of Beginning.

Courses all True.

This description was prepared under my direction.

  
Daryl P. Whitcher PLS 5992  
Expires 12/31/16

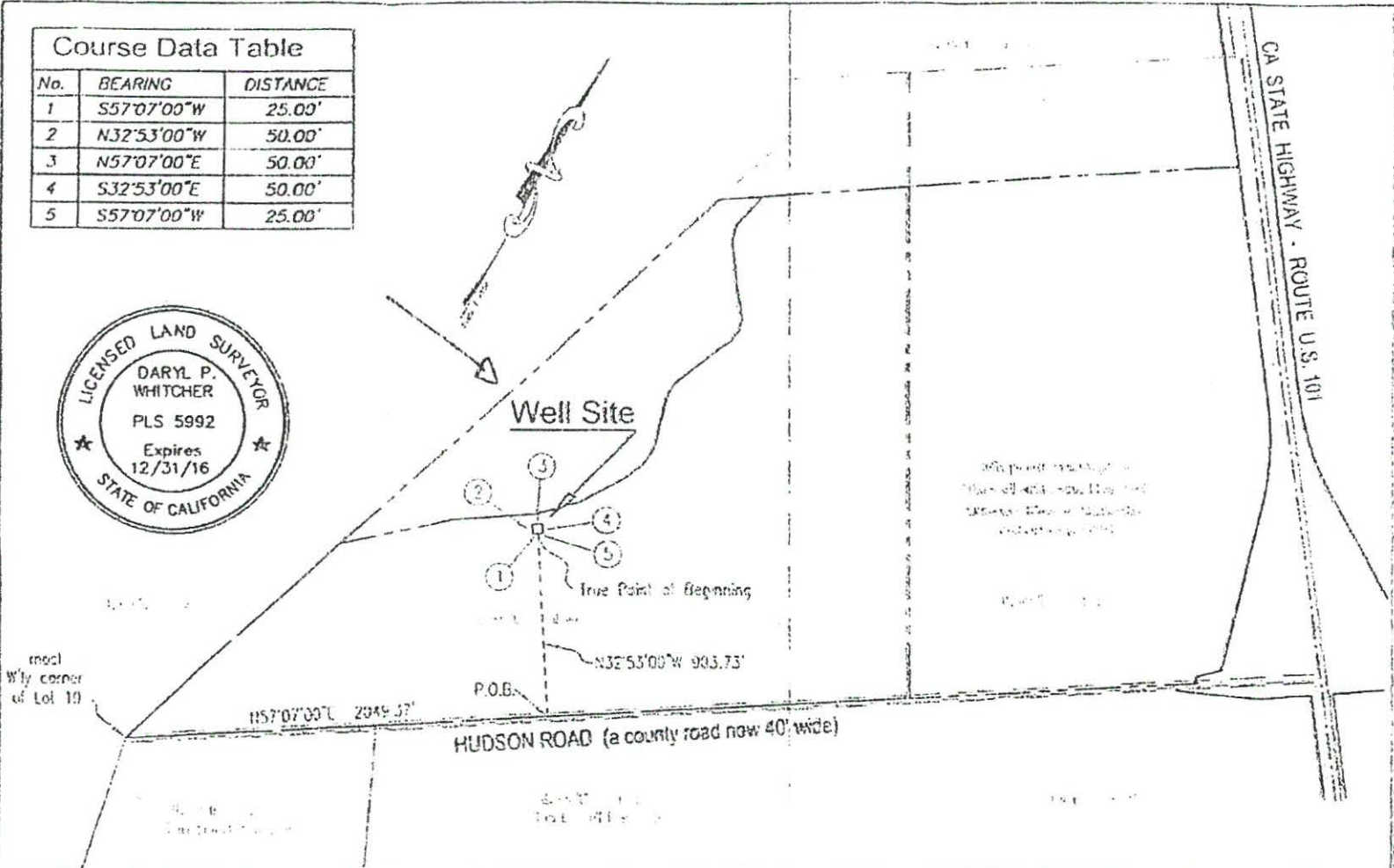


2015079  
02172016

MCWRA Well Site LD

Course Data Table

No.	BEARING	DISTANCE
1	S57°07'00"W	25.00'
2	N32°53'00"W	50.00'
3	N57°07'00"E	50.00'
4	S32°53'00"E	50.00'
5	S57°07'00"W	25.00'



**EXHIBIT B - Plat of Description**

MCDARA Agricultural Production Well Lot to be conveyed to the Martin Estate, being a portion of Lot 10 per 1-Surveys-95, situate in the Rancho Arroyo Seco, Monterey County, CA  
 Monterey County Surveyors, Inc. 235 Salinas Street, Salinas, CA 93901  
 ~ serving Monterey County since 1937 ~

SCALE:	1"=700'
JOB NO.	2015079
DATE:	FEB. 2016
SHEET NO.	1 of 1



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: WRAG 16-049

September 13, 2016

**Introduced:** 9/7/2016

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** WR General Agenda

Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors approve transferring a water well by Quitclaim Deed to Franklin and Eleanor Martin as provided in a 1993 Agreement; and, authorize the General Manager to execute the Quitclaim Deed.

### RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Directors:

Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors approve transferring a water well by Quitclaim Deed to Franklin and Eleanor Martin as provided in a 1993 Agreement; and, authorize the General Manager to execute the Quitclaim Deed.

### SUMMARY:

In 1993 the Agency entered into an agreement (Agreement) with landowners Franklin and Eleanor Martin (Martins) which provided the Monterey County Water Resources Agency (Agency) with access to a portion of the Martins' property as part of a hydrogeologic investigation of the Arroyo Seco Cone. The Agreement included provisions for the Agency to construct seven monitoring wells on the Martins' property, with the condition that ownership of one well would be transferred to the Martins upon completion of the investigation.

The investigation was completed in 1994 and the Agency has not used the well on the Martin property since that time. In August 2014, an agent for the Martins contacted the Agency seeking documentation of the well transfer, as the Martins wished to begin operating the well for irrigation purposes. The request was renewed in September 2015 and, because no documentation transferring ownership of the well could be located, Agency staff has been working with County Counsel to fulfill the Martins' request and meet the terms described in the 1993 Agreement.

### DISCUSSION:

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In August 2014, an agent representing the Martins contacted the Agency requesting documentation of the well transfer because the property owner wished to use the well for irrigation purposes. The agent contacted the Monterey County Health Department in September 2015, inquiring after well permitting requirements, at which time a request for documentation transferring the well's ownership was renewed with the Agency.

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OTHER AGENCY INVOLVEMENT:


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Due to the late submission of this report, the CAO Budget and Analysis division was not provided adequate time to review for potential fiscal, organizational, policy or other implications to the County of Monterey.

FINANCING:

No financial impact is expected as a result of the transfer of ownership.

Prepared by: Amy Woodrow, Hydrologist, (831) 755-4838

Approved by:   
David E. Chardavoyne, General Manager, (831) 755-4860

Attachments:

1. Board Order
2. Martin Agreement
3. Legal Description and Map of Well Site





***Before the Board of Directors of the Monterey County Water Resources Agency  
County of Monterey, State of California***

BOARD ORDER No. \_\_\_\_\_

APPROVE AND RECOMMEND THAT THE MONTEREY COUNTY )  
WATER RESOURCES AGENCY BOARD OF SUPERVISORS )  
APPROVE TRANSFERRING A WATER WELL BY QUITCLAIM )  
DEED TO FRANKLIN AND ELEANOR MARTIN AS PROVIDED IN )  
A 1993 AGREEMENT; AND, AUTHORIZE THE GENERAL MANAGER )  
TO EXECUTE THE QUITCLAIM DEED )

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and carried by those members present, the Board of Directors hereby:

1. Approves and recommends that the Monterey County Water Resources Agency Board of Supervisors approve transferring a water well by Quitclaim Deed to Franklin and Eleanor Martin as provided in a 1993 Agreement; and,
2. Authorizes the General Manager to execute the Quitclaim Deed.

PASSED AND ADOPTED on this 13<sup>th</sup> day of **September 2016**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
BY: David Hart, Chair  
Board of Directors

\_\_\_\_\_  
ATTEST: David E. Chardavoyne  
General Manager

# MONTEREY COUNTY

## WATER RESOURCES AGENCY

855 E. LAUREL DRIVE (BLDG. G)  
SALINAS, CA 93905  
(408) 755-4860  
TELEFAX (408) 424-7935

WILLIAM F. HURST  
GENERAL MANAGER



MAILING ADDRESS  
PO BOX 930  
SALINAS, CA 93902-0930

September 29, 1993

Mr. Stephen Dyer  
Horan, Lloyd et al.  
499 Van Buren Street  
Monterey, California 93940

RE: Martin Agreement

Dear Mr. Dyer:

Enclosed is an original Martin Agreement for your files. Mr. Martin has his original Agreement.

Sincerely,

Bob Meyer  
Water Resources Engineer

cc: William Rentz

RECORDING REQUESTED BY:

WHEN RECORDED MAIL DOCUMENT AND TAX STATEMENT TO:

Cynthia M. Dyer, Successor Co-Trustee  
Jack and Eleanor Martin Trust  
25465 Canada Drive  
Carmel, CA 93923

APN: 111-011-005

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

**QUITCLAIM DEED**  
(WELL)

The undersigned grantor(s) declare(s)  
DOCUMENTARY TRANSFER TAX is \$  
 Computed on full value of property conveyed, or  
 Computed on full value less liens and encumbrances remaining at time of sale  
X Unincorporated area        City of

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Monterey County Water Resources Agency, a public entity, hereby remises, releases and quitclaims to Anne M. Campbell, Cynthia M. Dyer and Jacqueline M. Brown, as Successor Co-Trustees of the JACK and ELEANOR MARTIN TRUST under declaration of Trust dated July 30, 1986 all its right, title, and interest in the real property situated in the an unincorporated area of Monterey County, California, described as follows:

Irrigation water well, as depicted in Exhibit A (legal description), incorporated by this reference.

Executed on \_\_\_\_\_, 2016, at Salinas, California.

By: \_\_\_\_\_  
David E. Chardavoine, General Manager  
Monterey County Water Resources Agency

A notary or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness accuracy, or validity of that document.

State of California  
County of Monterey

On \_\_\_\_\_, 2016 before me, \_\_\_\_\_, personally appeared David E. Chardavoine, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity on behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

[Seal]



## AGREEMENT

THIS AGREEMENT is made and entered into this 28<sup>th</sup> day of September, 1993 by and between Franklin J. Martin and Eleanor B. Martin, his wife, as Trustees of the JACK and ELEANOR MARTIN TRUST under Declaration of Trust dated July 30, 1986, herein called "Martins" and the Monterey County Water Resources Agency, herein called "Agency".

### RECITALS

(a) Subject to approval by the Agency Board of Directors of the percolation and aquifer testing effort, the Agency proposes to construct a test percolation pond and to drill seven shallow monitoring wells within the property boundary of APN 111-011-004, owned by the Martins. The test percolation pond and the wells and all work associated with them will be temporary in nature except that one well will remain to be used as an irrigation well by the Martins. The Agency proposes to hire the firm of Staal, Gardner, and Dunne to perform the construction and drilling work.

(b) The test percolation pond will be approximately 30' x 30' x 3' in size. A total of six shallow temporary monitoring wells, completed at ground level, will be installed at increasing distances from the pond on two sides of the pond. An additional shallow temporary monitoring well will be installed in the middle of the test percolation pond above ground level. The percolation pond and the shallow monitoring wells will be located in the southwest corner of APN 111-011-004, more specifically identified as a former vineyard on said parcel. A more detailed description of the work to be completed is provided in the attached Exhibit "A".

(c) Water will be pumped into the test percolation pond from a nearby well owned by the Martins. Approximately 1.5 acre feet of water will be needed over the seven day test period. All the water will be allowed to return to the groundwater supply.

### AGREEMENTS

Now, therefore, the parties agree as follows:

1. The Martins hereby permit the Agency to use that portion of the Martin property described in Exhibit B as a site on which the Agency may construct the percolation pond, drill the monitoring wells, perform the surface water spreading feasibility tests, and perform all on-site work associated with this project. Following completion of the tests, the Agency will restore the site on the Martins' property to its original condition, except that the Agency will leave one of the wells in place as described in paragraph 5 of this agreement, in operational condition, and will transfer title to that well to the Martins.

2. The Martins represent that they are the fee owners of the



subject property, that the Martins have authority to execute this agreement on behalf of any and all tenants that may be leasing the land, and that no other consents are required in order to permit the Agency to use the property as set forth herein.

3. The Agency shall cause its contractor, Staal, Gardner, and Dunne (a subsidiary of Fugro-McClelland (West), Inc.), to incorporate the Martins as additional insureds on the contractor's comprehensive general liability insurance policy. Agency will obtain a certificate of insurance from Staal, Gardner, and Dunne, showing such insurance and will provide such certificate to the Martins. The amount of the liability insurance shall be not less than one million dollars each occurrence and two million dollars aggregate, with five million dollars in excess insurance coverage.

4. The Agency will indemnify, defend, and save harmless the Martins and all of the Martins' tenants from any losses, claims, or liabilities asserted by any third party against the Martins or any of their tenants and alleged by such third party to have been caused by the Agency's activity under this contract, and from any damage to the Martins or any of their tenants resulting from negligence or willful misconduct of the Agency or its agents, servants or employees arising out of or related to the Agency's performance under this contract and/or the performance of the Agency's contractor, Staal, Gardner, and Dunne.

5. (a) After completion of the percolation test, the Agency will convert one of the monitoring wells such that it may serve as an irrigation well for the Martin's property, or will construct a new well to serve that purpose. The irrigation well will have at least an eight-inch steel casing and will be at a depth of at least one hundred twenty feet. The well will be constructed in accordance with accepted industry standards and Monterey County codes for drilling of an irrigation well. A preliminary design will be provided by Staal, Gardner, and Dunne and agreed upon by the Martins and the Agency before the well is constructed. The goal is for a well which will have the capacity to irrigate at least ten acres for a continuous 8-hour period. The Martins will be responsible for installing any permanent pump in the well. The Agency makes no warranties, express or implied, concerning this well. To the extent that the well-drilling company makes any warranties concerning the well, and to the further extent that the Agency can transfer the benefit of those warranties to the Martins, then the Agency hereby transfers the benefit of such warranties to the Martins.

(b) After conversion of the monitoring well or construction of a new irrigation well, the Agency may conduct an aquifer test, using the irrigation well. In connection with the test the Agency may install a temporary pump on the well. The test will require continuous pumping in the irrigation well for at least twelve hours. In connection with this test, the Agency may construct an additional shallow monitoring well near the irrigation well, to serve as an observation well for the aquifer test. The Agency will remove the temporary pump and the additional monitoring well upon completion of the aquifer test.

6. The Agency will pay the Martins for the power needed to pump water from the nearby irrigation wells for use in the tests at the rate of \$0.16 per kilowatt hour. These pumping costs will be based on electric meter readings taken by representatives of the Agency. The Martins may direct that these payments be made instead to the Martins' tenants.

7. The Agency will pay for all reasonable attorney fees incurred by the Martins in connection with the preparation and review of this agreement. The Martins' attorney for this purpose is Mr. Stephen W. Dyer. Upon completion of his services in this matter, Mr. Dyer will send his bill for services to the Martins, and the Martins will then forward the bill to the Agency, attention Mr. William Hurst. The Agency will then either reimburse the Martins for their payment of the bill, or will pay the bill directly to Mr. Dyer, as may be requested by the Martins.

8. The Agency's right to use the Martins' property under this agreement shall commence on October 4, 1993, or on such date thereafter as the Agency and the Martins or their tenant may agree, and shall continue for a period of one month after such commencement or until the testing is completed and the site on the Martins' property is restored to its original condition, whichever occurs first, except that the Agency may enter the property thereafter to complete development of the irrigation well and to complete the aquifer test using the irrigation well, as provided in paragraph 5. The Agency anticipates that that work will be done in November, 1993, and will require no more than five working days. The exact timing depends on the availability of the Agency's drilling company.

MONTEREY COUNTY WATER RESOURCES AGENCY

Date: 9/27/93

By: William F. Hurst  
William F. Hurst, General Manager

JACK and ELEANOR MARTIN TRUST

Date: 9/28/93

By: Franklin J. Martin  
Franklin J. Martin, Trustee

Date: 9/27/93

By: Eleanor B. Martin  
Eleanor B. Martin, Trustee

Approved as to form:

Date: 9/27/93

By: William K. Rentz  
William K. Rentz,  
Deputy County Counsel

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Stephen W. Dyer  
Attorney for Martins



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MONTEREY COUNTY WATER RESOURCES AGENCY

Date: 9/27/93

By: William F. Hurst  
William F. Hurst, General Manager

JACK and ELEANOR MARTIN TRUST

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Franklin J. Martin, Trustee

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Eleanor B. Martin, Trustee

Approved as to form:

Date: 9/27/93

By: William K. Rentz  
William K. Rentz,  
Deputy County Counsel

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Stephen W. Dyer  
Attorney for Martins



## EXHIBIT A

### SURFACE WATER SPREADING FEASIBILITY ACTIVITIES

The Agency and/or its contractor will perform the following activities on the site:

This test will require the construction of a test percolation pond approximately 30' x 30' x 3' in size. A total of six shallow temporary monitoring wells (approximately 40' deep and consisting of two inch-diameter schedule 40 PVC) completed at ground level will be installed at increasing distances from the pond on two sides of the pond. An additional shallow temporary monitoring well will be installed in the middle of the test percolation pond above ground level. The percolation pond and the shallow monitoring wells will be located in the southwest corner of APN 111-011-004, more specifically identified as a former vineyard on said parcel. Water will be pumped (approximately 1.5 acre feet over a seven day period of time) into the test percolation pond from a well owned by the Martins and located near the percolation pond. The monitoring wells will be used to monitor water levels and soil moisture response to infiltration. All the water will be allowed to return to the groundwater supply.

Upon completion of the test, the test percolation pond will be restored to original grade and all the temporary monitoring wells will be removed and the ground restored to its original grade. The monitoring wells can be left in position if the landowner/grower desires.

Work at the surface water spreading feasibility site will take approximately four weeks. Three vehicles on the average will be at the site to include a backhoe with front loading capability. The total area involved in the test, including the test percolation pond, will be confined to an area of approximately 75' x 125'. This will not include the area for some of the outlying temporary monitoring wells.

Based on electric meter readings taken by representatives of the Agency for pump use, the owner of the irrigation well will be reimbursed at the rate of \$0.16 per kilowatt hour by the Monterey County Water Resources Agency for pumping costs incurred during the test.

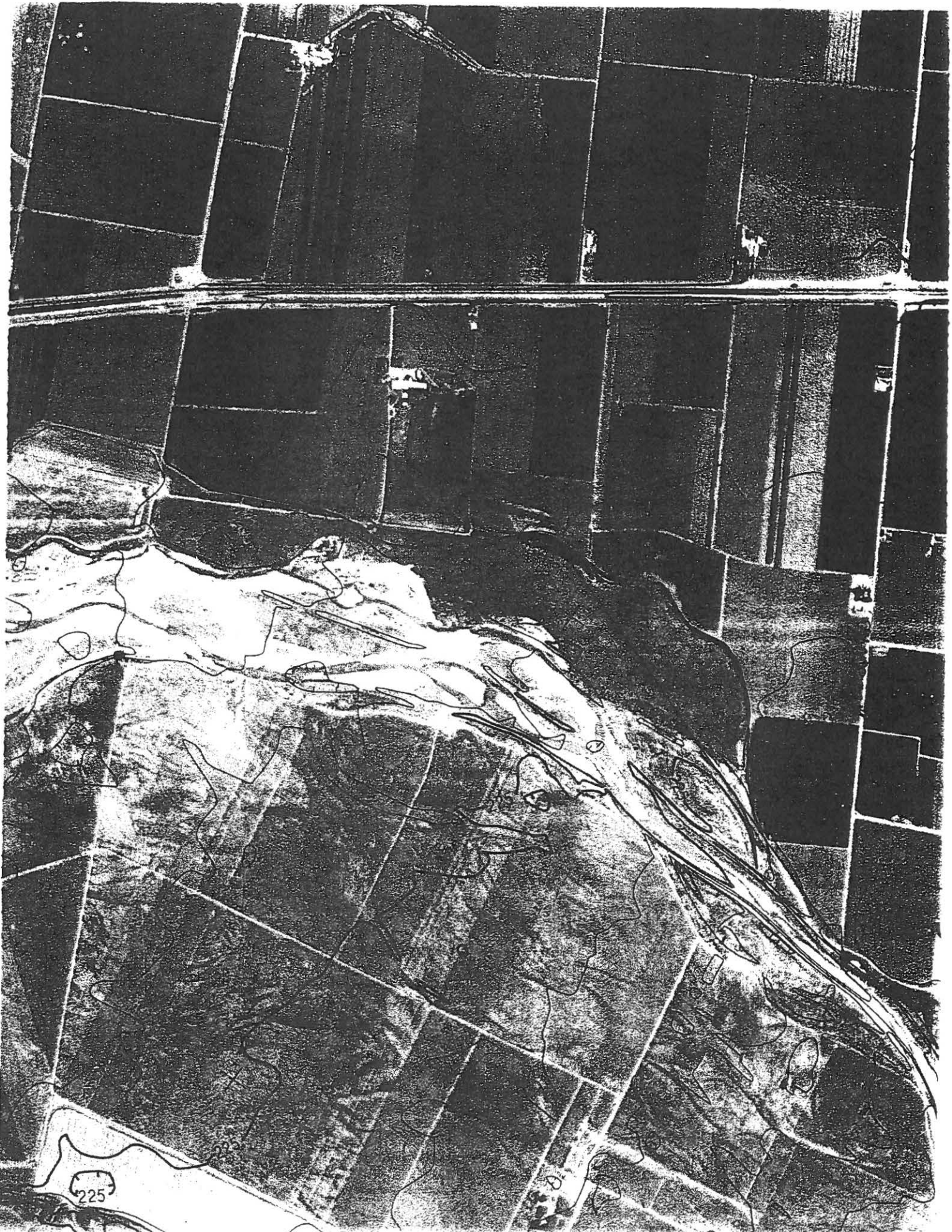
Before filling the pond, the Agency will cause a temporary fence to be placed around the pond site, to surround the pond completely and to remain in place until all tests are completed on the site and all water has drained from the pond.

EXHIBIT B

DESCRIPTION OF THE PROPERTY

The site to be used by the Agency includes the following:

1. A 75' x 125' strip of land along the southwestern boundary of APN 111-011-004. The area is river channel located below the bench away from cultivated fields, and further identified as a former vineyard. The described property is shown on the attached map, highlighted in yellow.
2. Additional, smaller areas, to be requested by the Agency and approved by the Martins, using only such space as is reasonably necessary for the outlying temporary monitoring wells.
3. Access routes for vehicles and foot traffic, to be requested by the Agency and approved by the Martins.



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MONTEREY COUNTY SURVEYORS, INC.  
*surveying Monterey County since 1937*  
ph. 831.424.1984 fax. 831.424.4099

### EXHIBIT A

#### MCWRA Well Site

Jack & Eleanor Martin Trust Property  
APN 111-011-005 (portion)

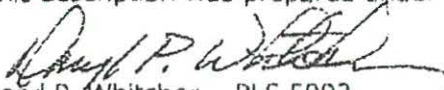
Certain real property situate in the Rancho Arroyo Seco, Monterey County, California, and being a portion of Lot 10 as shown upon the Map of Survey of The Northern Half of Arroyo Seco Rancho recorded in volume 1 of Surveys at page 95, records of said county, and being described as follows:

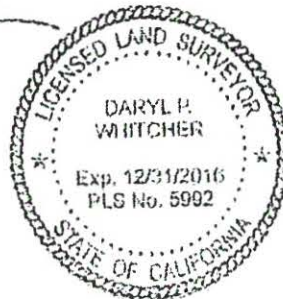
Beginning at a point in the southerly boundary of said Lot 10 on the offset centerline of Hudson Road, a 40 foot wide county road noted as a "30' wide Private Lane (now 40' wide)" on said map, from which the most westerly corner of Lot 10 bears along said Lot line and offset centerline S57°07'00"W, 2049.37 feet distant; thence leave said lot and offset centerline N32°53'00"W, 903.73 feet to the True Point of Beginning; thence

1. South 57°07'00" West, 25.00 feet; thence
2. North 32°53'00" West, 50.00 feet; thence
3. North 57°07'00" East, 50.00 feet; thence
4. South 32°53'00" East, 50.00 feet; thence
5. South 57°07'00" West, 25.00 feet to the True Point of Beginning.

Courses all True.

This description was prepared under my direction.

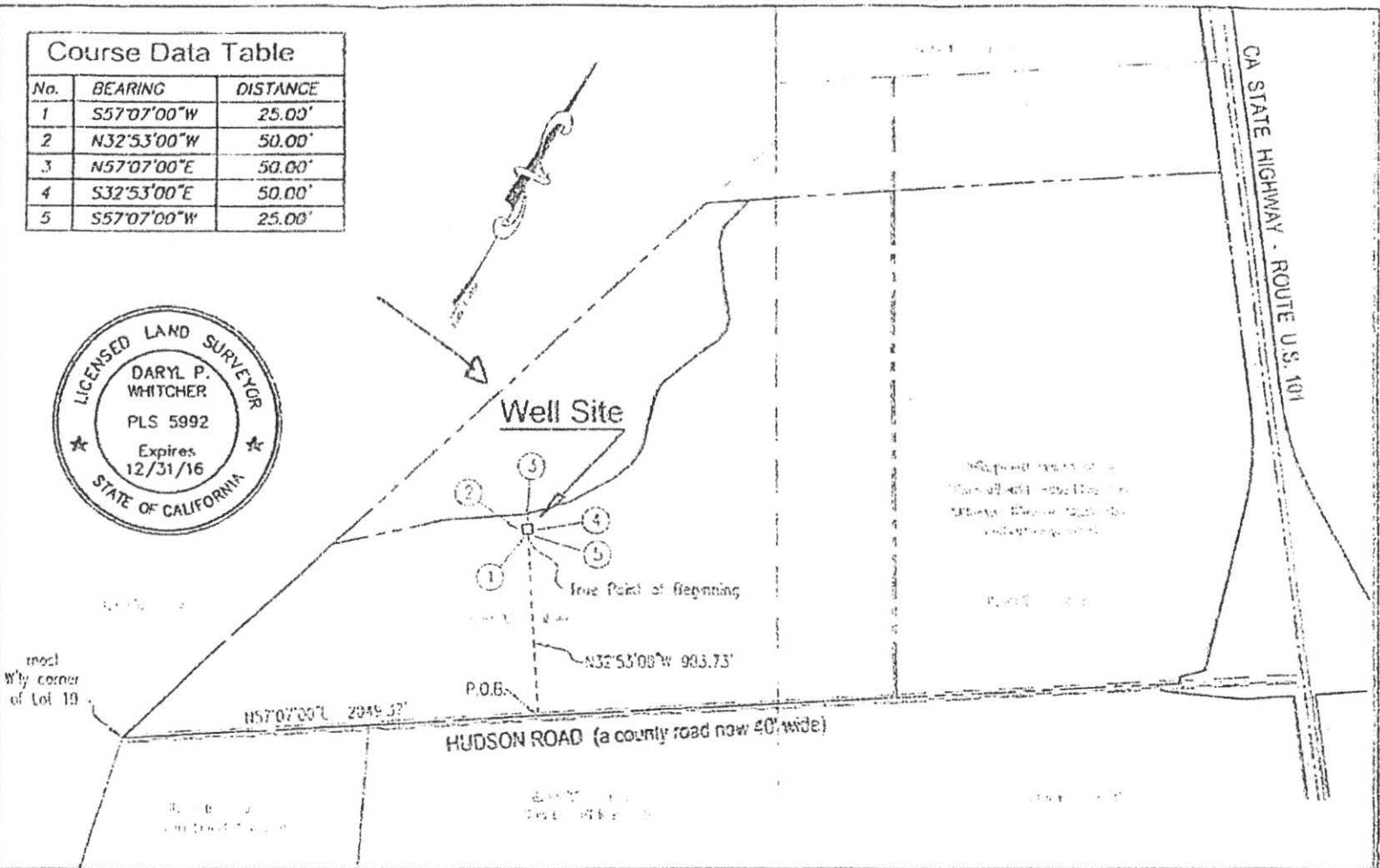
  
Daryl P. Whitcher PLS 5992  
Expires 12/31/16



2015079  
02172016

MCWRA Well Site LD

Course Data Table		
No.	BEARING	DISTANCE
1	S57°07'00"W	25.00'
2	N32°53'00"W	50.00'
3	N57°07'00"E	50.00'
4	S32°53'00"E	50.00'
5	S57°07'00"W	25.00'



**EXHIBIT B - Plat of Description**

MCWRA Agricultural Production Well Lot to be conveyed to the Martin Estate, being a portion of Lot 10 per L-Surveys-95, situate in the Rancho Arroyo Seco, Monterey County, CA  
 Monterey County Surveyors, Inc. 235 Salinas Street, Salinas, CA 93901  
 ~ serving Monterey County since 1937 ~

SCALE:	1"=700'
JOB NO.	2015079
DATE:	FEB. 2016
SHEET NO.	1 of 1





# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: WRAG 16-047

September 13, 2016

Introduced: 8/29/2016

Version: 1

Current Status: Agenda Ready

Matter Type: WR General Agenda

Consider:

Receiving a status report on the Interlake Tunnel and Spillway Modification Projects ("Project").

### RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors and Board of Directors:

Receive a status report on the Interlake Tunnel and Spillway Modification Projects ("Project").

### SUMMARY/DISCUSSION:

The Project is currently estimated at \$78.2 million with an estimated annual operation and maintenance cost of \$1.3 million. Work to date shows that the Project remains feasible, necessary and viable. Primary benefits from conceptual modeling to date are the following:

Flood Control - a reduction in flood frequency by 60% and flood volume by 52% avoids an estimated average annual avoidance of \$60,000,000 in flood damages.

Storage Enhancement - an additional 59,000 acre-feet created by modification of the San Antonio Dam spillway plus better utilization of existing San Antonio Reservoir capacity provides for increased dry year release opportunities.

Reservoir Re-operation - depending on the operating scenario, an average of between 8,000 and 20,000 acre-feet/year of additional water is gained for groundwater recharge. Upon availability of the USGS model, these amounts will be refined.

The Project cost estimate has increased from \$63 million in December 2015 to the current \$78.2 million - an increase of \$15.2 million. Primary drivers are addition of a fish screen for white bass containment (\$5.0 million); inclusion of capitalized interest and financing fees to convert the design and construction estimate to a total project estimate (\$4.8 million); spillway modification engineering and final design (\$1.9 million); engineering and environmental services increase over original estimate (\$1.3 million); increased program management due to modeling work and LIDAR surveying (\$0.5 million); increased conceptual engineering (\$0.8 million). See attached Interlake Tunnel Cost Estimates.

In addition to conceptual design being completed, preparation of a Draft Environmental Impact Statement is underway; a Memorandum of Understanding with California Fish and Wildlife regarding white bass mitigation measures is being prepared; and, additional modeling to develop the operational component of the Project Description is underway.

The Governor will either approve or veto SB-831 by October 1, 2016. SB-831 would provide \$10 million to the Monterey County Water Resources Agency through the State Department of Water Resources. Of those monies, approximately \$3.5 million, in addition to the \$3 million already provided by the County of Monterey, will be required to arrive at 75% design - a design level required before an Engineers Report on costs can be prepared and Proposition 218 vote can be held. Unknown at this time are the Governor's action, the timing and availability of monies from SB-831, and the determination by the Agency Board of Supervisors, pursuant to Board Order WRAG 16-007, that \$10 million is a "sufficient amount". An alternate procurement method, using California Code 575.6 was identified at the December 5, 2015 Agency Board of Supervisors meeting.

OTHER AGENCY INVOLVEMENT:

The County Administrative Office - IGLA and County Counsel have been involved with the continued progress of the Project.

FINANCING:

The Agency's current financing plan is to utilize \$3.0 million of reimbursable funds already provided by the County of Monterey; the \$10 million proposed grant in SB-831; and, the remaining amount from Proposition 218, for a total Project cost of \$78.2 million.

Prepared &  
Approved by:

  
David E. Chardavoyne, General Manager, (831) 755-4860

Attachments:

1. SB-831 Text
2. Interlake Tunnel Cost Estimates
3. WRAG 16-007 Executed Board Order
4. PowerPoint Presentation





**SB-831 Monterey County Water Resources Agency: Lake Nacimiento and Lake San Antonio.** (2015-2016)

**SECTION 1.** *Ten million dollars (\$10,000,000) from the General Fund is hereby appropriated to the Department of Water Resources for the purposes of a water conveyance tunnel between Lake Nacimiento and Lake San Antonio and spillway modifications at Lake San Antonio to increase storage by approximately 60,000 acre-feet.*

**SEC. 2.** *The Department of Water Resources shall provide a grant of the ten million dollars (\$10,000,000) appropriated for the purposes of a water conveyance tunnel between Lake Nacimiento and Lake San Antonio and spillway modifications at Lake San Antonio to the Monterey County Water Resources Agency for the purposes of constructing, in accordance with the design-build process authorized by Section 11.1 of the Monterey County Water Resources Agency Act (Chapter 1159 of the Statutes of 1990, as amended by Chapter 865 of the Statutes of 2014), the water conveyance tunnel and spillway modifications in order to maximize water storage, water supply, flood management, and groundwater recharge at Lake Nacimiento and Lake San Antonio, within the Salinas River groundwater basin, and the Salinas Valley.*

**SEC. 3.** *This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.*

# Interlake Tunnel Cost Estimates

## Interlake Tunnel Cost History

As of June 30, 2016

Budget	Adjustments		Notes	Feb 2016	Notes	April 2016	Notes	June 2016	Notes	Total	Notes
	Dec 2015	Jan 2016									
Conceptual Engineering	\$ 314,952					\$ 609,048	7)	\$ 186,000	9)	\$ 1,110,000	17)
Environmental clearance and permits	1,198,400			\$ 521,182	4)	18,161	8)	-		1,737,743	
Tunnel design and geotechnical investigations	1,310,800			388,587	5)			395,970	10)	2,095,357	
Spillway engineering and final design				1,613,148	6)			301,264	11)	1,914,412	
ROW acquisition and water rights permit applicat	244,000									244,000	
Financing	342,000							89,170	12)	431,170	
Tunnel construction	32,206,000							300,000	13)	32,506,000	
San Antonio Spillway Modification	15,000,000									15,000,000	
Fish Screen		\$ 5,000,000	1)							5,000,000	
Program Management	1,386,695							477,981	14)	1,864,676	
Construction Management	1,200,000									1,200,000	
Contingency	9,800,000							490,000	15)	10,290,000	
Capitalized interest during construction		3,400,000	2)							3,400,000	
Broker / Financing fees		1,400,000	3)							1,400,000	
PLA Negotiations (EPC only)								36,860	16)	36,860	
<b>Subtotal</b>	<b>\$ 63,002,847</b>	<b>\$ 9,800,000</b>		<b>\$ 2,522,917</b>		<b>\$ 627,209</b>		<b>\$ 2,277,245</b>			
<b>Cumulative Total</b>	<b>\$ 63,002,847</b>	<b>\$ 72,802,847</b>		<b>\$ 75,325,763</b>		<b>\$ 75,952,973</b>		<b>\$ 78,230,218</b>		<b>\$ 78,230,218</b>	

### Notes:

- 1) Added estimate for white bass containment
- 2) ,3) Added financing fees and capitalized interest
- 4), 5) Increased engineering forecasts for tunnel based on proposals
- 6) Added engineering and design costs for spillway modification
- 7) Accounted for development costs to date
- 8) Increased budget for environmental reviews based on findings
- 9) Accounted for development costs to date
- 10) , 11) Increased engineering budgets for tunnel and spillway based on added scope
- 12) Increased budget for Proposition 218 costs
- 13) Added modest cost increase for Homeland Security and FERC considerations
- 14) Increased program management budget to include modeling, LiDar survey
- 15) Added contingency for environmental and engineering
- 16) Added costs for PLA negotiations (EPC only)
- 17) Represents costs to date funded by Monterey County agreements



**Monterey County  
Board of Supervisors of the Water Resources Agency**

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

**Board Order**

Upon motion of Supervisor Salinas, seconded by Supervisor Potter, and carried by those members present, the Board of Supervisors hereby:

Established Board of Supervisors commitment to a Project Labor Agreement (PLA) for the Interlake Tunnel and Spillway Modifications Projects to:

1. Require a PLA for the project and authorize and direct staff to enter into negotiations for the PLA;
2. Require that the PLA is only effective if the projects are delivered pursuant to the design/build authority set forth in AB1585, and the state appropriates and delivers adequate funding or at least the \$25 million pursuant to AB1585; clarified that the \$25 million is not IRWMP or other grant funding, this is specific to new money from AB1585;
3. Require progress reports regarding PLA negotiations every two weeks, to the ad hoc committee or the full board as needed;
4. Delegate authority to County Counsel and Water Agency General Manager to appoint PLA negotiation team; and
5. Seek language modification to insure accuracy of AB1585.

PASSED AND ADOPTED on this 9th day of February 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on February 9, 2016.

Dated: February 11, 2016  
File ID: WRAG 16-007

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By *Denise Hancock*  
Deputy



# **Interlake Tunnel Project Status**

WRA Board of Supervisors / WRA Board  
of Directors  
Joint Meeting

September 13, 2016





# Agenda

1. Current Financial Status
2. Accomplishments to Date
3. Project Funding and Procurement Alternatives
4. Next Steps







# Current Financial Status

1. State funding from SB 831 remains unknown
  - \$10M approved by legislature
  - However, Governor approval is required by October 1, 2016
  - Grant funding details through DWR unknown
    - Does “constructing” mean no funds will be available until after the Prop 218 vote when the design-build contract is awarded?
    - Will DWR release all the funds to WRA immediately, or will they be released as a “construction in progress” type of model?
  
2. WRABOS determination that \$10M is adequate funding pursuant to Board Order WRAG 16-007 is required.





# Current Financial Status (cont.)

3. Additional development funds of \$5.6M are required to:

- Reach a Proposition 218 ballot measure
  - design and develop Project cost estimates
  - complete modeling analysis using the County's basin model including climate change analysis
  - Prepare environmental impact assessments and mitigation plans
  - Prepare Engineer's Report



# Project Budget

<b>Interlake Tunnel and Spillway Modification Capital Cost Estimate</b>	
	23-Aug-16
<b>Description</b>	<b>Costs (\$000)</b>
<b>Project Development Costs</b>	
Conceptual Engineering	\$1,275
Environmental and Permitting	\$1,738
Interlake Tunnel Engineering	\$2,095
San Antonio Spillway Engineering	\$1,914
Right of Way Easements	\$244
DB RFP Assistance	\$37
Proposition 218 Financing	\$431
Program Management	\$1,865
Environmental/Engineering Contingency	\$325
<b>Subtotal - Project Development Costs</b>	<b>\$9,924</b>
<b>Construction Costs</b>	
Tunnel	\$32,506
Fish Screen	\$5,000
Spillway Modification	\$15,000
Construction contingency	\$9,800
Construction Management	\$1,200
Capitalized interest during construction	\$4,800
<b>Subtotal Construction Costs</b>	<b>\$68,306</b>
<b>Total Project Cost Estimate</b>	<b>\$78,230</b>

← Spent to date (7/31/16)

<b>Annual Operations and Maintenance Costs</b>	<b>\$mil</b>
Fish screen maintenance	\$0.5
White Bass monitoring	\$0.4
Reservoir operations	\$0.3
Administration	\$0.1
<b>Total Annual O&amp;M Costs</b>	<b>\$1.3</b>



# Interlake Tunnel Cost Estimates

## Interlake Tunnel Cost History

As of June 30, 2016

Budget	Adjustments		Notes		Notes		
	Dec 2015	Jan 2016	Feb 2016	April 2016	June 2016		
Conceptual Engineering	\$ 314,952			\$ 609,048	7)	\$ 186,000	
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ROW acquisition and water rights permit application	244,000						
Financing	342,000						89,170
Tunnel construction	32,206,000						300,000
San Antonio Spillway Modification	15,000,000						
Fish Screen		\$ 5,000,000	1)				
Program Management	1,386,695						477,981
Construction Management	1,200,000						
Contingency	9,800,000						490,000
Capitalized interest during construction		3,400,000	2)				
Broker / Financing fees		1,400,000	3)				
PLA Negotiations (EPC only)							36,860
<b>Subtotal</b>	<b>\$ 63,002,847</b>	<b>\$ 9,800,000</b>		<b>\$ 2,522,917</b>		<b>\$ 627,209</b>	<b>\$ 2,277,245</b>
<b>Cumulative Total</b>	<b>\$ 63,002,847</b>	<b>\$ 72,802,847</b>		<b>\$ 75,325,763</b>		<b>\$ 75,952,973</b>	<b>\$ 78,230,218</b>

### Notes:

- 1) Added estimate for white bass containment
- 2), 3) Added financing fees and capitalized interest
- 4), 5) Increased engineering forecasts for tunnel based on proposals
- 6) Added engineering and design costs for spillway modification
- 7) Accounted for development costs to date
- 8) Increased budget for environmental reviews based on findings
- 9) Accounted for development costs to date
- 10), 11) Increased engineering budgets for tunnel and spillway based on added scope
- 12) Increased budget for Proposition 218 costs
- 13) Added modest cost increase for Homeland Security and FERC considerations
- 14) Increased program management budget to include modeling, LiDar survey
- 15) Added contingency for environmental and engineering
- 16) Added costs for PLA negotiations (EPC only)
- 17) Represents costs to date funded by Monterey County agreements







# Work to Date Has Proven the Project Feasible, Necessary and Viable

1. Flood control is the single most important benefit of the project
  - For no other reason than flood control, the project should be a priority of Monterey County government to protect lives, property and economic vitality.
  - History has shown devastating floods after periods of drought.
2. Preliminary hydrologic modeling demonstrates benefits to water sustainability through increasing storage and replenishing aquifers.
3. Environmental flows and recreational demands can be met.
4. Project viability has been affirmed by a significant percentage of SV property owners.







# Project Modeling Results and Plan

1. Reservoir simulation modeling performed on historical data using OASIS software and 120 different operating scenarios.
2. Forecast of average annual benefits (based on current demands):
  - Reduction in flood spills creates more stored water – 11,860 acre-feet
  - Increased conservation releases – 8,100 acre-feet
  - Dry year releases increase an average of 20,950 acre-feet
3. Adjusting demands for average added beneficial water use:
  - Reduction in flood spills creating more stored water – 22,200 acre feet
  - Increased conservation releases – 20,690 acre feet
4. Next steps for modeling
  - Input Project model data into County's basin (USGS) model. (Dec 2016 – Jan 2017)
  - Adjust Project's operation model forecast from results of basin model including climate change (Feb 2017)
  - Distribute Project Description including model flows forecast for environmental impact analysis (March – May 2017)
  - Evaluate impact from environmental demands and determine project viability



# Project Funding and Procurement Alternatives

## 1. SB 831 funding - \$10 million

### Procurement

- Design Build per AB 155 and SB 831 with PLA
- Engineering to prepare DB RFQ/RFP documents and prepare Engineer's Report for Proposition 218

### Funding

- Grant from DWR – timing and terms unknown
- Prop 218 permanent financing

## 2. Private funding alternative should SB 831 funding not feasible

### Procurement

- Design Build per Government Code Section 5956 – California Infrastructure Financing Act
- Engineering/Legal to prepare RFP/Contract

### Funding

- creative means of equity participation, risk management, unsecured loans, and collateralized guarantees.
- Expedited process to secure Prop 218 financing
- Expedited final design and construction contract award

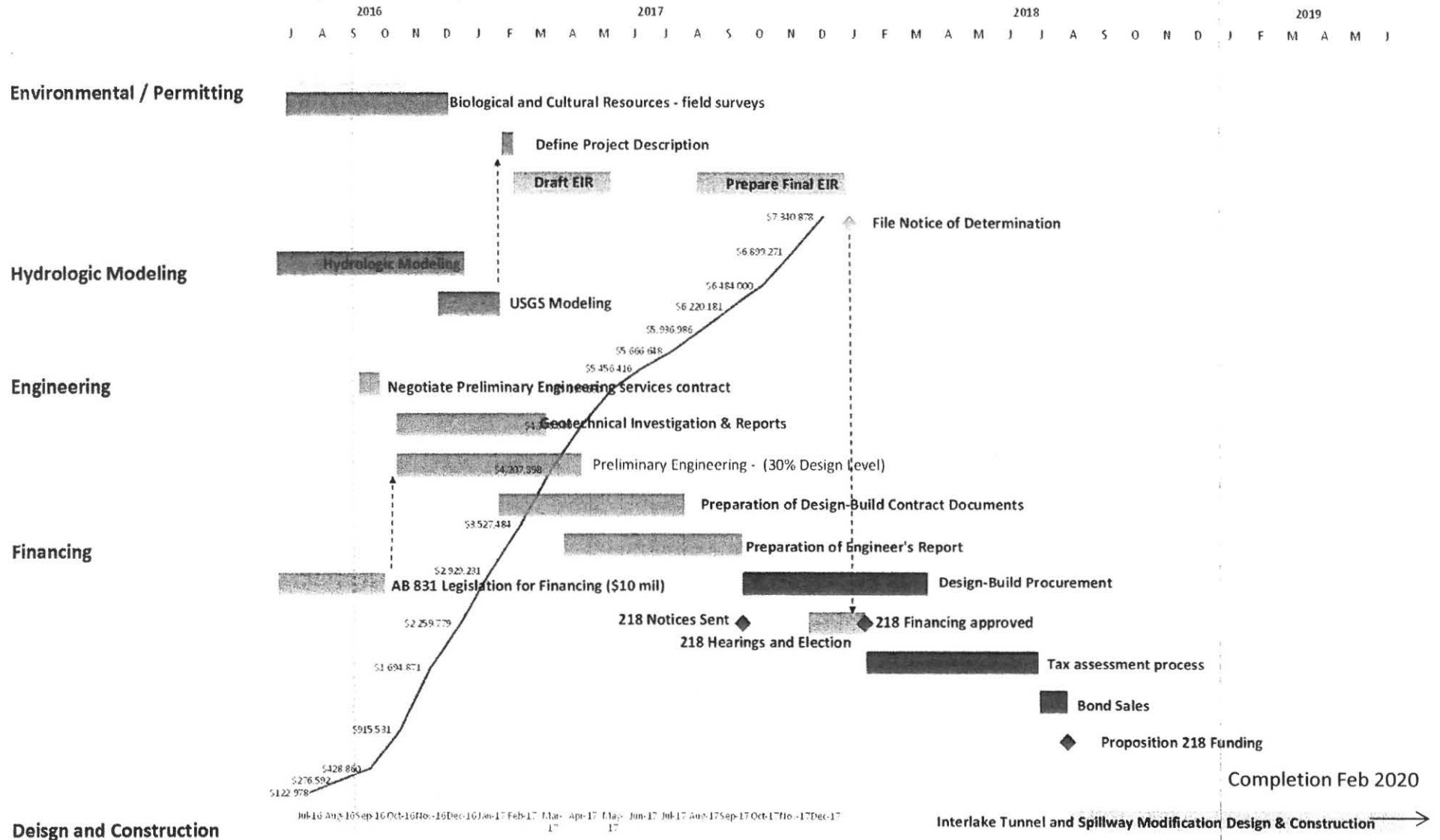
# SB 831 – AB 155 DB Approach

## Interlake Tunnel Development Schedule

Based on AB 155 DB Procurement and SB 831 Funding

Forecast

RD 9/6/2016



# SB 831 – AB 155 DB Approach

Activities to Proposition 218 Election	Budget
Environmental and Permitting	\$1,364,350
Interlake Tunnel Engineering	\$1,999,643
San Antonio Spillway Engineering	\$1,672,770
Construction Procurement	\$84,340
Right of Way Easements	\$244,000
Proposition 218 Financing	\$146,670
Preparation of Engineer's Report	\$89,170
218 Hearings and Election	\$57,500
Contingency - Environmental and Engineering	\$488,123
Program Management	\$1,194,312
<b>Total Costs</b>	<b>\$7,340,878</b>
<b>Funds Remaining</b>	<b>\$1,725,000</b>
<b>Funds Required</b>	<b>\$5,615,878</b>







# Alternative Plan to Advance the Project Should SB 831 Funding Not Be Feasible...

1. Utilize Government Code Section 5956 – California Infrastructure Financing Act
  - Enabling mechanism to use private financing and expedited methods to develop the project to a Proposition 218 financing election.
2. Procure design-build contracting services through competitive negotiation
3. Development funding options include: 1) equity participation, 2) risk management, 3) unsecured loans, and 4) collateralized guarantees.
4. Expedites the development and environmental work to position for a Proposition 218 as soon as possible.
5. Provides an accelerated Project completion date

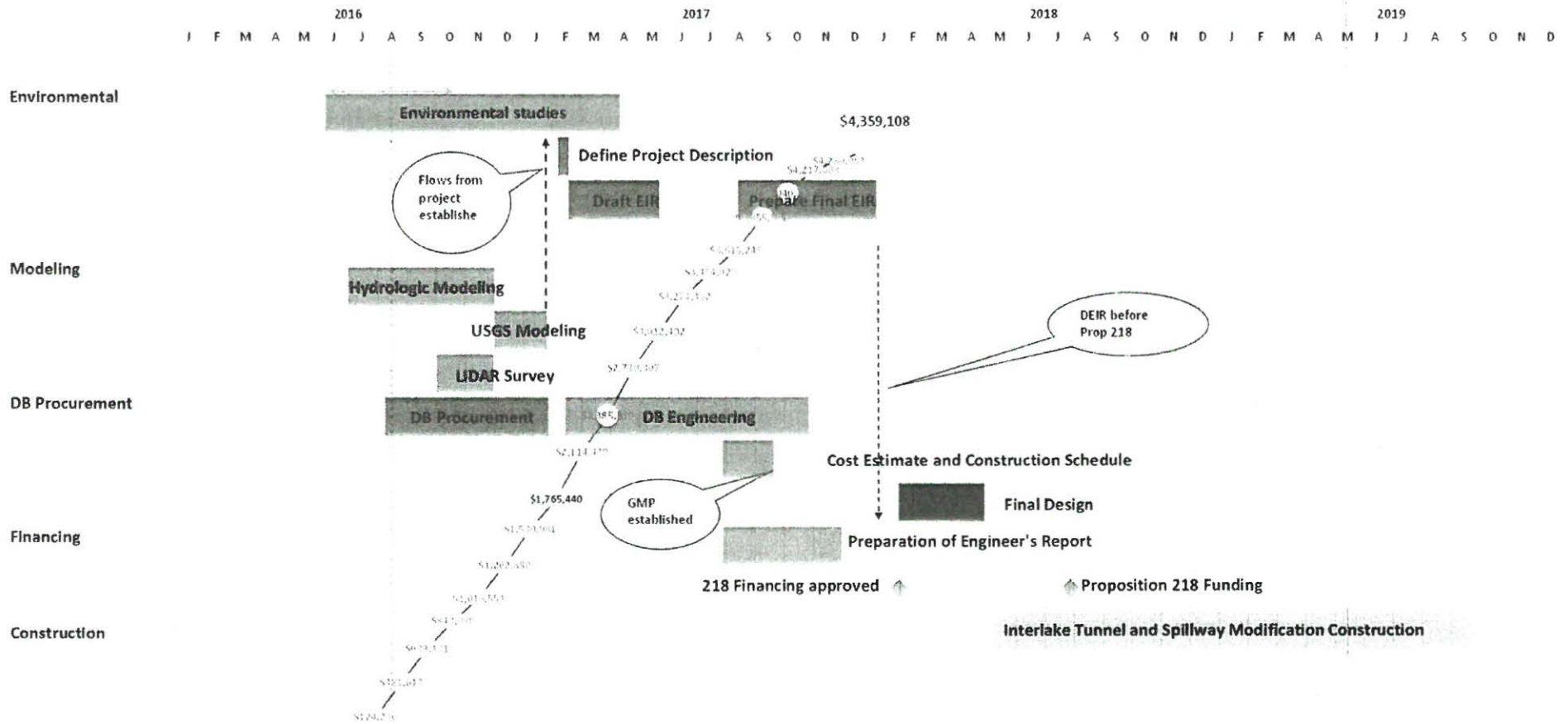




# Implementation plan and budget - 5956

Interlake Tunnel and Spillway Modification  
5956 Implementation

5956 Alternative  
RD 9/6/2016



# Development Budget Estimate - 5956

Development budget to Prop 218 Election		Budget
Environmental and Permitting	\$	1,364,350
Hydrologic Modeling	\$	169,600
Res Ops Engineering support	\$	67,168
LiDAR Survey	\$	150,000
USGS Modeling	\$	150,000
DB Procurement	\$	-
DB Engineering	\$	840,000
Right of Way Easements	\$	244,000
Proposition 218 Financing	\$	76,115
Contingency - Environmental and Engineering	\$	490,000
<u>Program Management</u>	<u>\$</u>	<u>807,875</u>
Total Development Costs	\$	4,359,108
Funds remaining	\$	1,725,000
Shortfall	\$	2,634,108





# Next Steps

1. Resolve SB 831 funding unknowns
2. Continue environmental and modeling work
3. Return to WRABOS with recommendation on way forward to a Proposition 218 ballot measure





# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: 16-1054

September 13, 2016

Introduced: 9/7/2016

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

Receive an update from Gina Bartlett, Consensus Building Institute (CBI), regarding the facilitated process related to development of a recommended structure for the Salinas Valley Groundwater Sustainability Agency.

### RECOMMENDATION:

It is recommended that the Board of Supervisors of the Water Resources Agency and the Board of Directors of the Water Resources Agency receive an update from Gina Bartlett, Consensus Building Institute (CBI), regarding the facilitated process for development of a recommended structure of a Groundwater Sustainability Agency for the Salinas Valley Groundwater Basin.

### SUMMARY:

The California Sustainable Groundwater Management Act of 2014 (SGMA) is intended to provide a comprehensive framework for sustainable management of groundwater by local authorities. SGMA requires that Groundwater Sustainability Agencies (GSAs) be formed by June 30, 2017. It further requires that Groundwater Sustainability Plans (GSPs) be adopted by January 31, 2020 for "critically over drafted" basins. This deadline applies to the Salinas Valley Basin.

At your meeting of September 13, 2016, Gina Bartlett of CBI will provide an update on the status of the facilitated process for GSA formation.

### DISCUSSION:

Given the relatively short timeframe for GSA formation, the complex nature of water issues in the Salinas Valley Basin, and the number of stakeholders and potential GSA eligible agencies, CBI was hired in September 2015 to conduct a facilitated process that could lead to a recommended governance structure for a single GSA for the Salinas Valley Basin. Funding to hire CBI came from the City of Salinas, the County of Monterey, the Water Resources Agency and the agricultural community.

A very robust stakeholder involvement process has been underway since early spring 2016. The Collaborative Work Group (CWA) is made up of representatives of GSA eligible entities and has been meeting approximately two times per month. There have also been two meetings to date of the larger Stakeholder Forum/Public Workshop.

The CWG, in consultation with the Stakeholder Forum, will recommend a preferred GSA structure to the GSA eligible entities in the Salinas Valley Basin. A number of proposals related to GSA formation have been discussed by the CWG. In general, the CWG is considering a single GSA for the bulk of the basin which would be initially formed as a Joint



Powers Authority which would be transitioned to a legislated special district (Marina Coast Water District is considering declaring itself a GSA for portions of the Seaside sub-Basin and the Corral de Tierra area of the Salinas Valley Basin). As envisioned, the governing board would include representatives from local government (County and cities), water suppliers, agriculture, environment, disadvantaged communities and an at-large member of the public with preference given to a rural residential well owner. Details of this proposed structure are still very much under discussion by the CWG.

OTHER AGENCY INVOLVEMENT:

The Collaborative Work Group includes representatives from the County of Monterey, the Water Resources Agency, Salinas Valley cities, environmental groups, agriculture, water suppliers and rural residential well owners.

FINANCING:

CBI was hired to facilitate the GSA formation process under a contract in the amount of \$175,000. This cost was shared equally by the County, the City of Salinas, Monterey County Water Resources Agency and the agriculture community. Projected County costs related to participation in a GSA, once formed, are unknown at this time.

Approved by: Nicholas E. Chiulos, Assistant County Administrative Officer

*Karina Bokannich  
for*