



MONTEREY COUNTY WATER RESOURCES AGENCY

893 BLANCO CIRCLE
SALINAS, CA 93901
(831) 755.4860
(831) 424.7935 FAX

BOARD OF DIRECTORS

BOARD OF DIRECTORS:

Claude Hoover, Chair
Mike Scattini, Vice Chair
Ken Ekelund
Mark Gonzalez
David Hart
John Huerta
Richard Ortiz
Deidre Sullivan
Abby Taylor-Silva

STAFF:

David E. Chardavoyne, General Manager
Robert Johnson, Deputy General Manager
Brent Buche, Deputy General Manager
Cathy Paladini, Finance Manager
Wini Chambliss, Clerk to the Board
Jesse Avila, Deputy County Counsel

REGULAR BOARD OF DIRECTORS MEETING

Monday, January 25, 2016

REVISED AGENDA

AS OF 1/21/16

CLOSED SESSION @ 12:00 P.M. IS CANCELLED

Staff reports relative to the agenda items listed below will be available for public review on the Agency's website by 7:00 PM by Thursday, January 21, 2016 and at the Monterey County Water Resources Agency (Agency), 893 Blanco Circle, Salinas. If additional documents are produced by the Agency and provided to a majority of the Board regarding any item on the agenda after staff reports have been distributed, they will be available at the Agency during normal business hours and posted on the Agency website at http://www.mcwra.co.monterey.ca.us/BOD/BOD/AgendaCurrent_n.htm. For additional information, please contact Wini Chambliss, Clerk to the Board, at (831) 755-4896.

If requested, the agenda and associated documents shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals with a disability requiring a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may make these requests to Wini Chambliss, Clerk to the Board, at (831) 755-4896. Please notify the Clerk to the Board at least 72 hours in advance to ensure availability of appropriate equipment.

~~1. CALL TO ORDER/ESTABLISH QUORUM FOR CLOSED SESSION 12:00 P.M.~~

~~2. PUBLIC COMMENTS ON CLOSED SESSION ITEMS~~

~~Closed Session under Government Code section 54950, relating to the following items:~~

- ~~a) Conference with Legal Counsel – Significant Exposure to Litigation
Pursuant to Government Code section 54956.9(d)(2), the Board of Directors will confer with legal counsel regarding one matter of significant exposure to litigation.~~

~~3. ADJOURN TO CLOSED SESSION~~

4. RECONVENE MEETING/RE-ESTABLISH QUORUM (at 1:00 P.M.)

5. PLEDGE OF ALLEGIANCE

6. ELECTION OF OFFICERS

7. PUBLIC COMMENTS

*(Limited to three minutes per speaker on matters within Monterey County Water Resources Agency jurisdiction and **not listed** on the agenda. Members of the Public will have the opportunity to ask questions or make statements on agenda items as they are considered by the Board.)*

8. PRESENTATIONS: 5

A. San Antonio Dam Facility Maintenance – Mr. Brent Buche

B. Interlake Tunnel Project Status Update – Mr. David Chardavoyne

9. CONSENT CALENDAR 7

A. Approve the Action Minutes of the Regular Board of Directors meeting on December 7, 2015. 9

B. Approve purchase orders/contracts in excess of \$500 and credit card purchases over \$500. ..15

C. Approve a Notice of Completion for the 2015 San Antonio Dam penstock relining project; and authorize the General Manager to execute and record the Notice of Completion at the Monterey County Recorder’s Office. 17

D. Approve Amendment No. 1 to the Professional Services Agreement with AECOM Technical Services, Inc., in the amount of \$11,968.16 to provide safety surveillance and performance evaluation of San Antonio Dam; approve budget action to carry over \$11,968.16 for the AECOM Agreement; and, authorize the General Manager to execute the Amendment. ... 23

E. Recommend that the Monterey County Water Resources Agency Board of Supervisors approve Budget Amendment No. 6 for the Water Resources Agency authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency’s FY 2015-16 Adopted Budget for the Dam Operations O&M Zone 2C Fund 116, Appropriation Unit WRA006 and San Antonio Non-O&M Zone 2A to increase estimated revenue & appropriations by \$524,099 for epoxy coating to San Antonio low level outlet pipe and valves (4/5th vote required).... 41

F. Receive First and Second Quarter FY 2015-16 Reports to the Monterey County Water Resources Agency Board of Supervisors 45

G. Receive report on Salinas Valley Water Conditions for the First Quarter of Water Year 2015-2016. 55

H. Appoint Director Abby Taylor-Silva to serve as the Monterey County Water Resources Agency representative on the Pajaro River Watershed Flood Prevention Authority. 69

- 10. ACTION ITEMS 73**
 - A. Consider approving the Agency being a party to the Return Water Planning Term Sheet; recommending that the Monterey County Water Resources Agency Board of Supervisors approve the Return Water Planning Term Sheet; and, authorizing the General Manager to sign the Return Water Planning Term Sheet, substantially in the form attached. 75
 - B. Consider receiving a report on the Salinas River Lagoon, including necessary tasks to pursue permits for sandbar management activities for 2016-2021; and, consider providing direction regarding funding those activities to Staff. 89
 - C. Consider receiving an update regarding the proposed Proposition 1 funding distributions for the Greater Monterey County Integrated Regional Water Management Plan region; and, direct Staff to support the Greater Monterey County Regional Management Group’s acceptance of a funding agreement. 93
 - D. Consider receiving a report on the Proposition 1 Storm Water Grant Program; and, provide direction to Staff regarding the development of a planning grant application. 111
 - E. Consider receiving a report on the Strategic Planning Session, and provide direction to Staff. 113
 - F. Consider receiving an update on the Groundwater Sustainability Agency formation; and, providing direction to Staff. 135
- 11. KEY INFORMATION AND CALENDAR OF EVENTS**
- 12. GENERAL MANAGER’S REPORT**
- 13. COMMITTEE REPORTS**
 - A. Basin Management Plan Committee: Richard Ortiz, Chair
 - B. Finance Committee: Claude Hoover, Chair
 - C. Personnel/Administration Committee: Mark Gonzalez, Chair
 - D. Planning Committee: Deidre Sullivan, Chair
 - E. Reservoir Operations Committee: David Hart, Chair
- 14. INFORMATION ITEMS 145**
 - A. Development Review 147
 - B. Reservoir Release Update 149
 - C. Well Permit Application Activities Update 151
- 15. BOARD OF DIRECTORS’ COMMENTS**
- 16. ADJOURNMENT**

PRESENTATIONS:

**A. San Antonio Dam Facility
Maintenance Update**

Mr. Brent Buche

**B. Interlake Tunnel Project Status
Update**

Mr. David Chardavoyne

CONSENT CALENDAR



MONTEREY COUNTY WATER RESOURCES AGENCY

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BOARD OF DIRECTORS

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Vacant

STAFF:

David E. Chardavoyne, General Manager
Robert Johnson, Deputy General Manager
Brent Buche, Deputy General Manager
Cathy Paladini, Finance Manager
Wini Chambliss, Clerk to the Board
Jesse Avila, Deputy County Counsel

Monday, December 7, 2015 @ 1:00 P.M.

SPECIAL BOARD OF DIRECTORS MEETING

MINUTES

1. CALL TO ORDER/ESTABLISH QUORUM

Director Hoover called the meeting to order @ 12:00 PM and a quorum was established.

Directors Present: Hoover, Scattini, Ekelund, Gonzalez, Hart, Ortiz, Sullivan, Taylor-Silva
(@ 1:05 PM)

Directors Absent: Huerta

2. PUBLIC COMMENTS ON CLOSED SESSION ITEMS – None.

3. ADJOURN TO CLOSED SESSION @12:01 PM

4. RECONVENE MEETING/RE-ESTABLISH QUORUM @ 1:07 PM – There were no reportable actions from Closed Session.

5. PLEDGE OF ALLEGIANCE

6. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

7. CONSENT CALENDAR

A. Approve the Action Minutes of the following meetings: Regular Board of Directors on October 26, 2015 and Special Board of Directors on November 2, 2015.

- B. Approve purchase orders/contracts in excess of \$500 and credit card purchases over \$500 in October and November 2015.
- C. Receive and accept the Monterey County Water Resources Agency (MCWRA) First Quarter Financial Status report for through September 30, 2015.

ACTION: On motion and second of Directors Ortiz and Gonzalez, approved the Consent Calendar B and C.

VOTE: Ekelund Abstained on Consent Item 7A.

ACTION: On motion and second of Directors Ortiz and Hart, approved Consent Calendar Item A with necessary corrections to the October 26, 2015 Minutes (Director Sullivan was absent).

Vote: Ekelund Abstained.

8. ACTION ITEMS

- A. Consider receiving a report regarding Public Private Partnership contractor services for the Interlake Tunnel and Spillway Modification Project under Government Code Section 5956 – California Infrastructure Investment Act; and, recommend that the Monterey County Water Resources Agency Board of Supervisors authorize the General Manager to issue a Request for Proposal for a P3 contractor.

David Chardavoigne, Monterey County Water Resources Agency General Manager, and Ron Drake, Interlake Tunnel Project Program Manager, EPC Consultants, presented this item to the Board for consideration. Mr. Chardavoigne informed the Board and public of revisions in schedule regarding consideration of this item by the Water Resources Agency Board of Supervisors.

Director Ekelund left the dais at 1:24 PM and returned at 1:27 PM.

Director Ekelund left the dais at 2:03 PM and returned at 2:04 PM.

Public Comments: Nancy Isakson, Salinas Valley Water Coalition; Rich Boyer, Prunedale resident; Bill Stevens, NOAA Fisheries; Ron Chesshire, Monterey/Santa Cruz State Building Trades Council.

ACTION: On motion and second of Directors Scattini and Taylor-Silva received a report regarding Public Private Partnership contractor services for the Interlake Tunnel and Spillway Modification Project under Government Code Section 5956 – California Infrastructure Investment Act subject to re; and, recommended that the Monterey County Water Resources Agency Board of Supervisors authorize the General Manager to issue a Request for Proposal for a P3 contractor, subject to WRA BOS approval of the Third Funding Agreement.

VOTE: Yes – Hoover, Scattini, Ekelund, Gonzalez, Hart, Ortiz, Taylor-Silva
No – Sullivan
Absent - Huerta

Director Hart left the dais at 3:13 PM and returned at 3:17 PM.

- B. Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve a Third Reimbursement and Funding Agreement between the County of Monterey and the Monterey County Water Resources Agency, in the amount of \$1.9 million, for preparation and issuance of an RFP for Public Private Partnership (P3) contractor services pursuant to Government Code 5956; Environmental Consulting Services; and, Program Management Services for the Interlake Tunnel Project, substantially in the form of Agreement attached and subject to approval by County Counsel.

David Chardavoyne, General Manager, presented this item to the Board for consideration.

Director Taylor-Silva left the dais at 3:30 PM and returned at 3:33 PM.

Public Comments: Nancy Isakson.

ACTION: On motion and second of Directors Scattini and Ortiz approved and recommended that the Monterey County Water Resources Agency Board of Supervisors approve a Third Reimbursement and Funding Agreement between the County of Monterey and the Monterey County Water Resources Agency, in the amount of \$1.9 million, for preparation and issuance of an RFP for Public Private Partnership (P3) contractor services pursuant to Government Code 5956; Environmental Consulting Services; and, Program Management Services for the Interlake Tunnel Project, substantially in the form of Agreement attached and subject to approval by County Counsel, and subject to the RFP being returned to the Directors for review prior to being published.

VOTE: Yes – Hoover, Scattini, Ekelund, Gonzalez, Hart, Ortiz, Taylor-Silva
No – Sullivan
Absent - Huerta

Director Scattini left the dais @ 3:54 PM and returned @ 4:05 PM.

Director Hoover left the dais @ 4:05 PM and returned @ 4:07 PM.

- C. Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve a Professional Services Agreement with Horizon Water and Environment, LLC, in the amount of \$1.72 million, to provide environmental consulting services for the Interlake Tunnel Project and Spillway Modification Project; and, authorize the General Manager to execute the Agreement, substantially in the form of Agreement attached and subject to approval by County Counsel.

David Chardavoyne, General Manager, presented this item for consideration by the Board.

County Counsel Avila made a revision to the Agreement, adding a new section (Section 10.4) as follows:

“Contractor acknowledges and agrees that the Agency, at its sole option and in its sole discretion, may novate this Agreement, pursuant to attached form of Assignment and Novation Agreement.”

Public Comments: Bill Stevens; Nancy Isakson.

This item was tabled until consideration of Action Item 8I.

ACTION: On motion and second of Directors Ekelund and Sullivan that the Monterey County Water Resources Agency Board of Supervisors approve a Professional Services Agreement with Horizon Water and Environment, LLC, in the amount of \$1.72 million, to provide environmental consulting services for the Interlake Tunnel Project and Spillway Modification Project; and, authorize the General Manager to execute the Agreement, substantially in the form of Agreement attached and subject to approval by County Counsel; and, that Section 2.3.7.4.9 be revised to reflect the USGS modeling document.

VOTE: Unanimous by those members present.

-
- I. Consider receiving an update on the County's "Salinas River Groundwater Basin Investigation;" and, consider appointing an Agency Director to participate in the related stakeholder process as a representative of the Agency.

Howard Franklin, Senior Hydrologist, presented this item for consideration by the Board.

Public Comments: Nancy Isakson.

ACTION: On motion and second of Directors Ekelund and Ortiz received an update on the County's "Salinas River Groundwater Basin Investigation;" and, consider appointing Director Deidre Sullivan to participate in the related stakeholder process as a representative of the Agency.

VOTE: Unanimous by those members present.

-
- D. Consider receiving an update regarding the proposed Proposition 1 funding distributions for the Greater Monterey County Integrated Regional Water Management Plan region; and, providing direction to Staff.

Elizabeth Krafft, Senior Hydrologist, presented this item for consideration by the Board.

Public Comments: None.

ACTION: On motion and second of Directors Ekelund and Gonzalez received an update regarding the proposed Proposition 1 funding distributions for the Greater Monterey County Integrated Regional Water Management Plan region; and, directed Staff to pursue Option 1 with the GMC IRWM.

VOTE: Unanimous by those members present.

Director Ekelund left the dais @ 5:03 PM and returned @ 5:08 PM.

Director Gonzalez left the dais @ 5:04 PM and returned @ 5:06 PM.

- E. Consider receiving an update on Winter Preparedness; directing Staff to prepare contracts to develop Rapid Response Teams for Winter emergencies; and, authorizing the General Manager to execute all necessary Agreements up to \$800,000 from the Rate Stabilization Reserve.

Brent Buche, Deputy General Manager, presented this item for consideration by the Board.

Public Comments: None.

ACTION: On motion and second of Directors Ekelund and Hart received an update on Winter Preparedness; directing Staff to prepare contracts to develop Rapid Response Teams for Winter emergencies; and, authorized the General Manager to execute all necessary Agreements up to \$800,000 from the Rate Stabilization Reserve.

VOTE: Unanimous by those members present.

- F. Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve Budget Amendment No. 5 authorizing the Auditor-Controller to amend the FY 2015-16 Adopted Budget, Department 9300, Unit 8267, Fund 303 (Rate Stabilization Reserve), Appropriation Unit WRA0025, Account 6613, to increase appropriations in the amount of \$800,000 financed by unassigned fund balance to Fund contracts for Rapid Response Teams and supplies for emergency responses for Winter 2015-16 (4/5th vote required).

Brent Buche, Deputy General Manager, presented this item for consideration by the Board.

Public Comments: None.

ACTION: On motion and second of Directors Ekelund and Gonzalez approved and recommended that the Monterey County Water Resources Agency Board of Supervisors approve Budget Amendment No. 5 authorizing the Auditor-Controller to amend the FY 2015-16 Adopted Budget, Department 9300, Unit 8267, Fund 303 (Rate Stabilization Reserve), Appropriation Unit WRA0025, Account 6613, to increase appropriations in the amount of \$800,000 financed by unassigned fund balance to fund contracts for Rapid Response Teams and supplies for emergency responses for Winter 2015-16 (4/5th vote required). Staff was directed to work with Monterey County in seeking funds to reimburse the Rate Stabilization Reserves for emergency services.

VOTE: Unanimous by those Directors present.

- G. Consider receiving a report on the Salinas River Lagoon, including necessary tasks to pursue permits for sandbar management activities for 2016-2021; and, consider providing direction regarding funding those activities to Staff.

Brent Buche, Deputy General Manager, presented this item for consideration by the Board.

Director Sullivan left the dais @ 5:28 PM and returned @ 5:30 PM.

Public Comments: None.

ACTION: On motion and second of Directors Ekelund and Taylor-Silva received a report on the Salinas River Lagoon, including necessary tasks to pursue permits for sandbar management activities for 2016-2021; and, stated this is a top priority to be discussed at the Strategic Planning Workshop.

VOTE: Unanimous by those Directors present.

Director Scattini left the dais @ 5:45 PM and returned @ 5:52 PM.

- H. Consider approving Amendment No. 2 to the General Services Agreement with Industrial Machine Shop, Inc., in the amount of \$50,000, to provide repair, fabrication and machining services of components for facilities and projects owned and managed by the Monterey County Water Resources Agency; and, authorizing the General Manager to execute the Amendment.

Mark Foxworthy, Associate Water Resources Engineer, presented this item for consideration by the Board.

Public Comments: None.

ACTION: On motion and second of Directors Gonzalez and Ortiz approved Amendment No. 2 to the General Services Agreement with Industrial Machine Shop, Inc., in the amount of \$50,000, to provide repair, fabrication and machining services of components for facilities and projects owned and managed by the Monterey County Water Resources Agency; and, authorized the General Manager to execute the Amendment.

VOTE: Unanimous by those members present.

9. KEY INFORMATION AND CALENDAR OF EVENTS – No meeting dates were changed.

Director Taylor-Silva left the dais @ 5:48 PM and returned @ 5:52 PM.

10. GENERAL MANAGER'S REPORT

- a) Ken Harris, former Executive Director of Regional Water Quality Control Board, selected as State Oil & Gas Supervisor, California Department of Conservation, division of Oil, Gas & Geothermal Resources
- b) Pajaro River Watershed Flood Protection Agency needs to fill vacancy left by Silvio Bernardi –hopefully by the first of the year.

11. COMMITTEE REPORTS – not considered.

12. INFORMATION ITEMS – not considered.


13. CORRESPONDENCE – not considered.

14. BOARD OF DIRECTORS' COMMENTS

15. ADJOURNMENT @ 5:56 PM.

SUBMITTED BY: Wini Chambliss

APPROVED ON:



Wini Chambliss

**Purchase Orders/Contracts in Excess of \$500.00
opened for the month of December ,2015
and credit card purchases over \$500.00 in December 2015**

CONSENT

Vendor Description	PO/Contract	Zone	Amount
Burke, Williams & Sorensen For independent legal services	DO00000010534	2C	20,000.00
Safety Center Inc. Confined Space training for WRA personnel	SC0000004853	2C	9,990.00
Total		2	29,990.00

**Purchase Orders/Contracts in Excess of \$500.00
opened for the month of December ,2015
and credit card purchases over \$500.00 in December 2015**

CONSENT

Vendor Description	PO/Contract	Zone	Amount
Credit Card Purchases November, 2015			
California Professional Safety & Supply Gas Alert Meter & Equipment		2C	1,092.50
Rain For Rent 8' Spillguard for S.A. Project		2C	3,255.00
Fulton Pacific Sand Bags		ADM	11,914.80
United Rentals 5 Yard Dump Truck Rental for Storm Cleanup		9	1,178.08
Bunker & Sons Fill Sand for Moro Cojo Repair		17	582.71
Lowes Supplies for S.A. Project		2C	797.32
Air Gas Welding Gas for S.A. Project		2C	728.85
Paso Robles Ford Lincoln Truck Service		ADM	598.25
Lowes Anchor rods and other supplies S.A. dam project		2C	720.81
My Chevrolet Service for Agency Vehicles		ADM	1,424.68
Harmony Machine Shop Fabrication of Hydraulic Components for S.A. Project		2C	1,403.75
Total			23,696.75

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Approve a Notice of Completion for the 2015 San Antonio Dam penstock relining project; and, authorize the General Manager to execute and record the Notice of Completion at the Monterey County Recorder's Office.		
Consent (X)		Action ()	
Information ()			
SUBMITTED BY:	Brent Buche	PREPARED BY:	Chris Moss
PHONE:	755-4860	PHONE:	755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Approve a Notice of Completion for the 2015 San Antonio Dam penstock relining project; and authorize the General Manager to execute and record the Notice of Completion at the Monterey County Recorder's Office.

SUMMARY:

On August 24, 2015, the Agency Board of Directors directed staff to begin releases by August 28, 2015 to reduce San Antonio Reservoir to 644.9 feet (dead pool) in order to perform essential deferred maintenance, which included inspection of the 84-inch diameter outlet conduit (penstock) and possibly recoating the penstock interior if necessary. Upon inspection it was determined that recoating of the penstock interior was needed. A proposal from Techno Coatings, Inc. was accepted under an Emergency Purchase Order procedure, and the Contractor mobilized to the work site on November 16, 2015. Recoating of 496 feet of the 1,100 feet long penstock was completed December 16, 2015, for a total cost of \$544,458.30. This action approves the Notice of Completion and authorizes public recordation of the Notice.

DISCUSSION/ANALYSIS:

On August 24, 2015, the Agency Board of Directors directed staff to begin releases by August 28, 2015 to reduce San Antonio Reservoir to 644.9 feet (dead pool – the reservoir elevation at which water no longer gravity flows through the outlet conduit) in order to perform essential deferred maintenance if the action did not result in a “take” of threatened or endangered species, or a violation of the California and Federal Endangered Species Acts or other state or federal law. Included in the deferred maintenance was inspection of the 84-inch diameter outlet conduit (penstock) and recoating the penstock interior if necessary. The original 1960's penstock interior coating was touch-up painted once around 1988.

Confined space entry and non-entry rescue staff training for penstock entry was completed October 9, 2015 and then penstock inspection was completed on October 13, 2015. Upon inspection it was determined that recoating of the penstock interior was needed. After soliciting

proposals from three qualified painting contractors, one proposal from Techno Coatings, Inc. was received and accepted under an Emergency Purchase Order procedure to complete the work under safest working conditions while the penstock was accessible with the reservoir near dead pool elevation. The Contractor mobilized to the work site November 16, 2015 and recoating of 496 feet of the 1,100 feet long penstock was complete December 16, 2015 (the Substantial Completion date, where all work but minor punch list items are completed). The work occurred in two phases, and included sand-blast removal of the old coating, hand application of epoxy filler in pitted locations, and application of two coats of submersion rated epoxy paint, with necessary air supply and dehumidifying equipment and on-site confined space rescue personnel. The total cost was \$544,458.30. Final Completion, the date punch list items are completed, is January 14, 2016.



Recordation of a Notice of Completion limits filing of stop payment notices (the process for parties under the prime contractor to dispute a payment to them from the prime contractor) to 30 days after the date of recordation. If no stop payment notices are received during that period, the final amount of retention held on the construction contract will be released to the prime contractor. If a stop payment notice is received, the amount of the stop notice is withheld by the Agency from the retained amount until the payment dispute between the stop notice filing party and the prime contractor is resolved. Ten percent of the total contract amount is retained. This action approves the Notice of Completion and authorizes public recordation of the Notice.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel concurred with emergency procurement procedures, and the County Administrative Office, Contracts/Purchasing Division completed Emergency Purchase Order processing.

FINANCING:

There is no monetary cost associated with this action, other than staff time to process the Notice of Completion.

FINANCIAL IMPACT:	YES ()	NO (X)
FUNDING SOURCE:	N/A	
COMMITTEE REVIEW AND RECOMMENDATION:	None.	
ATTACHMENTS:	1. Board Order 2. Notice of Completion for the 2015 San Antonio Dam Penstock Relining Project	
APPROVED:	 General Manager	
	 Date	



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

BOARD ORDER No. _____

APPROVE A NOTICE OF COMPLETION FOR THE)
2015 SAN ANTONIO DAM PENSTOCK RELINING)
PROJECT; AND, AUTHORIZE THE GENERAL)
MANAGER TO EXECUTE AND RECORD THE)
NOTICE OF COMPLETION AT THE MONTEREY)
COUNTY RECORDER’S OFFICE)

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

1. Approves a Notice of Completion for the 2015 San Antonio Dam penstock relining project, and
2. Authorizes the General Manager to execute and record the Notice of Completion at the Monterey County Recorder’s Office.

PASSED AND ADOPTED on this 25th day of January 2016, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager

RECORDING REQUESTED BY:
Monterey County Water Resources Agency

WHEN RECORDED, RETURN TO:
Attn: Mr. Chris Moss
Monterey County Water Resources Agency
P.O. Box 930, Salinas, CA 93902

**NO FEE DOCUMENT PURSUANT TO
GOVERNMENT CODE SECTION 27383**

NOTICE OF COMPLETION

2015 San Antonio Dam Penstock Relining Project

Notice is hereby given that:

- I. Monterey County Water Resources Agency, a public agency, in the County of Monterey, State of California, located at 893 Blanco Circle, Salinas, CA 93901, is owner of San Antonio Dam.
- II. A work of improvement to San Antonio Dam is completed. The work of improvement is known as the 2015 San Antonio Dam Penstock Relining Project.
- III. The work of improvement was inspected by the Owner, and the date of Substantial Completion is December 16, 2015, and the date of Final Completion is January 14, 2016.
- IV. The Owner's interest in the property on which the work was completed is in fee.
- V. The property upon which the work was completed is located at street address: 61201 Vista Road, Bradley, 93426 in the County of Monterey, State of California.
- VI. The original contractor for the work of improvement referred to herein is Techno Coatings, Inc., 1391 S. Allec Street, Anaheim, California 92805.
- VII. The nature of work referred to herein was relining of steel piping.

I the undersigned declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct:

David E. Chardavoyne
General Manager
Monterey County Water Resources Agency

Signed this date: _____ in Salinas, California.

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Approve Amendment No. 1 to the Professional Services Agreement with AECOM Technical Services, Inc., in the amount of \$11,968.16 to provide safety surveillance and performance evaluation of San Antonio Dam; approve budget action to carry over \$11,968.16 for the AECOM Agreement; and, authorize the General Manager to execute the Amendment.		
Consent (X)		Action ()	
Information ()			
SUBMITTED BY:	Chris Moss	PREPARED BY:	Manuel Saavedra
PHONE:	(831) 755-4860	PHONE:	(831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Approve Amendment No. 1 to the Professional Services Agreement with AECOM Technical Services, Inc., in the amount of \$11,968.16 to provide safety surveillance and performance evaluation of San Antonio Dam; approve budget action to carry over \$11,968.16 for the AECOM Agreement; and, authorize the General Manager to execute the Amendment.

SUMMARY:

This action is to approve Amendment No.1, to the Professional Services Agreement (Agreement) with AECOM Technical Services, Inc., (AECOM) in the amount of \$11,968.16. The services under Amendment No. 1 were included in the scope of work of an Agreement with AECOM to be performed in FY 2014-15. This work was actually performed after June 30, 2015. This amendment authorizes and ratifies payment under the current Agreement for work contracted for FY 2014-15 but actually completed in FY 2015-16, and does not increase the total amount paid for contracted services. This action recommends any budget action necessary to carry over \$11,968.16 that was unexpended from the FY 2014-2015 AECOM Agreement and make it available for the current AECOM Agreement.

DISCUSSION/ANALYSIS:

Due to an unexpected delay in the collection of the San Antonio Dam survey data and evaluation of the dam performance monitoring data, AECOM was not able to finalize the contractual tasks under the FY 2014-15 Agreement before the end of the fiscal year (June 30, 2015). Instead, AECOM finalized the FY 2014-15 scope of work in August 2015. Consequently, the following invoices in the sum of \$11,968.16 were received during FY 2015-16:

Invoice Number	Invoice Date	Amount	Task Description
37616979	8/27/15	\$2,565.66	Data review and reporting.
37601401	7/30/15	\$9,402.50	Data review and reporting.

TOTAL = \$11,968.16

AECOM is under contract with the Agency to perform the same services for FY 2015-16. Therefore, these invoices were paid from the FY 2015-16 contract funds. In connection with this Amendment No.1, it is recommended that the \$11,968.16 carried over from the FY 2014-15 contract be made available for the FY 2015-16 AECOM Agreement to replace the amount spent


on these two invoices. Amendment No.1 does not change the scope of work or the total cost of the FY 2014-15 or FY 2015-16 contract as approved by the Board of Directors.

OTHER AGENCY INVOLVEMENT:

None.

FINANCING:

Payment will be from Fiscal Year 2015-16, Fund 116 – San Antonio Dam Operations and Maintenance. If the recommended action is approved, sufficient funds will be available for payment of services under Amendment No. 1.

FINANCIAL IMPACT:	YES ()	NO (X)
FUNDING SOURCE:	Fiscal Year 2015-16, Fund 116 – San Antonio Dam Operations and Maintenance.	
COMMITTEE REVIEW AND RECOMMENDATION:	On January 15, 2016, the Finance Committee recommended approval for consideration by the full Board.	
ATTACHMENTS:	1. Board Order. 2. Amendment No.1 to the Professional Services with AECOM Technical Services, Inc. 3. Copy of original Professional Services Agreement with AECOM Technical Services, Inc., (2015-16 Scope of Work).	
APPROVED:	 General Manager Date 1/19/16	



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

BOARD ORDER No. _____

APPROVE AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES)
AGREEMENT WITH AECOM TECHNICAL SERVICES, INC., IN THE)
AMOUNT OF \$11,968.16 TO PROVIDE SAFETY SURVEILLANCE AND)
PERFORMANCE EVALUATION OF SAN ANTONIO DAM; APPROVE)
BUDGET ACTION TO CARRY OVER \$11,968.16 FOR THE AECOM)
AGREEMENT; AND, AUTHORIZE THE GENERAL MANAGER TO)
EXECUTE THE AMENDMENT)

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

1. Approves Amendment No. 1 to the Professional Services Agreement with AECOM Technical Services, Inc., in the amount of \$11,968.16 to provide safety surveillance and performance evaluation of San Antonio Dam payable from Zone 2C, Fund 116, San Antonio Dam Operations and Maintenance, Fiscal Year Budget 2015-16; and,
2. Approves budget action to carry over \$11,968.16 for the AECOM Agreement; and,
3. Authorizes the General Manager to execute the Amendment.

PASSED AND ADOPTED on this 25th day of January 2016, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager

AMENDMENT No. 1
to
Agreement for Professional Services
between
Monterey County Water Resources Agency and AECOM Technical Services, Inc.

The undersigned parties hereby agree to amend that certain Agreement for Professional Services between the Monterey County Water Resources Agency (hereinafter "Agency") and AECOM Technical Services, Inc., (hereinafter "CONTRACTOR") executed and effective on May 26, 2015 (hereinafter "Agreement").

Section 3 of the Agreement is hereby amended to read as follows:

3. Payment to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR the amounts shown below;

Amount	Description
\$49,450.00	For work completed and/or in progress pursuant Exhibit A - Scope of Work, payable pursuant Exhibit B – Payment Provisions.
\$11,968.16	For work completed pursuant Exhibit J – Scope of Work, payable pursuant Exhibit K – Payment Provisions, of Amendment No. 4 to the Agreement for Professional Services effective July 2, 2010.
\$61,418.16	Total maximum amount payable to CONTRACTOR under this contract.

All other provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, Agency and CONTRACTOR have caused this Amendment No. 1 to be executed as follows:

**MONTEREY COUNTY
WATER RESOURCES AGENCY**

AECOM TECHNICAL SERVICES, INC.

David E. Chardavoyne, General Manager

By _____
(signature)

DATED: _____

(print name and title)*

DATED: _____

By _____
(signature)

(print name and title)*

DATED: _____

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

**AECOM Technical Services, Inc.
Amendment No. 1**

* * * * *

Approved as to form:

Approved as to fiscal provisions:

Deputy County Counsel

CAO Analyst

DATED: _____

DATED: _____

Auditor-Controller

DATED: _____

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

This is a multi-year agreement between the Monterey County Water Resources Agency, hereinafter called "Agency," and AECOM Technical Services, Inc., a California Corporation, hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. Employment of CONTRACTOR. Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A:**

(a) The scope of work is briefly described and outlined as follows:

Dam safety surveillance and performance evaluation of San Antonio Dam.

- (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.
- (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. Term of Agreement. The term of this Agreement shall begin upon execution of this Agreement by CONTRACTOR and Agency, and will terminate on June 30, 2016 unless earlier terminated as provided herein.

3. Payments to CONTRACTOR; maximum liability. Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR the amounts provided in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is Forty-nine thousand four hundred fifty dollars.

(\$ 49,450)

4. Monthly Invoices by CONTRACTOR; Payment.

- (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.
- (b) CONTRACTOR agrees that Agency may withhold ten percent (10%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.
- (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.
- (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly stated in this Agreement.

5. Indemnification

5.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for the COUNTY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

5.2 Indemnification for Design Professional Services Claims:

CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONTRACTOR, its employees, subCONTRACTORS, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the COUNTY, or defect in a design furnished by the COUNTY.

5.3 Indemnification for All Other Claims or Loss:

For any claim, loss, injury, damage, expense or liability other than claims arising out of the CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subCONTRACTORS or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the COUNTY, or defect in a design furnished by the COUNTY.

6. Insurance.

6.1 Evidence of Coverage:

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORS, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subCONTRACTOR, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subCONTRACTOR showing each subCONTRACTOR has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the

insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subCONTRACTORS relating to this Agreement. Government Code Section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of \$10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subCONTRACTORS shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency's well database and other water use data. CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment

of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual preference, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent CONTRACTOR. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

17. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

18. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

19. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

20. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

21. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

22. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

23. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

24. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

25. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

26. Contract Administrators. CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be Stanley H. Kline; Agency's designated administrator of this Agreement shall be Manuel Saavedra.

27. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY

Name: Manuel Saavedra

Address: P.O. Box 930
Salinas, CA 93902

Telephone: (831) 755-4860

Fax: (831) 424-7935

E-Mail: saavedram@co.monterey.ca.us

TO CONTRACTOR

Name: Stanley H. Kline

Address: 2101 Webster Street, Suite 1800
Oakland, CA 94612

Telephone: (510) 622-6600

Fax: (510) 834-4304

E-Mail: stan.kline@acem.com

28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

29. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

30. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

31. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

Exhibit A – Scope of Work / Work Schedule

Exhibit B - Payment Provisions

32. Entire Agreement --As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

IN WITNESS WHEREOF, Agency and CONTRACTOR execute this agreement as follows:

MONTEREY COUNTY WATER
RESOURCES AGENCY

CONTRACTOR

BY: David E. Chardavoigne

David E. Chardavoigne
General Manager

Date: 1 July 2015

BY: [Signature]

Type Name: ERIC E. ZAIROL
Title: VICE PRESIDENT

Date: 5/15/15

BY: [Signature]

Type Name: NOEL WONG
Title: VICE PRESIDENT

Date: 5/14/15


MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.


(**AECOM Technical Services, Inc.**)
Agreement/Amendment No # ()

Approved as to form:

Approved as to fiscal provisions:



Deputy County Counsel



Administrative Analyst

Dated: 6/5/15

Dated: 6-10-15

Risk Management:



Auditor-Controller:

Dated: _____

Dated: 6-5-15

EXHIBIT A

Scope of Work and Work Schedule San Antonio Dam Surveillance and Performance Evaluation

Introduction:

AECOM Technical Services, Inc., (Contractor) shall provide the following Scope of Work related to dam surveillance and performance evaluation of San Antonio Dam, for the period of July 1, 2015 through June 30, 2020. The Agency intends to renew this Agreement annually for up to five years, beginning July 1, 2015, dependent upon satisfactory completion of each year's Scope of Work, and the continuation of Mr. Stanley Kline as the project engineer/manager.

Tasks to Be Performed:

Task 1 - Annual Inspection

Provide on-site inspection of San Antonio Dam at a time to be scheduled by the Agency. The inspection will include, at a minimum, examination of the instrumentation, relief wells, drains, embankment slopes, dam crest, and spillway for visible signs of failure, distress, erosion, or maintenance needs, and observation of operating mechanisms, including but not limited to valves, gates, drains, and safety devices for signs of malfunction or wear.

Deliverables: Contractor will provide field notes to the Agency after inspection is completed and any appropriate recommendations. One inspection per year.

Task 2 - Piezometer / Drain Data Review

Review and evaluate bi-monthly data from approximately 85 piezometers, 34 drains, and 10 relief wells. Data will be collected and provided to the Contractor by the Agency supplied in electronic spreadsheet format. This review includes comparison of current monitoring data with past data during periods of similar reservoir conditions and against original design assumptions and criteria, as appropriate, to check for development of significant trends or changes in the data. Contractor is to make recommendations for corrective action if required. Up to six (6) data sets will be provided to Contractor per year.

Deliverables: Contractor will provide the Agency a brief summary of data review conclusions and any appropriate recommendations, promptly upon each periodic review, and prior to development of the surveillance and performance evaluation report.

Task 3 - Survey Data Review

Review and evaluate annual dam, spillway, and outlet tunnel survey displacement data supplied by the Agency. Include a comparison of current monitoring data with past data during periods of similar reservoir conditions and against original design assumptions and criteria, as appropriate, to check for development of significant trends or changes in the data. Contractor is to make recommendations for corrective action if required.

Deliverables: Contractor will provide an executive summary of data review conclusions and any appropriate recommendations upon review, and incorporate review and conclusions into the surveillance and performance evaluation report.

Task 4 - Instrumentation Data Plots

Generate piezometer and drain flow data plots, and survey displacement data plots from data provided by the Agency. The Contractor shall organize and format the plots for ease of interpretation. The plots will include data for the past ten (10) years. The plots will be generated annually.

Deliverables: Included in Task 5 deliverables.

Task 5 - Reporting

Prepare an annual dam surveillance and performance evaluation report (report) for Agency submittal to DSOD. The report will include evaluation of the current annual piezometer, drain, and survey monitoring data with comparison to historic data and trends; documentation of the field inspection; conclusions regarding the current condition of the dam, appurtenant facilities, and instrumentation; and applicable recommendations for repair, maintenance, or adjustments to the instrumentation and surveillance program. The report will be submitted initially as a draft; after receiving and incorporating Agency comments, the report will be presented in final form.

Deliverables:

- Upon Agency request, send via e-mail copies of all draft reports to Agency Project Manager and Agency Chief of Operations and Maintenance to be followed by four (4)-draft hard copy of all reports.

- Five (5) bound copies of the final report and one (1) bound final report with wet signature and engineer's stamp totaling six (6) bound final reports.
- One (1) unbound master copy of the final report with original signature and engineer's stamp.
- Copies of final reports in Adobe® Portable Document Format (.PDF) on Compact Disc (CD).
- Electronic data shall be readable using Microsoft® Word, Excel, Project, and plan sets in AutoCAD by Autodesk®, ESRI ArcGIS® and AutoCAD, images to be imported in a document are to be provided at 300 dpi.
- Digital photos shall be 2048 x 1536 pixels at 72 pixels per inch or better, and delivered in .PDF, .TIFF or .JPEG formats.

Task 6 - Meetings

The Contractor will allow for additional meetings as required, in addition to the site inspection, with the Agency and/or DSOD. Such meetings are in addition to Task 1.

Deliverables: Allow for two (2) meetings per year.

Task 7 - On-Call Response

The Contractor shall be available on a time and expense basis in the event of a natural disaster or other threat to San Antonio Dam, or other unexpected urgent situation regarding the safety or integrity of the dam. The Contractor, in the event of such situation, would be expected to inspect the dam within 24 hours, consult with the Agency as needed, and prepare written recommendations for the continued safe operation of the structure. This task would be funded on an as-needed basis.

Deliverables: Allow for one on-site inspection and inspection report per year.

Task 7.1 - Earthquake Event Data Review

When requested by Agency in the event of a significant earthquake, piezometer, drain, and other data will be collected on a more frequent basis, perhaps daily or weekly. These additional data will need to be evaluated and incorporated in the surveillance and performance evaluation report. The evaluation may be requested at the time immediately after data collection for such event.

Deliverables: Allow for up to 12 datasets to be evaluated and presented in the surveillance and performance evaluation report.

EXHIBIT B

Payment Provisions

San Antonio Dam Surveillance and Performance Evaluation

PAYMENT:

For the Scope of Work defined in Exhibit A, Agency shall pay Contractor on a time and expense basis an amount not to exceed \$49,450. Payable costs shall be the sum of direct labor costs, other direct costs and sub-consultant mark-up as defined below. If Contractor time and expense costs necessary to complete the Scope of Work defined in Exhibit A are less than \$49,450, the Agency enjoys the savings. If Contractor requires time and expense to complete the Scope of Work defined in Exhibit A are over and above \$49,450, the maximum amount payable to Contractor remains \$49,450. Budget detail is shown on page 3.

Direct Labor Costs: are the hourly billing rate, per the Direct Labor Rate Schedule herein, times the number of hours worked by the personnel.

Other Direct Costs: are identifiable costs necessarily incurred by Contractor to complete the Scope of Work defined in Exhibit A. Other Direct Costs include, but are not limited to, travel and subsistence expenses, document reproduction costs, and postal costs. Other Direct Costs shall be accounted for in each invoice by submittal of receipts for such costs and description of their necessity. Contractor is entitled to mark-up their Other Direct Costs by a multiplier of 1.10 (10%). Automobile mileage will be reimbursable at the IRS approved rate.

Sub-Contractor Mark-up: is the percentage multiplier designated for each sub-Contractor times the sum of sub-Contractor direct labor and other direct charges. All sub-Contractor mark-up multipliers shall not exceed 1.10 (10% mark-up).

DIRECT LABOR RATE SCHEDULE:

The Direct Labor Rate Schedule herein shall be valid for a twelve-month period, beginning July 1, 2015. The hourly billing rate schedule and other direct costs chargeable to the project may be modified as agreed by Agency and Contractor after said period of time. The parties shall agree to such modifications in writing as an Amendment to the Agreement.

Professional and Technical Staff	Rate/Hour
Doug Yadon, Principal.....	\$200.00
Stanley Kline, PM/PE	\$195.00
John Paxton, Dam Engineer	\$180.00
John Roadifer, Dam Engineer	\$210.00
Rick Ducklin, Dam Engineer.....	\$195.00
Dave Simpson, Dam Engineer	\$195.00
Lelio Mejia, PFMA Facilitator.....	\$310.00
Bob Green, PFMA Facilitator	\$230.00
Jennifer Williams, PFMA Facilitator..	\$205.00
Jesse Drayton, PFMA Recorder.....	\$100.00
Lloyd Pound, Engineering/CADD	\$145.00
Production Support	\$100.00
Administration Support.....	\$85.00

Project-related expenses are charged as follows:

1. Travel-related expenses (hotels, rental vehicles, parking, etc.): cost plus 10 percent.
2. Subcontractors (drilling, trenching, surveying, laboratory testing, etc.): cost plus 10 percent.
3. Project direct expenses for reprographics, aerial photos, publications, overnight shipping, project-expendable materials and supplies, and rental equipment and instrumentation: cost plus 10 percent.
4. Mileage: Per U.S. government rates.

INVOICES:

Invoices may be submitted monthly. Invoices shall include the direct labor costs by individual and task, showing the individual's hours charged, hourly rate and total amount charged to each task. Other direct charges shall be added to the sum of the direct labor costs by task. Other Direct Charges shall be accounted for in each invoice by submittal of receipts for such costs and description of their necessity. Percent of task completion shall be included on each invoice.

NOTIFICATION:

When, during performance of the work, Contractor incurs 75 percent of the total Task cost allotted to a Task, Contractor shall so notify the Agency to that effect. If Consultant has reason to believe that the costs which it expects to incur to finish the Task, when added to the costs previously incurred, will exceed the total Task cost Contractor shall so notify the Agency to that effect. The notice shall state: (1) the estimated amount of additional funds required to complete the Task; (2) justification for the need for additional funds; and (3) the estimated date Contractor expects its total costs incurred to meet the total Task cost.

BUDGET DETAIL:

Task No.	Task Description	Rate:	\$200.00	\$195.00	\$145.00	\$100.00	\$85.00	Subtotal Manhours	Expenses	Task Cost Estimate
		Principal Yadon	PM/PE Stanley Kline	Eng / CADD Pound	Prod Support	Admin Support				
1	Annual Inspection	0	10	0	0	0	10	\$200	\$2,150	
2	Piezometer / Drain Data Review	0	40	0	0	0	40	\$0	\$7,800	
3	Survey Data Review	0	16	0	0	0	16	\$0	\$3,120	
4	Instrumentation Data Plots	0	32	16	0	0	48	\$0	\$8,560	
5	Reporting	4	50	16	16	10	96	\$500	\$15,820	
6	Meetings	0	12	0	0	0	12	\$150	\$2,490	
7	On-Call Response	0	22	0	0	4	26	\$200	\$4,830	
7.1	Earthquake Event Data Review	0	24	0	0	0	24	\$0	\$4,680	
	Total:	4	206	32	16	14	272	\$1,050	\$49,450	

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016		AGENDA ITEM:
AGENDA TITLE:	Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors approve Budget Amendment No. 6 for the Water Resources Agency authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for the Dam Operations O&M Zone 2C Fund 116, Appropriation Unit WRA006 and San Antonio Non-O&M Zone 2A to increase estimated revenue & appropriations by \$524,099 for epoxy coating to San Antonio low level outlet pipe and valves (4/5 th vote required).		
Consent () Action (X) Information ()			
SUBMITTED BY:	Cathy Paladini	PREPARED BY:	Fabricio Chombo
PHONE:	(831) 755-4861	PHONE:	(831) 755-4680
DEADLINE FOR BOARD ACTION:	January 25, 2016		

RECOMMENDED BOARD ACTION:

Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors approve Budget Amendment No. 6 for the Water Resources Agency authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2015-16 Adopted Budget for the Dam Operations O&M Zone 2C Fund 116, Appropriation Unit WRA006 and San Antonio Non-O&M Zone 2A to increase estimated revenue & appropriations by \$524,099 for epoxy coating to San Antonio low level outlet pipe and valves (4/5th vote required).

SUMMARY/DISCUSSION:

San Antonio Dam, built in the 1960's, includes a large diameter low level outlet pipe, and an epoxy coating was applied to the internal pipe and valves during construction. The internal coating was touched-up in the 1980s. During the fall of 2015, San Antonio Reservoir was reduced to an historic low elevation, which allowed access to the outlet pipe for inspection. It was found that the internal pipe coating needed replacement. A contractor was hired to recoat 496 feet of the 1,100 foot long outlet pipe. The work consisted of surface preparation by sand blasting the pipe; application of epoxy filler in pitted areas; and, application of two coats of epoxy-based paint. This recoating work was completed on December 16, 2015 at a cost of \$544,458.30, paid from Agency Fund 116, Zone 2C – Nacimiento and San Antonio Dam Operations and Maintenance. Agency Fund 115 San Antonio Zone 2A holds a Non - O&M reserve of \$524,099 for maintenance work specifically at San Antonio Dam.

This action recommends that the Board of Supervisors authorize the transfer of the Non - O&M reserve amount from Fund 115 to Fund 116 to reimburse Fund 116 for a majority of the recoating work cost.

OTHER AGENCY INVOLVEMENT:

None.

FINANCING:

This transaction will transfer \$524,099 from Fund 115 San Antonio Non - O&M General Reserve to Fund 116 O&M Nacimiento and San Antonio Dams to pay for the work performed at San Antonio Dam.

FINANCIAL IMPACT:	YES (X) NO ()
FUNDING SOURCE:	(Fund 115 San Antonio Non - O&M General Reserve)
COMMITTEE REVIEW AND RECOMMENDATION:	None
ATTACHMENTS:	1. Board Order
APPROVED:	<p style="text-align: center;"><i>David E. Chandavoyne</i> <u>1/17/16</u> General Manager Date</p>



*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 BUDGET)
AMENDMENT NO. 6 AUTHORIZING THE AUDITOR-CONTROLLER TO)
INCREASE APPROPRIATIONS BY \$524,099 IN DEPARTMENT 9300, UNIT)
8267, FUND 116 [DAM O&M - ZONE 2C], APPROPRIATION UNIT WRA006,)
ACCOUNT 6613, FINANCED BY TRANSFER FROM DEPARTMENT 9300,)
UNIT 8267, FUND 115 [SAN ANTONIO NON-O&M - ZONE 2A], UNIT WRA005,)
ACCOUNT 7614 FINANCED BY FUND BALANCE ACCOUNT 3001 TO FUND 116)
[DAM O&M - ZONE 2C], APPROPRIATION UNIT WRA006, ACCOUNT 5940 IN)
THE AMOUNT OF \$ 524,099 FOR EPOXY COATING TO SAN ANTONIO LOW)
LEVEL OUTLET PIPE AND VALVES [4/5TH VOTE REQUIRED])

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 Budget Amendment No. 6 authorizing the Auditor-Controller to amend the FY 2015-16 Adopted Budget to increase appropriations by \$524,099 in Department 9300, Unit 8267, Fund 116 (Dam O&M - Zone 2C), Appropriation Unit WRA006, Account 6613, financed by transfer from Department 9300, Unit 8267, Fund 115 (San Antonio Non-O&M - Zone 2A), Appropriation Unit WRA005, Account 7614 financed by Fund Balance Account 3001 to Fund 116 (Dam O&M - Zone 2C), Appropriation Unit WRA006, Account 5940 in the amount of \$524,099 for epoxy coating to San Antonio low level outlet pipe and valves (4/5th vote required).
 - a. Amending the FY 2015-16 Adopted Budget, Dept. 9300, Unit 8267, Fund 116 [Dam O&M Zone 2C], Appropriation Unit WRA006, Account 6613 to increase appropriations by \$524,099 financed by an operating transfer in of \$524,099 from Fund 115 (4/5th vote required) and,

- b. Amending the FY 2015-16 Adopted Budget to transfer \$524,099 from Dept. 9300, Unit 8267, Fund 115 [San Antonio Dam Non-O&M Zone 2A-, Appropriation Unit WRA005, Account 7614 financed by Fund Balance account 3001, to Fund 116 [Dam O&M Zone 2C], Appropriation Unit WRA006, Account 5940 in the amount of \$524,099 (4/5th vote required).

PASSED AND ADOPTED on this 25th day of **January 2016**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager

BOARD OF DIRECTORS

CLAUDE HOOVER, CHAIR

**MIKE SCATTINI, VICE CHAIR
KEN EKELUND
MARK GONZALEZ
DAVID HART**

**JOHN HUERTA
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STAFF

**DAVID E. CHARDAVOYNE, GENERAL MANAGER
BRENT BUCHE, DEPUTY GENERAL MANAGER
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CATHY PALADINI, FINANCE MANAGER
WINI CHAMBLISS, CLERK TO THE BOARD OF DIRECTORS
JESSE J. AVILA, DEPUTY COUNTY COUNSEL**

MONTEREY COUNTY WATER RESOURCES AGENCY FIRST AND SECOND QUARTER REPORTS FY 2015-2016



SUBMITTED TO

MONTEREY COUNTY WATER RESOURCES AGENCY

BOARD OF SUPERVISORS

AND

BOARD OF DIRECTORS

January 5, 2016



MCWRA Briefing Report: PAJARO RIVER FLOOD RISK MANAGEMENT PROJECT

January 5, 2016

Subject: Pajaro River Flood Risk Management Project – Status and Next Steps

Current Status:

- In May 2015, Agency and local co-sponsor Santa Cruz County Flood Control and Water Conservation District, Zone 7, entered into a 50-50 Federal Cost Share Agreement (FCSA) with the U.S. Army Corps of Engineers (Corps) to complete the General Reevaluation Report /Environmental Impact Statement (GRR) for the Federal Pajaro River Flood Risk Management Project.
- Corps total project cost estimate to complete its GRR over the next two year study period is \$2.0 million which would conclude environmental review and result in a Corps recommended National Economic Development (NED) project eligible for competitive federal construction funding at a 65% Federal and 35% Local Sponsor cost share ratio.
- Agency has budgeted its full share of GRR project cost (\$500,000) which is fully reimbursable through a State of California Department of Water Resources (DWR) Proposition 1E grant (remaining grant balance is \$2.9 million). GRR is fully funded at both the Federal and local levels
- The City of Watsonville has commenced a public outreach effort as part of a prior California Prop 50 grant, initially administered by the Pajaro Valley Water Management Agency, in coordination with the local sponsor and Corps. Meetings with small interest groups including community service, agricultural, environmental, and others in the watershed were held this summer providing updates on the project.
- A Pajaro Community meeting, sponsored by Monterey County OES, was held on November 10th providing an update on the status of the Federal project, discussion of the recently completed Bench Excavation Project which increased river's hydraulic capacity, and review of on-going maintenance activities in anticipation of this winter's El Niño forecast.

Next Steps:

- Corps will complete detailed technical and economic analyses of a small array of alternatives using existing information, supplemented with additional analysis, to arrive at a Tentatively Selected Plan (TSP) and eventual NED Project.
- Local Sponsors will continue to press the Corps for additional management oversight of Corps staff resources and maintenance of existing project schedule and budget.
- Participate with Santa Cruz County and the City of Watsonville to: continue Community Consensus Project; develop a construction financing strategy plan, and; outline the requirements for governance of a completed project (i.e. Joint Powers Authority or other entity) with recommendations.
- Continue to coordinate these planning efforts with Supervisor Phillips' office and engage with individual property-owners when requested.

Milestone Dates:

- | | |
|----------------------------------------------------|--------------------------|
| • Execute final FCSA | COMPLETED |
| • Reach concurrence on a TSP | May 2016 |
| • NEPA/CEQA document distributed for public review | August-October 2016 |
| • Agency Decision Milestone | December 2016 |
| • Technical work on Feasibility Study EIS/EIR | January 2017–August 2017 |
| • Federal Civil Works Review Board | September 2017 |
| • Signed Chief's Report | January 2018 |



MCWRA Briefing Report: FY 2015-16 1st QUARTER FINANCIAL REPORT

January 5, 2016

Subject: FY 2015-16 1st Quarterly Financial Report

Current Status:

This report does not reflect four recent budget amendments that were recently approved by the Water Resources Agency Board of Supervisors in October 2015. The Agency Third Quarter Financial Report will reflect all four budget amendments. Revenues for most Agency funds exceed budget estimates which are 10% of Budget. The Agency continues to monitor expenditures which are 36% of budget while the Hydroelectric Plant is shut down due to severe drought conditions. In addition, the Agency continues to seek revenues in the form of grants to supplement costs associated with Hydrology and Water Quality Programs, including the Interlake Tunnel Project. On a consolidated basis the Agency financial performance is projected as follows:

FY 2015-16 Adopted Budget Beginning Fund Balance	\$ 12,872,996
FY 2015-16 Projected Revenues	<u>20,841,919</u>
Total Estimate FY 2015-16 Available funds	\$ 33,714,915
Less: 2015-16 Projected Expenditures	<u>(22,524,556)</u>
FY 2015-16 Projected Ending Fund Balance	<u>\$ 11,190,359</u>

Next Steps:

- This report will be updated after all budget amendments are processed into the County's Advantage Financial System in addition to the annual Auditor Controller's reconciliation.
- The Agency continues to search for revenue sources in the form of grants while the Hydro-electric dam is down.
- The Agency is closely monitoring Agency expenditures and will defer approximately \$2 million of these expenditures in the latter half of the fiscal year to better align expenditures with on-going revenues.

Decision Points:

- This report reflects the Agency financial status for the period through September 30, 2015.



MCWRA Briefing Report: SAN ANTONIO DAM MAINTENANCE

January 5, 2016

Subject: San Antonio Dam Maintenance – September-December 2015

Current Status:

San Antonio Reservoir water elevation has been reduced to near dead pool (the elevation where water no longer gravity flows from the reservoir) in order to accomplish needed maintenance work under safest conditions. Work that has been accomplished under this reservoir condition from September 2015 to present includes:

- Installation of cofferdam at penstock inlet to allow work access to 84-inch penstock
- Installation of 8-inch flow bypass equipment and pipeline to maintain downstream discharges during work period
- Replacement of two new 8-inch gate valves and two 8-inch new globe valves
- Installation of 108 new inlet trash rack concrete-embedded anchor bolts
- Installation of a new bulkhead gate-hanger bracket and pin
- Scaffold construction for video inspection of 8-inch airline, and completion of video inspection
- Personnel training for confined space entry and non-entry rescue for work in penstock
- Internal inspection of 1,100 feet long 84-inch diameter penstock
- Repaired holes and grouted void at penstock inlet
- Cleaned 96-inch butterfly valve, prepared site for penstock coating contractor
- Penstock coating contractor on-site November 16 for recoating internal 500 lineal feet of 84-inch diameter penstock

History:

On August 24, 2015, the Agency Board of Directors directed staff to begin releases by August 28, 2015 to reduce San Antonio Reservoir to 644.9 feet (dead pool) in order to perform essential deferred maintenance if the action will not result in a “take” of threatened or endangered species, or a violation of the California and Federal Endangered Species Acts or other state or federal law. Releases from San Antonio Reservoir were increased on August 28 to reduce the reservoir to dead pool. When the reservoir reached an elevation approximately 1.5 feet above dead pool, a cofferdam was constructed at the penstock inlet and flow was bypassed around the main 84-inch penstock beginning on September 21, allowing the work listed above to occur.

The work remaining to be completed while San Antonio Reservoir remains near dead pool was to finish recoating of the internal 500 lineal feet of 84-inch diameter penstock. It and removal of the penstock inlet cofferdam and bypass flow equipment was completed on December 22, 2015.

Completion will require: N/A

Next Steps: None



MCWRA Briefing Report: SUSTAINABLE GROUNDWATER MANAGEMENT ACT

January 5, 2016

Subject: Sustainable Groundwater Management Act (SGMA)

Current Status:

Agency staff presented SGMA information at three workshops in January (Public workshop on January 21, Growers-Shippers Association on January 27, and the Greater Monterey County Integrated Regional Water Management Regional Water Management Group on January 27). Other speaking opportunities were being developed in a strategic manner for efficiency and effectiveness.

In early February 2015, a letter from the City of Salinas (and subsequently other Salinas Valley cities) indicated that a facilitated process should be implemented to select the SGMA Groundwater Sustainability Agency (GSA) for the Salinas Valley Groundwater Basin (Basin). So, a "Facilitator Selection Group" has been formed, consisting of representatives from Monterey County, the Agency, the City of Salinas (representing Salinas Valley cities), the Farm Bureau, the Salinas Valley Water Coalition, and the Growers-Shippers Association.

A facilitation firm has been selected and has conducted interviews with selected stakeholders, as well as provided an on-line survey for other stakeholders to provide input.

History:

On September 16, 2014, Governor Brown signed into law the SGMA. This act will provide local GSAs the tools and powers needed to develop, implement and monitor groundwater in a sustainable manner. The SGMA defines sustainability as a 50-year horizon, and through the use of Groundwater Sustainability Plans (GSPs), the GSA has the ability to manage and regulate the use of groundwater within the groundwater basin it is responsible for.

Next Steps:

- Participate in the facilitated BSA workshop scheduled for January 21, 2016
- Agency staff will continue attending webinars to gain access to up-to-date information regarding GSA development and other SGMA issues yet to be resolved.
- Determine if basin boundaries need to be adjusted (Paso Robles, Seaside, etc.)

Completion will require:

- Once a GSA is established, an action plan will need to be developed to prepare GSPs for the Basin (or basins) in Monterey County that currently do not have a GSA (the legislation identifies the Monterey Peninsula Water Management District as the GSA for the Carmel Basin and the Pajaro Valley Water Management Agency as the GSA for the Pajaro Basin).



MCWRA Briefing Report: SALINAS RIVER STREAM MAINTENANCE PROGRAM

January 5, 2016

Subject: Salinas River Stream Maintenance Program (Short-Term Program)

Current Status:

- The Technical & Design Committee commenced in July to begin designing maintenance activities in Phase 2 of the Program which includes 5 new RMUs. The Committee used a new HEC RAS 2-dimensional flood model showing existing conditions and modeled various activities.
- The Permitting Committee convened in October with a good showing of responsible Agencies present and general support to move forward with the proposed approach. A follow up field tour happened in December to see actual site conditions in the RMUs. The approach mimics the Demonstration Project by concentrating vegetation and sediment removal in secondary channel features. Non-native vegetation removal is also heavily encouraged to increase flood flow capacity and support ecological diversity of the area.
- The Resource Conservation District of Monterey County will apply for and manage the California Department of Fish & Wildlife's Agreement, directly working with the participants.

History:

- The Monterey County Water Resources Agency (MCWRA) has administered the Program since 1997, after severe flooding occurred on the Salinas River in March 1995.
- In accordance with the California Environmental Quality Act (CEQA), the Monterey County Water Resources Agency Board of Supervisors certified the Environmental Impact Report and approved the current Program on July 29, 2014.
- The Program provides a science-based, collaborative process, policy, and field procedures to guide stream maintenance activities that maximize flow capacity while enhancing habitat value.
- MCWRA has partnered with The Nature Conservancy, Resource Conservation District of Monterey County, Grower-Shipper Association, Salinas River Channel Coalition and others who are participating throughout the process for grants, technical analysis, implementation, monitoring, Technical and Design Committee, and the Permitting Committee. An MOU between the Project Partners was approved and was effective on June 3, 2015.
- The Program will be implemented and permitted in two phases. Phase 1 consists of the Multi-Benefit Demonstration Project (Demonstration Project) and is intended to serve as a model for future work and includes two River Management Units (RMUs). Phase 2 of the Program will include additional RMUs within the remaining Program Area, approximately 94 river miles.
- Phase 1 received the following permit approvals: State Regional Water Quality Control Board (RWQCB) 401 Water Quality Certification No. 32714WQ03 issued to MCWRA on September 24, 2014; California Department of Fish and Wildlife (CDFW) 1600 Notification No. 1600-2014-0127-R4 issued to the Chualar and Gonzales RMU, LLC on October 2, 2014 through the Operation of Law; US Army Corps of Engineers (USACE) 404 Permit No. 22309S issued to MCWRA on October 7, 2014. Two seasons of work has been completed in the 11.5 river miles.

Next Steps:

- Finalize necessary documents for USACE 404 permit and RWQCB 401 Certification for Phase 2.
- Begin Section 7 Consultations with the wildlife agencies.

Completion will require:

- Acquisition of all permits for Phase 2.



MCWRA Briefing Report: WINTER PREPAREDNESS 2015-16

January 5, 2016

Subject: Winter Preparedness 2015-16

Current Status:

Agency Staff, in partnership with appropriate County Departments, has been preparing for the upcoming winter since late summer. Winter storm preparation is a routine annual activity; however this winter, there has been increased awareness and interest resulting from forecasts of a strong El Niño storm event coming to the West Coast.

History:

Preparation for winter storms happens annually, no matter the forecast. This is practical because even in drier years, there can be one or two medium to large events that can cause havoc if proactive measures are not taken.

Next Steps:

- Perform ALERT System (Flood Warning) maintenance - completed
- Order / stockpile / pre-fill sandbags to be utilized in flooding emergencies - completed
- Work with Office of Emergency Services staff in practice scenarios (drills) - pending
- Prepare a Salinas River Lagoon Sandbar Management Plan for this winter (short-term) that can be integrated into a long-term solution - underway
- Re-establish Agency radio base-station for emergency communications – completed
- Coordinate with other County Departments on emergency planning - underway



MCWRA Briefing Report: SOURCE WATER/PURE WATER MONTEREY

January 5, 2016

Subject: Source Water/Pure Water Monterey

Current Status:

- The proposed Water Recycling Agreement, and companion agreements, provide, *inter alia*, for new source water to support 5,300 acre-feet/year of water to CSIP and 4,300 acre-feet/year for the Pure Water Monterey Project.
- The Regional Water Quality Control Board has been consultant and is a proponent of the Source Water/Pure Water Monterey Project.
- The Proposed Water Recycling Agreement is substantially complete.
 - Mends original agreement/three (3) amendments/SRDF and October 8, 2015 MOU
 - Covers New Source Waters (Blanco, Rec Ditch, Salinas Wastewater)
 - 4,320 acre-feet/year for PWM 44.9%
 - 5,292 acre-feet/year for CSIP 55.1%
 - New Source Facilities capital (44% WRA, 56% PCA)
 - Growers have minimum of all waste water going to plant, (except MCWD flows of 650 acre-feet that go to PCA)
 - PCA has first 4,320 acre-feet/year of New Source Waters
 - Requires a revised accounting protocol at PCA
 - 30 year term with automatic extensions
 - Provisions for Phase II – 3,754 acre-feet/year for CSIP

History:

- Five (5) Party MOU developed by Stakeholder Committee on October 8, 2014 and effective until September 30, 2015 or when a Definitive Agreement is reached, whichever is earlier.
- It was decided to separate the Definitive Agreement into five separate agreements.
- The proposed Water Recycling Agreement is now complemented by four other agreements. Below is the status of all agreements.

Agreement	Parties	Status
Water Recycling Agreement	MCWRA, MRWPCA	Complete
Water Purchase Agreement	Cal Am, MPWMD, MRWPCA	In Progress - Reviewing 5 th draft
Water Rights – Agricultural Wash Water	City of Salinas, MRWPCA	In Progress
Operation of Industrial Wastewater Ponds	City of Salinas, MRWPCA	In Progress - Initial discussions and developing deal points
Marina Coast Water District – RUWAP Pipeline	MCWD, MRWPCA	In Progress – Negotiation Parties are meeting
Umbrella Agreement	MCWRA, MRWPCA, City of Salinas, MCWD, MPWMD	Draft in Progress



MCWRA Briefing Report: SOURCE WATER/PURE WATER MONTEREY

January 5, 2016

Next Steps:

- PCA Board of Directors' approval obtained October 26, 2015
- PCA Board of Director's Certification of the EIR on October 8, 2015
- Agency Board of Supervisor's approval obtained November 3, 2015

Completion will require:

Satisfaction of conditions precedent for New Source Water Facilities & Supply including:

- Water Rights to Blanco Drain and Reclamation Ditch from SWQCB
- Third party review of capital & operating costs approved by BOD and BOS
- Successful assessment or 218 process for rates and charges
- CPUC approval of Water Purchase Agreement
- Written finding by RWQCB that all Blanco Drain dry weather flow treatment requirements are met
- Separate Agreement re: Salinas Pond Water Return Facilities

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Receive a report on Salinas Valley water conditions for the First Quarter of Water Year 2015-2016.		
Consent (X)		Action ()	
Information ()			
SUBMITTED BY:	Robert Johnson	PREPARED BY:	Peter Kwiek
PHONE:	755-4860	PHONE:	755-4860
DEADLINE FOR BOARD ACTION:	January 25, 2016		

RECOMMENDED BOARD ACTION:

Receive a report on Salinas Valley water conditions for the First Quarter of Water Year 2015-2016.

PRIOR RELEVANT BOARD ACTION:

A report was last presented to the Board on October 26, 2015, covering the fourth quarter of Water Year 2014-2015.

DISCUSSION/ANALYSIS:

This report covers the first quarter of Water Year 2015-2016 (WY16), October through December 2015. It provides a brief overview of water conditions in the Salinas Valley with discussion on precipitation, reservoir storage, and groundwater level trends. Data for each of these components are included as graphs and tables in Attachments A through I.

Precipitation – The first quarter of Water Year 2016 brought above average rainfall to Salinas and below average rainfall to King City. Cumulative totals for the quarter were 4.90 inches (125% of normal rainfall for the quarter) at the Salinas Airport, and 2.91 inches (78% of normal rainfall for the quarter) in King City.

The quarter started out with below average rainfall measured in Salinas and King City during the month of October. In Salinas, 0.2 inches of rain were measured, compared to a 30-year monthly average of 0.58 inches. In King City, 0.19 inches of rain were measured, compared to a 30-year monthly average of 0.63 inches.

November was wetter than normal. In Salinas, 2.74 inches of rain were measured, compared to a 30-year monthly average of 1.40 inches. In King City, 1.62 inches of rain were measured, compared to a 30-year monthly average of 1.11 inches.

December rainfall was right about equal to average in Salinas, with 1.96 inches of rain, compared to a 30-year monthly average of 1.93 inches. King City saw below average rainfall in December, with 1.1 inches of rain, compared to a 30-year monthly average of 1.98 inches.

Attachment A contains graphs showing cumulative monthly precipitation data for both stations. For comparison, data for the current year is plotted alongside 30-year monthly averages.

Rainfall data for Salinas and King City should be considered preliminary until verified by National Weather Service data at a later date.

Reservoirs - The following table compares first quarter storage at Nacimiento and San Antonio reservoirs for the past two years. Storage in Nacimiento Reservoir is 23,665 acre-feet less than in December 2014, while storage in San Antonio Reservoir is 1,534 acre-feet less.

Reservoir	December 31, 2015 (WY15) Storage in acre-feet	December 31, 2014 (WY14) Storage in acre-feet	Difference in acre-feet
Nacimiento	62,850	86,515	-23,665
San Antonio	10,254	11,788	-1,534

Graphs for each reservoir showing daily storage for the last five years are included as Attachments B and C.

Groundwater Levels – More than 80 wells are measured monthly throughout the Salinas Valley to monitor seasonal groundwater level fluctuations. Data from approximately 50 of these wells is used in the preparation of this report. The measurements are categorized by hydrologic subarea, averaged, and graphed to compare current water levels with selected past conditions. Graphs for individual subareas, showing the current year’s water level conditions (WY16), last year’s conditions (WY15), dry conditions (WY91), and near-normal conditions (WY85), are found in Attachments D through H. Attachment I contains a summary of water level changes for all subareas.

Monthly groundwater level measurements indicate that water levels in all hydrologic subareas increased during the first quarter of WY16. Between November and December, 2015, average groundwater levels increased by 2.5 feet in the Pressure 180-Foot Aquifer, four feet in the Pressure 400-Foot Aquifer, six feet in the East Side Subarea, two feet in the Forebay Subarea and 1.5 feet in the Upper Valley Subarea.

Changes in year-end water levels, from 2014 to 2015, varied by subarea. Compared to December 2014, average groundwater levels were down by 0.5 feet in the Pressure 180-Foot Aquifer, one foot in the Pressure 400-Foot Aquifer, ten feet in the Upper Valley Subarea, and eleven feet in the Forebay Subarea. In the East Side Subarea, average groundwater levels rose by four feet, in comparison to December, 2014.

When compared to Water Year 1985, which is considered to be a year of near-normal groundwater conditions, average groundwater levels are down by 26 feet in the East Side Subarea, 24.5 feet in the Pressure 180-Foot Aquifer, 22.5 feet in the Forebay Subarea, 20 feet in the Upper Valley Subarea, and fifteen feet in the Pressure 400-Foot Aquifer.

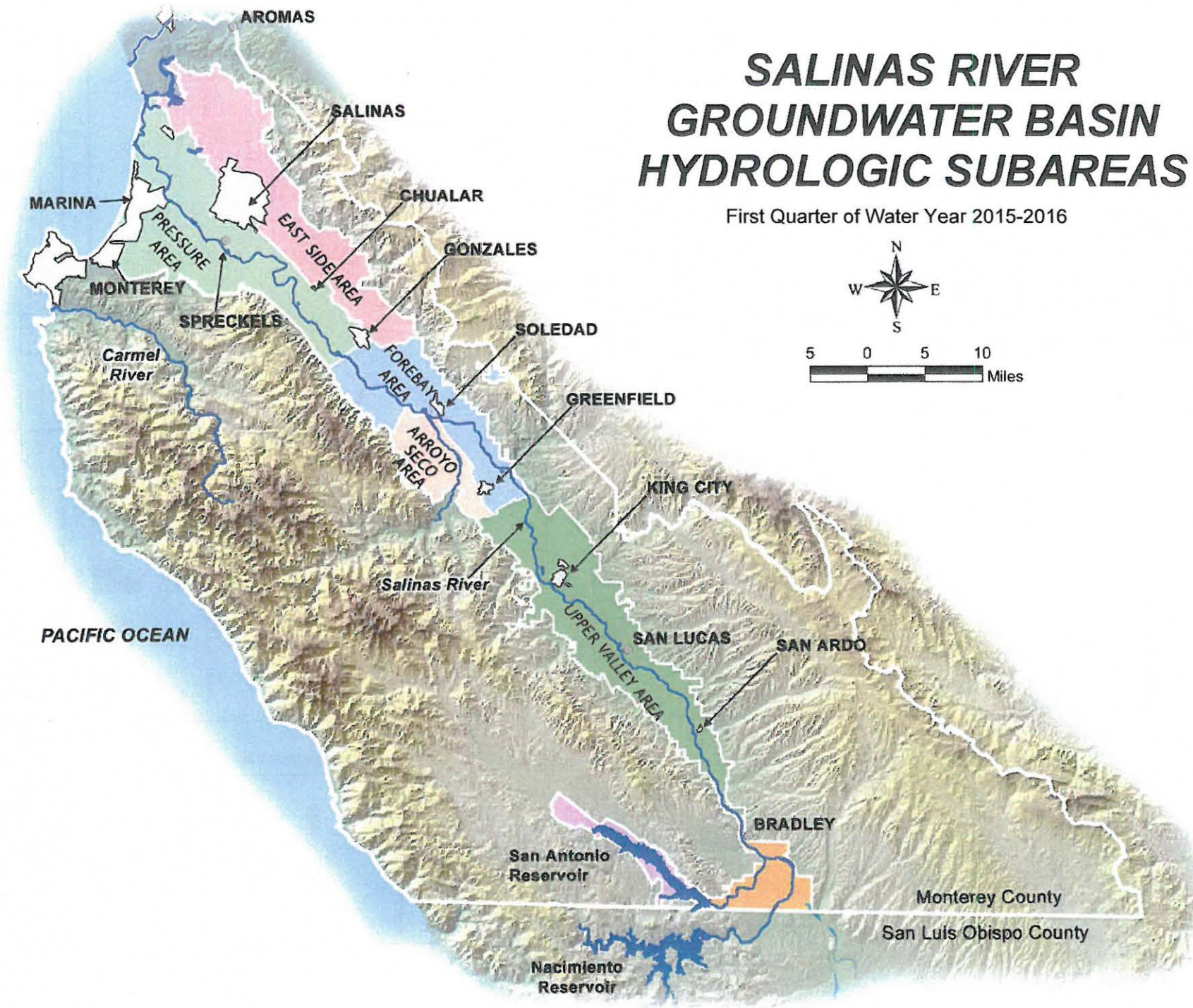
Average groundwater levels for the first quarter of WY16 remain below WY91 values in the Pressure 180-Foot Aquifer as well as the Forebay and Upper Valley Subareas, while in the East Side

Subarea and Pressure 400-Foot Aquifer, groundwater levels remain above WY91 values.

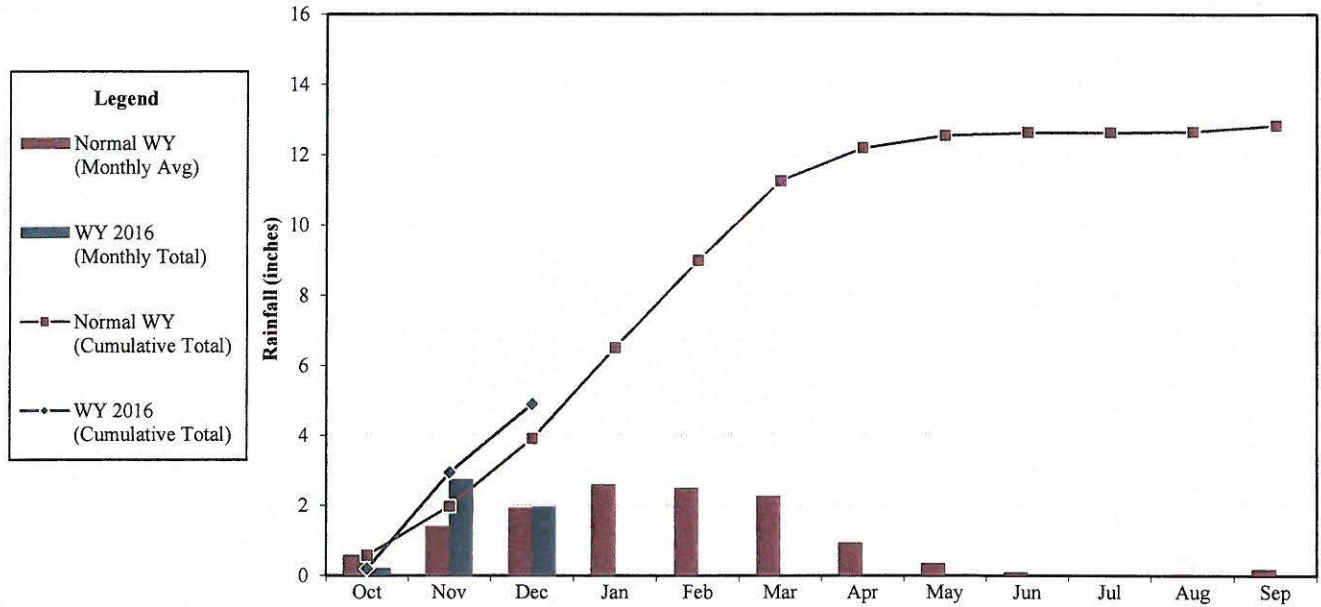
FINANCIAL IMPACT:	YES () NO (X)
FUNDING SOURCE:	
COMMITTEE REVIEW AND RECOMMENDATION:	None
ATTACHMENTS:	<ol style="list-style-type: none"> 1. Salinas Valley Hydrologic Subareas Map 2. Salinas and King City Precipitation Graphs, Attachment A 3. Nacimiento and San Antonio Reservoir Graphs, Attachments B and C. 4. Salinas Valley Monthly Water Level Graphs for Each Subarea, Attachments D through H 5. Generalized Groundwater Trends, Attachment I.
APPROVED:	<p><i>David P. Chardavoyne</i> 1/19/16 General Manager Date</p>

SALINAS RIVER GROUNDWATER BASIN HYDROLOGIC SUBAREAS

First Quarter of Water Year 2015-2016

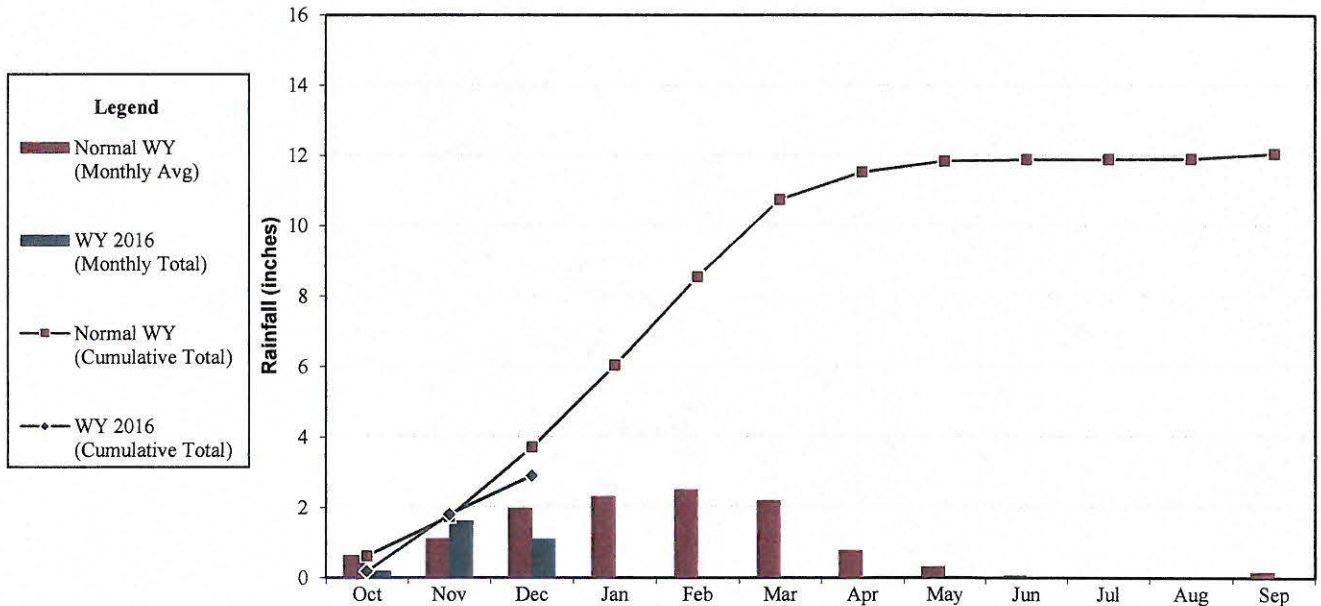


SALINAS AIRPORT RAINFALL WATER YEAR 2016



Monthly Rainfall (WY 2016)	0.20	2.74	1.96									
Monthly Rainfall (Normal WY*)	0.58	1.40	1.93	2.60	2.49	2.26	0.93	0.35	0.09	0.00	0.03	0.17
Percent of Normal for Month	34%	196%	102%									
Cumulative Rainfall (WY 2016)	0.20	2.94	4.90									
Cumulative Rainfall (Normal WY*)	0.58	1.98	3.91	6.51	9.00	11.26	12.19	12.54	12.63	12.63	12.66	12.83
Percent of Cumulative Normal	34%	148%	125%									

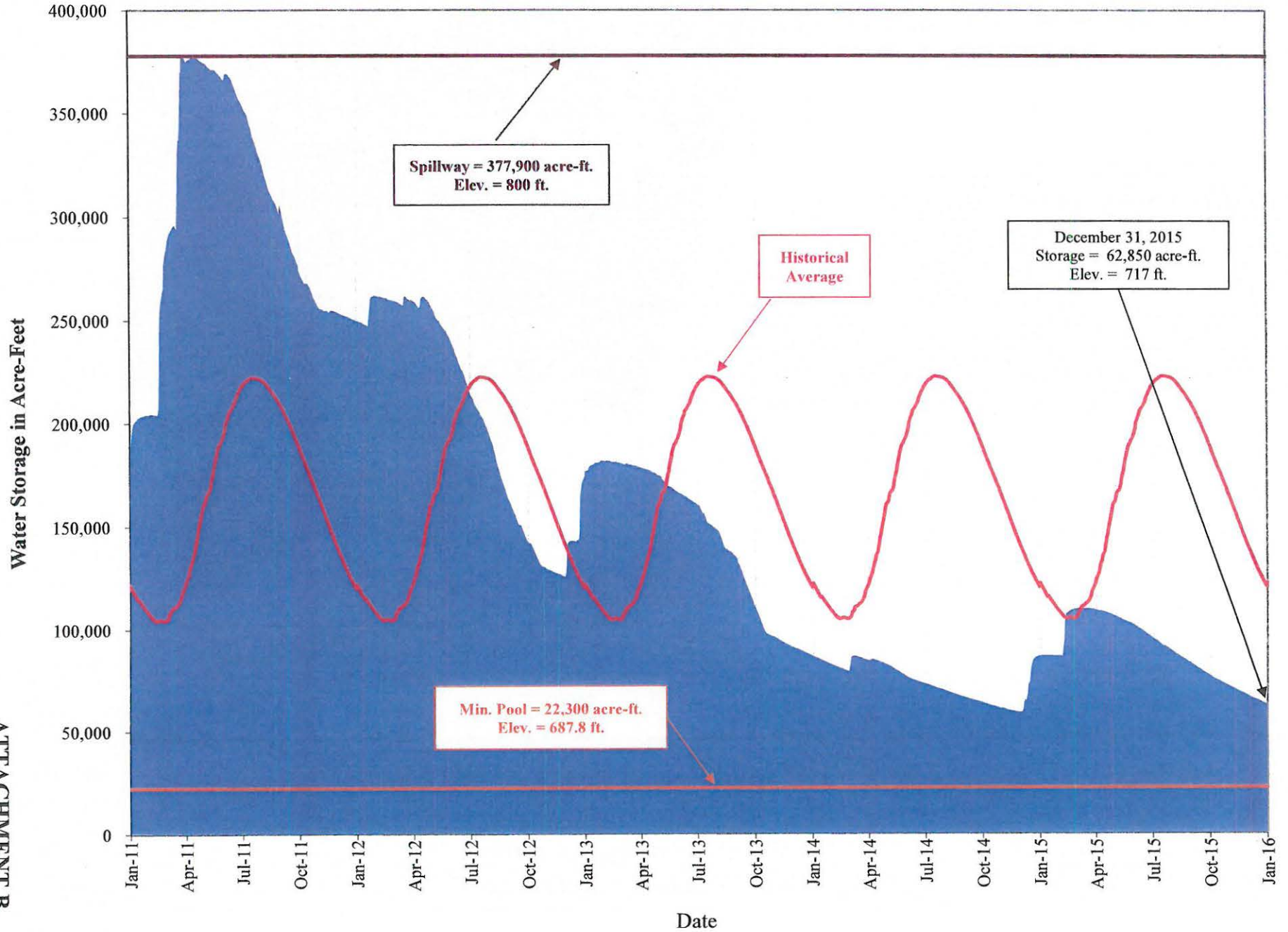
KING CITY RAINFALL WATER YEAR 2016



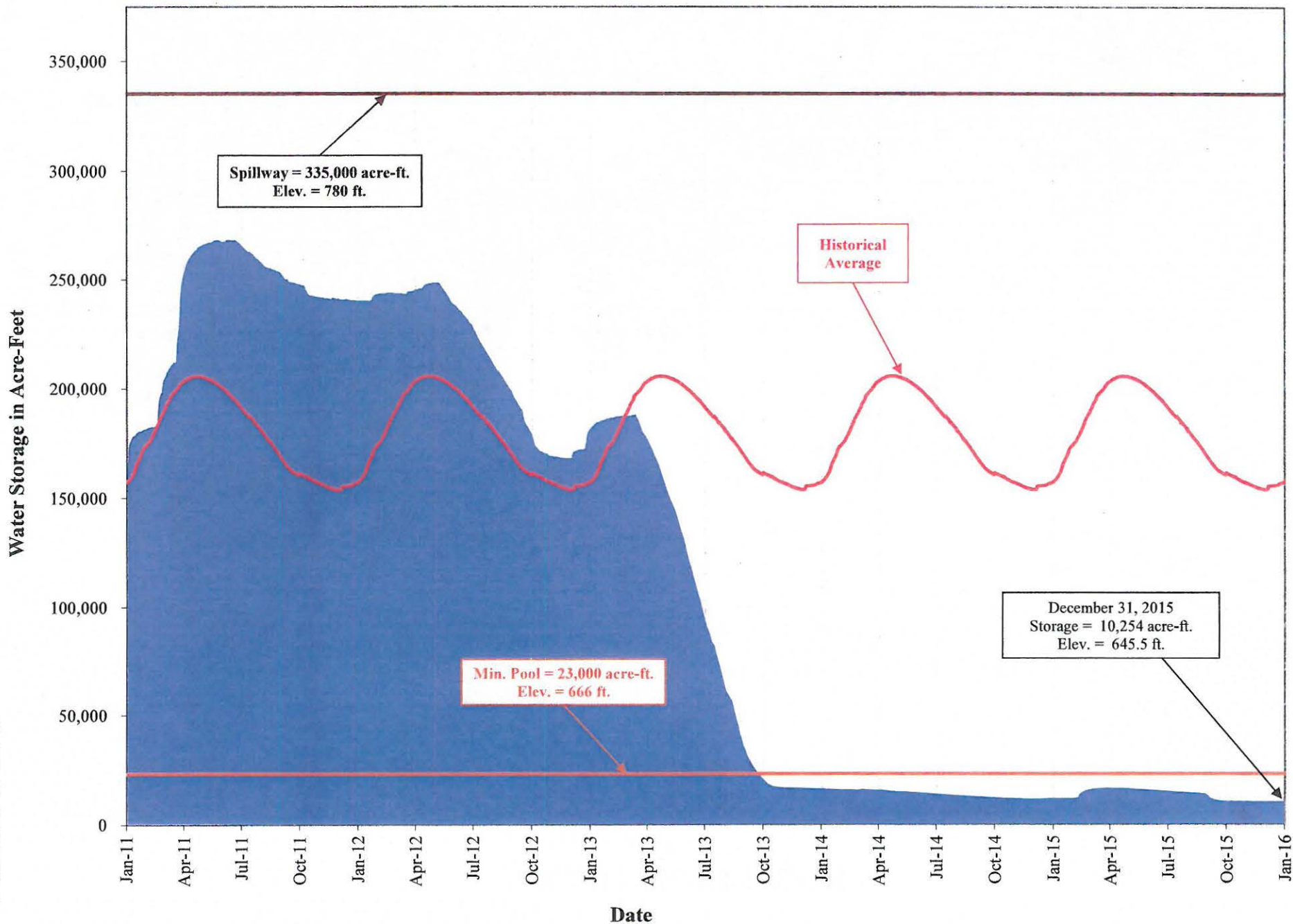
Monthly Rainfall (WY 2016)	0.19	1.62	1.10									
Monthly Rainfall (Normal WY*)	0.63	1.11	1.98	2.32	2.51	2.20	0.78	0.31	0.05	0.01	0.01	0.15
Percent of Normal for Month	30%	146%	56%									
Cumulative Rainfall (WY 2016)	0.19	1.81	2.91									
Cumulative Rainfall (Normal WY*)	0.63	1.74	3.72	6.04	8.55	10.75	11.53	11.84	11.89	11.90	11.91	12.06
Percent of Cumulative Normal	30%	104%	78%									

* Average precipitation over the most recent 30-year period ending in a decade (1981-2010)

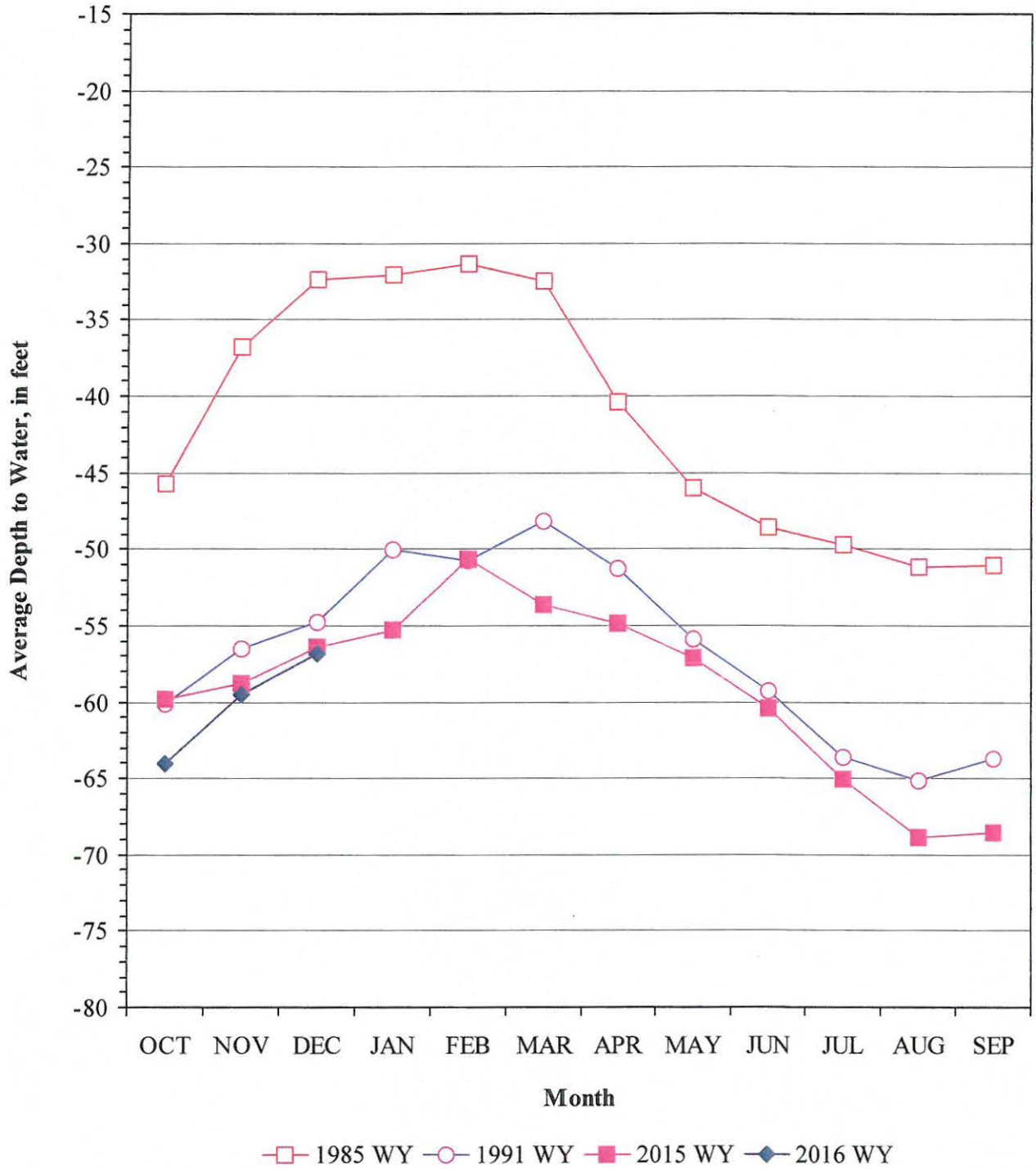
NACIMIENTO RESERVOIR DAILY STORAGE



SAN ANTONIO RESERVOIR DAILY STORAGE



HISTORIC GROUNDWATER TRENDS PRESSURE 180-FOOT AQUIFER 5 Wells

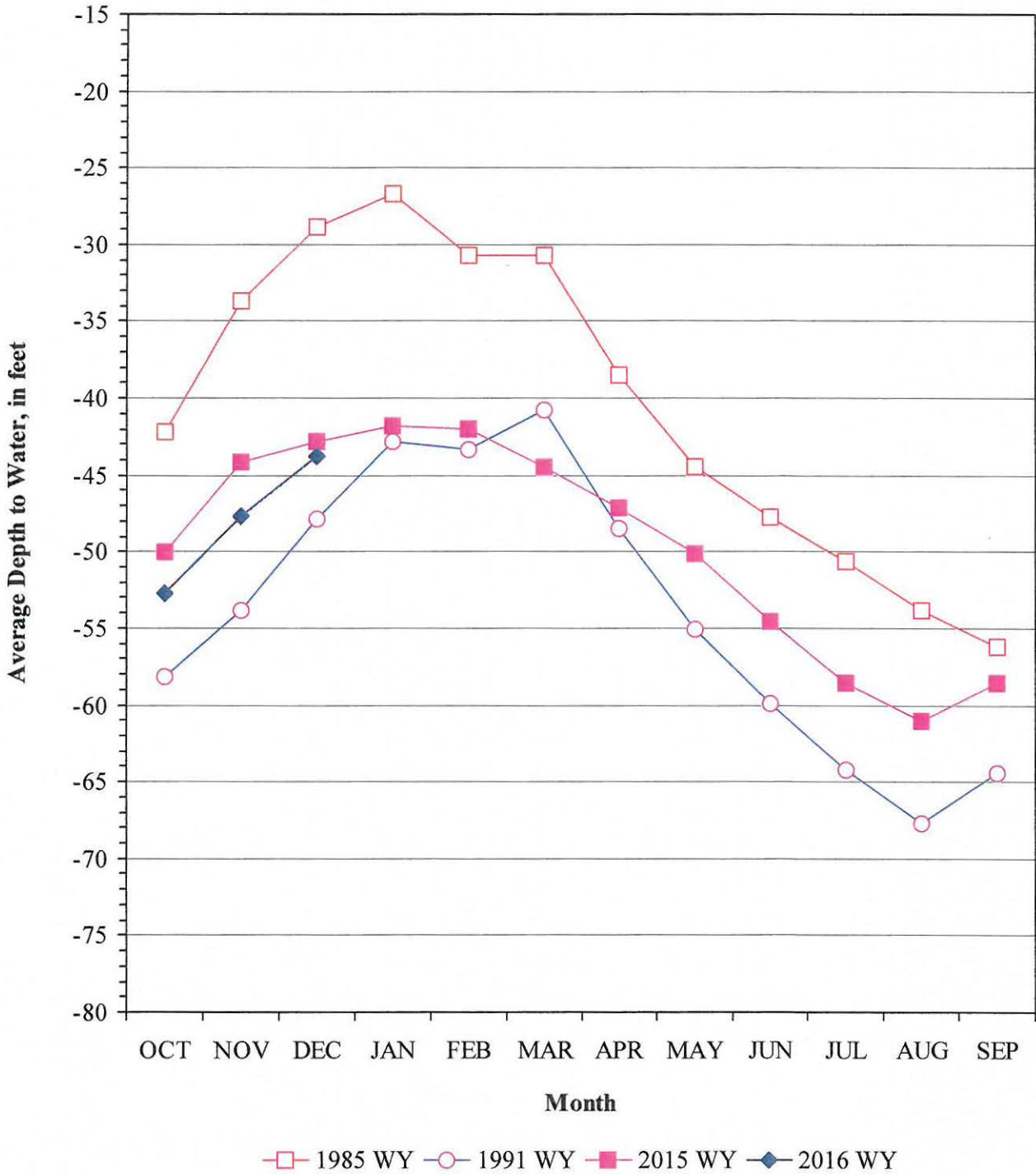


ATTACHMENT D

HISTORIC GROUNDWATER TRENDS

PRESSURE 400-FOOT AQUIFER

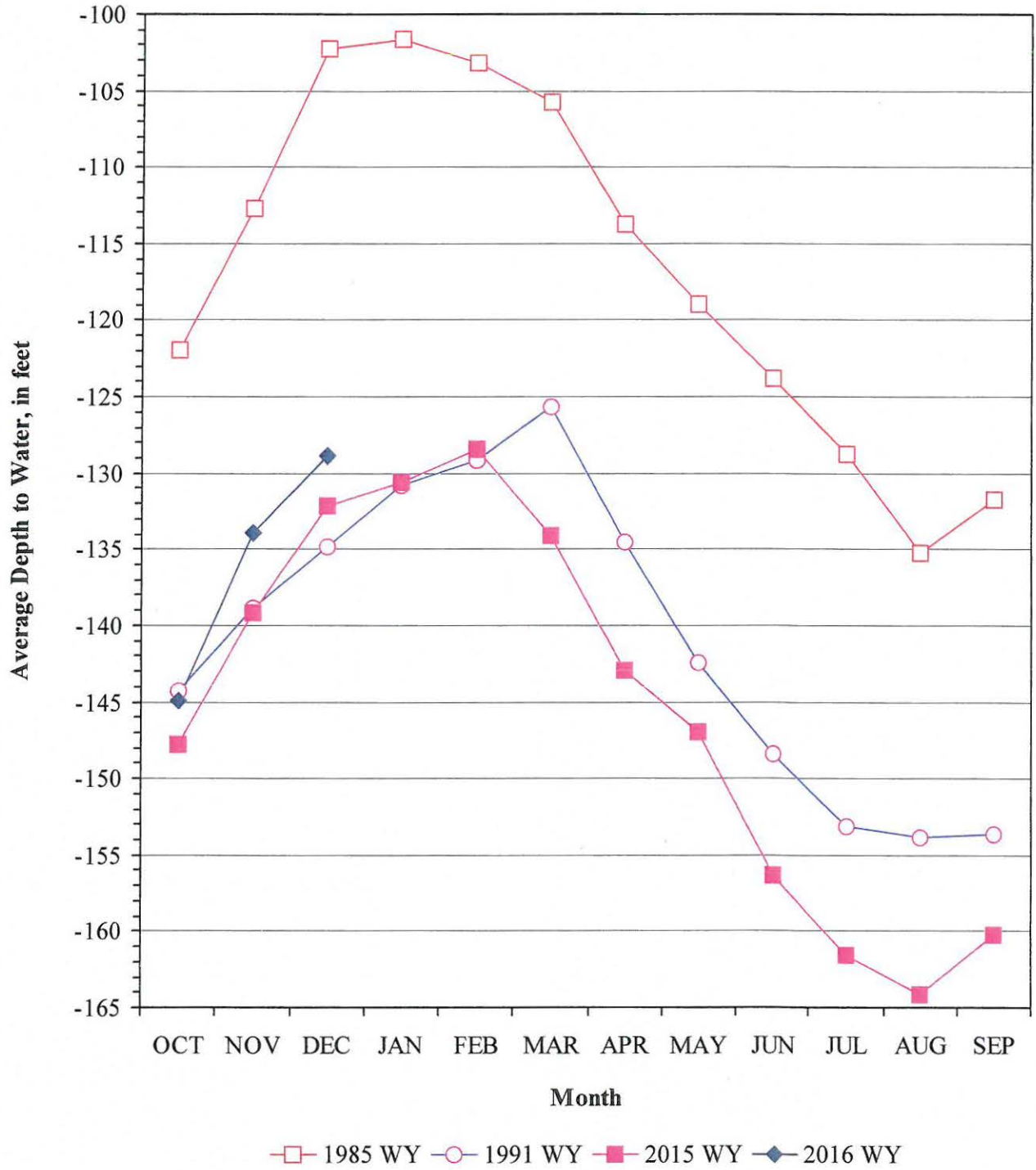
11 Wells



HISTORIC GROUNDWATER TRENDS

EAST SIDE SUBAREA

11 Wells

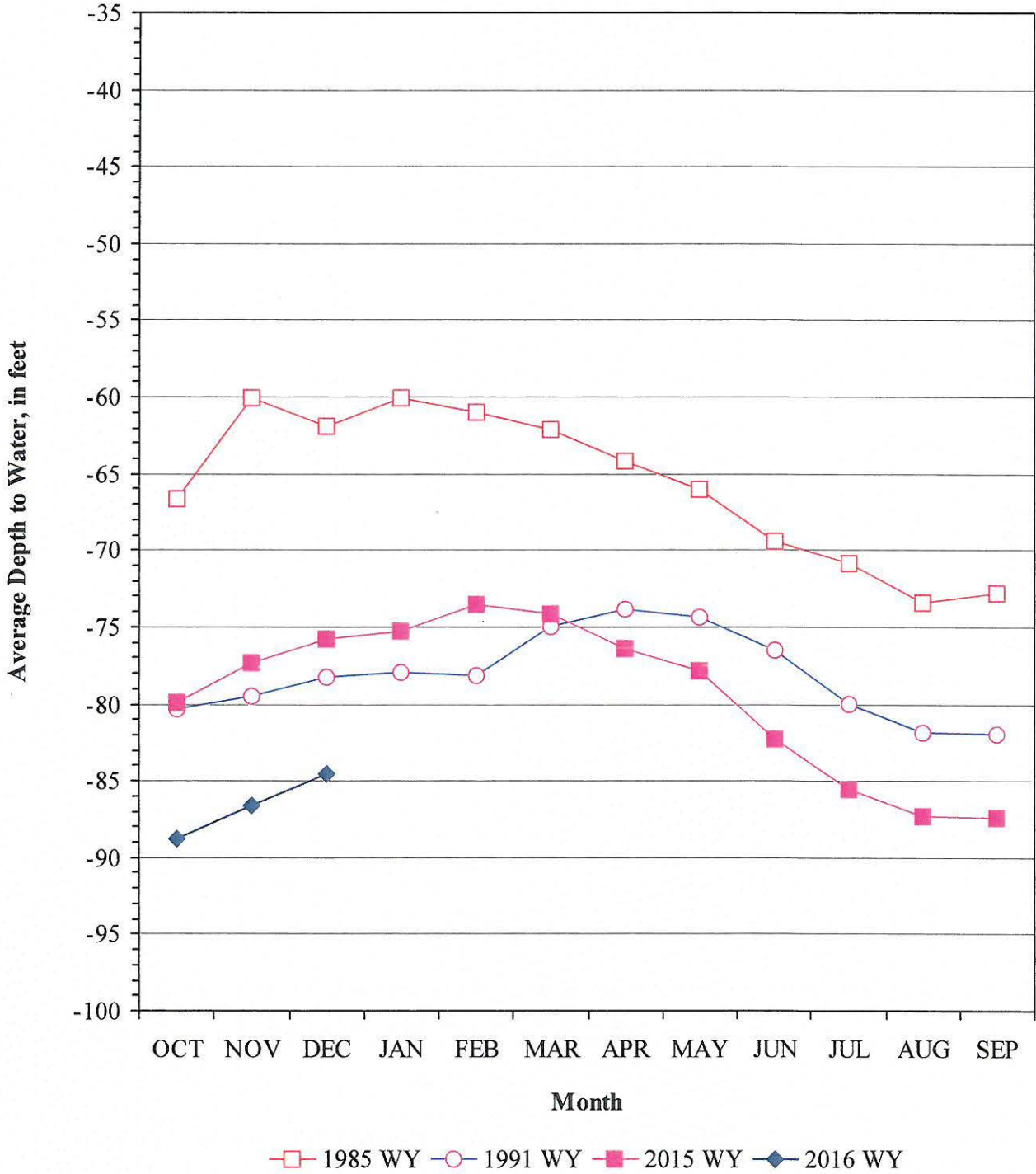


ATTACHMENT F

HISTORIC GROUNDWATER TRENDS

FOREBAY SUBAREA

10 Wells

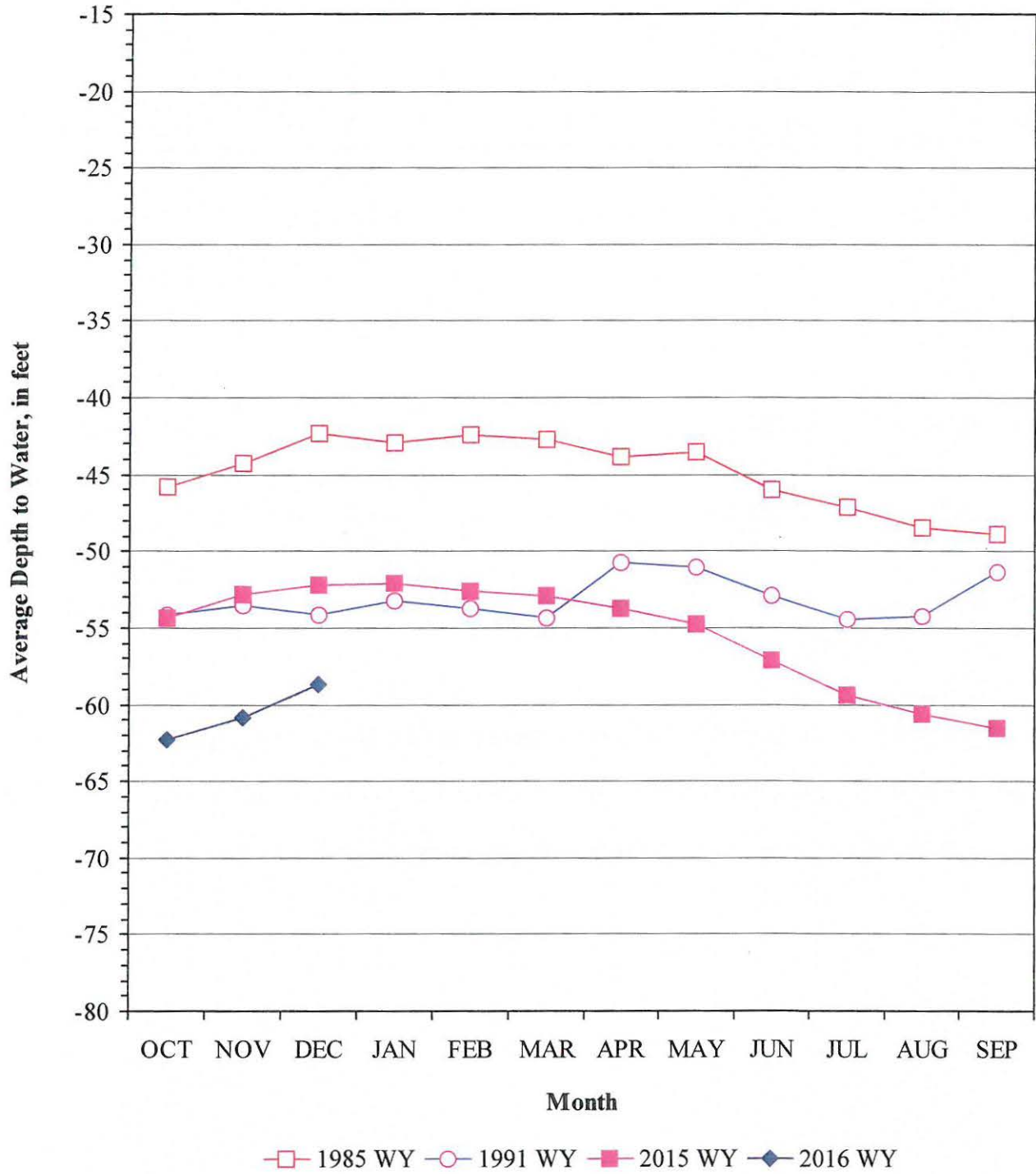


ATTACHMENT G

HISTORIC GROUNDWATER TRENDS

UPPER VALLEY SUBAREA

9 Wells



ATTACHMENT H

Generalized Ground Water Trends December 2015

Area	December 2015 Depth to Water	1 Year Change	Change From WY 1985	1 Month Change
Pressure 180-Foot Aquifer	57'	down 0.5'	down 24.5'	up 2.5'
Pressure 400-Foot Aquifer	44'	down 1'	down 15'	up 4'
East Side Subarea	128'	up 4'	down 26'	up 6'
Forebay Subarea	84.5'	down 11'	down 22.5'	up 2'
Upper Valley Subarea	62'	down 10'	down 20'	up 1.5'

December water levels, compared to last year, range from 11' lower to 4' higher.

December water levels, compared to WY 1985, range from 26' lower to 15' lower.

December changes in water levels over the last month range from 1.5' higher to 6' higher.

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Appoint Director Abby Taylor-Silva to serve as the Monterey County Water Resources Agency representative on the Pajaro River Watershed Flood Prevention Authority.		
Consent (X)		Action ()	
Information ()			
SUBMITTED BY: PHONE:	David E. Chardavoyne (831) 755-4860	PREPARED BY: PHONE:	Winifred Chambliss (831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Appoint Director Abby Taylor-Silva to serve as the Monterey County Water Resources Agency representative on the Pajaro River Watershed Flood Prevention Authority.

SUMMARY/DISCUSSION:

The Authority was established in July 2000 by State Assembly Bill 807 in order to “identify, evaluate, fund and implement flood prevention and control strategies in the Pajaro River Watershed, on an intergovernmental basis.” The watershed covers areas of four counties and four water districts and the Board is comprised of one representative from each of the eight following agencies:

- County of Monterey
- County of San Benito
- County of Santa Clara
- County of Santa Cruz
- Monterey County Water Resources Agency
- San Benito County Water District
- Santa Clara Valley Water District
- Santa Cruz County Flood Control and Water Conservation District, Zone 7

The Authority acts as a governing body through which each member organization can participate and contribute to finding a method to provide flood protection in the watershed and promote general watershed interests. In addition to flood protection, some identified benefits could include:

- Municipal, agricultural, and industrial water supply
- Groundwater recharge
- Support of rare, threatened, or endangered species
- Migration and spawning of aquatic organisms
- Preservation of wildlife habitat

- Water quality


Silvio Bernardi served as the Monterey County Water Resources Agency representative from 2007 until his retirement in 2015. Director Abby Taylor-Silva will now serve as the Monterey County Water Resources Agency representative.

OTHER AGENCY INVOLVEMENT:

Office of Supervisor John Phillips (District 2) and the office of the Clerk to the Board of Supervisors.

FINANCING:

None.

FINANCIAL IMPACT:	YES ()	NO (X)
FUNDING SOURCE:	N/A	
COMMITTEE REVIEW AND RECOMMENDATION:	None	
ATTACHMENTS:	1. Board Order	
APPROVED:	 General Manager Date 1/19/16	



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

BOARD ORDER No. _____

APPOINT DIRECTOR ABBY TAYLOR-SILVA TO SERVE AS THE)
MONTEREY COUNTY WATER RESOURCES AGENCY)
REPRESENTATIVE ON THE PAJARO RIVER WATERSHED)
FLOOD PREVENTION AUTHORITY)

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

1. Appoints Director Abby Taylor-Silva to serve as the Monterey County Water Resources Agency representative on the Pajaro River Watershed Flood Prevention Authority.

PASSED AND ADOPTED on this 25th day of **January 2016**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Chair
Board of Directors

ATTEST: David E. Chardavoine
General Manager

ACTION ITEMS

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Consider approving the Agency being a party to the Return Water Planning Term Sheet; recommending that the Monterey County Water Resources Agency Board of Supervisors approve the Return Water Planning Term Sheet; and, authorizing the General Manager to sign the Return Water Planning Term Sheet, substantially in the form attached.		
Consent () Action (X) Information ()			
SUBMITTED BY:	Robert Johnson	PREPARED BY:	Robert Johnson
PHONE:	(831) 755-4860	PHONE:	(831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Approve the Agency being a party to the Return Water Planning Term Sheet; recommend that the Monterey County Water Resources Agency Board of Supervisors approve the Return Water Planning Term Sheet; and, authorize the General Manager to sign the Return Water Planning Term Sheet, substantially in the form attached.

SUMMARY:

The Cal-Am Monterey Peninsula Water Supply Project continues to move forward on a number of fronts, one being the development of a solution to returning a portion of the extracted water to the Salinas Basin. Work still needs to be completed determining how much of the water extracted is to be returned to the Salinas Basin. However, having a solution to return the portion of water that is extracted needs to be worked out before the Monterey Peninsula Water Supply Project can go online.

DISCUSSION:

The Cal-Am Monterey Peninsula Water Supply Project (MPWSP) continues to move forward on a number of fronts, one being the development of a solution to returning a portion of the extracted water to the Salinas Basin (Basin). While Cal-Am feels that the MPWSP source water production is not likely to injure Basin groundwater resources, the Monterey County Water Resources Agency (Agency) Act authorizes the Agency to prohibit the exportation of groundwater outside of the Basin. Therefore, for Basin water to be used as source water for the MPWSP, a determination of the amount of Basin water extracted needs to occur, and subsequently returned to the Basin.

On a related note, the Castroville Community Services District (CCSD) has been informing the Agency Board of Directors (BOD) of drastically falling water levels in their supply wells for the last two years. Also, the CCSD has experienced water quality degradation, primarily from

increased salinity. The CCSD provides municipal and domestic water services to the Town of Castroville. Castroville's water use (recently) is about 800 acre-feet annually; though historically the water use has been closer to around 1000 acre-feet annually.


The proposed solution is to provide the CCSD with the water to be returned to the Basin, thus fulfilling the Agency Act requirement to not export any water from the Basin. Additionally, any water produced and delivered that is above what the CCSD capacity can effectively utilize will then be delivered to the Agency's Castroville Seawater Intrusion (CSIP) Project.

OTHER AGENCY INVOLVEMENT:

Currently, no County department has been involved in this effort. The County's Resource Management Agency, County Counsel, and the Monterey County Environmental Health Bureau may be engaged at a later date.

FINANCING:

Financing is still being worked out, though there are differing computational methodologies that depict varying costs per acre-foot of water and infrastructure costs.

FINANCIAL IMPACT:	YES (X) UNKNOWN NO ()
FUNDING SOURCE:	
COMMITTEE REVIEW AND RECOMMENDATION:	Scheduled for January 13, 2016 BMP Committee meeting; no meeting since there was not a quorum
ATTACHMENTS:	<ol style="list-style-type: none"> 1. Board Order 2. Draft Return Water Planning Term Sheet 3. Calculation of Avoided Cost for Recycled Water Produced for Use by CSIP
APPROVED:	 General Manager Date 1/19/16



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

BOARD ORDER No. _____

APPROVE THE MONTEREY COUNTY WATER RESOURCES AGENCY)
BEING A PARTY TO THE RETURN WATER PLANNING TERM SHEET;)
RECOMMEND THAT THE MONTEREY COUNTY WATER RESOURCES)
AGENCY BOARD OF SUPERVISORS APPROVE THE RETURN WATER)
PLANNING TERM SHEET; AND, AUTHORIZE THE GENERAL MANAGER)
TO SIGN THE RETURN WATER PLANNING TERM SHEET,)
SUBSTANTIALLY IN THE FORM ATTACHED)

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

1. Approves the Monterey County Water Resources Agency being a party to the Return Water Planning Term Sheet;
2. Recommends that the Monterey County Water Resources Agency Board of Supervisors approve the Return Water Planning Term Sheet; and,
3. Authorize the General Manager to sign the Return Water Planning Term Sheet, substantially in the form attached.

PASSED AND ADOPTED on this 25th day of **January 2016**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Chair
Board of Directors

ATTEST: David E. Chardavoine
General Manager

DRAFT RETURN WATER PLANNING TERM SHEET

This PLANNING TERM SHEET (the “Term Sheet”) is made as of _____, 2016, by and among CALIFORNIA-AMERICAN WATER COMPANY (“CAW”), the SALINAS VALLEY WATER COALITION (“SVWC”), the MONTEREY COUNTY FARM BUREAU (“MCFB”), the MONTEREY PENINSULA REGIONAL WATER AUTHORITY (“Authority”), LANDWATCH MONTEREY COUNTY, the CASTROVILLE COMMUNITY SERVICES DISTRICT (“CCSD”), and [OTHER PARTIES] (individually, “Party”; collectively, “Parties”).

RECITALS

- A. CAW is seeking permits and approvals for the Monterey Peninsula Water Supply Project (“MPWSP”), including a certificate of public convenience and necessity from the California Public Utilities Commission (“CPUC”);
- B. The MPWSP includes a desalination plant that will provide a potable water supply for CAW’s Monterey Peninsula service area. Rather than using an open-ocean intake that would produce only seawater as source water for the desalination plant, the MPWSP desalination plant will produce its source water from subterranean slant wells drilled adjacent to the ocean, which will draw water from strata underlying the ocean. The location of the wells overlies the western portion of the Salinas River Groundwater Basin (“SRGB”).
- C. CAW characterizes its MPWSP as proposing to develop seawater and brackish groundwater originating from the SRGB to produce source water that would be desalinated to provide a potable water supply for CAW’s Monterey Peninsula service area.
- D. The SVWC, MCFB and Landwatch contend that—rather than proposing to use an open-ocean intake that would produce only seawater—CAW’s MPWSP proposes to use wells developed in the SRGB to produce source water for desalination to provide CAW’s Monterey Peninsula service area with a new source of water supply.
- E. The ratio of seawater to brackish SRGB groundwater in the MPWSP source water is anticipated to change over time, with more seawater and less SRGB groundwater anticipated later in the MPWSP’s life;
- F. CAW contends that source water production by the MPWSP is unlikely to cause significant adverse environmental effects with respect to SRGB groundwater resources and is unlikely to cause injury to prior groundwater rights in the SRGB but submits that the Monterey County Water Resources Agency Act (“Agency Act”) authorizes the Monterey County Water Resources Agency (“Agency”) to obtain an injunction prohibiting the export and use of SRGB groundwater outside of the SRGB and certain areas of Fort Ord;
- G. The SVWC, MCFB and Landwatch submit that the Agency Act directly prohibits the export and use of SRGB groundwater outside of the SRGB and certain areas of Fort Ord without the need for the Agency to obtain an injunction;

- H. To meet applicable requirements of the Agency Act, CAW has proposed as part of the MPWSP to make available for delivery to groundwater users overlying the SRGB a volume of water equal to the percentage of SRGB groundwater in the total MPWSP source water production, as determined by the Agency (“Return Water”);
- I. The SVWC, MCFB and Landwatch contend there is no surplus SRGB groundwater available for CAW’s use in providing public water service within or outside of the SRGB and that the law of California groundwater rights requires that any production and use of SRGB groundwater by the MPWSP must be returned for use within the SRGB in lieu of existing groundwater pumping;
- J. For MPWSP planning and engineering purposes, CAW submits that the MPWSP source water wells have been designed so that approximately 4% of the source water produced by the MPWSP will originate as brackish groundwater from the SRGB;
- K. For planning purposes, CAW has assumed that the Return Water volume for the large desalination plant will be 1,080 afa, and for the small plant 690 afa;
- L. The CPUC is conducting environmental review of the MPWSP under the California Environmental Quality Act (“CEQA”), and the Monterey Bay National Marine Sanctuary is conducting environmental review of the MPWSP under the National Environmental Policy Act (“NEPA”);
- M. The modeling used in the CPUC’s April 2015 CalAm Monterey Peninsula Water Supply Project Draft Environmental Impact Report (“DEIR”) estimates that the volume of SRGB groundwater produced as source water for the large-scale (9.6 million gallons per day) MPWSP would be approximately 7 percent, or 1,889 afa, under existing land-use conditions and would be approximately 4 percent, or 1,080 afa, under projected future 2060 land-use conditions, and would average approximately 5.5 percent, or 1,485 afa, over the life of the MPWSP. (DEIR at 4.4-67.)
- N. Note C to the CPUC’s DEIR Table 2-5 states that “groundwater modeling indicates that as much as 1,080 afa may need to be returned to the Salinas Valley Groundwater Basin (based on 4 percent of total source water intake being drawn from the Salinas Valley Groundwater Basin[])” and states that “MPWSP supply would be sufficient to provide this larger quantity of return water.”
- O. The CPUC is preparing a revised DEIR/Environmental Impact Statement (RDEIR/DEIS) for the MPWSP that will assess the significance of effects to SRGB groundwater resources, and the modeling in the revised RDEIR/DEIS will be updated and calibrated to include test well production data obtained to date (over 100 days of pumping). CAW also is working to gather additional (up to two years) test well production data to inform analysis of those effects. The full data set is not expected to be available before the CPUC’s completion of CEQA/NEPA review and its decision whether to approve a certificate of convenience and necessity for the MPWSP;
- P. The Parties and the State Water Resources Control Board are in agreement, and the DEIR

concludes, that injecting desalinated water from the MPWSP into the SRGB is less desirable than delivering the Return Water for beneficial use in the SRGB;

- Q. Prior environmental analyses reveal that there may be limitations in the capacity of the Castroville Seawater Intrusion Project (“CSIP”) to accommodate all of the MPWSP Return Water under some conditions. (DEIR, p. 2-45, 6-4, 6-114; Pure Water Monterey, GWR DEIR, Appendix Q, Table B-3);
- R. CSIP is an Agency project that provides recycled water and diverted Salinas River water for use in lieu of groundwater pumping for irrigated agricultural use in the Castroville area of the SRGB;
- S. The CPUC Administrative Law Judge has requested additional testimony from the Joint Settling Parties regarding Return Water options, and that testimony must be submitted to the CPUC by January 22, 2016;
- T. The SVWC, MCFB and Landwatch contend that the MPWSP’s well production may cause injury to the SRGB and senior groundwater rights holders in the SRGB under California groundwater law, even if the RDEIR/DEIS concludes that the well production would not cause a significant adverse effect under CEQA.
- U. MCFB, SVWC and Landwatch oppose any scenario where Return Water would be used outside the SRGB, rather than for use in lieu of existing groundwater pumping in the SRGB;
- V. In the July 31, 2013 Settlement Agreement among 16 parties to Proceeding A1204019, MCFB, SVWC, Landwatch, the Agency, and Citizens for Public Water reserved all rights to challenge production of water from the SRGB by CAW in any appropriate forum based on their concerns for potential harm to the SRGB and users thereof;
- W. MCFB and SVWC have stated they will litigate these issues if they are not resolved through agreement;
- X. CAW and the Authority maintain that any obligation to return SRGB groundwater to the SRGB arises only as a requirement of the Agency Act, except to the extent that Return Water is necessary as part of a physical solution to avoid harm to the SRGB and senior groundwater rights holders in the SRGB under California groundwater law or to mitigate significant adverse effects to the SRGB or particular groundwater users pursuant to CEQA;
- Y. CAW, with the encouragement of the Authority, also desires to maximize revenue for Return Water to offset water costs and water rates for CAW customers on the Monterey Peninsula;
- Z. CAW must obtain CPUC approval to deliver or sell any Return Water for use outside of CAW’s service area;
- AA. A controversy has now arisen as to CAW’s obligation to deliver Return Water to the SRGB, and as to the responsibility for the costs of producing the Return Water, and the Parties to this Term Sheet desire to resolve these issues and to reach agreement on a framework to satisfy Return Water requirements;

- BB. Pursuant to the terms of this Term Sheet, the Parties propose that CAW deliver Return Water to the CCSD and to the CSIP to satisfy Return Water requirements that may arise out of the Agency Act, CEQA, or California groundwater law, in accordance with terms and conditions to be agreed upon based on the general principles contained in this Term Sheet;
- CC. CCSD submits that it provides municipal and domestic water service to the Town of Castroville, which overlies the SRGB in an area north of the City of Marina and west of the City of Salinas;
- DD. CCSD submits that it currently relies on groundwater from the SRGB to meet Castroville's water demands, which average approximately 800 afa;
- EE. CCSD submits that it increasingly has experienced water supply challenges due to water quality degradation of its water supplies, primarily from increased salinity;
- FF. CCSD submits that poor water quality, including elevated sodium levels extant in CCSD's groundwater supplies, can contribute to health risks of individuals susceptible to high sodium;
- GG. CCSD submits that it has been identified as a disadvantaged community (Greater Monterey County IRWM Regional Water Management Group Disadvantaged Community Outreach Plan, Prepared for the Environmental Justice Coalition for Water by Nilsen & Associates, Approved April 18, 2012), and was an active participant in the Regional Plenary Oversight Group process established by the Office of Ratepayer Advocates to determine whether the Regional Desalination Project, a predecessor project to the MPWSP, would be a source of supply for Castroville;
- HH. CCSD submits that many of CCSD's customers contribute significantly to agricultural and hospitality industries in the Salinas Valley and on the Monterey Peninsula;
- II. CCSD submits that it is actively pursuing alternative water supplies and has applied to the State for funding to develop deeper groundwater wells and other projects to serve its customer demands;
- JJ. CCSD submits that it is interested in taking delivery of a Return Water supply from the MPWSP to replace or supplement CCSD's current reliance on groundwater from the SRGB;
- KK. Preliminary cost estimates for a pipeline to convey water from the MPWSP plant to CCSD are approximately \$6,500,000, which may be reduced to approximately \$4,400,000, assuming that CAW will secure contracts for construction of the pipeline and that environmental review and permitting will be performed in conjunction with the MPWSP. CCSD submits that it may not be able to prudently fund a pipeline for more than \$2,800,000, and that capital obligations for the pipeline would necessitate long-term commitments by CCSD and certainty of source water supply for CCSD;
- LL. The SVWC, MCFB, and Landwatch support CAW's delivering Return Water to CCSD and to CSIP for use in lieu of existing groundwater pumping in the SRGB; and

MM. CAW's delivery of Return Water to CCSD pursuant to the terms of this Term Sheet is a fair and equitable resolution of the disputed matters described above, and is consistent with the law and policy controlling the CPUC's approval of the MPWSP.

NN. The foregoing Recitals are included to provide background regarding this Term Sheet but are neither part of nor incorporated into its terms.

NOW, THEREFORE, as a COMPROMISE and SETTLEMENT of the above-stated dispute, and to provide for an efficient and effective resolution of this dispute, the Parties do hereby AGREE to negotiate appropriate binding agreements on the following terms:

1. Notwithstanding any other provision of this Term Sheet, this Term Sheet sets forth agreements in principle concerning its subject matter, but does not at this time constitute binding covenants or conditions with respect to the issue of Return Water.
2. It is anticipated that certain Parties to this terms sheet will negotiate and enter into water purchase agreements under which CAW will deliver Return Water to the SRGB during the term of the anticipated water purchase agreements for use in lieu of existing groundwater production as follows:
 - a. CAW shall have annual Return Water requirements that shall be calculated based on the percentage of SRGB groundwater in the total MPWSP source water production for the prior calendar year ("Annual Return Water Obligation").
 - i. During the first three months after start-up of the MPWSP, the Annual Return Water Obligation shall be 7% of total source water production during that period, and for the remainder of that year shall be the percentage of SRGB groundwater in the total MPWSP source water production calculated during the first three months in which the MPWSP started up and then operated.
 - ii. Thereafter, CAW shall make available for delivery to the SRGB for beneficial use each year the Annual Return Water Obligation.
 - iii. The volume of the Annual Return Water Obligation shall be determined by the Agency based on the methodology set forth in Exhibit A [parties analyzing], which may include annual averaging and other operational parameters appropriate to the circumstances.
 - b. CAW shall make available for delivery to CCSD 800 afa of Return Water if the large desalination plant is constructed or 690 afa if the smaller desalination plant is constructed ("CCSD Delivery Volume").
 - c. If the Annual Return Water Obligation is less than the CCSD Delivery Volume, CAW shall make available for delivery potable water in addition to the amount of the Annual Return Water Obligation sufficient to satisfy the CCSD Delivery Volume ("Excess Water").
 - d. CAW shall make available for delivery to CSIP any Annual Return Water Obligation

in excess of the CCSD Delivery Volume, according to procedures agreed to in the Water Purchase Agreement.

3. The Parties acknowledge that CAW could be legally required by a regulatory agency, including the CPUC in this proceeding, or by a court, to make water deliveries to other locations in the SRGB to the extent necessary to mitigate any groundwater impacts from the MPWSP that were demonstrated in relation to a specific location overlying the SRGB (“Other Return Water Obligation”). Such Other Return Water Obligation could also serve to satisfy CAW’s obligations to return water to the SRGB under the Act, CEQA, or common-law water law principle. Under such circumstances, the Parties agree that it may be inequitable to CAW and its ratepayers to fund both the Other Return Water Obligation and the Return Water obligations specified herein as this would result in a duplicative liability to CAW and its ratepayers. CAW’s obligation to make available the CCSD Delivery Volume shall be reduced in the event and to the extent that a regulatory agency or court has required CAW to deliver Return Water in a manner or location different than as specified in the Term Sheet. CCSD shall not be obliged to purchase Return Water if it determines that the reduced amount of Return Water would not be sufficient to justify a Water Purchase Agreement as contemplated herein. In the event that CCSD determines that its water purchase is not justified due to an Other Return Water Obligation, the parties to this Term Sheet will meet and confer in good faith to effect other arrangements to make the remaining Return Water, net of the Other Return Water Obligation, available for use in lieu of existing groundwater pumping in the SRGB in order to ensure that CAW will meet its Annual Return Water Obligation under this Term Sheet.

The Parties further acknowledge that the CCSD must be assured of a specific volume of Return Water to justify investment in the capital facilities necessary to convey the Return Water from the Project to the CCSD (the “CCSD Facilities”), and therefore CAW’s obligation to the CCSD Delivery Volume specified herein cannot be terminated during the term of the anticipated water purchase agreements after such time as CCSD has obligated itself to finance such capital facilities. To afford the best foresight in relation to potentially competing Return Water obligations, while also facilitating the certainty relating to Return Water deliveries required by CCSD, CAW’s obligation to make available the CCSD Delivery Volume under the terms of that water purchase agreement shall become unconditional on the date that is the latest of the following dates:

- a. the date on which the CPUC has issued a CPCN for the Project and the period to challenge the legality of the CPUC’s issuance of the CPCN (based on CEQA compliance or otherwise) has expired and no challenge has been brought;
- b. the date on which any challenge against the CPUC’s issuance of the CPCN is resolved with finality following all available appeals and petitions; or
- c. 60 days following the date on which the CCSD provides notification to CAW that it has secured financing, acceptable to CCSD, to construct the CCSD Facilities.

In the event of any challenge against the CPUC's issuance of the CPCN, the Parties to this Agreement shall meet and confer in good faith to effect other arrangements to make the total amount of the Return Water, as adjusted by any Other Return Water Obligation, available for use in lieu of existing groundwater pumping in the SRGB in order to ensure that CAW will meet its Annual Return Water Obligation under this Agreement during the pendency of that litigation.

After the above dates, Cal Am may not terminate its obligation to deliver the CCSD Delivery Volume in the event CAW is subsequently required to make Other Return Water Obligations. CAW and CCSD shall meet and confer as necessary within a reasonable amount of time before or after any of the above dates if it appears that CAW's obligation to make available the CCSD Delivery Volume may not become unconditional. Due to the urgent nature of the MPWSP and other regulatory pressures to implement the MPWSP, CAW and CCSD may mutually agree at any time to amend and move forward with the CCSD Water Purchase Agreement, notwithstanding Other Return Water Obligations, provided all other required approvals have been attained and provided that CAW will meet its Annual Return Water Obligation under this Term Sheet through some combination of the CCSD Water Purchase Agreement, the CSIP Water Purchase Agreement, Other Return Water Obligations, or arrangements made pursuant to paragraph 6 of the Term Sheet.

4. Return Water and Excess Water pricing shall be as follows:
 - a. **CCSD:** For each acre-foot of Return Water or Excess Water made available for delivery to CCSD:
 - i. CCSD shall pay \$110 per acre-foot, as currently estimated, for Return Water made available for delivery to meet the Annual Return Water Obligation, which reflects its avoided cost to produce groundwater to meet customer demand.
 - ii. CCSD shall pay \$580 per acre-foot, as currently estimated, for any Excess Water, which reflects the operations and maintenance cost for the MPWSP to produce one acre-foot of potable water.
 - b. **CSIP:** For each acre-foot of Return Water delivered by CAW, CSIP shall pay \$xxx per acre-foot, as currently estimated, which reflects the CSIP customers' marginal avoided cost for recycled water produced for use by the CSIP in lieu recharge project's customers.
 - c. Payment for Return Water and Excess Water shall be subject to standard financing provisions, including appropriate price adjustments. The pricing set forth in this Term Sheet is for illustrative purposes only, and actual prices have not been determined.
5. The Parties support CAW negotiating and entering into Water Purchase Agreements with CCSD and the Agency (for CSIP) consistent with the terms of this Term Sheet.

- a. The Water Purchase Agreements shall have an initial term of at least 30 years.
 - b. Prior to the expiration of the Water Purchase Agreements contemplated herein, CCSD and CSIP shall have a right of first refusal to enter into new water purchase agreements on terms to be negotiated at the time.
6. CAW's obligation to make Return Water available for use in lieu of existing groundwater pumping in the SRGB to meet its Annual Return Water Obligation shall survive for a period of 30 years if the initial Water Purchase Agreements do not become effective or are otherwise amended or terminated. In that event, the Parties to this Term Sheet shall meet and confer in good faith to effect other arrangements to make the total amount of the Return Water reduced by any Other Return Water Obligation available for use in lieu of existing groundwater pumping in the SRGB in order to ensure that Cal-Am will meet its Annual Return Water Obligation under this Term Sheet.
 7. Upon expiration or non-renewal of the Water Purchase Agreements: (a) CAW shall comply with the Agency Act; and (b) unless CAW demonstrates that Return Water is not needed to prevent legal injury to prior groundwater rights holders in the SRGB or to avoid significant adverse effects to SRGB groundwater resources pursuant to procedures to be agreed upon in future negotiations, CAW shall continue to make Return Water available for delivery to the SRGB for use in lieu of existing groundwater production. In the event of a dispute among any of the parties to this Term Sheet with respect to CAW's need to continue providing Return Water, such dispute shall be resolved by a dispute resolution procedure to be agreed upon in future negotiations.
 8. This Term Sheet reflects a settlement and compromise of putative claims and remedies of the Parties hereto.
 9. If the Return Water settlement described in this Term Sheet is not approved by the CPUC and implemented by CAW, the SVWC, MCFB and Landwatch reserve their rights to challenge CAW's production of water from the SRGB in any appropriate forum.
 10. The Parties agree to support CPUC approval of MPWSP consistent with the compromise and settlement reflected in this Term Sheet, and agree to defend and support this Return Water settlement Term Sheet in any administrative or judicial proceedings concerning this Term Sheet and/or CAW's obligations and responsibilities with respect to Return Water.
 11. Among other things, this Term Sheet helps to define a stable and finite project description that will facilitate the CPUC's completion of CEQA review for the MPWSP. The legal effectiveness of this Term Sheet is contingent on the completion of CEQA review and does not irretrievably commit the Parties to carrying out any physical activities that would be required for CAW to meet the Annual Return Water Obligation, including through the anticipated Water Purchase Agreements whose future approval will be conditioned upon the completion of CEQA review by the CPUC as lead agency for the MPWSP and by those Parties playing the role of a responsible agency with respect to the anticipated Water Supply Agreements. The lead agency and responsible agencies will retain full discretion with respect to deciding whether to approve Water Supply Agreements or any other commitments

necessary or convenient for CAW to meet the Annual Return Water Obligation, including discretion to modify commitments to avoid or reduce any significant adverse physical environmental effects from Return Water activities that are within their jurisdiction.

12. This Term Sheet does not currently impact the terms of sections 3.1(b) of the document known as the Large Settlement Agreement. To the extent later binding agreements may specifically do so, they will not impact the Agency's authority and responsibilities under the Agency Act.
13. This Term Sheet may be executed in any number of counterparts.

[Signatures to be added]

**CALCULATION OF AVOIDED COST
FOR
RECYCLED WATER PRODUCED FOR USE BY CSIP**

Source ¹	Percentage of Water ²	Cost/AF	Weighted Cost
Supplemental Wells	7.18	102.42	\$ 7.3538
SRDF	21.98	35.06	7.7062
Tertiary Treatment Plant	62.68	56.44	35.3766
New Source Facilities	8.16	74.00	6.0384
	<u>100%</u>		<u>\$56.4750</u>

Avoided Cost to CSIP \$56.48/acre-foot

¹ Sources listed are as incorporated in Water Recycling Agreement, dated 3 November 2015

² Percentage shown is contained in Scenario No. 2 (normal year operation as presented to MCWRA Board of Supervisors, November 3, 2015).

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016		AGENDA ITEM:
AGENDA TITLE:	Consider receiving a report on the Salinas River Lagoon, including necessary tasks to pursue permits for sandbar management activities for 2016-2021; and, consider providing direction regarding funding those activities to Staff.		
Consent () Action (X) Information ()			
SUBMITTED BY:	Brent Buche	PREPARED BY:	Elizabeth Krafft
PHONE:	(831) 755-4860	PHONE:	(831) 755-4860
DEADLINE FOR BOARD ACTION:	January 25, 2016		

RECOMMENDED BOARD ACTION:

Receive a report on the Salinas River Lagoon, including necessary tasks to pursue permits for sandbar management activities for 2016-2021; and provide direction regarding funding those activities to Staff.

SUMMARY:

The Salinas River Lagoon is located at the mouth of the Salinas River, in unincorporated Monterey County north of Marina. It is bounded by privately-owned agricultural lands, the Salinas River State Beach, and the Salinas River Lagoon National Wildlife Refuge. The Salinas River Watershed is large (covers two counties) and experiences extreme variations in seasonal and yearly flow discharge rates with the Lagoon being the primary final point before discharging into Monterey Bay. Developed residential and agricultural areas surrounding the Lagoon within the 100-year floodplain suffer from periodic flooding from high river flows and ocean storms in some areas nearly annually, and in some case multiple inundations in one year.

DISCUSSION:

The Board of Directors (BOD) and Board of Supervisors (WRABOS) of the Monterey County Water Resources Agency (Agency) have approved the Winter 2015/2016 Sandbar Management Plan Project. The CEQA Notice of Exemption for the Winter Plan was posted with the County Clerk for 30 days in December 2015.

Agency staff has had several conversations with regulatory agencies in the past few months and it is very apparent that their expectations is for measurable progress to occur on obtaining full (non-emergency) permits and a commitment to developing a long-term plan (the Lagoon is part of the long-term overall Salinas River Management Program).

The Agency attempted to permit sandbar management activities in 2002, with no resolution. In December 2013, it was decided that all the earlier permit applications be deemed obsolete and new applications be filed. As a first step in the new process, an application was submitted to the US Army Corps of Engineers in 2013. Staff submitted outstanding items to the USCOE in December 2105 and is awaiting confirmation that the application is complete. The 401 certification application was submitted to the Regional Board in December 2015 and has been deemed complete. A draft of a Right of Entry permit for CA State Parks is under review with

County Counsel. A letter was sent to the State Lands Commission in December 2015 in an attempt to determine what interest, if any, that agency has in the project. An application for the Coastal Commission and CA Fish and Wildlife still need to be developed. Staff has completed several tasks to move this process forward, but there are remaining items and tasks identified in the table below that will likely be required to obtain permits. This is a best effort of a comprehensive list of all requirements and additional needs may be identified as the permitting process moves forward.

NEEDS	REGULATORY AGENCIES					Estimated Cost*
	USCOE	Regional Board	CA Coastal Commission	State Parks	CA Fish and Wildlife	
CEQA		X	X	X	X	50 -100K
Alternatives Analysis	X		X			50-100K
Mitigation/Monitoring	X	X	X	X	X	100K/year +
Jurisdictional Delineation of Waters of the US /CA	X	X				Submitted to USCOE
Biological Assessment	X	X				25K
Maps, parcel data, etc.	X	X	X		X	5-10K
Permit Application Fees*	None	\$936.00	\$2,216.00	Waived	\$3,000.00	\$6,126.00
Annual Fees*	None	\$900.00	None	Waived	\$125.00	\$1,025.00

*estimated costs based on current knowledge – could be higher

OTHER AGENCY INVOLVEMENT:

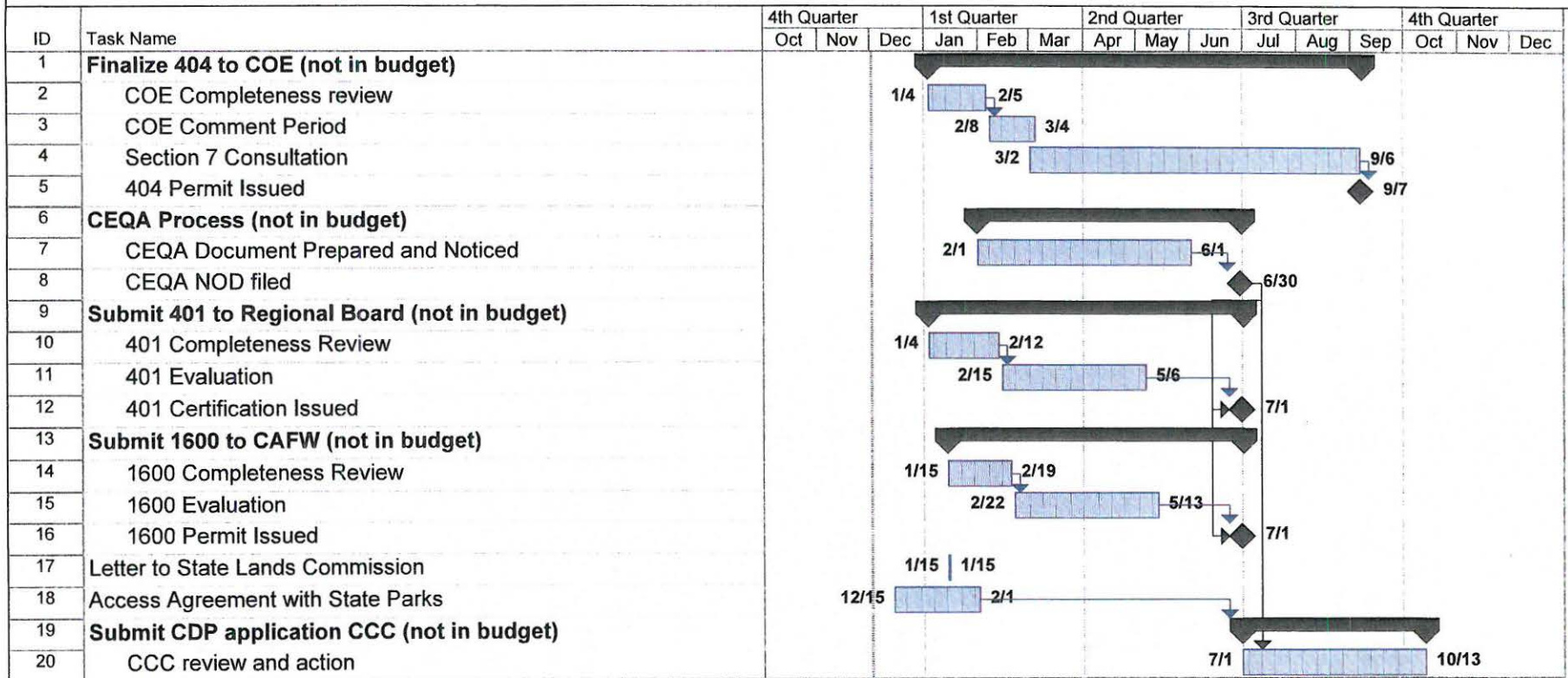
The Salinas River Lagoon Management Working Group regularly consists of the Agency, NOAA Fisheries, US Fish and Wildlife Service, CA State Parks, local landowners and other interested parties such as: Monterey Dunes Colony, The Nature Conservancy, Monterey Coastkeeper/The Otter Project and the Central Coast Wetlands Group. Other participants include the Corps of Engineers, CA Coastal Commission, CA Fish and Wildlife, and Trout Unlimited. Staff has reached out to the Monterey County Resource Management Agency (RMA) for assistance identifying needed permits, environmental documents and costs due to RMA’s experience with the Carmel Lagoon and their work with regulatory agencies.

FINANCING:

The Agency’s 2015/2016 budget does not identify any funds for permit acquisitions or staff time for completing this process.

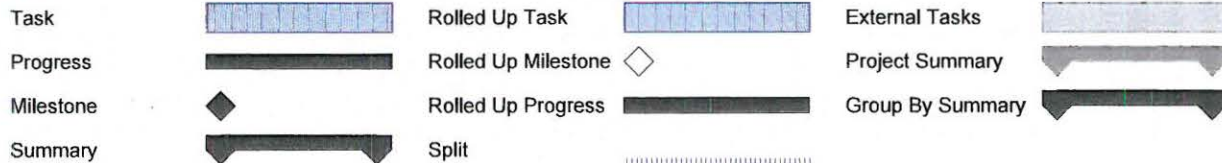
FINANCIAL IMPACT:	YES (X) NO ()
FUNDING SOURCE:	Fund 116, Program 9940 Salinas River Mouth
COMMITTEE REVIEW AND RECOMMENDATION:	None.
ATTACHMENTS:	1. Draft schedule for obtaining permits by Oct 2016 2. Salinas River Lagoon Sandbar Management Strategy
APPROVED:	<i>David E. Chardavoyne</i> 1/13/16 General Manager Date

DRAFT Salinas Lagoon Permitting Timeline



P 16

DRAFT Salinas Lagoon Sandbar Perm
Date: Wed 12/2/15



Salinas River Lagoon Sandbar Management Strategy

Discussions regarding the Salinas River Lagoon and MCWRA activities in and around the lagoon are difficult to focus because of the inter-relationship of long-term planning for the lagoon and short-term sandbar management. However, the discussions can be seen to fall in three categories: 1) near-term needs, i.e. winter 2015-2016 2) short-term needs, 5-10 years 3) long term lagoon management.

Near Term: Winter 2015/16 Emergency Plan

- Scheduled for BOS November 17, 2015
- Provides CEQA declaration that is necessary to apply for emergency 404/401 permits
- Information prepared for this can be used in short term permit applications
- Will need to meet ACOE/CCRWQB emergency notification requirements (RGP-5)
- Does not address CCC, State Parks, CDFW permitting needs

Short-term: 5 year permits (not in budget for 15/16)

- ACOE 404 – application submitted, needs additional information
- RWQCB 401 – application not submitted
- CA Coastal Commission Coastal Development Permit – application not submitted
- California State Parks Department – access agreement needed
- California State Lands Commission – interest needs to be determined
- CEQA document need to be prepared, noticed and adopted (State permits can't be issued without final CEQA document)

With an aggressive schedule and funding to prepare the above permits and associated documents, permits might be obtainable by winter 16/17

Long-term: Update and Implement Salinas Lagoon Management and Enhancement Plan

- Stakeholder group in place
- Grant application submitted to NOAA July 2015 – no award announcement to date
- No additional funding identified – grants are a potential source
- Implementation projects identified in an updated plan would likely occur on non-Agency owned land
- Property ownership around the lagoon is mix of private and public

November –December 2015 Agency activities for short term plan (with assistance from Central Coast Wetlands Group)

- Prepare and submit requested information to ACOE
- Prepare and submit 401 permit application to CCRWQCB
- Determine Coastal Commission requirements
- Submit letter to State Land Commission re: interest determination
- Determine State Parks requirements re: access
- Determine CEQA requirements
- 2 site visits scheduled for stakeholder group
- Scoping grant funding opportunities and funding partners

MCWRA November 6, 2015

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Consider receiving an update regarding the proposed Proposition 1 funding distributions for the Greater Monterey County Integrated Regional Water Management Plan region; and, directing Staff to support the Greater Monterey County Regional Management Group's acceptance of a funding agreement.		
Consent () Action (X) Information ()			
SUBMITTED BY: PHONE:	Robert Johnson (831) 755-4860	PREPARED BY: PHONE:	Elizabeth Krafft (831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Receive an update regarding the proposed Proposition 1 funding distributions for the Greater Monterey County Integrated Regional Water Management Plan region; and, direct Staff to support the Greater Monterey County Regional Management Group's acceptance of a funding agreement.

SUMMARY:

Proposition 1 includes \$510 million for Integrated Regional Water Management (IRWMP) with funds divided between 10 Funding Areas throughout the State utilizing a competitive process. Of this \$510 million, \$43 million will be allocated for projects in the Central Coast Funding Area (CCFA). As it now stands all six regions (Greater Monterey County, Monterey Peninsula, Pajaro Valley Watershed, Santa Barbara County, Santa Cruz County, San Luis Obispo County) within the CCFA will compete against each other for funding. Discussions are currently underway within the CCFA to devise an equitable method of distributing the \$43 million to the six regions and ensure that every region receives a portion of the \$43 million. The CCFA would like to have a decision made by mid-January on whether or not the regions can agree on a methodology for dividing the funds between the regions outside of the full complete process.

DISCUSSION:

Eight different methodologies have been developed for dividing up the \$43 million available for the CCFA. These include a straight six-way split, ensuring \$6,808,333.33 for each region; other methods include various scenarios that include population and acreage within a region. For the Greater Monterey County Region (our region), the option that provides the most funding (\$10,054,492.81) is the option that uses a population and acreage factor of .5, while the straight six-way split is the least funding.

The Regions have struggled to find one option that presented a fair and equitable solution that could be agreed upon. San Luis Obispo County staff took the eight methodologies and applied a ranked voting system where each region eliminates the least advantageous option (i.e., the lowest allocation amount) with the goal of generating a mutually agreeable outcome after several rounds

of voting. This led to Option #1 being the least eliminated option for all the regions and should be the most mutually agreed upon option between the six regions. Option #1 is neither the 1st or 2nd (top two) nor the 7th or 8th (bottom two) ranked options for any region, and is represented in the table below.

Allocation Method	Santa Cruz	Pajaro Valley	Greater Monterey	Monterey Peninsula	San Luis Obispo	Santa Barbara
#1	\$5,271,595	\$6,365,507	\$8,431,413	\$4,426,840	\$8,135,179	\$8,219,465

There have been discussions with CA Department of Water Resources (DWR) on how this division of funds would be implemented and while all of the details aren't clear, DWR generally supports the idea. Applications for the grant rounds would have to be submitted and evaluated to ensure that the proposed projects meet the standards of the IRMWP program and the grant solicitation. DWR has yet to determine how many rounds (1 or 2) will occur for the implementation funds and no determination has been made if all the allocation would be available in one round or the other.


The Regions have agreed to pursue a funding agreement with Allocation Method #1 as the amount each Region would receive.

OTHER AGENCY INVOLVEMENT:

County Counsel has been provided a draft of the agreement for review.

FINANCING:

There is no financial impact to the FY 2015-16 Adopted Budget for receiving this report.

FINANCIAL IMPACT:	YES () NO (X)
FUNDING SOURCE:	N/A
COMMITTEE REVIEW AND RECOMMENDATION:	Sept, 16, 2015 Planning Committee requested more information re: content of agreement with DWR and how monies would roll out. Sept. 2015 BOD asked for more information Dec 7, 2015 BOD Agreed with Allocation Method #1 Jan 13, 2016 Planning Committee recommended supporting funding agreement
ATTACHMENTS:	1. Draft Funding Agreement for Central Coast Funding Area
APPROVED:	 General Manager Date 1/13/16

**MEMORANDUM OF AGREEMENT
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING AND FUNDING IN
THE CENTRAL COAST FUNDING AREA**

PARTIES:

This Memorandum of Agreement (MOA) is entered into this ____ day of ____ (Effective Date) among the Regional Water Management Groups listed below and referred to as “Parties” in this agreement:

1. Santa Cruz Integrated Regional Water Management, comprised of:

- Central Water District
- City of Santa Cruz
- City of Watsonville
- County of Santa Cruz
- Santa Cruz County Sanitation District
- Davenport County Sanitation District
- Resource Conservation District of Santa Cruz County
- Scotts Valley Water District
- Soquel Creek Water District

hereinafter the Santa Cruz Region.

2. Pajaro River Watershed Integrated Regional Water Management, comprised of

- Pajaro Valley Water Management Agency (PVWMA)
- San Benito County Water District (SBCWD)
- Santa Clara Valley Water District (SCVWD)

hereinafter the Pajaro Valley Region.

3. Greater Monterey County Integrated Regional Water Management, comprised of

- The Big Sur Land Trust
- California State University Monterey Bay
- California Water Service Company
- Castroville Community Services District
- City of Salinas

- City of Soledad
- Elkhorn Slough National Estuarine Research Reserve
- Environmental Justice Coalition for Water
- Garrapata Creek Watershed Council
- Marina Coast Water District
- Monterey Bay National Marine Sanctuary
- Monterey County Agricultural Commissioner’s Office
- Monterey County Water Resources Agency
- Monterey Regional Water Pollution Control Agency
- Moss Landing Marine Laboratories
- Resource Conservation District of Monterey County
- Rural Community Assistance Corporation
- San Jerardo Cooperative, Inc.

hereinafter the Greater Monterey County Region.

4. Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management, comprised of

- The Big Sur Land Trust (BSLT)
- City of Monterey
- Monterey County Water Resources Agency (MCWRA)
- Monterey Regional Water Pollution Control Agency (MRWPCA)
- Monterey Peninsula Water Management District (MPWMD)
- Marina Coast Water District (MCWD)
- Resource Conservation District of Monterey County (RCDMC)

hereinafter the Monterey Peninsula Region¹.

5. San Luis Obispo County Integrated Regional Water Management

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¹ The City of Seaside is proposed to be added to the Monterey Peninsula RWMG.

- California Mens Colony
- Cambria Community Services District
-
- Central Coast Salmon Enhancement
- City of Arroyo Grande
-
- City of Grover Beach
- City of Morro Bay
- City of Paso Robles
- City of Pismo Beach
- City of San Luis Obispo
-
-
-
- Heritage Ranch Community Services District
- The Land Conservancy of San Luis Obispo County
-
- Los Osos Community Services District
- Morro Bay National Estuary Program
- Nipomo Community Services District
- Oceano Community Services District
- San Luis Obispo County
- San Luis Obispo County Flood Control and Water Conservation District
- San Miguel Community Services District
- San Simeon Community Services District
- S&T Mutual Water Company
- Templeton Community Services District
- Upper Salinas-Las Tablas Resource Conservation District

hereinafter the San Luis Obispo County Region.

6. Santa Barbara County Integrated Regional Water Management, comprised of

- City of Buellton
- City of Carpinteria
- City of Guadalupe
- City of Goleta
- City of Lompoc
- City Santa Barbara
- City of Santa Maria
- City of Solvang
- County of Santa Barbara – Agricultural Commissioner’s Office
- County of Santa Barbara – Parks Department
- Cachuma Operation and Maintenance Board (COMB)
- Central Coast Water Authority (CCWA)
- Heal the Ocean Water quality
- Casmalia Community Services District (Cuyama CSD)
- Vandenberg Village Community Services District (VVCSD)
- Carpinteria Sanitary District (CSD)
- Goleta Sanitary District (GSD)
- Goleta West Sanitary District (GWSD)
- Cachuma Resource Conservation District (RCD) (Independent)
- Laguna County Sanitation District (Dependent)
- Santa Barbara County Water Agency (SBCWA) (Dependent)
- Santa Barbara County Flood Control District (SBCWA) (Dependent)
- Carpinteria Valley Water District (CVWD)
- Goleta Water District (GWD)
- Santa Maria Valley Water Conservation District (SMVWCD)
- Santa Ynez River Water Conservation District (SYRWCD)

hereinafter referred to as the Santa Barbara Region

RECITALS:

- A. Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014

(Public Resources Code, sections 79700 - 79798), authorizes the Legislature to appropriate funding for competitive grants for Integrated Regional Water Management (IRWM) projects. Funding is administered by the Department of Water Resources (DWR).

- B. The intent of the Act is to provide funds for projects that are included in and implemented in an adopted Integrated Regional Water Management (IRWM) Plan consistent with Part 2.2 (commencing with Section 10530) of Division 6 and respond to climate change and contribute to regional water security. In order to improve regional water self-reliance security and adapt to the effects on water supply arising out of climate change, projects funded under the Act are to:
 - (a) Help water infrastructure systems adapt to climate change, including, but not limited to, sea level rise.
 - (b) Provide incentives for water agencies throughout each watershed to collaborate in managing the region's water resources and setting regional priorities for water infrastructure.
 - (c) Improve regional water self-reliance.

- C. The Santa Cruz Region, the Pajaro Valley Region, the Greater Monterey County Region, the Monterey Peninsula Region, the San Luis Obispo County Region, and the Santa Barbara Region comprise the six Parties and collectively comprise the Funding Area. The boundaries of the Parties are shown in **Attachment A**.

- D. The primary intent of the six Parties to this MOA is to share future Proposition 1 funding for the IRWM grant program among the six parties in a fair and equitable manner. Each Party will independently determine and prioritize projects to be funded within its Planning Region consistent with the legislative intent for a competitive grant program. This MOA is also intended to reduce the need for the Parties to compete against each other for grant funds, which creates unnecessary economic inefficiencies in implementing each Planning Region's IRWM Plan.
 - 1. The Central Coast Funding Area (Funding Area) has been allocated **\$43 million** through

Proposition 1 for the IRWM program administered by DWR. This allocation includes the following breakdown:

DWR Administration Fee - 7% CCFA Total	\$ 3,010,000
DAC Funding (20% of CCFA Total)	\$ 8,600,000
Implementation Grants	\$ 31,390,000

2. For the purposes of this agreement, the formula for sharing funds among the Parties will be based on the following: one-half (1/2) of funds are equally split among the Parties; one-quarter (1/4) of funds are split based on population percentage of each planning region based on 2009-2013 American Census Data; one-quarter of funds are split based on the percentage of area in square miles of each planning region. The division of funding shall be consistent with **Attachment B**.

- E. DWR may establish standards to guide the selection of IRWM projects within the funding areas identified in the measure and shall defer to approved local project selection, reviewing projects only to ensure they are consistent with Public Resources Code section 75028 (a).

- F. Each Party has prepared an accepted IRWM plan and desires close coordination to enhance the quality of planning, identify opportunities for supporting common goals and projects, and improve the quality and reliability of water in the Funding Area. The Parties will coordinate and work together with their advisory groups to identify projects of value across planning regions, identify funding for highly ranked projects, and support implementation.

- G. The Parties each desire to retain autonomous control over how funds are allocated within their respective regions, but recognize the potential to improve inter-regional cooperation and efficiency. Since 2005, the Parties have worked to improve the IRWM planning process in the Funding Area, to coordinate planning across planning region lines, and to facilitate the distribution of funding for IRWM projects by DWR within the Funding Area.

- H. The Parties will coordinate on grant funding requests by each of the Parties to ensure that

the sum of the total grant requests from the Funding Area does not exceed the amount identified by DWR for the Funding Area.

The RECITALS are incorporated herein and the PARTIES hereby mutually agree as follows:

1. Definitions

The following terms and abbreviations, unless otherwise expressly defined in their context, shall mean:

A. Funding Area – The 11 regions and sub-regions referenced in Public Resources Code section 79744 (a) and allocated a specific amount of funding to support IRWM activities. The Central Coast Funding Area incorporates lands in the Central Coast Regional Water Quality Control Board jurisdiction as of 2004, including portions of the counties of Santa Clara (south of Morgan Hill), San Mateo (southern portion), Santa Cruz, San Benito, Monterey, Kern (small portions), San Luis Obispo, Santa Barbara, Ventura (northern portion).

B. RWMG – A Regional Water Management Group is comprised of at least three agencies, two of which must have statutory authority over water management. An RWMG is the documented leader of IRWM planning and implementation efforts in a planning region.

C. Planning Region – Planning Regions integrate stakeholders, agencies and projects in their regions and coordinate with other Planning Regions and DWR. The boundaries of the six Planning Regions in the Central Coast Funding Area are shown in Attachment A.

E. Watershed Overlay Areas – Identified areas within a watershed that cross planning region boundaries. Watershed Overlay Areas should be subject to special coordination and collaboration between the appropriate planning regions to ensure maximum watershed benefits in the IRWM plans of the Funding Area. Watershed overlays exist in all six of the Central Coast planning regions.

G. Watershed Overlay Projects – Projects identified in a Watershed Overlay Area identified as valuable and benefiting from cross boundary coordination.

H. Common Programs – Programs eligible for IRWM funding that are identified by the Planning Regions as benefiting multiple planning regions and have participation from at least two Planning Regions.

2. General Planning Cooperation

All planning regions will meet prior to providing feedback to DWR on Proposed Guidelines for the IRWM Program and before submitting applications for grant funding from DWR. The actual number of meetings will depend on the amount and intensity of planning and coordination efforts of the Planning Regions. The efforts of these meetings will be to enhance the quality of planning, identify opportunities for supporting common goals and projects, and to improve the quality and reliability of water in the Funding Area. The planning efforts will support the watershed-based approach through integration and coordination across planning regions in the watershed overlay areas.

3. Mutual Plan Reference and Consistency

Each plan prepared in the funding area will contain references to the entire Funding Area, to the coordination that is occurring among planning regions, and to this MOA. Each planning region will share its description of these matters with other planning regions to promote consistency with the goal of using common language as the IRWM plans are modified. The six RWMGs also will seek to place these common sections as an Appendix in their plans. Further consistency or cooperative efforts may be added with the agreement of the Parties.

4. Coordination of Submittals and Applications

To facilitate DWR's review process, all planning regions will coordinate their submittals for IRWM grant applications. The planning regions may develop common sections, tables and maps as appropriate for review. The planning regions will preface their submittals and applications with information noting the common material.

5. Watershed Overlay Areas

The Planning Regions will cooperate in identifying Overlay Projects that cross Planning Region

boundaries. Overlay Projects that benefit multiple planning regions will be identified and may be jointly funded, administered, or implemented. A watershed overlay subcommittee in each of the Planning Regions would be recommended for coordination and due consideration in those Planning Regions' project selection processes.

6. Common Programs

Common programs found to be of high value for all planning regions will be identified and considered for high priority placement in the planning regions' ranking of projects for funding. These may include programs to address Disadvantaged Community issues, Watershed Overlay projects, and shared responsibilities for management of watersheds that cross Planning Region boundaries. While each Planning Region will select projects in accordance with its own process, the regions may cooperate on the implementation of common projects or programs if these efforts are selected for funding.

7. Advisory Committee Cross Membership

Each Planning Region with Watershed Overlay Areas is encouraged to invite representatives from the adjoining RWMGs to participate as a non-voting member in its determinations of projects and programs affecting the Watershed Overlay Areas. The intent of this section is to promote understanding, communication and coordination between Planning Regions with Watershed Overlay Areas.

8. Scope of the Agreement

Nothing contained within this MOA binds the parties beyond the scope or term of this MOA unless specifically documented in subsequent agreements, amendments or contracts. Moreover, this MOA does not require any commitment of funding beyond that which is voluntarily committed. Non-substantive or minor changes to this MOA that have the unanimous vote of the Parties may be documented to become part of this MOA.

9. Term of Agreement

The term of this MOA is from its Effective Date shown above until all funds allocated to the Funding Area as shown in Attachment B have been awarded by DWR to the Funding Area, unless

extended by mutual agreement of the Parties.

10. Modification or Termination

This MOA may be modified or terminated with the concurrence of the Parties and effective upon execution of the modification or termination by all Parties.

11. Withdrawal

No PARTY may withdraw from the terms of this MOA unless such termination is agreed to by unanimous vote of the Parties.

12. Notice

Any notices sent or required to be sent to any party shall be mailed to the following addresses:

The Santa Cruz Region

The Pajaro Valley Region

The Greater Monterey County Region

The Monterey Peninsula Region

Larry Hampson, District Engineer
Monterey Peninsula Water Management District
P.O. Box 85, Monterey CA 93942
larry@mpwmd.net

The San Luis Obispo County Region

Mladen Bandov, Water Resources Engineer

San Luis Obispo County Public Works Department
976 Osos Street, Room 206, San Luis Obispo CA 93408
mbandov@co.slo.ca.us

The Santa Barbara Region

13. Funding Uncertainties

The Parties cannot be assured of the results of these coordination efforts and applications for funding. Nothing within this MOA should be construed as creating a promise or guarantee of future funding. No liability or obligation shall accrue to the Parties if DWR does not provide the funding. The Parties are committed to planning and coordinating notwithstanding IRWM funding. The form of such coordination may change based on the sources of funding.

14. Indemnification

To the fullest extent permitted by law, each Party shall defend, indemnify and hold harmless the other Parties, their consultants, and each of their directors, officers, agents, and employees from and against all liability, claims, damages, losses, expenses, and other costs including costs of defense and attorneys' fees, arising out of or resulting from or in connection with work performed pursuant to this MOA. Such obligation shall not apply to any loss, damage, or injury, as may be caused by the sole negligence or willful misconduct of a Party, its directors, officers, employees, agents, and consultants.

13. Other Provisions

The following provisions and terms shall apply to this agreement.

A. This MOA is to be construed in accordance with the laws of the State of California. Any action at law or in equity brought by any of the Parties shall be brought in a court of competent jurisdiction within the Party's County that files an action against another Party for a breach of this MOA, and the Parties hereto waive all provisions of law providing for change of venue in such proceedings to any other county.

B. If any provision of this MOA is held by a court to be invalid, void or unenforceable, the remaining provisions shall be declared severable and shall be given full force and effect to the

extent possible.

C. This MOA is the result of negotiations between the Parties hereto and with the advice and assistance of their respective counsels. No provision contained herein shall be construed against any Party because of its participation in preparing this MOA

D. Any waiver by a Party of any breach by the other of any one or more of the terms of this MOA shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of any of the respective Parties to require from the others exact, full and complete compliance with any terms of the MOA shall not be construed to change the terms hereof or to prohibit the Party from enforcement hereof.

E. This MOA may be executed and delivered in any number of counterparts or copies, hereinafter called "Counterpart", by the Parties hereto. When each Party has signed and delivered at least one Counterpart to the other parties hereto, each Counterpart shall be deemed an original and, taken together, shall constitute one and the same MOA, which shall be binding and effective as to the Parties hereto.

F. This MOA is intended by the Parties hereto as their final expression with respect to the matters herein, and is a complete and exclusive statement of the terms and conditions thereof. This MOA shall not be changed or modified except by the written consent of all Parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown on the attached counterpart signature pages:

The Santa Cruz Region

The Pajaro Valley Region

The Greater Monterey County Region

The Monterey Peninsula Region

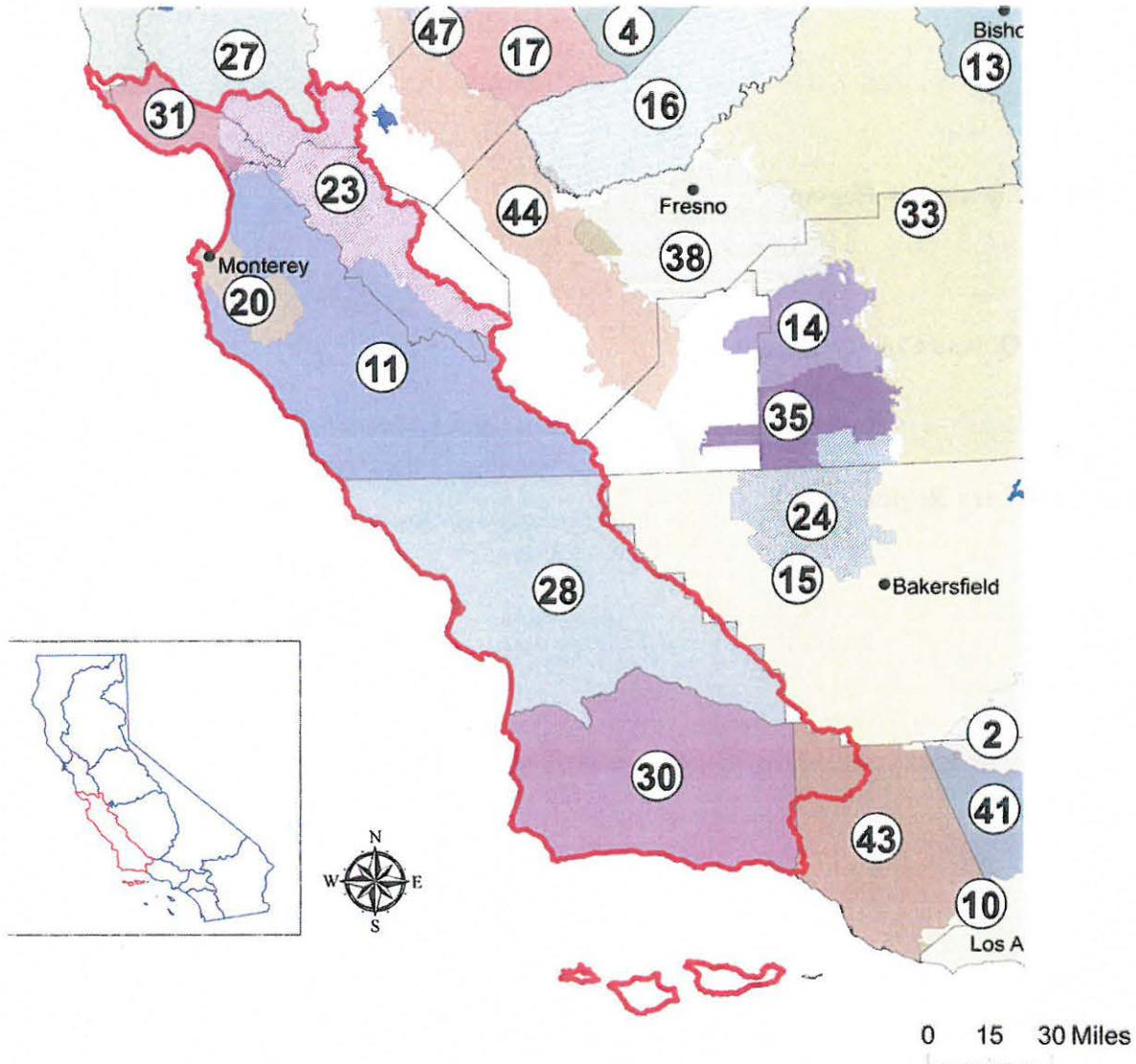
The San Luis Obispo County Region

The Santa Barbara Region

Attachment A – Central Coast Funding Area Map

Legend

- Central Coast Funding Area
- County Boundaries
- Select Water Bodies (including lakes > 10 sq. mi.)
- (2) Antelope Valley
- (4) Yosemite - Mariposa
- (10) Greater Los Angeles County
- (11) Greater Monterey County
- (13) Inyo-Mono
- (14) Kaweah River Basin
- (15) Kern County
- (16) Madera
- (17) Merced
- (20) Monterey Peninsula-Carmel Bay-So Monterey Bay
- (23) Pajaro River Watershed
- (24) Poso Creek
- (27) San Francisco Bay Area
- (28) San Luis Obispo
- (30) Santa Barbara County
- (31) Santa Cruz County
- (33) Southern Sierra
- (35) Tule
- (38) Upper Kings Basin Water Forum
- (41) Upper Santa Clara River
- (43) Watersheds Coalition of Ventura County
- (44) Westside - San Joaquin
- (47) East Stanislaus



Attachment B
Allocation of Proposition 1 Funds

Each of the six planning regions has IRWM project and program needs that far exceed the funding allocated to the funding area. Significant local match funding for selected projects is available in each planning region. Funding for planning and timing of implementation may vary among the planning regions. Because of these factors and because not all of the Proposition 1 funding will be made available at the same time, the RWMG members will cooperate and coordinate on individual funding cycle applications to ensure that the sum of the total grant requests does not exceed the amount identified for the funding region in any given cycle. Total allocations to the parties will be divided according to the schedule below. The allocations to the six planning regions are indicated in percentages of the total funds that will be available over the life of the program.)

Table 1 – Central Coast Funding Area Allocation

Total Proposition 1 IRWM Funding to CCFA	\$ 43,000,000
Breakdown of Prop 1 to CCFA:	
DWR fees (5% program delivery, 2% bond administration)	\$ 3,010,000
DAC Funding (20% of CCFA Total) - 2 Rounds	\$ 8,600,000
Implementation Grants - 2 Rounds	\$ 31,390,000

Table 2 – Basis of Central Coast Funding Area Allocations

Central Coast Funding Area Regions Allocation Option #1 (1/2 Equal Split Among Regions) + (1/4 % by population) + (1/4 % by acreage)	Baseline Factor (1/6 based on 6 Regions in CCFA)	Population	Population Factor (% of CCFA Total)	Area (sq.miles)	Area Factor (% of CCFA Total)	Overall Factor (% of CCFA funds)
Santa Cruz	16.67%	281,401	14.89%	376	3.39%	12.90%
Pajaro River Watershed	16.67%	327,183	17.32%	1,295	11.68%	15.58%
Greater Monterey	16.67%	384,947	20.38%	3,199	28.85%	20.64%
Monterey Peninsula	16.67%	131,088	6.94%	341	3.08%	10.84%
San Luis Obispo	16.67%	309,187	16.37%	3,322	29.96%	19.91%
Santa Barbara	16.67%	455,468	24.11%	2,555	23.04%	20.12%

Totals	100.00%	1,889,274	100.00%	11,088	100.00%	100.00%
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Table 3 – Summary of Funds Available to Each Planning Region (less DWR fees)

	Santa Cruz	Pajaro Valley Watershed	Greater Monterey	Monterey Peninsula	San Luis Obispo	Santa Barbara	Total CCFA
ALLOCATION OPTION # 1 (Bay Area)							
Allocation Option #1 - DAC Funds ((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4 % by acreage))	\$ 1,109,810	\$ 1,340,107	\$ 1,775,034	\$ 931,966	\$ 1,712,669	\$ 1,730,414	\$ 8,600,000.00
Allocation Option #1 - Impl'n Funds ((1/2 Equal Split Among Regions) + (1/4 %by population) + (1/4 % by acreage))	\$ 4,050,805	\$ 4,891,390	\$ 6,478,875	\$ 3,401,677	\$ 6,251,243	\$ 6,316,010	\$ 31,390,000.00
Total Allocation Option #1	\$ 5,160,615	\$ 6,231,497	\$ 8,253,910	\$ 4,333,643	\$ 7,963,912	\$ 8,046,424	

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Consider receiving a report on the Proposition 1 Storm Water Grant Program; and, providing direction to Staff regarding the development of a planning grant application.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY: PHONE:	Robert Johnson (831) 755-4860	PREPARED BY: PHONE:	Elizabeth Krafft (831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Receive a report on the Proposition 1 Storm Water Grant Program; and, provide direction to Staff regarding the development of a planning grant application.

SUMMARY:

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Prop 1) was approved by California voters in the general election on November 4, 2014. Among other funds, Prop 1 provided \$200 million for matching grants to public agencies, nonprofit organizations, public utilities, state and federally-recognized Indian tribes, and mutual water companies for multi-benefit storm water management projects (Water Code section 79747). After bond and program administration costs, approximately \$186 million will be available for projects.

Prior to the passage of Prop 1 in November 2014, the California Legislature adopted Senate Bill 985 entitled the Stormwater Resource Planning Act (SB 985). SB 985 amended Water Code sections 10561, 10562, 10563, 10573, and added sections 10561.5 and 10565 to require the development of a Storm Water Resource Plan to receive grants from a bond act approved after January 1, 2014 for storm water and dry weather runoff capture projects. The SB 985 requirement to prepare a Storm Water Resource Plan is directed to public agencies. A Storm Water Resource Plan must include a prioritized list of projects to address storm water and dry weather runoff capture on a watershed basis. Each developed Storm Water Resource Plan must be submitted to the appropriate integrated regional water management (IRWM) group for incorporation into their Integrated Regional Water Management Plans (IRWMPs). The Storm Water Resource Plan must address the requirements listed in the Water Code and be developed in accordance with the State Water Board's Storm Water Resource Plan Guidelines.

DISCUSSION:

The Greater Monterey County Regional Water Management Group (RWMG) has determined that the best course of action is for the RWMG to apply for a storm water planning grant to provide funds to develop a storm water management plan to meet the requirements of Water Code section 10562 and related State Water Board Guidelines for the area included in the Greater Monterey County region. Planning grant applications are due March 4, 2016 and the


maximum grant award is \$500,000 with a 50% match required. The RWMG estimates that an application could be prepared using member staff support and approximately \$25,000 in cash for a consultant to assist in the process. The RWMG is looking for members to contribute both cash and staff time to the application effort.

OTHER AGENCY INVOLVEMENT:

Members of the Greater Monterey County Regional Water Management Group; Monterey County Resources Management Agency

FINANCING:

There is no financial impact to the FY 2015-16 Adopted Budget for receiving this report.

FINANCIAL IMPACT:	YES ()	NO (X)
FUNDING SOURCE:	N/A	
COMMITTEE REVIEW AND RECOMMENDATION:	None	
ATTACHMENTS:	None	
APPROVED:	 General Manager Date 1/19/16	

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Consider receiving a report on the Strategic Planning Session; and, providing direction to Staff.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	Robert Johnson	PREPARED BY:	Robert Johnson
PHONE:	(831) 755-4860	PHONE:	(831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Receive a report on the Strategic Planning Session; and, provide direction to Staff.

SUMMARY:

The Monterey County Water Resources Agency Board of Supervisors and Board of Directors met jointly in a Strategic Planning Session on December 10, 2015, facilitated by Jan Perkins of Management Partners. Attached is the Strategic Planning Report from the meeting.

DISCUSSION:

The Joint Strategic Planning Session was held at the Laguna Seca Trackview Pavilion. The session provided an opportunity for collaboration among the Agency's Board of Supervisors, Board of Directors and senior management Staff on some important issues facing the Agency in the coming months and years.

The expected outcomes of the planning session included:

- 1) Gaining appreciation of the challenges and opportunities facing the Agency;
- 2) Refining the Agency's mission, principles to guide decision making and broad goals; and,
- 3) Obtaining direction on priorities for the coming year.

In addition, the Directors provided guidance regarding projects without funding that should not move forward in the budget.


The attached report identifies some next steps upon which Staff will be working in the coming month. Those results will be submitted to this Committee first and subsequently to the full Board of Directors for approval.

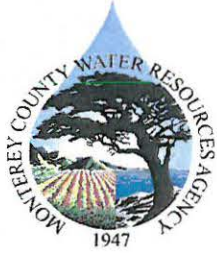
OTHER AGENCY INVOLVEMENT:

Representatives from the County Administrative Office, as well as the Board of Supervisors attended the session.

FINANCING:

No special financing was required for the Strategic Planning Session.

FINANCIAL IMPACT:	YES () NO (X)
FUNDING SOURCE:	
COMMITTEE REVIEW AND RECOMMENDATION:	On January 14, 2016, the Planning Committee recommended approval of this item for consideration by the full Board.
ATTACHMENTS:	1. Report on December 10, 2015 Strategic Planning Session
APPROVED:	 1/19/16 General Manager Date



**Monterey County Water Resources Agency
Strategic Planning Workshop
Held December 10, 2015**

December 2015

**Management
Partners**



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Workshop Report

"Put First Things First."

Stephen Covey

Summary

The Monterey County Water Resources Agency held a strategic planning workshop on December 10, 2015 at the Laguna Seca Raceway. The workshop was an opportunity for the Board of Directors and senior management staff to discuss important Agency issues and begin to identify priority goals for the year.

Jan Perkins, Senior Partner with Management Partners facilitated the workshop. Several members of the public attended the workshop.

Workshop Outcomes

- Appreciation of the challenges and opportunities facing the agency.
- Refinement of the Agency's mission, principles to guide decision making, and broad goals.
- Obtain direction on priorities for the coming year.

Summary of Next Steps

- **Mission, Principles and Goals:** Management Partners will consolidate comments. WRA Staff will finalize and submit comments to the Board of Directors for approval.
- **Finances, Work Program and Challenges:** WRA will explore long term financial planning, to include:
 - Determine whether reserves are at correct level, and establish reserve goals for all funds;

- Identify facilities that do and do not have reserves and create a policy for funding reserves for existing facilities and new facilities;
- Explore a multi-year budget; and,
- Explore revenue generation ideas.
- **Priorities for 2016:** Directors provided guidance regarding projects without funding that should not move forward in the budget.
- **Other:** Staff will identify ways to reduce cycle time in processes to free up staff capacity.

Workshop Participants

Board of Supervisors:

- Simon Salinas, Chair
- Jane Parker, Vice Chair
- Fernando Armenta, Supervisor
- John M. Phillips, Supervisor
- Dave Potter, Supervisor

Board of Directors:

- Claude Hoover, Chair
- Mike Scattini, Vice Chair
- Ken Ekelund, Director
- Mark Gonzalez, Director (absent)
- David Hart, Director
- John Huerta, Director
- Richard Ortiz, Director
- Deidre Sullivan, Director
- Abby Taylor Silva, Director

MCWRA Staff:

- David Chardavoyne, General Manager
- Rob Johnson, Deputy General Manager
- Brent Buche, Deputy General Manager
- Winifred Chambliss, Clerk to the Board
- Cathy Paladini, Finance Manager II
- Howard Franklin, Senior Water Resources Hydrologist
- Elizabeth Kraft, Senior WR Hydrologist, Environmental Compliance
- German Criollo, Associate WR Hydrologist
- Chris Moss, Senior WR Engineer
- Shaunna Juarez, Associate WR Engineer
- Mark Foxworthy, Associate WR Engineer

- Bret Ogden, Assistant WR Engineer
- Fabricio Chomb, Accountant II
- Reico Cruz, Information Systems Manager
- Alice Henault, Senior Secretary

Monterey County Staff:

- Lew Bauman, County Administrative Officer
- Nick Chiulos, Assistant County Administrative Officer
- Charles McKee, County Counsel
- Les Girard, Chief Assistant County Counsel
- Jesse Avila, Deputy County Counsel

Workshop Agenda

- Welcome and Introductions
- Public Comments for Items Not on Agenda
- Review Mission, Guiding Principles, Broad Goals
- Discuss Agency Finances, Work Program and Challenges
- Discuss Agency Priorities for 2016
- Update on Groundwater Sustainability Agency Facilitated Process
- Wrap up

Workshop Ground Rules

At the start of the workshop, the facilitator suggested several ground rules to help the group have a successful workshop and achieve the results they intended to achieve through their time together.

- Stay focused on the desired outcomes of the day
- Listen carefully to each other
- Be open to new ideas
- Don't text or answer email – be present

Retreat Preparation

To prepare for the retreat, staff prepared financial information and a project list. Facilitator Jan Perkins also met the Board Chair, Planning Committee Chair, Supervisor Salinas, and executive staff.

General Manager's Comments

The General Manager offered his perspectives about the Agency and what he hoped would be accomplished during the day. A summary follows.

Recap of last year: The Agency projected a \$2.4 million decrease in fund balance for FY 2014-15 and ended with a \$2.0 million increase in fund balance due to salary savings from vacancies, stopping spending in April 2015 and some unexpected reimbursements (e.g., hydro repair reimbursement and CalAm settlement). The reimbursements are one-time revenue and not ongoing revenue. The bottom line is that the Agency's financial challenges and priorities remain the same for this year as last year.

Other challenges: We have been unable to prioritize what projects to work on and have insufficient funds for all of the projects on our list. New projects have been diverting resources from achieving last year's direction. Two other challenges facing the Agency are regulatory agencies mandating different requirements on the same projects and the cycle time it takes to things done, both of which reduce staff efficiency.

Objectives for today's meeting:

- More focused direction on what we do/don't do net year.
- Better alignment of BOS goals for Agency and BOD expectations.
- A commitment to find ways to reduce cycle time for routine transactions (increased efficiency to free up time for priorities).

Mission, Guiding Principles, Broad Goals

Participants reviewed the mission, guiding principles and broad goals discussed during the November 2014 strategic planning retreat.

Participants discussed whether the mission statement is still appropriate, and how well the agency is operationalizing the guiding principles and goals.

Mission

The discussion started with a review of the core purposes as authorized by Agency Act. A mission statement should clearly reflect the reason for the organization's existence. It does not speak to how the mission will be accomplished, as that is in the goals, principles and strategies.

The current mission statement is as follows:

Monterey County Water Resources Agency manages, protects and enhances the quantity and quality of water and provides specified flood control services for present and future generations of Monterey County.

Two small groups were tasked with reviewing the mission statement. The groups noted that the mission refers to some things that are external to MCWRA, that there are not enough resources to do everything stated in the mission, and that new responsibilities have been added to the Agency's work plan that appear to be outside the mission. Other comments included:

- Remove "specified" from the statement;
- Incorporate the word "sustainability" in the statement along with "provide safe, clean water for a healthy life, environment and economy";
- Stakeholder participation is not referenced; and
- Reference maximizing the beneficial use of domestic, agricultural, and environmental water resources

Possible revision: Based on the input from the two small groups, the following revised mission statement is offered for Agency discussion.

Monterey County Water Resources Agency provides a sustainable level of safe, clean water for a healthy life, environment and economy, and provides flood control for present and future generations of Monterey County.

Next Steps: The next steps in finalizing the mission is for staff to review and then take a revised mission statement to the Planning Committee and then Board of Directors for approval.

Guiding Principles

The guidelines were created in the Nov. 2014 strategic planning workshop but not formally adopted.

The current principles are as follows:

1. *Project or program is consistent with core mission.*
2. *Meets legal, contractual and mandated obligations.*
3. *Approved priorities will not be beyond financial capacity of Agency. Financial discipline will be exercised to ensure that funding is available to cover all expected expenditures.*
4. *Projects/programs will protect against loss of life/property.*
5. *Potential risks, costs, benefits and feasibility will be fully analyzed and discussed in a systematic way in advance of a decision to proceed. Effective communication and outreach will be done in advance of a decision.*

Three small groups were tasked with reviewing the guiding principles. They commented that the principles are generally followed, but the Agency is constrained by inadequate operational revenues for identified needs. The group specifically commented that financial guidelines are necessary for principle 3. Principle 5 is not followed consistently because there needs to be better communication prior to decisions.

The group identified impediments in following the principles but no changes were suggested to the principles. Impediments include:

- Proposition 218 limitations;
- Drought;
- Regulations;
- Litigation;
- Lack of budget and staffing;
- Untimely distribution of board packets;
- Conflicting priorities;
- Lack of discretionary funds;
- Budget not used as a plan;
- Projects not in budget;
- Outside influences;
- Agency committees and processes;
- Missing best available science; and,
- Need better recognition of the different roles of Board of Directors and Board of Supervisors.

Broad Goals

The work of the agency should fit within the four broad goals and contribute to moving WRA forward in accomplishing the goals. The broad goals are multi-year in nature. These are broad categories, under which specific operations, maintenance and projects would be authorized as the means to achieve these goals. Goals are not intended to be task-specific. The following four goals were created in the Nov. 2014 strategic planning workshop but not formally adopted.

The draft goals are as follows:

- 1. **Financial:** Manage the Agency responsibly with prudent financial practices so that the Agency is sustainable.*
- 2. **Organizational:** Develop and maintain a transparent Agency that has a high degree of public trust and involvement, and continually strengthen the organization's effectiveness.*
- 3. **Flood protection:** Provide flood protection through effective maintenance of Agency facilities and productive partnerships.*
- 4. **Water supply and quality:** Protect and augment water supply and quality, and bring groundwater basins into balance in Monterey County.*

Two small groups were asked to review the goals to offer their opinions on whether the goals, as stated, reflect what the Agency is to accomplish over a period of years. Comments offered were as follow:

- Add reference to regional options with Salina Valley cities
- Water supply and quality linked with flood control (e.g., capturing stormwater, reuse of treated water, ad expanding water recycling in general)

Next steps: The next steps in finalizing the Agency's broad goals is for staff to review the comments noted above and discuss them with the Planning Committee and then take the goals to the Board of Directors for approval.

Overview of Agency Finances

The purpose of the discussion was to create a common understanding of the capacity and limitations of the agency's funding. Last year, there was a prioritization of projects, but most of the top priorities were unfunded items.

Cathy Paladini presented an overview of the Agency's financial position (Appendix A). It was apparent from her presentation that the Agency has inadequate resources with which to accomplish its stated priorities. She noted that the Agency continues to be structurally imbalanced due to costs associated with work on projects that have not been budgeted. The Agency's fund balance is expected to decrease by \$3.6 million in FY 2015-16. Comments from the participants included:

- Agency needs a long term perspective, with an ability to understand all aspects of operations and projects;
- Operations reserves should be separated from capital projects reserves;
- Reserves for capital replacement should be established;
- Operational funds should not be spent on new projects;
- The existing capital asset program should be funded;
- The structural imbalance should be addressed

The group brainstormed possible options for attaining new funding for the Agency, as follow:

- Grants (continue to seek);
- Countywide tax measure;
- Interested individuals and agencies;
- Proposition 218 vote – possibly more than one measure (e.g., operations, projects, Groundwater Sustainability Agency costs)
- Rates and fees;
- Sales tax;
- Pump tax;
- Sales of imported water and an associated tax;
- Legislative options (e.g., reduce matching requirements);
- Future water wholesale opportunities;
- Assessments (make sure new production is included);
- Sale or leasing of excess land; and
- Explore how other water agencies are funded to look for opportunities.

Next steps: The next steps are for staff to work with an outside consultant, [currently being recruited to review assessments and

benefits], to recommend a methodology for the Board of Directors to further explore long-term financial forecasting for the Agency, reserve needs and funding options.

Review of Agency Work Program

The General Manager and two Deputy General Managers gave a short update on each of the items shown in Attachment B. Workshop participants asked questions on a number of the items.

Board of Director Priorities

The Directors were each provided with 6 dots to place on items on the project list (Attachment B) that would be their preferences to put on pause given the lack of resources. Seven directors were present for the voting, and not all directors used all of their dots. The following projects received the most votes for items to not move forward:

- Permit 11043 (6 votes)
- Reclamation Ditch Improvement Advisory Committee (RDIPAC) Recommendations (5 votes)
- CSIP Expansion (4 votes)
- Groundwater Sustainability Agency Formation (4 votes)
- Zone 2B Well Destruction (4 votes)
- PLA Legal Costs Related to Interlake Tunnel (4 votes)

The number of dots placed on each project is shown in Appendix B (see red dots).

Wrap Up and Next Steps

At the end of the workshop each person was asked to state something that was valuable to him or her from the workshop. Many participants noted having the opportunity to interact with and hear from the Board of Supervisors, and to discuss the challenges facing the Agency.

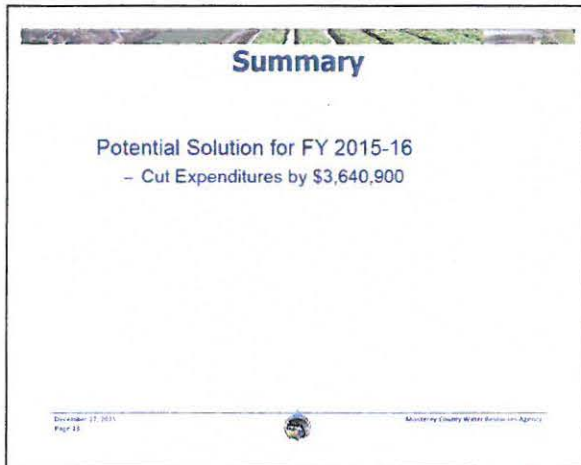
Next steps:

- Finalize mission, guiding principles and broad goals;
- Explore long range financial planning, reserve policies, facilities replacement needs, and new revenue options; and,
- Identify specific processes for reducing cycle time to free up staff capacity.

Appendix A – Financial Position of the Agency

<p style="text-align: center;">Monterey County Water Resources Agency</p> <p style="text-align: center;">Strategic Planning Session - 2016 Financial Overview</p> <p style="text-align: right; font-size: small;">December 11, 2015 Page 2 Monterey County Water Resources Agency</p>	<p style="text-align: center;">WRA FY 2015-16 Adopted Budget</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>FY 2015-16 Adopted Budget Beginning Fund Balance</td> <td style="text-align: right;">\$ 14,726,431</td> </tr> <tr> <td>FY 2015-16 Projected Revenues</td> <td style="text-align: right;">20,841,919</td> </tr> <tr> <td>Total Estimate FY 2015-16 Available Funds</td> <td style="text-align: right;">\$ 35,568,350</td> </tr> <tr> <td>Less: 2015-16 Projected Expenditures</td> <td style="text-align: right;">(24,482,819)</td> </tr> <tr> <td>FY 2015-16 Projected Ending Fund Balance</td> <td style="text-align: right;">\$ 11,085,531</td> </tr> </table> <p style="text-align: center;">The Projected Revenue does not reflect the Cal-AM Reimbursement of 5644,290.</p> <p style="text-align: right; font-size: small;">December 11, 2015 Page 3 Monterey County Water Resources Agency</p>	FY 2015-16 Adopted Budget Beginning Fund Balance	\$ 14,726,431	FY 2015-16 Projected Revenues	20,841,919	Total Estimate FY 2015-16 Available Funds	\$ 35,568,350	Less: 2015-16 Projected Expenditures	(24,482,819)	FY 2015-16 Projected Ending Fund Balance	\$ 11,085,531		
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FY 2015-16 Projected Ending Fund Balance	\$ 11,085,531												
<p style="text-align: center;">Discussion</p> <ul style="list-style-type: none"> ▪ The Agency continues to be Structurally imbalanced: <ul style="list-style-type: none"> - On-going Revenues remain at \$20,841,919 - On-going Expenditures are consistently creeping up to \$24 million - Since FY 2013-14 the Agency defers approximately \$2 million in expenditures to the following year - The Agency continues to use one-time revenues and Fund Balance to finance expenditures <p style="text-align: right; font-size: small;">December 11, 2015 Page 1 Monterey County Water Resources Agency</p>	<p style="text-align: center;">Drivers increasing Expenditures</p> <ul style="list-style-type: none"> ▪ Agency continues to work on un-budgeted projects: <ul style="list-style-type: none"> - Fish monitoring (SVWP) - Definitive Agreement for G.W.R - Interlake Tunnel Project - Financial Consultant for Assessments - GSA Formation ▪ Agency struggles to balance on-going program activities with new project opportunities <p style="text-align: right; font-size: small;">December 11, 2015 Page 4 Monterey County Water Resources Agency</p>												
<p style="text-align: center;">Drivers Burning Agency Fund Balance</p> <ul style="list-style-type: none"> ▪ Budget does not include Annexations ▪ Budget reflects reductions in the following: <ul style="list-style-type: none"> - Hydro-electric Revenue - Grant Revenue ▪ Budget reflects increase in G.L. and Legal costs ▪ Agency continues to work on un-budgeted projects which eats away Program budgets <p style="text-align: right; font-size: small;">December 11, 2015 Page 5 Monterey County Water Resources Agency</p>	<p style="text-align: center;">Discussion (cont.)</p> <p style="text-align: center;">Changes in Fund Balances (Excluding construction funds)</p> <table style="margin-left: auto; margin-right: auto; font-size: small;"> <tr> <td>FY 13-14</td> <td>FY 14-15</td> <td>FY 15-16</td> <td>FY 15-16</td> <td>FY 14-15 (Revised)</td> <td>FY 15-16 (Revised)</td> </tr> <tr> <td>\$2,714,491</td> <td>\$1,021,204</td> <td>\$2,131,986</td> <td>\$22,715,040</td> <td>\$1,042,019</td> <td>\$14,512,211</td> </tr> </table> <p style="text-align: right; font-size: small;">December 11, 2015 Page 6 Monterey County Water Resources Agency</p>	FY 13-14	FY 14-15	FY 15-16	FY 15-16	FY 14-15 (Revised)	FY 15-16 (Revised)	\$2,714,491	\$1,021,204	\$2,131,986	\$22,715,040	\$1,042,019	\$14,512,211
FY 13-14	FY 14-15	FY 15-16	FY 15-16	FY 14-15 (Revised)	FY 15-16 (Revised)								
\$2,714,491	\$1,021,204	\$2,131,986	\$22,715,040	\$1,042,019	\$14,512,211								

<p style="text-align: center;">Last Discretionary Reserve Rate Stabilization Reserve (RSR) History</p> <p style="text-align: center;">FY 1997-98</p> <ul style="list-style-type: none"> ▪ Initial Rate Stabilization Set up FY 1997-98 ▪ \$ 3,500,000 06/30/98 <p style="font-size: small;">December 31, 2015 Page 7 Monterey County Water Resources Agency</p>	<p style="text-align: center;">Rate Stabilization Reserve (RSR) History FY 2011-12</p> <ul style="list-style-type: none"> ▪ Beginning Balance \$ 3,500,000 ▪ SRDF emergency repairs (\$ 1,500,000) ▪ Ending Balance \$ 2,000,000 <p style="font-size: small;">December 31, 2011 Page 8 Monterey County Water Resources Agency</p>
<p style="text-align: center;">Rate Stabilization Reserve (RSR) History FY 2012-13</p> <ul style="list-style-type: none"> ▪ Beginning Balance \$ 2,000,000 ▪ Hydro Emergency Repairs (\$ 1,300,000) ▪ Hydro Partial Payback \$ 264,116 ▪ Hydro Partial Payback \$ 2,729 ▪ Hydro Partial Payback <u>\$ 414,019</u> ▪ Ending Balance \$ 1,380,864 <p style="font-size: small;">December 31, 2013 Page 9 Monterey County Water Resources Agency</p>	<p style="text-align: center;">Rate Stabilization Reserve (RSR) History FY 2013-14</p> <ul style="list-style-type: none"> ▪ No Activity <p style="font-size: small;">December 31, 2014 Page 8 Monterey County Water Resources Agency</p>
<p style="text-align: center;">Rate Stabilization Reserve (RSR) History FY 2014-15</p> <ul style="list-style-type: none"> ▪ Beginning Balance \$ 1,380,864 ▪ Hydro Final Payback <u>\$ 619,436</u> ▪ Ending Balance \$ 2,000,000 <p style="font-size: small;">December 31, 2015 Page 9 Monterey County Water Resources Agency</p>	<p style="text-align: center;">Rate Stabilization Reserve (RSR) History FY 2015-16</p> <ul style="list-style-type: none"> ▪ FY 15-16 Beg. Bal. \$ 2,000,000 ▪ Pajaro River FRRP (\$ 500,000) ▪ Bal. as of 11/30/15 \$ 1,500,000 <p style="font-size: small;">December 31, 2015 Page 9 Monterey County Water Resources Agency</p>



Appendix B - List of Agency Projects

Dot Voting Results*	Category/ Item	Funding Status**	Assigned By BOS or BOD	Status ***	Comments
Operations and Maintenance - Fund 116; FY 2015-16 Adopted Budget \$3.3 Million					
	Naci O&M Budget \$923,194	Under	BOD	1	Deferred Maintenance
	SA O&M Budget \$364,336	Under	BOD	1	Deferred Maintenance
	Salinas River \$248,809	Under	BOD	1	Effort has changed
	Salinas River Mouth (Lagoon) \$88,661	Under	BOD	2	Effort has changed
	Res Ops Hydrology & WQ \$1,308,356	Yes	BOD	1	
(1) •	ALERT Transfer Out \$226,895	Yes	BOD	2	
	GW Extraction/Data Collection \$106,501	Yes	BOD	1	
	Naci & SA Administration \$38,394	Yes	BOD	1	
Zone 2C Administration Fund 116; 2015-16 Adopted Budget \$346,207					
	Zone 2C Assessment Roll \$8,684	Under	BOD	1	Upgrade Database with maintenance
	Zone 2C Administration \$337,523	Yes	BOD	1	
Naci Non O&M - Fund 114; FY 2015-16 Adopted Budget \$ 547,531					
	Hydrology & WQ \$448,038	Yes	BOD	1	
(1) •	Urban Water Solutions \$32,724	Yes	BOD	2	
	Naci Taxes & Reimbursements \$54,193	Yes	BOD	1	
	Naci Dock Regs \$12,576	Under	BOD	3	Revamp Ordinance & Fees
SA Non O&M Fund 115; FY 2015-16 Adopted Budget \$649,157					
	Hydrology & WQ \$482,209	Yes	BOD	1	
	Well Permits/Well Logs \$32,300	Yes	BOD	1	
	Environmental Compliance \$29,440	Yes	BOD	1	
	SV WQ/Nitrate TAC \$71,154	Yes	BOD	2	
	Fish Monitoring Reduced Contract \$34,054	Under	BOD	2	S/B funded from Fund 116 SVWP \$375K
Countywide Fund 113; FY 2015-16 Adopted Budget \$841,823					

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Dot Voting Results*	Category/ Item	Funding Status**	Assigned By BOS or BOD	Status ***	Comments
	FP Mgmt & Land Use Planning \$464,387	Yes	BOD	1	
	ALERT \$45,127	Yes	BOD	2	
	CW WR Review-Reimbursement \$332,309	Yes	BOD	1	
Pajaro Levee Fund 112; FY 2015-16 \$406,829					
(1) •	Pajaro River Levee \$406,829	Under	BOS/BOD	1	Agency borrowed \$250,000 from RSR
Reclamation Ditch Fund 122; FY 2015-16 Adopted Budget \$1,438,675					
	O&M \$1,295,891	Yes	BOD	2	
	Environmental Compliance \$142,784	Yes	BOD	3	
CSIP Operations Fund 131; FY 2015-16 Adopted Budget \$ 3,041,232					
	Consultants including MRWPCA \$2,053,367	Under	BOD	1	Fund Balance covers additional costs
	Labor and Service & Supply \$987,865	Yes	BOD	1	
SVRP Operations Fund 132; FY 2015-16 Adopted Budget \$4,285,263					
	Consultants including MRWPCA \$2,466,133	Under	BOD	1	Fund Balance covers additional costs
	Debt Service \$1,818,875	Yes	BOD	1	
	Service & Supply \$255	Yes	BOD	1	
Salinas River Diversion Facility Fund 134; FY 2015-16 Adopted Budget \$844,918					
	O&M \$465,611	Yes	BOD	1	
	Fish Monitoring/Flow/WQ \$363,536	No	BOD	2	\$ only represent 2 FTE's
	Environmental Compliance \$15,771	Yes	BOD	2	
Moro Cojo Slough Fund 127; FY 2015-16 Adopted Budget \$381,059					
	Labor \$378,059	Yes	BOD	2	
	Service & Supply \$3,005	Yes	BOD	1	
Nacimiento Hydroelectric Plant Fund 130; FY 2015-16 Adopted Budget \$420,262					
	Consultants \$154,919	Yes	BOD	1	
	Labor and Service & Supply \$265,343	Yes	BOD	1	
Projects (First Phase)					

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Dot Voting Results*	Category/ Item	Funding Status**	Assigned By BOS or BOD	Status ***	Comments
(6) ●●●●●●	Permit 11043 \$2,000,000	No	BOD/BOS	2	Implementation needed by 2030
(4) ●●●●	CSIP Expansion \$150,000	No	BOD/BOS	3	Annual Cost increases >\$600K by 2018
(4) ●●●●	GSA Formation \$300,000	No	BOD/BOS	1	Annual Cost increases >\$2M by 2019
(1) ●	Long-term SRSMP \$50,000	No	BOD/BOS	2	This is an increase over existing budget
	Long-term SRMP/Lagoon \$150,000	No	BOD/BOS	2	Annual Cost increases >\$2M by 2019
(1) ●	InterLake Tunnel	No	BOS	2	\$3M and Agency Labor
Financial, Legal and Administrative					
(1) ●	Financial Consultant to review Assessments	No	BOS	1	Estimated between \$300 - \$600k
(1) ●	Coast Keeper Litigation	No	BOS	1	
(1) ●	Water Rights related to Interlake Tunnel	Yes	BOS	2	
(1) ●	Easement Litigation	No	BOS	2	
	Other Potential litigation	No	BOS	1	
(4) ●●●●	Zone 2B Well Destruction	No	BOD	3	
(1) ●	SRSMP Environmental Permitting	No	BOS	3	
	Blanco Drain/Reclamation Ditch	No	BOS	3	
(4) ●●●●	PLA Legal costs related to Interlake Tunnel	No	BOS	1	
(5) ●●●●●●	RDIPAC Recommendations	No	BOS	3	

* Dot Voting: Directors placed dots by items that should be deferred due to lack of funding.

**Funding Column: "Yes" means it is funded, "Under" means it is underfunded, "No" means it is not funded.

***Status Column: 1=On schedule; 2=Started but behind schedule; 3=Not started

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**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Consider receiving an update on the Groundwater Sustainability Agency formation; and, providing direction to Staff.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	Robert Johnson	PREPARED BY:	Robert Johnson
PHONE:	(831) 755-4860	PHONE:	(831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

Receive an update on the Groundwater Sustainability Agency formation; and, provide direction to Staff.

SUMMARY:

The recently-passed Sustainable Groundwater Management Act (SGMA) is complex legislation that changes the paradigm on how groundwater will be managed in California. By June 2017, a groundwater sustainability agency (GSA) needs to be established for groundwater basins in California.

DISCUSSION:

In September 2014, Governor Brown signed into law the SGMA, which took effect on January 1, 2015. This act is complex, and clean-up language is expected, however in the meantime, entities that would be required to implement the SGMA need to embark on a series of steps to meet a timeline where the clock is already ticking.

The Agency Board of Directors (BOD) directed the Agency to be the GSA for the Salinas Valley. Further direction by the Agency Board of Supervisors (WRABOS) had Agency staff initiate at public process to gain stakeholder input. After three meetings in January 2015, other stakeholder groups indicated that they would prefer a more expansive process. Based on that input, a “Consortium” of the County, the Agency, the Cities of the Salinas Valley (represented by the City of Salinas), as well as three representatives from the agricultural industry: the Grower-Shipper Association, the Farm Bureau, and the Salinas Valley Water Coalition was created to initiate a facilitated process.

A Request for Proposals for facilitation services was released and a facilitator has been selected. The facilitator has been performing interviews with key stakeholders, and compiling the information they have gathered. The first public meeting/workshop will be January 21, 2016 at the Monterey County Government Center, Monterey Room (second floor), running from 4pm to 6pm.


Another GSA-related activity occurring is related to basin boundaries. The Agency is looking at refining the boundaries of specific basins. The Agency will be proposing to modify or seek clarification of boundaries of the Paso Robles Groundwater Basin, the Seaside Groundwater Basin, and the Pajaro Groundwater Basin. Attached to this report is a letter from the Seaside Groundwater Basin Watermaster (the Seaside Basin is adjudicated), seeking collaboration between the Seaside Basin and the Salinas Valley Groundwater Basin managers regarding water sustainability issues.

OTHER AGENCY INVOLVEMENT:

The Monterey County Counsel's office as well as the Monterey County Resource Management Agency has been involved in the discussions regarding SGMA.

FINANCING:

The extent to which SGMA will affect the budget is unknown at this time. It is believed that the State would provide funding for the development of basin sustainability plans, and there would be fees and other revenues that would come from the enactment of the SGMA.

FINANCIAL IMPACT:	YES (X) UNKNOWN NO ()
FUNDING SOURCE:	To be determined
COMMITTEE REVIEW AND RECOMMENDATION:	Scheduled for January 13, 2016 BMP Committee meeting; no meeting since there was not a quorum
ATTACHMENTS:	1. Letter dated December 18, 2015 from Seaside Groundwater Basin Watermaster
APPROVED:	 General Manager Date 1/19/16

SEASIDE GROUNDWATER BASIN WATERMASTER

2600 Garden Road, Suite 228, Monterey, CA 93940

(831) 641-0113

December 18, 2015

Supervisor Simon Salinas, Chair
Monterey County Board Of Supervisors
Monterey County Water Resources Agency
168 W. Alisal, 3rd Floor
Salinas, Ca 93901

Subject: Request for Collaboration with the Seaside Basin Watermaster to Seek Mutually Acceptable Solutions to the Falling Groundwater Levels in Both the Laguna Seca Subbasin and the Corral de Tierra Subbasin of the Salinas Valley Basin (as Defined in Department of Water Resources Bulletin No. 118)

Honorable Chair Salinas:

The Seaside Basin Watermaster was created by the Adjudication Decision rendered by the Superior Court of the State of California in and for the County of Monterey in 2007 under Case No. M66343. The purpose of the Watermaster is to administer and enforce the provisions of the Adjudication Decision. Simply stated, the Watermaster is to manage the adjudicated Seaside Basin such that it is protected against incurring "Material Injury" defined in the Decision as including but not being limited to "...seawater intrusion, land subsidence, excessive pump lifts, and water quality degradation."

Groundwater modeling conducted for the Watermaster by its consultant, HydroMetrics WRI, and reported in the Technical Memorandum from HydroMetrics dated July 28, 2014, led to the conclusion that even if all pumping within the Laguna Seca Subarea (LSSA) of the adjudicated Seaside Basin were to be halted, groundwater elevations in the easternmost portion of the LSSA would continue to fall. This indicates that pumping from wells outside of the LSSA prevents the subarea from achieving stable groundwater elevations. This influence was evaluated by running multiple scenarios with varying pumping from wells outside the LSSA. It was found that well pumping to the east of the LSSA has a significant impact on groundwater levels in the eastern portion of the LSSA and prevents achieving stable groundwater elevations in that portion of the LSSA.

This modeling work concluded that there will need to be significant pumping reductions both inside and outside of the LSSA to halt groundwater level declines throughout the LSSA. A study was prepared for Monterey County Resource Management Agency by Geosyntec Consultants in July 2007 titled "El Toro Groundwater Study." The El Toro Planning Area, which was the focus of this Study, is located within the Corral de Tierra Subbasin of the Salinas Valley Basin, as defined in DWR's Bulletin 118. In the Executive Summary from that report there are several statements that pertain to and/or tend to confirm the findings of the HydroMetrics modeling of the LSSA, and which are supportive of this work, specifically:

On page ES-1 the study states "*...water supply for the El Toro Planning Area is derived entirely from groundwater and major portions of the El Toro Planning Area subareas are hydrogeologically contiguous as are the aquifer systems beneath the northwest portion of the El Toro Planning Area and the adjacent Laguna Seca portion of the Seaside Basin along Highway 68.*" On this same page of the study it states "*Decline of groundwater levels in some El Toro Planning Area wells during the 1980s, and the findings of a 1991 technical report (Staal, Gardner & Dunne, 1991) resulted in the County imposing a B-*

8 zoning overlay in November 1992 to portions of the El Toro Planning Area due to potential water supply limitations. The B-8 zoning limits development to single-family dwellings on existing lots of record since 1991." Also on this page it states "Both the 1991 and 1996 reports, however, cautioned that demand approaches supply in most of the planning subareas and that build-out demand would exceed some estimates of supply."

On page ES-4 the study states "...decline in groundwater levels has been documented in the Laguna Seca area (Yates et al., 2002), which borders the El Toro Planning Area to the west along Highway 68 and is hydrogeologically contiguous."

On page ES-5 the study states "Downward trends for the majority of long-term hydrographs indicate that the rate of groundwater pumping from the El Toro Primary Aquifer System exceeds the rate of groundwater replenishment. Compilation of trend analyses for long-term hydrographs clearly shows groundwater overdraft conditions in the northern portion of the El Toro Planning Area near Highway 68, where the majority of pumping occurs." Also on that page of the study it states "Water level data compiled and reviewed for this study indicates that the primary aquifer system in the El Toro Planning Area is in overdraft."

On page ES-6 the study provides a number of recommendations, one of which is to "Establish a formal collaborative groundwater management program for the Laguna Seca and El Toro Planning Areas because they are hydrogeologically contiguous."

This Study informed the County some years ago about the overdrafted condition of the El Toro Planning Area's groundwater supply aquifers, and of that aquifer's hydrogeologic connection to the Laguna Seca Subarea's groundwater supply aquifer. Imposing the B-8 overlay was a step taken by the County to reduce future groundwater demands, but apparently did not have any impact on demands that existed prior to the 1991 imposition of that overlay – consequently most of the development in that area has not been affected by the overlay.

Since the work done by the Watermaster and by the County both concluded that the adjudicated Laguna Seca Subarea and the Corral de Tierra Subbasin are hydrogeologically connected, and that both of these areas are experiencing declining groundwater levels which cannot be sustained without ultimately causing Material Injury, it is clearly desirable, and in fact imperative, for the County and the Watermaster to collaborate to seek and implement mutually acceptable solutions to the problem of falling groundwater levels in both of these areas.

The purpose of this letter is to ask the appropriate County department to immediately commence discussions with the staff of the Watermaster with the objective of developing such solutions. On policy matters please contact Mr. Dewey Evans, Executive Officer. On technical matters please contact Mr. Robert Jaques, Technical Program Manager.

We look forward to working with you and your staff toward implementing measures that will protect the groundwater basins within our respective jurisdictions.

Sincerely,



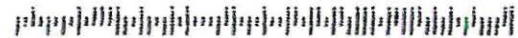
Paul Bruno
Chairman of the Board
Seaside Groundwater Basin Watermaster

SEASIDE GROUNDWATER BASIN WATERMASTER
2600 GARDEN ROAD, STE 228
MONTEREY CA 93940



SUPERVISOR SIMON SALINAS, CHAIR
MONTEREY COUNTY BOARD OF SUPERVISORS
MONTEPEY COUNTY WATER RESOURCES AGENCY
168 W. ALISAL, 3rd FLOOR
SALINAS CA 93901

93901243934



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CALENDAR OF EVENTS

February 2016

February 2016							March 2016						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6			1	2	3	4	5
7	8	9	10	11	12	13	6	7	8	9	10	11	12
14	15	16	17	18	19	20	13	14	15	16	17	18	19
21	22	23	24	25	26	27	20	21	22	23	24	25	26
28	29						27	28	29	30	31		

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Jan 31 - Feb 6	Jan 31	Feb 1	2	3	4 1:30pm 3:00pm Reservoir Ops Cmt.	5	6
Feb 7 - 13	7	8	9	10 8:30am 9:30am BMP Committee (Board Room) 10:00am 11:30am Planning Committee (Board Room)	11	12 8:30am 9:30am Personnel/Admin. Cmt. 10:00am 11:00am Finance Committee	13
Feb 14 - 20	14	15 PRESIDENT'S DAY	16	17	18	19	20
Feb 21 - 27	21	22 1:00pm 5:00pm Regular BOD Mtg.	23	24	25	26	27
Feb 28 - Mar 5	28	29	Mar 1	2	3	4	5

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INFORMATION ITEMS

Development Review Activity Report, December 2015: These applications were referred by the Planning Department, and the Agency submitted recommended conditions of approval. Four additional applications were reviewed with no recommended conditions of approval.

AREA	APPLICANT	PROJECT DESCRIPTION	CONDITION TYPES
DEL MONTE FOREST	FRENCH	CONSTRUCT A 5,250 SQ FT SFD W/ A 780 SQ FT ATTACHED GARAGE.	DRAINAGE CONTROL
GREATER MONTEREY PENINSULA	AIELLO	CONSTRUCT A 4,220 SQ FT SFD W/ A 908 SQ FT ATTACHED GARAGE AND 648 SQ FT SWIMMING POOL.	DRAINAGE CONTROL

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Reservoir Release Update		
Consent ()		Action ()	
Information (X)			
SUBMITTED BY:	Germán Criollo	PREPARED BY:	Jason Demers
PHONE:	(831) 755-4860	PHONE:	(831) 755-4860
DEADLINE FOR BOARD ACTION:		January 25, 2016	

RECOMMENDED BOARD ACTION:

None – item presented for informational purposes.

SUMMARY:

The Board of Directors receives monthly updates on the status of Agency reservoirs.

DISCUSSION/ANALYSIS:

RESERVOIR ELEVATION / STORAGE: As of January 13, 2016, San Antonio Reservoir is at an elevation of approximately 645.65 feet mean sea level (msl), 10,330 acre-feet of storage. Nacimiento Reservoir is at elevation 718.15 feet msl, 65,158 acre-feet of storage. San Antonio Reservoir is currently at 3% of storage capacity and Nacimiento Reservoir is at 17% of capacity.

RESERVOIR RELEASES: Minimum fisheries releases continue from both reservoirs. Releases are being made from San Antonio Reservoir through a combination of pumping and gravity flow at a rate of approximately 3 cfs. Releases from Nacimiento Reservoir remain at 60 cfs.

Releases as of January 13, 2016:

- Nacimiento Reservoir: 60 cfs
- San Antonio Reservoir: 3 cfs

Total releases from both reservoirs to the Salinas River are approximately 63 cfs. The following “provisional” flows have been recorded by the USGS:

- Salinas River near Spreckels: 0 cfs
- Salinas River near Chualar: 0 cfs
- Salinas River near Soledad: 0 cfs
- Salinas River near Bradley: 62 cfs (steady)

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS**

MEETING DATE:	January 25, 2016	AGENDA ITEM:	
AGENDA TITLE:	Well Permit Application Activities Update		
	Consent ()	Action ()	Information (X)
SUBMITTED BY: PHONE:	Robert Johnson (831) 755-4860	PREPARED BY: PHONE:	Amy Woodrow (831) 755-4860
DEADLINE FOR BOARD ACTION:	January 25, 2016		

RECOMMENDED BOARD ACTION:

None – item presented for informational purposes.

SUMMARY:

Updated information on the Agency’s evaluation of well permit applications.

DISCUSSION/ANALYSIS:

The Well Permit Application Process is regulated by the EHB. The Agency provides technical support to the EHB as part of the process. The changes that came about since the adoption of the County General Plan have caused concerns and misinformation in the public. To provide correct and up to date information to the public, Agency Staff has developed the attached Well Impact Evaluation Summary Table (Table).

The Table provides a summation of well permit applications that are being evaluated by Agency Staff, broken out by domestic well permit applications and high capacity well permit applications, as well as by Salinas Valley subarea. This table is provided to the BOD on a monthly basis.

OTHER AGENCY INVOLVEMENT:

None.

FINANCING:

None.

Summary of Well Impact Evaluations Conducted per 2010 Monterey County General Plan

Domestic Wells

<i>Evaluation Outcome</i>	Pressure	East Side	Forebay	Upper Valley	Outside Zone 2C	TOTAL
No potential impact.	2	9	7	3	101	122
Potential impact; acceptable mitigation proposed.	0	0	0	0	1	1
Repair (exempt).	0	0	0	0	1	1
Replacement (exempt).	0	3	0	2	6	11
TOTAL	2	12	7	5	109	135
<i>Subarea Total as Percentage</i>	<i>1%</i>	<i>9%</i>	<i>5%</i>	<i>4%</i>	<i>81%</i>	

High Capacity Wells

<i>Evaluation Outcome</i>	Pressure	East Side	Forebay	Upper Valley	Outside Zone 2C	TOTAL
No potential impact.	10	19	12	10	11	62
Potential impact; acceptable mitigation proposed.	1	1	0	3	0	5
Repair (exempt).	0	0	0	1	0	1
Replacement (exempt).	8	4	4	15	0	31
TOTAL	19	24	16	29	11	99
<i>Subarea Total as Percentage</i>	<i>19%</i>	<i>24%</i>	<i>16%</i>	<i>29%</i>	<i>11%</i>	

Total Evaluations:

To Date: 236 This Fiscal Year: 26

Evaluations initiated November 2011.

Report Date: 1/8/2016

