



Deep Aquifer of the Pressure Subarea



Terminology

- Aquifer is referred to as:
 - Deep aquifer
 - Deep zone
 - 900-foot aquifer
 - 1500-foot aquifer

- Data from wells suggests two aquifer systems comprise the Deep Aquifer



Studies of the Deep Aquifer

- Richard Thorup (1976, 1983)
 - Unpublished draft report in 1976
 - Based on a single test water well and exploration oil wells
 - First estimates of usable groundwater in storage
 - 11 million acre-feet
 - Revised to 4.6 million acre-feet in 1983
- James Grasty (1988)
 - M.S. thesis research utilizing gravity and magnetic surveys
 - Suggested presence of a bedrock depression where a thick sequence of Quaternary sediment accumulated; first depiction of “Marina Trough”
- Geoconsultants (1999)
 - Jeremy Wire and associates postulated the existence of a feature called the Marina trough



Studies of the Deep Aquifer (cont.)

- Montgomery Watson (1993 - 1998)
 - SVIGSM
- USGS (2002)
 - Research Project
 - Randy Hanson and colleagues completed a 2,000 foot deep monitoring well cluster in Marina
 - Pliocene age sediments documented from a depth of 950 to 2000 feet



Studies of the Deep Aquifer (cont.)

- WRIME et. al. (2003)
 - Deep Aquifer Investigative Study for MCWD
 - Updated SVIGSM to evaluate yield and seawater intrusions questions
 - Modeling indicates groundwater levels in all aquifer layers will decline as groundwater production from the Deep Aquifer increases



Geology

- Two water bearing geologic formations
 - Paso Robles
 - Terrestrial sand, gravel, silt, clay
 - Purisima / Santa Margarita
 - Marine sandstone, clay, shale
- Most investigations indicate the Deep Aquifer is not directly connected to Monterey Bay

Geology

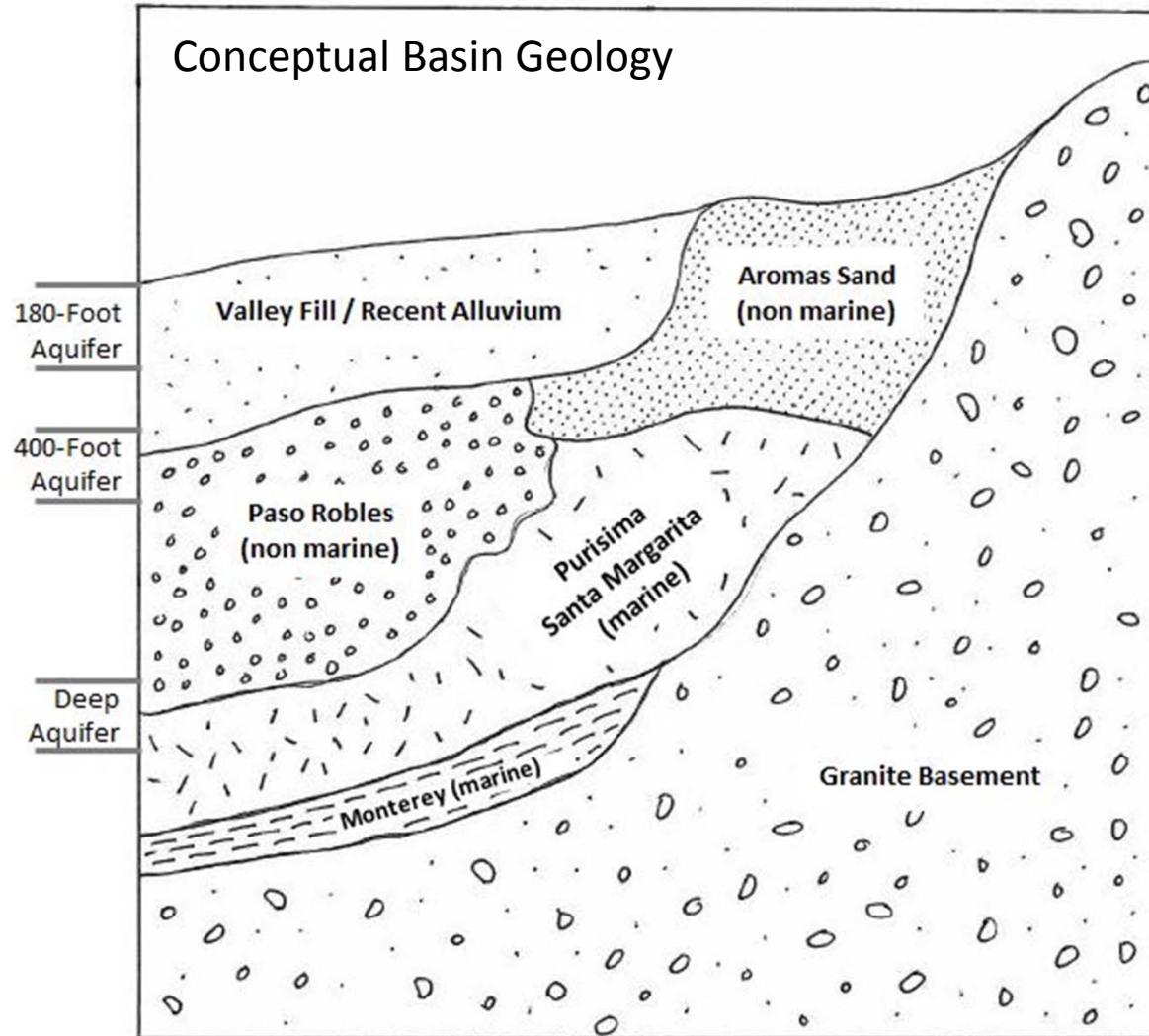


Image adapted from Montgomery Watson, Salinas River Water Resources Management Plan (1994).

Geology

Period/Epoch		Formation	Hydrostratigraphy
Quaternary 2.5 MYA to present	Holocene	Recent Alluvium	Shallow Aquifer
	Pleistocene	Valley Fill	Salinas Valley Aquitard
		Aromas Sands	Pressure 180-Foot Aquifer
			Pressure 180/400-Ft Aquitard
			Pressure 400-Foot Aquifer
Paso Robles	Lower Aquiclude		
Tertiary 23 to 2.5 MYA	Pliocene	Purisima / Pancho Rico	Deep Aquifer
		Santa Margarita	
	Miocene	Monterey	
Mesozoic		Granitic basement	Non water-bearing

MYA = Million Years Ago

Not to scale.





Recharge

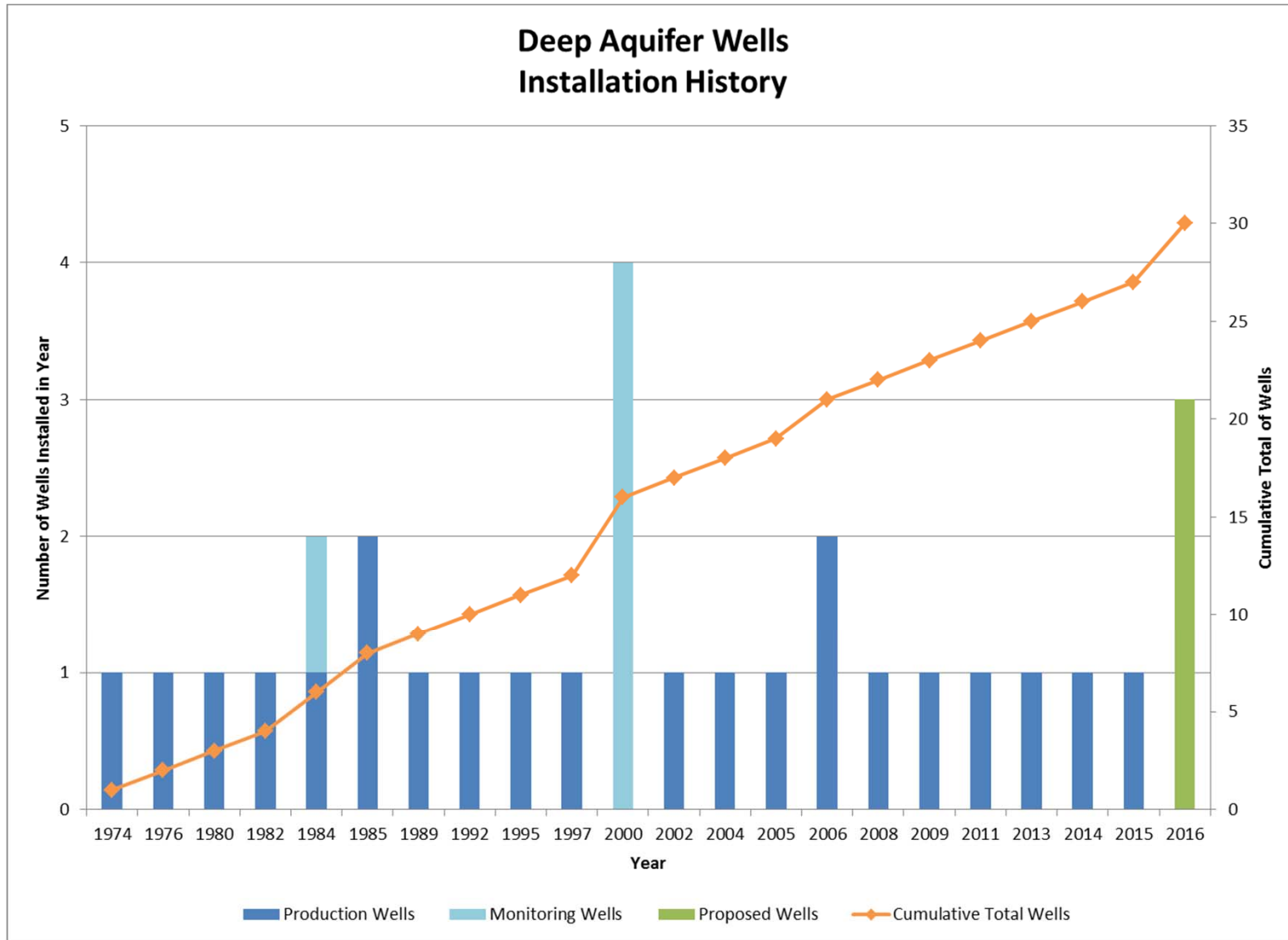
- Direct recharge to Deep Aquifer formations is limited
 - Purisima is not exposed on land in Monterey County
 - Minimal recharge to Paso Robles from direct rainfall
- Some recharge occurs from leakage through overlying aquifers



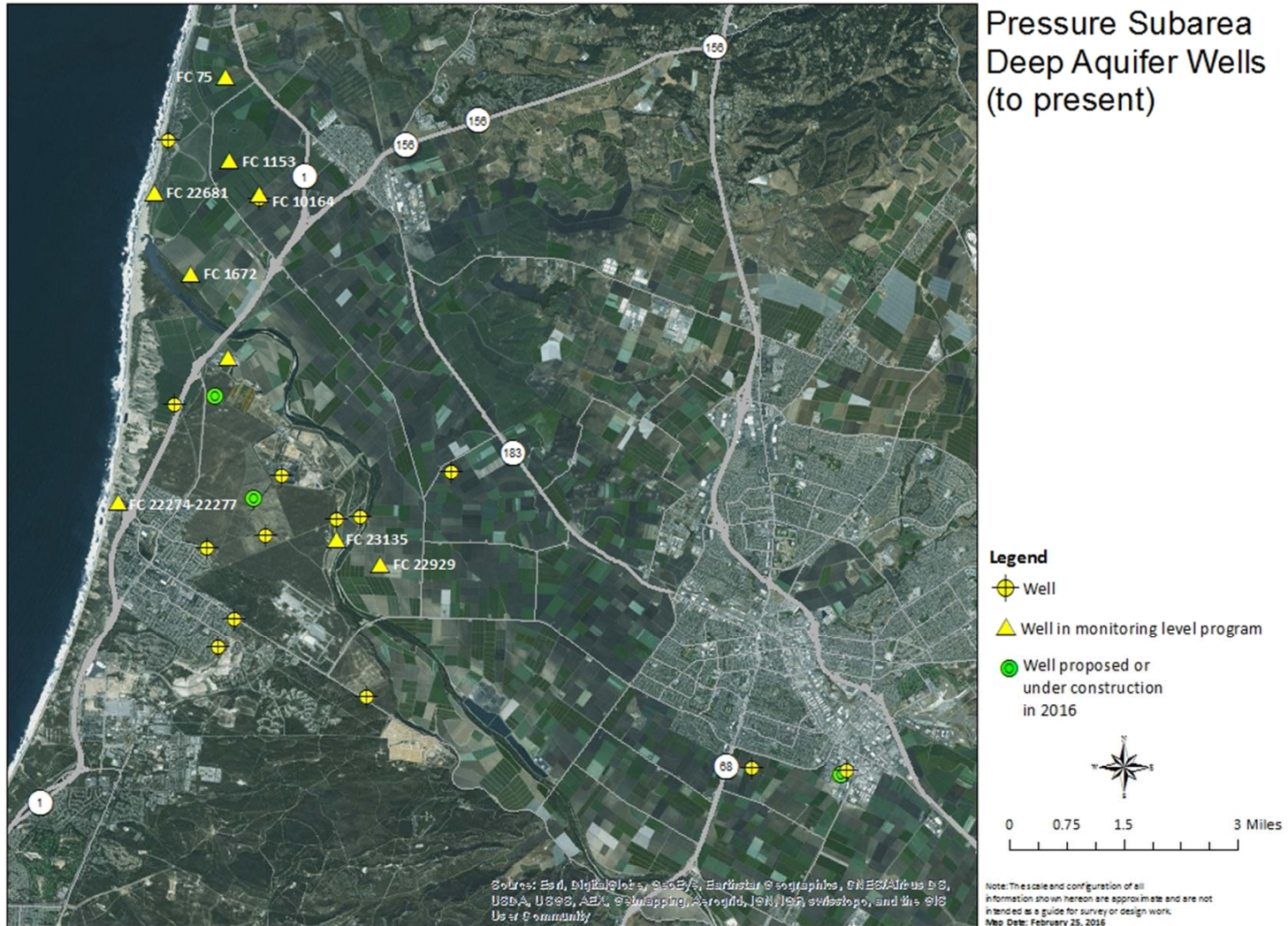
Wells

- First Deep Aquifer water well installed in 1974
- 21 production wells
- 3 wells proposed for construction in 2016

Wells (cont.)



Wells (cont.)





Monitoring Programs

- Deep Aquifer are wells monitored for water quality and/or groundwater levels
 - Water quality: 10 wells
 - Groundwater levels: 11 wells



Water Quality

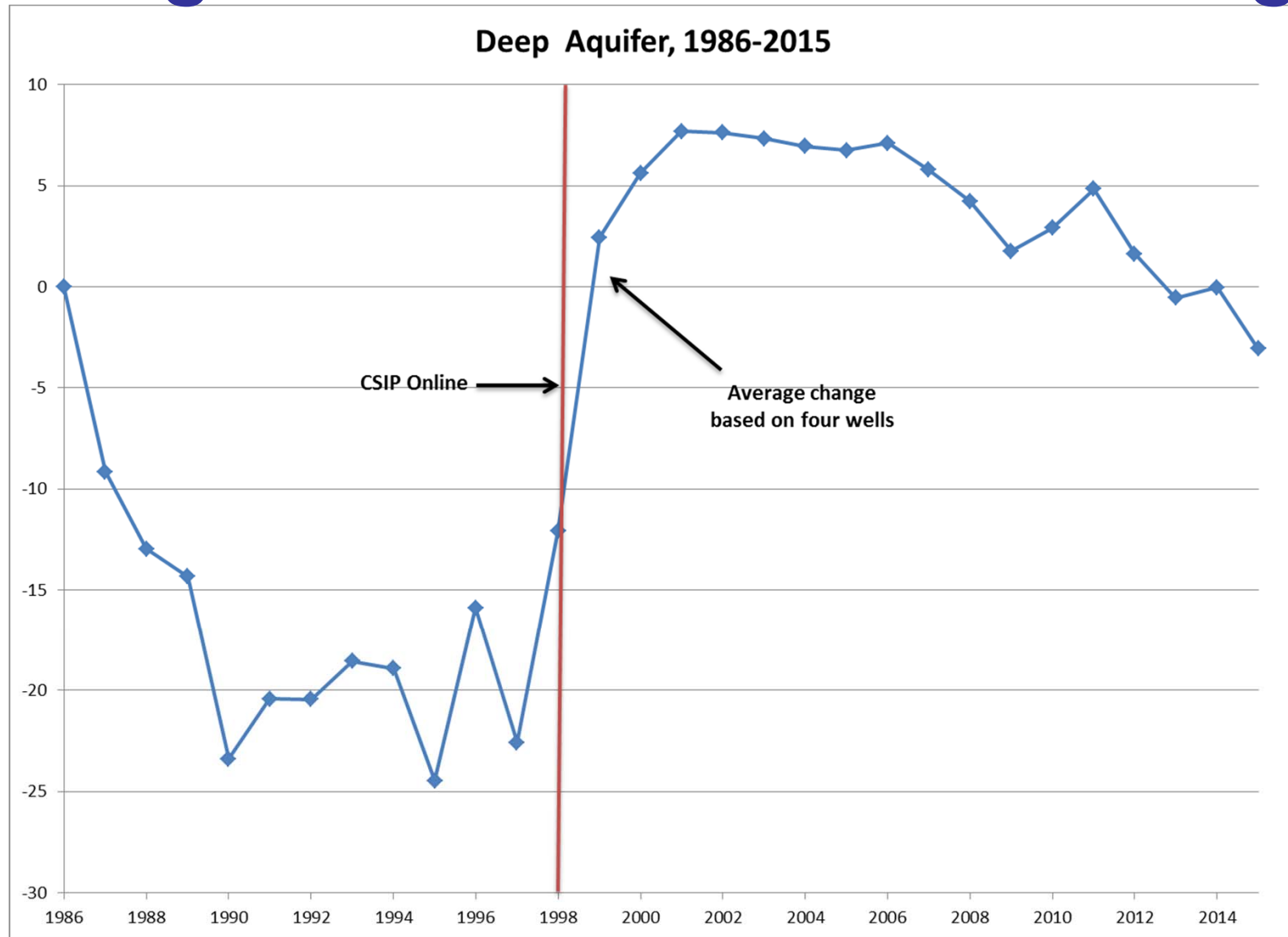
- Higher pH than water in Pressure 180-Foot or 400-Foot Aquifers
- Warmer temperatures (>90°F observed)
- “Old” groundwater based on isotope analysis
 - Data suggests that recharge did not occur under current climate conditions



Water Level

- Water level data shows:
 - Late 1980's decline; leveling out in the mid-1990's
 - Quick increase of water levels after CSIP came on line
 - Gradual decline of water levels since 2001

Average Groundwater Level Changes

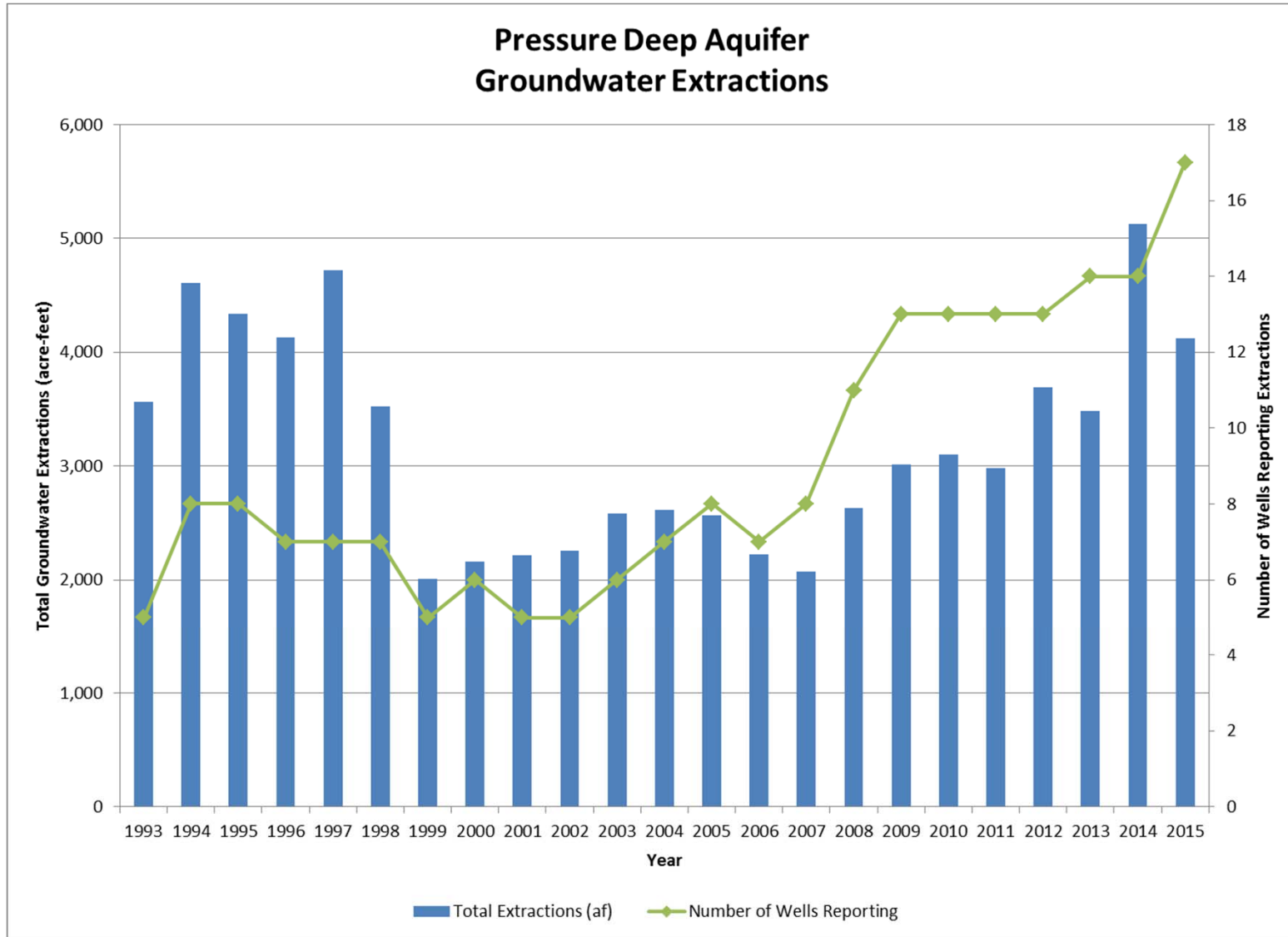




Groundwater Extractions

- Recorded pumping rates range from 140 gpm to 2,100 gpm
- Total annual extractions range from 2,000 to 5,100 acre-feet (1993-2015)

Groundwater Extractions





Summary

- Wells produce water from one or more geologic formations
- Recharge is limited
- New wells continue to be installed
- More to learn about connectivity between the Deep and other Pressure aquifers...
 - Modeling indicates groundwater levels in all aquifer layers will decline as groundwater production from the Deep Aquifer increases





Interlake Tunnel and Spillway Modification Projects Update Re: PLA Negotiations





Review of Interlake Tunnel and Spillway Modification Projects Benefits

- Flood Control
 - Reduction in frequency by 60%
 - Reduction in flood volume by 52%
- Adds 59,000 AF of storage to San Antonio
 - Tunnel moves 50,000 AFY to San Antonio
 - Increased dry year release opportunities
- Reoperation provides a range of increased conservation releases
 - 8,000 to 20,000 AFY additional releases for groundwater recharge
 - Conservation releases politically influenced



Discussion

- Moving forward, the Projects need funding
- Currently there is a \$4M funding gap to reach the Proposition 218 ballot measure
- Two options for funding –
 - State monies (AB 155 / AB 1585)
 - P3 procurement process



Discussion (cont.)

- Assembly Member Alejo introduced AB 1585 in January 2016
 - Seeking no less than \$25M
 - Labor endorsement will require PLA in Design/Build contract



Discussion (cont.)

- Critical decision points at this time in the process:
 - Funding
 - Currently \$4M shortfall to get to Proposition 218 ballot measure
 - AB 1585 / AB 155, or
 - P3 if AB 1585 is not enacted
 - Project Labor Agreement (PLA)
 - What does negotiating a PLA entail?



Project Labor Agreement (PLA)

- Unique to the construction industry
- Initially established as agreement between contractors and groups of building trade unions for specific projects
- Developed to supersede local trade agreements and local trade practices when larger contractors had nationwide agreements with building trades
- Has been expanded to agreements between Owners and groups of building trades to cover multi-project building programs or single projects exceeding \$25 million



Common Elements

PLA's differ from Collective Bargaining Agreements (CBA's) in several key ways:

- CBA's cover a specific geographic area
- CBA's usually take into account local market trends
- CBA's usually last three to five years
- CBA's are negotiated between a contractor and a specific trade
- CBA's are superseded by Project Labor Agreements



Potential PLA Negotiation Process for Board Consideration

- Notice to All Interested Parties of Commencement of Process
- Meetings with Local Unions to Align on Timeline and Key Points to be Negotiated
 - ✓ Monterey/Santa Cruz Counties Building and Construction Trades Council
 - ✓ Tri County Building and Construction Trades Council
 - ✓ Notice to Other Parties Subject to PLA: IBEW and others
- Meetings with AGC and other interested parties / stakeholders



PLA Negotiation Process (cont.)

- Circulate initial draft confined to those points that don't require specific information from the design process
- Workshop with Stakeholders if requested
- Workshop with Board of Supervisors

Interested Parties / Stakeholders

Entity	Participation Request
Associated Builders and Contractors, Northern California Chapter	Request to participate in PLA negotiations as a stakeholder
Pacific Advocacy Group on behalf of:	Request their input regarding PLA be considered
<ul style="list-style-type: none"> Western Electrical Contractors Association 	
<ul style="list-style-type: none"> Plumbing-Heating-Cooling Contractors Association 	
<ul style="list-style-type: none"> Air Conditioning Trade Association 	
Coalition for Fair Employment in Construction	Opposes PLA altogether
Construction Compliance Group	Request to participate in PLA negotiations as a stakeholder
Farm Bureau of Monterey	Seeking open and transparent process for negotiations
Grower-Shipper Association	Encouraging open process for PLA negotiations
Central Coast Builders Exchange	Request to participate in negotiations
Associated General Contractors, Monterey Bay District	Request to participate in negotiations





Summary

- PLA's are negotiated independently for each project or program and can contain many elements, many of which are project-specific
- PLA's are not solely about wages paid workers; public projects such as this already require the payment of prevailing wages
- There are many political, economic and social issues surrounding Project Labor Agreements



Agency Board of Supervisors Action on February 9, 2016

- Established Board commitment to a Project Labor Agreement for the Interlake Tunnel and Spillway Modification Projects
 - Required PLA for the Projects
 - Directed Staff to enter into negotiations for a PLA
 - Required that the PLA only be effective
 - If Projects use design-build authority set forth in AB 1585
 - If State appropriates and delivers at least \$25 million for the Projects
 - If \$25 is new money and not from IRWMP funds
 - Required progress reports every two weeks
 - Delegated authority to County Counsel and Agency General Manager to select PLA negotiation team.



February 12, 2016 Initial Planning Meeting Agenda

1. Introduction of Meeting Participants
 - a. Authorities to negotiate/represent parties to the PLA

2. Meeting Purpose and Objectives
 - a. Identification of parties to the Agreement
 - b. Identify goals and objectives
 - c. Identify negotiation ground rules
 - d. Prepare action plan and schedule, including next four meeting dates

3. Prepare Project Understanding
 - a. Project development requirements
 - b. Construction definition and schedule
 - c. Projected labor requirements for the project
 - i. Which trades
 - ii. From which geographical areas



February 12, 2016 Initial Planning Meeting Attendees

Name	Affiliation
Jesse Avila (by phone)	Deputy County Counsel, Monterey County
Cherie Cabral	Representative of both Building Trades Councils
Dave Chardavoyne (by phone)	General Manager, Monterey County Water Resources Agency
Ron Chesshire	Monterey/Santa Cruz Building Trades Council
Joan Cox	Outside Counsel, Monterey County Water Resources Agency
Ron Drake	Program Manager for Monterey County Water Resources Agency
David Rosenthal	Outside Counsel, Monterey County Water Resources Agency





February 12, 2016 Initial Planning Meeting Deliverables

- Parties to the Project Labor Agreement Identified
 - Monterey County Water Resources Agency
 - Monterey/Santa Cruz Counties Building Trades Council
 - Tri-Counties Building and Construction Trades Council

Future Meeting Dates Established	
February 22, 2016	10:30 AM – 4:30 PM
March 2, 2016	10:30 AM – 4:30 PM
March 9, 2016	10:30 AM – 4:30 PM
March 16, 2016	10:30 AM – 4:30 PM
March 23, 2016	10:30 AM – 4:30 PM
March 30, 2016	10:30 AM – 4:30 PM





February 12, 2016 Initial Planning Meeting Deliverables (cont.)

- Deliverables for February 22nd meeting to be exchanged 72 hours in advance of the upcoming meeting and to include:
 1. MCWRA to identify what agreement it would like to use as a starting point and transmit that agreement (with redlines if applicable) to State and Local Building Trades Councils 72 hours in advance of next meeting
 2. Building Trades Council to research how to manage participation of miners, a trade that does not presently have an agreement with Building Trades



Agency Activities Prior to February 22, 2016 Meeting

- The Agency elected to utilize the Sonoma County PLA template as a starting point and made certain revisions as follows:
 1. Replaced some provisions with the language from the draft provided by Building Trades;
 2. Added language to make the PLA more project-specific; and,
 3. Added language to address the fact that this Project spans two counties and involves two different Trades Councils.
- The proposed PLA was then forwarded to the Building Trades representatives on February 19, 2016.
- Other stakeholders, who had previously expressed an interest in the PLA negotiations, were notified on February 19th that negotiations had commenced and a meeting with those stakeholders has tentatively been set for March 3, 2016.

February 22, 2016 Negotiations Attendees

Name	Affiliation
Jesse Avila	Deputy County Counsel, Monterey County
Dave Chardavoyne	General Manager, Monterey County Water Resources Agency
Ron Chesshire	Monterey/Santa Cruz Building Trades Council
Joan Cox	Outside Counsel, Monterey County Water Resources Agency
Ron Drake	Program Manager for Monterey County Water Resources Agency
Jolene Kramer	Outside Counsel, Monterey/Santa Cruz Building Trades Council
David Rosenthal	Outside Counsel, Monterey County Water Resources Agency
Sharon Seidenstein	Outside Counsel, Monterey/Santa Cruz Building Trades Council
Tony Skinner (by phone)	Tri Counties Building and Construction Trades Council





February 22, 2016 Negotiations Discussion Items

- Building Trades surprisingly insisted that the Sonoma County PLA template not be used as a starting point for negotiations and that a Building Trades document (“Monterey Agreement”) be utilized as a starting point.
- Agency provided an overview of 33 salient features in its draft PLA document.
- Issue of participation of miners was not resolved.



February 22, 2016 Negotiations Discussion Items (cont.)

- The Agency learned that a PLA between the Agency and Building Trades will require approval of the North America's Building Trades Union (“NABTU”) located in Washington, D.C.
- Agency agreed to deliver to Building Trades a redlined Monterey Agreement 72 hours before the next negotiating session on March 2.



Interlake Tunnel and Spillway Modification Projects Update Re: PLA Negotiations







TODAY'S ACTION

Consider Approving the Appointment of an
Ad Hoc By Laws Committee.





TODAY'S ACTION

Approve the Appointment of an
Ad Hoc By Laws Committee.







TODAY'S ACTION

Consider Approving and Recommending that the Monterey County Water Resources Agency Board of Supervisors:

- i) Approve a Professional Services Agreement with Raftelis Financial Consultants, Inc., in the Amount of \$110,360, to Conduct a Cost of Service Analysis and Prepare a Five-year Financial Plan in Conjunction with a Review of the Agency's Current Assessments and Water Rate Structure, Subject to County Counsel Approval of the Agreement;
- ii) Request that Monterey County Reimburse the Agency for the Professional Services Agreement with Raftelis Financial Consultants, Inc.;
- iii) Authorize the General Manager to Execute the Agreement, Substantially in the Form of Agreement Attached and Subject to Approval by County Counsel; and,
- iv) Authorize the Auditor-Controller to Amend the Monterey County Resource Agency's FY 2015-16 Adopted Budget by Increasing Appropriations by \$13,795 Financed by Unassigned Fund Balance in the Following Funds: 112-Pajaro Appropriations Unit WRA 002; 116-2CAdmin Appropriations Unit WRA 006; 121 Soledad Storm Drain Appropriations Unit Wra011; 122-Reclamation Ditch Appropriations Unit WRA 012; 124-San Lorenzo Creek Appropriations Unit WRA014; 127-Moro Cojo Slough Appropriations Unit WRA 017; 131-CSIP Appropriations Unit WRA 020; and, 132-SVRP Appropriations Unit WRA021 (4/5th Vote Required)





Committee Action

- On February 19, 2016 the Finance Committee received this report and requested staff to obtain a sample of work from King City who were customers of Raftelis Financial Consultants, Inc.



Prior BOD/BOS Action

- This request for proposal was originally requested to be conducted by Supervisor Potter at the June 3, 2015 County of Monterey Public Budget hearing.
- On July 16, 2015 at the Joint Water Resources Agency Board of Directors/Board of Supervisors meeting the Agency was instructed to move forward with the an RFP.
- The RFP included all the expectations requested by the Water Resources Agency Board of Directors and Board of Supervisors.



Discussion

- Only one proposal received by the closing RFP deadline – November 17, 2015.
- On January 20, 2016, the Agency RFP review panel chose Raftelis Financial Consultants, Inc. proposal.
- Their proposal met all objectives within the requested Scope of Work at a reasonable price - see section 4 page 27 & 28 of their attached proposal.



Discussion (cont.)

- The Agency chose RFC for their desire to address current drought conditions and to develop rates that continue to emphasize and encourage efficient water use.
- RFC will work closely with Agency staff to develop rates that account for adequate reserve funding and future funding that reflect the Agency's financial policies, while ensuring affordability for health and safety.
- RFC will create a model with the capability to conduct various scenarios to address different conservation issues such as drought, loss of water supply, and different levels of capital funding.



Discussion (cont.)

- RFC will update the Agency's financial plan and rate structure presenting a clear transparent story of the current drought conditions and required changes in a simple format that the public can easily understand and support.
- RFC will examine how any changes to the existing rate structures for water would impact Agency customers by recalculating the last 12 months of bills. Doing so will provide clear insight to Agency staff and the Board of Directors regarding who is affected and to what extent before adopting a new rate structure.
- RFC has a dedicated project team which includes a Project Manager and three analysts with extensive experience and a reputation for quality service – see section 3 page 13 of their attached proposal.



TODAY'S ACTION

Approve and Recommend that the Monterey County Water Resources Agency Board of Supervisors:

- i) Approve a Professional Services Agreement with Raftelis Financial Consultants, Inc., in the Amount of \$110,360, to Conduct a Cost of Service Analysis and Prepare a Five-year Financial Plan in Conjunction with a Review of the Agency's Current Assessments and Water Rate Structure, Subject to County Counsel Approval of the Agreement;
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TODAY'S ACTION

Consider Recommendations to the Board of Supervisors of the Monterey County Water Resources Agency Relating to Tri-Counties Club, Inc. and Real Property at Lake Nacimiento (San Luis Obispo County) to:

- i) Authorize Negotiations for the Either the Sale, Lease, Or Lot Line Adjustment Relating to Real Property (Cullen Site) Between the Agency and Tri-Counties;
- ii) Authorize Negotiations for Either the License Or Lease Or Sublease of a 72 Acre Portion of Property Under Leases 3A and 3B, Among the Agency, Tri-Counties, and Lessees of Leases 3A and 3B; and
- iii) Accept Or Reject the Invitation to Negotiate an Agreement Between the Agency and Tri-Counties for the Furnishing of Water to Lessees of the Agency.





Committee Action

- On February 12, 2016, the Personnel and Administration Committee recommended this item for consideration by the full Board of Directors.



Prior BOD/BOS Action

- This item has been before the BOD and BOS previously.



Discussion

- Cullen Site: Since this issue surfaced in 2003, TC representatives have sought to purchase the property. Staff, the Personnel and Administration Committee and the Board of Directors have consistently declined to sell the property: the Agency's sale would legalize construction below the 825' floodage easement; TC's "appraisal" at the time did not reflect fair market value; TC has not offered to compensate the Agency for the decades of use and economic benefit TC has had from trespassing on Agency land; and the Agency may be construed as rewarding trespass.



Discussion (cont.)

- TC has alternatively offered to have San Luis Obispo County adopt a lot line (property boundary line) adjustment (LLA) to move the property line to extend TC's property line to include this property, substituting other TC property for this (Cullen) site. Agency staff has recommended against that for various reasons: the property that TC wants to trade is undevelopable and not a fair trade; the Agency's agreement to the LLA would legalize structures that are below the 825' floodplain; and, an LLA would set a bad precedent for others who trespass or squat on Agency land. The Board of Directors has consistently declined the LLA, as well.



Discussion (cont.)

- In 2013, the Board of Supervisors considered this item in closed session. As a result of this closed session, Agency counsel offered TC's counsel at the time to lease the property for a period of years, enabling gradual return of the site to the Agency. The Agency has not been able to negotiate lease, largely because TC insists on an LLA.



Discussion (cont.)

- Flats: TC is occupying, and has occupied for years, 72 acres on land within Agency Lease 3B. The Agency property is under lease to Four Seasons. TC has been using the area for fifty (50) years when the lake recedes. TC accesses its docks during these years. Forty (40) years ago, TC constructed a concrete ramp for launching TC boats. TC members moor their docks in the Flats and access the Flats, sometimes by golf cart. TC is requesting that the Agency grant a long term lease to TC to “legalize” its use of the Flats. In payment, TC would enter into a Water Agreement with the Agency that would make water potentially and conditionally available for the benefit of lessees of lease site 3B. TC’s request is to lease the site in order to access the waters of the lake, moor and maintain boats, boat docks, and docking facilities; picnic; parking of vehicles and boat trailers while using the facilities.



Discussion (cont.)

- In view of TC's use of the site and the issues associated with persons trespassing on the site, Four Seasons is concerned about its potential liability. The Agency is likewise concerned that persons trespassing on the site might try to sue the Agency as a deep pocket, due to injuries to them. Third parties might theoretically sue the Agency for activities of TC members while on the Flats.
- We believe that Four Seasons would be agreeable to the lease. Staff is conceptually agreeable to a lease, but has these concerns: TC should pay fair rental value as established by an independent appraisal paid for by TC; Four Seasons must agree to either sublet the area, or to remove the area from lease 3B; and the Agency does not want to be perceived as condoning after the fact acts of trespass by others, and allowing third parties to reap an economic benefit from trespassing upon and using Agency property without prior permission.



Discussion (cont.)

- Water Agreement: As mentioned above, TC proposes to “pay” the Agency for use of the Flats by conceptually agreeing to sell water to the Agency.
- Staff and Agency Counsel recommend against the water agreement: (i) the Agency itself would not use the water or economically benefit from it; (ii) the lessee of lease 3B is better positioned economically and legally to negotiate a water agreement with TC, if it desires; (iii) the Agency is not required to enter into the agreement, but if it does, it will assume certain liability under contract, negligence, and other laws for the quality and quantity of the water, and unnecessarily insert itself between TC and the lessee of lease 3B; (iv) no monetary value has been assigned to whatever benefit TC perceives in the Water Agreement that would make it possible to determine that the value to the Agency is approximately the same as the value of lease rents if the Agency leased the Flats to TC; (v) TC cannot and will not agree to make any certain volume of water available to meet the needs of the lessee of 3B; (vi) TC requests an indemnity clause from the Agency for any responsibility other than furnishing water that its members are consuming; and, (vii) any proposed water agreement should be considered separately and independently of potential Agency lease of the Flats.





TODAY'S ACTION

Recommend to the Board of Supervisors of the Monterey County Water Resources Agency Relating to Tri-Counties Club, Inc. and Real Property at Lake Nacimiento (San Luis Obispo County) to:

- i) Authorize Negotiations for the Either the Sale, Lease, Or Lot Line Adjustment Relating to Real Property (Cullen Site) Between the Agency and Tri-Counties;
- ii) Authorize Negotiations for Either the License Or Lease Or Sublease of a 72 Acre Portion of Property Under Leases 3A and 3B, Among the Agency, Tri-Counties, and Lessees of Leases 3A and 3B; and
- iii) Accept Or Reject the Invitation to Negotiate an Agreement Between the Agency and Tri-Counties for the Furnishing of Water to Lessees of the Agency.







TODAY'S ACTION

Consider Approving and Recommending that the Monterey County Water Resources Agency Board of Supervisors Approve Amendment No. 1 to the Third Reimbursement and Funding Agreement Between the County of Monterey and the Monterey County Water Resources Agency, on the Amount of \$630,585, for Further Services on the Interlake Tunnel and Spillway Modification Projects, Substantially on the Form Attached and Subject to Approval by County Counsel; and, Authorizing the General Manager to Execute the Amendment





TODAY'S ACTION

Approve and Recommend that the Monterey County Water Resources Agency Board of Supervisors Approve Amendment No. 1 to the Third Reimbursement and Funding Agreement Between the County of Monterey and the Monterey County Water Resources Agency, on the Amount of \$630,585, for Further Services on the Interlake Tunnel and Spillway Modification Projects, Substantially on the Form Attached and Subject to Approval by County Counsel; and, Authorize the General Manager to Execute the Amendment







TODAY'S ACTION

Consider Approving and Recommending that the Monterey County Water Resources Agency Board of Supervisors Approve Amendment No. 1 in the Amount of \$154,400 for a Specialized Advisory and Transactional Attorney Services Agreement with Burke, Williams & Sorensen, LLP to Perform Tasks and Assignments Relating to the Interlake Tunnel and Spillway Modification Projects, and Tunnel-related Matters; and, Authorizing the General Manager to Execute the Amendment to the Agreement.





TODAY'S ACTION

Approve and Recommend that the Monterey County Water Resources Agency Board of Supervisors Approve Amendment No. 1 in the Amount of \$154,400 for a Specialized Advisory and Transactional Attorney Services Agreement with Burke, Williams & Sorensen, LLP to Perform Tasks and Assignments Relating to the Interlake Tunnel and Spillway Modification Projects, and Tunnel-related Matters; and, Authorize the General Manager to Execute the Amendment to the Agreement.







TODAY'S ACTION

Consider Receiving a Report on the Salinas River Lagoon, Including Necessary Tasks to Pursue Permits for Sandbar Management Activities for 2016-2021; and, Providing Direction to Staff Regarding Funding those Activities.





Committee Action

- Finance Committee February 19, 2016
 - Received report, no direction to staff



Prior BOD/BOS Action

- July 28, 2014
 - BOD requested more information to be presented at the October 2014 meeting
- October 27, 2014
 - BOD deferred to November 14, 2014 strategic planning session
 - No recommendations made
- February 23, 2015
 - BOD directed staff to re-initiate Lagoon Working Group
- October 26, 2015
 - BOD approved 2015/16 Winter Emergency Plan
- November 17, 2015
 - Agency BOS approved 2015/16 Winter Emergency Plan



Prior BOD/BOS Action (cont.)

- December 7, 2015
 - BOD deferred to December 2015 strategic planning session
 - No recommendations made
- January 25, 2016
 - Requested item go to Finance committee in February with draft budget and schedule
 - Director Taylor-Silva assist with budget development



Financial Impact

Draft Budget Developed over 6 years

- FY 15/16
 - Staff time – 300 hours
- FY16/17
 - \$300,000 permit applications, CEQA, fees
- FY 17/18
 - \$350,000 alternative analysis for long-term plan, mitigation monitoring
- FY 18/19
 - \$100,000 mitigation monitoring
- FY 19/20
 - \$100,000 mitigation monitoring
- FY 20/21
 - \$100,000 mitigation monitoring
 - TBD for implementation process of long-term plan



Discussion

- Funds potentially available FY 15/16
 - Fund 116-9940
 - Currently 19K for monitoring
 - Staff time (17K) for lagoon operations

 - Fund 117-9620
 - Currently ad valorem funds
 - 33K staff hours (est.160) and 20K consultant

 - Fund 122-9720 & 9723
 - Reclamation Ditch/Tembladero
 - Staff hours in budget (est. 140)



Discussion (cont.)

- Draft Milestone Schedule
 - March - June 2016
 - Budget identified for FY 16/17
 - Meet with regulatory agencies re: permit process
 - June 2016 -June 2017
 - Complete CEQA
 - Biological Assessment complete
 - Submit Coastal Commission application
 - Submit CA Fish & Wildlife 1600 application



Discussion (cont.)

- Draft Milestone Schedule (cont.)
 - March - July 2017
 - Budget identified for FY 17/18
 - Develop long term plan strategy
 - July 2017- July 2020
 - Update Salinas River Lagoon Management Plan
 - July 2020 - July 2021
 - Updated plan implementation
 - CEQA, project selection, permits, etc.



Discussion (cont.)

- Recent Stakeholder meetings held
 - October 23, 2015
 - November 9, 2015 (on-site)
 - November 17, 2015 (on-site)
 - December 18, 2015
 - Scheduled for March 2, 2016
- Stakeholder group frustrated with lack of progress on permit applications
- Stakeholder Group recommendations:
 - Agency commit to long term plan
 - Submit required applications to respective agencies



Discussion (cont.)

- **Permits needed for Sandbar Management Activities**
 - US Army Corps of Engineers 404
 - Application submitted Dec 2013; submitted additional items December 2015
 - Regional Water Quality Control Board 401
 - Submitted Application December 2015
 - State Parks Access Agreement
 - Draft Right of Entry with Risk Mgmt for Review
 - California Coastal Commission/CDFW 1600
 - Applications not started
 - State Lands Commission
 - Letter sent December 2015 to determine interest – reply received January 2016



Discussion (cont.)

- Regulatory Agencies reluctant to recognize lagoon flooding as an emergency because of its frequency
- Any emergency permit mostly likely conditioned with requirement for acquisition of full (non-emergency) permits
- Lagoon breaching this winter uncertain



Discussion (cont.)

Challenges to Implementation

- No sustainable funding source for increased lagoon operations
- Some \$ may be available for planning/permitting purposes
- Hours in budget for staff time this FY
 - Staff's time fully committed
 - Priority of Lagoon program is unclear
 - What tasks might be reduced/delayed



Summary

- Non-emergency permitting likely a condition of any emergency permits obtained
- Landowners want sandbar management for flood reduction in lands surrounding the lagoon
- Staff applying for appropriate grants
- Stakeholder group wants to see:
 - Completed permit applications submitted to regulatory agencies
 - Agency commitment to develop long term plan for the Salinas Lagoon



TODAY'S 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 to Staff Regarding Funding those Activities.







TODAY'S ACTION

Consider Receiving an Update on the Sustainable Groundwater Management Act Basin Boundary Adjustment Requests, and Providing Direction to Staff





Committee / BOD / BOS Actions

- Committee participated in GRA webinars about SGMA
 - December 10, 2014
 - January 21, 2015
- Feb 11, 2015 – BMP Committee received a report on a Public Outreach Plan (POP)
- February 2015 – BOD / BOS received report on POP
- October 2015 – GSA facilitation contract
- November 2015 – Facilitation Funding Agreement
- January 2016 – Committee received an update on GSA formation



Financial Impact

- None for receiving this update



Discussion

- SGMA passed in September 2014
 - Went into effect on January 1, 2015
- SGMA contains critical milestones:
 - **Priority of basins**
 - Refinement of basin boundaries
 - Formation of Groundwater Sustainability Agency (GSA)
 - Development of Groundwater Sustainability Plan(s)
- Goal is basin sustainability within 20 years



Discussion (cont.)

- Facilitated process for GSA formation is ongoing
 - Deadline of June 30, 2017
- Requests for basin boundary modifications
 - First opportunity: deadline of March 31, 2016
 - DWR to publish final boundaries in early 2017.
- Subsequent opportunity for basin boundary modifications in 2018



Discussion (cont.)

- County/Agency exploring modifications to boundaries of three groundwater basins or subbasins in Monterey County

- Salinas Valley Groundwater Basin
 - Seaside Area subbasin
 - Paso Robles Area subbasin

- Pajaro Valley Groundwater Basin



Discussion (cont.)

- Seaside Area
 - Subbasin of Salinas Valley Groundwater Basin

 - Monterey Peninsula Water Management District (MPWMD) pursuing modification to recognize adjudicated portion of Seaside subbasin as a distinct groundwater basin.
 - MPWMD Board Resolution 2016-01 (January 27, 2016)



Discussion (cont.)

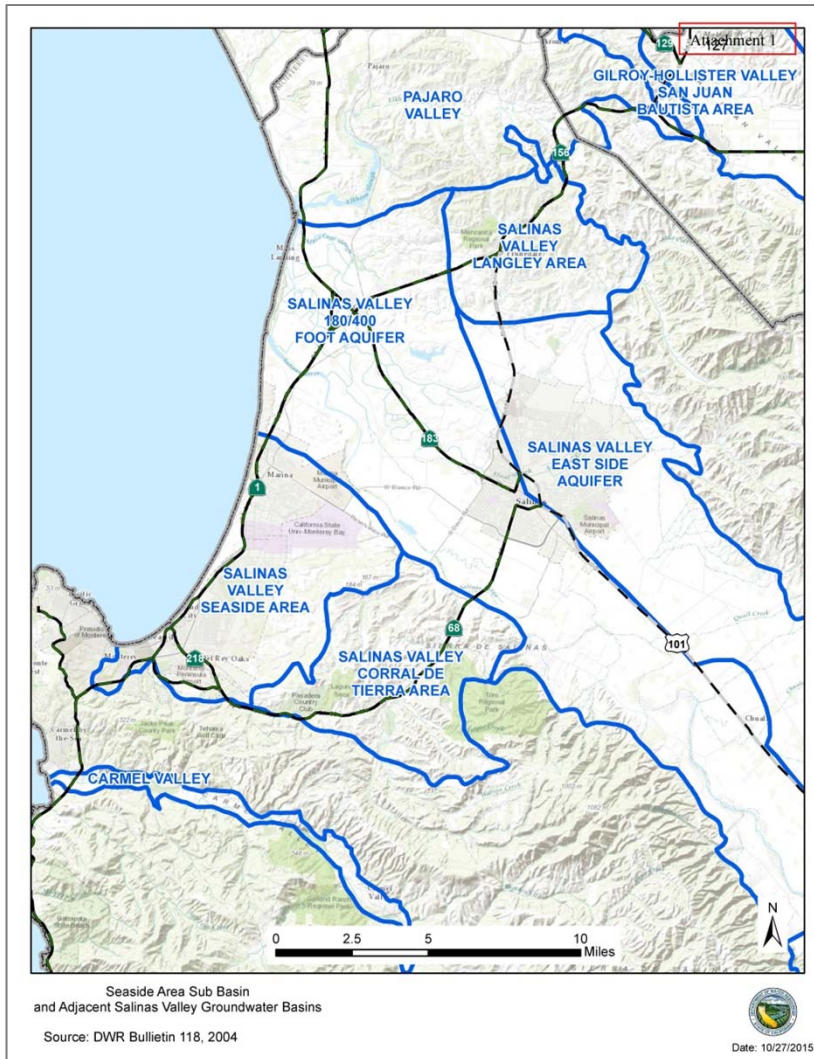
- Existing Seaside Area subbasin would be subdivided

- Two new basins/subbasins would be formed
 - Adjudicated Seaside Groundwater Basin
 - Marina Area subbasin of Salinas Valley GW Basin

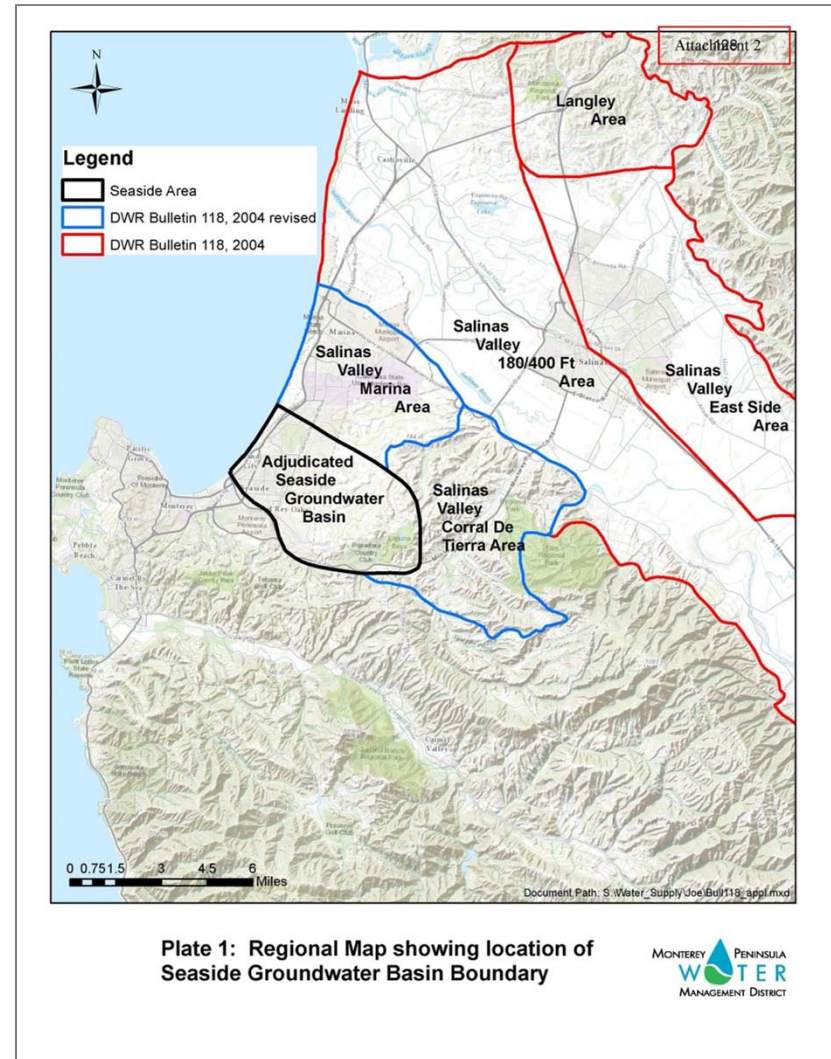
- Boundary of existing Corral de Tierra Area subbasin would also be adjusted

Discussion (cont.)

Existing Basin Boundaries



Proposed Basin Boundary Modification





Discussion (cont.)

- Seaside Watermaster is the default GSA for the Adjudicated Seaside Groundwater Basin
- Marina Area subbasin would most likely be managed by the GSA for the Salinas Valley Groundwater Basin that is currently being created through a ‘facilitated process’



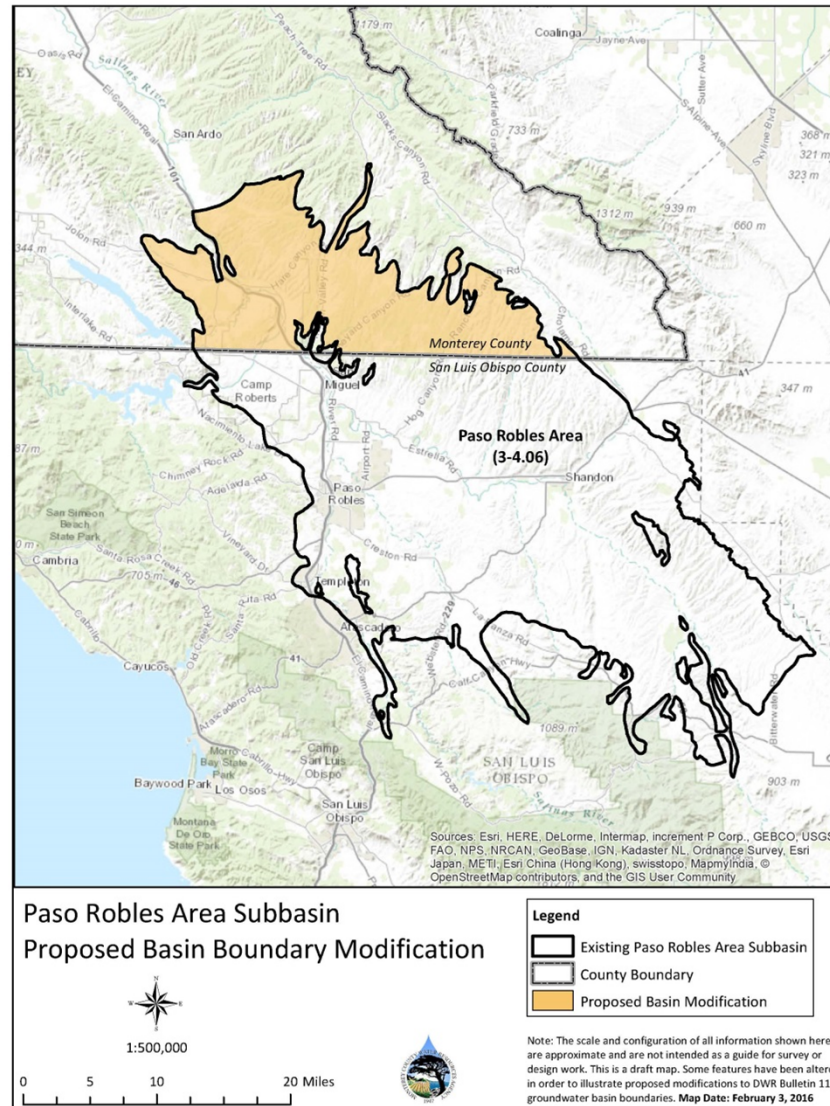
Discussion (cont.)

- Paso Robles Area
 - Subbasin of Salinas Valley Groundwater Basin

 - Existing subbasin overlies Monterey and San Luis Obispo counties

 - County/Agency considering subdivision of basin at the County line

Discussion (cont.)

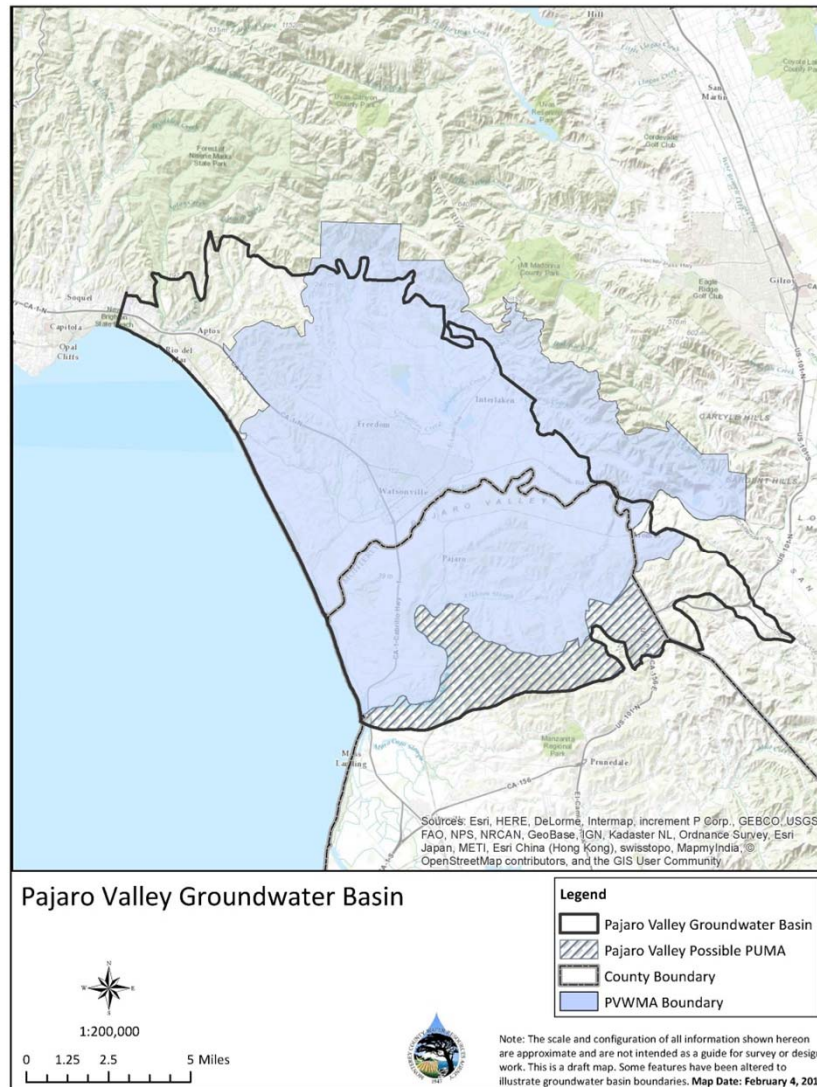




Discussion (cont.)

- Pajaro Valley Groundwater Basin
 - Overlies counties of Monterey, Santa Cruz, and San Benito
 - Pajaro Valley Water Management Agency (PVWMA) is GSA for areas of the basin within their jurisdictional boundary
 - Portions of Pajaro Valley GW Basin in Monterey County lie outside PVWMA area.

Discussion (cont.)





Discussion (cont.)

- Options for portion of Pajaro Valley Groundwater Basin in Monterey County that lies outside area covered by PVWMA
 - Modify basin boundary; include new basin in management of GSA for Salinas Valley Basin
 - Allow area to become a Potentially Unmanaged Area (PUMA)



Discussion (cont.)

- Next steps
 - Submit an “Initial Notification of Potential Basin Boundary Modification Request” to DWR
 - Coordinate with local agencies in affected basins
 - BOD/BOS Resolution initiating the modification request
 - Submit request(s) to DWR by March 31, 2016



Summary

- Basin boundary refinements deadline approaching
- County/Agency considering modifications
- Moving forward will require interaction with other agencies
- Next opportunity for basin boundary modifications not until 2018



TODAY'S ACTION

Receive an Update on the Sustainable Groundwater Management Act Basin Boundary Adjustment Requests, and Provide Direction to Staff.





TODAY'S ACTION

Consider Recommending that the Monterey County Board of Supervisors Reinsert Language in the Monterey County Legislative Program Supporting a Robust State-wide Vessel Tracking System to Assist with Preventing Dreissenid Mussels from Infesting Lakes Nacimiento and San Antonio; and, Providing Direction to Staff.





Committee Action

- Reservoir Operations Committee Feb, 4 2016
 - Recommended that the BOD recommended the BOS insert state-wide vessel tracking into the County's legislative platform





Prior BOD/BOS Action

- None





Financial Impact

- None for receiving this report





Discussion

- 30 Waterbodies in CA infested with Quagga or Zebra mussels
- San Justo in San Benito Co. closest
- Lake Piru in Ventura County infested in 2013 and is not part of Colorado river system





Discussion (cont.)

- 2012 County supported AB 2443 that added a fee to vessels used in fresh water
- Fee to support prevention programs at uninfected reservoirs
- AB 2443 did not implement any state-wide tracking of vessels





Discussion

- Different methods of reservoir protection had evolved.
- Banning boats from certain locations
- Mandatory quarantine before launching
- Questioning of boater prior to launch





Discussion (cont.)

- No concerted effort is being made to track vessels leaving infested waters
 - Piru is using the QIS/QID system on vessels leaving





Summary

- No concerted state wide effort is being made to track vessels leaving infested waters
- Nacimiento and San Antonio receive boaters from infested bodies of water



TODAY'S ACTION

Recommend that the Monterey County Board of Supervisors Reinsert Language in the Monterey County Legislative Program Supporting a Robust State-wide Vessel Tracking System to Assist with Preventing Dreissenid Mussels from Infesting Lakes Nacimiento and San Antonio; and, Provide Direction to Staff.







TODAY'S ACTION

Consider Receiving an Update on
the Completion of the Strategic
Planning Session Process; and,
Providing Direction to Staff





Committee Action

- Planning Committee reviewed last year's Strategic Plan in preparation for this year's session
- Planning Committee discussed Strategic Planning Next Steps at their January 14, 2016 meeting



Financial Impact

- There is no financial impact from receiving this report



Discussion

- Strategic Planning Session was held on December 10, 2015
- Having both BOD and BOS there allowed for cohesive strategic planning for the Agency
- Staff committed to working on next steps
- Work products will come to the Planning Committee and then the BOD for approval



Discussion (cont.)

- Since the last Planning Committee meeting:
 - EMT Staff spent time refining the Agency’s mission, and principles to guide decision making
 - Other Water Entity Strategic Plans have been acquired for review; review has commenced...

- What Staff still needs to work on:
 - Broad goals
 - Specific goals and objectives



Discussion (cont.)

- Mission Statement work –
 - Current Mission Statement:

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.

Notes from Strategic Planning Session:

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



Discussion (cont.)

- Mission Statement work (cont.) –
 - New proposed Mission Statement:

The Water Resources Agency manages, protects, stores and conserves water resources in Monterey County for beneficial usage, while minimizing damage from flooding to create a safe and sustainable water supply for present and future generations.



Discussion (cont.)

- Guiding Principles for Decision Making – 2014
 - Created, though not formally adopted...
 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.



Discussion (cont.)

Guiding Principles for Decision Making - Impediments

- Prop 218 limitations
- Drought
- Regulations
- Litigation
- Lack of budget / staff
- 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
- Need better recognition of different roles for BOD / BOS



Discussion (cont.)

- Staff worked on Guiding Principles and came up with the following (old, then proposed):
 1. Project or program is consistent with core mission ✓
 2. Meets legal, contractual and mandated obligations
 2. Meets **FINANCIAL**, legal, contractual and mandated obligations



Discussion (cont.)

- Staff worked on Guiding Principles and came up with the following (old, then proposed):
 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.

 3. Approved priorities will not be beyond ~~financial capacity~~ of Agency **FINANCIAL RESOURCES**. Financial discipline will be exercised to ensure that funding is available to cover all expected expenditures, **INCLUDING FUTURE REPLACEMENT OF FACILITIES**.



Discussion (cont.)

- Staff worked on Guiding Principles and came up with the following (old, then proposed):
 4. Projects/programs will protect against loss of life/property.

- 4. EFFECTIVE COMMUNICATION AND OUTREACH WILL BE DONE TO MAINTAIN A TRANSPARENT PROCESS**



Discussion (cont.)

- Staff worked on Guiding Principles and came up with the following (old, then proposed):
 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.

5. POTENTIAL RISKS, COSTS, BENEFITS AND FEASIBILITY WILL BE ANALYZED IN A SYSTEMATIC MANNER.



Discussion (cont.)

- Proposed Guiding Principles for Decision Making:
 1. Project or program is consistent with core mission.
 2. Potential risks, costs, benefits, and feasibility will be analyzed
 3. Effective communication and outreach will be done to maintain a transparent process
 4. Meets financial, legal, contractual and mandated obligations.
 5. Approved priorities will not be beyond Agency financial resources. Financial discipline will be exercised to ensure that funding is available to cover all expected expenditures, including future replacement of facilities.



Summary

- SP workshop picked up from last year's session
- PC / BOD requested staff complete Mission Statement and Guiding Principles
- Proposed Mission Statement presented
- Proposed Guiding Principles for Decision Making presented



TODAY'S ACTION

Receive an Update on the
Completion of the Strategic Planning
Session Process; and, Provide
Direction to Staff







TODAY'S ACTION

Consider Receiving an Update
on the Water Right Permit
#11043 Extension Request





Committee Action

- This report did not go to any of the Board of Directors committees.



Prior BOD/BOS Action

- Multiple presentations regarding Water Right Permit #11043
- June 2014 – Last presentation to BOD regarding WR Permit #11043 – NOP of an EIR
- No resources to move forward...
- BOS moved Interlake Tunnel and Spillway Modification Project to highest priority



Financial Impact

- No financial impact from receiving this update



Discussion

- Agency moving forward with Interlake Tunnel and Spillway Modification Project
 - Resources provided by County through Funding Agreement
- September 2014 – Governor signs legislation enacting SGMA
- SGMA caused Agency to look at existing projects and how they could work together synergistically



Discussion (cont.)

- Agency requested an extension from the SWRCB on WR Permit #11043 time line due to:
 - The on-going drought
 - The Interlake Tunnel and Spillway Modification Project
 - Implementation of SGMA
 - Strategy for sustainability
 - Four-year extension was requested on May 18, 2015

- Agency staff met with SWRCB staff on June 24, 2015 to discuss extension



Discussion (cont.)

- SWRCB staff subsequently sent a letter to Downey Brand on October 12, 2015
 - Indicated May petition was not necessary
 - Requested a letter addressing Term 14 of the Permit
 - Letter in BOD Packet

- DB responded with a letter on December 18, 2015
 - Letter in BOD Packet



Discussion (cont.)

- DB letter made reference to the Agency's "Comprehensive Salinas Valley Groundwater Basin Sustainability Approach" document
- Indicated that WR Permit #11043 is a critical part of achieving Basin sustainability
- There has been no response from SWRCB to the December 18, 2015 DB letter
 - Back and forth dialogue is typical at this stage of process



Summary

- Work on WR Permit #11043 was moving forward until Agency ran out of resources
- Due to drought and BOS direction, Interlake Tunnel Project became a higher priority
- SGMA legislation provided opportunity to look at existing projects in new way
- A request for an extension has been made
 - Letters have gone back and forth for clarification of issues
- No word on whether extension is granted



TODAY'S ACTION

Receive an Update on the
Water Right Permit #11043
Extension Request

