



## MONTEREY COUNTY WATER RESOURCES AGENCY

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### BOARD OF DIRECTORS

#### BOARD OF DIRECTORS:

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Mark Gonzalez  
David Hart  
John Huerta  
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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, July 27, 2015 @ 1:00 P.M.**

### REGULAR BOARD OF DIRECTORS MEETING

### A G E N D A

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, July 23, 2015 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](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 – 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 – Existing Litigation  
Pursuant to Government Code section 54956.9(d)(1), the Board of Directors will confer with legal counsel regarding pending litigation: California-American Water Company and MCWRA v. Marina Coast Water District; RMC, San Francisco Superior Ct. Case No. CGC 15-546632; California-American Water Company and MCWRA v. Marina Coast Water District; RMC, San Francisco Superior Ct. Case No. CGC-13-528312; In the Matter of the Application of California- American Water Company, Cal. P.U.C. Application No. 13-05-017; and, Monterey County Water Resources Agency, et al. v. Boyle Engineering Corporation, et al. (Santa Clara County Superior Court case no. 113-CV-250447).
- b) 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 two matters of significant exposure to litigation.

**3. ADJOURN TO CLOSED SESSION**

**4. RECONVENE MEETING/RE-ESTABLISH QUORUM (No earlier than 1:00 P.M.)**

**5. PLEDGE OF ALLEGIANCE**

**6. 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.)*

**7. PRESENTATIONS**

- A. Salinas River Stream Maintenance Program Update – Ms. Shaunna Juarez
- B. Sustainable Groundwater Management Act (SGMA) Process Update – Mr. David E. Chardavoyne

**8. CONSENT CALENDAR ..... 9**

- A. Receive Report on Salinas Valley Water Conditions for the Third Quarter of Water Year 2014-2015. .... 11
- B. Receive an update regarding the Water Resources Agency and the Monterey Regional Water Pollution Control Agency (MRWPCA) progress on the development of a transparent overhead cost allocation plan with review and recommendations provided by NBS, an Independent Financial Consulting firm. .... 25
- C. Approve reauthorization of FY14-15 Heavy Equipment Plan purchase of F550 chassis and spray rig using funds allocated in the Monterey County Water Resources Agency’s FY 14-15 Adopted Budget; and, authorize the General Manager to purchase the equipment in accordance with the FY14-15 Heavy Equipment Plan and reauthorization. .... 39

**9. ACTION ITEMS ..... 45**

- A. Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve Budget Amendment No. 1 authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency’s FY 2015-16 Adopted Budget to include the Regional Desalination Settlement received from Cal-Am in the amount of \$764,557 and increase appropriations by \$712,415 in the following Agency Funds: 113, 114, 115, 122, 130 and 134 that were needed to support hydrology and water quality programs and increased legal expenses. .... 47
- B. Consider approving a Professional Services Agreement with Obermeyer Hydro, Inc. in the amount of \$35,216 for modification to the Nacimiento Dam inflatable spillway gates and the Salinas River Diversion Facility inflatable gates; and, authorizing the General Manager to execute the Agreement. .... 53
- C. Consider approving and recommending that the Monterey County Water Resources Agency Board of Supervisors approve \$250,000 an initial payment identified in the Federal Cost Share Agreement (FCSA) executed by this Agency, U.S. Army Corps of Engineers (Corps) and Santa Cruz County Flood Control and Water Conservation District to complete the General Reevaluation Report/Environmental Impact Statement (GRR) for the Pajaro River Flood Risk Reduction Project; and request said funds be transferred directly to the U.S. Army Corps of Engineers (Corps). .... 79
- D. Consider receiving an update on Castroville Seawater Intrusion Project (CSIP) Supplemental Well Status. .... 133
- E. Consider approving Amendment No. 1 to the Professional Services Agreement with Rain for Rent in the amount of \$10,000 to allow pumping of Castroville Seawater Intrusion Project Well 09D04 (New Well No. 2) to improve water quality; extending the term of the Agreement through June 30, 2016; and, authorizing the General Manager to execute the Amendment.. 135
- F. Consider receiving a report regarding the possible formation of an *ad hoc* committee to advise the appropriate Water Resources Agency Standing Committee(s) on the issues identified in the Salinas Valley Water Coalition letter dated June 29, 2015; and, provide direction to Staff.. 163

**10. KEY INFORMATION AND CALENDAR OF EVENTS**

**11. GENERAL MANAGER’S REPORT**

**12. 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

**13. INFORMATION ITEMS ..... 169**

- A. Development Review ..... 171
- B. Reservoir Release Update ..... 173

C. Well Permit Application Activities Update .....	175
D. Salinas River Stream Maintenance Program Update .....	177
E. Winter Storm Preparedness Update .....	181
<b>14. CORRESPONDENCE .....</b>	<b>189</b>
A. Letter dated June 19, 2015 from Abby Taylor-Silva, Vice President: Policy & Communications Re: Petition for Extension of Time – Water Right Permit No. 11043 Monterey County Water Resources Agency, Salinas River, Monterey County .....	191
B. Letter dated June 29, 2015 from Nancy Isakson, President – Salinas Valley Water Coalition Re: Request for Stakeholder Group Formation .....	193
C. Letter dated July 1, 2015 from Gary Stern, Acting Office Supervisor – National Oceanic and Atmospheric Administration Re: Monterey County Water Resources Agency Board of Directors’ proposal for substantially increasing stream flow releases from Nacimiento Reservoir during summer 2015 .....	195
D. Letter dated July 7, 2015 from MCWRA to Zone 2B Water Customers Re: Recent changes affecting Zone 2B CSIP water delivery and SRDF service charges ....	199
E. Letter dated July 14, 2015 from Ron Chesshire, CEO – Monterey/Santa Cruz Counties Building & Construction Trades Council Re: Formation of a Stakeholder Group to Address Solutions for Water Issues .....	201
F. Letter dated July 15, 2015 from Norman C. Groot, Executive Director – Monterey County Farm Bureau Re: Pressing Issues Facing MCWRA .....	203
<b>15. BOARD OF DIRECTORS’ COMMENTS</b>	
<b>16. ADJOURNMENT</b>	