



MONTEREY COUNTY WATER RESOURCES AGENCY

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BOARD OF SUPERVISORS

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**SPECIAL JOINT MEETING OF THE MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF SUPERVISORS AND BOARD OF DIRECTORS**

DATE: Tuesday, June 3, 2014

TIME: 2:00 P.M.

PLACE: Monterey County Government Center
Board of Supervisors Chambers
168 W. Alisal Street
Salinas, CA 93901

Agenda for Tuesday, June 3, 2014 @ 2:00 p.m.

**SPECIAL JOINT MEETING OF THE MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF SUPERVISORS AND BOARD OF DIRECTORS**

Staff reports relative to the agenda items listed below will be available for public review on the Agency's website by 6:00 PM on Friday, May 30, 2014 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.

1. CALL TO ORDER/ROLL CALL/ESTABLISH QUORUM

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENTS

*(Limited to three minutes per speaker 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.)*

4. CONSENT CALENDAR

A. Reaffirm approval of a Budget Amendment authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2013-14 Budget for various funds due to timing differences of expenditures between FY 2012-13 and FY 2013-14.

a. Increase Appropriations in Fund 116 (Zone 2C Dam Operations), Dept. 9300, Unit 8267, Appropriation WRA006, Account 6613 (Other Professional Services) \$22,293 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);

b. Increase Appropriations in Fund 118 (Zone 5 Merritt Lake), Dept. 9300, Unit 8267, Appropriation WRA008, Account 6613 (Other Professional Services) \$2,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);

c. Increase Appropriations in Fund 121 (Zone 8 Soledad Storm Drain), Dept. 9300, Unit 8267, Appropriation WRA011, Account 6613 (Other Professional Services) \$35,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);

d. Increase Appropriations in Fund 122 (Zone 9 Reclamation Ditch), Dept. 9300, Unit 8267, Appropriation WRA012, Account 6613 (Other Professional Services) \$32,199 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);

e. Increase Appropriations in Fund 124 (Zone 12 San Lorenzo Creek), Dept. 9300, Unit 8267, Appropriation WRA014, Account 6613 (Other Professional Services) \$30,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);

f. Increase Appropriations in Fund 128 (Storm Drain Maintenance District #2), Dept. 9300, Unit 8267, Appropriation WRA018, Account 6613 (Other Professional Services) \$1,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);

g. Increase Appropriations in Fund 129 (Gonzales Slough Maintenance District), Dept. 9300, Unit 8267, Appropriation WRA019, Account 6613 (Other Professional Services) \$10,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote);

h. Increase Appropriations in Fund 131 (CSIP Operations & Maintenance), Dept. 9300, Unit 8267, Appropriation WRA020, Account 6613 (Other Professional Services) \$76,191 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);

i. Increase Appropriations in Fund 134 (Salinas River Diversion Facility Operations), Dept. 9300, Unit 8267, Appropriation WRA028, Account 6613 (Other Professional Services) \$155,973 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required).

5. ACTION ITEMS

- A. Consider approving the Monterey County Water Resources Agency Third Quarter Report for FY 2013-2014.
- B. Consider recommending that the Board of Supervisors of the Monterey County Water Resources Agency: a) Authorize preliminary actions to prepare a project description and perform other engineering and design work to commence environmental review for the Interlake Tunnel Project; b) Request the Monterey County Board of Supervisors to authorize proceeding with negotiation and execution of a funding agreement between Monterey County and the Monterey County Water Resources Agency for an amount not to exceed \$2.5 million to perform the necessary work to commence environmental review of the Interlake Tunnel Project, said funds to be reimbursed to Monterey County if the Project is approved and financed; c) Authorize the General Manager of the Monterey County Water Resources Agency to enter into the necessary agreements to prepare for and commence environmental review of the Project in an initial amount not to exceed \$500,000 provided funding is approved by Monterey County.

6. BOARD OF SUPERVISORS' AND BOARD OF DIRECTORS' COMMENTS

7. ADJOURNMENT

CONSENT CALENDAR

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

MEETING DATE:	June 3, 2014		AGENDA ITEM:
AGENDA TITLE:	<p>Reaffirm approval of Budget Amendment No. 2 authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2013-14 Budget for various Funds due to timing differences of expenditures between FY 2012-13 and FY 2013-14.</p> <p>a. Increase Appropriations in Fund 116 (Zone 2C Dam Operations), Dept. 9300, Unit 8267, Appropriation WRA006, Account 6613 (Other Professional Services) \$22,293 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);</p> <p>b. Increase Appropriations in Fund 118 (Zone 5 Merritt Lake), Dept. 9300, Unit 8267, Appropriation WRA008, Account 6613 (Other Professional Services) \$2,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);</p> <p>c. Increase Appropriations in Fund 121 (Zone 8 Soledad Storm Drain), Dept. 9300, Unit 8267, Appropriation WRA011, Account 6613 (Other Professional Services) \$35,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);</p> <p>d. Increase Appropriations in Fund 122 (Zone 9 Reclamation Ditch), Dept. 9300, Unit 8267, Appropriation WRA012, Account 6613 (Other Professional Services) \$32,199 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);</p> <p>e. Increase Appropriations in Fund 124 (Zone 12 San Lorenzo Creek), Dept. 9300, Unit 8267, Appropriation WRA014, Account 6613 (Other Professional Services) \$30,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);</p> <p>f. Increase Appropriations in Fund 128 (Storm Drain Maintenance District #2), Dept. 9300, Unit 8267, Appropriation WRA018, Account 6613 (Other Professional Services) \$1,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);</p> <p>g. Increase Appropriations in Fund 129 (Gonzales Slough Maintenance District), Dept. 9300, Unit 8267, Appropriation WRA019, Account 6613 (Other Professional Services) \$10,000 financed by available Unreserved Fund Balance Account 3101 (4/5th vote);</p> <p>h. Increase Appropriations in Fund 131 (CSIP Operations & Maintenance), Dept. 9300, Unit 8267, Appropriation WRA020, Account 6613 (Other Professional Services) \$76,191 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required);</p> <p>i. Increase Appropriations in Fund 134 (Salinas River Diversion Facility Operations), Dept. 9300, Unit 8267, Appropriation WRA028, Account 6613 (Other Professional Services) \$155,973 financed by available Unreserved Fund Balance Account 3101 (4/5th vote required).</p>		
<p>Consent (<input checked="" type="checkbox"/>) Action (<input type="checkbox"/>) Information (<input type="checkbox"/>)</p>			
SUBMITTED BY: PHONE:	Cathy Paladini (831) 755-4861	PREPARED BY: PHONE:	Cathy Paladini (831) 755-4861
DEADLINE FOR BOARD ACTION:	June 3, 2014		

RECOMMENDED BOARD ACTION:

Reaffirm approval of Budget Amendment No. 2 authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's FY 2013-14 Budget for various Funds due to timing differences of expenditures between FY 2012-13 and FY 2013-14.

PRIOR RELEVANT BOARD ACTION:

The Agency's Preliminary FY 2013-14 Budget was approved by the Board of Directors following a Public Hearing on March 25, 2013. The Board of Supervisors approved the Agency's FY 2013-14 Budget in June 2013. The Water Resources Agency Board of Directors approved this Amendment on September 23, 2013.

DISCUSSION/ANALYSIS:

As noted, the Water Resources Agency Board of Directors approved this Budget Amendment on September 23, 2013. However, the report was inadvertently not submitted to the Water Resources Agency Board of Supervisors for approval. Budget Amendment No. 2 is now formally being submitted to the Water Resources Agency Board of Supervisors for approval to ensure all fund balances are correct.

FINANCIAL IMPACT:	YES (X)	NO ()
FUNDING SOURCE:	Unassigned fund balances	
COMMITTEE REVIEW AND RECOMMENDATION:	Approved by MCRWRA Board of Directors on September 23, 2013	
ATTACHMENTS:	1. Executed Board Order	
APPROVED:	<i>David P. Chardavoyne</i> General Manager	<i>5/28/14</i> Date



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

BOARD ORDER No. 13-52

APPROVE AND RECOMMEND THAT THE MONTEREY)
COUNTY BOARD OF SUPERVISORS APPROVE BUDGET)
AMENDMENT NO. 2 AUTHORIZING THE)
AUDITOR-CONTROLLER TO AMEND THE MONTEREY)
COUNTY WATER RESOURCES AGENCY'S FISCAL YEAR)
2013-14 BUDGET FOR VARIOUS FUNDS DUE TO)
TIMING DIFFERENCES OF EXPENDITURES BETWEEN)
FY 2012-13 AND FY 2013-14)

- A. INCREASE APPROPRIATIONS IN FUND 116 (ZONE 2C OPERATIONS), DEPT 9300, UNIT 8267, APPROPRIATION WRA006, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$22,293 FINANCED BY AVAILABLE UNRESERVED FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);
- B. INCREASE APPROPRIATIONS IN FUND 118 (ZONE 5 MERRITT LAKE), DEPT 9300, UNIT 8267, APPROPRIATION WRA008, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$2,000 FINANCED BY AVAILABLE UNRESERVED FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);
- C. INCREASE APPROPRIATION IN FUND 121 (ZONE 8 SOLEDAD STORM DRAIN), DEPT. 9300, UNIT 8267, APPROPRIATION WRA011, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$35,000 FINANCED BY AVAILABLE FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);
- D. INCREASE APPROPRIATIONS IN FUND 122 (ZONE 9 RECLAMATION DITCH), DEPT 9300, UNIT 8267, APPROPRIATION WRA012, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$32,199 FINANCED BY AVAILABLE FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);
- E. INCREASE APPROPRIATIONS IN FUND 124 (ZONE 12 SAN LORENZO CREEK), DEPT 9300, UNIT 8267, APPROPRIATION WRA014, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$30,000 FINANCED BY AVAILABLE UNRESERVED FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);
- F. INCREASE APPROPRIATIONS IN FUND 128 (STORM DRAIN MAINTENANCE DISTRICT #2) DEPT 9300, UNIT 8267, APPROPRIATION WRA018, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$1,000 FINANCED BY AVAILABLE UNRESERVED FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);
- G. INCREASE APPROPRIATIONS IN FUND 129 (GONZALES SLOUGH MAINTENANCE DISTRICT), DEPT 9300, UNIT 8267, APPROPRIATION WRA019, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$10,000 FINANCED BY AVAILABLE UNRESERVED FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);
- H. INCREASE APPROPRIATIONS IN FUND 131 (CSIP OPERATIONS & MAINTENANCE), DEPT 9300, UNIT 8267, APPROPRIATION WRA020, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$76,191 FINANCED BY AVAILABLE UNRSERVED FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED);

I. INCREASE APPROPRIATION IN FUND 134 (SALINAS RIVER DIVERSION FACILITY OPERATIONS), DEPT 9300, UNIT 8267, APPROPRIATION WRA028, ACCOUNT 6613 (OTHER PROFESSIONAL SERVICES) \$155,973 FINANCED BY AVAILABLE UNRESERVED FUND BALANCE ACCOUNT 3101 (4/5TH VOTE REQUIRED).

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

- a. Approves and recommends approval of Budget Amendment No. 2 by the Monterey County Board of Supervisors authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency's Fiscal Year 2013-2014 Budget for the above-listed various Funds due to timing differences of expenditures between FY 2012-13 and FY 2013-14.

PASSED AND ADOPTED on this 30th day of September 2013 by the following vote, to-wit:

AYES: Directors Ken Ekelund, Claude Hoover, Silvio Bernardi, Mark Gonzalez, David Hart, Mike Scattini and Deidre Sullivan

NOES: None

ABSENT: Directors Fred Ledesma and Richard Ortiz



BY: Ken Ekelund, Chair
Board of Directors



ATTEST: David E. Chardavoyne
General Manager

ACTION ITEMS

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

MEETING DATE:	June 2, 2014	AGENDA ITEM:	
AGENDA TITLE:	Approve the Monterey County Water Resources Agency Third Quarter Report for FY 2013-2014 for submission to the Monterey County Water Resources Agency Board of Supervisors.		
Consent (<input checked="" type="checkbox"/>)		Action (<input type="checkbox"/>)	
Information (<input type="checkbox"/>)			
SUBMITTED BY:	David E. Chardavoyne	PREPARED BY:	David E. Chardavoyne
PHONE:	(831) 755-4896	PHONE:	(831) 755-4896
DEADLINE FOR BOARD ACTION:	June 2, 2014		

RECOMMENDED BOARD ACTION:

Approve the Monterey County Water Resources Agency Third Quarter Report for FY 2013-2014 for submission to the Monterey County Water Resources Agency Board of Supervisors.

PRIOR RELEVANT BOARD ACTION:

None.

DISCUSSION/ANALYSIS:

Pursuant to Section 52-73(b) of the Agency Act (Reports to supervisors), the Agency is required to report to the Board of Supervisors as follows:


The Agency shall prepare a quarterly report, which shall be approved by the Directors, and a copy of the report shall be submitted to the Board of Supervisors. The Directors shall make an oral presentation of its report to the Board of Supervisors at a Supervisors' meeting.

In compliance with the above, Staff will provide an update on critical projects on which the Agency is currently working, including the following:

- Agency Water Rights Permit #11043;
- Salinas River Stream Maintenance Program (short-term) - see also attached flow chart for process status;
- Salinas River Management Program (long-term);
- Implementation of Independent Accountant's Report Findings;
- Floodplain Management Plan;
- Pajaro River Flood Damage Reduction Project; and,
- CSIP Service Area Water Supply.

Routine Agency activities continue and are monitored monthly through our Performance Indicator Program. These activities include Agency Land Use Review; Well Permit Application Review; Management of Reservoir Releases; Maintenance of the ALERT System; Fish Monitoring; and, the Groundwater Extraction Maintenance System Program.

The Agency also has before it additional essential projects. Some are underway, as noted, and others are pending due to personnel and/or capital constraints. These projects are identified on the attached list.

FINANCIAL IMPACT:	YES ()	NO (X)
FUNDING SOURCE:	N/A	
COMMITTEE REVIEW AND RECOMMENDATION:	None	
ATTACHMENTS:	<ol style="list-style-type: none"> 1. Board Order 2. Seven Critical Projects Briefing Reports 3. SRSMP Permitting Process Flow Chart 4. Additional Essential Projects List 	
APPROVED:	 General Manager Date 5/28/14	



***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 Third Quarter Report for FY 2013-2014)
for submission to the Monterey County Water)
Resources Agency Board of Supervisors.)**

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 Third Quarter Report for FY 2013-2014 for submission to the Monterey County Water Resources Agency Board of Supervisors.

PASSED AND ADOPTED on this 2nd day of **June 2014**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

BY: Richard Ortiz, Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager

BOARD OF DIRECTORS

RICHARD ORTIZ, CHAIR

**CLAUDE HOOVER, VICE CHAIR
SILVIO BERNARDI
KEN EKELUND
MARK GONZALEZ**

**DAVID HART
JOHN HUERTA
MIKE SCATTINI
DEIDRE SULLIVAN**

STAFF

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

MONTEREY COUNTY WATER RESOURCES AGENCY THIRD QUARTER REPORT FY 2013-2014



SUBMITTED TO

MONTEREY COUNTY WATER RESOURCES AGENCY

BOARD OF SUPERVISORS

AND

BOARD OF DIRECTORS

MAY 12, 2013



MCWRA Briefing Report: WATER RIGHTS PERMIT #11043

May 8, 2014

Subject: Agency Water Rights Permit #11043

Current Status:

The State Water Resources Control Board (SWRCB) proposed revoking Agency Water Rights Permit #11043. Permit #11043 identified up to 168,538 acre-feet of water that can be put to use by the Agency. That amount of water identified with the permit was reduced to 135,000 acre-feet through a Settlement Agreement (SA) between the Agency and the SWRCB that was entered into in July 2013, which avoided the costly revocation hearing.

Water Rights are valuable public assets, and should not be given up. This water right is a critical piece of the Agency's solution to seawater intrusion (SWI) in the Salinas Valley.

History:

SWI has been present in the Salinas Valley (California) since the 1930's. Currently, the Salinas Valley and Monterey County support an \$8B+/yr agricultural empire and a \$2B+/yr tourism industry. The Agency is charged with stopping SWI, and has developed and implemented a strategy to do so.

The Salinas Valley Water Project (SVWP), completed in 2010, is the foundation for future water projects. Permit #11043 water can be utilized in a future phase of the SVWP.

Next Steps:

- Present Regional Advisory Committee (RAC) proposed conceptual project that utilizes Permit #11043 water to combat SWI to the Agency Board of Directors in a workshop forum to gain additional public comments or ideas.
- Have a Special Basin Management Planning (BMP) Committee meeting to validate projects and strategies brought forth at the above-mentioned workshop.
- Continue working on time-sensitive SA milestones so the permit will not be revoked.
- Next deadline is July 2014, for the completion of a Notice of Preparation of an Environmental Impact Report (EIR).

Decision Points:

- Evaluate amount of resources necessary to implement the permit
- Determine funding strategy
- Ask County Board of Supervisors and State Department of Water Resources for funding to complete EIR in time allotted.

Completion will require:

- Solution that is supported by the community
- Additional resources from the County and / or the State
- Work plan for successful completion of SA milestones
- Focused efforts (maybe some reassignments) from Agency staff



MCWRA Briefing Report: SALINAS RIVER STREAM MAINTENANCE PROGRAM

May 8, 2014

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

Current Status:

- The Agency has been working on the preparation of an Environmental Impact Report (EIR), as one step in the process to administer the Program. The EIR evaluates the direct, indirect, and cumulative impacts of the proposed Program and three alternatives.
- Stakeholder meetings were held between October 2013 and April 2014, to develop changes to the program approach that can be included in the Revised Final EIR.
- MCWRA staff is participating in The Nature Conservancy's Demonstration Project as a member of the Technical and Design Committee and the Permitting Committee. This will be Phase 1 of the Program. A US Army Corps of Engineers (USACE) 404 Permit and a State Regional Water Quality Control Board (RWQCB) 401 Certification were applied for in late April to early May. The CDFW 1600 Agreement will be applied for by the project's 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. The current program focuses primarily on vegetation and sediment removal within the river corridor.
- The USACE is the lead permitting authority for maintenance activities in the Salinas River; however, in order for them to issue a 404 permit, they must have consultations with other Federal regulatory agencies regarding the Endangered Species Act. The USACE is responsible for the preparation of the National Environmental Protection Act (NEPA) documentation. This will be based on a Biological Assessment that the MCWRA must prepare.
- The RWQCB ensures compliance with the Clean Water Act by issuing a 401 Water Quality Certification. Additional State and local permits are also required.
- MCWRA developed a Final EIR for the Project, in accordance with the California Environmental Quality Act (CEQA). A Draft EIR was circulated from March 18, 2013 to May 31, 2013 and a public workshop was held to receive oral comments. Twenty-six written comment letters were received and responses were developed as part of the process for the development of the Final EIR.
- MCWRA staff presented the EIR to the Board of Directors (BOD) on September 30, 2013, to receive the report and to recommend that the Board of Supervisors hold a Public Hearing to consider certifying the EIR and approving the Salinas River Stream Maintenance Program. The item was continued, so that staff could work with the stakeholders on modifying the project.
- MCWRA staff received direction from the BOD on February 24, 2014 to revise the Program and incorporate aspects of the different project approaches received during the stakeholder process.

Next Steps:

- Board of Supervisors hold a Public Hearing on the Certification of the EIR and Program approval
- Develop 2-dimensional Flood Model and Technical and Design, and Permitting Committees
- Prepare necessary documents for ACOE 404 permit and submit application for Phase 2
- Begin NEPA process with the ACOE as Lead Agency for Phases 1 and 2

Completion will require:

- Certification of the CEQA Document
- Preparation of a Biological Assessment
- Completion of a NEPA Document
- Completion of Biological Opinions from NOAA Fisheries and U.S. Fish and Wildlife Service
- Acquisition of all necessary permits



MCWRA Briefing Report: STATUS REPORT ON THE SALINAS RIVER MANAGEMENT PROGRAM

May 8, 2014

Subject: Salinas River Management Program (Long-Term Program)

Current Status:

The Monterey County Water Resources Agency (Agency) has administered a Channel Maintenance Program/Stream Maintenance Program since 1997, after severe flooding occurred on the Salinas River in March 1995. This current program focuses primarily on vegetation and sediment removal within the river corridor. However, to ensure the long-term viability of the program and future regulatory approvals for increased flood protection, an alternative approach is being proposed.

The new long-term program should expand to not only encompass channel maintenance efforts as necessary, but include protection of infrastructure (municipal, industrial, agricultural and transportation) as well as measures to enhance fish and wildlife habitat and fish passage.

Agency staff held a series of public meetings to gather stakeholder input on how a long-term river management program could be initiated and what it could look like. Several meetings were held between October and December with groups such as the Salinas River Channel Coalition, the Grower-Shipper Water Committee, the Board of Director's Agriculture Advisory Committee as well as a series of public meetings held in King City, Soledad and Salinas.

The information that came out of these meetings informed the Agency that there is little, if any, public support for a legislative solution; the situation is critical; private property rights need to be respected and a locally driven solution needs to be developed.

Next Steps:

- Develop strategy to implement Program
- Develop roles and responsibilities for Agency and County staffs, as well as local, state and federal elected officials, as well as responsible resource agencies
- Consider utilizing professional facilitation to develop the Program
- Keep legislative option open

Decision Steps:

- Determine funding options and sources
- Explore professional facilitation and coordination
- Explore partnership with CSUMB to possibly establish a new degree certification

Completion will require:

- Stable and sustainable funding source and resources
- Successful stakeholder process to develop a consensus-based solution
- Focused efforts (maybe some reassignments) from Agency staff



MCWRA Briefing Report: IMPLEMENTATION OF INDEPENDENT MRWPCA ACCOUNTANT'S REPORT FINDINGS

May 8, 2014

Subject: Implementation of Independent Accountant's Report Findings

Current Status:

The WRA is working with MRWPCA on an indirect methodology for the FY 2014-15 Budget.

History:

The Water Resources Agency implemented the 2013 Hayashi & Wayland Independent Accountant's Report Finding regarding changes to three contractual categories of the CSIP/SVRP/SRDF Agreements: Water User Fees & Delivery charges, Reserves, and Budget/Expenditure Procedures.

- The responsibility of billing and collections for the SRDF water usage and delivery charges moved from the WPCA the WRA effective 10/1/13.
- The WRA reduced the SRDF account receivables from approximately \$600,000 to zero in the 1st fiscal year quarter. The WRA continues to collect water delivery charges with no delinquencies to date.
- On March 31, 2014, the WRA BOD approved the MRWPCA's FY 2014-15 \$3.4 million dollar budget, which excluded indirect charges of 10% until a methodology for those charges is developed and approved by the MC Auditor-Controller and WRA BOD. In addition, MRWPCA will utilize \$343,000 of their SWRCB reserve to cover capital projects during the fiscal year.

Next Steps:

The Monterey County Auditor Controller retained a Consultant, Craig Goodman, to assist the WRA & MRWPCA with the development and recommendation of an indirect cost methodology for FY 2014-15 budgets. On April 28, 2014, the MRWPCA informed the WRA Board of Director's that they were developing an indirect methodology and would provide it to WRA by the end of May 2014. At that time, Mr. Goodman will review and provide recommendations as needed.

Decision Points:

On May 21, 2014, The WRA will recommend approval of the FY 2014-15 MRWPCA Budget to the WRA BOS with the exclusion of the 10% indirect charge until a methodology is approved by the Monterey County Auditor-Controller and WRA BOD.

Completion will require:

Both Agencies need agree upon a methodology for replacing the WPCA indirect charge protocol so a budget can be approved during the FY 2014-15 budget cycle.



MCWRA Briefing Report: FLOODPLAIN MANAGEMENT PLAN UPDATE

May 8, 2014

Subject: Floodplain Management Plan Update

Current Status:

The Floodplain Management and Development Review section is in the process of updating the County's Floodplain Management Plan (FMP). The FMP is part of the Agency's effort to recertify the County's status in the National Flood Insurance Program (NFIP), Community Rating System (CRS). Currently staff has completed six of the nine chapters, and has a plan set in place to complete the update by the middle of June. Completed topics of the FMP update include *goals, objectives and policies, flood control*, and, most recently, *hazard assessment*. The effort to update the FMP extends not only beyond the Floodplain Management and Development Review section, getting assistance from other Agency staff as well as staff from the Monterey County Resource Management Agency, and the FEMA Region IX office.

History:

The FMP was prepared as an explicit requirement of the NFIP, CRS to: (1) identify flooding sources affecting Monterey County Repetitive Loss Properties, (2) establish an implementation plan to reduce flooding and flood-related hazards, and (3) protect the natural and beneficial functions of our floodplains. The FMP is required to be updated at least every five years to maintain the benefits of the County's CRS Class 5 rating which currently includes over \$500,000 in annual savings for Monterey County flood insurance policy holders. The Agency submitted a FEMA Pre-Disaster Mitigation Program grant application to obtain funding for the required update, and on September 9, 2011, was awarded by FEMA, a \$90,000 grant to complete the FMP update.

Next Steps:

- Complete the remaining chapters of the FMP
- Submit the draft plan to FEMA representative for initial review
- Facilitate a public meeting for review and comment on the FMP
- Submit the FMP to Cal OES (Cal OES will forward to FEMA)
- Facilitate the adoption of the plan by MCWRA BOD and MC BOS

Decision Points:

- Determine if there is sufficient time for the plan to be reviewed by FEMA before adoption by MCWRA BOD and MC BOS.
- Evaluate opportunities to gain additional CRS credits for the next FEMA recertification

Completion will require:

- Allocating sufficient time to complete the plan
- Adhering to the weekly meeting schedule in updating and reviewing the chapters
- Continue to receive support from Agency staff on updating the plan
- Continue to receive support from section staff on work outside of the FMP



MCWRA Briefing Report: PAJARO RIVER FLOOD DAMAGE REDUCTION PROJECT

May 8, 2014

Subject: Pajaro River Flood Damage Reduction Project – Status and Next Steps

Current Status:

- No Federal Funds available in FY 2014-2015
- Project analyses continue to be funded entirely from the State's DWR Prop 1E Grant awarded to both sponsors in 2008.
- Corps determined no economic justification for an NED project providing 50-year level on Reach 4, right bank, an original sponsor objective.
- Corps is completing and costing a revised alternative 9D which provides a 25-year level of protection and a 50-foot setback for Reach 4, right bank (Santa Cruz County).
- Corps is converting to a new mandatory project planning approach (SMART Planning) that requires a Letter of Support, a 3-day Charette with Sponsors, and new Feasibility Cost-Share Agreement (FCSA).
- Existing Design Agreement (2007) cost-shared at 75-25 but has reached its \$10.2 million limit thus, the need for the FCSA at increased 50-50 cost share.
- Corps has not provided a cost estimate to complete Feasibility phase covered in FCSA.
- The Project General Re-Evaluation Report (GRR) and Administrative Draft Environmental Impact Statement (ADEIS) are currently being updated.

Next Steps:

- Action by the Monterey County Board of Supervisors to submit a Letter of Support.
- Participation in an Executive Committee meeting with the Corps.
- Participation in a 3-day Charette with Corps Division, District, and Headquarters personnel to reach concurrence on a project.
- Action by the Monterey County Board of Supervisors to negotiate and re-enter into a FCSA at a 50-50 cost-share compared to 75-25 in current Design Agreement (2007) to be eligible for Federal funding.
- Enter into a Memorandum of Understanding with the WRA for reimbursement of costs.

Decision points:

- The Counties of Santa Cruz and Monterey must mutually agree to enter into the FCSA and participate in Charette for any future federal funds.
- Without these actions project will be inactive until funding is allocated.



MCWRA Briefing Report: CASTROVILLE SEAWATER INTRUSION PROJECT SERVICE AREA WATER SUPPLY UPDATE

May 8, 2014

Subject: Castroville Seawater Intrusion Project Service Area Water Supply Update

Current Status:

Irrigation water delivery to the Castroville Seawater Intrusion Project service area (MCWRA Zone 2B) consists of recycled water from the Salinas Valley Reclamation Project (SVRP), disinfected river water from the Salinas River Diversion Facility (SRDF) and well water from the Castroville Seawater Intrusion Project (CSIP) distribution system. There is not sufficient water in Nacimiento and San Antonio reservoirs to supply river water to the SRDF for the 2014 season. The irrigation service area will be supplied water from the SVRP and CSIP supplemental ground water wells. Increased supplemental well use (increased power costs) will result this fiscal year. Due to dry weather conditions, overall irrigation water demand for the service area is expected to be high for this fiscal year. Eleven wells are presently operational, with a total flow capacity of approximately 22,000 gallons per minute (gpm). Repairs for three wells are currently underway and will be temporarily out of service. In anticipation of potentially higher irrigation demand, connection of additional groundwater wells to the CSIP distribution system, for use on a contingency basis, is being pursued. Desired total well flow capacity is approximately 30,000 gpm. Modification of a CSIP booster pump station (Espinosa) is also being pursued to improve system pressure distribution and minimize use of groundwater wells for system pressure maintenance. The use and testing of the Salinas produce wash water as a supplemental CSIP source began in April. A long-term agreement has been drafted and is being reviewed by signature parties.

History:

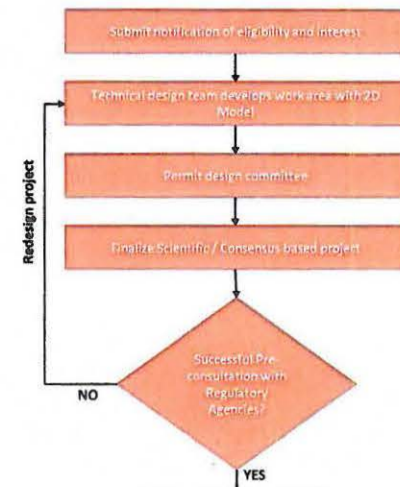
The MCWRA Reservoir Operations Committee decided to reduce release flows to regulatory minimums. No additional releases will be made in conjunction with SRDF operations for 2014. Five wells are no longer used due to high chloride concentration and will not be brought back into production in the foreseeable future. One well has been destroyed.

Next Steps:

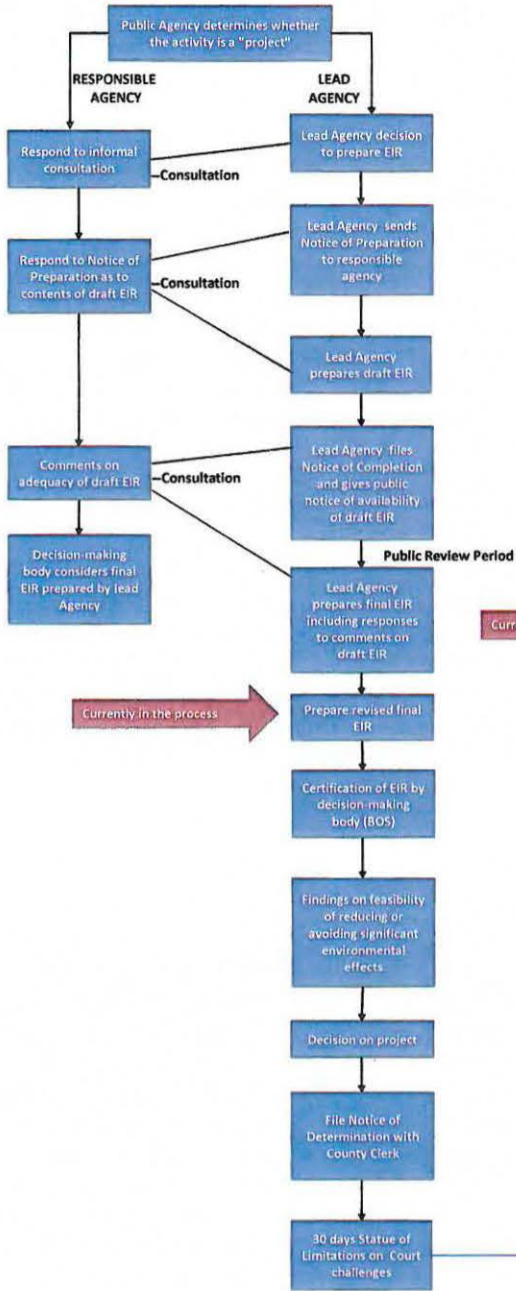
- Support Water Quality and Operations Committee efforts to encourage growers to better schedule irrigation demands.
- Continue contingency well follow up with owners. Agree on operating cost payment, maintenance, access, etc.; Collect water sample; Connect additional wells; Target completion – August/September 2014
- Complete design of CSIP Espinosa Booster Station modification; Engage contractor; Construct modification; Target completion – June 2014
- Continue pursuit of a long term agreement for incorporation of City of Salinas Produce Wash Water into recycled water beyond the current test period.

SALINAS RIVER STREAM MAINTENANCE PROGRAM (SRSMP) PERMITTING PROCESS

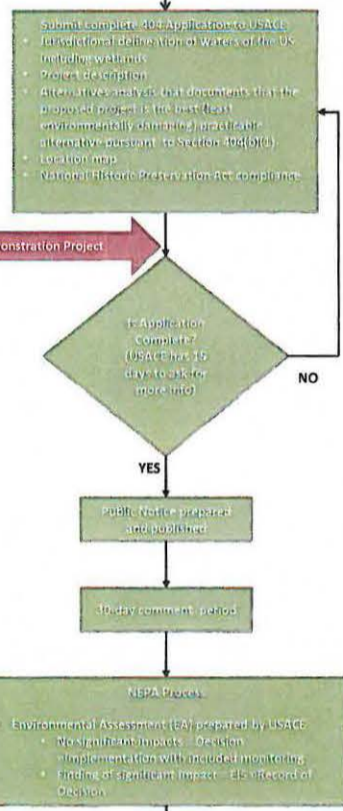
SRSMP PARTICIPANT PROCESS



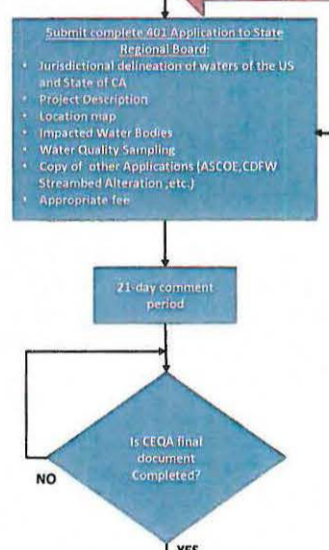
CEQA EIR PROCESS



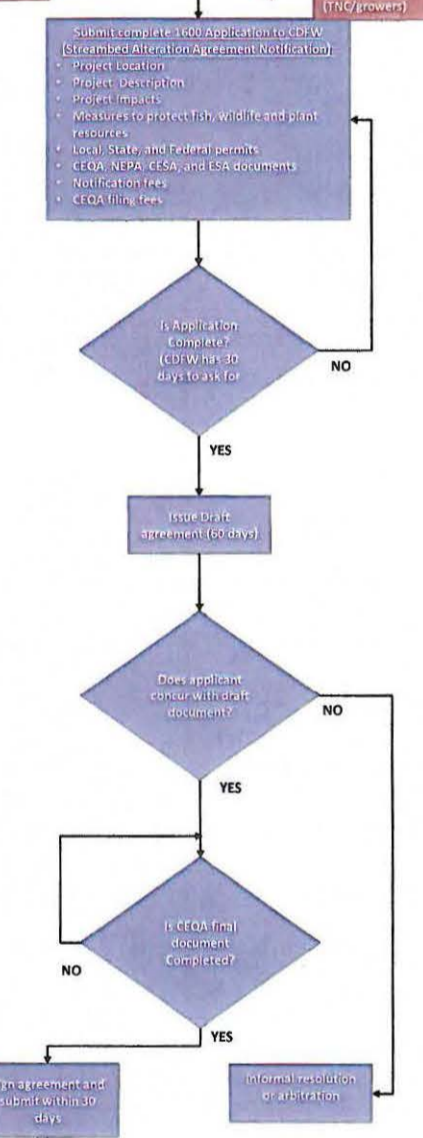
404 PROCESS



401 PROCESS



1600 PROCESS



ADDITIONAL ESSENTIAL AGENCY PROJECTS

UNDERWAY

1. Bryant Canyon Flood Control Project
2. Resolution of Amendment No. 3 Issues with MRWPCA
3. Resolution of Reclamation Ditch and Blanco Drain Issues
4. Development of Well Monitoring Plan for Proposed Cal-Am Wells
5. Improvement of Dam Safety Program
6. Investigation of Office Location Options
7. Supervision of County Basin Study
8. Design and Construction of Espinosa Booster Station Improvements
9. Performance of Carr Lake Study
10. Design and Construction of Interlake Tunnel
11. Filing of Salinas River Lagoon Management Permit
12. Participation in Coastkeeper Litigation

PENDING

1. Replacement of Generator No. 2
2. Utilization of Winter Recycled Water
3. Expansion of CSIP
4. Replace Reservoir Outlet Valves
5. Realignment of Grazing Leases
6. Expansion of Groundwater Extraction Management System (GEMS) Program
7. Negotiation of Lease with Parks Department
8. Enhancement of Quagga Mussel Control Program
9. Establishment of Personnel Evaluation Program

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

MEETING DATE:	June 3, 2014	AGENDA ITEM:	
AGENDA TITLE:	Consider recommending that the Board of Supervisors of the Monterey County Water Resources Agency: a) Authorize preliminary actions to prepare a project description and perform other engineering and design work to commence environmental review for the Interlake Tunnel Project; b) Request the Monterey County Board of Supervisors to authorize proceeding with negotiation and execution of a funding agreement between Monterey County and the Monterey County Water Resources Agency for an amount not to exceed \$2.5 million to perform the necessary work to commence environmental review of the Interlake Tunnel Project, said funds to be reimbursed to Monterey County if the Project is approved and financed; c) Authorize the General Manager of the Monterey County Water Resources Agency to enter into the necessary agreements to prepare for and commence environmental review of the Project in an initial amount not to exceed \$500,000 provided funding is approved by Monterey County.		
Consent ()		Action (X)	
Information ()			
SUBMITTED BY:	David E. Chardavoyne	PREPARED BY:	David E. Chardavoyne
PHONE:	(831) 755-4860	PHONE:	(831) 755-4860
DEADLINE FOR BOARD ACTION:		June 3, 2014	

RECOMMENDED BOARD ACTION:

Recommend that the Board of Supervisors of the Monterey County Water Resources Agency: a) Authorize preliminary actions to prepare a project description and perform other engineering and design work to commence environmental review for the Interlake Tunnel Project; b) Request the Monterey County Board of Supervisors to authorize proceeding with negotiation and execution of a funding agreement between Monterey County and the Monterey County Water Resources Agency for an amount not to exceed \$2.5 million to perform the necessary work to commence environmental review of the Interlake Tunnel Project, said funds to be reimbursed to Monterey County if the Project is approved and financed; c) Authorize the General Manager of the Monterey County Water Resources Agency to enter into the necessary agreements to prepare for and commence environmental review of the Project in an initial amount not to exceed \$500,000 provided funding is approved by Monterey County.

PRIOR RELEVANT BOARD ACTION:

None.

DISCUSSION/ANALYSIS:

The Interlake Tunnel Project (“Project”) was included in the July 1991 Water Facilities Capital Plan, prepared by Boyle Engineering Corporation for the Monterey County Water Resources Agency. Operationally, the Interlake Tunnel would divert water from Nacimiento Reservoir to San

Antonio Reservoir that would have otherwise been spilled at Nacimiento Dam. The Nacimiento River basin produces nearly three times the average annual flow of the San Antonio River basin, therefore, capturing high Nacimiento River flows and diverting those flows to San Antonio Reservoir increases the overall storage capacity of the system.

The Project was not previously constructed. Subsequent to 1991, Agency efforts were focused on completion of the Salinas Valley Water Project (Salinas River Diversion Facility and Modifications to the Nacimiento Dam Spillway). The current drought has brought the necessity to complete the Project to the forefront.

The Project requires a detailed engineering analysis; but is generally planned to consist of an intake structure in Nacimiento Reservoir; 11,000 feet of 10-foot diameter tunnel, and an exit structure in San Antonio. Flow will be by gravity and it is estimated that an annual average volume of 60,000 acre-feet can be conveyed. Total project cost is estimated at \$25 million, including \$3.4 million in contingency. Depending upon the degree of environmental documentation required, the Project will require 1½ - three years to complete.

The Project has been divided into three phases: Preliminary Engineering and Water Rights Requirements Analysis; Remaining Pre-construction Tasks, including environmental review, permit applications, geotechnical and final design, right-of-way acquisition and financing arrangements; and, construction. Attached is an Interlake Tunnel Project Cost Estimate, excluding costs of additional environmental documentation requirements.

For successful completion of the Project in a timely manner, the Agency requires the services of a Program Manager and Construction Manager. Costs for those services are included in the Interlake Tunnel Project Cost Estimate.

The Agency, upon approval of the Board of Supervisors of the Agency, will proceed to contract with a Program Manager for managing all Pre-construction Phase Tasks and, where required, contract with other service providers to complete all Pre-construction phase tasks. However, the Agency will not proceed beyond the preliminary engineering and water rights requirements analysis until environmental review is completed and authorization to proceed is received from the Board of Supervisors of the Agency. The estimate of Pre-construction Phase costs is as follows:

Preliminary Engineering	\$ 222,478
Permit Applications	311,805
Geotechnical & Final Design	945,190
ROW Acquisition	103,560
Financing	286,000
Pro Rata Program Management	<u>634,372</u>
	<u>\$ 2,503,405</u>

A Gantt chart of the overall Project milestones and costs is attached.

FINANCIAL IMPACT:	YES (X) NO ()
FUNDING SOURCE:	Funding agreement with County of Monterey
COMMITTEE REVIEW AND RECOMMENDATION:	None
ATTACHMENTS:	1. Board Order 2. Interlake Tunnel Project Cost Estimate 3. Project Milestones Gantt Chart.
APPROVED:	<i>David S. Chardavoyne</i> 5/28/14 General Manager Date



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

BOARD ORDER No. _____

Recommend that the Monterey County Water Resources Agency Board of Supervisors: a) Authorize preliminary actions to prepare a project description and perform other engineering and design work to commence environmental review for the Interlake Tunnel Project; b) Request the Monterey County Board of Supervisors to authorize proceeding with negotiation and execution of a funding agreement between Monterey County and the Monterey County Water Resources Agency for an amount not to exceed \$2.5 million to perform the necessary work to commence environmental review of the Interlake Tunnel Project, said funds to be reimbursed to Monterey County if the Project is approved and financed; and c) Authorize the General Manager of the Monterey County Water Resources agency to enter into the necessary agreements to prepare for and commence environmental review of the Project in an initial amount not to exceed \$500,000 provided funding is approved by Monterey County.

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

1. Recommends that the Monterey County Water Resources Agency Board of Supervisors: a) Authorize preliminary actions to prepare a project description and perform other engineering and design work to commence environmental review for the Interlake Tunnel Project; b) Request the Monterey County Board of Supervisors to authorize proceeding with negotiation and execution of a funding agreement between Monterey County and the Monterey County Water Resources Agency for an amount not to exceed \$2.5 million to perform the necessary work to commence environmental review of the Interlake Tunnel Project, said funds to be

reimbursed to Monterey County if the Project is approved and financed;
and c) Authorize the General Manager of the Monterey County Water
Resources agency to enter into the necessary agreements to prepare for
and commence environmental review of the Project in an initial amount
not to exceed \$500,000 provided funding is approved by Monterey
County.

PASSED AND ADOPTED on this 3rd day of **June 2014**, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

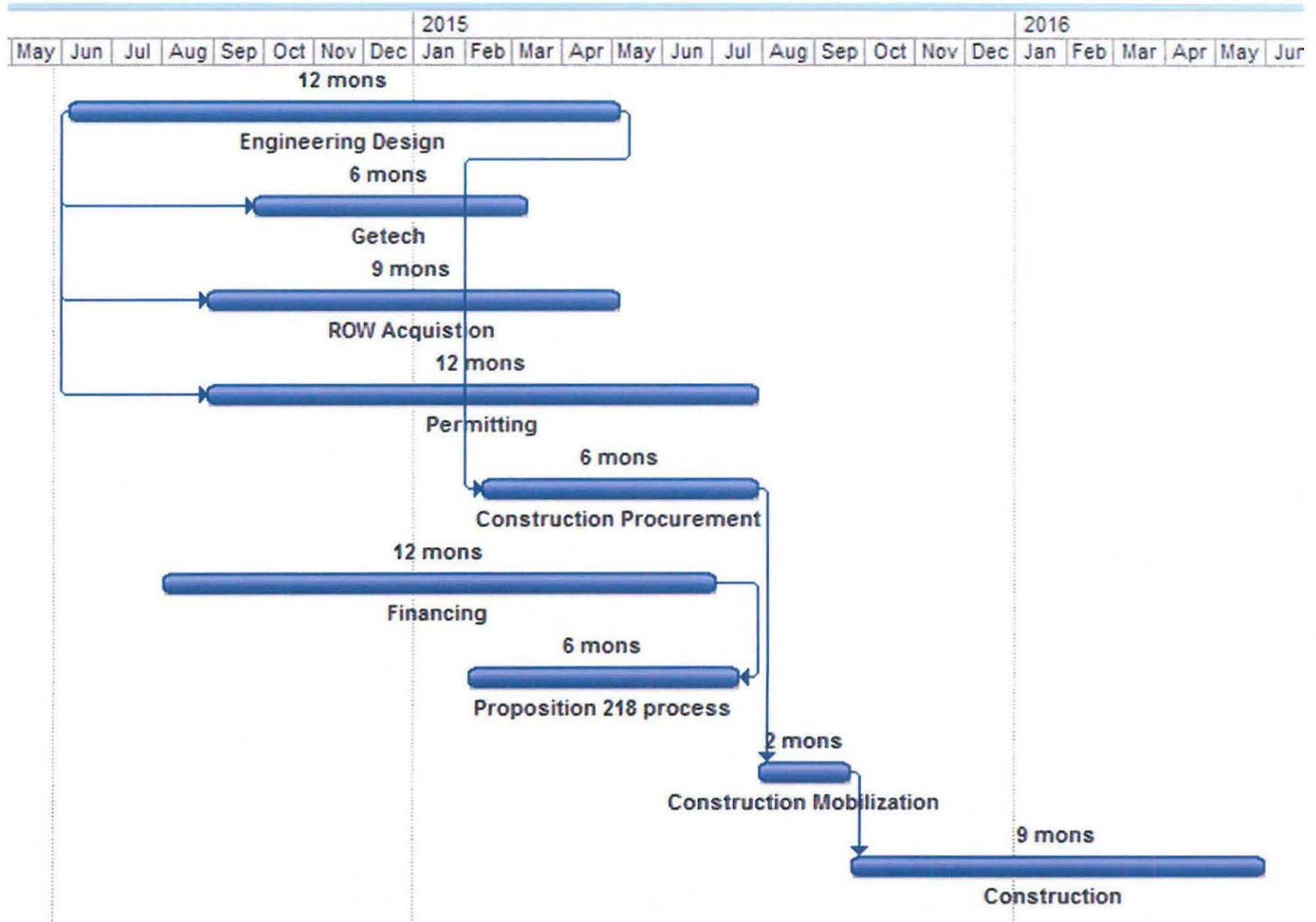
BY: Richard Ortiz, Chair
Board of Directors

ATTEST: David E. Chardavoyne
General Manager

Program Budget

Category	Description	Unit/Measure	Quantity	Unit Cost	Total Cost (\$000)
Program Management	Program Management and Engineering Management	LS	1	\$1,298,689.84	\$1,299
Construction	Mobilization	LS	1	\$100,000.00	\$100
	Portal Construction	LS	2	\$500,000.00	\$1,000
	Tunnel Excavation and Support	LF	10,000	\$1,500.00	\$15,000
	Mechanical systems	LS	1	\$1,000,000.00	\$1,000
	Testing and Startup	LS	1	\$200,000.00	\$200
Engineering Design Services	Civil/Hydraulics Design Consultant	Hours	1,608	\$300.00	\$482
	Survey Consultant	Hours	320	\$120.00	\$38
	Geotechnical Consultant	Hours	640	\$250.00	\$160
	Tunnel Design Consultant	Hours	1,420	\$300.00	\$426
Grant	Grant Consultant	Hours	240	\$150.00	\$36
Legal	Legal Consultant	Hours	340	\$400.00	\$136
Environmental	Environmental Consultant	Hours	680	\$280.00	\$190
Construction Management	Construction Management	Hours	6,800	\$200.00	\$1,360
Financing	Proposition 218 financing process	LS	1	\$250,000.00	\$250
Expenses and Other Direct Costs		LS	1	\$300,000.00	\$300
Project Contingency					\$3,400
Total					\$25,378

Interlake Tunnel – schedule summary







TODAY'S ACTION

Consider approving the Monterey County Water Resources Agency Third Quarter Report for FY 2013-2014 for submission to the Monterey County Water Resources Agency Board of Supervisors





Reason for Quarterly Reports to Agency Board of Supervisors

- Requirement Pursuant to Section 52-73(b) of Agency Act
- Good management tool
 - keeps governing bodies informed
 - provides a forum to receive direction
- Additional opportunity to keep public informed



Critical Projects

Excluding Interlake Tunnel

- Agency Water Rights Permit #11043
- Salinas River Stream Maintenance Program (short-term)
- Salinas River Management Program
- Implementation of Independent Accountant's Report Findings
- Floodplain Management Plan
- Pajaro River Flood Damage Reduction Project
- CSIP Service Area Water Supply



Water Rights Permit #11043

Current Status

Regional Advisory Committee recommendation endorsed by Basin Management Committee for Board of Directors consideration on June 2, 2014

- Extraction facility near Soledad
- Extraction facility south of Salinas

Alternatives to be Considered

- Add Storage
- Move or add a diversion point

Next Steps

- Finalize Notice of Preparation
- Resource request to Board of Supervisors of Agency on June 17, 2014



Salinas River Maintenance Program

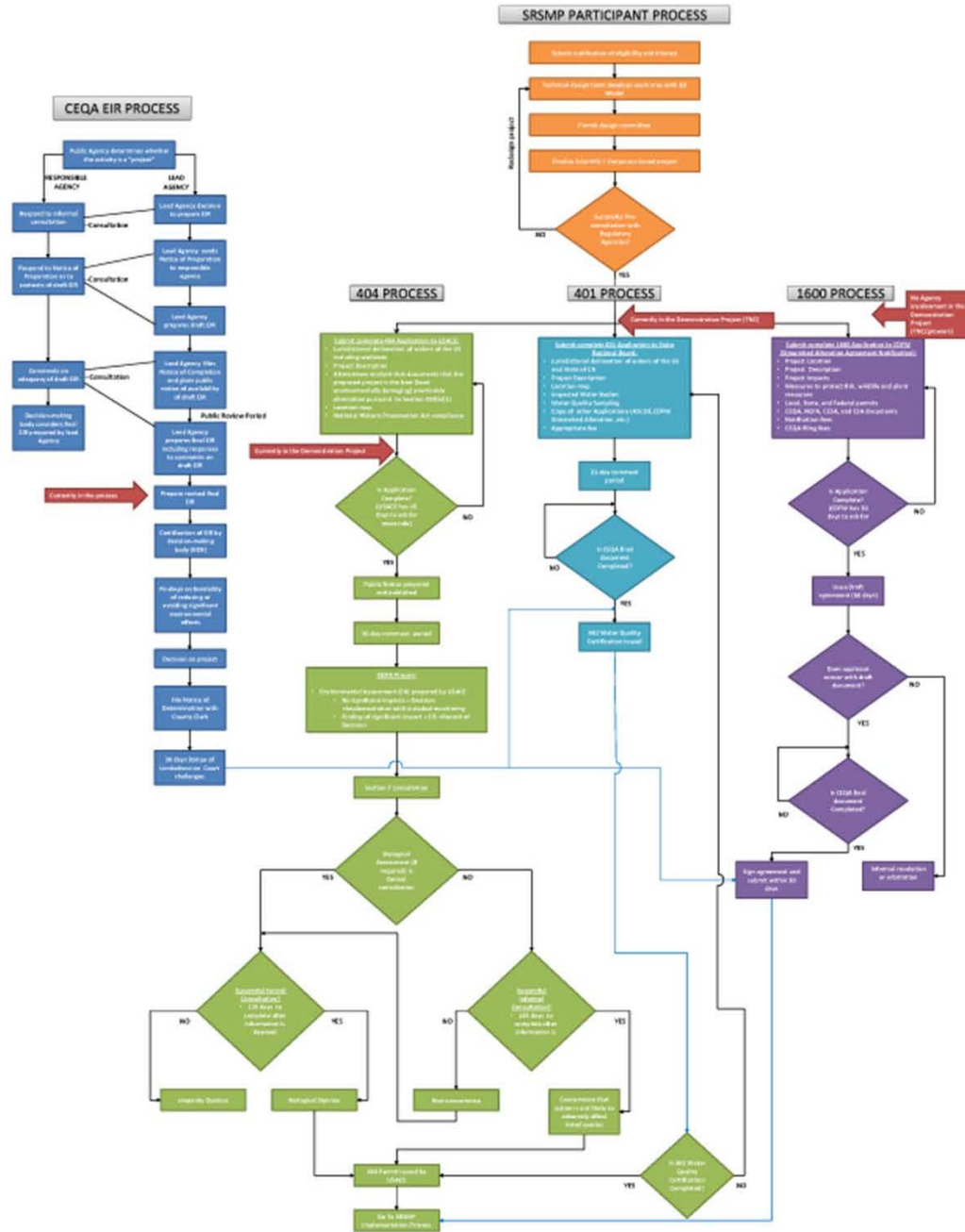
Current Status

- Invasive Plant Removal
 - Resource Conservation District (RCD) possesses all permits
 - Scheduled to begin in August
 - RCD seeking funding
- Phase I
 - TNC Demonstration Project
 - 404 Permit submitted April 17th
 - 401 Permit submitted May 6th
- Phase II – Expanded Program
 - Requires 2-D model
- Environmental Impact Report
 - Revised final EIR to be released in Mid-June

Next Steps

- EIR Certification and Project approval in July
- Section 7 consultation with US Fish & Wildlife and NOAA Fisheries
- Phase I work in River scheduled for October

SALINAS RIVER STREAM MAINTENANCE PROGRAM (SRSMP) PERMITTING PROCESS





Routine Major Activities Managed through Monthly Performance Indicator Program

- Agency Land Use Review
- Well Permit Application Review
- Management of Reservoir Releases
- ALERT System Maintenance
- Fish Monitoring
- Groundwater Extraction Maintenance System Program



Additional Essential Agency Projects *Underway*

1. Bryant Canyon Flood Control Project
2. Resolution of Amendment No. 3 Issues with MRWPCA
3. Resolution of Reclamation Ditch and Blanco Drain Issues
4. Development of Well Monitoring Plan for Proposed Cal-Am Wells
5. Improvement of Dam Safety Program
6. Investigation of Office Location Options
7. Supervision of County Basin Study
8. Design and Construction of Espinosa Booster Station Improvements
9. Performance of Carr Lake Study
10. Design and Construction of Interlake Tunnel
11. Filing of Salinas River Lagoon Management Permit
12. Participation in Coastkeeper Litigation





Additional Essential Agency Projects *Pending*

1. Replacement of Generator No. 2
2. Utilization of Winter Recycled Water
3. Expansion of CSIP
4. Replace Reservoir Outlet Valves
5. Realignment of Grazing Leases
6. Expansion of Groundwater Extraction Management System (GEMS)
7. Negotiation of Lease with Parks Department
8. Enhancement of Quagga Mussel Control Program
9. Establishment of Personnel Evaluation Program



TODAY'S ACTION

Approve the Monterey County Water Resources Agency Third Quarter Report for submission to the Monterey County Water Resources Agency Board of Supervisors.







TODAY'S ACTION

Consider:

- a) Authorizing preliminary actions to prepare a project description and perform other engineering and design work to commence environmental review for the Interlake Tunnel Project;
- b) Requesting the Monterey County Board of Supervisors authorize proceeding with negotiation and execution of a funding agreement between Monterey County and the Monterey County Water Resources Agency for an amount not to exceed \$2.5 million to perform the necessary work to commence environmental review of the Interlake Tunnel Project, said funds to be reimbursed to Monterey County if the Project is approved and financed; and
- c) Authorizing the General Manager of the Monterey County Water Resources Agency to enter into the necessary agreements to prepare for and commence environmental review of the Interlake Tunnel Project in an initial amount not to exceed \$500,000 provided funding is approved by Monterey County.





Prior BOD/BOS Action

- None



Financial Impact

- Funding Agreement would advance funds to the Agency from the County for pre-construction tasks on this critical project.
- County, upon Agency receipt of total project financing, will be reimbursed amounts advanced.



Discussion

- Interlake Tunnel Project mentioned in 1991 “*Water Capital Facilities Plan*”.
- Previous reservoir operations limitations minimized the project’s effectiveness
- SVWP removed majority of limitations
 - Increased storage flexibility
- Project has increased feasibility today vis-a-vis 1991



Discussion (cont.)

- Nacimiento Reservoir fills 3x faster than San Antonio Reservoir
- Project leverages water that would currently spill from Nacimiento
- Opportune time with current reservoir levels
- Project could provide up to an additional 60,000 acre-feet of water annually



Lake San Antonio

Proposed Tunnel Alignment

Lake Nacimiento

Google earth

Imagery Date: 8/23/2013 35°46'00.42" N 120°54'07.76" W elev 847 ft eye alt 12.86 m

San Antonio Dam

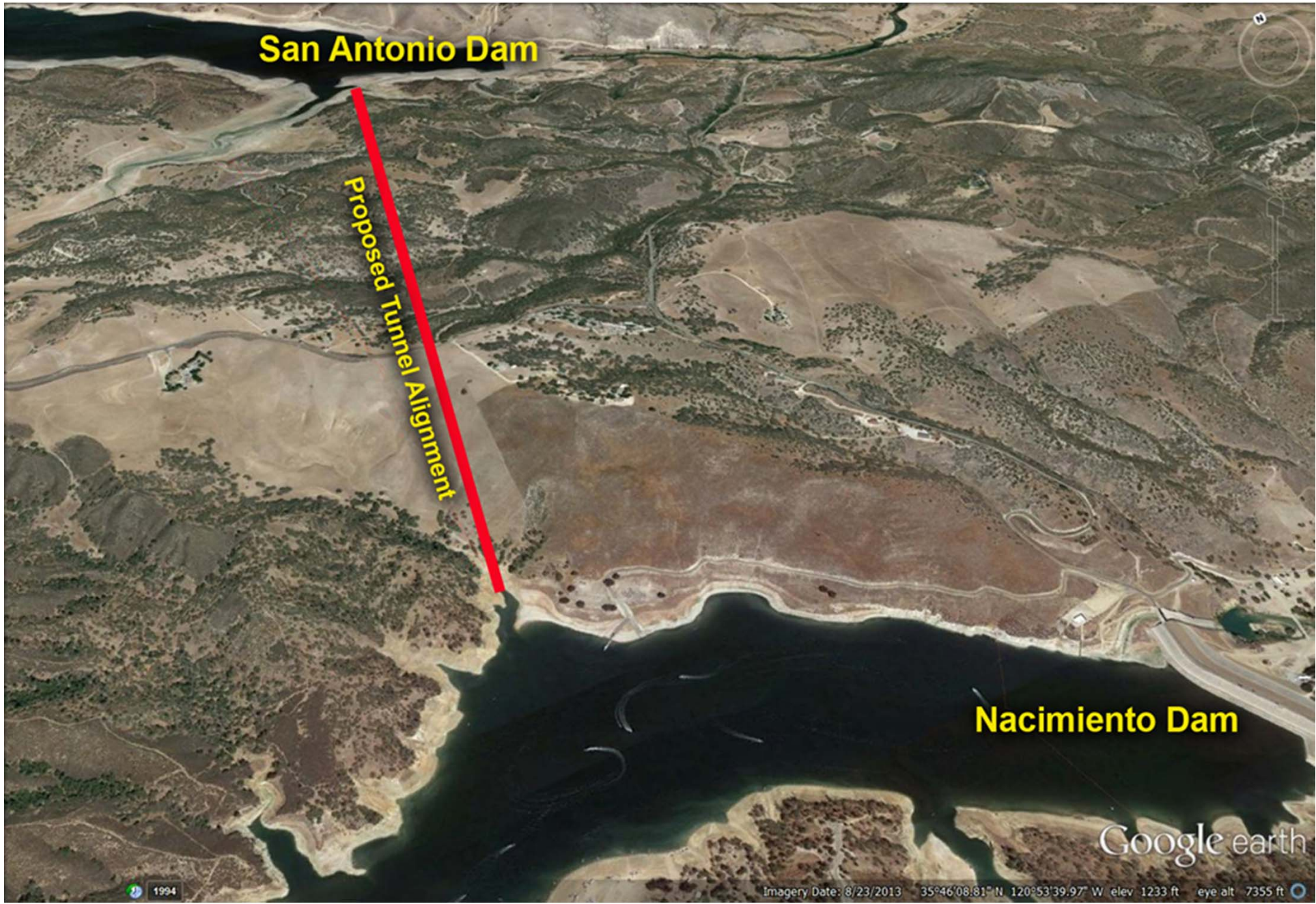
Proposed Tunnel Alignment

Nacimiento Dam

Google earth

1994

Imagery Date: 8/23/2013 35°46'08.81" N 120°53'39.97" W elev 1233 ft eye alt 7355 ft





Discussion (cont.)

- Interest in this project has increased recently
- Monterey County / State in extreme Drought
- San Antonio level is very low – at 4% of capacity
- Tunneling is performed from low to high point



Discussion (cont.)

- Project Benefit Summary
 - Capture of an additional 60,000 acre-feet (or so, when available)
 - Additional flood control benefit for Salinas Valley
 - Maintains a higher, long-term reservoir level for recreational purposes at Nacimiento and San Antonio
 - Negligible impacts from tunnel construction and operations



Discussion (cont.)

- Project requires engineering analysis
 - Three Phases
 - Preliminary Engineering, Project Description and Water Rights Analysis
 - Remaining Pre-construction Tasks, including Environmental Review
 - Construction
 - Successful completion will require Program and Construction management services

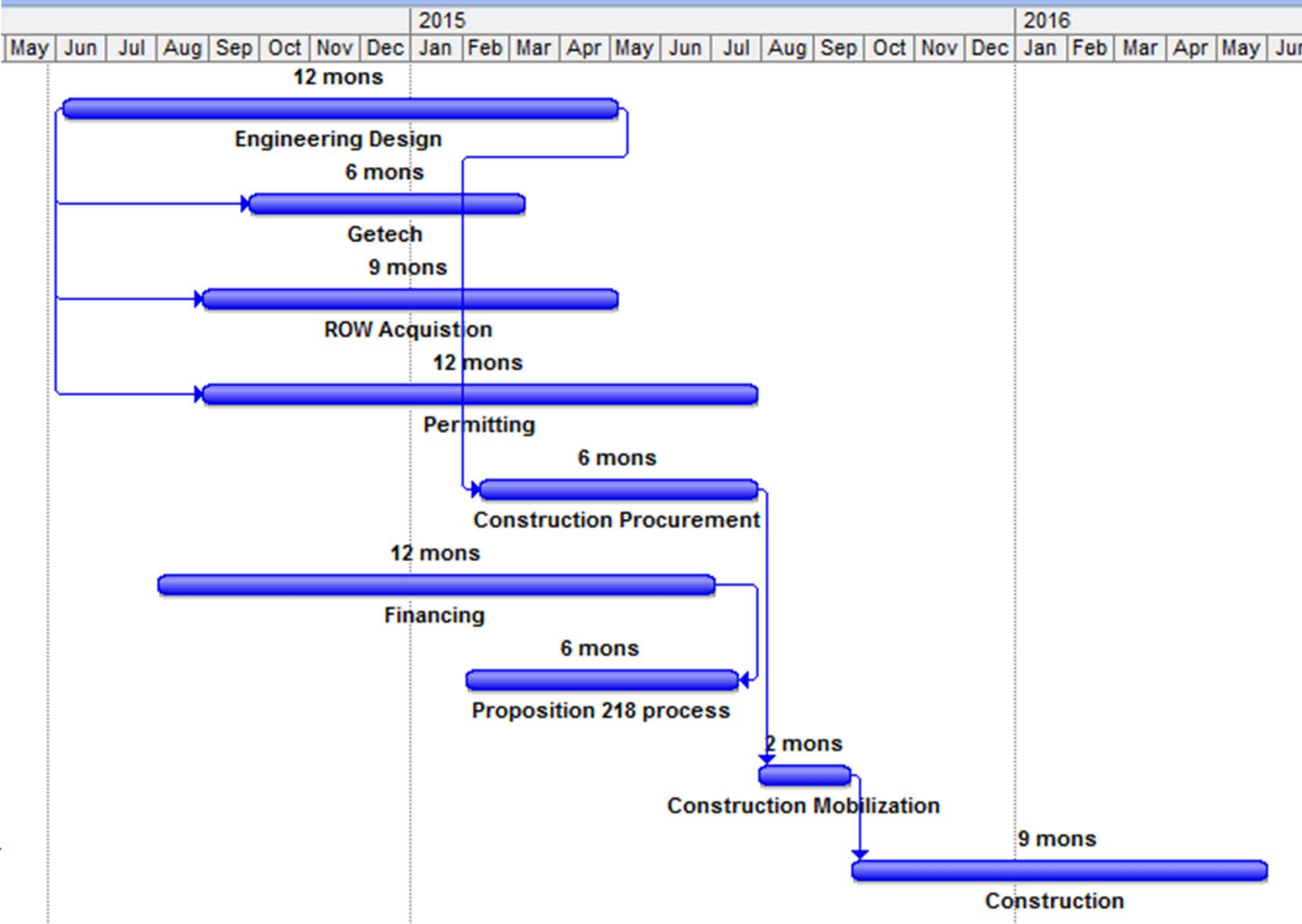


Discussion (cont.)

- Requesting authorization to move forward with steps to prepare for Environmental Review:
 - Initial draw of \$500,000
 - Preliminary engineering/Project Description
 - Water Rights requirement analysis
 - Program Management
 - Future draws will require BOS approval

- Proposed Time line and Budget
 - Approximately 1.5 to 2 years
 - Approximately \$25M

Interlake Tunnel Schedule Summary



Project Budget (proposed)

Category	Description	Unit/Measure	Quantity	Unit Cost	Total Cost (\$000)
Program Management	Program Management and Engineering Management	LS	1	\$1,298,689.84	\$1,299
Construction	Mobilization	LS	1	\$100,000.00	\$100
	Portal Construction	LS	2	\$500,000.00	\$1,000
	Tunnel Excavation and Support	LF	10,000	\$1,500.00	\$15,000
	Mechanical systems	LS	1	\$1,000,000.00	\$1,000
	Testing and Startup	LS	1	\$200,000.00	\$200
Engineering Design Services	Civil/Hydraulics Design Consultant	Hours	1,608	\$300.00	\$482
	Survey Consultant	Hours	320	\$120.00	\$38
	Geotechnical Consultant	Hours	640	\$250.00	\$160
	Tunnel Design Consultant	Hours	1,420	\$300.00	\$426
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Project Contingency					\$3,400
Total					\$25,378





TODAY'S ACTION

Approve:

- a) Authorizing preliminary actions to prepare a project description and perform other engineering and design work to commence environmental review for the Interlake Tunnel Project;
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