

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS
SALINAS RIVER BASIN MANAGEMENT PLANNING (BMP) COMMITTEE**

COMMITTEE MEMBERS

Richard Ortiz, Chair
Claude Hoover
Deidre Sullivan
Silvio Bernardi

Bob Antle, Public Member
David Bunn, Public Member
Don Chapin, Public Member

TIME: 8:30 a.m.
DATE: Wednesday, July 9, 2014
PLACE: Monterey County Water Resources Agency, Board Room
893 Blanco Circle
Salinas, CA 93901
(831) 755-4860

A G E N D A

1. **CALL TO ORDER**
2. **PUBLIC COMMENT**
(Limited to three (3) minutes per speaker on matters within the jurisdiction of the Agency not listed on this agenda. The public will have the opportunity to ask questions and make statements on agenda items as the Committee considers them.)
3. **APPROVE THE MINUTES OF THE BMP COMMITTEE MEETING HELD JUNE 18, 2014.**
The Committee will consider approval of the Minutes of the above-mentioned meeting.
4. **CONSIDER RECEIVING AN UPDATE ON WATER RIGHTS PERMIT #11043 ACTIVITIES, AND PROVIDING DIRECTION TO STAFF.**
Robert Johnson, Assistant General Manager, will present this item for consideration by the Committee.
5. **CONSIDER RECEIVING AN UPDATE ON THE INTERLAKE TUNNEL PROJECT, AND PROVIDING DIRECTION TO STAFF.**
David Chardavoyne, General Manager, will present this item for consideration by the Committee.
6. **CONSIDER RECEIVING UPDATE ON THE STATUS OF AB 155, AND PROVIDING DIRECTION TO STAFF.**
David Chardavoyne, General Manager, will present this item for consideration by the Committee.
7. **SET NEXT MEETING DATE AND DISCUSS FUTURE AGENDA ITEMS.**
The Committee will discuss and determine details for its next meeting.
8. **ADJOURNMENT**

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS
SPECIAL SALINAS RIVER BASIN MANAGEMENT PLAN (BMP) COMMITTEE**

Richard Ortiz, Chair
Claude Hoover
Deidre Sullivan
Silvio Bernardi

Bob Antle, Public Member
Don Chapin, Public Member
David Bunn, Public Member

TIME: 8:30 a.m.
DATE: Wednesday, June 18, 2014
PLACE: Monterey County Water Resources Agency
Board Room
893 Blanco Circle
Salinas, CA 93901
(831) 755-4860

MINUTES

1. Call to Order @ 8:31 a.m. by Committee Chair Richard Ortiz.

Members present: Director Richard Ortiz, Director Claude Hoover, Director Deidre Sullivan, Bob Antle and David Bunn
Members absent: Director Silvio Bernardi

A quorum was established.

2. Public Comment

Kevin Dayton, President and CEO of Labor Issues Solutions in Roseville, voiced his opposition to certain components of AB 155, specifically referencing the design/build method of procurement. Mr. Dayton stated the Project Labor Agreement mandate and the restrictions imposed by it are at issue. He noted this is historical in the State of California as the first time this mandate has ever been included in a bill. He recommended removing this requirement from the bill to allow open bidding on the project or, alternatively, utilizing the standard authorization that has been utilized in other bills.

(Committee Member David Bunn left the dais at 8:35 and returned at 8:38 am).

Nancy Isakson, Salinas Valley Water Coalition, stated this is another illustration of lack of process. Ms. Isakson stated the Bill changes the Agency's governing act and was not brought to the Board and/or public for proper vetting before moving forward.

John Baillie, Reservoir Operations Committee member, stated he toured both lakes and took note of the sedimentation (natural and man-made) that has resulted in the reduction in valuable storage space in both reservoirs. Mr. Baillie inquired about the possibility of dredging the sites to regain the storage space. Staff responded the USGS report computes sedimentation in the reservoirs annually.

Committee Questions/Comments (*Staff responses are emboldened and italicized*):

- a. What does the sedimentation report from USGS show? *We have not looked at the reports recently. In 1989-91 when the reservoirs were very low, we resurveyed the reservoirs and found there was actually increased storage. Now might be a good time to evaluate San Antonio if we could identify funding.*
- b. Can this be part of the Basin Study? No response provided.

3. Approve the Minutes of the BMP Committee meeting held on May 14, 2014

Committee Action: On motion and second of Committee members Claude Hoover and David Bunn the Committee approved the Minutes of the BMP meeting held on May 14, 2014 (Committee member Don Chapin abstained due to his absence from the meeting).

4. Receive update on Water Rights Permit #11043 activities, and provide direction to Staff.

Rob Johnson, Assistant General Manager, reported the NOP had been updated and provided to Committee members and was available to members of the public. Mr. Johnson provided background information regarding activities related to Water Rights Permit #11043.

Mr. Johnson reported the Monterey County Board of Supervisors has requested additional information and postponed the Agency's request for funding. At the Joint meeting, the Supervisors alluded to the fact that the County's financial condition may not allow total funding immediately. The Supervisors approved funding for the first phase of the project, with direction that Staff provide a project status report in July 2014. Upon receipt of that report, the Monterey County Board of Supervisors could direct authorization of additional funding as appropriate to keep the project on track. Mr. Johnson also discussed other funding options, including grants/loans; the possibility of a sales tax measure; developing a foundation, etc.

Mr. Johnson then reviewed the Task List and estimated costs included in the funding request. The total estimated cost is \$3 million over three years.

Mr. Johnson stated the Board of Supervisors has delayed actions regarding funding of the Agency's projects until July 29, 2014 when a Joint Meeting of the Water Resources Agency Board of Supervisors and Board of Directors is scheduled. General Manager David Chardavoyne stated at that time we will discuss the Agency's original request as well as options for delaying/postponing the projects to reduce the financial burden on the County.

Committee Questions/Comments (*Staff responses are emboldened and italicized*):

- a. What information is the County seeking? *They are requesting a comprehensive list of projects and cost estimates for which the Agency requires funding assistance.*
- b. Do they want us to prioritize? *The County wants to identify (fund) the least amount we can operate with in this fiscal year.*

- c. Will July 29 be a decision making meeting? ***The expectation is the July 29 meeting will be a decision making meeting. Staff is communicating with the CAO's office—not particular Supervisors.***
- d. If the Agency was to let Permit #11043 go, the cost to reapply would be \$2.5 million, and would result in #11043 being a junior water right.

Mr. Johnson then discussed the Preliminary Draft NOP (provided to Committee members and the public at the start of the morning's meeting). He explained this updated version is not the official release. The official release will be submitted to the Clearinghouse next week to ensure adherence to the terms of the Settlement Agreement. Mr. Johnson then reviewed the 11043 Process:

- Project identification and evaluation – NOP July 2014;
- EIR work – Preferred Project – July 2015;
- Financing Plan/Options – Draft Financing Plan July 2016;
- Final EIR – July 2017;
- Regulatory Agency Permit Applications Begin July 2018 and Obtained by July 2023.

A review of the process was then provided. NOP will be submitted on time, and NOP

Committee Questions/Comments (***Staff responses are emboldened and italicized***):

- a. Can the two components (diversion points) of the project be bifurcated? ***Through the EIR process we will evaluate the effectiveness of each component since each provides different benefits for different areas.***
- b. In order to meet the next milestone, more than one project must be considered. ***There are two components; but, one project. However, it is possible the two components may not be enough.***
- c. There are critical questions that must be answered to bolster the Agency's request for funding from Monterey County, i.e., determining the amount of water available is critical. It appears we need money for a consultant to provide that information based on past climatology that is projected into the future. We need to determine if there are other critical questions that must be answered as soon as possible to sell the projects to the BOS. This will allow us to inform ourselves as to what projects are more feasible. ***This will be accomplished during the scoping meetings.***

Public Comments:

Norm Groot, Monterey County Farm Bureau, thanked Staff for adding language referring to seawater intrusion; but, stated the place of use within the basin language on Page 5 of the NOP should state "within the Salinas River Groundwater Basin." Mr. Groot requested that "place of use within the Basin" be expanded to read "within the Salinas River Ground Water Basin." He voiced his confusion as to how the Interlake Tunnel Project will affect water availability for this project. Mr. Groot discussed the need to answer questions regarding the amount of water that can be captured and when the water would be available. He voiced concern that postponing the Joint meeting to July 29 could result in missing the next milestone, and suggested the meeting be held sooner.

Nancy Isakson requested that SRGWB (Salinas River Ground Water Basin) be spelled out completely to avoid controversy. Ms. Isakson also stated that during RAC meetings questions were asked about the amount of water available, when that water would be available and how it could be captured. She questioned how much water would be taken away from 11043 if the tunnel project is capturing new water. Ms. Isakson agreed with the request made by the Board of Supervisors at the Joint meeting on June 3, 2014 for water rights and hydrologic analyses. Ms. Isakson also requested a copy of the day's slide presentation. Further, she asked why this project is named Phase 2 as this is different from the Phase 2 referred to in the original Salinas Valley Water Project proposal. Staff responded this will be reviewed in the Notice of Preparation.

Committee Questions/Comments (*Staff responses are emboldened and italicized*):

- a. Before July 29, it might be wise to solicit individual Supervisors and prioritize the projects to make it easier for Supervisors to support our efforts.
- b. This Committee is responsible to review and pass on to full Board for approval. We should inform BOS we cannot wait until July 29 for funding.
- c. Perhaps we should request \$100,000 between now and July 29, 2014 to begin the process of answering the questions they asked of the Agency.
- d. We must obtain answers to the critical questions at hand regarding the amount of water available; the impact of the Interlake Tunnel Project on the amount of available water; the cost of engaging a consultant to answer these questions, etc.
- e. Has there been any hydrologic study to address these questions? ***Yes, the USGS report.***
- f. Can that report be placed on the website? ***Yes.***

Committee Action: On motion and second of Committee members David Bunn and Richard Ortiz, the Committee received the update on Water Rights Permit #11043; recommended the Water Resources Agency Board of Directors request the Monterey County Board of Supervisors to expedite funding for planning and/or provide temporary bridge funding; directed Staff to delineate and answer critical questions and outline a scope of work. (Committee member Bob Antle abstained from voting).

5. Receive update on the Interlake Tunnel Project, and provide direction to Staff.

David Chardavoyne, General Manager, reported a funding agreement for the Interlake Tunnel Project has been negotiated and its execution is anticipated this week. Mr. Chardavoyne reminded Committee members of two key questions that EPC as project managers will tackle: whether we actually hold the water rights to the Interlake Tunnel Project water and the amount of water the Interlake Tunnel Project will provide. Once the funding agreement is executed, EPC will begin work in answering these and other questions. Project progress meetings will be held weekly and tracking will be posted on a smart sheet located on the Cloud. The goal is to move forward on this project expediently on budget.

Committee Questions/Comments (*Staff responses are emboldened and italicized*):

- a. What assurances do we have that the language in AB 155 is being changed? ***We have requested the language re: Salinas River Basin being changed; although we do not believe it has taken place yet. We will meet with Mr. Dayton later today. The standard design language was denied because it would tie up the project due to the***

voluminous hoops and barrels through which we would have to jump. This design/build legislation may not materialize; however, it is not required for the project.

- b. Were you aware of the public comment we heard today stating this language was added to change the bidding process? *The language regarding the labor agreement was added in the process. The Building Trades Council added this to garner their support for the Bill.*
- c. It seems this would add costs.
- d. Open bidding should be allowed. *Discussions regarding the Project Labor Agreement indicate that it does not prohibit a non-union contractor from bidding on the project.*
- e. My experience is that the Project Labor Agreement actually eliminates non-union contractors and non-union providers; and, costs will increase 15-20%. This Agreement is not a good thing.
- f. The Project Labor Agreement should be removed in favor of local supplier preference.
- g. What other special interest groups have made requests to add onto the Bill? *None. Our elected officials would not carry the bill without this being added.*
- h. The Project Labor Agreement eliminates local participation. This restriction is unnecessary because only a select number of contractors can perform the required tasks.
- i. With the requirement for a 2/3rds vote, this Bill probably will not pass. If it does not pass, we must work hard to ensure the Project is shovel ready.
- j. How much water this will result from this Project? There should be existing data regarding the amount of water flows into the reservoirs and the amount of water released. It should be simple to determine how much water could be moved and/or captured with the Tunnel. *The internal estimate is up to 60,000 acre feet; but, modeling must be done to verify the number. That is a rough estimate. Staff stated inflow data could be utilized; but, the operation has changed with the operation of the Salinas Valley Water Project. Staff added historic data would not provide accurate information. Hopefully this information will be available by the June 30, 2014 Board of Directors meeting.*
- k. This project should be subject to open bidding.

Public Comment:

Nancy Isakson stated this is illustrative of the lack of process. Ms. Isakson asked if questions regarding the project management agreement and hydrologic analysis agreements would be considered by the Board of Directors at their meeting on June 30, 2014. *No, authorization was provided by the Water Resources Agency Board of Supervisors to move project along. Project progress meetings are held weekly and we will provide periodic updates on this project. We are organizing internally to ensure we*

have the resources to do this. The Agency's Board of Supervisors has requested a specific update at the end of July.

Kevin Dayton, President and CEO of Labor Issues Solutions, stated a special meeting might be requested to discuss AB 155. Mr. Dayton pointed out our State Senator tends to vote for the construction union agenda; but Republicans statewide must pass this Bill in the Assembly. Mr. Dayton requested that a message be sent to Sacramento to delete special interest orientation out of the Bill.

Norm Groot stated the agricultural community was angered this process was taking place without having been presented to the full Board first to ensure we were moving in the right direction. The community came together for the Salinas River Stream Maintenance Project. At that time the community emphasized they *did not* want Sacramento to dictate the direction. Mr. Groot stated this issue is similar and should have been brought to the community and BOD in a transparent manner.

Committee Action: On motion and second of Committee members Claude Hoover and David Bunn, the Committee received the update on the Interlake Tunnel Project.

6. Set next meeting date and discuss future agenda items.

If there are emergency issues, special meetings can be called to deal with them. AB 155 will be placed on the Agenda.

The next meeting will be held on Wednesday, July 9, 2014 @ 8:30 a.m.

7. Adjournment @ 9:53 a.m.

Submitted by: Wini Chambliss

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS – BASIN MANAGEMENT PLANNING (BMP) COMMITTEE**

| | | | |
|-----------------------------------|--|--------------------------------|----------------------------------|
| MEETING DATE: | July 9, 2014 | AGENDA ITEM: | |
| AGENDA TITLE: | Consider receiving an update on Water Rights Permit #11043 activities, and providing direction to Staff. | | |
| Consent () | | Action (X) | |
| Information () | | | |
| SUBMITTED BY: PHONE: | Robert Johnson (831) 755-4860 | PREPARED BY: PHONE: | Robert Johnson (831) 755-4860 |
| DEADLINE FOR BOARD ACTION: | July 28, 2014 | | |

RECOMMENDED BOARD ACTION:

Receive an update on Water Rights Permit #11043 activities, and provide direction to Staff.

PRIOR RELEVANT BOARD ACTION:

A Special Board of Directors (BOD) Workshop was held on May 14, 2014 wherein an update on Water Rights Permit #11043 activities was provided.

DISCUSSION/ANALYSIS:

At last month's meeting, Staff presented information related to the activities centered on the continued progression of Water Rights Permit #11043 (Permit) milestones set forth in the Settlement Agreement (SA) for Permit and from the May 14, 2014 workshop that was held before the Committee meeting.

The Permit was scheduled for revocation by the State Water Resources Control Board (SWRCB) in August 2013; however, through Staff and Counsel efforts, the SA was achieved and the Permit was protected, as long as the Agency adheres to a strict, aggressive set of milestones for water project implementation. The milestones end with a project being developed and delivering water by July 2026. The water allocated to the Permit will be used to continue the battle against seawater intrusion in the Salinas Valley.

The activities discussed at the workshop included; 1) an update on the Regional Advisory Committee (RAC) recommendations, including a conceptual project suite to utilize Permit water; 2) other alternatives for BMP Committee consideration; 3) the beginning of the development of a Notice of Preparation (NOP) and financing plan; and, 4) possible next steps in the process.

The NOP has been released, with the Public Comment period beginning **June 30, 2014** and ending **August 11, 2014 at 4:00pm**. A request to the County for resources to develop the environmental documentation is scheduled for July 29, 2014.

| | | |
|---|--------------------------|---------------|
| FINANCIAL IMPACT: | YES () | NO (X) |
| FUNDING SOURCE: | | |
| COMMITTEE REVIEW AND RECOMMENDATION: | | |
| ATTACHMENTS: | 1. | |
| APPROVED: | | |
| | _____ General Manager | _____ Date |

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS – BASIN MANAGEMENT PLANNING (BMP) COMMITTEE**

| | | | |
|-----------------------------------|--|---------------------|----------------|
| MEETING DATE: | July 9, 2014 | AGENDA ITEM: | |
| AGENDA TITLE: | Consider receiving an update on the Interlake Tunnel Project activities, and providing direction to Staff. | | |
| Consent () | | Action (X) | |
| Information () | | | |
| SUBMITTED BY: | David Chardavoine | PREPARED BY: | Robert Johnson |
| PHONE: | (831) 755-4860 | PHONE: | (831) 755-4860 |
| DEADLINE FOR BOARD ACTION: | | July 28, 2014 | |

RECOMMENDED BOARD ACTION:

Receive an update on the Interlake Tunnel Project activities, and provide direction to Staff.

PRIOR RELEVANT BOARD ACTION:

June 3, 2014 – The Board of Directors (BOD) authorized preliminary actions related to the Interlake Tunnel Project (Project) and authorized requesting fiscal resources for the Project from the County Board of Supervisors (BOS).

DISCUSSION/ANALYSIS:

The 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 not been captured behind Nacimiento Dam. The Nacimiento River watershed produces nearly three times the average annual flow of the San Antonio River watershed, therefore, capturing high Nacimiento River flows and diverting those flows to San Antonio Reservoir increases the overall storage capacity and effectiveness of the reservoir system.

The Project was not previously constructed. Subsequent to 1991, Agency efforts were focused on completion of the Monterey County Water Recycling Project and 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 this 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.

Staff will provide an update on the July 1, 2014 fiscal request to the County and other work that has been performed since the previous BOD meeting.

| | | |
|---|---|-----------------|
| FINANCIAL IMPACT: | YES () | NO (X) |
| FUNDING SOURCE: | | |
| COMMITTEE REVIEW AND RECOMMENDATION: | | |
| ATTACHMENTS: | 1. | |
| APPROVED: | <hr/> General Manager Date | |

**MONTEREY COUNTY WATER RESOURCES AGENCY
BOARD OF DIRECTORS – BASIN MANAGEMENT PLANNING (BMP) COMMITTEE**

| | | | |
|-----------------------------------|---|---------------------|----------------|
| MEETING DATE: | July 9, 2014 | AGENDA ITEM: | |
| AGENDA TITLE: | Consider receiving an update on the status of AB 155, and providing direction to Staff. | | |
| Consent () | | Action (X) | |
| Information () | | | |
| SUBMITTED BY: | David Chardavoyne | PREPARED BY: | Robert Johnson |
| PHONE: | (831) 755-4860 | PHONE: | (831) 755-4860 |
| DEADLINE FOR BOARD ACTION: | | July 28, 2014 | |

RECOMMENDED BOARD ACTION:

Receive an update on the Interlake Tunnel Project activities, and provide direction to Staff.

PRIOR RELEVANT BOARD ACTION:

None.

DISCUSSION/ANALYSIS:

The Interlake Tunnel Project (Project) is a project the Salinas Valley needs to augment the current water supply infrastructure. Given the current drought situation and possible wet upcoming winter, a sense of urgency has developed around getting the Project implemented. With that sense of urgency, ‘design/build’ legislation was considered as a tool to facilitate increased expediency in completing Project.

AB 155 was initiated as a legislative vehicle to provide the ability to procure necessary components to successfully complete the Project in a timely manner. Attached to this report is the language of AB 155, as of June 17, 2014, as well as a summary sheet of the history of the bill. Staff is seeking direction on moving forward regarding AB 155.

| | | |
|---|--|-----------------|
| FINANCIAL IMPACT: | YES () | NO (X) |
| FUNDING SOURCE: | | |
| COMMITTEE REVIEW AND RECOMMENDATION: | | |
| ATTACHMENTS: | <ol style="list-style-type: none"> 1. AB 155 language, as of June 17, 2014 2. AB 155 History summation | |
| APPROVED: | <hr/> <div style="display: flex; justify-content: space-between;"> General Manager Date </div> | |

AMENDED IN SENATE JUNE 17, 2014

AMENDED IN SENATE JUNE 9, 2014

AMENDED IN SENATE FEBRUARY 20, 2014

AMENDED IN ASSEMBLY MAY 29, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 155

Introduced by Assembly Member Alejo
(Coauthor: Assembly Member Stone)
(Coauthors: Senators Cannella and Monning)

January 22, 2013

An act to add Section 11.1 to the Monterey County Water Resources Agency Act (Chapter 1159 of the Statutes of 1990), relating to water, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 155, as amended, Alejo. Monterey County Water Resources Agency: design-build.

(1) Existing law, the Monterey County Water Resources Agency Act, establishes the Monterey County Water Resources Agency as a flood control and water agency within the County of Monterey.

This bill would authorize the agency to award a design-build contract for the combined design and construction of a project to connect Lake San Antonio, located in the County of Monterey, and Lake Nacimiento, located in the County of San Luis Obispo, with an underground tunnel or pipeline for the purpose of maximizing water storage, supply, and groundwater recharge.

(2) The bill would declare that, due to the unique circumstances of the agency, a general statute within the meaning of specified provisions of the California Constitution cannot be made applicable and a special statute is necessary.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:

3 (1) The Salinas Valley contains some of the most fertile land
4 in, and is a leading provider of produce to, the world, and due to
5 the economic impact of its production it contributes to the general
6 economic well-being of the state.

7 (2) As of 2014, the state, including the County of Monterey,
8 has experienced extraordinary drought conditions, which threaten,
9 in part, the economic viability and agricultural production of the
10 valley.

11 (3) In light of these extraordinary drought conditions, the
12 Governor, on January 17, 2014, declared a state of emergency.

13 (4) The Monterey County Water Resources Agency (hereafter
14 the agency), established pursuant to Chapter 1159 of the Statutes
15 of 1990, owns and controls two reservoirs: Lake San Antonio,
16 located in the County of Monterey, and Lake Nacimiento, located
17 in the County of San Luis Obispo.

18 (5) These lakes provide water storage for, and flood control
19 protection to, the Salinas Valley ~~River Groundwater-basin~~ Basin
20 downstream of the lakes, and also improves water supply and
21 groundwater recharge in the basin, which contribute to the
22 economic viability and agricultural production of the valley.

23 (6) The agency has previously undertaken projects to improve
24 water storage and groundwater recharge within the basin, including
25 the Salinas Valley Water Project, which, in part, implemented
26 modifications to the spillway in the dam at Lake Nacimiento, and
27 in the operation of the dams and spillways at the lakes.

28 (7) Despite these projects, the current drought conditions will
29 have long-term significant impacts on the agricultural production

1 in the valley, and additional appropriate projects are necessary to
2 ensure the continued economic viability and agricultural production
3 in the valley, especially in light of future conditions as may be
4 affected by global climate change.

5 (8) The watershed of Lake Nacimiento generally experiences
6 more runoff from storms and thus provides more water for storage
7 than does the watershed of Lake San Antonio and, as a result, water
8 otherwise available for storage at Lake Nacimiento is lost due to
9 volumes exceeding its storage capacity.

10 (9) The agency has proposed a project to connect Lake
11 Nacimiento and Lake San Antonio by an underground tunnel or
12 pipeline that would be constructed within a right-of-way or other
13 easement acquired by the agency for that purpose.

14 (10) The project will maximize overall water storage at the lakes
15 by allowing the conveyance of water to Lake San Antonio for
16 storage that may otherwise overflow from Lake Nacimiento, thus
17 improving the benefits provided by the lakes and the Salinas Valley
18 Water Project to the basin and the valley, mitigating the impact of
19 the drought, and improving the economic viability of the valley
20 and its agricultural production, all benefitting the state.

21 (11) Utilizing an alternative project delivery system, consisting
22 of a design-build contract, will provide benefits by shifting the
23 liability and risk for cost containment and project completion to
24 the design-build entity, and will provide for the more timely and
25 efficient project delivery in light of the current drought conditions
26 and the Governor's emergency declaration.

27 (12) The agency has requested the authority to utilize the
28 alternative project delivery system in conjunction with a project
29 labor agreement that meets the requirements of Chapter 2.8
30 (commencing with Section 2500) of Part 1 of Division 2 of the
31 Public Contract Code so as to complete the project in a more timely
32 and efficient manner without any disruptions.

33 (b) It is the intent of the Legislature that the design-build process
34 set forth in Section 2 of this act may be used by the agency solely
35 for the purpose of the project, and not for other purposes.

36 SEC. 2. Section 11.1 is added to the Monterey County Water
37 Resources Agency Act (Chapter 1159 of the Statutes of 1990), to
38 read:

39 11.1. (a) The following definitions apply to this section:

1 (1) “Design-build” means a procurement process in which both
2 the design and construction of a project are procured from a single
3 entity.

4 (2) “Design-build entity” means a partnership, corporation, or
5 other legal entity that is able to provide appropriately licensed
6 contracting, architectural, and engineering services as needed
7 pursuant to a design-build contract.

8 (3) “Lakes” means collectively Lake San Antonio, located in
9 the County of Monterey, and Lake Nacimiento, located in the
10 County of San Luis Obispo, both owned and operated by the
11 Monterey County Water Resources Agency.

12 (4) “Project” means a project to connect the lakes with an
13 underground tunnel or pipeline for the purpose of maximizing
14 water storage, supply, and groundwater recharge at the lakes, and
15 within the Salinas Valley River Groundwater Basin and the Salinas
16 Valley ~~proper~~, including all necessary subsurface and surface
17 improvements.

18 (5) “Project labor agreement” means an agreement that meets
19 the requirements of Chapter 2.8 (commencing with Section 2500)
20 of Part 1 of Division 2 of the Public Contract Code.

21 (b) (1) Notwithstanding any other law, the agency may award
22 a design-build contract for the combined design and construction
23 of the project.

24 (2) If the agency does award a design-build contract as
25 authorized under paragraph (1), it shall do the following:

26 (A) Establish a procedure for the selection of the design-build
27 entity for the project.

28 (B) Award the contract based upon a written proposal that is
29 determined to be the most advantageous to the agency.

30 (C) Ensure that the design-build entity selected for the project
31 enters into a project labor agreement that will bind all of the
32 contractors performing work on the project.

33 (c) The agency may utilize a design-build contract solely for
34 the project and for no other purpose.

35 SEC. 3. The Legislature finds and declares that a special law
36 is necessary and that a general law cannot be made applicable
37 within the meaning of Section 16 of Article IV of the California
38 Constitution because of the unique circumstances of the Monterey
39 County Water Resources Agency.

1 SEC. 4. This act is an urgency statute necessary for the
2 immediate preservation of the public peace, health, or safety within
3 the meaning of Article IV of the Constitution and shall go into
4 immediate effect. The facts constituting the necessity are:

5 In order to mitigate the conditions within the County of Monterey
6 caused by the current drought and as set forth by the Governor in
7 the related emergency declaration, it is necessary that this act take
8 effect immediately.

O

COMPLETE BILL HISTORY

BILL NUMBER : A.B. No. 155
 AUTHOR : Alejo
 TOPIC : Monterey County Water Resources Agency: design-build.

TYPE OF BILL :

Active
 Urgency
 Non-Appropriations
 2/3 Vote Required
 Non-State-Mandated Local Program
 Non-Fiscal
 Non-Tax Levy

BILL HISTORY

2014

July 1 From committee: Do pass as amended. (Ayes 6. Noes 1.) (June 25).
 June 17 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on GOV. & F.
 June 17 Re-referred to Com. on GOV. & F.
 June 15 Withdrawn from committee. Re-referred to Com. on RLS.
 June 9 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.
 Feb. 27 Re-referred to Com. on N.R. & W.
 Feb. 24 Withdrawn from committee. Re-referred to Com. on RLS.
 Feb. 20 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L. & I.R.

2013

June 18 In committee: Set, first hearing. Hearing canceled at the request of author.
 June 13 Referred to Com. on L. & I.R.
 June 3 In Senate. Read first time. To Com. on RLS. for assignment.
 May 30 Assembly Rule 69 suspended. (Ayes 52. Noes 25. Page 1809.) Read third time. Passed. Ordered to the Senate. (Ayes 47. Noes 22. Page 1838.)
 May 29 Read third time and amended. Ordered to third reading. (Page 1728.)
 May 28 From inactive file. Ordered to third reading.
 May 24 Notice of intention to remove from inactive file given by Assembly Member Alejo.
 Apr. 4 Ordered to inactive file at the request of Assembly Member Alejo.
 Apr. 1 Read second time. Ordered to third reading.
 Mar. 21 From committee: Do pass. (Ayes 5. Noes 0.) (March 20).
 Feb. 15 Referred to Com. on L. & E.
 Jan. 23 From printer. May be heard in committee February 22.
 Jan. 22 Read first time. To print.

