



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: WRAG 17-129

May 18, 2017

Introduced: 5/8/2017

Current Status: Agenda Ready

Version: 1

Matter Type: WR General Agenda

Considering recommending that the Monterey County Water Resources Agency Board of Directors recommend that the Water Resources Agency Board of Supervisors adopt a resolution:

- a) Authorizing the Monterey County Water Resources Agency to enter into an Agreement for Services with Raftelis Financial Consultants for the CSIP New Source Water Facilities Engineer's Report; and authorizing the General Manager to execute the Agreement for Services;
- b) Authorizing the General Manager, subject to review and approval by the County Counsel, to execute up to three (3) amendments to the Agreement for Services that do not materially alter the terms of the Grant Agreement.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Directors recommend that the Water Resources Agency Board of Supervisors adopt a resolution:

- a) Authorizing the Monterey County Water Resources Agency to enter into an Agreement for Services with Raftelis Financial Consultants for the CSIP New Source Water Facilities Engineer's Report; and authorize the General Manager to execute the Agreement for Services; and
- b) Authorizing the General Manager, subject to review and approval by the County Counsel, to execute up to three (3) amendments to the Agreement for Services (including attachments) that do not materially alter the terms of the Agreement for Services.

SUMMARY/DISCUSSION:

On November 3, 2015 the Monterey County Water Resources Agency ("MCWRA") entered into the Amended and Restated Water Recycling Agreement ("Agreement") with the Monterey Regional Water Pollution Control Agency (PCA). The Agreement provided terms, *inter alia*, regarding the financing, design, construction, operation, maintenance, and replacement of New Source Water Facilities to provide approximately 4,320 acre-ft./year to PCA and approximately 4,381 acre-ft./year to MCWRA of additional recycled water.

Section 16.15.4 of the Amended and Restated Water Recycling Agreement requires an Engineer's Report to be prepared by an independent third party, said report to include an evaluation of PCA's projected New Source Water Facilities' capital and operating costs, determination of total annual charges by PCA to MCWRA, and projected increases/decreases in annual charges to MCWRA throughout the Term of Agreement, specified in Section 12.01 of the Agreement, including replacement and renewal costs. Section 16.15.4 also states the costs of the aforesaid third party review shall be shared equally between WRA and PCA.

The results of the aforesaid Engineer's Report will be incorporated into an Assessment Methodology Report which will be utilized to conduct a successful assessment or Proposition 218 process. The Assessment Methodology Report preparation is not part of the Engineer's Report Scope of Work.

On September 26, 2016 a Request for Proposals was issued by the Monterey County Contracts and Purchasing Division with a deadline for Proposals of November 10, 2016. The Agency received no proposals by the deadline and began the process for soliciting to firms directly. On April 25, 2017, Raffelis Financial Consultants Inc. submitted a Proposal to the Monterey County Resources Agency with the attached Proposal and Scope of Services for the Engineer's Report.

Agency staff will work to finalize the DRAFT Agreement and prepare the final work plan, budget and schedule using the best available information, revisions to the agreement (e.g., work plan, budget and schedule) are to be expected. Therefore, management requests authority to make up to three amendments to the agreement.

OTHER AGENCY INVOLVEMENT:

On November 3, 2015 the Monterey County Water Resources Agency ("MCWRA") entered into the Amended and Restated Water Recycling Agreement ("Agreement") with the Monterey Regional Water Pollution Control Agency (PCA). The Agreement provided terms, inter alia, regarding the financing, design, construction, operation, maintenance, and replacement of New Source Water Facilities to provide approximately 4,320 acre-ft./year to PCA and approximately 4,381 acre-ft./year to MCWRA of additional recycled water.

Section 16.15.4 of the Amended and Restated Water Recycling Agreement requires an Engineer's Report to be prepared by an independent third party, said report to include an evaluation of PCA's projected New Source Water Facilities' capital and operating costs, determination of total annual charges by PCA to MCWRA, and projected increases/decreases in annual charges to MCWRA throughout the Term of Agreement, specified in Section 12.01 of the Agreement, including replacement and renewal costs. Section 16.15.4 also states the costs of the aforesaid third party review shall be shared equally between WRA and PCA.

FINANCING:

Funding for the CSIP New Source Water Facilities Engineer's Report has been projected in the WRA CSIP Fund 131, Zone 2Y FY 2017-18 Budget and MRWPCA will be invoiced for half the cost in FY 2017-18.

Prepared by: Elise Ramirez, Water Resources Engineer, (831) 755-4860

Approved by: _____
David E. Chardavoyne, General Manager, (831) 755-4860

Attachments:

1. DRAFT Agreement for Services
2. Board Order

