## Overview of the Salinas Valley Historical Benefits Analysis Update

April 2, 2025

In May 2023, the Monterey County Water Resources Agency ("Agency") initiated work on an update of the 1998 *Salinas Valley Historical Benefits Analysis (HBA) Final Report*, which presented benefits that had been realized throughout the Salinas Valley due to the construction and operation of Nacimiento and San Antonio Dams. The effort initiated in 2023 has been referred to as the "HBA Update" and its purpose was to develop an updated analysis of hydrologic, flood control, and economic benefits resulting from the existing suite of Agency projects and present-day operation of those projects, using best available data and modeling tools.

The Agency retained consultants from West Yost and One Water Econ, LLC to conduct analyses of the hydrologic and economic benefits, respectively, for the HBA Update. For both consultants, the project scope included quantifying the benefits resulting from construction and operation of Nacimiento and San Antonio Dams, the Monterey County Water Recycling Projects (Castroville Seawater Intrusion Project and Salinas Valley Reclamation Plan), and the Salinas Valley Water Project (collectively "Projects") and evaluating how those benefits have been distributed across the Salinas Valley for the study period of October 1968 through September 2018. The HBA Update did not quantify benefits of each project separately or in a stepwise manner, rather, the analyses considered a scenario with no projects and compared that to conditions with all of the Projects in operation.

The economic benefits analyzed in the HBA Update include those directly resulting from higher groundwater levels and increased groundwater storage, in addition to the value associated with recreation at the reservoirs, hydropower generation, and avoided damages to buildings and agricultural crops through flood risk reduction.

Overall, the HBA Update identified that the Projects have mitigated the degree and extent of groundwater level declines, and that operation of the Dams has provided substantial benefits, especially in areas where the Salinas River is directly connected to the underlying aquifers. In some areas like the northwest part of the Salinas Valley Groundwater Basin, more substantial benefit to average groundwater levels is realized after water deliveries through the Castroville Seawater Intrusion Project began in 1998. In other areas, such as the northern portion of the Upper Valley Subarea, the effects of the Projects are distributed more evenly over time with the strongest impacts observed during periods with dry climatic conditions.

As of April 2025, both consultants have delivered draft reports to the Agency and those documents are being presented concurrently. Though they have not yet been merged into a single report, they are intended to be considered together, as both reports analyzed the same study period and, where appliable, utilized the same data. To give stakeholders ample opportunity to review these draft reports, the Agency intends to schedule a stakeholder workshop in early July to solicit comments to help inform finalization of the HBA Update and to lay a foundation for potential changes to cost allocation and recovery methods to support dam safety and operational funding needs.

Preparation of the HBA Update was funded through a grant from the California Department of Water Resources, as it was integral to developing deliverables for the Interlake Tunnel and San Antonio Spillway Modification project.

| Prepared by: | Amy Woodrow, Senior Water Resources Hydrologist, 831-755-4860 |
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| Approved by: | Ara Azhderian, General Manager, 831-755-4860                  |