



Monterey County Water Resources Agency

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

Board Order

Upon motion of Supervisor Potter, seconded by Supervisor Salinas and carried by those members present, the Board of Supervisors hereby:


Approved the Agency being a party to the Return Water Planning Term Sheet; approved the Return Water Planning Term Sheet; and authorized the General Manager to sign the Return Water Planning Term Sheet, substantially in the form attached subject to County Counsel approval.

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on February 2, 2016.

Dated: March 7, 2016
File ID: WRAA 16-003

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By  Deputy

TODAY'S ACTION

Consider:

- a) Approving the Agency Being a Party to the Return Water Planning Term Sheet;
- b) Approving the Return Water Planning Term Sheet; and,
- c) Authorizing the General Manager to Sign the Return Water Planning Term Sheet, Substantially in the Form Attached





Financial Impact

- None, given that the proposed charge to the Agency is CSIP customers' marginal avoided cost for recycled water produced for use by the CSIP.



Discussion

- The Monterey Peninsula continues to seek a replacement water source (CWP / RDP)
 - Latest iteration is the MPWSP
 - Desalination Plant
 - Size of Plant is affected by possible augmentation of supply from Pure Water Monterey Project
- Source water for Desal Plant is proposed to come from slant wells at the coast
- Slant wells would pull water from the substrate below the ocean floor, though a small percentage of the water could be from the Salinas Basin

Discussion (cont.)

- Returning water to Salinas Basin is a critical factor in this process (Agency Act – no export)
- Current proposal is to provide the extracted basin water to the Castroville Community Services District (“CCSD”)
 - CCSD has come before the BOD regarding falling water levels in their wells
 - CCSD has experienced declining water quality
- Castroville is a disadvantaged community





Discussion (cont.)

- The amount of return water is tentatively calculated around 800 to 1,000 acre-feet / year
- Water use for Castroville averages around 850 acre-feet / year
- Any additional water could be provided to the CSIP System for use in Zone 2B



Discussion (cont.)

- This option is a win-win on multiple fronts:
 - Solves Castroville's water quality/quantity issues
 - Stops Castroville from pumping (helps with SWI)
 - Cal-Am eliminates the 'no-export' issue
 - Cal-Am provides water to a disadvantaged community
 - Provides additional water to CSIP

Discussion (cont.)

Calculation of Avoided Cost for Recycled Water Produced for use by CSIP

Source ¹	Percentage of Water ²	Cost / AF (\$)	Weighted Cost (\$)
Supplemental Wells	7.18	102.42	7.3538
SRDF	21.98	35.06	7.7062
Tertiary Treatment Plant	62.68	56.44	35.3766
New Source Facilities	8.16	74.00	6.0384

100%

\$56.4750

Avoided Cost to CSIP = \$56.48/acre-feet

¹Sources listed are as incorporated in Water Recycling Agreement, dated 3 November 2015

²Percentage shown is contained in Scenario No. 2 (normal year operation as presented to MCWRA Board of Supervisors, November 3, 2015).



Summary

- Monterey Peninsula needs a water solution
- Source water (slant wells) extracted could include Salinas Basin water
- Strategy to return water to SB is to provide to CCSD
- Any additional water could go to CSIP
- This option is a win on multiple levels



TODAY'S ACTION

- a) Approve the Agency Being a Party to the Return Water Planning Term Sheet;
- b) Approve the Return Water Planning Term Sheet; and,
- c) Authorize the General Manager to Sign the Return Water Planning Term Sheet, Substantially in the Form Attached.