



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: WRAA 16-023, **Version:** 1

Consider approving the Settlement Agreement between Monterey County Water Resources Agency (Applicant), Monterey Peninsula Water Management District, Monterey Regional Water Pollution Control Agency and California Department of Fish and Wildlife (Protestant) for the action Before the State Water Resources Control Board of the State of California In the Matter of *Water Rights* Applications 32263A, 32263B, and 32263C, substantially in the form attached; and, authorize the General Manager to execute the Agreement.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Directors:

Approve the Settlement Agreement between Monterey County Water Resources Agency (Applicant), Monterey Peninsula Water Management District, Monterey Regional Water Pollution Control Agency and California Department of Fish and Wildlife (Protestant) for the action Before the State Water Resources Control Board of the State of California In the Matter of *Water Rights* Applications 32263A, 32263B, and 32263C, substantially in the form attached; and, authorize the General Manager to execute the Agreement.

SUMMARY/DISCUSSION:

Monterey County Water Resources Agency (Agency) filed Water Rights Applications with the California State Water Resources Control Board (Water Board) for the Blanco Drain (#32263A), Reclamation Ditch (#32263B) and Tembladero Slough (#32263C). In response to those filings the Water Board solicits any protests a party may have against those rights. Once the protest period closes, the filing agency has 30 days to respond to the protest and a maximum of 180 days in which to resolve it. If the protest cannot be resolved within the 180 days, the Water Board holds a formal hearing and makes a decision based on the hearing record. On February 19, 2016 National Marine Fisheries Service (NMFS) and California Department of Fish and Wildlife (CDFW) filed a protest on each water right for a total of six protests. Agency staff and along with other members of the Pure Water Monterey Project team have been in negotiations with the protestants since February in an effort to address the issues in the protest letters and attempt to find a resolution.

Since February 19, 2016, numerous meetings and telephone calls were attended by the protestants and the Project Team, with monthly progress reports being submitted to the State Board. On June 3, 2016 proposed project dismissal terms were provided to NMFS and CDFW. Two items in that proposal were flagged by the protestants as needing additional discussion. Those items were: 1) allowing a by-pass from the Blanco Drain into the Salinas River during drought years where the Salinas River Diversion Facility (SRDF) is not in operation, and 2) timing and amount of diversions from the Reclamation Ditch. Additional modeling was completed by the Project Team and it was concluded that the Castroville Seawater Intrusion Project (CSIP) and Pure Water Monterey (PWM) would still be feasible with the remaining source water. On June 16 revised protest dismissal terms were drafted that addressed the two remaining issues. NMFS issued a Letter of Protest Dismal on August 23, 2016. CDFW wanted a more formal four-way Agreement. The Agreement is attached.

OTHER AGENCY INVOLVEMENT:

Monterey Regional Water Pollution Control Agency (MRWPCA); Monterey Peninsula Water Management District (MPWMD); NMFS; CDFW; State Board; Central Coast Regional Water Quality Control Board; and, the County of Monterey County Counsel.

FINANCING:

There is no direct financial impact resulting from this action.

Prepared by: Brent Buche, Deputy General Manager, (831) 755-4860

Approved by:

David E. Chardavoyne, General Manager, (831) 755-4860

Attachment:

1. Board Order
2. Draft Settlement Agreement between Monterey County Water Resources Agency (Applicant), Monterey Peninsula Water Management District, Monterey Regional Water Pollution Control Agency and California Department of Fish and Wildlife (Protestant) for the action Before the State Water Resources Control Board of the State of California In the Matter of *Water Rights* Applications 32263A, 32263B, and 32263C.