



County of Monterey

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

Board Report

File #: WRAG 16-094, **Version:** 1

Consider approving and recommending that the Monterey County Water Resources Agency (MCWRA) Board of Supervisors:

- a. Accept \$10 million in State grant funds via Senate Bill 831 as being in accordance with Board of Supervisors' Order adopted on February 9, 2016; and,
- b. Enter into a Grant Agreement with California Department of Water Resources to receive \$10 million in grant funds for the Interlake Tunnel and Spillway Modification Project, including authorization to execute and modify the Grant Agreement, with stated qualifications. (THIS ITEM WAS REMOVED VIA SUPPLEMENTAL AGENDA)

RECOMMENDATION:

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

Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors:

- a. Accept \$10 million in State grant funds via Senate Bill 831 as being in accordance with Board of Supervisors' Order adopted on February 9, 2016; and,
- b. Enter into a Grant Agreement with California Department of Water Resources to receive \$10 million in grant funds for the Interlake Tunnel and Spillway Modification Project, including authorization to execute and modify the Grant Agreement, with the qualifications noted in the proposed resolutions.

SUMMARY/DISCUSSION:

On February 9, 2016, the Monterey County Board of Supervisors of the Water Resources Agency adopted a Board Order relating to a Project Labor Agreement (PLA) and funding for the Interlake Tunnel and Spillway Modification Project.

On September 13, 2016 California Governor Brown signed Senate Bill 831 which appropriated \$10 million dollars from the California General Fund to California Department of Water Resources (DWR) to grant funds to the Monterey County Water Resources Agency (Agency) for the purposes of a water conveyance tunnel between San Antonio and Nacimiento Reservoirs and spillway modifications at San Antonio to increase water storage.

On October 6, 2016 a meeting was held with DWR to work out the parameters related to what the monies can be spent on, and the timing of the funds being released. In that meeting, it was determined that the funds are available once DWR makes the award (in process) and a grant agreement is signed between DWR and the Agency. A draft agreement has been provided to the Agency for staff and legal counsel review and comment. Components of the grant agreement include: 1) scope of work; 2) schedule; 3) budget; and, 4) resolution authorizing the General Manager to execute the grant agreement. Items 1-3 are being currently being developed.

OTHER AGENCY INVOLVEMENT:

~~CAO—Intergovernmental and Legislative Affairs.~~

~~Monterey County Water Resources Agency Basin Management Plan Committee accepted a report on SB 831 on October 5, 2016.~~

FINANCING:

~~Ten million dollars in grant funds are to be received from DWR. Timing for disbursement has not been determined. It is likely that an Amendment to the Agency's Adopted Budget will be necessary.~~

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~~Approved by:
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