



County of Monterey

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

Board Report

File #: WRAA 17-014, **Version:** 1

Approve an Agreement for And Consent to Co-Location and Compatible Use Pipeline Easement subject to Agency approval of a co-location Easement; and authorize the General Manager to Execute the Agreement.

RECOMMENDATION:

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

- a. Approve an Agreement for And Consent to Co-Location and Compatible Use Pipeline Easement subject to Agency approval of a co-location Easement; and
- b. Authorize the General Manager to Execute the Agreement.

SUMMARY/DISCUSSION:

In 2008, Monterey County Water Resources Agency (Agency) purchased a 20-foot wide easement from Monterey Regional Waste Management District (District) along the perimeter of the District property. The purpose of this easement is to convey water from the Agency's Salinas River Diversion Facility (SRDF) for use in the Castroville Seawater Intrusion Project. The Monterey Regional Water Pollution Control Agency (MRWPCA) now seeks to obtain from the District its own pipeline easement, to run parallel with and mostly within the SRDF easement of the Agency. MRWPCA will convey water through the proposed pipe from its Blanco Drain facility for use in its Pure Water Monterey Project. In order for the District to meet this request, the Agency must agree and consent to the District's grant of a second easement. The second easement would MRWPCA to place a parallel ("co-located") pipeline in the Agency's easement.

The Agency, District, and MRWPCA have all met and agreed upon the general process for accomplishing the new co-location easement to incorporate MRWPCA's Blanco Drain pipeline. This Co-Location Agreement has been approved by the District Board of Directors and was recommended for approval by the Agency Board of Directors on January 17, 2017, with two conditions. The first condition is that the easement provide that the MRWPCA will share the costs of maintenance of the main access road to the SRDF with the Agency. The second condition is that the easement be clear that MCWRA retains the right to repair and replace the CSIP Pipeline and other appurtenances. The conditions have been incorporated into the Co-Location Agreement before you.

The District-MRWPCA Grant and Purchase Agreement and the Easement to be attached as Exhibits B and C to the Co-location Agreement before you today are being developed by the District and MRWPCA. The MRWPCA requests that the Agency approve this Co-Location Agreement due to Project scheduling. Agency staff can recommend such approval now, since the Agency will not be a party to the District-MRWPCA Grant and Purchase Agreement (Exhibit C); the Easement (Exhibit B) must contain the terms and conditions of the Co-Location Agreement; and the Easement will be brought back to the Agency for approval.

No environmental review is required before this Board approves the attached Co-Location Agreement. Nor will environmental review be required for approval of the Grant and Purchase Agreement. The Pure Water Monterey Project was evaluated in a final EIR by the MRWPCA. The Project, as environmentally assessed, evaluated the placement of the pipeline along the Agency easement in question.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved the attached Co-Location Agreement.

FINANCING:

The Co-Location Agreement provides that the Agency will be compensated by the District based on the Agency's purchase price, updated by cost of living increases, or the appraised value. This condition will be incorporated into the easement conveyance agreement. MRWPCA has hired an appraiser to develop a fair assessment of the value of the easement.

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

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

Attachments

1. MCWRA Executed Board Order
2. Agreement for and Consent to Co-Location and Compatible Use Pipeline Easement (with attachments
3. Diagrams depicting proposed co-location pipeline route