RECOMMENDED BOARD ACTION:

Receive a report on the status of AB 155; consider the recommendation of the Basin Management Plan Committee that AB 155 be pulled and that the design-bid-build method of procurement be utilized for the Interlake Tunnel Project; and, provide direction to Staff.

SUMMARY:

On or about June 2, 2014, the Legislative Counsel’s Digest published a draft legislation authorizing the Agency to utilize the design-build method of procurement for the Interlake Tunnel Project. This draft legislation did not contain a requirement that the Agency utilize the P.L. 20133 procurement process steps to have a project labor agreement.

On June 2, 2014 at the joint Board of Directors/Board of Supervisors of the Agency meeting, in Board Order WRAG 14-023, Staff was asked to “...continue working with our legislative delegation to get design build legislation approved.” Assemblymember Alejo was joined by Senator Cannella and Assemblymembers Stone and Monning in sponsoring AB 155. Subsequently, the draft legislation, now known as AB 155, was amended by the Senate Finance Committee. The amended draft legislation released on June 17, 2014 was significantly different than that originally envisioned. It now contains P.L. 20133 procedures and requirements in bidding and awarding the design-build contract, and requires that the selected contractor enter into a project labor agreement binding all contractors performing work.

At the July 9, 2014 meeting of the Basin Management Plan Committee, design-build under AB 155 and design-bid-build methods of procurement were discussed, with considerable input from the public. The Basin Management Plan Committee concluded the item by recommending “that the full Board consider pulling AB 155, and utilize the design-bid-build method of procurement for the Interlake Tunnel Project.”

Assemblymember Alejo met with County and Agency Staff and a union representative on July 9, 2014, wherein the Basin Management Plan Committee’s recommendation was discussed. The outcome of that meeting is that the Assemblymember will allow the Bill to proceed in the
legislature so the Agency has a procurement option to design-build.

**DISCUSSION:**

The design-build method of procurement has been shown to reduce project costs and provide a shorter time period for project completion. However, the Agency’s Project Management Consultant has concluded that with the project labor agreement requirement and the proposed P.L. 20133 restrictions, design-build would lose any advantage over the traditional method of procurement (design-bid-build).

The Board has at least two options regarding AB 155, as follows:

1) Adopt the Basin Management Plan Committee’s recommendation and authorize the General Manager to request Assemblymember Alejo to withdraw the legislation; or
2) Take no action.

**OTHER AGENCY INVOLVEMENT:**

The CAO office and County Counsel have taken the lead on securing design-build legislation for the Agency.

**FINANCING:**

None.

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<tr>
<th>FINANCIAL IMPACT:</th>
<th>YES ( )</th>
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<tbody>
<tr>
<td>FUNDING SOURCE:</td>
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<tr>
<td>COMMITTEE REVIEW AND RECOMMENDATION:</td>
<td>On July 9, 2014, the BMP Committee recommended consideration of this item by the full Board of Directors.</td>
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<td>ATTACHMENTS:</td>
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<td>APPROVED:</td>
<td>[Signature] 7/3/14</td>
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General Manager
TODAY’S ACTION

Consider:

1) Receiving a Report on the Status of AB 155;
2) The Recommendation of the Basin Management Plan Committee that AB 155 Be Pulled, and that the Design-Bid-Build Method of Procurement Be Utilized for the Interlake Tunnel Project; and,
3) Providing Direction to Staff
DESIGN-BUILD ORIGINAL DRAFT LEGISLATION FROM LEGISLATIVE COUNSEL'S DIGEST

- Amends Agency Act
- Authorizes Agency to construct Interlake Tunnel Project using Design-Build method of procurement
- Award of Project using competitive negotiation
  - Agency to establish procedure for selection of design-build entity
  - Contract award to be made to most responsible bidder
- Interlake Tunnel Project classified as an emergency project
AB 155 APPROVED BY SENATE FINANCE COMMITTEE ON JUNE 17, 2014

- Amends Agency Act
- Authorizes Agency to construct Interlake Tunnel Project using Design-Build method of procurement
- Agency is tasked to require selected contractor to enter into a Project Labor Agreement binding all contractors performing work on the project
- Agency required to utilize cumbersome P.L. 20133 procedures and requirements in bidding and awarding the Design-Build project
CONCLUSION OF
PROJECT MANAGEMENT CONSULTANT

Design-Build with a project labor agreement and P.L. 20133 requirements loses any advantage over the traditional design-bid-build method of procurement for this Project.
BASIN MANAGEMENT PLAN COMMITTEE RECOMMENDATION

- Full Board consider pulling AB 155

- Utilize the design-bid-build method of procurement for the Interlake Tunnel Project
OPTIONS AVAILABLE TO THE BOARD OF DIRECTORS

- Adopt the Basin Management Plan Committee's recommendation and authorize the General Manager to request Assemblymember Alejo to withdraw the legislation.

- Take no action, in which case the Bill will proceed in the Legislature.

- Take no action on AB 155, but authorize Staff to utilize the design-bid-build method of procurement for the Interlake Tunnel Project.
TODAY'S ACTION

1) Receive a Report on the Status of AB 155;
2) Act on the Recommendation of the Basin Management Plan Committee that AB 155 be pulled, and that the Design-Bid-Build Method of Procurement Be Utilized for the Interlake Tunnel Project; and,
3) Provide Direction to Staff.
CORRESPONDENCE
Winnie, please distribute the attached to all the Board members and appropriate staff for the upcoming Meetings July 28-29. Thank you, Ron Chesshire  M/SC BCTC
June 26, 2014

David E. Chardavoyne, General Manager
Monterey County Water Resources Agency
893 Blanco Circle
Salinas, CA 93901-4455

VIA FAX AND EMAIL

Re: Public Records Act Request

Dear Administrator Bauman:

This is a request under the California Public Records Act, Government Code Sections 6250-6270, for the following information:

All documents, reports, communications and correspondence including emails and references to private meetings from Monterey County Board of Supervisors, Monterey County Staff, Monterey County Council, Monterey County Water Resources Agency Board of Directors, Monterey County Water Resources Agency Staff, Monterey County Water Resources Agency Counsel, the Monterey/Santa Cruz Building and Construction Trades Council, Assemblymember Alejo, Senator Cannella, and Senator Monning regarding AB 155 and a Project Labor Agreement for the Interlake Pipeline Project.

A copy of the negotiated Project Labor Agreement between the Monterey County Water Resources Agency and the Monterey/Santa Cruz Building and Construction Trades Council.

I would prefer to have the documents e-mailed to me at Nicole@abcnorcal.org, or I can come in to review. Please contact me at (925) 960-8513 with any questions or comments.

Sincerely,

Nicole Goehring
Govt. Affairs Director

Section 6253(c) of the California Government Code states that “Each agency, upon a request for a copy of records, shall, within 10 days from receipt of the request, determine whether the request, in whole or in part, seeks copies of disclosable public records in the possession of the agency and shall promptly notify the person making the request of the determination and the reasons therefor. In unusual circumstances, the time limit prescribed in this section may be extended by written notice by the head of the agency or his or her designee to the person making the request, setting forth the reasons for the extension and the date on which a determination is expected to be dispatched. No notice shall specify a date that would result in an extension for more than 14 days.”
Monday, July 28, 2014 @ 1:00 P.M.
REGULAR BOARD OF DIRECTORS MEETING
AGENDA

Staff reports relative to the agenda items listed below will be available for public review on the Agency’s website by 12:00 PM on Friday, July 25, 2014 and at the Monterey County Water Resources Agency (Agency), 893 Blanco Circle, Salinas. If additional documents are produced by the Agency and provided to a majority of the Board regarding any item on the agenda after staff reports have been distributed, they will be available at the Agency during normal business hours and posted on the Agency website at http://www.mcwra.co.monterey.ca.us/BOD/BOD/AgendaCurrent_n.htm. For additional information, please contact Wini Chambliss, Clerk to the Board, at (831) 755-4896.

1. CALL TO ORDER/ESTABLISH QUORUM
2. PUBLIC COMMENTS ON CLOSED SESSION ITEMS
3. ADJOURN TO CLOSED SESSION
4. RECONVENE MEETING/RE-ESTABLISH QUORUM
5. PLEDGE OF ALLEGIANCE
6. PUBLIC COMMENTS
(Limited to three minutes per speaker within Monterey County Water Resources Agency jurisdiction and not listed on the agenda. Members of the Public will have the opportunity to ask questions or make statements on agenda items as they are considered by the Board.)
7. PRESENTATIONS ................................................................. 7
   A. Meet & Confer Update – David E. Chardavoyne, General Manager
8. CONSENT CALENDAR ...................................................... 29
   A. Approve purchase orders/contracts in excess of $500 and credit card purchases over $500 in May/June 2014. ......................................................... 31
   B. Receive Report on Salinas Valley Water Conditions for the Third Quarter of Water Year 2013-2014. ......................................................... 33
   C. Receive the sixth Five-year Part 12D Independent Consultant Report for Nacimiento Dam; and direct the General Manager to transmit the report to the Federal Energy Regulatory Commission (FERC) as part of their Inspection and Evaluation Guidelines. .................. 47
   D. Approve a resolution authorizing the General Manager, or designee, to apply for Mussel Fee grant funds from the California Department of Boating and Waterways and to negotiate and execute a grant agreement with the Department to receive and expend said funds to implement the mussel prevention program at Lakes Nacimiento and San Antonio. .................. 61
E. Recommend that the Monterey County Water Resources Agency Board of Supervisors direct:
1) County Counsel to certify that the Monterey County Water Resources Agency Board of Supervisors has the full authority and legal capability to perform the terms of a Federal Cost-Share Agreement between the Department of the Army and the Monterey County Water Resources Agency Board of Supervisors in connection with the General Re-Evaluation Report (GRR)/Environmental Impact Statement (EIS) for the Pajaro River; and, 2) the Chairperson of the Monterey County Water Resources Agency Board of Directors to certify against lobbying in connection with the awarding of any Federal contracts.

F. Approve and recommend that the Monterey County Water Resources Agency Board of Supervisors approve a Budget Amendment authorizing the Auditor-Controller to amend the Monterey County Water Resources Agency’s Fiscal Year 2014-2015 Budget for the reimbursement and funding Agreement between the County of Monterey and the Agency up to the sum of $500,000 to fund preliminary engineering and design, water right analysis, and initial program management for the Inter-Lake Tunnel Project.

i. Increase appropriation in Fund 111 (Administration), Dept. 9300, Unit 8267, Appropriation Unit WRA001, Account 6613, (Other Professional Fees and Services) by $500,000 financed by a decrease in Appropriations in the County of Monterey Fund 001 (General Contingency Fund), Dept. 1050, Unit 8034, (4/5th vote required); and,

ii. Authorize the Auditor-Controller’s Office to incorporate approved appropriation and estimated revenue modifications to the FY 2014-15 Budget, and the County Administrative Office to reflect these approved changes in the FY 2014-15 Adopted Budget (4/5th vote required).

G. Recommend that the Monterey County Water Resources Agency Board of Supervisors direct the Monterey County Administrative Officer to reinstate the Water Resources Agency Deputy General Manager position in order to reclassify the Acting Assistant General Manager/Chief of Water Resources Planning & Management and Assistant General Manager/Chief of Operations & Maintenance positions as Deputy General Managers to rectify “Manifest Injustice” condition relating to their “Acting” status.

9. ACTION ITEMS

A. Consider receiving an update on the Salinas River Lagoon Management and Enhancement Plan; and, provide direction to Staff on how to move forward with updating the Plan...

B. Consider: 1) Receiving a report on the status of AB 155; 2) The recommendation of the Basin Management Plan Committee that A 155 be pulled, and that the design-bid-build method of procurement be utilized for the Interlake Tunnel Project; and, 3) Providing direction to Staff.

10. KEY INFORMATION AND CALENDAR OF EVENTS

11. GENERAL MANAGER’S REPORT

12. COMMITTEE REPORTS

A. Basin Management Plan Committee: Richard Ortiz, Chair

B. Finance Committee: Claude Hoover, Chair
C. Personnel/Administration Committee: Mark Gonzalez, Chair
D. Planning Committee: Deidre Sullivan, Chair
E. Reservoir Operations Committee: David Hart, Chair

13. INFORMATION ITEMS

A. Development Review

B. Monterey County Water Recycling Projects & Salinas Valley Water Project/Salinas River Surface Diversion Update

C. Reservoir Release Update

D. Well Permit Application Activities Update

E. Update on CASGEM

F. Update on Floodplain Management Plan Update

14. CORRESPONDENCE

A. Email dated July 23, 2014 received from Ron Chesshire (This 91-page document can be accessed at: http://www.mcwra.co.monterey.ca.us/BOD/BOD/agenda/SRB-ABC_Rebuttal.pdf

   Re: Statement of Position in Support of Construction Project Labor Agreements and In Rebuttal to the Opposition of the Coalition for Fair Employment in Construction & The Associated Builders & Contractors

B. Letter dated July 17, 2014 from City of King City Council

   Re: Salinas River Basin Clearing

C. Media Release dated July 15, 2014 from State Water Resources Control Board

   Re: Approval of Emergency Regulation to Ensure Increased Water Conservation

D. Letter dated June 30, 2014 from Paul Robins, Executive Director – Resource Conservation District of Monterey County

   Re: Final EIR for the Salinas River Stream Maintenance Program


   Re: Public Records Act Request

F. Innovative Interlake Connection and Regional Water Conservation Project Application

15. BOARD OF DIRECTORS’ COMMENTS

16. ADJOURNMENT