

**REPORT TO THE  
CITY COUNCIL**  
*City of Salinas, California*

**DATE:** August 16, 2016

**FROM:** Gary Petersen, Public Works Director

**SUBJECT: AMENDMENT TO THE MONTEREY REGIONAL WATER POLLUTION  
CONTROL AGENCY (MRWPCA) JOINT POWERS AGREEMENT**

**RECOMMENDATION:**

Approve a resolution to amend paragraph 7.02 of the MRWPCA Joint Powers Agreement (JPA) to allow MRWPCA to acquire loans to complete construction of the Pure Water Monterey Project.

**DISCUSSION:**

The Monterey Regional Water Pollution Control Agency (MRWPCA) is in the process of working with the State of California to facilitate a loan for the Pure Water Monterey Project. As a condition of the loan, the State is requiring the Agency to amend Section 7.02 of the existing Joint Powers Agreement (JPA). Section 7.02 states that the JPA shall not terminate or dissolve until all revenue bond debt incurred by the Agency for the construction or acquisition of the Regional Treatment Plant has been fully paid or refinanced. The State is requesting that a similar clause be inserted to encompass any financing provided by the State Water Resources Control Board (SWRCB). This proposed action does not modify any substantive terms of the Agreement, other than assuring that both revenue bonds and SWRCB loans will be paid or refinanced prior to the termination of the JPA.

On July 25, 2016, the MRWPCA Board unanimously approved a resolution to amend Paragraph 7.02 of the JPA and requesting that all MRWPCA member entities consent to the amendment. As a member entity, the City of Salinas's approval is needed for the amendment to become effective and for MRWPCA to be able to proceed with the loan process.

The changes to the JPA will allow loans to be made that will complete the construction of the Pure Water Monterey project. This water recycling project takes water from a variety of sources to produce both irrigation and drinking water. The irrigation water is produced at the Marina MRWPCA facility and distributed to the Castroville Area where it is used as an alternative to well water. This use serves to mitigate seawater intrusion from the Monterey Bay which has long been identified as the greatest threat to agriculture in the Salinas Valley. The drinking water will be produced by an advanced water treatment plant at the Marina site and stored in the Seaside Aquifer and then extracted for use on the Monterey Peninsula.

This project will serve both the agricultural economy in the Salinas Valley and the hospitality industry of the Monterey Peninsula. Water for recycling comes from multiple sources, In Salinas these sources include rain water, sanitary sewer, and produce wash water.

**ISSUE:**

Shall the City Council approve a resolution authorizing an amendment to the MRWPCA JPA as described in this Report?

**FISCAL IMPACT:**

There is no fiscal impact to the City associated with this action.

**TIME CONSIDERATIONS:**

Timely adoption of this resolution will allow MRWPCA access to funding that will allow development and construction of the Pure Water Monterey Project to proceed in a timely manner

**ALTERNATIVES/IMPLICATIONS:**

The Council may choose to reject to this request which would result in the Pure Water Monterey water recycling project not being funded.

**CITY COUNCIL GOALS:**

The proposal is consistent with one of the City Council 2013-2016 Five Strategic Goals and Objectives associated with Economic Diversity and Prosperity.

**CONCLUSIONS:**

At its August 16, 2016 meeting, the City Council is being asked to adopt a resolution amending the JPA with MRWPCA. This action will serve to advance the Pure Water Monterey Project in a timely manner.

Back Up Pages:  
Resolution  
JPA Amendment