



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: OCTOBER 12, 2021

DEPARTMENT: PUBLIC WORKS

FROM: DAVID JACOBS, DIRECTOR

BY: BRIAN FRUS, SENIOR ENGINEER

TITLE: REVISED SHORT-TERM POND 3 INDUSTRIAL WASTEWATER
EFFLUENT UTILIZATION AGREEMENT

RECOMMENDED MOTION:

A motion to approve a Resolution approving a revised Short-Term Pond 3 Industrial Wastewater Effluent Utilization Agreement with Monterey One Water and the Monterey County Water Resources Agency.

RECOMMENDATION:

It is recommended that the City Council approve a resolution approving a revised Short-Term Pond 3 Industrial Wastewater Effluent Utilization Agreement with Monterey One Water and the Monterey County Water Resources Agency.

BACKGROUND:

On September 14, 2021 (in continuance of its August 24, 2021 meeting) Council approved a Short-Term Pond 3 Industrial Wastewater Effluent Utilization Agreement (Agreement) with Monterey One Water (M1W) and the Monterey County Water Resources Agency (MCWRA). However, M1W made changes to and approved a different version of the Agreement at their August 30, 2021 Board meeting. Staff from the City, M1W and MCWRA drafted changes to the Agreement in order to reconcile the differences to the terms and conditions between the two versions. The Agreement as approved by Council on September 14, 2021 with the proposed changes indicated is found attached.

To briefly summarize, this Agreement is to address an extended drought period, which has resulted in diminished water supplies available in reservoir storage, requiring additional water to meet the Castroville Seawater Intrusion Project's (CSIP) current peak irrigation demand for water between August and October of 2021. Currently, there is no agreement that specifically addresses the usage of Industrial Wastewater if it is conveyed from the Industrial Wastewater Treatment Facility nor defines the terms of such usage by another agency or the ability for the City and M1W to recoup

costs. Use of the Industrial Wastewater to offset the supply shortfall for CSIP will reduce the need for groundwater pumping which will in turn help curtail seawater intrusion. The September 14, 2021 staff report for this item provides additional details and background regarding this Agreement.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

The proposed project and agreement relate to the following City Council's Strategic Plan Initiatives:

1. Investment Strategies/Risk Management: Invests in existing facilities by enabling Industrial Wastewater to be monetized and used towards costs of future infrastructure.

DEPARTMENTAL COORDINATION:

This project will rely on coordination between the Wastewater and the Water, Waste and Energy (WWE) divisions in Public Works. WWE will provide engineering support while the Wastewater Division will need to coordinate on-site activities with M1W and the continued operation of the facility. In addition, this project is dependent on a cooperative working relationship with both M1W and the MCWRA.

FISCAL AND SUSTAINABILITY IMPACT:

Revenues from the City's incremental cost of \$426 per acre-foot will benefit the Industrial Waste Enterprise Fund. Based on the projected range of flows from 200 to 500 AF, revenues could total \$85,200 to \$213,000. Moreover, this project will not involve the expenditure of any funds nor impact the General Fund.

ATTACHMENTS:

Resolution

Revised Short-Term Pond 3 Industrial Wastewater Effluent Utilization Agreement