

**GOVERNANCE COMMITTEE  
FOR THE  
MONTEREY PENINSULA WATER SUPPLY PROJECT**

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California American Water • Monterey County Board of Supervisors  
Monterey Peninsula Regional Water Authority • Monterey Peninsula Water Management District

**FINAL MINUTES  
Regular Meeting  
Governance Committee  
for the  
Monterey Peninsula Water Supply Project  
May 23, 2014**

**Call to Order:** The meeting was called to order at 1:30 pm in the conference room of the Monterey Peninsula Water Management District offices.

**Members Present:** Chuck Della Sala, representing Monterey Peninsula Regional Water Authority (JPA) (Alternate for Jason Burnett)  
Robert S. Brower, Sr., Vice Chair, representative for Monterey Peninsula Water Management District  
Robert MacLean, representative for California American Water

**Members Absent:** David Potter, representing Monterey County Board of Supervisors  
Jason Burnett, Chair, representing Monterey Peninsula Regional Water Authority

**Pledge of Allegiance:** The assembly recited the Pledge of Allegiance.

**Public Comments:** No comments were presented to the committee.

**Agenda Items**

The Chair received public comment on each agenda item.

**Action Items**

- 1. Develop Recommendation to Monterey Peninsula Regional Water Authority on Selection of Consultant to Conduct Value Engineering analysis of CDM Desalination Project Designs**  
No comments were directed to the committee during the public comment period on this item.

Della Sala offered a motion to adopt the recommendation of the ad-hoc selection committee and contract with Value Management Strategies, Inc. (VMS) for preparation of a value engineering study for a not-to-exceed cost of \$124,000. Jim Cullum shall be authorized to negotiate with VMS to reduce the cost from \$129,997.22 to \$124,000. The motion was seconded by Brower and approved unanimously on a vote of 2-0 by Della Sala and Brower. MacLean expressed agreement with the committee action.

## Discussion Items

### 2. Update from California American Water on Source Water Intake Location Investigations

Ian Crooks, Engineering Manager for Cal-Am's Coastal Division reported that the public comment period on the City of Marina's consideration of the application for construction of a test well at the CEMEX site closes on June 17, 2014. The goal is to obtain approval from Marina by August. The permitting process for the Potrero contingency test well site should be submitted to the California Department of Parks and Recreation by mid-June.

**Public Comment: (1) David Stoldt**, Monterey Peninsula Water Management District, asked when the CEMEX test well is to be considered by the California Coastal Commission (CCC). **(2) George Riley** asked if applications are being submitted for both the CEMEX and Potrero locations.

Crooks responded that an application for the CEMEX site has been filed with the CCC. If the City of Marina approves the application, the CCC could consider the application in October 2014. He also stated that the CEMEX site is the primary location under consideration for the test wells. The process for permitting the Potrero site is proceeding as a contingency plan.

### 3. Update on Development of Landfill Gas Term Sheet

Crooks reported that Cal-Am has been in negotiations with Monterey Regional Waste Management District (WMD) on development of a term sheet. A draft term sheet has been submitted to WMD that addressed all their concerns, but there is no agreement as yet. The cost for WMD to construct the infrastructure needed to deliver energy to the desal project is estimated to be in excess of \$1 million.

### 4. Discussion of Items to be Placed on Future Agendas

**Public Comment: (1) James Cullem**, Executive Director of the Monterey Peninsula Regional Water Authority, suggested that the Governance Committee in conjunction with the Water Authority should request that Cal-Am provide a detailed critical path method for completion of the desalination project. **(2) George Riley** requested that the committee provide an update on the three desalination project alternatives. He explained that Cal-Am's desalination proposal is behind schedule and the other two alternatives will be entering the EIR process soon. The other two alternatives would be less costly than Cal-Am's proposal, so it would be advantageous to review the project schedules again. **(3) Michael Warburton**, representing the Public Trust Alliance, stated that it would be very smart for the Governance Committee to consider preparation of a detailed critical path analysis.

Brower stated that the Water Management District's Water Supply Planning committee would consider the request to conduct a comparison of desalination alternatives. MacLean stated that a comparison study should not be conducted by the Governance Committee, but could be considered by the JPA.

## Adjournment

The meeting was adjourned at 2:10 pm.