



EXHIBIT 1-B

**DRAFT MINUTES
Special Meeting
Board of Directors
Monterey Peninsula Water Management District
April 20, 2012**

The meeting was called to order at 3:30 p.m. in the MPWMD conference room. The Board Clerk called a recess stating that the meeting would reconvene at 5:30 pm. At 5:30 pm the meeting was called to order, and the Board Clerk called the roll.

CALL TO ORDER/ROLL CALL

Directors Present:

David Pendergrass – Vice Chair, Mayoral Representative
Brenda Lewis – Division 1 (arrived at 5:35 pm)
Judi Lehman – Division 2
Kristi Markey – Division 3
Jeanne Byrne – Division 4
Robert S. Brower, Sr., -- Division 5

Directors Absent:

Dave Potter, Chairperson – Monterey County Board of Supervisors Representative

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Nelson Vega objected to the Board scheduling a Special Meeting to consider the Memorandum of Understanding presented as agenda item 1. He expressed concern that the public was not aware that the Board would consider an agreement regarding such a costly project.

ORAL COMMUNICATIONS

On a motion by Director Byrne and second of Director Markey, the final draft version of the MOU submitted by General Manager Stoldt at the meeting was approved unanimously on a vote of 6 – 0. Directors Brower, Byrne, Lehman, Lewis, Markey and Pendergrass voted in favor of the motion. Director Potter was absent.

ACTION ITEMS

- 1. Authorize the General Manager to Enter into Memorandum of Understanding (MOU) with Monterey Regional Water Pollution Control Agency (MRWPCA) and Cal-Am re Joint Funding of a Groundwater Replenishment Project**

Nelson Vega stated that he was not opposed to the groundwater replenishment project, as long as it was developed at the lowest cost per acre foot possible.

He suggested that if there is excess capacity not needed to meet the production shortfall identified in State Water Resources Control Board Order 2009-0060, that water should be used for new construction. The project should be approved for maximum production, and enlarged as it is needed. The tiered rate system could be modified, so that projects associated with new water use would be charged a higher rate than existing users. Mr. Vega explained that potential projects should not be denied water, and neither should existing users pay higher rates for their water.

The meeting was adjourned to Closed Session at 5:50 pm.

The meeting was adjourned at 5:55 pm.

ADJOURN TO CLOSED SESSION

- A. MPWMD v State Water Resources Control Board; Santa Clara Superior Court Case No. 1-10-CV-163328 – Cease and Desist Order**

ADJOURNMENT

Arlene M. Tavani, Deputy District Secretary