

EXHIBIT 16-C

RESOLUTION NO. 2016-12

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
APPROVING THE HILBY AVENUE PUMP STATION ADDENDUM TO THE AQUIFER STORAGE AND
RECOVERY EIR AND THE EIR FOR THE PURE WATER MONTEREY GROUNDWATER
REPLENISHMENT PROJECT, ADOPTING FINDINGS PER THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT, APPROVING THE MITIGATION MONITORING AND REPORTING PROGRAM, AND
APPROVING THE HILBY AVENUE PUMP STATION, MONTEREY PIPELINE, AND THE
AMENDMENT TO CALIFORNIA AMERICAN WATER COMPANY WATER DISTRIBUTION SYSTEM**

I. CONSIDERATION OF ASR EIR/EA AND ADDENDUM 1, PURE WATER MONTEREY/GWR EIR AND HILBY AVENUE PUMP STATION ADDENDUM

Pursuant to the California Environmental Quality Act, Public Resources Code Sections 21000 *et seq.* (“CEQA”) and the State CEQA Guidelines, Title 14, California Code of Regulations, Sections 15000 *et seq.* (“CEQA Guidelines”), the Monterey Peninsula Water Management District (“District” or “MPWMD”) has considered the following documents:

- Final Environmental Impact Report (FEIR) (State Clearinghouse #2004121065), certified by the District in August 2006 for the Seaside Groundwater Basin (“SGB”) Aquifer Storage and Recovery (“ASR”) Project (or “ASR Project”); and
- Addendum 1 to the FEIR for the ASR Project (collectively referred to herein as the “ASR EIR/EA and Addendum 1”), as amended by the District in April 2012 to address full implementation of Phase 2 ASR; and
- Final EIR for the Pure Water Monterey/Groundwater Replenishment Project, State Clearinghouse #2013051094, which was certified by the Monterey Regional Water Pollution Control Agency (MRWPCA) in October 2015 for the Pure Water Monterey Project (“PWM Project” or “PWM/GWR”), and included analysis of the Monterey Pipeline; and
- Hilby Avenue Pump Station Addendum, dated June 14, 2016, for the Hilby Avenue Pump Station (“the Pump Station Addendum”).

The District finds that the information contained in the ASR EIR/EA and Addendum 1, the PWM/GWR EIR and the Pump Station Addendum reflects the independent judgment and analysis of the District, and that the ASR EIR/EA and Addendum 1, the PWM/GWR EIR, and the Pump Station Addendum have been completed in compliance with CEQA.

The ASR EIR/EA and Addendum 1, the PWM/GWR EIR and the Pump Station Addendum contain the environmental analysis and information necessary to support approval of the Hilby Avenue Pump Station and Monterey Pipeline and the amendment to the Water Distribution System for the California-American Water Company (“CalAm”) System as set forth in **Section III**, below.

II. FINDINGS

The Board of Directors of the Monterey Peninsula Water Management District makes the following Findings of Fact. The Findings are hereby adopted by the District as required by Public Resources Code Sections 21081, 21081.5 and 21081.6, and CEQA Guidelines Sections 15090, 15091, 15092, 15164, and 15168, in conjunction with the approval of the Project, which is set forth in Section III, below.

Environmental Review Process - ASR Project

1. The District and CalAm jointly developed and operate the Seaside Groundwater Basin ASR Project. The ASR Project includes Phase 1 and Phase 2 and entails diversions from the Carmel River Alluvial Aquifer when there are excess winter flows in the Carmel River from December 1st through May 31st, conveying the water to the Seaside Basin via the existing CalAm delivery system, and injecting the water into specially-constructed ASR wells for subsequent recovery and delivery to CalAm customers during dry periods (normally June 1st through November 30th of the water year the water is injected). The Board of Directors of the MPWMD approved the full implementation of the ASR Project (Phase 2), which increased the injection and extraction capacity of the ASR Phase 1. Currently, the full implementation of ASR Water Project 2 is constrained by pumping capability and water delivery systems which limit the amount of water that can be conveyed with existing infrastructure.
2. CalAm submitted an application to amend its Water Distribution Permit (Application WDS-20160606CAW) to add components to the existing and approved ASR Project facilities by constructing the Hilby Avenue Pump Station and the Monterey Pipeline. The proposed Hilby Avenue Pump Station would enable CalAm to deliver additional water to the ASR Project wells using existing Carmel River water rights and would not result in any new significant impacts and would not increase the severity of any previously identified significant impacts of the ASR Project or the PWM/GWR Project. The proposed Monterey Pipeline would enable CalAm to use existing water rights to divert additional excess Carmel River flows during the winter and deliver the water to the City of Seaside and the ASR Project wells, which will provide a portion of the needed replacement supplies for CalAm's Monterey District main system in order to reduce unauthorized Carmel River diversions as required under State Water Resource Control Board Orders 95-10 and 2009-0060.
3. The Final EIR/EA for the Phase 1 ASR Project ("Phase 1 EIR/EA") was prepared pursuant to CEQA to address the environmental effects, mitigation measures, and project alternatives associated with the implementation of Phase 1 of the ASR Project and actions related thereto. The MPWMD Directors, by Resolution 2006-04, certified the Phase 1 EIR/EA as complete and adequate and fully in compliance with all requirements of CEQA on August 21, 2006. Phase 1 EIR/EA found that Phase 1 ASR would not result in any significant and unavoidable impacts. On August 30, 2006, the District's Notice of Determination was filed with the Clerk of the County of Monterey. The District filed a Notice of Exemption in June 2010, in compliance with CEQA, for conducting an assessment of expansion of the ASR Project to include additional wells at the Seaside Middle School site and construction of the test well facilities that subsequently occurred in August 2010.

4. On November 30, 2011, MPWMD and CalAm received Amended Permit for Diversion and Use of Water (Permit #20808C) from the State Water Resources Control Board for ASR Water Phase 2. Full implementation of approved ASR Water Project 2 could yield an average of 1,000 acre feet per year (AFY), which is additive to the estimated average yield from Phase 1 of 920 AFY, for a total yield of 1,920 AFY. Carmel River diversions for injection into the Seaside Groundwater Basin and later extraction to the CalAm system has the environmental benefit of reducing diversions from the Carmel Valley Alluvial Aquifer during the dry season (normally June 1 – November 30), as required by Amended Permit #20808C. MPWMD adopted the April 2012 Addendum to the Phase 1 EIR/EA supported by an Initial Study Checklist (ASR Addendum 1) under Resolution 2012-44 with the CEQA Findings (Exhibit 10-C of the August 21, 2006 Board Packet). The ASR Addendum 1 (April 2012) was found to fully comply with CEQA, and to support approval of implementation of ASR Water Project 2.

Environmental Review Process - PWM/GWR Project

5. The Board of Directors of the Monterey Regional Water Pollution Control Agency (MRWPCA), and the MPWMD Board of Directors jointly sponsored the Pure Water Monterey Groundwater Replenishment Project (PWM/GWR Project). This water supply project will provide purified recycled water for recharge of the Seaside Basin that serves as a drinking water supply, and recycled water to augment the existing Castroville Seawater Intrusion Project's crop irrigation supply. A primary project objective of the PWM/GWR Project is to replenish the Seaside Groundwater Basin with 3,500 AFY of purified recycled water to replace a portion of CalAm's water supply as required by state orders. Water conveyed to the Seaside Basin would be injected into the basin via new wells. Water would subsequently be extracted through CalAm's existing extraction wells and conveyed to CalAm's customers. The PWM/GWR Project includes construction of a new pipeline, the Monterey Pipeline, to enable CalAm to deliver the water to its customers. This is the same pipeline that allows delivery of additional Carmel River diversions to the Seaside Basin.
6. The MRWPCA, as the designated lead agency under CEQA for the PWM/GWR Project, prepared the Final EIR PWM/GWR EIR pursuant to CEQA Guidelines to address the environmental effects, mitigation measures, and project alternatives associated with the consideration of the PWM/GWR and actions related thereto. The Board of Directors of the MRWPCA, by Resolution 2015-24, certified the PWM/GWR EIR as complete and adequate and fully in compliance with all requirements of CEQA on October 8, 2015. The Board of Directors of the MRWPCA also approved the Project as modified by the Alternative Monterey Pipeline and selected the environmentally preferred alignment on October 8, 2015 by Resolution 2015-24.
7. On October 9, 2016, a Notice of Determination for the PWM/GWR Project was filed with the Monterey County Clerk and State Clearinghouse.

Hilby Avenue Pump Station and Environmental Process

8. The proposed Hilby Avenue Pump Station is located on Assessor's Parcel Number 012-324-032-000 at existing CalAm facilities at the corner of Hilby Avenue and Luzern Street in

Seaside, California. The proposed Hilby Avenue Pump Station is needed to provide sufficient pressure to enable conveyance of additional diverted Carmel River winter flows to the ASR injection wells, as allowed under the ASR Project. Other than providing sufficient pressure to convey additional diverted water, the addition of the Hilby Avenue Station would not change any of the operational parameters evaluated in the ASR EIR/EA and 2012 Addendum.

9. The Hilby Avenue Pump Station would be connected to the new Monterey Pipeline. Upon approval of the Amendment to the CalAm WDS Permit and construction of the Hilby Avenue Pump Station and the Monterey Pipeline, the operations of the combined facilities (Pump Station with the new Monterey Pipeline) would be able to convey water in two directions: (1) from the Carmel River to the existing ASR wells; and (2) from the Seaside Basin extraction wells to CalAm's distribution system. The latter purpose is tied to the PWM Project; the Monterey Pipeline is needed to provide sufficient capacity to convey the water produced by the PWM Project to CalAm customers. The first purpose is tied to the ASR Project. The Monterey Pipeline and Hilby Avenue Pump Station would enable the ASR Project to achieve additional yield authorized by the current water rights for the ASR Project.
10. The Hilby Avenue Pump Station Addendum is an addendum to the both the ASR Project Final EIR/EA and the PWM/GWR Final EIR. The MPWMD prepared the Hilby Avenue Pump Station Addendum to the ASR EIR/EA to fully evaluate the impacts of constructing and operating the Hilby Avenue Pump Station in conjunction with the Monterey Pipeline to determine whether such construction and operation would result in a new significant impact or a substantial increase in the severity of impacts previously disclosed in the ASR EIR/EA and 2012 Addendum.
11. The Monterey Pipeline is proposed to be connected to the Hilby Avenue Pump Station. The potential environmental impacts of constructing and operating the Monterey Pipeline were fully addressed in the PWM/GWR Final EIR. (The Monterey Pipeline was evaluated as the "Alternative Monterey Pipeline" in the GWR EIR and approved as the environmentally superior conveyance alignment in the PWM/GWR Final EIR.) Relevant information in the PWM/GWR EIR was used in the preparation of the Hilby Avenue Pump Station Addendum, and the MPWMD's Hilby Avenue Pump Station Addendum thus also serves as an addendum to the PWM/GWR EIR.
12. Construction and operation of the Hilby Avenue Pump Station would not change the location or operation of the Monterey Pipeline or create any new significant impacts or substantial increase in severity of previously identified significant impacts resulting from the Monterey Pump Station in relation to the PWM/GWR Project.
13. CEQA Guidelines Section 15164 requires a lead agency or responsible agency to "prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in §15162 calling for preparation of a subsequent EIR have occurred." The Hilby Avenue Pump Station Addendum has been prepared to document the Hilby Avenue Pump Station would not create new significant environmental impacts or substantially increase the severity of previously identified significant impacts per CEQA Guidelines sections 15162, 15164.

CEQA Summary of Impacts and Mitigation

14. The following CEQA Summary of Impacts and Mitigation provides the impact conclusions in the Addendum, mitigation measures, and resulting significance of each impact related to implementation of the Hilby Avenue Pump Station and the Monterey Pipeline components of the ASR Project and the PWM/GWR Project that will be approved by MWPMD when they approve the CalAm WDS Amendment.
15. As described in greater detail below and in the Hilby Avenue Pump Station (Pump Station) Addendum, approval to add the Pump Station and Monterey Pipeline to the CalAm WDS will incrementally contribute to impacts previously identified in the ASR EIR/EA (2009), Addendum to the ASR EIR/EA (2012) and PWM/GWR EIR (2015) (these documents together are referenced herein as the “EIRs”), but will not result in any new significant impacts, increase the severity of significant impacts previously identified in the EIRs, or cause any environmental effects not previously examined in the EIRs with the implementation of relevant mitigation measures identified in the EIRs. All significant impacts to which the Pump Station would contribute are identified in the Addendum to the Pump Station and were analyzed in the EIRs and in the Findings for approval of the ASR Project (including approval of implementation of ASR Water Project Phase 2) or the PWM/GWR Project. The Monterey Pipeline proposed to be included in the CalAm Water Distribution System Permit Amendment was fully analyzed in the PWM/GWR Project EIR. The proposed Pump Station and the proposed Amendment to the CalAm Water System Distribution System to include the Monterey Pipeline and ASR Phase 1 and Phase 2 wells as part of the CalAm WDS does not involve new information of substantial importance which would require mitigation measures or alternatives that are considerably different from those analyzed in the EIRs. No additional mitigation measures are feasible to substantially lessen any significant and unavoidable impacts previously identified in the EIRs.
16. While the Hilby Avenue Pump Station will incrementally contribute to cumulative impacts previously identified in the EIRs associated with each of the projects, it will not result in any new significant cumulative impacts, increase the severity of significant cumulative impacts previously identified in the EIRs as significant, or cause any environmental effects not previously examined in the EIRs. All significant cumulative impacts to which the ASR Project, PWM/GWR Project and the Hilby Avenue Pump Station would contribute have been discussed in the EIRs and in the Pump Station Addendum.
17. Each of the topical elements below address the Pump Station and related facilities considered in the Hilby Avenue Pump Station Addendum. The Monterey Pipeline proposed under the CalAm Water Distribution System Permit Amendment was fully analyzed in the PWM/GWR Project EIR. CEQA findings for the PWM/GWR Project and EIR (Resolution No. 2015-24) are a part of this record for the CalAm Water Distribution System Permit Amendment.
18. The MPWMD Board acting as lead agency for the ASR Project for the Hilby Avenue Pump Station and as responsible agency for the PWR/GWR Project, makes the following findings for the Pump Station:

a) Aesthetics

The existing site is located in a disturbed area near the corner of Luzern Street and Hilby Avenue in the City of Seaside. The Pump Station site is not located near a designated scenic corridor or vista. The ASR EIR/EA identified a less than significant impact to scenic views, degradation of site visual character, creation of light and glare during construction activities, and alteration of existing visual character. The ASR EIR/EA and Addendum 1 to the ASR EIR/EA each identified a significant impact regarding creation of new light and glare associated with well siting and operation that would be reduced to less than significant with implementation of Mitigation Measure VIS-1. The PWM/GWR EIR concluded that there would be less than significant impacts to scenic views, scenic resources, and the visual quality of surrounding areas during both construction and operation of the PWM/GWR project. The PWM/GWR EIR found that there would be significant impacts to aesthetic resources as a result of additional light and glare at the Booster Pump Station and the Injection Well Facility. These impacts could be reduced by the implementation of Mitigation Measure AE-2: Minimize Construction Nighttime Lighting, and Mitigation Measure AE-4: Exterior Lighting Minimization. The proposed Pump Station would not result in new or substantially more severe significant impacts to aesthetic resources. The Addendum found that the Pump Station also will not contribute to significant impacts to aesthetic resources identified in the ASR EIR/EA and PVM/GWR EIR; therefore no mitigation is warranted. Based on the analysis in the Pump Station Addendum, pages 1 to 2 of Attachment 1, Initial Study Checklist for the Hilby Avenue Pump Station to Support the Addendum to the ASR EIR/EA and the PWM/GWR EIR (“Initial Study Checklist”) the District finds that the Pump Station will not result in any new, significant aesthetic impacts that were not examined in the EIRs, that the Hilby Avenue Pump Station would not substantially increase the impacts previously disclosed in the EIRs, that the standards for preparation of an addendum under CEQA are met for the Project, and that none of the circumstances that would require preparation of a subsequent or supplemental EIR under CEQA exists.

b) Agricultural Resources/Mineral Resources

The proposed Pump Station would not result in any impact or a new or substantially more severe impact to agricultural resources, as the area is outside agricultural resources. No potential impacts to mineral resources were identified in the ASR EIR/EA, Addendum 1 to the ASR EIR/EA, or the PWM/GWR EIR. The proposed Pump Station site is not located in an area of potential mineral resources. The Pump Station will not contribute to significant impacts to agricultural or mineral resources identified in the ASR EIR/EA and PVM/GWR EIR.

c) Air Quality

The ASR EIR/EA identified potential adverse significant impacts during construction due to short-term emissions of PM10 (AQ-1, AQ-2, AQ-3), exposures of sensitive receptors (e.g. Seaside Middle School) to elevated health risks from exposure to diesel particulates (AQ- 4), and exposure of sensitive receptors to acrolein health hazards (AQ-5). No significant operational air quality impacts were identified. Addendum 1 to the ASR EIR/EA did not identify any significant impacts related to air quality. The PWM/GWR EIR found that there would be less than significant impacts related to air quality resulting from criteria pollutants during operation, exposure of sensitive receptors during construction and operation, odors during construction and operation, or violation of air quality standards during operation. The

PWM/GWR EIR found that there would be a potentially significant impact resulting from criteria pollutants during construction, this impact could be mitigated to less than significant levels by the implementation of Mitigation Measure AQ-1: Construction Fugitive Dust Control Plan. The proposed Pump Station site is adjacent to several residences, which are considered sensitive receptors. Implementation of Mitigation Measure AQ-1, which was previously approved as part of the PWM/GWR EIR, and Mitigation Measure AQ-1, which was previously approved as part of the ASR EIR/EA, and standard construction BMPs would minimize temporary emissions from construction. As a result, construction of the proposed Pump Station would not result in significant impacts to sensitive receptors. The construction emissions generated by the Pump Station are anticipated to overlap with construction of PWM/GWR Project components. However, construction of the Pump Station and the PWM/GWR Project would not exceed Monterey Bay Air Resources District (MBARD) thresholds for emissions. Therefore, construction of the Pump Station would not substantially increase the Impacts AQ-1 or AQ-2 identified in the PWM/GWR EIR. Based on the analysis in the Pump Station Addendum, pages 4-9 of Attachment 1, Initial Study Checklist, the District finds that the Hilby Avenue Pump Station will not result in any new, significant air quality impacts that were not examined in the EIRs, that the Hilby Avenue Pump Station would not substantially increase the impacts previously disclosed in the EIRs, that the standards for preparation of an addendum under CEQA are met for the Project, and that none of the circumstances that would require preparation of a subsequent or supplemental EIR under CEQA exists.

d) Biological Resources

The ASR EIR/EA identified less than significant impacts for removal and destruction of sensitive vegetation and potential direct mortality or disturbance of protected animal species and significant impacts related to potential disturbance of the Fort Ord Natural Resource Management Area (NRMA) and potential loss of nest trees and disturbance or mortality of migratory birds. Mitigation Measures BIO-1 and BIO-2 reduced impacts to a less than significant level. The ASR EIR/EA noted that the ASR Project has the potential to affect special status aquatic species within the river corridor of the Carmel River, but has been designed to minimize any adverse impacts. Overall, the ASR EIR/EA concluded that the ASR Project would be beneficial to steelhead and the California red-legged frog. Addendum 1 to the ASR EIR/EA did not identify any significant impacts to biological resources.

The PWM/GWR EIR concluded that potentially significant impacts to fisheries resources (due to habitat modification during construction of the diversion facilities) could be reduced to less than significant levels through the implementation of Mitigation (BT-1: Implement Construction Best Management Practices, BF-1, 1b and 1c (Construction During Low Flow Season, Relocation of Aquatic Species during Construction and Mitigation Measure for Tidewater Goby and Steelhead Impact Avoidance and Minimization). The PWM/GWR EIR also found that there would be a significant impact due to interference with fish migration, this impact could be reduced to less than significant with either the implementation of Mitigation. The PWM/GWR EIR determined that there would be significant impacts during project construction due to impacts to special-status species and habitat, sensitive habitats, and conflicts with local policies. These impacts could be reduced to a less than significant level through the implementation of mitigation to reduce construction impacts. The PWM/GWR EIR found that there would be a significant impact to sensitive habitats during

operation, and that this impact could be reduced to less than significant with the implementation of Best Management Practices (BMPs). The Addendum states the proposed Pump Station site is disturbed and the majority of the site has been previously paved over. Monterey spineflower was identified within the parcel, outside the limits of the proposed construction. No special-status plant species were identified within the proposed limits of construction. During construction of the Pump Station, the construction area would be marked with temporary exclusion fencing to prevent inadvertent disturbance to adjacent, undeveloped portions of the property. The proposed development would not significantly increase the severity of significant impacts previously identified and would not result in additional significant impacts beyond those identified in the ASR EIR/EA and the PWM/GWR EIR. Because the Pump Station could potentially contribute to potentially significant impacts to Monterey spineflower, the following previously approved mitigation measure apply: Mitigation Measure BT-1a: Implement Construction Best Management Practices (PWM/GWR EIR). Based on the analysis in the Pump Station Addendum, pages 9-12 of Attachment 1, Initial Study Checklist, the District finds that the Project will not result in any new, significant impacts that were not examined in the EIRs, that the Hilby Avenue Pump Station would not substantially increase the impacts previously disclosed in the EIRs., that the standards for preparation of an addendum under CEQA are met for the Project, and that none of the circumstances that would require preparation of a subsequent or supplemental EIR under CEQA exists.

e) Cultural Resources

The proposed Pump Station site was surveyed by Environmental Science Associates (ESA), and no cultural resources were identified at the site. Both the ASR EIR/EA and Addendum 1 to the ASR EIR/EA noted a potentially significant impact due to the potential for discovery of buried unknown cultural deposits and human remains during construction activities; however, Mitigation Measures CR-1 and CR-2 were presented and adopted to reduce potential impacts to a less than significant level. Similar to the ASR Project, the PWM/GWR EIR concluded that project construction could result in a significant impact due to the potential for discovery of buried unknown cultural deposits and human remains during construction activities, but that this impact could be reduced with the implementation of Mitigation Measure CR-1: Avoidance and Vibration Monitoring for Pipeline Installation in the Presidio of Monterey Historic District, and Downtown Monterey, Mitigation Measure CR-2a: Archaeological Monitoring Plan, Mitigation Measure CR-2b: Discovery of Archaeological Resources or Human Remains, and Mitigation Measure CR-2c: Native American Notification. The proposed Pump Station would not result in new or substantially more severe impacts to cultural resources. Because the Pump Station could potentially contribute to previously identified significant impacts to unknown cultural resources, previously approved mitigation measures apply: Mitigation Measure CR-1: Stop Work If Buried Cultural Deposits Are Encountered during Construction Activities. (ASR EIR/EA) and Mitigation Measure CR-2: Stop Work If Human Remains Are Encountered during Construction Activities. (ASR EIR/EA).

f) Geology and Soils

The ASR EIR/EA found that all geologic, soils, and seismicity impacts of the ASR Project would be less than significant. Addendum 1 to the ASR EIR/EA did not identify any significant impacts related to geology and soils. Due to the proximity to the coast of a portion

of the Monterey Pipeline that was evaluated in the PWM/GWR EIR, the PWM/GWR EIR concluded that a significant impact could result from exposure to coastal erosion and sea level rise, but found that this impact could be reduced to less than significant with the implementation of Mitigation Measure GS-5: Monterey Pipeline Deepening. However, the Monterey Pipeline alignment that was evaluated in the PWM/GWR EIR is no longer being used, as the Alternate Monterey Pipeline (referred to as the “Monterey Pipeline” in this analysis) that was evaluated in the PWM/GWR EIR was selected by the MRWPCA Board. Therefore, this impact is no longer relevant to the PWM/GWR Project. The proposed Pump Station would not result in new or substantially more severe significant impacts related to geology and soils. The Pump Station also will not contribute to significant impacts to geology and soils identified in the EIRs.

g) Greenhouse Gas Emissions

Although an analysis of potential climate change impacts was not completed as part of the ASR EIR/EA, air quality modeling was completed for temporary construction phase impacts. All potential air quality related effects associated with the ASR Project were considered less than significant due to the temporary nature of project emissions. Addendum 1 to the ASR EIR/EA identified a less than significant impact related to the generation of GHGs. That project would generate a minor amount of GHG emissions, directly during construction and indirectly through electricity demand and vehicular access to the site during operation. The PWM/GWR EIR did not find any significant impacts related to greenhouse gas emissions. The PWM/GWR project would not make a considerable contribution to significant cumulative impacts of greenhouse gas emissions and the related global climate change impacts. Indirect GHG emissions from energy usage at the Pump Station would be below the project-specific GHG significance threshold of 2,000 MT CO₂e per year (maximum of 1,979 MT/year). Based on the analysis in the Pump Station Addendum, pages 16-19 of Attachment 1, Initial Study Checklist, the District finds that the Project will not result in any new, significant impacts that were not examined in the EIRs, that the Hilby Avenue Pump Station would not substantially increase the impacts previously disclosed in the EIRs, that the standards for preparation of an addendum under CEQA are met for the Project, and that none of the circumstances that would require preparation of a subsequent or supplemental EIR under CEQA exists.

h) Hazards and Hazardous Materials

The ASR EIR/EA evaluated hazardous materials impacts of the project and concluded there to be a potentially significant impact related to construction activities occurring on portions of the former Fort Ord associated with historic military use. Mitigation Measure HAZ-1 was identified to reduce the potential impact to a less than significant level. The ASR EIR/EA identified less than significant impacts associated with handling of associated materials and public exposure to contaminated drinking water. Addendum 1 to the ASR EIR/EA did not identify any additional potentially significant impacts related to hazards and hazardous materials. The PWM/GWR EIR concluded that there would be a significant impact related to the potential for accidental release of hazardous materials during construction, this impact could be reduced to less than significant with the implementation of Mitigation Measure HH-2a: Environmental Site Assessment, Mitigation Measure HH-2b: Health and Safety Plan, and Mitigation Measure HH-2c: Materials and Dewatering Disposal Plan. The proposed Pump Station would not result in new or substantially more severe significant impacts related to

hazards and hazardous materials. The Pump Station also will not contribute to significant impacts associated with hazardous materials identified in the EIRs.

i) Hydrology and Water Quality

The ASR EIR/EA identified less than significant and beneficial hydrology and water quality impacts of the ASR project. Mitigation Measures GWH-1, GWH-2, GWH-3, and GWH-4 were recommended for the ASR Project; however, no significant impacts requiring mitigation were identified. Addendum 1 to the ASR EIR/EA did not identify any additional significant impacts related to hydrology and water quality. The PWM/GWR EIR concluded that there would be a significant impact on surface water hydrology and water quality during the construction of the source water diversions, however, this impact could be reduced to less than significant with the implementation of Mitigation Measure HS-4: Management of Surface Water Diversion Operations. The PWM/GWR project would result in beneficial impacts to the surface water flows of Carmel River. In addition, the PWM/GWR EIR found that the project would result in beneficial impact to both groundwater levels and overall quality in the Salinas Valley Groundwater Basin and the Seaside Basin. The majority of the proposed Pump Station construction activities would occur primarily on an existing concrete pad. The proposed Pump Station would not result in new or substantially more severe significant impacts related to hydrology and water quality. The Pump Station also will not contribute to significant impacts to hydrology identified in the EIRs.

j) Land Use and Planning

The proposed Pump Station site is located on CalAm property with existing tank and pump facilities on the site. The ASR EIR/EA identified less than significant impacts associated with land use compatibility. Addendum 1 to the ASR EIR/EA did not identify any additional significant impacts related to land use and planning. The PWM/GWR EIR concluded that that PWM/GWR project would be consistent with plans, policies, and regulations, with the implementation of the mitigation measures referenced in that document. The proposed Pump Station would not result in new or substantially more severe significant impacts related to land use and planning. The Pump Station also will not contribute to significant impacts related to land use and planning identified in the EIRs.

k) Noise

The ASR EIR/EA identified significant noise impacts due to exposure of sensitive receptors to elevated noise and vibration levels during construction activities and increased noise levels during operational phases. Mitigation Measures NZ-1a, NZ1-b, NZ1-c, NZ1-d and NZ-2 were identified to reduce impacts to a less than significant level. In addition, Addendum 1 to the ASR EIR/EA identified a potentially significant impact resulting from the exposure of noise-sensitive land used to construction noise in excess of applicable standards. This impact was reduced to less than significant with the implementation on Mitigation Measures NV-1a, NV-1b, NV-1c, and NV-1d. The Hilby project site is located within the existing CalAm Hilby Tank Facility, which is located adjacent to a residential neighborhood. Project-specific design features (e.g. sound-proof enclosures) would ensure that operational impacts of the Proposed Pump Station would be less than significant (See Addendum, **Attachment 3, Pump Station Noise Technical Memorandum**). Noise from construction would be reduced to a less than significant level through the implementation of Mitigation Measures NZ-1a, NZ1-b, and NZ1-c, previously approved as part of the ASR EIR/EA. Based upon existing

mitigation measures and the construction plan of the proposed development, the proposed Pump Station would not result in significant new impacts identified in the EIRs and that the Hilby Avenue Pump Station would not substantially increase the impacts previously disclosed in the EIRs. No additional mitigation would be necessary beyond those measures already identified in the EIRs. The PWM/GWR EIR concluded that there would be a significant and unavoidable impact due to noise generated during construction of the Monterey Pipeline. Although the impact may not be reduced to less than significant levels, implementation of Mitigation Measure NV-1a: Drilling Contractor Noise Measures, Mitigation Measure NV-1b: Monterey Pipeline Noise Control Plan for Nighttime Pipeline Construction, Mitigation Measure NV-1c: Neighborhood Notice, Mitigation Measure NV-1d: RUWAP Pipeline Construction Noise, Mitigation Measure NV-2a: Construction Equipment, and Mitigation Measure NV-2b: Construction Hours, would reduce the severity of the impact. Based on the analysis in the Pump Station Addendum (Attachment 1 and Attachment 3 to the Addendum), the District finds that the Project will not result in any new, significant noise impacts that were not examined in the EIRs, that the Hilby Avenue Pump Station would not substantially increase the impacts previously disclosed in the EIRs, that the standards for preparation of an addendum under CEQA are met for the Project, and that none of the circumstances that would require preparation of a subsequent or supplemental EIR under CEQA exists.

The District further finds that the remaining significant effect on the environment caused by implementation of the Monterey Pipeline Project found to be unavoidable remain acceptable due to the reasons set forth in the PWM/GWR Findings and Statement of Overriding Considerations adopted by the MRWPCA in Resolution 2016-24 in connection with its certification of the PWM/GWR (See Attachment to Resolution 2016-12 from MRWPCA Resolution NO. 2015-24, Excerpt Specific to Monterey Pipeline).

l) Population and Housing, Public Service, Recreation

No potential impacts to population and housing were identified in the ASR EIR/EA, Addendum 1 to the ASR EIR/EA, or the PWM/GWR EIR. No potential impacts to public services were identified in the ASR EIR/EA, Addendum 1 to the ASR EIR/EA, or the PWM/GWR EIR. No potential impacts to recreation facilities were identified in the ASR EIR/EA, Addendum 1 to the ASR EIR/EA, or the PWM/GWR EIR. The proposed Pump Station would not result in new or substantially more severe impacts to population housing, public services or recreational resources and no mitigation is warranted.

m) Transportation and Traffic

The ASR EIR/EA found the ASR Project would have the following less than significant impacts to traffic and circulation: temporary construction-related traffic increases; construction phase conflicts with bus service lines and temporary pathway/bikeway closures; increased traffic and level of service degradation from operational phases; and an increased demand for parking. No mitigation measures were required. Addendum 1 to the ASR EIR/EA did not identify any significant impacts related to traffic and transportation. The PWM/GWR EIR concluded that there would be a less than significant impact due to construction-related traffic delays, safety, and access limitations, resulting from construction of the Product Water Pipeline and the Monterey Pipeline. This impact can be reduced to less than significant levels with the implementation of Mitigation Measure TR-2: Traffic Control

and Safety Assurance Plan. The document also found that there would be significant impacts resulting from construction-related roadway deterioration and parking interference and that these impacts could be reduced to a less than significant level with the implementation of Mitigation Measure TR-3: Roadway Rehabilitation Program and Mitigation Measure TR-4: Construction Parking Requirements, respectively. The proposed Pump Station would not result in new or substantially more severe significant impacts related to traffic and transportation. The Pump Station also will not contribute to significant impacts related to traffic and transportation identified in the EIRs; therefore no mitigation is warranted.

n) Utilities and Service Systems

The ASR 1 EIR/EA identified a significant impact based upon temporary disruption of existing underground utilities during construction activities and identified that potential impacts would be reduced to a less than significant level through the implementation of Mitigation Measures PS-2 and PS-3. Addendum 1 to the ASR EIR/EA did not identify any significant impacts to utilities and service systems. The PWM/GWR EIR found that there would be a significant impact related to utilities and service systems due to conflict with solid waste policies and regulations. This impact would be reduced to less than significant level with the implementation of Mitigation Measure PS-3: Construction Waste Reduction and Recycling Plan. The proposed Pump Station would not result in any new significant impacts or increased severity of previously identified significant impacts from the EIRs. The proposed Pump Station would not result in new or substantially more severe significant impacts to utilities and service systems. The Pump Station also will not contribute to significant impacts related to utilities identified in the EIRs; therefore no mitigation is warranted.

o) Mandatory Findings of Significance

The ASR EIR/EA found that there would be less than significant cumulative impacts in all issue areas with the exception of NO_x and PM₁₀ emissions, noise and vibration generated during construction. Both of these cumulative significant impacts would be reduced to less than significant with the implementation of Mitigation Measure Cume-1: Coordinate with Relevant Local Agencies to Develop and Implement a Phased Construction Plan to Reduce Cumulative Traffic, Air Quality, and Noise Impacts. Addendum 1 to the ASR EIR/EA did not identify a cumulatively considerable impacts related to implementation of that project.

The PWM/GWR EIR found that there would be less than significant cumulative impacts in all issue areas with the exception of PM₁₀ emissions, marine surface waters, and marine biological resources. The cumulative significant impact resulting from PM₁₀ emissions would be reduced to less than significant with the implementation of Mitigation Measure AQ-1, described in Section 3, Air Quality. The cumulative significant impacts to marine resources would be reduced to less than significant with the implementation of Mitigation Measure HS-C/MR-C: Implement Measures to Avoid Exceedances over Water Quality Objectives at the Edge of the Zone of Initial Dilution.

The Proposed Pump Station would not substantially degrade or reduce wildlife species or habitat or impact historic resources, as identified in this analysis. Potential cumulative impacts associated with the Pump Station would primarily occur in connection with temporary construction-related effects. As described above, a cumulative analysis for the

PWM/GWR Project was performed in the PWM/GWR EIR and a cumulative analysis for the ASR Project was performed in the ASR EIR/EA and Addendum 1 to the ASR EIR/EA. The cumulative analysis performed in the PWM/GWR EIR included the ASR Project (Phases 1 and 2). Construction and operation of the Pump Station would not result in adverse impacts on human beings, either directly or indirectly; potential impacts would be temporary in nature and mitigated through the implementation of mitigation measures (to the extent they are applicable) previously identified in the EIRs. The Proposed Pump Station would not result in new significant impacts or significant impacts that would be increased in severity beyond those identified in the EIRs.

19. As evidenced in the findings above, and the Pump Station Addendum, construction and operation of the Hilby Avenue Pump Station and approval of the CalAm WDS Amendment would involve some changes or additions to the project and alternatives previously analyzed in the ASR EIR/EA and Addendum 1 and PWM/GWR EIR but none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR have occurred.
20. All pertinent ASR EIR/EA and Addendum 1 and PWM/GWR FEIR mitigation measures and continuing best practices relevant to the Hilby Avenue Pump Station, as identified in the Pump Station Addendum, as well as all mitigation measures for the Monterey Pipeline described in the PWM/GWR EIR, are made a condition of the Hilby Avenue Pump Station approval. The Hilby Avenue Pump Station Addendum mitigation measures for construction and operation of the Hilby Avenue Pump Station were adapted from the measures presented in the ASR EIR/EA and are included in the consolidated MMRP for the Hilby Avenue Pump Station and Monterey Pipeline (Exhibit 17-B to the MPWMD June 20, 2016 meeting packet). The mitigation measures from the MMRP from the PWM/GWR EIR for the Monterey Pipeline are included in the MMRP as Exhibit 17-B. With the exception of temporary noise impact from construction of the Monterey Pipeline, all impacts were reduced to less than significant.
21. The construction and operation of the Monterey Pipeline was fully evaluated in the PWM/GWR Project EIR. The Board of Directors of the MRWPCA approved the PWM/GWR Project as modified by the Alternative Monterey Pipeline and selected the environmentally preferred alignment on October 8, 2015 by Resolution 2015-24. The District finds that the impacts of the Monterey Pipeline are as described in MRWPCA Resolution 2015-24, and hereby incorporates the findings pertaining to Monterey Pipelines from Resolution 2015-24. The Mitigation Measures identified in the PWM/GWR Project EIR have been included in the MMRP (Exhibit 17-B) and are hereby adopted by the District to reduce the impacts of the Monterey Pipeline to a less than significant level. The Monterey Pipeline will result in the following impact that cannot be reduced to a less-than-significant level through mitigation: The PWM/GWR EIR determined construction and implementation of the Monterey Pipeline would result in a significant unavoidable impact due to the temporary increase in ambient noise levels during nighttime construction in residential areas. Accordingly, the District hereby adopts the Statement of Overriding Considerations with regard to the Monterey Pipeline. (See Statement of Overriding Consideration, included as an Attachment to this Resolution 2016-12 from MRWPCA Resolution NO. 2015-24, Excerpt Specific to Monterey Pipeline).

22. The remaining significant effect on the environment caused by implementation of the Monterey Pipeline Project found to be unavoidable remain acceptable due to the reasons set forth in the PWM/GWR Findings and Statement of Overriding Considerations adopted by the MRWPCA in Resolution 2016-24 in connection with its certification of the PWM/GWR and hereby adopted by the District in their entirety, as referenced and reaffirmed herein (See Attachment to Resolution 2016-12 from MRWPCA Resolution NO. 2015-24, Excerpt Specific to Monterey Pipeline).
23. All other significant effects on the environment due to the implementation of the Hilby Pump Station and Monterey Pipeline have been eliminated or substantially lessened where feasible through ASR EIR/EA and Addendum 1 and PWM/GWR EIR mitigation measures and continuing best practices adopted in connection with the District's approval of the ASR Project EIR/EA and Addendum 1 and the PWM/GWR EIR and incorporated as part of the District's approvals for the Hilby Pump Station and Monterey Pipeline.
24. As evidenced in the findings above, and the Hilby Avenue Pump Station Addendum, the construction and operation of the Hilby Avenue Pump Station and Monterey Pipeline, and operation of ASR Project facilities have been described and previously evaluated in the EIRs. The PWM/GWR EIR and the on-site, site-specific significant adverse effects of the full implementation of these projects have been addressed in these certified EIRs. Construction and operation of the Hilby Avenue Pump Station and Monterey Pipeline would not result in any new significant adverse impacts not already identified in the certified EIRs. The Hilby Pump Station and Monterey Pipeline will not result in environmental effects that were not adequately examined in the EIRs, as supplemented by the Hilby Avenue Pump Station Addendum.
25. As evidenced in the findings above, and the Hilby Avenue Pump Station Addendum, no circumstances have changed since the consideration of the EIRs that would trigger a new significant adverse impact or a worsening in severity of any previously identified significant impacts.
26. As evidenced in the findings above and the Hilby Avenue Pump Station Addendum, no new information of substantial importance has been identified or presented to the District such that construction and operation of the Hilby Avenue Pump Station and Monterey Pipeline would result in: 1) significant environmental effects not identified in the ASR EIR/EA, or 2) more severe environmental effects than shown in the EIRs, or 3) require mitigation measures which were previously determined not to be feasible, or mitigation measures that are considerably different from those recommended in the previous EIRs.
27. CEQA requires the Lead Agency approving a project to adopt a monitoring program for changes to the project that it adopts or makes a condition of project approval, including mitigation measures intended to eliminate or reduce potentially significant impacts of the project, in order to ensure compliance during project implementation. The June 2016 Mitigation Monitoring and Reporting Program (MMRP) prepared for Hilby Avenue Pump Station and the October 2015 MMRP for Pure Water Monterey Project for the Monterey Pipeline (Exhibit 17-B) meets the requirements of the California Environmental Quality Act (Public Resource Code, Section 21081.6).

28. Pertinent ASR EIR/EA and Addendum 1 and PWM/GWR EIR mitigation measures and continuing best practices relevant to the Hilby Avenue Pump Station, as identified in the Pump Station Addendum, as well as all components of the Project described in the Pump Station Addendum, are made a condition of the Hilby Avenue Pump Station approval.
29. Section 21081 of the Public Resources Code and Section 15091 of the CEQA Guidelines require that the District Board make findings prior to approval of a project (along with statements of facts supporting each finding).
30. The Board of Directors has reviewed and considered the Phase 1 EIR/EA, and its Addendum 1 (2012 Addendum) and the PWM/GWR EIR in their entirety and find that these documents, along with the Hilby Avenue Pump Station Addendum, are adequate for the purpose of approving the Hilby Avenue Pump Station, the Monterey Pipeline, and Application #WDS-20160602CAW and authorizing issuance of WDS Permit #M16-01-L3 to amend the CalAm WDS. The District hereby relies upon the contents of those documents and the associated CEQA processes for its CEQA compliance on the action of approval of the Hilby Avenue Pump Station and related amendments to the CalAm WDS.
31. This Resolution is adopted pursuant to the California Environmental Quality Act, codified at Sections 21000 and following of the Public Resources Code (“CEQA”), and the CEQA Guidelines codified at Title 14, Sections 15000 and following of the California Code of Regulations (“CEQA Guidelines”).

III. NOW, THEREFORE, BE IT RESOLVED, that Board of Directors of the District determines each Finding set forth above to be true and correct, and by this reference incorporates each as an integral part of this Resolution. Based on these Findings, the Board of Directors hereby makes the following resolutions:

1. The Board of Directors of the District, pursuant to CEQA Guidelines Sections 15164(d), has reviewed and considered the information contained in the Phase 1 ASR EIR/EA, the April 2012 ASR Addendum 1 and April 2012 Mitigation Monitoring Plan, and the previously adopted Findings (included as Exhibit 10-C of the August 21, 2006 MPWMD Board Agenda Packet, Exhibit 16-A of the MPWMD Board Agenda Packet from April 16, 2012), and Resolution 2015-24 of the MRWPCA Board approved on October 8, 2015, as well as the documents and information contained in the Final PWM/GWR EIR, and herein.
2. The Board of Directors of the District hereby relies upon the contents of those documents and the associated CEQA processes for its CEQA compliance on the action of approval of the Hilby Avenue Pump Station, the Monterey Pipeline, and related Application WDS20160606CAW to the amend the CalAm Water Distribution System.
3. The Board of Directors of the District, as lead agency for the ASR project hereby approves the Hilby Avenue Pump Station and adopts the June 2016 Hilby Avenue Pump Station Addendum as Addendum 2 to the ASR EIR/EA and Addendum 1 to the PWM/GWR Project EIR.

4. The Board of Directors of the District hereby adopts the June 14, 2016 Mitigation Monitoring and Reporting Program for the Hilby Avenue Pump Station and Monterey Pipeline.
5. The Board of Directors of the District, as responsible agency for the PWM/GWR Project, hereby approves the Monterey Pipeline as approved under Resolution 2015-24 by the MRWPCA Board of Directors.
6. The Board of Directors of the District hereby relies upon and adopts the relevant CEQA Findings for the Pure Water Monterey Project (Resolution NO. 2015-24, Agenda Item #5 of the October 8, 2015 MRWPCA Board Packet).
7. The Board of Directors hereby also adopts the attached Statement of Overriding Considerations related to Monterey Pipeline, being an excerpt from MRWPCA Resolution NO. 2015-24.
8. The Board of Directors of the District hereby approves the issuance of WDS Permit Amendment #M16-01-L3.
9. The Secretary of the Board or his/her designee is directed under the authority granted by the Board to file the Notice of Determination for the approval of the Application to amend the California American Water Distribution System to add the Proposed Hilby Avenue Pump Station and the Proposed Monterey Pipeline and in addition, to include Aquifer Storage and Recovery Phase 1 and Phase 2 Wells, and authorization of the issuance of WDS Permit Amendment #M16-01-L3.
10. The record of the proceedings and evidence for approval of the CalAm WDS Amendment for the Aquifer Storage and Recovery Facilities, including Phase 1 and Phase 2 Wells, the Proposed Hilby Avenue Pump Station and the Proposed Monterey Pipeline on June 20, 2016, which was considered by the District Board in their decision about Application WDS-20160602CAW, is comprised of the following:
 - A. The Phase 1 ASR EIR/EA (certified August 21, 2006).
 - B. Addendum to the Phase 1 ASR EIR/EA and supporting Initial Study Checklist (April 2012).
 - C. The Mitigation Monitoring Plan for the Full Implementation of ASR Water Project 2 (April 2012).
 - D. The proceedings before the District Board relating to the certification of the Phase 1 ASR EIR/EA, approval of the Phase 1 ASR Mitigation Monitoring Plan, and approval of the Phase 1 ASR Project on August 21, 2006, including Findings of Fact and Mitigation Monitoring Plan for the Phase 1 ASR Project, as well as testimony and documentary evidence introduced at the meeting.
 - E. The record of the proceedings and evidence for approval of the full implementation of ASR Water Project 2 on April 16, 2012.
 - F. The PWM/GWR EIR (certified October 8, 2015).
 - G. The Mitigation Monitoring and Reporting Program for the Pure Water Monterey – Staff Recommended Alternative.

H. All attachments, documents incorporated, and references made in the documents specified in items (A) through (G) above.

11. If any subdivision, paragraph, sentence, clause or phrase of this Resolution is, including but not limited to any aspect of, component or portion of the Statement of Overriding Considerations, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or enforcement of the remaining portions of this Resolution. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

12. This Resolution shall become effective immediately following its passage and adoption.

On motion of Director _____, and second by Director _____, the foregoing Resolution is duly adopted this ____th day of _____, 2016, by the following vote:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted on the ____th day of _____ 2016.

Witness my hand and seal of the Board of Directors this ____ day of _____ 2016.

David J. Stoldt, Secretary to the Board

**Attachment to Resolution 2016-12
From MRWPCA Resolution NO. 2015-24 (Excerpt Specific to Monterey Pipeline)**

D. Statement of Overriding Considerations related to Monterey Pipeline

Impacts That Remain Significant

The Board has found that the following impacts of the Monterey Pipeline Project would or could remain significant following MRWPCA adoption of the mitigation measures described in the Final EIR: Impact NV-1: Construction Noise (Alternative Monterey Pipeline)

Overriding Considerations Justifying Project Approval

In accordance with CEQA Guidelines Section 15093, the Board has, in determining whether or not to approve the Project, balanced the economic, social, technological, and other project benefits against the Project's unavoidable environmental risks, and finds that the benefits of the Project set forth below outweigh the significant adverse environmental effects that are not mitigated to less than significant levels. This statement of overriding considerations is based on the Board's review of the Final EIR and other information in the administrative record. The benefits identified below provide separate and independent bases for overriding the significant environmental effects of the Project.

- The Project would replace 3,500 AFY of unauthorized Carmel River diversions for municipal use with additional groundwater pumping enabled by recharge of purified recycled water;
- The Project would provide up to 4,500 – 4,750 AFY and up to 5,900 AFY in drought years of additional recycled water to Salinas Valley growers for crop irrigation;
- The Salinas Valley Groundwater Basin is in overdraft and the Project would reduce the volume of water pumped from Salinas Valley aquifers;
- The Project would increase water supply reliability and drought resistance;
- The Project would maximize the use of recycled water in compliance with the state Recycled Water Policy;
- The Project would reduce pollutant loads from agricultural areas to sensitive environmental areas including the Salinas River and Monterey Bay.