



EXHIBIT 1-A

**DRAFT MINUTES
Special Meeting
Board of Directors
Monterey Peninsula Water Management District
April 19, 2017**

The meeting was called to order at 7:00 pm in the MPWMD conference room.

CALL TO ORDER/ROLL CALL

Directors Present:

Robert S. Brower, Sr. – Chair, Division 5
Andrew Clarke – Vice Chair, Division 2
Brenda Lewis – Division 1
Molly Evans – Division 3
Jeanne Byrne – Division 4
David Pendergrass – Mayoral Representative

Directors Absent:

Mary Adams – Monterey County Board of Supervisors

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No action taken.

ADDITIONS AND CORRECTIONS TO AGENDA

No comments were directed to the Board of Directors.

ORAL COMMUNICATIONS

On a motion by Evans and second of Lewis, the Consent Calendar was adopted on a unanimous vote of 6 – 0 by Evans, Lewis, Brower, Byrne, Clarke and Pendergrass. Adams was absent.

CONSENT CALENDAR

Adopted.

1. Consider Adoption of March 20, 2017 Regular Board Meeting Minutes

Adopted.

2. Consider Adoption of Resolution 2017-05 - Recognizing David Pendergrass for 27 Years of Exceptional Service on the MPWMD Board

Adopted.

3. Consider Adoption of Resolution 2017-06 – Revisions to Conflict of Interest Code

Ratified appointment of Susan Schiavone.

Approved expenditure of \$80,000.

Approved.

Approved.

Adopted.

Adopted.

Chair Brower presented Director Pendergrass with a plaque and thanked him for 27 years of service on the Board of Directors. General Manager Stoldt presented Mr. Pendergrass with a framed Disney print in gratitude for his long history on the Board of Directors. Mr. Pendergrass stated that his goal had always been WATER and that he was proud of the partnership forged between the Water Management District and the Monterey Regional Water Pollution Control Agency for development of the Pure Water Monterey project.

General Manager Stoldt reported that community water use was 92 acre-feet above levels recorded for the same time period in 2016. There is no explanation as to why water use has risen during the season of heavy rainfall, but the total is below the production target. Through the end of March, year-to-date rainfall totaled 162% of the long-term average. For the same time period, unimpaired flow was at 325% of the long-term average. Storage was at 100% of the long-term average, for a total of 32,000 acre-feet, which is equal to a three-year supply. As of April 18, 2017, 1,808 acre-feet of excess Carmel River water had been injected for storage into the Seaside Basin by the Aquifer Storage and Recovery project. It was estimated that the annual total could reach 2,400 acre-feet.

General Manager Stoldt reported the following. Pure Water Monterey Project – bids have been submitted for all components of the project except for the pipeline and the second phase of injection wells. California American Water Desalination Project – pipeline construction in Seaside and Monterey was in process. The proposed pipeline bridge across Highway 68 will not require a new EIR. The cost for the pipeline will not exceed \$1 million so there will be no

4. **Ratify Appointment to Ordinance No. 152 Oversight Panel**
5. **Authorize Purchase or Lease of Two New Electric Vehicles**
6. **Receive and File District-Wide Annual Water Distribution System Production Summary Report for Water Year 2016**
7. **Receive and File District-Wide Annual Water Production Summary Report for Water Year 2016**
8. **Consider Adoption of 2016 MPWMD Mitigation Program Report**
9. **Consider Adoption of Treasurer's Report for February 2017**

PRESENTATION TO DAVID PENDERGRASS HONORING HIM FOR 27 YEARS OF EXCEPTIONAL SERVICE TO THE BOARD OF DIRECTORS

GENERAL MANAGER'S REPORT

10. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2009-0060 and Seaside Groundwater Basin Adjudication Decision**
11. **Update on Development of Water Supply Projects**

review by the Monterey Peninsula Water Supply Project Governance Committee. District staff were reviewing the 91 comment letters received on the Draft EIR for the desalination project. Cease and Desist Order – discussions regarding Condition No. 2 continue. Local Water Projects – The City of Pacific Grove received a \$4.1 million grant from Proposition 1 funds. This will fund phase 4 of the City’s advanced water treatment facility. Malpas Water Entitlement – 2,500 AF of entitlement water has been sold, but only 2.527 acre-feet of that water has been issued for permits. Deep Water Desal – work continues on preparation of the Draft EIR.

Counsel, Heidi Quinn, reported that the Board met to discuss the one agenda item. Staff provided a status report, the Board provided direction, but no reportable action was taken.

Lewis reported that she attended the April 18, 2017, meeting of the Monterey County Special Districts Association. The key speakers that evening were 5th District Supervisor Mary Adams and 4th District Supervisor Jane Parker, who reviewed their priorities for Monterey County. Lewis noted that local districts were encouraged to oppose two pieces of proposed legislation: (1) a proposal to indemnify consultants against future liability due to flaws in their designs; and (2) legislation that would consolidate small special districts into a single state agency.

Pendergrass proposed a motion that was seconded by Byrne to: (a) adopt the Findings of Approval for Application #WDS-20170227RYA; (b) approve the application and authorize issuance of Permit #M17-01-L3; (c) direct staff to file a Notice of Exemption; and (d) approve the April 2017 Statement of Expanded Supply for the Ryan Ranch Unit. The motion was approved on a vote of 6 – 0 by Pendergrass, Byrne, Brower, Clarke, Evans and Lewis. Adams was absent.

Anthony Lombardo, representing the applicant Montage Health, addressed the Board. He responded to questions and stated that the applicant accepted all conditions and requested that the Board approve the application.

On a motion by Byrne and second of Evans, the 2016 MPWMD Annual Report was adopted on a vote of 6 – 0 by

ATTORNEY’S REPORT

12. Report on 5:30 pm Closed Session of the Board

Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))

MPWMD v. SWRCB; Santa Clara 1-10-CV-163328 – CDO – (6th District Appellate Case #H039154)

DIRECTORS’ REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)

13. Oral Reports on Activities of County, Cities, Other Agencies/Committees/ Associations

PUBLIC HEARINGS

14. Consider Application to Amend California-American Water Company, Ryan Ranch Unit, to Serve Community Hospital Properties Via D.B.O. Development No. 30 Water Rights in Seaside Groundwater Basin; MPWMD Application #WDS-20170227RYA. (Exempt from Environmental Review per CEQA Guidelines Section 15268)

15. Consider Adoption of 2016 MPWMD Annual Report

Byrne, Evans, Brower, Clarke, Lewis and Pendergrass.
Adams was absent.

On a motion by Evans and second of Lewis, the Strategic Planning Goals were adopted on a vote of 6 – 0 by Evans, Lewis, Brower, Byrne, Clarke and Pendergrass. Adams was absent.

There was no discussion of the Informational Items/Staff Reports.

The meeting was adjourned at 7:55 pm.

ACTION ITEMS

- 16. Discuss and Adopt Strategic Planning Goals**

INFORMATIONAL ITEMS/STAFF REPORTS

- 17. Letters Received**
- 18. Committee Report**
- 19. Monthly Allocation Report**
- 20. Water Conservation Program Report**
- 21. Quarterly Water Use Credit Transfer Status Report**
- 22. Quarterly Carmel River Riparian Corridor Management Report**
- 23. Carmel River Fishery Report**
- 24. Monthly Water Supply and California American Water Production Report for January 2017**

ADJOURNMENT