



EXHIBIT 1-A

**DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
September 18, 2017**

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

CALL TO ORDER/ROLL CALL

Directors Present:

Andrew Clarke – Vice Chair, Division 2
Brenda Lewis – Division 1
Molly Evans – Division 3
Jeanne Byrne – Division 4
Ralph Rubio – Mayoral Representative
Mary Adams – Monterey County Board of Supervisors

Directors Absent: Robert S. Brower, Sr. – Chair, Division 5

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No changes.

ADDITIONS AND CORRECTIONS TO AGENDA

The following comments were directed to the Board during Oral Communications. **(a) Susan Schiavone** stated she was disappointed that the Board had not responded to her previous request that new committee assignments be considered that evening. She referenced a 13-year summary of committee membership she had developed and submitted to the Board on August 21, 2017. She asked that approval of new committee assignments be considered at the next meeting of the Board. *General Manager Stoldt noted that the chart of historic committee assignments the speaker referenced was incomplete because the Water Demand, Rules and Regulations Review and Administrative committees had been omitted.* **(b) Dan Turner**, a resident of Monterey, opined that the State Water Resources Control Board would support a public ownership of the California American Water Distribution System. He alleged that hospitality industry representatives are opposed to public ownership because the low water rates they now enjoy would be increased if an elected Board operated the water system. *General Manager Stoldt stated that Residential Tiers 1 through 3 have consistently been lower than the first three divisions of commercial rates. Economic incentives are in place to encourage water conservation in Residential Tiers 1*

ORAL COMMUNICATIONS

and 2. Whereas rates for commercial users in Divisions 1 through 3 are based on compliance with best management practices and investment in conservation to achieve water savings. Similarly, Residential Tiers 4 and 5, and Commercial Division 4 rates are not comparable. (c) **Vicky Williams**, a resident of Monterey, expressed support for preparation of a feasibility study on public ownership of the California American Water Distribution System. (d) **Pat Benza** requested that the Board of Directors authorize preparation of a feasibility study soon, as a voter initiative requesting preparation will be approved so there is no need to delay action on the issue. (e) **George Riley** urged the Board to begin preparation of a feasibility study, and not wait until a petition is presented that would require Board action.

On a motion from Rubio and second by Byrne, the Consent Calendar was approved except for items 7 and 8 that were pulled for separate consideration. The motion was approved on a vote of 6 – 0 by Rubio, Byrne, Adams, Clarke, Evans and Lewis. Brower was absent. No comments were directed to the Board during the public comment period on this item.

Adopted.

Approved.

Approved an expenditure of \$15,300.

Approved an expenditure of \$35,000.

Approved an expenditure of \$30,000.

Approved expenditure of \$50,000.

On a motion by Byrne and second of Rubio, Amendment 2 to

CONSENT CALENDAR

1. **Consider Adoption of Minutes of August 21, 2017 Regular Meeting of the Board**
2. **Consider Approval of Appointment to Water Supply Planning Committee**
3. **Consider Extension of Cooperative Agreement with the United States Geological Survey for Streamflow Gaging in Water Year 2018**
4. **Consider Approval of an Interagency Contract for MPWMD to Provide Temporary Field Staff for a Cooperative Research and Monitoring Project with the NMFS for 2017-2019**
5. **Consider Approval of Contract with Scardina Builders, Inc. for the Repair of the Sleepy Hollow Steelhead Rearing Facility Rearing Channel's Bird Netting and Planks**
6. **Consider Expenditure for Pure Water Monterey Expansion Feasibility Study As Required by California Public Utilities Commission Application No. 12-04-019**
7. **Consider Approval of Amendment 2**

the Cost Sharing Agreement was approved with the following changes: (a) Renumber W through Z, (b) Section W.b. – add the dollar amount – specify that reimbursement will not exceed a specific amount for MPWMD and MRWPCA; (c) Section W.c – specify the percentage of Development Costs that will be incurred by each party; (d) Section X – costs will be paid on a proration basis and also add a reimbursement clause; and (e) Section 14 – under Term specify that if the loan is refinanced, ensure the agreement will follow the new term. The motion was approved unanimously on a vote of 6 - 0 by Byrne, Rubio, Adams, Clarke, Evans and Lewis. Brower was absent. No comments were directed to the Board during the public comment period on this item.

Byrne offered a motion that was seconded by Rubio to approve an expenditure of \$2,000. The motion was approved on a vote of 5 – 1 by Byrne, Rubio, Adams, Clark and Evans. Lewis was opposed. Brower was absent.

Adopted.

General Manager Stoldt reported that as of September 1, 2017, water production from all sources was 440 acre-feet below the target of 9,657 acre-feet. He reported the following long-term averages as of September 1, 2017: (a) rainfall 153%; (b) long-term flow 292%; and (c) storage 105%.

Stoldt reviewed the schedule for completion of the Monterey Peninsula Water Supply Project that was prepared by California American Water. He noted that if no lawsuits are filed during the 30-day period following certification of the EIR, project construction could proceed.

Evans reported that the Office of the Inspector General conducted a review of the Environmental Protection Agency's Water Sense Program and determined that since its inception in 2006, consumers have saved 1.5 trillion gallons of water through the use of water saving appliances. In addition, it is estimated that consumers saved \$1,100 for every \$100 of federal dollars spent on program administration. Stoldt noted that the Water Management District submitted three letters in support of extending the Water Sense Program. Director Byrne requested that the Water Management District advocate for mandatory installation of shower valves that include both a flow and temperature regulator, as a means to conserve water.

to the Cost Sharing Agreement with the Monterey Regional Water Pollution Control Agency for the Pure Water Monterey Project

8. **Consider Expenditure for Travel to Washington DC**
9. **Consider Adoption of Treasurer's Report for June 2017**

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**

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

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

PUBLIC HEARINGS

On a motion from Byrne and second by Evans, the second reading of Ordinance No. 177 was adopted as presented on a roll-call vote of 6 – 0 by Byrne, Evans, Adams, Clarke, Rubio and Lewis. Brower was absent. No comments were directed to the Board during the public hearing on this item.

On a motion from Rubio and second by Lewis, Resolution No. 2017-15 was adopted unanimously on a vote of 6 – 0 by Rubio, Lewis, Adams, Byrne, Clarke and Evans. Brower was absent. No comments were directed to the Board during the public hearing on this item.

On a motion from Byrne and second by Rubio, the October through December 2017 Quarterly Water Supply Strategy and Budget was adopted unanimously on a vote of 6 – 0 by Byrne, Rubio, Adams, Clarke, Evans and Lewis. No comments were directed to the Board during the public hearing on this item.

No action items were presented for Board consideration.

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

The meeting was adjourned at 8:15 pm.

- 13. Consider Second Reading and Adoption of Ordinance No. 177 - Amending Rules 11, 23, 23.5, 24, 25.5, 141, 142, 143, 144, and 154 (CEQA Section 15063 Initial Study; Negative Declaration will be presented at second reading pursuant to CEQA Section 15070.)**
- 14. Consider Adoption of Resolution No. 2017-15 Modifying Rule 160 – Regulatory Water Production Targets for California American Water System (Exempt from environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources.)**
- 15. Consider Adoption of October through December 2017 Quarterly Water Supply Strategy and Budget (Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1))**

ACTION ITEMS

INFORMATIONAL ITEMS/STAFF REPORTS

- 16. Letters Received**
- 17. Committee Report**
- 18. Monthly Allocation Report**
- 19. Water Conservation Program Report**
- 20. Carmel River Fishery Report**
- 21. Monthly Water Supply and California American Water Production Report**

ADJOURNMENT