

This meeting has been noticed according to the Brown Act rules. This agenda was posted on Wednesday, July 8, 2015.



**Administrative
Committee Members:**

Andrew Clarke
Brenda Lewis, Chair
David Pendergrass

Alternate:

Kristi Markey

Staff Contact:

Suresh Prasad

AGENDA

**Administrative Committee
Of the Monterey Peninsula Water Management District**

Monday, July 13, 2015 3:30 pm

District Conference Room, 5 Harris Court, Building G, Monterey, CA

Director Brenda Lewis will participate by telephone from
1759 Broadway Avenue, Seaside, CA 93955

Call to Order

Oral Communications

Anyone wishing to address the committee on a matter not listed on the agenda may do so during oral communications. Public comment on any other matter listed on the agenda is appropriate at the time the item is being discussed by the committee.

Items on Board Agenda for July 20, 2015

1. Approve Minutes of June 8, 2015 Committee Meeting
2. Consider Awarding \$125 Scholarships for Attendance at American Rainwater Catchment Systems Association (ARCSA) Rainwater Harvesting Workshop to Residents/Landscape Professionals within the MPWMD Boundaries
3. Consider Contract for Public Outreach and Communications Services with Thomas Brand Consulting for Fiscal Year 2015-2016
4. Consider Adoption of Resolution 2015-14 for State Revolving Fund Application for Pure Water Monterey Project
5. Consider Adoption of Resolution 2015-15 Restating Intent to Reimburse Expenditures for Pure Water Monterey Project
6. Consider Extension of Memorandum of Understanding Regarding Source Waters and Water Recycling – Amendment No. 2

Other Business

7. Review Draft July 20, 2015 Board Meeting Agenda

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please submit a written request, including your name, mailing address, phone number and brief description of the requested

materials and preferred alternative format or auxiliary aid or service by 5 PM on July 9, 2015. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey, CA, 93942. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600.

After staff reports have been distributed, if additional documents are produced by the District and provided to the Committee regarding any item on the agenda, they will be made available at, 5 Harris Court, Building G, Monterey, CA during normal business hours. In addition, such documents may be posted on the District website at <http://www.mpwmd.dst.ca.us/asd/board/committees/committees.htm>. Documents distributed at the meeting will be made available in the same manner.

| 2015 Administrative Committee Meeting Schedule | | |
|------------------------------------------------|-------------|---------|
| Date | Day of Week | Time |
| August 10 | Monday | 3:30 PM |
| September 14 | Monday | 3:30 PM |
| October 12 | Monday | 3:30 PM |
| November 9 | Monday | 3:30 PM |
| December 7 | Monday | 3:30 PM |
| January 19, 2016 | Tuesday | 3:30 PM |
| February 10, 2016 | Wednesday | 3:30 PM |

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ADMINISTRATIVE COMMITTEE

1. ADOPT MINUTES OF JUNE 8, 2015 COMMITTEE MEETING

Meeting Date: July 13, 2015

From: David J. Stoldt,
General Manager

Prepared By: Arlene Tavani

SUMMARY: Draft minutes of the June 8, 2015 Administrative Committee meeting are attached as **Exhibit 1-A**.

RECOMMENDATION: The Committee should review the minutes and adopt them by motion.

EXHIBIT

1-A Draft Minutes of June 8, 2015 Committee Meeting



EXHIBIT 1-A

DRAFT MINUTES Monterey Peninsula Water Management District Administrative Committee *June 8, 2015*

Call to Order

The meeting was called to order at 3:30 PM in the District Conference Room.

Committee members present: Andrew Clarke
 David Pendergrass

Committee members absent: Brenda Lewis

Staff present: Suresh Prasad, Administrative Services Manager/Chief Financial Officer
 Arlene Tavani, Executive Assistant

Oral Communications

None

Items on Board Agenda for May 18, 2015

Approve Minutes of May 11, 2015 Committee Meeting

On a motion by Clarke and second by Pendergrass, the minutes of the May 11, 2015 meeting were approved on a vote of 2 to 0.

Bureau of Reclamation WaterSMART Program (A) Consider Approval of Resolution 2015-13 in Support of Filing an Application for a Drought Contingency Planning Grant (B) Authorize the General Manager to Enter into a Grant Agreement with the United States Bureau of Reclamation

On a motion by Clarke and second by Pendergrass, the committee voted 2 to 0 to recommend the Board adopt Resolution 2015-13 to apply for a \$200,000 grant; and enter into a Grant Agreement with the Bureau of Reclamation.

Consider Purchase of Water Conservation Equipment

On a motion by Pendergrass and second by Clarke, the committee voted 2 to 0 to recommend the Board authorize an expenditure of \$45,000 to renew the District's stock of water conservation equipment.

Authorize Expenditure for Temporary Agency Employee to Assist with Data Migration in the Water Demand Division During FY 2015-2016

On a motion by Clarke and second by Pendergrass, the committee voted 2 to 0 to recommend the Board authorize funding in the amount of \$40,154 for a temporary agency employee to assist with data migration in the Water Demand Division.

Consider Continuance of Contract with Zone 24x7 for Water Demand Database Improvements and Maintenance

On a motion by Pendergrass and second by Clarke, the committee voted 2 to 0 to recommend the Board authorize an expenditure not to exceed \$60,000 for programming changes to the Water Demand Division Database.

Authorize Funds to Contract for Limited Term Field Positions During FY 2015-2016

On a motion by Clarke and second by Pendergrass, the committee voted 2 to 0 to recommend the Board authorize an expenditure of up to \$91,687 to contract for limited term field positions during FY 2015-2016.

Consider Amendment to Contract with Golden State Planning and Environmental Consulting to Assist with Water Distribution System Permit Program

On a motion by Pendergrass and second by Clarke, the committee voted 2 to 0 to recommend the Board authorize an amendment to the contract with Golden State Planning and Environmental Consulting for a not-to-exceed amount of \$30,000.

Consider Amendment to Contract with Pueblo Water Resources to Provide Hydrogeologic Review for Water Distribution System Permits

On a motion by Clarke and second by Pendergrass, the committee voted 2 to 0 to recommend the Board authorize an amendment to the contract with Pueblo Water Resources for a not-to-exceed amount of \$7,000.

Consider Adoption of Resolution 2015-12 Establishing Article XIII(B) Fiscal Year 2015-16 Appropriations Limit

On a motion by Pendergrass and second by Clarke, the committee voted 2 – 0 to recommend the Board adopt Resolution 2015-12.

Consider Adoption of Resolution No. 2015-10 Calling an Election in Voter Divisions 2, 3, 4 and 5 on November 3, 2015; and Approve Services Agreement with Elections Department

On a motion by Pendergrass and second by Clarke, the committee voted 2 to 0 to recommend adoption of Resolution No. 2015-10, and approval of a services agreement with the Elections Department in an amount not-to-exceed \$222,540.

Consider Adoption of Treasurer's Report for April 2015

On a motion by Clarke and second by Pendergrass, the committee voted 2 to 0 to recommend the Board adopt the April 2015 Treasurer's Report and financial statements, and ratify disbursements made during the month.

Other Business

Review Draft June 15, 2015 Board Meeting Agenda

A revised agenda was submitted for committee review that included additional items on the Closed Session section of the agenda. The committee made no changes to the agenda.

Adjournment

The meeting was adjourned at 4:25 PM.

U:\staff\Board_Committees\Admin\2015\20150713\01\Item 1_Exhibit 1-A.docx

ADMINISTRATIVE COMMITTEE

2. CONSIDER AWARDING \$125 SCHOLARSHIPS FOR ATTENDANCE AT AMERICAN RAINWATER CATCHMENT SYSTEMS ASSOCIATION (ARCSA) RAINWATER HARVESTING WORKSHOP TO RESIDENTS/LANDSCAPING PROFESSIONALS WITHIN THE MPWMD BOUNDARIES

| | | | |
|----------------------|--------------------------------------------|------------------------------------|---------------------------------------|
| Meeting Date: | July 13, 2015 | Budgeted: | Yes |
| From: | David J. Stoldt General Manager | Program/ Line Item No.: | Workshops/Training 4-2-3 E |
| Prepared By: | Stephanie Locke | Cost Estimate: | \$2,100 |

General Counsel Review: N/A

Committee Recommendation: The Public Outreach Committee reviewed this item on June 17 and recommended approval. The Administrative Committee reviewed this item on July 13, 2015 and recommended _____.

CEQA Compliance: N/A

SUMMARY: Staff is requesting authorization to offer \$125 scholarships to local professionals and homeowners who attend the two-day American Rainwater Catchment Systems Association (ARCSA) Level 200 workshop on August 26-27th. ARCSA is a non-profit organization that was founded to promote rainwater catchment systems in the United States and offers rainwater harvesting and accreditation workshops. ARCSA trainers are scheduled to conduct class in the Monterey area on Wednesday, August 26 Thursday, August 27. The workshop will be held in California American Water's (Cal-Am) training room in Pacific Grove. The District offered this same workshop and scholarship in 2010.

ARCSA requires a minimum of 15 participants in its Level 200 workshop, and registration is handled by ARCSA. The workshop costs \$395 for ARCSA members and \$495 for non-members. The registration cost is set by ARCSA, and has increased by \$100 over 2010 pricing (when MPWMD last hosted an ARCSA workshop). The scholarship would be offered to offset the cost of the registration fees for professionals and residents of the MPWMD only.

Funds for scholarships are available in the Fiscal Year 2015-2016 budget. The expenditure for residents and professionals within the California American Water system is reimbursable by Cal-Am through the California Public Utilities Commission (CPUC)-approved conservation budget. Scholarships for non-Cal-Am participants will be funded through the District's Best Management Practices budget.

ARCSA's 200 Level workshops are open to the public, as well as to any industry professional looking to expand their knowledge about rainwater harvesting. The workshop is a prerequisite for accreditation as an ARCSA Accredited Professional. Individuals must also pass an ARCSA Accreditation Exam in order to attain the ARCSA Accredited Professional designation. Topics

covered will include rainwater catchment design and installation, in-home rainwater use, installation and safety, rules and regulations, guidelines and restrictions, and other pertinent industry topics.

RECOMMENDATION: Staff recommends the Administrative Committee support District-issued scholarships for attendance at the American Rainwater Harvesting and Accreditation 200 Level Workshop August 26-27 at a not-to-exceed cost of \$2,100.

EXHIBIT

None

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ADMINISTRATIVE COMMITTEE

3. CONSIDER CONTRACT FOR PUBLIC OUTREACH AND COMMUNICATIONS SERVICES WITH THOMAS BRAND CONSULTING FOR FISCAL YEAR 2015-2016

| | | | |
|----------------------|---------------------------------------------|------------------------------------|--------------------------|
| Meeting Date: | July 13, 2015 | Budgeted: | Yes |
| From: | David J. Stoldt, General Manager | Program/ Line Item No.: | Professional Fees |
| Prepared By: | Stephanie Locke | Cost Estimate: | \$49,200 |

General Counsel Review: N/A

Committee Recommendation: The Public Outreach Committee reviewed this item on June 25, 2015 and recommended approval. The Administrative Committee reviewed this item on July 13, 2015 and recommended _____.

CEQA Compliance: N/A

SUMMARY: Attached as **Exhibit 3-A** is a proposed Scope of Work for Public Outreach & Communication Services submitted by Thomas Brand Consulting (TBC). TBC has been providing services to the District since 2013.

TBC has proposed a \$4,100 retainer for Fiscal Year (FY) 2015-2016 for a total budget of \$49,200. Costs in addition to the retainer include design services for graphic and website design, printing, website upgrades, media buys, etc. Funding for contractor assistance with public outreach and communication services was included in the District's budget.

RECOMMENDATION: The Administrative Committee should recommend the Board approve a contract with TBC for outreach services for the current fiscal year. The Public Outreach Committee reviewed the proposed Scope of Work as well as an outreach plan for FY 2015-16 and recommends approval.

EXHIBIT

3-A Proposed Scope of Work

**Proposed Scope of Work
For Public Outreach &
Communication Services
FY15-16**

Prepared for:

Monterey Peninsula Water Management District

Submitted by:

Thomas Brand Consulting, LLC

183 Forest Avenue, Suite 4 • Pacific Grove, CA 93950
Tel: 831.920.1693 • Fax: 831.920.1729
www.thomasbrandconsulting.com
Attn: Stephen Thomas
steve@thomasbrandconsulting.com

Introduction to the Proposed Scope of Work

Over the past year, the Water Management District has continued to position itself as a true resource in the eyes of the public and the media. Facing a number of highly controversial and problematic issues including the drought, developing alternative water sources, impending CDO and misguided lawsuits, the district has laid the groundwork to continue this positive trend, but the momentum must be sustained for it to continue.

TBC is a full service agency with expertise in multiple disciplines; because we examine a company or organization from a brand perspective, we are able to implement a strategic plan that takes into account many different aspects of current and future messaging. Laying the groundwork in this manner, will ultimately lead a more streamlined and cohesive voice and ensure that the district's key messages are consistent across all platforms.

By bringing this unique skill-set, an unwavering commitment to excellence and a true belief, both personally and professionally, in the goals of the District and this ongoing project, the TBC team is uniquely positioned to effectively manage and facilitate the needs of the MPWMD .

Scope of Work

Upon approval, Thomas Brand Consulting will continue to represent the MPWMD across several areas. These areas, as listed below, constitute the scope and type the work proposed. While there are no changes in the type of work being performed, the individual deliverables will be listed in detail. This list, will be also be presented with the associated "hard costs" of these activities for individual approval as needed.

- **Ongoing Internal Communications Representation**
 - Including Internal community outreach integration facilitated through communications with staff, board of directors, relevant partners and stakeholders to determine the need for publication and/or distribution
- **Ongoing Brand Management & Key Message Development**
 - Regular ongoing meetings with the Monterey Peninsula Water Management District(MPWMD) Board of Directors, its staff and relevant stakeholders to ensure approval of any new, revised or ongoing key message development, as well as branding issues

▪ Public Relations Tactics

- Including but not limited to:
 - Press Release Development
 - Media Kit Development
 - Ongoing message-specific campaign to targeted media outlets
 - Updating of any relevant listings in trade, community and other member-based organizations, in which the MPWMD is active or represented
 - Targeted regions: additional local and regional outreach with a focus on areas of significance in relation to current resident or stakeholder base
 - Distribution of press releases to trade publications, trade/business organizations, community groups/advocates and general news outlets
 - Vetting of media inquiries, as well as facilitation and coordination of valuable media opportunities, interviews and FAM tours
 - Tracking, review and clipping of media coverage

▪ Community Relations & Public Events

- Outreach and relationship building with current user base, targeted community groups/advocates, stakeholders, relevant local businesses, educational institutions and other potential partners
- Outreach, introductions and relationship building with local, state and federal agencies
- Coordination of regular and special events and promotions geared towards locals and partners as a vehicle to garner increased exposure of your services, programs and projects.
- Regular communication and dissemination of news and promotions to targeted locals, as well as District support groups/committees via email blast capabilities, advertising and in-person contact
- Continued, regular communication, meetings and brainstorming with the MPWMD, its current partners, targeted stakeholders and the community at large
- Identification and facilitation of new community, business and agency partnerships designed to further the goals of the District and support existing projects and programs
- Facilitation of community workshops held in each district to establish an open line of communication between Directors and their constituents

▪ Social Media

- Ongoing implementation of the social media communications strategy
- Refreshed and additional content development and postings of relevant material and coverage from and of events, the media and the MPWMD
- Management of your current Social Media presence to ensure consistent messaging and relevant content
- Identification of new and viable platforms to utilize and integrate into the plan including Yelp, You Tube, Twitter, Pinterest, Instagram, etc.
- Outreach to, and integration with, industry blogs and information sources

- **Advertising**
 - Review existing advertising commitments, as well as research and provide strategic counsel as relevant advertising opportunities arise in alignment with agreed upon MPWMD based outreach.
 - Upon receipt from graphic designer/artist/producer, provide appropriate artwork and related materials/information to advertising outlets
 - Manage an advertising schedule to ensure proper placement, per agreed upon contracts
 - Post-buy analysis to ensure agreed upon audience composition, reach and frequency
- **Data/Contact Information Collection System**
 - Management of current Data Collection System, MailChimp
 - Continued creation of tactics and themes for future email marketing efforts and the outreach of the MPWMD
 - Continued creation and implementation of data collecting initiatives to increase database totals and targeted reach
 - Creation of industry partnerships to ensure widespread reach of public outreach initiatives
- **Coordination of Annual Newsletter/Copywriting**
 - Utilizing agreed upon messaging and information, TBC will oversee the creation of the MPWMD newsletter including creative direction and copywriting as needed.
 - If desired TBC can also design the newsletter or work with your current graphic artist
 - TBC also recommends the coordination of key messages, language and style of the newsletter and your other publications or collateral material
- **Specific Initiatives Continued From FY: 14-15**
 - Conservation & Drought Outreach
 - a. Ongoing meetings with CAW regarding joint conservation efforts
 - b. Outreach to Hospitality Industry regarding best management practices
 - c. Postcard to non-CAW users regarding conservation
 - d. Public Outreach to CAW and non-CAW customers
 - e. Continued outreach to multi-family homes and developments
 - f. Email Blasts through Chambers and business associations
 - g. Continued Guest Commentary Series
 - h. Continued Speakers Bureau Series
 - Website
 - a. Content creation and updates for both websites
 - Ongoing Rebate Program
 - a. Commercial Customer:
 - b. Residential: Development of in-store rebate point of purchase display
 - c. Residential: additional outreach for rebates available to district residents

- **Regular attendance at Board of Directors Meetings & Relevant Events**
- **General Strategic Counsel & Regular Meetings/Communication with MPWMD Board of Directors, Staff, Shareholders, and Project Partners.**

Disclosure

Thomas Brand Consulting is not party to any former or current ongoing civil or criminal investigation or litigation. At no time has our company defaulted or failed to perform our duties leading to a legal termination of contract.

Specific Deliverables

Upon the agreement of both parties to the Scope of Work, a schedule of deliverables will be determined based upon an agreed to communications strategy and outreach plan. The tenants of which follow on a separate document

Budget

Per the above outlined Scope of Work, Thomas Brand Consulting, LLC proposes a contractual retainer for 12 months with a range of 30 to 32 hours per month. A \$4100 retainer is proposed for July 1, 2015 through June 30, 2016 totaling \$49,200. All out of scope work unless otherwise agreed upon in writing by both parties shall be billed at \$150 per hour. The costs of any associated media buys or collateral production that would fall under the proposed Scope of Work will be determined upon examination of current programs.

The proposed contract does not include creative expenses such as graphic design, web development, photography, video production, any and all media buys and out of pocket expenses including travel/mileage, printing, postage and items associated with the production of events. Thomas Brand Consulting requires client approval for outside expenses greater than \$150.00.

Upon the approval of the of the agreed upon contract and any additional budget stipulations, work will start on an agreed upon date with the first month's or portion of the first month's payment due. From that point forward, the client will be invoices on the 1st of each month, payable within 30 days unless otherwise agreed to by both parties. TBC will work within your established accounting practices to ensure a smooth process.

Additional contractual stipulations to include:

1. Monthly reporting of specific hours utilized per individual project.

Addendum:

INSURANCE

- A. Consultant shall obtain and keep insurance policies in full force and effect for the following forms of coverage:
1. Automobile liability including property damage and bodily injury with a combined single limit of \$300,000.
 2. Comprehensive General Liability (CGL) with a combined single limit of \$1,000,000
3. Consultant shall add to his/her Comprehensive General Liability insurance policy a severability or interest clause or such similar wording if his/her policy does not automatically have this clause already written into it. Such language shall be similar to: "The insurance afforded applies separately to each insured against whom claim is made or suit is brought, including claims made or suits brought by any person included within the persons insured provision of this insurance against any other such person or organization."
- B. Consultant shall provide photocopies of its current Automobile insurance policy [or policies], including endorsements thereto, or current certificates of insurance in lieu thereof, to MPWMD.
- C. Consultant shall provide notice to MPWMD of any cancellation or material change in insurance coverage where MPWMD has been named as an insured, such notice to be delivered to the MPWMD in accord with Section XV of this Agreement at least sixty (60) days before the effective date of such change or cancellation of insurance.
- D. Evidence acceptable to MPWMD that Consultant has complied with the provisions of this Section VII shall be provided to the MPWMD, prior to commencement of work under this Agreement.
- E. All policies carried by Consultant shall provide primary coverage instead of any and all other policies that may be in force. MPWMD shall not be responsible for any premium due for the insurance coverage specified in this Agreement.

Acceptance of Proposal:

David J. Stoldt or Suresh Prasad
Monterey Peninsula Water Management District

Date

Stephen C. Thomas
Thomas Brand Consulting, LLC

Date

Specific Deliverables:

MPWMD - Proposed Scope of Work – Public Outreach & Communication

District Wide Outreach Assistance

- Prepare individual cost budgets and plans for 2015-16 outreach activities
- Establish formal "Style Guide" for staff to reference prior to updating webpages, preparing memos/papers, etc.
- Order stationary, folders, and logo wear
- Establish a "Media Kit"
- Develop "About the District" brochure
- Maintain website/facebook/twitter
- Implement Outreach Committee priorities/direction
- Ensure regular op-ed pieces are written and published in newspaper
 - Assist with development of press releases as needed
- Manage regular news articles for local HOA/clubs/organizations newsletter/epapers
 - Includes chambers, CVA, city newsletters, etc.
- Prepare and place advertisements for District workshops in month prior to class
- Attend meetings/events as requested. Provide schedule for approval at beginning of month. (Photograph, feedback, participate, etc.)
- MPC Farmers market information table quarterly or semi-annually
- Award applications and identification of deadlines
- District calendar with regular updates
- Maintain District outreach event participation

Fisheries/River Mitigation Program

- Signage/wrap for steelhead rescue truck
- Fisheries specific handout

Water Demand Program

- Gardener contacts at Pebble Beach gates
- Ads in local special event publications
 - Prominent visitor information regarding water use during Concour, AT&T, Film Festival, etc.
- Shopping carts, dividers
- Develop print material
 - Rationing
 - Water softeners
 - Pressure regulators
 - Cooling towers
 - Permit process

- Water saving posters for restaurants, hospitality, etc.
 - Plant tags (and distribution)
 - Signage for nonpotable water supplies
 - Interpretive sign for cistern installations
 - *Water efficient business* certification sticker/sign
 - Shrink wraps for buckets
- Develop and oversee mailing of restaurant enforcement effort
 - MCHA mailing list and chambers
 - District/CAW list
- Oversee cling distribution (This might be a job for an intern/student)
- Assist with implementation of pressure regulator program outreach

ADMINISTRATIVE COMMITTEE

4. CONSIDER ADOPTION OF RESOLUTION 2015-14 FOR STATE REVOLVING FUND APPLICATION FOR PURE WATER MONTEREY PROJECT

| | | | |
|----------------------|---------------------------------------------|------------------------------------|--------------------------------------------------------|
| Meeting Date: | July 13, 2015 | Budgeted: | N/A |
| From: | David J. Stoldt, General Manager | Program/ Line Item No.: | Groundwater Replenishment Project 1-5-1 |
| Prepared By: | David J. Stoldt | Cost Estimate: | N/A |

General Counsel Approval: N/A

Committee Recommendation: The Administrative Committee reviewed this item on July 13, 2015 and recommended _____.

CEQA Compliance: N/A

SUMMARY: The Board of Directors of the Monterey Regional Water Pollution Control Agency (“Agency”) has approved its Resolution No. 2014-03 authorizing its General Manager to sign and file, for and on behalf of the Agency, an application to the State Water Board for financing from the State Revolving Fund Loan Program that would support the construction of the Pure Water Monterey Project. The loan application requires an official resolution to be adopted by the Board of Directors of the Agency and the District verifying support of the loan.

Because repayment of any such loan will be made from revenues received by the District from sale of Water to California American Water, the District will want to show that it dedicates and pledges wholesale water sales revenues from the water purchase agreement, and its ability to raise a District Water Supply Charge through the Proposition 218 process as additional support should revenues from the water purchase agreement be insufficient or interrupted, to payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for the Pure Water Monterey Groundwater Replenishment Project.

This Resolution commits the District to collecting such revenues and maintaining such funds throughout the term of such financing and until the repayment obligation thereunder is satisfied unless modification or change is approved in writing by the State Water Resources Control Board. So long as the financing agreements are outstanding, the District’s pledge shall constitute a lien in favor of the State Water Resources Control Board on the foregoing funds and revenues without any further action necessary. So long as the financing agreements are outstanding, the District commits to maintaining funds and revenues at levels sufficient to meet its obligations under the financing agreements.

However, because the application and loan will be made in the Agency’s name, our pledge and commitment will be in support of a similar pledge made by the Agency.

RECOMMENDATION: The General Manager recommends that the Board of Directors approve Resolution 2015-14.

EXHIBIT

4-A Resolution 2015-14



EXHIBIT 4-A

RESOLUTION NO. 2015-14

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
IN SUPPORT OF A FINANCIAL ASSISTANCE APPLICATION FOR A
FINANCING AGREEMENT FROM THE STATE WATER RESOURCES
CONTROL BOARD FOR THE PLANNING, DESIGN AND CONSTRUCTION OF THE
PURE WATER MONTEREY GROUNDWATER REPLENISHMENT PROJECT**

WHEREAS, the Board of Directors of the Monterey Peninsula Water Management District ("District") on April 20, 2012 approved a three-party Memorandum of Understanding with the Monterey Regional Water Pollution Control Agency ("Agency") and California American Water to develop the Pure Water Monterey Groundwater Replenishment Project ("Project"); and

WHEREAS, the Board of Directors of the District on July 31, 2013 approved a sixteen-party proposed Settlement Agreement to develop the Monterey Peninsula Water Supply Project, including the Pure Water Monterey Groundwater Replenishment Project, as part of Application A.12-04-019 at the California Public Utilities Commission; and

WHEREAS, the Board of Directors of the District on October 8, 2014 approved a five-party Memorandum of Understanding Regarding Source Waters and Water Recycling in support of the Pure Water Monterey Groundwater Replenishment Project; and

WHEREAS, the Project would produce replacement water sources and groundwater storage to allow California-American Water Company to extract 3,500 AFY from the Seaside Groundwater Basin to meet its obligations to find a replacement to its use of water from the Carmel River; and

WHEREAS, the District will enter into a Water Purchase Agreement for the sale of the product water and creation of revenues that will pay the costs of the Project; and

WHEREAS, the Board of Directors of the District on April 20, 2015 authorized utilization of the District credit for financing of the Pure Water Monterey Groundwater

Replenishment Project; and

WHEREAS, the Board of Directors of the Agency has approved its Resolution No. 2014-03 authorizing its General Manager to sign and file, for and on behalf of the Agency, in the State Revolving Fund application process; and

WHEREAS, the State Water Board offers a State Revolving Fund Loan Program that would support the construction of the Project; and

WHEREAS, the loan application requires an official resolution to be adopted by the Board of Directors of the Agency and the District verifying support of the loan.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Monterey Peninsula Water Management District to:

1. Verifies that it authorizes the General Manager (the “Authorized Representative”) or his/her designee to sign and file for on behalf of the District, a financial assistance application or letter in support of an Agency application from the State Water Resources Control Board for the planning, design, and construction of the Pure Water Monterey Groundwater Replenishment Project;
2. Authorizes the General Manager or his/her designee to provide the assurances certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto;
3. Hereby dedicates and pledges wholesale water sales revenues from the water purchase agreement, and its ability to raise a District Water Supply Charge through the Proposition 218 process as additional support should revenues from the water purchase agreement be insufficient or interrupted, to payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for the Pure Water Monterey Groundwater Replenishment Project;
4. Commits to collecting such revenues and maintaining such funds throughout the term of such financing and until the repayment obligation thereunder is satisfied unless modification or change is approved in writing by the State Water Resources Control Board. So long as the financing agreements are outstanding, the District’s pledge

hereunder shall constitute a lien in favor of the State Water Resources Control Board on the foregoing funds and revenues without any further action necessary. So long as the financing agreements are outstanding, the District commits to maintaining funds and revenues at levels sufficient to meet its obligations under the financing agreements; and

5. Authorizes the General Manager or his/her designee to represent the District in carrying out the District's responsibilities under the financing agreement and compliance with applicable state and federal laws.

On motion of Director _____, and second by Director _____, the foregoing resolution is duly adopted this 20th day of July 2015, by the following votes:

AYES:

NAYES:

ABSENT:

I, David J. Stoldt, Secretary of the Board of Directors of the MPWMD, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted on the 20th day of July 2015.

Witness my hand and seal of the Board of Directors, this _____ day of July, 2015.

David J. Stoldt, Secretary to the Board

ADMINISTRATIVE COMMITTEE

5. CONSIDER ADOPTION OF RESOLUTION 2015-15 RESTATING INTENT TO REIMBURSE EXPENDITURES FOR PURE WATER MONTEREY PROJECT

| | | | |
|----------------------|---------------------------------------------|-----------------------|----------------------------------------------|
| Meeting Date: | July 13, 2015 | Budgeted: | N/A |
| From: | David J. Stoldt, General Manager | Program/ | Groundwater Replenishment Project |
| | | Line Item No.: | 1-5-1 |
| Prepared By: | David J. Stoldt | Cost Estimate: | N/A |

General Counsel Approval: N/A

Committee Recommendation: The Administrative Committee reviewed this item on July 13, 2015 and recommended _____.

CEQA Compliance: N/A

SUMMARY: The Board of Directors of the Monterey Peninsula Water Management District (the “District”) has previously approved Resolution No. 2012-14 officially declaring its intent to reimburse pre-construction expenditures made on the Groundwater Replenishment Project (the “Project”) from the proceeds of tax-exempt securities consistent with United States Treasury regulations. Further, the Board has approved Resolution 2015-14 in support of a financial assistance application for a loan from the State Water Resources Control Board (“State Water Board”) for planning, design, and construction of the Project.

The State Water Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes. The District’s Resolution 2012-14 anticipated the use of tax-exempt securities, but did not specifically identify the State Water Board’s State Revolving Fund. This Resolution will clarify that the tax-exempt securities, “Debts”, or Certificates of Participation envisioned by Resolution 2012-14 are construed to include the Obligations issued through the State Water Board.

RECOMMENDATION: The General Manager recommends that the Board of Directors approve Resolution 2015-15.

EXHIBIT

5-A Resolution 2015-15



EXHIBIT 5-A

RESOLUTION NO. 2015-15

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
RESTATING OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR THE
PURE WATER MONTEREY GROUNDWATER REPLENISHMENT PROJECT**

WHEREAS, the Board of Directors of the Monterey Peninsula Water Management District ("District") has approved Resolution No. 2012-14 officially declaring its intent to reimburse pre-construction expenditures made on the Groundwater Replenishment Project (the "Project") from the proceeds of tax-exempt securities consistent with United States Treasury regulations; and

WHEREAS, the Board of Directors of the District has approved Resolution 2015-14 in support of a financial assistance application for a loan from the State Water Resources Control Board ("State Water Board") for planning, design, and construction of the Project; and

WHEREAS, the construction of the Project may be financed with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Board; and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the District desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the District; and

WHEREAS, the District has determined that those moneys to be advanced on and after the date of Resolution 2012-14 to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the District of the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Monterey Peninsula Water Management District to:

1. Hereby restates its intention and reasonable expectation to reimburse Expenditures paid prior to the issuance of the Obligations of the approval by the State Water Board

- of the Project Funds;
2. The tax-exempt securities, “Debts”, or Certificates of Participation envisioned by Resolution 2012-14 are construed to include the Obligations issued through the State Water Board;
 3. The reasonable expected maximum principal amount of the Project Funds is \$85,000,000 or other value to be determined;
 4. Each District expenditure will be of a type properly chargeable to a capital account under general federal income tax principles; and
 5. All the recitals in this Resolution are true and correct and the District so finds, determines, and represents.

On motion of Director _____, and second by Director _____, the foregoing resolution is duly adopted this 20th day of July 2015, by the following votes:

AYES:

NAYES:

ABSENT:

I, David J. Stoldt, Secretary of the Board of Directors of the MPWMD, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted on the 20th day of July 2015.

Witness my hand and seal of the Board of Directors, this _____ day of July, 2015.

David J. Stoldt, Secretary to the Board

ADMINISTRATIVE COMMITTEE

6. CONSIDER EXTENSION OF MEMORANDUM OF UNDERSTANDING REGARDING SOURCE WATERS AND WATER RECYCLING – AMENDMENT NO. 2

| | | | |
|----------------------|---------------------------------------------|-----------------------|----------------------------------------------|
| Meeting Date: | July 13, 2015 | Budgeted: | N/A |
| From: | David J. Stoldt, General Manager | Program/ | Groundwater Replenishment Project |
| | | Line Item No.: | 1-5-1 |
| Prepared By: | David J. Stoldt | Cost Estimate: | N/A |

General Counsel Approval: N/A
Committee Recommendation: N/A
CEQA Compliance: N/A

SUMMARY: On October 8, 2014 Monterey Regional Water Pollution Control Agency, the Monterey County Water Resources Agency, the City of Salinas, the Marina Coast Water District, and Monterey Peninsula Water Management District, collectively the "Parties" entered into a Memorandum of Understanding (MOU) for the development of permanent agreements in support of the Pure Water Monterey groundwater replenishment project. The MOU anticipated agreements in place by March 31, 2015. While progress is being made on multiple fronts, it became clear that the March 31 deadline could not be met and at the Board's April 13, 2015 meeting the MOU was extended to June 30, 2015. This Amendment No. 2 will extend the deadline to September 30, 2015.

RECOMMENDATION: The General Manager recommends that the Board of Directors approve Amendment 2 to the MOU.

EXHIBIT

6-A Amendment 2 to Memorandum of Understanding Regarding Source Waters and Water Recycling

EXHIBIT 6-A**AMENDMENT 2
TO
MEMORANDUM OF UNDERSTANDING REGARDING
SOURCE WATERS AND WATER RECYCLING**

THIS AMENDMENT 2 TO THE MEMORANDUM OF UNDERSTANDING (“Amendment”) is made this _____ day of July 2015, by and between Monterey Regional Water Pollution Control Agency, the Monterey County Water Resources Agency, the City of Salinas, the Marina Coast Water District, and Monterey Peninsula Water Management District, collectively the “Parties.”

Sections 4 and “MISCELLANEOUS” Item 7 are amended to read as follows:

4. Accounting Protocols

PCA to enter into agreement with WRA by September 30, 2015 to achieve the following:

- a. PCA’s adoption of activity-based costing for all its CSIP, SRDF and SVRP activities.
- b. Revision of the various financial protocols currently utilized to achieve one standard protocol for each of CSIP, SRDF and SVRP.
- c. Allocation methodologies for costs associated with CSIP, SRDF, and SVRP.
- d. An annual audit of PCA’s financial transactions related to CSIP, SRDF and SVRP at WRA expense.
- e. PCA to credit to the CSIP and SVRP accounts any pro rata revenues it receives from byproducts of tertiary treated wastewater.
- f. A third-party agreed upon by both PCA and WRA to be hired to design and implement these Accounting Protocols.

MISCELLANEOUS

7. This Memorandum of Understanding will expire the earlier of (i) execution of a Definitive Agreement, or (ii) September 30, 2015.

#####

WITNESS, the Monterey Regional Water Pollution Control Agency, the Monterey County Water Resources Agency, the City of Salinas, Marina Coast Water District, and the Monterey Peninsula Water Management District entered into this Memorandum of Understanding as of the date first written above.

MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY

By: _____

Its: _____

MONTEREY COUNTY WATER RESOURCES AGENCY

By: _____

Its: Chair of the Monterey County Water Resources Agency Board of Supervisors

CITY OF SALINAS

By: _____

Its: _____

MARINA COAST WATER DISTRICT

By: _____

Its: _____

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

By: _____

Its: _____

This meeting has been noticed according to the Brown Act rules. The Board of Directors meets regularly on the third Monday of each month. The meetings begin at 7:00 PM.



DRAFT AGENDA (Current 7/8/15)

**Regular Meeting
Board of Directors
Monterey Peninsula Water Management District**

**Monday, July 20, 2015
Closed Session - 6:30 pm
Regular Meeting - 7:00 pm
Conference Room, Monterey Peninsula Water Management District
5 Harris Court, Building G, Monterey, CA**

Staff notes will be available on the District web site at
<http://www.mpwmd.net/asd/board/boardpacket/2015>
by 5 PM on Friday, July 17, 2015.

Brenda Lewis will participate by telephone from 1758 Broadway Avenue, Seaside, CA 93955

The 7 PM Meeting will be televised on Comcast Channels 25 & 28. Refer to broadcast schedule on page 3.

6:30 PM - CLOSED SESSION

As permitted by Government Code Section 54956 et seq., the Board may adjourn to closed or executive session to consider specific matters dealing with pending or threatened litigation, certain personnel matters, or certain property acquisition matters.

PUBLIC COMMENT – Members of the public may address the Board on the item or items listed on the Closed Session agenda.

ADJOURN TO CLOSED SESSION

1. **Conference with Real Property Negotiators (Gov. Code 54956.8)**
 - A. Address: 1910 General Jim Moore Blvd., Seaside, CA 93955
Agency Negotiator: David J. Stoldt, General Manager
Under Negotiation: Price and Terms
2. **Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9(a))**
 - A. *MPWMD v. SWRCB*; Santa Clara 1-10-CV-163328 – CDO

ADJOURN TO 7 PM SESSION

Board of Directors

Kristi Markey, Chair – Division 3
Jeanne Byrne, Vice Chair – Division 4
Brenda Lewis – Division 1
Andrew Clarke - Division 2
Robert S. Brower, Sr. – Division 5
David Pendergrass, Mayoral Representative
David Potter, Monterey County Board of Supervisors Representative

General Manager

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G Monterey on _____, _____, 2015. Staff reports regarding these agenda items will be available for public review on 2/13/15, at the District office and at the Carmel, Carmel Valley, Monterey, Pacific Grove and Seaside libraries. After staff reports have been distributed, if additional documents are produced by the District and provided to a majority of the Board regarding any item on the agenda, they will be available at the District office during normal business hours, and posted on the District website at <http://www.mpwmd.net/asd/board/boardpacket/2015>. Documents distributed at the meeting will be made available in the same manner. The next regular meeting of the Board of Directors is scheduled for August 17, 2015 at 7 pm.

7:00 PM - REGULAR BOARD MEETING

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

ORAL COMMUNICATIONS: Anyone wishing to address the Board on Consent Calendar, Information Items, Closed Session items, or matters not listed on the agenda may do so only during Oral Communications. Please limit your comment to three (3) minutes. The public may comment on all other items at the time they are presented to the Board.

CONSENT CALENDAR: The Consent Calendar consists of routine items for which staff has prepared a recommendation. Approval of the Consent Calendar ratifies the staff recommendation. Consent Calendar items may be pulled for separate consideration at the request of a member of the public, or a member of the Board. Following adoption of the remaining Consent Calendar items, staff will give a brief presentation on the pulled item. Members of the public are requested to limit individual comment on pulled Consent Items to three (3) minutes.

1. Consider Adoption of Minutes of the June 15, 2015 Regular Board Meeting
2. Consider Extension of Memorandum of Understanding Regarding Source Waters and Water Recycling - Amendment No. 2
3. Consider Adoption of Resolution 2015-14 for State Revolving Fund Application for Pure Water Monterey Project
4. Consider Adoption of Resolution 2015-15 Restating Intent to Reimburse Expenditures for Pure Water Monterey Project
5. Consider Contract for Public Outreach and Communications Services with Thomas Brand Consulting for Fiscal Year 2015-2016
6. Consider Awarding \$125.00 Scholarships for ARCSA Attendance to Residents/Professionals Within the MPWMD Boundaries

GENERAL MANAGER'S REPORT

7. Status Report on California American Water Compliance with State Water Resources Control Board Order 2009-0060 and Seaside Groundwater Basin Adjudication Decision
8. Update on Development of Water Supply Projects
9. Report on Drought Response

ATTORNEY'S REPORT

10. Report from District Counsel on Closed Session of June 15, 2015

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

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

PUBLIC HEARINGS – Public comment will be received on each of these items. Please limit your comment to three (3) minutes per item.

12. **Consider First Reading of Ordinance No. ____ - Amending Rules 11, 21 and 23.1 and Adding Rule 23.7 to Establish a Water Entitlement for Malpaso Water LLC Water Right License 13868A and Procedures for Issuing Water Use Permits that Rely on this Entitlement**
Action:
13. **Consider First Reading of Ordinance No. ____ - Amending Rules 11, 21, 23.1, 33 and Adding Rule 23.8 to Establish a Pacific Grove Recycled Water Supply Entitlement and Procedures for Issuing Water Use Permits**
Action:

ACTION ITEMS – Public comment will be received on each of these items. Please limit your comment to three (3) minutes per item.

14. Consider Approval of Ground Lease with City of Seaside for Santa Margarita ASR Site Expansion

Action:

15. Consider Approval of Response to 2014-2015 Monterey County Grand Jury Report

Action:

16. Consider Approval of Proposal to Modify Order 2009-0060 (Cease and Desist Order)

Action:

INFORMATIONAL ITEMS/STAFF REPORTS The public may address the Board on Information Items and Staff Reports during the Oral Communications portion of the meeting. Please limit your comments to three minutes.

- 17. Letters Received
- 18. Committee Reports
- 19. Receive Notice of Appointments to Carmel River Advisory Committee
- 20. Carmel River Fishery Report
- 21. Quarterly Carmel River Riparian Corridor Management Program Report
- 22. Monthly Allocation Report
- 23. Water Conservation Program Report
- 24. Quarterly Water Use Credit Transfer Status Report
- 25. Monthly Water Supply and California American Water Production Report

ADJOURNMENT

| Board Meeting Broadcast Schedule – Comcast Channels 25 & 28 | |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| View Live Webcast at Ampmedia.org | |
| Ch. 25, Sundays, 7 PM | Monterey |
| Ch. 25, Mondays, 7 PM | Monterey, Del Rey Oaks, Pacific Grove, Sand City, Seaside |
| Ch. 28, Mondays, 7 PM | Carmel, Carmel Valley, Del Rey Oaks, Monterey, Pacific Grove, Pebble Beach, Sand City, Seaside |
| Ch. 28, Fridays, 9 AM | Carmel, Carmel Valley, Del Rey Oaks, Monterey, Pacific Grove, Pebble Beach, Sand City, Seaside |

| Upcoming Board Meetings | | | |
|-------------------------|-----------------------|---------|--------------------------|
| Mon. August 17, 2015 | Regular Board Meeting | 7:00 pm | District conference room |
| Mon. September 21, 2015 | Regular Board Meeting | 7:00 pm | District conference room |
| Mon. October 19, 2015 | Regular Board Meeting | 7:00 pm | District conference room |

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary

aid or service by 5:00 PM on Thursday, July 17, 2015. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey, CA, 93942. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600.

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