

FINAL MINUTES
**Legislative Advocacy Committee Meeting of the
Monterey Peninsula Water Management District**
March 19, 2010

Call to Order

The meeting was called to order at 8:07 a.m. in the District conference room.

Committee members present: Dave Potter, Chair (arrived during discussion of agenda item 3)
Bob Brower
Judi Lehman

Staff present: Darby Fuerst, General Manager
Stephanie Pintar, Water Demand Manager
Larry Hampson, Water Resources Engineer
Arlene Tavani, Executive Assistant

District Counsel present: David C. Laredo

Others present: John Arriaga

Comments from the Public

No comments were presented to the committee.

Action Items

- 1. Receive Minutes of February 1, 2010 Committee Meeting**
On a motion by Director Lehman and second of Director Brower, the minutes were received unanimously on a vote of 2 – 0. Director Potter was absent for the vote.

Oral Reports

- 2. Report from District Counsel on Status of State Water Resources Control Board Proceedings Regarding Cease and Desist Order WR 2009-0060**
Mr. Laredo reported that the issue has been transferred to Santa Clara County Superior Court. The District, in conjunction with intervening parties and the cities, filed a new lawsuit to compel the court to reverse its decision and move the case back to Monterey County. The Attorney General has asked that actions filed by California American Water (Cal-Am) and Quail Meadows be moved to Santa Clara and consolidated with the other case related to the cease and desist order. The Attorney General has also filed a request to lift the stay of Order 2009-0060. That will be heard by the court on April 22, 2010.

3. Report from John Arriaga on Implications of Water Legislation – Proposed Water Bond

Mr. Arriaga reported that he has been working to educate legislators and their staff regarding local water issues as follows. (A) Gave a presentation to the State Water Resources Control Board regarding the Regional Water Project with the participation of District staff. (B) Worked with the Latino Water Coalition to organize a presentation on the Safe, Clean and Reliable drinking Water Supply Act set for the November 2010 ballot. The meeting was conducted in April in Salinas for local agency representatives and Anna Caballero. (C) Briefed chiefs of staff of legislators representing the Monterey/Salinas area regarding the local water situation and the Regional Water Project.

Mr. Arriaga presented a list of bills under consideration by California State legislators that the District should monitor. He noted that the state is facing a \$20 billion dollar shortfall for 2011, and that the Governor's priority is to achieve long-term reductions. He stated that the November water bond is estimated to be supported by less than 50 percent of the electorate. Funding for some legislative proposals will only be available if the water bond is passed.

On a motion by Director Brower and second by Director Lehman, the committee agreed to present the summary of legislation to the Board of Directors as an Informational Item so they would be aware of water-related legislation that should be monitored. Director Potter was not present for the discussion on this item.

Mr. Arriaga stated that at a future committee meeting he would provide a status report on pension reform.

Discussion Items

4. Discuss Transfer of Funds from California American Water, NOAA Fisheries and California Department of Fish and Game Settlement Agreement to MPWMD

Mr. Hampson explained that funds Cal-Am paid to NOAA Fisheries have not yet been released for projects on the Carmel River. The funds were to be distributed to the California Department of Fish and Game, but have been held back because under California State law, once Fish and Game receives them the State could appropriate those funds for other uses. District staff is focused on identifying another organization to receive the funds for distribution to approved grant recipients. The committee requested that Mr. Arriaga meet with Assembly member Bill Monning to obtain his support and assistance with expediting a solution to this situation.

During the public comment period on this item, Clive Saunders of the Carmel River Watershed Conservancy addressed the Board in a statement that is on file at the District office and can be viewed on the District's website. He emphasized that settlement agreement funds should be made available for completion of instream habitat restoration projects, especially those that have been designed and are ready for grant review.

5. Discuss Progress on Interaction with California-American Water and Agencies re San Clemente Dam Removal/Reroute Project

Mr. Fuerst reported that on April 6, 2010 the San Clemente Dam Removal Quarterly Meeting will be conducted. Cal-Am and the Coastal Conservancy will report on their findings related to the risk assessment regarding liability during project construction and after deconstruction. The Coastal Conservancy will report on the request that it provide \$35 million still needed to complete the project. If the project does move forward, it could be completed by 2013. Cal-Am will submit a request to the California Public Utilities Commission (PUC) for funding of the project in the 2012 through 2014 rate case. Until then, Cal-Am has established a memorandum account.

6. Discuss Progress on Interaction with California American Water and Agencies Regarding District's Role in Regional Water Supply Planning

Mr. Fuerst and Mr. Laredo provided an update to the committee on the District's efforts to be included on the committee that would be responsible for oversight of water project operations. At this time, the District's requests have been denied. The water purchase agreement for the project was scheduled to be completed and forwarded to Cal-Am for consideration the week of March 15, 2010. If approved, it would be forwarded for consideration by the County of Monterey, and the Marina Coast Water District.

7. Review Status of Coordination with Local Jurisdictions and the State Regarding Implementation of Regulations for Installation of Greywater Systems

Ms. Pintar reported the following. Staff participates regularly on the Monterey County Business Council cluster group regarding greywater systems. The Greywater Alliance sponsored a training session on installation of laundry to landscape greywater systems that District staff attended. The County of Monterey does not support residential indoor use of greywater systems because the water has a bad odor, clogs plumbing systems, and must be re-circulated. The District is focused on installation of rainwater catchment systems and is coordinating with Cal-Am on obtaining approval from the Public Utilities Commission to include funding for a rebate program in the next general rate case. The District is coordinating local training sessions on installation of laundry to landscape and rainwater catchment systems.

Adjournment

The meeting was adjourned at 9:40 a.m.