

FINAL MINUTES
**Joint Meeting of the
Policy Advisory Committee (PAC) and the
Technical Advisory Committee (TAC) of the
Monterey Peninsula Water Management District
October 25, 2010**

Call to Order

The meeting was called to order at 9:00 am by Sarah Hardgrave, Chair of TAC.

Committee Members Present

City of Carmel-by-the-Sea	PAC: Paula Hazdovac	TAC: Sean Conroy
City of Del Rey Oaks	PAC:	TAC: Daniel Dawson
City of Monterey	PAC: Chuck Della Sala	TAC: Todd Bennett
City of Pacific Grove	PAC: Carmelita Garcia	TAC: Sarah Hardgrave
City of Sand City	PAC: David Pendergrass	TAC: Steve Matarazzo
City of Seaside	PAC: Ralph Rubio	TAC: Tim O'Halloran
County of Monterey	PAC: David Potter	TAC: Jennifer Bodensteiner

Committee Members Absent

Del Rey Oaks	PAC: Joe Russell	
Monterey Peninsula Airport District	PAC: Mary Ann Leffel	TAC: Bennie Stuth

Committee Chair (non-voting) Absent Kristi Markey, MPWMD Board Chair

District Staff Members Present:

Darby Fuerst, General Manager
Stephanie Pintar, Water Demand Manager
Arlene Tavani, Executive Assistant

District Counsel Present:

David Laredo, De Lay & Laredo
Heidi Quinn, De Lay & Laredo

Comments from the Public

No comments were directed to the committee.

Action Items

- 1. Consider Recommendation to the Board on an Ordinance to Suspend Expiration Date of Water Credits**

On a motion by Rubio and second of Potter, the committee recommended that the ordinance described in the staff report be prepared and presented to the Board of Directors for public review. The motion was approved by unanimous vote of the committee.

Discussion Items

2. Status Reports:

(a) Regional Water Supply Project Proceedings before the California Public Utilities Commission (CPUC)

Laredo reported that governance of the project was an undecided issue. The proposed decision of the Administrative Law Judge (ALJ) suggests the mayoral representative will have a full vote on an advisory committee; and requires that Marina Coast Water pay connection charges as long as they receive water from the project (no limit). Commissioner Bohn's alternative decision does not allow the mayoral representative a full voting voice; and sets a cap of \$25 million for Marina Coast Water District (MCWD) rate payers. Both the proposed and alternate decisions establish a three-tiered system for review of project costs. At the third tier, the ALJ's proposed decision prescribes that the ratepayers would not be responsible for costs that exceed a specified limit. According to the alternate proposed decision, costs could be passed on to the ratepayer upon review by the CPUC. Laredo estimated that the CPUC would issue a final decision by December 2010. Laredo responded to questions from the committee.

(b) State Water Resources Control Board Cease and Desist Order WR 2009-0060 (CDO)

Laredo reported that the administrative record for the proceeding had been lodged with the court. A case management conference is scheduled for November 2010. California American Water (Cal Am) has requested that the briefing schedule be deferred to January 2011. Cal Am would prefer that a decision on the Regional Water Project be issued prior to a decision on the CDO. Laredo responded to questions from the committee.

(c) California American Water Application to the CPUC for a Moratorium on Water Connections

Laredo reported that Cal-Am has requested a moratorium in its main system only. The Division of Ratepayer Advocates has requested that the satellite systems also be subject to the moratorium. The District has requested that if a moratorium is imposed, it should be limited to the requirements in the CDO, which are "changes in zoning or land use." A public participation hearing is scheduled for December 13, 2010. The issue should come before the CPUC in February 2011. Mr. Laredo responded to questions from the committee.

Comments by Policy and Technical Advisory Committee Members

No comments.

Adjournment

The meeting was adjourned at approximately 9:40 am.