

EXHIBIT 2-A

Draft

Resolution No. 2013-12

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT TEMPORARILY SUSPENDING SETTING OF SYSTEM LIMITS FOR SINGLE PARCEL FRACTURED ROCK WELLS

FINDINGS

1. The MPWMD is a public agency, authorized in 1977 by the California Legislature (Chapter 527 of the Statutes of 1977, as amended, found at West's Water Law Appendix, Section 118-1, et seq.). The District holds comprehensive authority to integrate management of the ground and surface water resources in the Monterey Peninsula area.
2. The Water Management District enacted a comprehensive framework to review and regulate the creation and expansion of Water Distribution Systems. That framework was first enacted on February 11, 1980, by Ordinance No. 1, and has since been amended from time to time, most recently with Ordinance No. 150 adopted on May 12, 2012.
3. The Board's Strategic Plan Update, adopted on April 15, 2013, included a goal to evaluate and revise the Water Distribution System regulations, including: assess District interests and overall goals; identify benefits to the District and to customers; explore alternative programs; assess which target areas need most regulation; recommend amendments to rules; and consider more exemptions. The Board desired a more streamlined and "user-friendly" process.
4. The process to evaluate current MPWMD Rules and Regulations, prepare an ordinance that proposes comprehensive revisions, conduct environmental review and adopt a final ordinance takes many months, and will likely not be completed before December 2013.
5. The Well-testing season for domestic Wells in Fractured Rock runs from August 1 through October 31 of each year. MPWMD regulations, as currently written, can result in several thousands of dollars incurred for evaluations beyond standard testing required by the Monterey County Health Department.
6. Recently, applicants have questioned why this extensive testing is necessary and questioned the District's authority to set System Limits (i.e., annual production limits and connection limits) on Water Distribution Systems in Fractured Rock
7. In May 2013, District Counsel advised the District that MPWMD does not have the authority to set baseline production limits for exempt, non-alluvial Wells within the

District in the absence of evidence of overdraft. In July 2013, District Counsel advised the District that MPWMD does not have the authority to establish System Limits for non-exempt, non-alluvial Wells in the absence of evidence of some physical or legal constraint affecting a specific water body. If a water source is uncertain, the District has the authority to require additional hydrogeologic data pertinent to the application. These conclusions were partially based on the correlative water rights doctrine, which gives equal standing among property owners overlying the water source.

8. An overdraft has not been declared for the non-alluvial, non-Seaside Groundwater Basin areas in which Fractured Rock Wells are located. District staff has been monitoring Fractured Rock Wells over the past two years and has not observed adverse effects to Neighboring Wells, the Carmel River, named tributaries to the river, or the Carmel Valley Alluvial Aquifer. The District plans to continue its monitoring program in order to assess hydrogeologic changes.
9. District staff recently confirmed that registered geologists at the Monterey County Water Resources Agency, working as consultants to the Monterey County Environmental Health Bureau, perform assessments of the potential of a Well to (a) adversely affect another Neighboring Well, and (b) adversely affect instream flow of specified streams and creeks. This evaluation is performed as part of the permit process to receive a Well Construction Permit from MCEHB in compliance with Monterey County General Plan Policy 3.3. Monterey County is drafting an ordinance to codify this evaluation process.
10. Based on the above legal, technical and regulatory information, the MPWMD Board of Directors concludes that current MPWMD rules are too stringent for Fractured Rock Wells that serve a single Parcel. Additional research is needed regarding various multi-Parcel situations in Fractured Rock.
11. The MPWMD Board of Directors concludes action is now needed to avoid unnecessary expenses for applicants testing Fractured Rock Wells on single Parcels in the 2013 testing season beginning on August 1, 2013.

NOW, THEREFORE, BE IT RESOLVED,

1. The MPWMD Board of Directors determines each Finding set forth above to be true and correct, and by this reference incorporates each as an integral part of this Resolution. This Resolution shall be read in conjunction with and complement the District's Rules and Regulations. All definitions used in the District Rules and Regulations shall apply to this Resolution.
2. The MPWMD Board of Directors directs its General Manager, for Fractured Rock Well(s) that serve only the one Parcel on which the Well(s) is located, to suspend: (a) setting System Limits (production and connection limits), (b) requiring hydrogeologic testing above and beyond the standard testing required by the Monterey County Health Department, and (c) other MPWMD staff activities relevant to setting a System Limit as

described in the current MPWMD Implementation Guidelines for Water Distribution Systems. This order applies to both exemptions and Water Distribution System Permits that are pending approval by District staff in addition to any new Pre-Applications and Applications received during the term of this Resolution.

3. To confirm each subject Well is a Fractured Rock Well, District staff is directed to evaluate Well logs submitted with the Pre-Application Form for any Well within 1,000 feet of the Carmel Valley Alluvial Aquifer, or within 1,000 feet of Tularcitos, Hitchcock Canyon, Garzas, Robinson Canyon or Potrero Creeks.
4. The action required by this Resolution is not a “project” under the California Environmental Quality Act (CEQA) because (a) it does not result in a direct or reasonably foreseeable indirect physical change to the environment, and (b) the current permitting process would remain in effect. The pending ordinance revising District Rules and Regulations shall be subject to CEQA review.
5. If any subdivision, paragraph, sentence, clause or phrase of this Resolution is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or enforcement of the remaining portions of this Resolution. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.
6. This Resolution shall take immediate effect following its passage and adoption. The term of this Resolution shall be one year (365 days). This Resolution may be amended, or rescinded, from time to time, by separate Resolution or Ordinance.
7. The General Manager is directed to execute all documents and perform all tasks necessary to implement the effect and purpose of this Resolution.

On motion of Director _____, and second by Director _____, the foregoing Resolution is duly adopted this _____th day of _____, 2013, by the following vote:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted on the ____th day of _____ 2013.

Witness my hand and seal of the Board of Directors this ____ day of _____ 2013.

David J. Stoldt, Secretary to the Board

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