

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



AGENDA
Special Meeting
Board of Directors
Monterey Peninsula Water Management District

Wednesday, April 19, 2017

5:30 pm – Closed Session

Board Room, 2nd Floor of the Airport Terminal Building
Monterey Regional Airport, 200 Fred Kane Drive, Ste. 200, Monterey CA

7:00 pm – Special Meeting

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/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>
by 5 PM on Friday, April 14, 2017.

The 7:00 PM Meeting will be televised on Comcast Channels 25 & 28. Refer to broadcast schedule on page 2.

5:30 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.

1. **Public Comment** – Members of the public may address the Board on the item or items listed on the Closed Session agenda.
2. **Adjourn to Closed Session**
3. **Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))**
MPWMD v. SWRCB; Santa Clara 1-10-CV-163328 – CDO – (6th District Appellate Case #H039154)
4. **Adjourn to 7 pm Session**

Board of Directors

Robert S. Brower, Sr., Chair – Division 5
Andrew Clarke, Vice Chair – Division 2
Brenda Lewis – Division 1
Molly Evans – Division 3
Jeanne Byrne – Division 4
David Pendergrass, Mayoral Representative
Mary Adams, 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 Thursday, April 13, 2017. Staff reports regarding these agenda items will be available for public review on 4/14/2017, 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 www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/. 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 May 15, 2017 at 7 pm.

7:00 PM – Special Meeting

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS AND CORRECTIONS TO AGENDA - The Clerk of the Board will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

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 March 20, 2017 Regular Board Meeting Minutes
2. Consider Adoption of Resolution 2017-05 - Recognizing David Pendergrass for 27 Years of Exceptional Service on the MPWMD Board
3. Consider Adoption of Resolution 2017-06 – Revisions to Conflict of Interest Code
4. Ratify Appointment to Ordinance No. 152 Oversight Panel
5. Authorize Purchase or Lease of Two New Electric Vehicles
6. Receive and File District-Wide Annual Water Distribution System Production Summary Report for Water Year 2016
7. Receive and File District-Wide Annual Water Production Summary Report for Water Year 2016
8. Consider Adoption of 2016 MPWMD Mitigation Program Report
9. Consider Adoption of Treasurer's Report for February 2017

PRESENTATION TO DAVID PENDERGRASS HONORING HIM FOR 27 YEARS OF EXCEPTIONAL SERVICE TO THE BOARD OF DIRECTORS

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

ATTORNEY'S REPORT

12. Report on 5:30 pm Closed Session of the Board

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

13. 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.

14. Consider Application to Amend California-American Water Company, Ryan Ranch Unit, to Serve Community Hospital Properties Via D.B.O. Development No. 30 Water Rights in Seaside Groundwater Basin; MPWMD Application #WDS-20170227RYA. (Exempt from Environmental Review per CEQA Guidelines Section 15268)

Action: The Board will consider two actions related to California-American Water Company’s use of DBO Development No. 30 water rights within the Seaside Basin, which was approved by the Board in November 2015: (1) amend Ryan Ranch WDS to enable service to the Community Hospital Properties Parcels, and (2) formally approve an increase to the Ryan Ranch WDS System Capacity (production limit) in compliance with the Board’s June 15, 2009 Decision.

15. Consider Adoption of 2016 MPWMD Annual Report

Action: The District’s enabling legislation requires that a public hearing be conducted on the Annual Report.

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

16. Discuss and Adopt Strategic Planning Goals

Action: The Board will review, discuss, edit as necessary, and adopt 1-Year and 3-Year Strategic Planning Goals.

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 Supplemental Letter Packet
- 18. Committee Reports
- 19. Monthly Allocation Report
- 20. Water Conservation Program Report
- 21. Quarterly Water Use Credit Transfer Status Report
- 22. Quarterly Carmel River Riparian Corridor Management Report
- 23. Carmel River Fishery Report
- 24. 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, Mondays, 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			
Monday, May 15, 2017	Regular Board Meeting	7:00 pm	District conference room
Monday, June 19, 2017	Regular Board Meeting	7:00 pm	District conference room
Monday, July 17, 2017	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 Friday, April 14, 2017. 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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ITEM: CONSENT CALENDAR**1. CONSIDER ADOPTION OF MINUTES OF THE MARCH 20, 2017 REGULAR MEETING OF THE BOARD OF DIRECTORS**

Meeting Date:	April 19, 2017	Budgeted:	N/A
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From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
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Prepared By:	Arlene Tavani	Cost Estimate:	N/A
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General Counsel Review: N/A**Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

SUMMARY: Attached as **Exhibit 1-A** are draft minutes of the March 20, 2017 Regular meeting of the Board of Directors.**RECOMMENDATION:** District staff recommends approval of the minutes with adoption of the Consent Calendar.**EXHIBIT****1-A** Draft Minutes of the March 20, 2017 Regular Meeting of the Board of Directors



EXHIBIT 1-A

DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
March 20, 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
 Molly Evans – Division 3
 Jeanne Byrne – Division 4
 David Pendergrass – Mayoral Representative
 Mary Adams – Monterey County Board of Supervisors

Directors Absent:

Robert S. Brower, Sr. – Chair, Division 5
 Brenda Lewis – Division 1

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

On a motion by Evans and second of Byrne, the agenda was approved without amendments on a vote of 5 – 0 by Evans, Byrne, Adams, Clarke and Pendergrass.

ADDITIONS AND CORRECTIONS TO AGENDA

No comments were directed to the Board during Oral Communications.

ORAL COMMUNICATIONS

Pendergrass moved to adopt the Consent Calendar. The motion was seconded by Adams and approved on a unanimous vote of 5 – 0 by Pendergrass, Adams, Byrne, Clarke and Evans. No comments were directed to the Board during the public comment period on this item.

CONSENT CALENDAR

Adopted.

1. **Consider Adoption of February 22, 2017 Regular Board Meeting Minutes**

Approved expenditure of \$19,718.

2. **Approve Expenditure for Community Demonstration Gardens at Garland Ranch Regional Park and Lagunita Mirada Park in Monterey**

Approved expenditure of \$60,000.

3. **Consider Authorization of a**

Approved appointment of Jody Hanson.

Approved contract charged at time and materials basis – rates outlined in agreement.

Adopted.

A summary of General Manager Stoldt’s presentation can be viewed on the MPWMD website and at the agency office. He reported that for the period of October 2016 through February 2017, water production for customer use was 9 acre-feet above recorded production in the same period of the previous year. For the period of October 2016 through February 2017, rainfall was 182% of the long term-average; unimpaired Carmel River flow was 444% of long-term average, and storage was 106% of long-term average which is equal to approximately a three-year supply of water. The Aquifer Storage and Recovery Project had most recently been producing approximately 18 acre-feet per day. Between December 5, 2016 and March 19, 2017, production had reached 1,290 acre-feet.

A summary of General Manager Stoldt’s presentation can be viewed on the MPWMD website and at the agency office. He noted that the occurrence of unaccounted-for water has been reduced. This is attributable to California-American Water’s efforts to improve the system through the replacement of approximately 11 miles of main lines system-wide since 2011, and the replacement of water meters.

Public Comment: (a) In response to a question from the Board, **Eric Sabolsice**, General Manager Monterey Division for Cal-Am, stated that there are 620 miles of main lines in the local system. (b) In response to a question from the Board, **Chris Cook**, Engineering Manager for Cal-Am, stated that a comprehensive planning study completed in 2013 identified areas where leakage was most frequent and those areas were repaired. An updated study to be conducted would compare performance in areas that were repaired against areas where pipe was not replaced. The overall total of non-revenue water prior to the repairs could be compared to current amounts, but non-revenue water reduction in specific areas could not be determined.

Contract Amendment with AECOM, Inc. for Additional Sediment Samples at Los Padres Reservoir

4. **Ratify Appointment to Ordinance No. 152 Oversight Panel**
5. **Consider Contract with TBC Communications for Pure Water Monterey Project Public Outreach**
6. **Consider Adoption of Treasurer's Report for January 2017**

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. **Follow-up on Non-Revenue Water Discussion**

DIRECTORS’ REPORTS (INCLUDING

Byrne stated that Brower and Evans joined her at the ACWA 2017 conference in Washington DC, February 28, 2017 – March 2, 2017. She described the conference as very encouraging because due to damage at the Oroville Dam spillway in February 2017, there was a focus in Congress on streamlining the permitting process. Evans noted that it was interesting to learn about activity at the Federal level, and to consider if lessons learned could be applied to local projects. Byrne congratulated General Manager Stoldt on being named Public Official of the Year by the Monterey Peninsula Chamber of Commerce. She noted that Directors Byrne, Brower, Evans and Adams attended a Chamber dinner where Stoldt received the award.

Pendergrass offered a motion that was seconded by Byrne to adopt the Quarterly Water Supply Strategy and Budget. The motion was approved on a vote of 5 – 0 by Pendergrass, Byrne, Adams, Clarke and Evans. Brower and Lewis were absent. No comments were directed to the Board during the public hearing on this item.

On a motion by Evans and second of Byrne, Resolution 2017-04 was adopted on a vote of 5 – 0 by Evans, Byrne, Adams, Clarke and Pendergrass. Brower and Lewis were absent. No comments were directed to the Board during the public hearing on this item.

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

The meeting was adjourned at 7:35 pm.

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AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)

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

PUBLIC HEARINGS

10. Consider Adoption of April through June 2017 Quarterly Water Supply Strategy and Budget

ACTION ITEMS

11. Consider Adoption of Resolution 2017 - 04 Declaring March 20 through March 26, 2017 to be Fix a Leak Week

INFORMATIONAL ITEMS/STAFF REPORTS

- 12. Letters Received**
- 13. Committee Report**
- 14. Monthly Allocation Report**
- 15. Water Conservation Program Report**
- 16. Carmel River Fishery Report**
- 17. Monthly Water Supply and California American Water Production Report for January 2017**

ADJOURNMENT

Arlene M. Tavani, Deputy District Secretary

ITEM: CONSENT CALENDAR**2. CONSIDER ADOPTION OF RESOLUTION 2017-05 – RECOGNIZING DAVID PENDERGRASS FOR 27 YEARS OF EXCEPTIONAL SERVICE ON THE MPWMD BOARD****Meeting Date:** April 19, 2017 **Budgeted:** N/A**From:** David Stoldt,
General Manager **Program/
Line Item No.:** N/A**Prepared By:** Arlene Tavani **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Director David Pendergrass is retiring from public service. He has been a member of the MPWMD Board of Directors for 27 years, representing the Monterey County Mayors Select Committee. Attached as **Exhibit 2-A** is Resolution No. 2017-05, that recognizes David Pendergrass for his outstanding contribution to the Water Management District and the community.

RECOMMENDATION: Adopt Resolution No. 2017-05.**EXHIBIT****2-A** Resolution No. 2017-05 Expressing Appreciation to David Pendergrass for 27 Years of Exceptional Service on the Board of Directors

EXHIBIT 2-A**DRAFT****RESOLUTION NO. 2017-05**

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
EXPRESSING APPRECIATION TO DAVID PENDERGRASS
FOR TWENTY SEVEN YEARS OF EXCEPTIONAL SERVICE ON THE BOARD OF DIRECTORS**

WHEREAS, in 1986 David Pendergrass was appointed by the Monterey County Mayors Select Committee to serve for 3 years on the Board of Directors. In 1992, the Mayors again selected Mr. Pendergrass to represent them on the Board of Directors and he has served continuously since then. Throughout his 27 year tenure, Mr. Pendergrass continued to fulfill his duties as Mayor of the City of Sand City, and participated on many other public boards such as the Monterey Regional Water Pollution Control Agency, Fort Ord Reuse Authority and the Transportation Agency for Monterey County.

WHEREAS, Mr. Pendergrass served as Chair of the Water Management District Board in 2007 and 2013, and also held the position of Vice Chair in 2012. He was an active participant on Board committees including fourteen years of service on the Administrative committee, ten years on the Public Outreach committee, and eight years on the Water Supply Planning committee. He also committed his time to the Water Demand and Rules and Regulations Review committees.

WHEREAS, Mr. Pendergrass' vision for advancement of water reuse as one part of the solution to meet community water needs has been realized, as groundbreaking for the Pure Water Monterey advanced recycled water treatment facility is scheduled for May 2017. Mr. Pendergrass was a steadfast advocate for cooperation between the Water Management District and the Monterey Regional Water Pollution Control Agency on funding the environmental studies, design, permitting and operation of this project. Mr. Pendergrass was also a proponent of the MPWMD Aquifer Storage and Recovery projects, and throughout his years on the Board endorsed development of other water supply project alternatives such as seawater desalination, and stormwater reuse. Under Mayor Pendergrass' direction the City of Sand City constructed and operates a desalination plant that provides water to the city and the Peninsula.

WHEREAS, Mr. Pendergrass supported the District's advocacy on behalf of local rate payers before the California Public Utilities Commission and State Water Resources Control Board regarding water rates, conservation measures, development of a water supply solution, and seeking relief from SWRCB Order 2009-0006 and other state mandated water reductions. He consistently asserted that the State should rescind the Order; however, he did accept the compromise in Order 2016-16 that extended the timeline for use of water from the Carmel River.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Monterey Peninsula Water Management District hereby recognizes David Pendergrass for 27 years of exceptional service to the District and the community.

On a motion by Director _____ and second by Director _____, the foregoing resolution is duly adopted this 19th day of April 2017 by the following votes.

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 resolution duly adopted on the 19th day of April 2017.

Witness my hand and seal of the Board of Directors this ____ day of April, 2017.

David J. Stoldt, Secretary to the Board

ITEM: CONSENT CALENDAR

3. CONSIDER ADOPTION OF RESOLUTION 2017-06 – REVISIONS TO MPWMD CONFLICT OF INTEREST CODE

Meeting Date: April 19, 2017 **Budgeted:** No

From: David J. Stoldt, **Program/** **No**
 General Manager **Line Item No.:**

Prepared By: Arlene Tavani **Cost Estimate:**

General Counsel Review: Approved.
Committee Recommendation: The Administrative Committee reviewed this item on April 10, 2017 and recommended approval.
CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: The MPWMD Conflict of Interest Code (COI) was amended by Resolution 2016-16 on October 17, 2016. In February 2017, Monterey County Counsel requested that additional changes be made to the COI. Those additional changes are reflected in a red-lined version of the MPWMD COI (**Exhibit 3-A**). Attached as **Exhibit 3-B** is Resolution No. 2017-06 Amending the MPWMD Conflict of Interest Code. If the Board approves the resolution, it will be submitted to the Monterey County Clerk and presented to the Board of Supervisors for approval.

RECOMMENDATION: The Committee should review the amended Conflict of Interest Code and approve Draft Resolution 2017-06.

- EXHIBIT**
- 3-A** Amendments to MPWMD Conflict of Interest Code – Redlined Version
 - 3-B** Draft Resolution 2017-06 Amending the MPWMD Conflict of Interest Code



EXHIBIT 3-A

**CONFLICT OF INTEREST CODE
OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**

Amended by Resolution 2016-16 on October 17, 2016

The Political Reform Act of 1974 (Government Code sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code. After public notice and hearing, the Fair Political Practices Commission may amend the standard code to conform to amendments of the Political Reform Act. Therefore, the terms of section 18730 of title 2 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission together with the attached Appendices designating positions and establishing disclosure categories are hereby incorporated by reference and together constitute the Conflict of Interest Code of the Monterey Peninsula Water Management District (hereafter "District").

Individuals holding designated positions shall file their statement of economic interests with the District Secretary which will make the statements available for public inspection and reproduction pursuant to Government Code section 81008. The Monterey Peninsula Water Management District's jurisdiction is wholly within the County of Monterey. ~~Therefore, u~~Upon receipt of the statements for positions listed in Appendix A, the District shall make and retain copies and forward the original of the statements to the code reviewing body, the Monterey County Board of Supervisors, by providing the documents to the office of the Monterey County Clerk to the Board. Statements for all other designated positions shall be retained by the District.

Attachments: Appendix A: Designated Positions
Appendix B: Disclosure Categories

Amended: 1979, 1983, 1986, 1979, 2006, 2013 and 2016

APPENDIX A: DESIGNATED POSITIONS

<u>Designated Positions</u> ¹	<u>Assigned Disclosure Category</u>
Board of Directors	1
General Manager	1
District Counsel	1
Administrative Services Manager	1
Water Demand Division Manager	1
Water Resources and Engineering Division Manager	1

Consultants

For purposes of this Code, “consultant” has the same meaning as set forth in 2 Cal. Code Regs., tit. 2, section ~~section 18700.3(a)~~ ~~18701(a)(2)~~, as follows:

(a) For purposes of Sections 82019 and 82048, “consultant” means an individual who, pursuant to a contract with a state or local government agency:

(1) Makes a governmental decision whether to:

(A) Approve a rate, rule, or regulation;

(B) Adopt or enforce a law;

(C) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;

(D) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;

(E) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract;

(F) Grant agency approval to a plan, design, report, study, or similar item;

(G) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(2) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18704(a) and (b) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Section 87302.

~~“Consultant” means an individual who, pursuant to a contract with a state or local government agency:~~

~~(A) Makes a governmental decision whether to:~~

¹ Public officials who manage public investments are not covered by the Conflict of Interest Code because they must file a statement of economic interests pursuant to Government Code section 87200. Therefore, those positions are listed below for information purposes only.

- ~~1. Approve a rate, rule, or regulation;~~
 - ~~2. Adopt or enforce a law;~~
 - ~~3. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;~~
 - ~~4. Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;~~
 - ~~5. Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;~~
 - ~~6. Grant agency approval to a plan, design, report, study, or similar item;~~
 - ~~7. Adopt, or grant agency approval of policies, standards, or guidelines for the agency, or for any subdivision thereof, or~~
- ~~(B) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.~~

Consultants to the District shall be subject to disclosure under Category 1, subject to the following limitation: The General Manager of the District may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to comply with the disclosure requirements of Category 1. In such cases, the General Manager of the District may designate a different disclosure requirement. Such determination must be made in writing and shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of the consultant’s disclosure requirements. Such determination by the General Manager of the District is a public record and shall be retained for public inspection in the same manner and location as the District’s Conflict of Interest Code.

APPENDIX B: DISCLOSURE CATEGORIES

General Provisions Applicable to All Categories

When an individual who holds a designated position is required to disclose investments and sources of income, he or she shall disclose investments in business entities and sources of income which do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When an individual who holds a designated position is required to disclose sources of income, he or she shall include gifts received from donors located inside as well as outside the jurisdiction.

When an individual who holds a designated position is required to disclose interests in real property, he or she shall disclose the type of real property described below if it is located within the jurisdiction, or not more than two miles outside the boundaries of the jurisdiction, or within two miles of any land owned or used by District.

When an individual who holds a designated position is required to disclose business position, he or she shall disclose positions in business entities that do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years.

For purposes of this Conflict of Interest Code, the jurisdiction of the Monterey Peninsula Water Management District is the area of the County of Monterey within the District boundaries as described in West's Annotated California Codes, Water Code, Appendix Section 118.

Category 1

A designated position in this category must report all investments, business positions, interests in real property, and sources of income, including gifts, loans, and travel payments.

Category 2

A designated position in this category must report all investments, business positions, and sources of income, including gifts, loans, and travel payments.

Category 3

A designated position in this category must report all interests in real property.

Category 4

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources that are subject to the regulatory, permit or licensing authority of, or have an application for a license or permit pending before, the District.

Category 5

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to supply materials, products, supplies, commodities, services, machinery, vehicles, or equipment utilized by the District.

Category 6

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to receive grants or other monies from or through the District.

DRAFT



RESOLUTION NO. 2017-06

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
AMENDING THE MPWMD CONFLICT OF INTEREST CODE**

WHEREAS the Monterey Peninsula Water Management District (MPWMD) Conflict of Interest Code was last amended in October 2016; and

WHEREAS in February 2017, the office of Monterey County Counsel requested that additional amendments be made to the Conflict of Interest Code and forwarded to the Monterey County Board of Supervisors for approval; and

WHEREAS, the MPWMD Board of Directors has reviewed its Conflict of Interest Code and concluded that it should be amended per the request of Monterey County Counsel as follows. (A) Include a statement that the Monterey Peninsula Water Management District's jurisdiction is wholly within the County of Monterey, thereby establishing that the Monterey County Board of Supervisors is the appropriate code reviewing body. (B) Incorporate the definition of consultants set forth in Title 2 of the California Code of Regulations, section 18700.3(a). The amended code is provided as **Attachment 1**.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Monterey Peninsula Water Management District that the MPWMD Conflict of Interest Code shall be amended as provided in **Attachment 1**, and forwarded to the Monterey County Board of Supervisors.

On a motion by Director _____ and seconded by Director _____ the foregoing resolution is duly adopted this 19th day of April 2017 by the following votes:

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 resolution duly adopted on the 19th day of April 2017.

Witness my hand and seal of the Board of Directors this ____ day of April 2017.

David J. Stoldt
Secretary to the Board



Attachment 1 to MPWMD Resolution 2017-06

**CONFLICT OF INTEREST CODE
OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**

Amended by Resolution 2017-06 on April 19, 2017

The Political Reform Act of 1974 (Government Code sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code. After public notice and hearing, the Fair Political Practices Commission may amend the standard code to conform to amendments of the Political Reform Act. Therefore, the terms of section 18730 of title 2 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission together with the attached Appendices designating positions and establishing disclosure categories are hereby incorporated by reference and together constitute the Conflict of Interest Code of the Monterey Peninsula Water Management District (hereafter "District").

Individuals holding designated positions shall file their statement of economic interests with the District Secretary which will make the statements available for public inspection and reproduction pursuant to Government Code section 81008. The Monterey Peninsula Water Management District's jurisdiction is wholly within the County of Monterey. Upon receipt of the statements for positions listed in Appendix A, the District shall make and retain copies and forward the original of the statements to the code reviewing body, the Monterey County Board of Supervisors, by providing the documents to the office of the Monterey County Clerk to the Board. Statements for all other designated positions shall be retained by the District.

Attachments: Appendix A: Designated Positions
Appendix B: Disclosure Categories

Amended: 1979, 1983, 1986, 1979, 2006, 2013, 2016 and 2017

APPENDIX A: DESIGNATED POSITIONS

<u>Designated Positions</u> ¹	<u>Assigned Disclosure Category</u>
Board of Directors	1
General Manager	1
District Counsel	1
Administrative Services Manager	1
Water Demand Division Manager	1
Water Resources and Engineering Division Manager	1

Consultants

For purposes of this Code, “consultant” has the same meaning as set forth in 2 Cal. Code Regs., tit. 2, section 18700.3(a) as follows:

- (a) For purposes of Sections 82019 and 82048, “consultant” means an individual who, pursuant to a contract with a state or local government agency:
- (1) Makes a governmental decision whether to:
 - (A) Approve a rate, rule, or regulation;
 - (B) Adopt or enforce a law;
 - (C) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
 - (D) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
 - (E) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract;
 - (F) Grant agency approval to a plan, design, report, study, or similar item;
 - (G) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or
 - (2) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18704(a) and (b) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Section 87302.

Consultants to the District shall be subject to disclosure under Category 1, subject to the following limitation: The General Manager of the District may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to comply with the disclosure requirements of Category 1. In such cases, the General Manager of the District may designate a different disclosure requirement. Such determination must be made in

¹ Public officials who manage public investments are not covered by the Conflict of Interest Code because they must file a statement of economic interests pursuant to Government Code section 87200. Therefore, those positions are listed below for information purposes only.

writing and shall include a description of the consultant's duties and, based upon that description, a statement of the extent of the consultant's disclosure requirements. Such determination by the General Manager of the District is a public record and shall be retained for public inspection in the same manner and location as the District's Conflict of Interest Code.

APPENDIX B: DISCLOSURE CATEGORIES

General Provisions Applicable to All Categories

When an individual who holds a designated position is required to disclose investments and sources of income, he or she shall disclose investments in business entities and sources of income which do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When an individual who holds a designated position is required to disclose sources of income, he or she shall include gifts received from donors located inside as well as outside the jurisdiction.

When an individual who holds a designated position is required to disclose interests in real property, he or she shall disclose the type of real property described below if it is located within the jurisdiction, or not more than two miles outside the boundaries of the jurisdiction, or within two miles of any land owned or used by District.

When an individual who holds a designated position is required to disclose business position, he or she shall disclose positions in business entities that do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years.

For purposes of this Conflict of Interest Code, the jurisdiction of the Monterey Peninsula Water Management District is the area of the County of Monterey within the District boundaries as described in West's Annotated California Codes, Water Code, Appendix Section 118.

Category 1

A designated position in this category must report all investments, business positions, interests in real property, and sources of income, including gifts, loans, and travel payments.

Category 2

A designated position in this category must report all investments, business positions, and sources of income, including gifts, loans, and travel payments.

Category 3

A designated position in this category must report all interests in real property.

Category 4

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources that are subject to the

regulatory, permit or licensing authority of, or have an application for a license or permit pending before, the District.

Category 5

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to supply materials, products, supplies, commodities, services, machinery, vehicles, or equipment utilized by the District.

Category 6

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to receive grants or other monies from or through the District.

ITEM: CONSENT CALENDAR**4. RATIFY APPOINTMENT TO ORDINANCE NO. 152 OVERSIGHT PANEL****Meeting Date:** April 19, 2017 **Budgeted:** N/A**From:** David Stoldt,
General Manager **Program/
Line Item No.:** N/A**Prepared By:** Arlene Tavani **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Ordinance No. 152 created a nine member “Ordinance 152 Citizen’s Oversight Panel” as an advisory group to the Board of Directors on expenditures from the Connection Charge adopted in June 2012. According to the committee charge, each Director makes one appointment to the committee. Director Lewis has appointed Susan Schiavone to complete a two-year term that will end on April 19, 2019.

RECOMMENDATION: Ratify the appointment of Susan Schiavone to complete a two-year term that will end on April 19, 2019.

EXHIBIT

None

ITEM: CONSENT CALENDAR**5. AUTHORIZE PURCHASE OR LEASE OF TWO NEW ELECTRIC VEHICLES**

Meeting Date:	April 19, 2017	Budgeted:	Yes
From:	David J. Stoldt, General Manager	Program/ Line Item No.	Capital Assets XX-XX-914000
Prepared By:	Suresh Prasad	Cost Estimate:	\$80,000

General Counsel Review: N/A**Committee Recommendation: The Administrative Committee reviewed this item on April 10, 2017 and recommended approval.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

SUMMARY: On November 14, 2016, the Board authorized staff to purchase or lease two new electric vehicles and approved electric vehicle incentive replacement program reimbursement agreement with Monterey Bay Air Resources District (MBARD). The approval had a not-to-exceed amount of \$70,000. Since then, Chevrolet has released new electric vehicles which has 238 miles range per charge. These new vehicles are slightly higher in price and staff is seeking to get an increase in approval to spend not-to-exceed amount of \$80,000. The District will be getting \$20,000 from MBARD as reimbursement towards purchase of electric vehicles.

RECOMMENDATION: District staff recommends authorizing purchase or lease of two new electric vehicles at a cost not-to-exceed \$80,000.

BACKGROUND: California Assembly Bill 2766 (AB2766), signed into law in 1990, permits the Monterey Bay Air Resources District (MBARD) to allocate a \$4.00 per vehicle registration surcharge fee towards projects that reduce motor vehicle emissions such as zero emission vehicles, roundabouts, traffic signal coordination, or vanpools. Funds may also be used for related planning, monitoring, enforcement, and technical studies. Funds are available to public agencies in Monterey, San Benito and Santa Cruz Counties.

On March 16, 2016, the MBARD Board authorized this year's AB2766 Motor Vehicle Emission Reduction Grant Program. On September 21, 2016, the MBARD Board will award approximately \$1 million to selected projects. Eligible projects must reduce motor vehicle emissions and/or meet other criteria described in the grant packet. Only public agencies may apply for projects, which must be implemented in Monterey, San Benito and/or Santa Cruz Counties.

The Electric Vehicle (EV) replacement incentive program is limited to a recommended cap of \$10K. New vehicles may be purchased or leased (minimum of 3 years required). Certified used vehicles may be purchased with a funding cap of \$7500 (remaining battery life must be disclosed at time of purchase). Match funds are required for eligibility.

On May 16, 2016, the District filed a grant application with the MBARD for the purchase of two electric vehicles under category 2, Electric Vehicle Replacement Incentive Program, of the AB2766 FY2015 program. One of the new electric vehicles will replace a 2004 Ford Taurus currently used as a pool car within the Administration and Conservation Department. The second vehicle will be primarily used for the Conservation Department.

On October 18, 2016, the District was notified by MBARD that its grant application has been approved towards purchase of two electric vehicles.

EXHIBIT

None

ITEM: CONSENT CALENDAR**6. RECEIVE AND FILE DISTRICT-WIDE ANNUAL WATER DISTRIBUTION SYSTEM PRODUCTION SUMMARY REPORT FOR WATER YEAR 2016**

Meeting Date:	April 17, 2017	Budgeted:	N/A
From:	David Stoldt, General Manager	Program/ Line Item No.:	Hydrologic Monitoring N/A
Prepared By:	Thomas Lindberg	Cost Estimate:	N/A

General Counsel Approval: N/A**Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

SUMMARY: Staff has prepared the draft Water Production Summary Report for Water Distribution Systems (WDSs) within the Monterey Peninsula Water Management District (District) for Water Year (WY) 2016. WY 2016 covers the 12-month period from October 1, 2015 through September 30, 2016. Preliminary computations indicate that 10,348 acre-feet (AF) of water were produced by the 150 recognized WDSs in the District during WY 2016. In general, recognized WDSs refer to systems that either: (a) have received a WDS permit, or (b) have been confirmed as a pre-existing system prior to District rules that expanded WDS permitting requirements. The California American Water (Cal-Am) Main System, which is the largest WDS in the District, accounted for 9,335 AF or approximately 90% of the total production reported by WDSs in WY 2016.

RECOMMENDATION: This report is for informational purposes only. The Board should review the draft summary report and provide staff with any comments or questions. Staff will complete and file the final report, incorporating any late revisions, if this item is approved with the Consent Calendar.

BACKGROUND: All owners and operators of WDSs within the District are required to annually submit water production information to the District. In 1980, District Ordinance No. 1 defined a WDS as *works within the District used for the collection, storage, transmission, or distribution of water from the source of supply to the connection of a system providing water service to any connection including all water-gathering facilities and water-measuring devices*. Therefore, all wells within the District are considered to be WDSs. However, until the adoption of Ordinance No. 96 in 2001, only multiple-parcel WDSs were required to obtain a permit from the District. Other refinements to the Rules and Regulations governing WDSs were added with the adoption of Ordinance No. 105 in 2002; Ordinance No. 106 in 2003; Ordinance No. 118 in 2005; Ordinance No. 122 in 2006; Ordinance 160 in 2014; and Ordinance 175 in 2016.

One multiple-parcel WDS was established in WY 2016 (Hilltop Ranch) and another was amended (Cañada Woods Water Company). Another multiple-parcel WDS (Malpaso) was

reported as established in WY 2015, but the actual recording and General Manager's approval occurred in WY 2016; the amendment to the CAW system that set the stage for the Malpasos WDS occurred in WY 2015. Two other amendments to the CAW system occurred in WY 2016 (Monterey Bay Shores/CAW Water Rights transfer, and the Hilby Pump Station/Monterey Pipeline project). All of the potable water produced by the Sand City Desalination Plant was provided to the Cal-Am main system, and that amount (160.94 AF) and is reported separately on this table. In WY 2016, 609.45 AF was delivered for customer Service to the Cal-Am system from the Aquifer Storage and Recovery (ASR) project. It is also noted that the Cañada Woods Alluvial, Cañada Woods Upland and Monterra Ranch WDSs have been merged into the Cañada Woods Water Company WDS since WY 2005, although they are reported separately here to facilitate comparisons from one year to another.

Each WDS must report the amount of water produced and where required, the amount of water delivered, in addition to the number of existing and new connections served during the reporting period. The information for WY 2016 is summarized in **Exhibit 6-A**. The WDSs shown are grouped by source area. This information is also incorporated into the District-Wide Water Production Summary Report, presented as the following item of the Consent Calendar of this packet. For comparative purposes, the Annual WDS Production Summary Report for WY 2015 is provided as **Exhibit 6-B**.

Production figures for three WDSs -- Bishop, Ryan Ranch, and Hidden Hills Units -- are reported separately from the Cal-Am main system, although Cal-Am owns and operates each of these satellite units. The Ryan Ranch Unit was acquired and annexed into the Cal-Am system in November 1989. The Hidden Hills Unit, which formerly reported as the Carmel Valley Mutual Water Company, was acquired and annexed into the Cal-Am system in March 1993. The Bishop Unit, which has been operated by Cal-Am since September 1996, was acquired and annexed into the Cal-Am system in July 1999. Although water production and delivery values for the Bishop, Hidden Hills and Ryan Ranch Units are reported separately from the values for Cal-Am's Main System in this report, they are included in Cal-Am's total production in the District-wide Production Summary Report (**Exhibit 7-A**) as "Cal-Am Wells Within the Water Resources System".

Three systems that are operated by the Cañada Woods Water Company (CWWC) are tracked separately in this report but are part of an interconnected system. The production shown in **Exhibit 6-A** for Monterra Ranch includes water produced from wells that was sent to the system's reverse osmosis (RO) desalination plant and un-treated water that was produced for non-potable purposes. The consumption loss for the CWWC includes water line flushing and unmetered construction and irrigation uses. Beginning in WY 2010, the system loss calculation was revised by CWWC to present a single composite system loss value.

District-wide - Total WDS production within the District for WY 2016 was 10,348 AF. Of this total, the Cal-Am Main System (i.e., not including the Bishop, Hidden Hills and Ryan Ranch Units) accounted for 90% of the water produced by WDSs within the District. The other 149 systems (i.e., including the Bishop, Hidden Hills and Ryan Ranch Units) accounted for the remaining 10 percent of production. Total WDS production for WY 2016 is 664 AF (6%) less than the production reported for WY 2015. During WY 2016, Cal-Am's Main System

production decreased by 330 AF (3%), while reported non Cal-Am WDS production decreased by 334 AF (25%), relative to production in WY 2015.

Monterey Peninsula Water Resources System (MPWRS) - Total WDS production from the MPWRS, which includes the Carmel River and its tributaries, the Carmel Valley Alluvial Aquifer, the Seaside Groundwater Basin was 9,945 AF in WY 2016.

The comparisons below include production from Cal-Am's satellite systems (Bishop, Hidden Hills and Ryan Ranch Units) that derive their source of supply from the Laguna Seca Subarea (LSS) of the Seaside Groundwater Basin. The LSS was added to the MPWRS with the adoption of Ordinance No. 135 on September 22, 2008. Total WDS production within the MPWRS decreased by 413 AF (4%) in WY 2016 compared to production in WY 2015. In WY 2016, production by Cal-Am from within the MPWRS (including Bishop, Hidden Hills and Ryan Ranch Units) decreased by 341 AF (3%) and the combined production from 23 other active systems within the MPWRS increased by 62 AF (17%), relative to production reported for WY 2015.

EXHIBITS

6-A Water Production Summary Report for Water Distribution Systems for Water Year 2016

6-B Water Production Summary Report for Water Distribution Systems for Water Year 2015

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT										
WATER DISTRIBUTION SYSTEM REPORT - WATER YEAR 2016										
SYSTEM	REPORTING METHOD	PRODUCTION (AF)	DELIVERY (AF)	UNACCOUNTED (%)	CONNECTIONS					
					ACTIVE	AVG. PROD./ CONNECTION (AF)	AVG. DEL./ CONNECTION (AF)	NEW	SOURCE AREA	
CAW (CAL-AM) Main System	WM	9,335.41	8,832.79	5.4%	37,600	0.25	0.23	7	AS1-4, SCS	
SEASIDE MUNI	WM	195.14	N.A.	N.A.	788	0.25	N.A.	0	SCS	
MONTEREY BAY SHORES	WM	0.00	0.0	0.0%	0	0.00	0.0	0	SCS	
MPWMD ASR-1	WM	0.00	N.A.	N.A.	1	0.00	N.A.	0	SCS	
ABADIR (A)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	AS2	
ABADIR C (MANSON)	WM	0.02	N.A.	N.A.	1	0.02	N.A.	0	AS2	
ANIMAL FARM	WM	1.09	N.A.	N.A.	1	1.09	N.A.	0	AS2	
CARMEL VALLEY ROAD II	WM	1.59	N.A.	N.A.	4	0.40	N.A.	0	AS2	
CHANEY/SCHAFFER	LU	0.41	N.A.	N.A.	2	0.21	N.A.	0	AS2	
FAIR WEATHER	LU	1.26	N.A.	N.A.	2	0.63	N.A.	0	AS2	
GOOD NEIGHBOR	LU	1.24	N.A.	N.A.	2	0.62	N.A.	0	AS2	
JONES	LU	0.23	N.A.	N.A.	1	0.23	N.A.	0	AS2	
RANCHO SAN CARLOS ROAD	WM	1.30	N.A.	N.A.	3	0.43	N.A.	0	AS3	
RIVERSIDE RV PARK	WM	8.60	N.A.	N.A.	N.A.	N.A.	N.A.	0	AS3	
SCHUT/JONES	LU	2.72	N.A.	N.A.	2	1.36	N.A.	0	AS3	
SELLE	LU	0.09	N.A.	N.A.	2	0.05	N.A.	0	AS3	
SAN MARCO	WM	2.86	N.A.	N.A.	3	0.95	N.A.	0	AS3	
CANADA WOODS ALLUVIAL	WM	56.08	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	AS3	
AIELLO	WM	0.23	N.A.	N.A.	1	0.23	N.A.	0	AS3	
ALADWELL (ADDISON)	WM	2.30	N.A.	N.A.	2	1.15	N.A.	0	AS3	
LATTA IRRIGATION (was BARDIS)	WM	1.00	N.A.	N.A.	1	1.00	N.A.	0	AS3	
LATTA DOMESTIC (was BARDIS 2)	WM	0.05	N.A.	N.A.	1	0.05	0.00	0	AS3	
ST. DUNSTAN'S	WM	0.21	N.A.	N.A.	1	0.21	N.A.	0	AS3	
ALL SAINTS	WM	0.41	N.A.	N.A.	1	0.41	N.A.	0	AS3	
RSCrd#3/HATTON RANCHO	WM	3.37	N.A.	N.A.	3	1.12	N.A.	0	AS3	
CARMEL GREENS	WM	6.54	N.A.	N.A.	1	6.54	N.A.	0	AS4	
CLARK/WELLS FARGO	WM	0.00	0.0	0.0%	0	0.00	0.00	0	AS4	
MAL PASO	WM	0.00	0.0	0.0%	0	0.00	0.00	0	AS4	
CACHAGUA RD. 1	WM	0.20	N.A.	N.A.	3	0.07	N.A.	0	CAC	
CACHAGUA RD. 2	LU	0.92	N.A.	N.A.	9	0.10	N.A.	0	CAC	
VALLEY CREEK (JENSEN) MHP	WM	8.02	N.A.	N.A.	24	0.33	N.A.	0	CAC	
NASON ROAD	LU	0.00	N.A.	N.A.	4	0.00	N.A.	0	CAC	
PRINCES CAMP	WM	7.15	N.A.	N.A.	50	0.14	N.A.	0	CAC	
AGUA FRESCA	WM	1.09	N.A.	N.A.	2	0.55	N.A.	0	CVU	
BOOTH	WM	0.46	N.A.	N.A.	1	0.46	N.A.	0	CVU	
BOSSO (from LU method in 07)	WM	1.93	N.A.	N.A.	2	0.97	N.A.	0	CVU	
CANADA WOODS UPLAND	WM	110.20	N.A.	N.A.	61	1.81	N.A.	6	CVU	
COUNTRY CLUB ROAD	LU	1.40	N.A.	N.A.	5	0.28	N.A.	0	CVU	
CHOPIN	WM	0.06	N.A.	N.A.	1	0.06	N.A.	0	CVU	
DOLLASE	WM	2.39	N.A.	N.A.	4	0.60	N.A.	0	CVU	
FRUMKIN	WM	0.15	N.A.	N.A.	1	0.15	N.A.	0	CVU	
HYLES (RIVERA/HOMZA)	WM	0.10	N.A.	N.A.	1	0.10	N.A.	0	CVU	
LOS ROBLES ROAD	WM	15.20	N.A.	N.A.	6	2.53	N.A.	0	CVU	
P&M RANCH	WM	8.20	N.A.	N.A.	6	1.37	N.A.	0	CVU	
PELIO	WM	9.09	N.A.	N.A.	1	N.A.	N.A.	0	CVU	
RANCHO DE ROBLEDEO	WM	7.63	N.A.	N.A.	7	1.09	N.A.	0	CVU	
SADDLE MOUNTAIN	WM	2.75	N.A.	N.A.	26	0.11	N.A.	0	CVU	
SCHULTE ROAD	WM	1.89	N.A.	N.A.	5	0.38	N.A.	0	CVU	
SLEEPY HOLLOW	WM	44.92	N.A.	N.A.	17	2.64	N.A.	0	CVU	
TAO WOODS MUTUAL	WM	1.67	N.A.	N.A.	4	0.42	N.A.	0	CVU	
MARCUS (TOBEY-WAGNER) WDS	WM	0.77	N.A.	N.A.	1	0.77	N.A.	0	CVU	
KORSTANJE (CARDINALLI) WDS	WM	0.10	N.A.	N.A.	1	0.10	N.A.	0	CVU	
CASS WDS	WM	2.20	N.A.	N.A.	1	2.20	N.A.	0	CVU	
FAASSE (EVANS) WDS	WM	0.04	N.A.	N.A.	0	N.A.	N.A.	0	CVU	
GODDRICH-POTRERO	WM	0.00	N.A.	0.0%	0	N.A.	N.A.	0	CVU	
GRANITE WDS	WM	0.16	N.A.	0.0%	1	0.16	0.00	0	CVU	
GREENWALL-Kyung Cho (KING)	WM	0.00	N.A.	N.A.	0	N.A.	N.A.	0	CVU	
HELENIUS (LYON) WDS	WM	0.09	N.A.	N.A.	1	0.09	N.A.	0	CVU	
PAGE/BOUC WDS	WM	1.96	N.A.	N.A.	2	0.98	N.A.	0	CVU	
HOLBROOK (POSPISHIL) WDS	WM	0.00	N.A.	N.A.	0	N.A.	N.A.	0	CVU	
WOODS (PREW) WDS	WM	0.30	N.A.	N.A.	1	0.30	N.A.	0	CVU	
R. JONES	WM	0.24	N.A.	N.A.	1	0.24	N.A.	0	CVU	
LARSON	WM	0.00	0.1	0.0%	1	0.00	0.00	0	CVU	
FOREMAN	WM	0.02	0.0	0.0%	1	0.02	N.A.	0	CVU	
GUENTHER	WM	0.03	N.A.	N.A.	1	0.03	N.A.	0	CVU	
D. GRIGGS	WM	7.22	N.A.	N.A.	1	7.22	N.A.	0	CVU	
WARNER (K. GRIGGS)	WM	1.81	N.A.	N.A.	1	1.81	N.A.	0	CVU	
JOHNSON	WM	0.16	N.A.	N.A.	1	0.16	N.A.	0	CVU	
HAMERSLOUGH (LITT)	WM	0.00	N.A.	0.0%	1	0.00	N.A.	0	CVU	
WEST	WM	0.52	N.A.	N.A.	1	0.52	N.A.	0	CVU	
BENTLEY (RUSEK)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU	
OH WELL/CAMPBELL (POOLE)	WM	0.16	0.0	0.0%	1	0.00	0.00	0	CVU	
BELLAMY	WM	1.16	N.A.	N.A.	1	1.16	N.A.	0	CVU	
LONG RIDGE SLCS	WM	0.35	N.A.	N.A.	123	0.00	N.A.	0	CVU	
SLEEPY HOLLOW 16/COLLINS	WM	0.00	0.0	0.0%	0	0.00	N.A.	0	CVU	
SLEEPY HOLLOW 17/COLLINS	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU	
SYCAMORE STABLES	WM	0.27	N.A.	0.0%	1	0.27	N.A.	0	CVU	
STEMPLE	WM	0.00	N.A.	N.A.	0	0.00	N.A.	0	CVU	
WHITE	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU	

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT									
WATER DISTRIBUTION SYSTEM REPORT - WATER YEAR 2016									
SYSTEM	REPORTING METHOD	PRODUCTION (AF)	DELIVERY (AF)	UNACCOUNTED (%)	CONNECTIONS				SOURCE AREA
					ACTIVE	AVG. PROD./ CONNECTION (AF)	AVG. DEL./ CONNECTION (AF)	NEW	
DALE	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
RODDICK	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
OLSON (OUTZEN)	WM	0.04	N.A.	N.A.	1	0.04	N.A.	0	CVU
BURLEIGH	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
QUAIL MEADOWS DR. (Walter)	WM	0.00	0.0	0.0%	1	0.00	0.00	1	CVU
GIBSON	WM	0.38	N.A.	N.A.	1	0.38	N.A.	0	CVU
ZBES (Belzberg)	WM	0.97	N.A.	N.A.	1	0.97	N.A.	0	CVU
FLANAGAN (DYER)	WM	0.58	N.A.	N.A.	1	0.58	N.A.	0	CVU
NEWSOME	WM	0.47	N.A.	N.A.	1	0.47	N.A.	0	CVU
SAXTON	WM	0.10	N.A.	N.A.	1	0.10	N.A.	0	CVU
WASHBURN	WM	0.07	N.A.	N.A.	1	N.A.	N.A.	1	CVU
DOBBS	WM	0.43	N.A.	N.A.	1	0.43	N.A.	0	CVU
RICHERS	WM	1.69	0.0	0.0%	1	0.00	N.A.	1	CVU
AMATYA	WM	0.01	0.0	0.0%	1	0.00	N.A.	0	CVU
UNITARIAN CHURCH	WM	0.40	N.A.	N.A.	2	0.20	N.A.	0	CVU
COOPER	WM	0.00	0.0	0.0%	0	0.00	N.A.	0	CVU
GARCIA	WM	0.00	0.0	0.0%	0	0.00	N.A.	0	CVU
CONDON/CHUGACH	WM	0.07	0.0	0.0%	1	0.00	0.00	1	CVU
ROBERTS	WM	1.66	N.A.	N.A.	1	1.66	N.A.	0	CVU
KAMINSKI	WM	0.08	N.A.	N.A.	1	0.08	N.A.	0	CVU
FRANKS	WM	0.91	N.A.	N.A.	1	0.91	N.A.	0	CVU
PEBKAR	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
RUTHERFORD (BUCHHOLZ)	WM	1.64	N.A.	N.A.	1	1.64	N.A.	0	CVU
GARREN QUAIL MEADOWS	WM	0.46	N.A.	N.A.	1	0.46	N.A.	0	CVU
SCHWARTZ	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
SADDLE ROAD GROUP	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
218 RANCH (ZOE)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
NIXON (FLAGLER)	WM	0.03	0.0	0.0%	1	0.00	0.00	1	CVU
SEPTEMBER RANCH PTNRS.	WM	60.57	N.A.	N.A.	1	60.57	N.A.	0	CVU
HILLTOP RANCH	WM	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	CVU
CAW BISHOP UNIT	WM	134.54	133.7	0.7%	380	0.35	0.35	0	LSS
CAW HIDDEN HILLS UNIT	WM	125.45	104.8	16.5%	450	0.28	0.23	0	LSS
CAW RYAN RANCH UNIT	WM	56.73	53.1	6.5%	197	0.29	0.27	0	LSS
SPCA	WM	6.06	N.A.	N.A.	2	3.03	N.A.	0	LSS
CASANOVA WDS	WM	1.07	N.A.	N.A.	1	1.07	N.A.	0	MIS
AGUAJITO ROAD	WM	3.74	N.A.	N.A.	4	0.94	N.A.	0	MIS
FLAGG HILL	WM	1.50	N.A.	N.A.	2	0.75	N.A.	0	MIS
HIDDEN MESA	WM	0.33	N.A.	N.A.	3	0.11	N.A.	0	MIS
MESSENGER/MELNICK	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
MONTEERRA RANCH	WM	59.89	N.A.	17.5%	117	0.51	N.A.	0	MIS
PT LOBOS RANCH	WM	2.56	N.A.	N.A.	8	0.32	N.A.	0	MIS
RILEY RANCH	WM	1.59	N.A.	N.A.	3	0.53	N.A.	0	MIS
RANCHITOS DE AGUAJITO	WM	7.40	N.A.	N.A.	10	0.74	N.A.	0	MIS
SENA TRUST	WM	2.82	N.A.	N.A.	2	1.41	N.A.	0	MIS
TROSKY	WM	0.00	0.0	0.0%	1	0.00	0.00	0	MIS
HEAD	WM	0.28	N.A.	N.A.	1	0.28	N.A.	0	MIS
CARMEL HILL	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
COLGAC	WM	0.16	N.A.	N.A.	1	0.00	N.A.	0	MIS
KASHFI	WM	0.00	0.0	0.0%	0	N.A.	N.A.	0	MIS
SUNRISE SENIOR CENTER	WM	0.44	N.A.	N.A.	1	0.44	N.A.	0	MIS
DUNNION	WM	0.61	N.A.	N.A.	1	0.61	N.A.	0	MIS
DMC	WM	0.00	N.A.	N.A.	1	0.00	N.A.	0	MIS
MAYL (D.P. CARMEL INVESTORS)	WM	0.09	N.A.	N.A.	1	0.00	N.A.	0	MIS
LAUCH	WM	0.32	N.A.	N.A.	1	0.32	N.A.	0	MIS
THORP	WM	0.05	0.0	N.A.	1	0.05	N.A.	0	MIS
REGAN	WM	1.43	N.A.	N.A.	1	1.43	N.A.	0	MIS
CARROLL/RANCHO U	WM	0.48	N.A.	N.A.	1	N.A.	N.A.	0	MIS
LENZ-KENDALL	WM	1.07	N.A.	N.A.	1	1.07	N.A.	0	MIS
ANDERSON	WM	0.02	N.A.	N.A.	1	0.02	N.A.	0	MIS
GREEK ORTHODOX	WM	0.03	N.A.	N.A.	1	0.03	N.A.	1	MIS
STEPHEN PLACE	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
FLORES	WM	1.22	N.A.	N.A.	1	0.00	0.00	1	MIS
PISENTI	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
ADRIAN	WM	0.68	N.A.	N.A.	1	0.68	N.A.	0	MIS
TYDINGS/Cappo	WM	1.44	N.A.	N.A.	3	0.48	N.A.	1	MIS
GOLLOGLY (Garren Highlands)	WM	0.19	N.A.	N.A.	1	0.19	N.A.	0	MIS
SILVESTRI	WM	0.26	N.A.	N.A.	1	0.26	N.A.	0	MIS
VAN ESS	WM	0.05	N.A.	N.A.	1	0.05	N.A.	0	MIS
COX (HARTNETT)	WM	0.48	N.A.	N.A.	1	N.A.	N.A.	0	MIS
OCEAN VIEW CSD	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
CITY OF SAND CITY DESAL	WM	160.94	N.A.	N.A.	1	N.A.	N.A.	0	MIS
TOTALS:		10,348.68			40,030			21	

WATER DISTRIBUTION SYSTEM REPORT – WATER YEAR 2016

Notes:

1. Information shown is as provided by system owners and operators unless otherwise noted.
2. Methods for reporting production are either Land Use (LU) or Water Meter (WM).
3. The source areas are as follows:
 AS1 – Upper Carmel Valley – San Clemente Dam to Esquiline Bridge
 AS2 – Mid Carmel Valley – Esquiline Bridge to Narrows
 AS3 – Lower Carmel Valley – Narrows to Via Mallorca Bridge
 AS4 – Via Mallorca Bridge to Lagoon
 SCS – Seaside Coastal Subareas
 CAC – Cachagua
 CVU – Carmel Valley Upland
 LSS – Laguna Seca Subarea
 MIS – Peninsula, Carmel Highlands and San Jose Creek areas
4. California American Water (Cal-Am) Main System production includes 2,168.8 AF from Seaside coastal wells and 7,704.9 AF from Carmel Valley wells. No water was transferred to the Seaside Municipal Water System in WY 2016. The Carmel Valley well total includes 1.31 AF transferred to the Ryan Ranch Unit in 2016. 160.9 AF of potable water were produced by the City of Sand City Desalination Plant, provided to the main system, and are shown on the last line of the Water Distribution System Report. That 160.9 AF, however, is subtracted from the total production for all systems as it is included as a component of production for the Cal-Am Main System. 699.2 AF of water were provided for injection to ASR wells in the Seaside Basin from Cal-Am wells in Carmel Valley. 609.5 AF of injected ASR water was recovered from Seaside coastal wells in WY 2016, but is not included as it was already counted when it was originally produced prior to injection. No water was diverted from San Clemente Reservoir during WY 2016.
5. Cal-Am’s main system deliveries total 8,832.8 AF. This total was derived as shown:

Reported Cal-Am Consumption	
Water Year 2016 (AF)	
City Total	6,226.56
County Total	2,596.67
subtotal	8,823.23
CV Irrigation	0.52
PB-LCP	9.04
Total	8,832.79

6. N.A. refers to data that are not available and N.R. refers to systems that did not report.
7. The Mal Paso WDS was approved in WY 2016, which also required an amendment to the CAW WDS that occurred at the end of WY 2015. 10.35 AF was produced from the Mal Paso well in WY 2016, and that amount is included in production for the Cal-Am Main System. The CAW WDS was amended two times in WY 2016 (once for the Hilby Pump Station and Monterey Pipeline to provide more water to ASR, and once to allow up to 90 AF/year to be transferred from Monterey Bay Shores Seaside Groundwater Basin water rights to one Cal-Am master connection). The Hilltop Ranch WDS was approved in WY 2016. The Reppy WDS consists of one well with specific limits on two separate meters, and so, it appears twice, once as “domestic” and again as “irrigation”. That system and the All Saints WDS represent revisions to the previously approved and amended Bardis WDS. Also, the Monterra Ranch, Cañada Woods North (Upland) and Cañada Woods (Alluvial) WDSs were combined to form the *Cañada Woods Water Company WDS* in 2005, although they are reported separately here to facilitate historical comparisons.
8. The names of Cachagua Road #1 and #2 were switched in Reporting Year 1999 to agree with records of the Monterey County Department of Health. Older District records have the names of these two systems reversed.
9. Bishop Unit is operated by Cal-Am; acquired July 1999.

10. Rancho Fiesta has been operated by Cal-Am for over 25 years; all production and delivery is by the main Cal-Am system. Accordingly, the Rancho Fiesta system is not tracked separately in this report.
11. Hidden Hills was formerly referred to as Carmel Valley Mutual; annexed to Cal-Am in 1993. In WY 2016, 0.17 AF were transferred from Hidden Hills to the Toro System.
12. The Ryan Ranch Unit is owned and operated by Cal-Am. 1.31 AF produced by wells in Cal-Am's Main System were delivered to the Ryan Ranch Unit in WY 2016 and were included with Cal-Am Main System total production.
13. Three systems that are operated by the Canada Woods Water company are tracked separately in this table but are part of an interconnected system. For the CWWC, consumption loss includes water line flushing and unmetered construction and irrigation uses. Beginning in 2010, system loss calculations were revised by CWWC to present a single composite loss value.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT										
WATER DISTRIBUTION SYSTEM REPORT - WATER YEAR 2015										
SYSTEM	REPORTING METHOD	PRODUCTION (AF)	DELIVERY (AF)	UNACCOUNTED (%)	CONNECTIONS					
					ACTIVE	AVG. PROD./ CONNECTION (AF)	AVG. DEL./ CONNECTION (AF)	NEW	SOURCE AREA	
CAW (CAL-AM) Main System	WM	9,665.08	8,987.40	7.0%	37,599	0.26	0.24	5	AS1-4, SCS	
SEASIDE MUNI	WM	185.07	N.A.	N.A.	788	0.23	N.A.	0	SCS	
MONTEREY BAY SHORES	WM	0.00	0.0	0.0%	0	0.00	0.0	0	SCS	
MPWMD ASR-1	WM	0.00	N.A.	N.A.	1	0.00	N.A.	0	SCS	
ABADIR (A)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	AS2	
ABADIR © (MANSON)	WM	0.02	N.A.	N.A.	1	0.02	N.A.	0	AS2	
ANIMAL FARM	WM	1.07	N.A.	N.A.	1	1.07	N.A.	0	AS2	
CARMEL VALLEY ROAD II	WM	4.13	N.A.	N.A.	4	1.03	N.A.	0	AS2	
CHANEY/SCHAFFER	LU	0.38	N.A.	N.A.	2	0.19	N.A.	0	AS2	
FAIR WEATHER	LU	1.26	N.A.	N.A.	2	0.63	N.A.	0	AS2	
GOOD NEIGHBOR	LU	1.90	N.A.	N.A.	2	0.95	N.A.	0	AS2	
JONES	LU	0.23	N.A.	N.A.	1	0.23	N.A.	0	AS2	
RANCHO SAN CARLOS ROAD	WM	1.05	N.A.	N.A.	3	0.35	N.A.	0	AS3	
RIVERSIDE RV PARK	WM	8.27	N.A.	N.A.	N.A.	N.A.	N.A.	0	AS3	
SCHUT/JONES	LU	2.72	N.A.	N.A.	2	1.36	N.A.	0	AS3	
SELLE	LU	0.58	N.A.	N.A.	2	0.29	N.A.	0	AS3	
SAN MARCO	WM	3.47	N.A.	N.A.	3	1.16	N.A.	0	AS3	
CANADA WOODS ALLUVIAL	WM	130.64	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	AS3	
AIELLO	WM	0.28	N.A.	N.A.	1	0.28	N.A.	0	AS3	
ALADWELL (ADDISON)	WM	1.81	N.A.	N.A.	2	0.91	N.A.	0	AS3	
LATTA IRRIGATION (was BARDIS)	WM	1.44	N.A.	N.A.	1	1.44	N.A.	0	AS3	
LATTA DOMESTIC (was BARDIS 2)	WM	0.10	N.A.	N.A.	1	0.10	0.00	0	AS3	
ST. DUNSTAN'S	WM	0.17	N.A.	N.A.	1	0.17	N.A.	0	AS3	
ALL SAINTS	WM	0.30	N.A.	N.A.	1	0.30	N.A.	0	AS3	
RSCRD#3/HATTON RANCHO	WM	3.92	N.A.	N.A.	3	1.31	N.A.	0	AS3	
CARMEL GREENS	WM	10.05	N.A.	N.A.	1	10.05	N.A.	0	AS4	
CLARK/WELLS FARGO	WM	0.00	0.0	0.0%	0	0.00	0.00	0	AS4	
MAL PASO	WM	0.00	0.0	0.0%	0	0.00	0.00	0	AS4	
CACHAGUA RD. 1	WM	0.20	N.A.	N.A.	3	0.07	N.A.	0	CAC	
CACHAGUA RD. 2	LU	0.92	N.A.	N.A.	9	0.10	N.A.	0	CAC	
VALLEY CREEK (JENSEN) MHP	WM	11.91	N.A.	N.A.	24	0.50	N.A.	0	CAC	
NASON ROAD	LU	0.00	N.A.	N.A.	4	0.00	N.A.	0	CAC	
PRINCES CAMP	WM	16.20	N.A.	N.A.	50	0.32	N.A.	0	CAC	
AGUA FRESCA	WM	1.65	N.A.	N.A.	2	0.83	N.A.	0	CVU	
BOOTH	WM	0.54	N.A.	N.A.	1	0.54	N.A.	0	CVU	
BOSSO (from LU method in 07)	WM	2.27	N.A.	N.A.	2	1.14	N.A.	0	CVU	
CANADA WOODS UPLAND	WM	109.70	N.A.	N.A.	54	2.03	N.A.	1	CVU	
COUNTRY CLUB ROAD	LU	1.40	N.A.	N.A.	5	0.28	N.A.	0	CVU	
CHOPIN	WM	0.06	N.A.	N.A.	1	0.06	N.A.	0	CVU	
DOLLASE	WM	1.94	N.A.	N.A.	4	0.49	N.A.	0	CVU	
FRUMKIN	WM	0.23	N.A.	N.A.	1	0.23	N.A.	0	CVU	
HYLES (RIVERA/HOMZA)	WM	0.09	N.A.	N.A.	1	0.09	N.A.	0	CVU	
LOS ROBLES ROAD	WM	16.84	N.A.	N.A.	6	2.81	N.A.	0	CVU	
P&M RANCH	WM	5.75	N.A.	N.A.	6	0.96	N.A.	0	CVU	
PELIO	WM	12.28	N.A.	N.A.	1	N.A.	N.A.	0	CVU	
RANCHO DE ROBLEDEO	WM	13.40	N.A.	N.A.	7	1.91	N.A.	0	CVU	
SADDLE MOUNTAIN	WM	3.45	N.A.	N.A.	26	0.13	N.A.	0	CVU	
SCHULTE ROAD	WM	2.44	N.A.	N.A.	5	0.49	N.A.	0	CVU	
SLEEPY HOLLOW	WM	49.63	N.A.	N.A.	17	2.92	N.A.	0	CVU	
TAO WOODS MUTUAL	WM	1.27	N.A.	N.A.	4	0.32	N.A.	0	CVU	
MARCUS (TOBEY-WAGNER) WDS	WM	1.08	N.A.	N.A.	1	1.08	N.A.	0	CVU	
KORSTANJE (CARDINALLI) WDS	WM	0.08	N.A.	N.A.	1	0.08	N.A.	0	CVU	
CASS WDS	WM	2.45	N.A.	N.A.	1	2.45	N.A.	0	CVU	
FAASSE (EVANS) WDS	WM	0.00	N.A.	N.A.	0	N.A.	N.A.	0	CVU	
GODDRICH-POTRERO	WM	0.00	N.A.	0.0%	0	N.A.	N.A.	0	CVU	
GRANITE WDS	WM	0.20	N.A.	0.0%	1	0.20	0.00	0	CVU	
GREENWALL-Kyung Cho (KING)	WM	0.00	N.A.	N.A.	0	N.A.	N.A.	0	CVU	
HELENIUS (LYON) WDS	WM	0.16	N.A.	N.A.	1	0.16	N.A.	0	CVU	
PAGE/BOUC WDS	WM	1.39	N.A.	N.A.	2	0.70	N.A.	0	CVU	
HOLBROOK (POSPISHIL) WDS	WM	0.00	N.A.	N.A.	0	N.A.	N.A.	0	CVU	
WOODS (PREW) WDS	WM	0.30	N.A.	N.A.	1	0.30	N.A.	0	CVU	
R. JONES	WM	0.15	N.A.	N.A.	1	0.15	N.A.	0	CVU	
LARSON	WM	0.00	0.1	0.0%	1	0.00	0.00	0	CVU	
FOREMAN	WM	0.01	0.0	0.0%	1	0.01	N.A.	0	CVU	
GUENTHER	WM	0.07	N.A.	N.A.	1	0.07	N.A.	0	CVU	
D. GRIGGS	WM	9.01	N.A.	N.A.	1	9.01	N.A.	0	CVU	
WARNER (K. GRIGGS)	WM	3.00	N.A.	N.A.	1	3.00	N.A.	0	CVU	
JOHNSON	WM	0.29	N.A.	N.A.	1	0.29	N.A.	0	CVU	
HAMERSLOUGH (LITT)	WM	0.00	N.A.	0.0%	1	0.00	N.A.	0	CVU	
WEST	WM	1.09	N.A.	N.A.	1	1.09	N.A.	0	CVU	
BENTLEY (RUSEK)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU	
OH WELL/CAMPBELL (POOLE)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU	
BELLAMY	WM	1.31	N.A.	N.A.	1	1.31	N.A.	0	CVU	
LONG RIDGE SLCS	WM	3.49	N.A.	N.A.	123	0.03	N.A.	0	CVU	
SLEEPY HOLLOW 16/COLLINS	WM	0.00	0.0	0.0%	0	0.00	N.A.	0	CVU	
SLEEPY HOLLOW 17/COLLINS	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU	
SYCAMORE STABLES	WM	0.95	N.A.	0.0%	1	0.95	N.A.	0	CVU	
STEMPLE	WM	0.00	N.A.	N.A.	0	0.00	N.A.	0	CVU	
WHITE	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU	

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT									
WATER DISTRIBUTION SYSTEM REPORT - WATER YEAR 2015									
SYSTEM	REPORTING METHOD	PRODUCTION (AF)	DELIVERY (AF)	UNACCOUNTED (%)	CONNECTIONS				SOURCE AREA
					ACTIVE	AVG. PROD./ CONNECTION (AF)	AVG. DEL./ CONNECTION (AF)	NEW	
DALE	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
RODDICK	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
ZOLLER (OUTZEN)	WM	0.11	N.A.	N.A.	1	0.11	N.A.	0	CVU
BURLEIGH	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
QUAIL MEADOWS DR. (Mares)	WM	0.04	0.0	0.0%	1	0.00	0.00	1	CVU
GIBSON	WM	0.65	N.A.	N.A.	1	0.65	N.A.	0	CVU
ZBES (Belzberg)	WM	0.62	N.A.	N.A.	1	0.62	N.A.	0	CVU
FLANAGAN (DYER)	WM	0.50	N.A.	N.A.	1	0.50	N.A.	0	CVU
NEWSOME	WM	0.51	N.A.	N.A.	1	0.51	N.A.	0	CVU
SAXTON	WM	0.09	N.A.	N.A.	1	0.09	N.A.	0	CVU
WASHBURN	WM	0.07	N.A.	N.A.	1	N.A.	N.A.	1	CVU
DOBBS	WM	0.03	N.A.	N.A.	1	0.03	N.A.	0	CVU
RICHS	WM	3.31	0.0	0.0%	1	0.00	N.A.	1	CVU
AMATYA	WM	0.00	0.0	0.0%	0	0.00	N.A.	0	CVU
UNITARIAN CHURCH	WM	0.11	N.A.	N.A.	2	0.06	N.A.	0	CVU
COOPER	WM	0.00	0.0	0.0%	0	0.00	N.A.	0	CVU
GARCIA	WM	0.00	0.0	0.0%	0	0.00	N.A.	0	CVU
CONDON/CHUGACH	WM	0.06	0.0	0.0%	1	0.00	0.00	1	CVU
ROBERTS	WM	2.17	N.A.	N.A.	1	2.17	N.A.	0	CVU
KAMINSKI	WM	0.23	N.A.	N.A.	1	0.23	N.A.	0	CVU
FRANKS	WM	0.77	N.A.	N.A.	1	0.77	N.A.	0	CVU
PEBKAR	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
KINOSHITA (BUCHHOLZ)	WM	0.81	N.A.	N.A.	1	0.81	N.A.	0	CVU
GARREN QUAIL MEADOWS	WM	0.20	N.A.	N.A.	1	0.20	N.A.	0	CVU
SCHWARTZ	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
SADDLE ROAD GROUP	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
218 RANCH (ZOE)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
NIXON (FLAGLER)	WM	0.00	0.0	0.0%	0	0.00	0.00	0	CVU
SEPTEMBER RANCH PTNRS.	WM	36.40	N.A.	N.A.	1	36.40	N.A.	0	CVU
CAW BISHOP UNIT	WM	137.87	129.3	6.2%	401	0.34	0.32	0	LSS
CAW HIDDEN HILLS UNIT	WM	137.89	102.7	25.5%	447	0.31	0.23	0	LSS
CAW RYAN RANCH UNIT	WM	52.15	48.0	8.1%	197	0.26	0.24	2	LSS
SPCA	WM	6.04	N.A.	N.A.	2	3.02	N.A.	0	LSS
CASANOVA WDS	WM	N.R.	N.A.	N.A.	1	N.A.	N.A.	0	MIS
AGUAJITO ROAD	WM	3.67	N.A.	N.A.	4	0.92	N.A.	0	MIS
FLAGG HILL	WM	0.80	N.A.	N.A.	2	0.40	N.A.	0	MIS
HIDDEN MESA	WM	0.37	N.A.	N.A.	3	0.12	N.A.	0	MIS
MESSENGER/MELNICK	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
MONTERRA RANCH	WM	54.72	N.A.	38.0%	118	0.46	N.A.	4	MIS
PT.LOBOS RANCH	WM	1.15	N.A.	N.A.	8	0.14	N.A.	0	MIS
RILEY RANCH	WM	1.29	N.A.	N.A.	3	0.43	N.A.	0	MIS
RANCHITOS DE AGUAJITO	WM	7.40	N.A.	N.A.	10	0.74	N.A.	0	MIS
SENA TRUST	WM	1.61	N.A.	N.A.	2	0.81	N.A.	0	MIS
TROSKY	WM	0.00	0.0	0.0%	1	0.00	0.00	0	MIS
HEAD	WM	0.01	N.A.	N.A.	1	0.01	N.A.	0	MIS
CARMEL HILL	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
COLGAC	WM	0.26	N.A.	N.A.	1	0.00	N.A.	0	MIS
KASHFI	WM	0.00	0.0	0.0%	0	N.A.	N.A.	0	MIS
SUNRISE SENIOR CENTER	WM	0.61	N.A.	N.A.	1	0.61	N.A.	0	MIS
DUNNION	WM	0.88	N.A.	N.A.	1	0.88	N.A.	0	MIS
DMC	WM	0.01	N.A.	N.A.	1	0.01	N.A.	0	MIS
MAYL (D.P. CARMEL INVESTORS)	WM	0.04	N.A.	N.A.	1	0.00	N.A.	0	MIS
LAUCH	WM	0.48	N.A.	N.A.	1	0.48	N.A.	0	MIS
THORP	WM	0.06	0.0	N.A.	1	0.06	N.A.	0	MIS
REGAN	WM	2.67	N.A.	N.A.	1	2.67	N.A.	0	MIS
CARROLL/RANCHO U	WM	0.88	N.A.	N.A.	1	N.A.	N.A.	0	MIS
LENZ-KENDALL	WM	1.26	N.A.	N.A.	1	1.26	N.A.	0	MIS
ANDERSON	WM	0.00	N.A.	N.A.	1	0.00	N.A.	0	MIS
GREEK ORTHODOX	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
STEPHEN PLACE	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
FLORES	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
PISENTI	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
ADRIAN	WM	0.48	N.A.	N.A.	1	0.48	N.A.	0	MIS
TYDINGS/Cappo	WM	0.39	N.A.	N.A.	2	0.20	N.A.	0	MIS
GOLLODY (Garren Highlands)	WM	0.14	N.A.	N.A.	1	0.14	N.A.	0	MIS
SILVESTRI	WM	5.46	N.A.	N.A.	1	5.46	N.A.	0	MIS
VAN ESS	WM	0.04	N.A.	N.A.	1	0.04	N.A.	0	MIS
COX (HARTNETT)	WM	0.53	N.A.	N.A.	1	N.A.	N.A.	0	MIS
OCEAN VIEW CSD	WM	0.00	0.0	0.0%	0	0.00	0.00	0	MIS
CITY OF SAND CITY DESAL PLANT	WM	245.42	N.A.	N.A.	1	N.A.	N.A.	0	MIS
TOTALS:		11,012.40			40,035			16	

WATER DISTRIBUTION SYSTEM REPORT – WATER YEAR 2015

Notes:

1. Information shown is as provided by system owners and operators unless otherwise noted.
2. Methods for reporting production are either Land Use (LU) or Water Meter (WM).
3. The source areas are as follows:
 AS1 – Upper Carmel Valley – San Clemente Dam to Esquiline Bridge
 AS2 – Mid Carmel Valley – Esquiline Bridge to Narrows
 AS3 – Lower Carmel Valley – Narrows to Via Mallorca Bridge
 AS4 – Via Mallorca Bridge to Lagoon
 SCS – Seaside Coastal Subareas
 CAC – Cachagua
 CVU – Carmel Valley Upland
 LSS – Laguna Seca Subarea
 MIS – Peninsula, Carmel Highlands and San Jose Creek areas
4. California American Water (Cal-Am) main system production includes 2,436.8 AF from Seaside coastal wells and 7,228.2 AF from Carmel Valley wells. 416.9 AF of water produced by the former Water West wells in Water Year (WY) 2015 are included in the total for Cal-Am production from Carmel Valley. The Seaside coastal total includes 7.50 AF of water transferred to the Seaside Municipal Water System in WY 2015. The Carmel Valley well total includes 1.29 AF transferred to the Ryan Ranch Unit in 2015. 245.4 AF of potable water were produced by the City of Sand City Desalination Plant, provided to the main system, and are counted separately from Cal-Am production on this table. 215.19 AF of water were provided for injection to ASR wells in the Seaside Basin from Cal-Am wells in Carmel Valley. No water was counted as ASR recovery from Seaside coastal wells in WY 2015. No water was diverted from San Clemente Reservoir during WY 2015.
5. Cal-Am’s main system deliveries total 8,978.4 AF. This total was derived as shown:

Reported Cal-Am Consumption	
Water Year 2015 (AF)	
City Total	6,305.11
County Total	2,671.44
subtotal	8,976.55
CV Irrigation	0.04
PB-LCP	10.81
Total	8,978.40

6. N.A. refers to data that are not available and N.R. refers to systems that did not report.
7. The Garcia Water Distribution System (WDS) was approved in WY 2014, but only added to this report in WY 2015. The Mal Paso WDS was approved in WY 2015, which also required an amendment to the CAW WDS. The CAW WDS was amended three more times in WY 2015 (Ryan Ranch-Bishop Interconnection, CHOMP Ryan Ranch amendment, and CAW/DBO amendment). The Reppy WDS consists of one well with specific limits on two separate meters, and so, it appears twice, once as “domestic” and again as “irrigation”. That system and the All Saints WDS represent revisions to the previously approved and amended Bardis WDS. Also, the Monterra Ranch, Cañada Woods North (Upland) and Cañada Woods (Alluvial) WDSs were combined to form the *Cañada Woods Water Company WDS* in 2005, although they are reported separately here to facilitate historical comparisons.
8. The names of Cachagua Road #1 and #2 were switched in Reporting Year 1999 to agree with records of the Monterey County Department of Health. Older District records have the names of these two systems reversed.
9. Bishop Unit is operated by Cal-Am; acquired July 1999.
10. Rancho Fiesta has been operated by Cal-Am for over 25 years; all production and delivery is by the main Cal-Am system. Accordingly, the Rancho Fiesta system is not tracked separately in this report.

11. Hidden Hills was formerly referred to as Carmel Valley Mutual; annexed to Cal-Am in 1993.
12. The Ryan Ranch Unit is owned and operated by Cal-Am. 1.28 AF produced by wells in Cal-Am's Main System were delivered to the Ryan Ranch Unit in WY 2015 and were included with Cal-Am Main System total production.
13. Three systems that are operated by the Canada Woods Water company are tracked separately in this table but are part of an interconnected system. For the CWWC, consumption loss includes water line flushing and unmetered construction and irrigation uses. Beginning in 2010, system loss calculations were revised by CWWC to present a single composite loss value.

ITEM: CONSENT CALENDAR**7. RECEIVE AND FILE DISTRICT-WIDE ANNUAL WATER PRODUCTION SUMMARY REPORT FOR WATER YEAR 2016**

Meeting Date:	April 17, 2017	Budgeted:	N/A
From:	David Stoldt, General Manager	Program/ Line Item No.:	Hydrologic Monitoring N/A
Prepared By:	Thomas Lindberg	Cost Estimate:	N/A

General Counsel Review: N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Staff has prepared a draft Water Production Summary Report of all registered production sources, i.e., wells and surface water diversions, within the Monterey Peninsula Water Management District (District) for Water Year (WY) 2016. WY 2016 covers the 12-month period from October 1, 2015 through September 30, 2016. Preliminary computations indicate that 13,568 acre-feet (AF) of groundwater were produced from registered wells in the District during WY 2016 (**Exhibit 7-A**). In addition, 64 AF of surface water were diverted by private users. Combined surface and groundwater production from all sources within the District in WY 2016 is calculated at 13,793 AF. This report presents comparisons of California American Water (Cal-Am) and non Cal-Am production in WY 2016 and WY 2015, and compares production with the District's current water allocation program limits.

RECOMMENDATION: This report is for informational purposes only. The Board should review the draft summary report and provide staff with any comments or questions. Staff will complete and file the final report, incorporating any late revisions, if this item is approved with the Consent Calendar.

BACKGROUND: District Rules and Regulations require well owners and operators to submit annual water production information to the District. Well production is calculated by either the Land Use or Water Meter reporting method and is described below.

Number of Wells – Presently, there are 1,262 registered wells in the District. Of this total, 851 wells are active, and 389 wells are inactive. A well is considered active if it has produced any water in the last reporting period, i.e., WY 2016. Information on the remaining 22 registered wells is not available because reporting forms were not returned by owners of those wells prior to preparation of this report.

Data Adjustments – For certain wells, staff estimated actual production to more accurately quantify water produced during WY 2016. Data adjustments were required to estimate water production from 107 wells that had either incomplete water meter records or reported water

production for a period longer than the water year. Production from metered wells with incomplete records was estimated by using generalized non Cal-Am monthly distribution factors developed by staff. In 57 cases, production records were incomplete because reported meter readings covered a period shorter than WY 2016. 15 of those records were incomplete because meters were replaced or repaired after the start of WY 2016. The application of monthly distribution factors allowed staff to reasonably account for the percentage of production that was not reported for each of these wells, which was then added to the annual total for these wells. There were 50 cases in which production was reported for a period longer than 12 months. Estimates of the amounts that were over-reported were made based on the monthly distribution factors. These amounts were then subtracted from the reported totals. There were also 10 cases where adjustments were made due to “order of magnitude issues” resulting from well owners incorrectly reading their water meters.

District-wide Production - Preliminary production values for WY 2016 are summarized by reporting method (i.e., Water Meter or Land Use), reporting status (i.e., active, inactive, or not reporting), and source area in **Exhibit 7-A**. For comparison, production values for WY 2015 (which have been slightly revised since it was first presented in the May 16, 2016 Board Packet) are presented in **Exhibit 7-B**. The various source areas are shown in **Exhibit 7-C**. The volume of water produced from each source area is shown in **Exhibit 7-D**. The number of active non Cal-Am wells and the volume of water produced by each reporting method from WY 2005 through WY 2016 are shown in **Exhibit 7-E**.

District-wide, total water production decreased by 508 AF (3.5%) in WY 2016 compared to WY 2015. Specifically, groundwater withdrawals decreased by 664 AF (4.7%), and surface diversions decreased by 5.0 AF (7.2%). No surface water has been diverted within the Cal-Am main system since WY 2003 because of seismic safety and sedimentation concerns at San Clemente Dam and Reservoir. San Clemente dam was removed in 2015.

Monterey Peninsula Water Resources System (MPWRS) – The MPWRS includes surface water in the Carmel River and its tributaries, and groundwater in the Carmel Valley alluvial aquifer, coastal subareas of the Seaside Groundwater Basin, including the Laguna Seca Subarea (LSS) of the Seaside Groundwater Basin. Overall water production within the MPWRS in WY 2016 decreased by 298 AF (2.3%) compared to WY 2015. Specifically, Cal-Am production in WY 2016 decreased by 197 AF (2.0%), and non Cal-Am well production decreased by 101 AF (3.2%). Cal-Am production from Carmel Valley increased 692 AF (9.9%), and Cal-Am production from the Seaside Basin decreased by 889 AF (32.1%). Non Cal-Am production from Carmel Valley decreased by 517 AF (19.5%) compared to WY 2015, and non Cal-Am production from the Seaside Basin increased by 416 AF (79.6%). In WY 2016, 161 AF of potable water that was produced by the City of Sand City Desalination Plant was added to Cal-Am production because it was delivered to the Cal-Am main system.

In WY 2016, 699 AF were diverted from Cal-Am well sources in Carmel Valley for injection at the Aquifer Storage and Recovery (ASR) Projects in the Seaside Basin. 609 AF of recovery water was produced for Cal-Am Customer Service in WY 2016. For reference, since the District’s Seaside ASR Program began testing in WY 1998 through the end of WY 2016, a total of 5,686 AF have been injected into the Seaside Basin.

Water Allocation Program – With respect to the District’s Water Allocation Program limits, Cal-Am production from the MPWRS in WY 2016 was 9,581 AF, or 8,060 AF (45.7%) less than the Cal-Am production limit of 17,641 AF that was established with the adoption of Ordinance No. 87 in 1997. Non Cal-Am production within the MPWRS in WY 2016 was 3,075 AF, or 29 AF (1.0%) greater than the non Cal-Am production limit of 3,046 AF established by Ordinance No. 87. Combined production from Cal-Am and non Cal-Am sources within the MPWRS was 12,656 AF in WY 2016, which is 8,031 acre-feet (38.8%) less than the 20,687 acre-feet production limit set for the MPWRS as part of the District’s Water Allocation Program. Therefore, no action is necessary at this time, although staff will continue to monitor production trends within the MPWRS and District-wide. A comparison of reported water production from the MPWRS in Reporting Year 1997, WY 2007, and WY 2016 relative to the District’s Water Allocation limits is presented in **Exhibit 7-F**. 1997 was the last time the production limits were adjusted. Prior to 2008, the LSS was not included in the MPWRS, but was added with the adoption of Ordinance 135 on September 22, 2008. However, the production limits in the District’s Allocation Program did not change. Production from the MPWRS in RY 1997 and WY 2007 presented in **Exhibit 7-F** has been adjusted to include production from the LSS. Production from non-Cal-Am sources has not fluctuated a great deal, and since production from LSS is included, non-Cal-Am production has been over the production limit several years. Historical Cal-Am production presented in **Exhibit 7-F** was also adjusted to include production from the LSS. Cal-Am production from the MPWRS has greatly decreased, and since Cal-Am represents such a large portion of total production, combined production from Cal-Am and non-Cal-Am sources has also decreased over the last several years.

Lastly, it should be noted that 99% of the groundwater production within the District was reported by the water meter method in WY 2016. In addition, 98% of registered well owners in the District reported annual production for their wells in WY 2016.

EXHIBITS

- 7-A** District-wide Water Production Summary for Water Year 2016
- 7-B** District-wide Water Production Summary for Water Year 2015
- 7-C** MPWMD Water Production Source Areas
- 7-D** Water Production by Source Area for Water Year 2016
- 7-E** District-wide Production and Number of Wells by Reporting Method for non Cal-Am Wells in WY 2005 through WY 2016
- 7-F** Comparison of Reported Production to Production Limits within the MPWRS in RY 2007, WY 2007 and WY 2016

EXHIBIT 7-A
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
DRAFT WATER PRODUCTION SUMMARY FOR WATER YEAR 2016

SOURCE AREAS ^{1,2}	NON CAW (NON CAL-AM) WELLS						CAW (CAL-AM) WELLS		AQUIFER SUBUNIT TOTALS	
	WATER METER		LAND USE		SUB-TOTAL		WATER METER		NO. OF WELLS	PRODUCTION (AF)
	NO. OF WELLS	PRODUCTION (AF) ³	NO. OF WELLS	PRODUCTION (AF)	NO. OF WELLS	PRODUCTION (AF)	NO. OF WELLS	PRODUCTION (AF)		
AS1	9	96.0	1	0.1	10	96.1	0	0.0	10	96.1
AS2	56	138.0	32	31.7	88	169.6	3	153.7	91	323.3
AS3	133	1,113.7	46	34.7	179	1,148.4	6	5,206.9	185	7,355.3
AS4	29	352.3	6	3.1	35	355.4	2	1,344.3	37	1,699.7
SCS	8	936.4	2	1.8	10	938.2	6	1,559.3	16	2,497.5
LSS	7	351.7	2	2.7	9	354.4	4	316.7	13	671.1
CAC	8	20.7	8	12.1	16	32.8	0	0.0	16	32.8
CVU	299	534.6	44	39.0	343	573.6	0	0.0	343	573.6
MIS	130	313.3	10	5.5	140	318.8	0	0.0	140	318.8
ACTIVE	679	3,856.7	151	130.7	830	3,987.4	21	9,580.9	851	13,568.3
INACTIVE	348		30		378		11		389	
NOT REPORTING	9		13		22		0		22	
SAND CITY DESAL							0	160.9		adjusted for SC desal
METHOD TOTALS:	1,036	3,856.7	194	130.7	1,230	3,987.4	32	9,741.9	1,262	13,729.2

NOTES:
1. Shaded areas indicate production within the Monterey Peninsula Water Resources System. The LSS was added to the Monterey Peninsula Water Resources System in September 2008.
2. CAW - California American Water
3. Source areas are as follows:
AS1 - UPPER CARMEL VALLEY - San Clemente Dam to Esquiline Bridge
AS2 - MID CARMEL VALLEY - Esquiline Bridge to Narrows
AS3 - LOWER CARMEL VALLEY - Narrows to Via Mallorca Bridge
AS4 - LOWER CARMEL VALLEY - Via Mallorca Bridge to Lagoon
SCS - SEASIDE COASTAL SUBAREAS
LSS - LAGUNA SECA SUBAREA (Ryan Ranch Area is within LSS)
CAC - CACHAGUA CREEK and UPPER WATERSHED AREAS
CVU - CARMEL VALLEY UPLAND - Hillsides and Tularcitos Creek Area
MIS - PENINSULA, CARMEL HIGHLANDS AND SAN JOSE CREEK AREAS
4. Any minor numerical discrepancies in addition are due to rounding.
5. 699.18 AF is included in CAW production from AS3 to account for water delivered to ASR in WY 2016.
6. This total does not include 609.45 AF of ASR water that was recovered for Customer Service in WY 2016.
7. Production includes 1.31 AF to Ryan Ranch from CAW Main System in WY 2016. No water was delivered to Seaside Municipal System in WY 2016.

DISTRICT-WIDE PRODUCTION	
SURFACE WATER DIVERSIONS:	
CAW Diversions (San Clemente Dam):	0.0
Non Cal-Am Diversions Within MPWRS:	13.3
CAW WELLS:	
SEASIDE:	1,876.0
CARMEL VALLEY:	7,704.9
Within the Water Resources System:	9,580.9
Outside the Water Resources System:	0.0
Sand City Desal	160.9
<i>CAW TOTAL, Wells and Diversion:</i>	9,741.9
NON CAW WELLS:	
Within the Water Resources System:	3,062.2
Outside the Water Resources System:	925.2
Non Cal-Am Diversions Outside the MPWRS:	50.7
<i>NON CAW TOTAL, Wells and Diversion:</i>	4,051.4
GRAND TOTAL:	13,793.3

EXHIBIT 7-B
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
DRAFT WATER PRODUCTION SUMMARY FOR WATER YEAR 2015

SOURCE AREAS ^{1,2}	NON CAW (NON CAL-AM) WELLS						CAW (CAL-AM) WELLS		AQUIFER SUBUNIT TOTALS	
	WATER METER		LAND USE		SUB-TOTAL		WATER METER		NO. OF WELLS	PRODUCTION (AF)
	NO. OF WELLS	PRODUCTION ³ (AF)	NO. OF WELLS	PRODUCTION (AF)	NO. OF WELLS	PRODUCTION (AF)	NO. OF WELLS	PRODUCTION (AF)		
AS1	9	116.7	1	0.1	10	116.8	0	0.0	10	116.8
AS2	53	104.9	33	32.2	86	137.1	5	965.0	91	1,102.1
AS3	127	1,296.9	48	35.5	175	1,332.4	6	5,526.9	181	5,859.4
AS4	31	582.4	6	3.1	37	585.5	1	1,521.1	38	2,106.6
SCS	9	520.6	1	0.7	10	521.3	6	2,436.8	16	2,958.2
LSS	5	467.0	0	0.0	5	467.0	5	327.9	10	794.9
CAC	8	33.8	8	12.1	16	45.8	0	0.0	16	45.8
CVU	285	536.3	44	37.6	329	573.8	0	0.0	329	573.8
MIS	120	419.6	0	0.0	120	419.6	0	0.0	120	419.6
ACTIVE	647	4,078.1	141	121.2	788	4,199.3	23	9,777.8	811	13,977.1
INACTIVE	345		0		345		9		354	
NOT REPORTING	24		9		33		0		33	
SAND CITY DESAL							0	245.4		adjusted
METHOD TOTALS:	1,016	4,078.1	150	121.2	1,166	4,199.3	32	10,023.2	1,198	14,222.5

NOTES:
1. Shaded areas indicate production within the Monterey Peninsula Water Resources System. The LSS was added to the Monterey Peninsula Water Resources System in September 2008.
2. CAW - California American Water
3. Source areas are as follows:
AS1 - UPPER CARMEL VALLEY - San Clemente Dam to Esquiline Bridge
AS2 - MID CARMEL VALLEY - Esquiline Bridge to Narrows
AS3 - LOWER CARMEL VALLEY - Narrows to Via Mallorca Bridge
AS4 - LOWER CARMEL VALLEY - Via Mallorca Bridge to Lagoon
SCS - SEASIDE COASTAL SUBAREAS
LSS - LAGUNA SECA SUBAREA (Ryan Ranch Area is within LSS)
CAC - CACHAGUA CREEK and UPPER WATERSHED AREAS
CVU - CARMEL VALLEY UPLAND - Hillsides and Tularcitos Creek Area
MIS - PENINSULA, CARMEL HIGHLANDS AND SAN JOSE CREEK AREAS
4. Any minor numerical discrepancies in addition are due to rounding.
5. 215.19 AF was subtracted from CAW production in AS3 to account for water diverted to ASR wells in the Seaside Basin in WY 2015.
6. This total includes 0.0 AF of ASR recovery, as no water was recovered for Customer Service in WY 2015.
7. Production includes 7.50 AF to Seaside (Municipal) and 1.28 AF to Ryan Ranch from CAW Main

DISTRICT-WIDE PRODUCTION	
SURFACE WATER DIVERSIONS:	
CAW Diversions (San Clemente Dam):	0.0
Non Cal-Am Diversions Within MPWRS:	12.6
CAW WELLS:	
⁶ SEASIDE:	2,764.7
CARMEL VALLEY:	7,013.0
Within the Water Resources System:	9,777.8
Outside the Water Resources System:	0.0
Sand City Desal	245.4
<i>CAW TOTAL, Wells and Diversion:</i>	10,023.2
NON CAW WELLS:	
Within the Water Resources System:	3,160.1
Outside the Water Resources System:	1,039.3
Non Cal-Am Diversions Outside the MPWRS:	56.4
<i>NON CAW TOTAL, Wells and Diversion:</i>	4,268.3
GRAND TOTAL:	14,291.5

EXHIBIT 7C

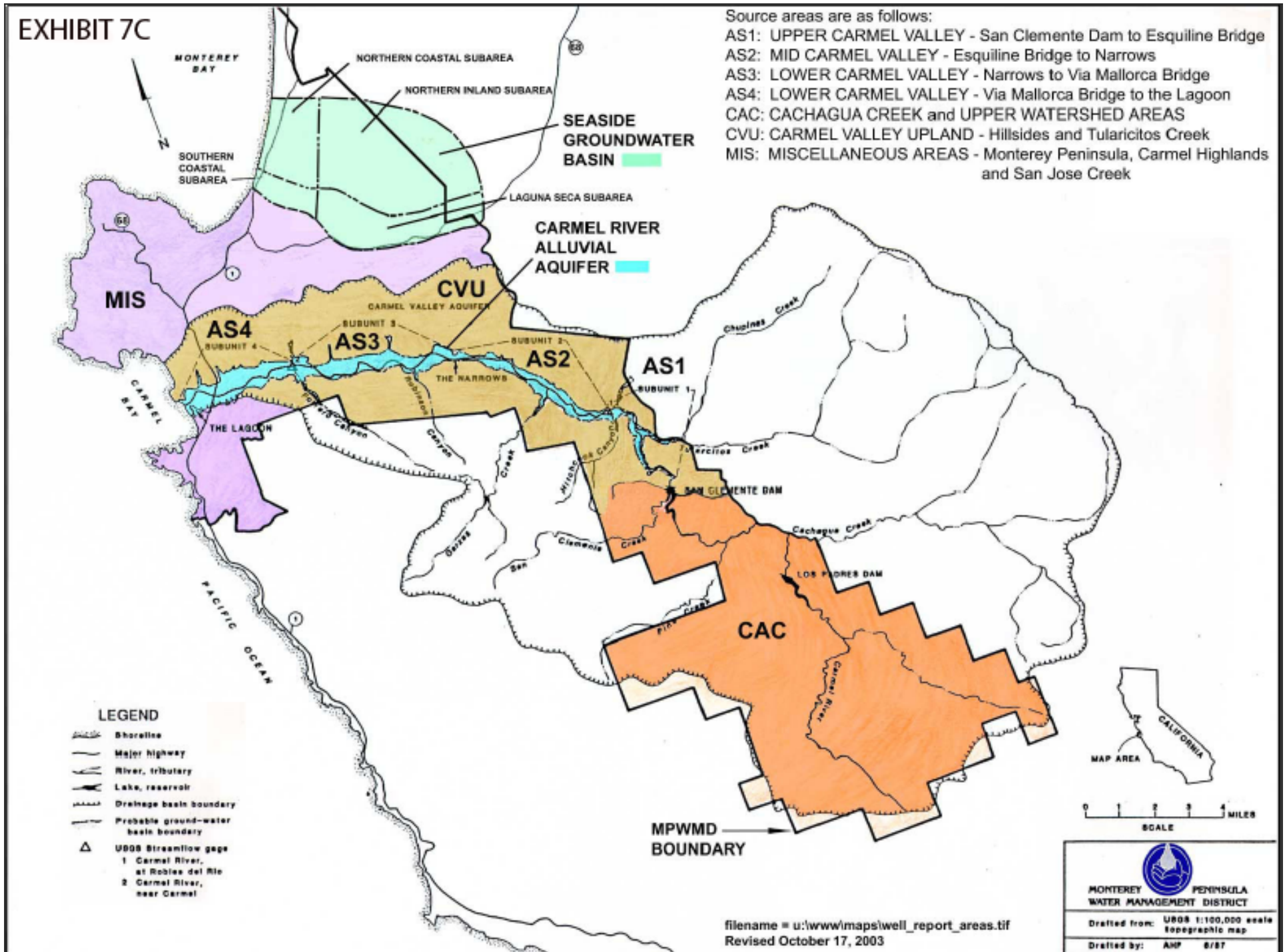
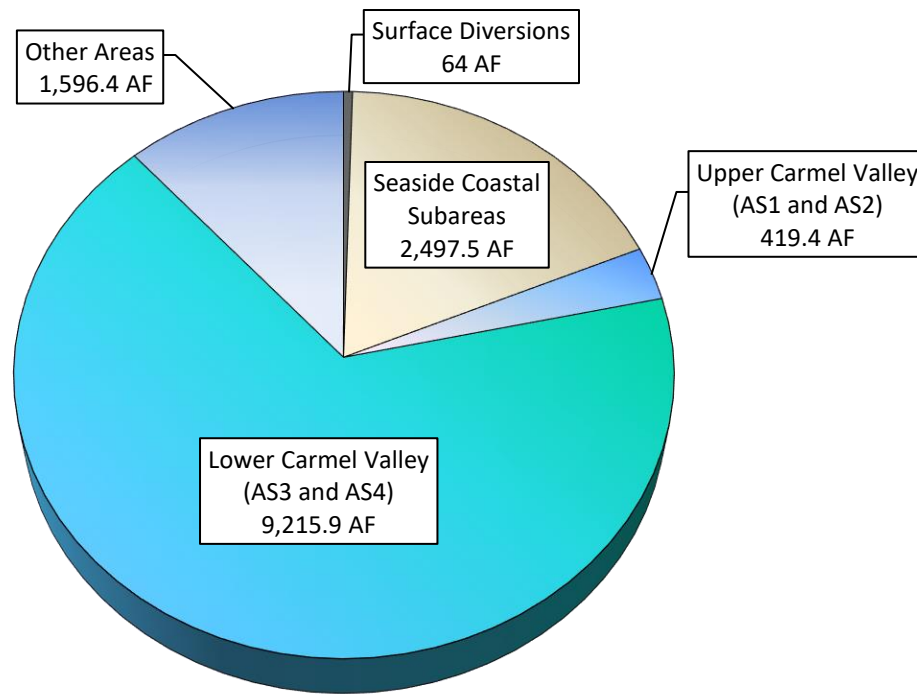


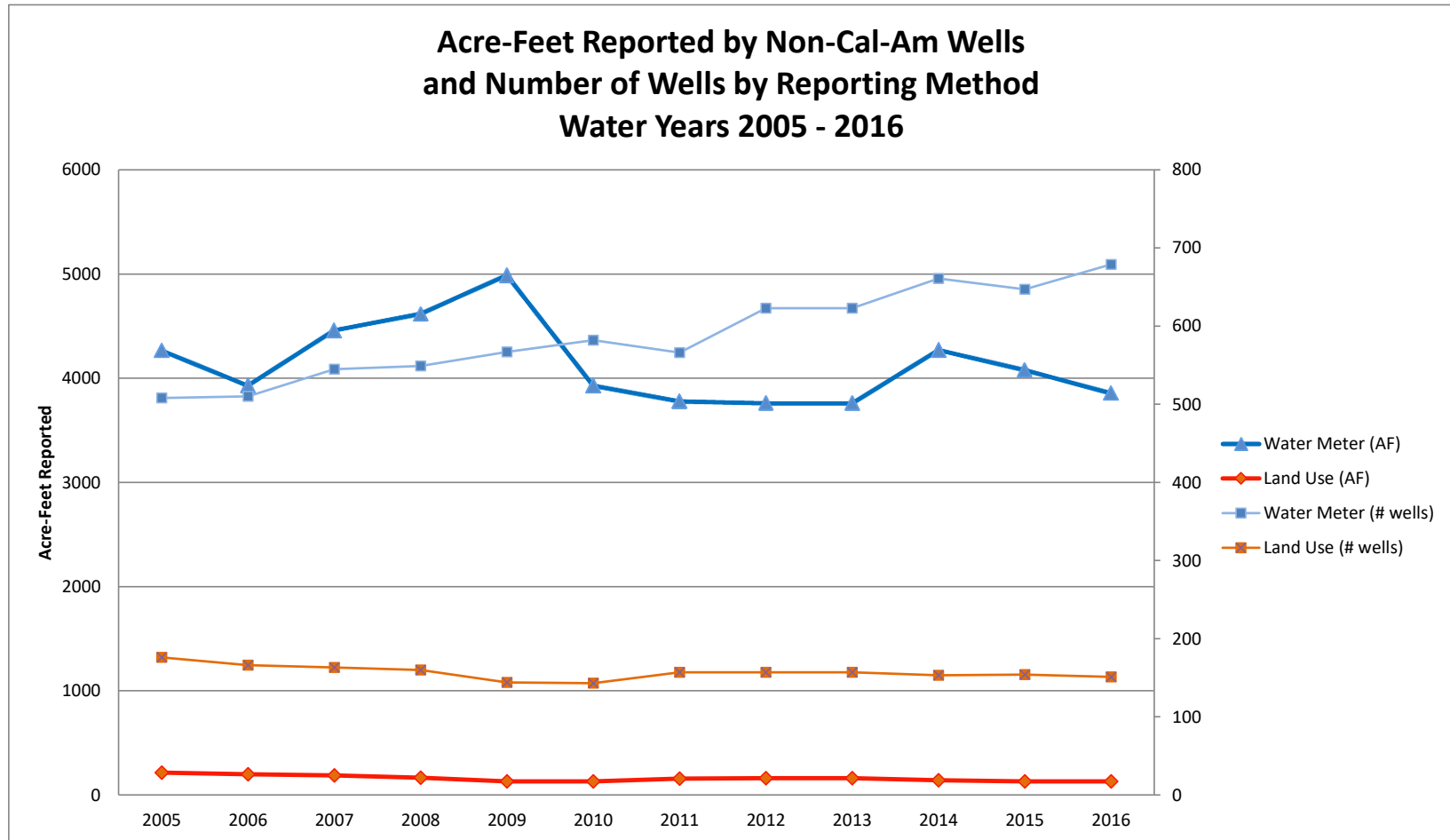
EXHIBIT 7-D

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

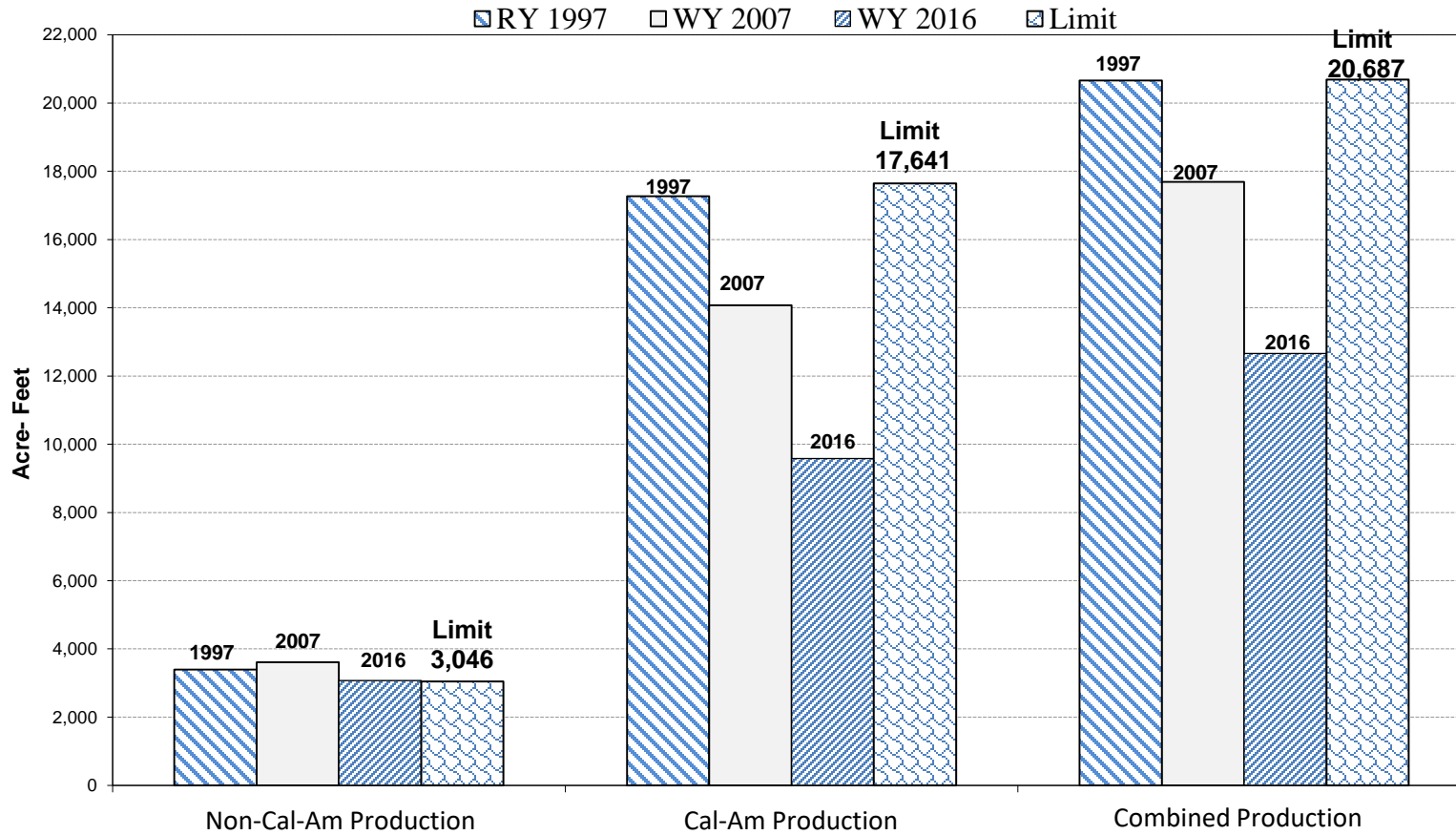
**WATER PRODUCTION BY SOURCE AREA
WATER YEAR 2016**

TOTAL PRODUCTION = 13,793 Acre-Feet (AF)





**Comparison of Reported Production to Allocation Limits
within the Monterey Peninsula Water Resources System
Reporting Year 1997, Water Year 2007 and Water Year 2016**



ITEM: CONSENT CALENDAR**8. RECEIVE FISCAL YEAR 2015-2016 MITIGATION PROGRAM ANNUAL REPORT****Meeting Date:** April 19, 2017 **Budgeted:** N/A**From:** David J. Stoldt
General Manager **Program/** N/A
Line Item No.:**Prepared By:** Thomas Christensen **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY AND RECOMMENDATION: The Board should receive and review the Executive Summary for the 2015-2016 Mitigation Program Annual Report. If adopted along with the Consent Calendar, the full report will incorporate any comments if needed and be finalized so it can be distributed to interested agencies and posted to the District's website for public availability. The Executive Summary provides an overview of the major accomplishments, conclusions and/or recommendations. The Executive Summary for the 2015-2016 Mitigation Program Annual Report is attached as **Exhibit 8-A**.

The annual report primarily reviews Monterey Peninsula Water Management District (MPWMD or District) activities that address the effects of community water use on the Carmel River environment in Fiscal Year (FY) 2015-2016, defined as the 12-month period from July 1, 2015 through June 30, 2016. Please note that hydrologic data and well production reporting data are described for Water Year 2016 (October 1, 2015 through September 30, 2016). Use of the Water Year format for these data is consistent with reporting required by the State Water Resources Control Board (SWRCB) and Seaside Basin Watermaster.

This report is the 25th annual report since the Mitigation Program Plan was adopted by the District Board in November 1990, as part of the certification of the MPWMD Water Allocation Environmental Impact Report (Water Allocation EIR), in compliance with the California Environmental Quality Act (CEQA). Copies of the full annual report will be provided to the Board members upon request, and will be provided to the required resource agencies and other interested parties as needed.

BACKGROUND: On November 5, 1990, the Water Allocation EIR was certified by the MPWMD Board. The Board also adopted findings, and passed a resolution that set Option V as the new water allocation limit. Option V resulted in a production limit of 16,744 acre-feet per year (AFY) for the California American Water (Cal-Am) system. Subsequently, this amount was increased to 17,641 AFY based on new supply provided by the completion of the Paralta Well in Seaside in 1993, and other changes since 1993. On October 20, 2009, the SWRCB issued Order 2009-0060, the "Cease and Desist Order" (CDO) against Cal-Am. The CDO refers to the 1995 SWRCB Order 95-10, noting that compliance with Order 95-10 had not yet been

achieved. The CDO institutes a series of cutbacks to Cal-Am production from the Carmel River system and prohibits new or intensified connections in the Cal-Am main system. The CDO reduced the upper limit of diversion from the Carmel River previously set by Order 95-10 at 11,285 AFY to 10,429 AFY beginning in WY 2010, with additional annual reductions thereafter. In 2016, the SWRCB issued State Board Order 2016-0016 changing the production limit on the Carmel River to 8,310 AFY.

The Water Allocation EIR determined that even though Option V is the least damaging alternative of the five options analyzed, production at this level still may result in significant, adverse, environmental impacts that must be mitigated. Thus, the CEQA Findings adopted by the Board in 1990 included a "Five-Year Mitigation Program for Option V" and several general mitigation measures. The Five-Year Mitigation Program formally began in July 1991 with the new fiscal year and was slated to run until June 30, 1996. Following public hearings in May 1996 and District Board review of draft reports through September 1996, the Five-Year Evaluation Report for the 1991-1996 comprehensive program, as well as an Implementation Plan for FY 1997 through FY 2001, were finalized in October 1996. In its July 1995 Order WR 95-10, the SWRCB ordered Cal-Am to carry out any aspect of the "Five-Year Mitigation Program for Option V" that the District does not continue after June 1996. To date, as part of its annual budget approval process, the District Board has voted to continue the program. The Mitigation Program presently accounts for a significant portion of the District budget in terms of revenue and expenditures.

For projects or programs that entail significant adverse impacts, CEQA requires that an annual report be prepared documenting: (1) the actual mitigation activities that were carried out by the lead agency, and (2) the effectiveness of the mitigation activities, as measured via a monitoring program. The 2015-2016 Water Allocation Mitigation Report responds to these requirements.

The 2015-2016 report reviews District activities relating to water supply and demand, followed by mitigation measures for specific environmental impacts. It also provides a summary of costs for the Mitigation Program as well as references. For each topic, the mitigation measure adopted as part of the certified Allocation EIR is briefly described, followed by a summary of activities carried out in FY 2015-2016 that relate to the topic. Monitoring results, where applicable, are then presented. Finally, a summary of conclusions, and/or recommendations are provided, where pertinent.

IMPACT ON STAFF/RESOURCES: Mitigation Program costs for FY 2015-2016 totaled approximately \$2.27 million including direct personnel expenses, operating costs, project expenditures, capital equipment, and fixed asset purchases. The annual cost of mitigation efforts varies because several mitigation measures are weather dependent. Expenditures in FY 2015-2016 were \$0.03 million less than the prior fiscal year due to decreases in Mitigation Program costs. However, the overall costs have remained constant (average of \$2.5 million per year) for the last five years. In the past, expenditures had trended upward due to expenditures for the Aquifer Storage Recovery (ASR) Project. ASR Project costs are no longer captured under Mitigation Program Costs. FY 2013-2014 expenditures were \$2.41 million; and FY 2014-2015 expenditures were \$2.30 million.

During FY 2015-2016, revenues totaled \$2.88 million including mitigation program revenues, grant receipts, investment income and miscellaneous revenues. The Mitigation Program Fund Balance as of June 30, 2016 was \$1,065,968.

EXHIBIT

8-A Executive Summary for 2015-2016 Annual Mitigation Report

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EXHIBIT 8-A**2015-2016 ANNUAL REPORT****(July 1, 2015 - June 30, 2016)****MPWMD MITIGATION PROGRAM
WATER ALLOCATION PROGRAM ENVIRONMENTAL IMPACT REPORT****MONTEREY PENINSULA WATER MANAGEMENT DISTRICT****Prepared April 2017****I. EXECUTIVE SUMMARY****INTRODUCTION AND BACKGROUND:**

In April 1990, the Water Allocation Program Final Environmental Impact Report (EIR) was prepared for the Monterey Peninsula Water Management District (MPWMD or District) by J.L. Mintier and Associates. The Final EIR analyzed the effects of five levels of annual California American Water (CAW or Cal-Am) production, ranging from 16,744 acre-feet per year (AFY) to 20,500 AFY. On November 5, 1990, the MPWMD Board certified the Final EIR, adopted findings, and passed a resolution that set Option V as the new water allocation limit. Option V resulted in an annual limit of 16,744 AFY for Cal-Am production, and 3,137 AFY for non-Cal-Am production, with a total allocation of 19,881 AFY for the Monterey Peninsula Water Resource System (MPWRS). The MPWRS is the integrated system of water resources from the Carmel River Alluvial Aquifer and Seaside Groundwater Basin that provide the Monterey Peninsula community's water supply via the Cal-Am water distribution network.

Even though Option V was the least damaging alternative of the five options analyzed in the Water Allocation Program EIR, production at this level still resulted in significant, adverse environmental impacts that must be mitigated. Thus, the findings adopted by the Board included a "Five-Year Mitigation Program for Option V" and associated mitigation measures.

In June 1993, Ordinance No. 70 was passed, which amended the annual Cal-Am production limit from 16,744 AF to 17,619 AF, and the non-Cal-Am limit from 3,137 AF to 3,054 AF; the total production limit was increased from 19,881 AF to 20,673 AF per year due to new supply from the Paralta Well in Seaside. In April 1996, Ordinance No. 83 slightly changed the Cal-Am and non-Cal-Am annual limits to 17,621 AF and 3,046 AF, respectively, resulting in a total limit of 20,667 AFY. In February 1997, Ordinance No. 87 was adopted to provide a special water allocation for the planned expansion of the Community Hospital of the Monterey Peninsula, resulting in a new Cal-Am production limit of 17,641 AFY; the non-Cal-Am limit of 3,046 AFY was not changed. These actions did not affect the implementation of mitigation measures adopted by the Board in 1990.

The Five-Year Mitigation Program formally began in July 1991 with the new fiscal year (FY) and was slated to run until June 30, 1996. Following public hearings in May 1996 and District Board review of draft reports through September 1996, the Five-Year Evaluation Report for the

1991-1996 comprehensive program, as well as an Implementation Plan for FY 1996-1997 through FY 2000-2001, were finalized in October 1996. In its July 1995 Order WR 95-10, the State Water Resources Control Board (SWRCB) directed Cal-Am to carry out any aspect of the Five-Year Mitigation Program that the District does not continue after June 1996. To date, as part of the annual budget approval process, the District Board has voted to continue the program. The Mitigation Program has accounted for a significant portion of the District's annual budgets in terms of revenue (derived primarily from a portion of the MPWMD user fee on the Cal-Am bill) and expenditures. It should be noted that this fee was removed from Cal-Am's bill in July 2009, resulting from actions subsequent to a California Public Utilities Commission ruling regarding a Cal-Am rate request. Cal-Am continued to pay the Carmel River Mitigation Program fee under a separate agreement with MPWMD through June 2010. The District and Cal-Am have negotiated an annual funding agreement that funded part of the 2016 mitigation program. The District's other revenue sources were used to fund the remainder of the program.

The California Environmental Quality Act (CEQA) (Pub. Res. Code 21081.6) requires that the MPWMD adopt a reporting or monitoring program to insure compliance with mitigation measures when implementing the Water Allocation Program. Findings Nos. 387 through 404 adopted by the Board on November 5, 1990 describe mitigation measures associated with the Water Allocation Program; many entail preparation of annual monitoring reports. This 2015-2016 Annual Report for the MPWMD Mitigation Program responds to these requirements. It covers the fiscal year period of July 1 through June 30. It should be noted that hydrologic data and well reporting data in this report are tabulated using the water year, defined as October 1 through September 30, in order to be consistent with the accounting period used by the SWRCB.

This 2015-2016 Annual Report first addresses general mitigation measures relating to water supply and demand (Sections II through XI), followed by monitoring related to compliance with production limits, drought reserve and supply augmentation (Sections XII through XV), followed by mitigations relating to specific environmental resources (Sections XVI through XIX). Section XX provides a summary of costs for the biological mitigation programs as well as related hydrologic monitoring, water augmentation and administrative costs. Section XXI presents selected references.

Table I-1 summarizes the mitigation measures described in this report. In subsequent chapters, for each topic, the mitigation measure adopted as part of the Final EIR is briefly described, followed by a summary of activities relating to the topic in FY 2015-2016 (July 1, 2015 through June 30, 2016, unless otherwise noted). Monitoring results, where applicable, are also presented. Tables and figures that support the text are found at the end of each section in the order they are introduced in the text.

ACCOMPLISHMENTS:

Many activities are carried out as part of the MPWMD Mitigation Program to address the environmental effects that community water use has upon the Carmel River and Seaside Groundwater Basins. Highlights of the accomplishments in FY 2015-2016 for each major category are shown in **Table I-2**.

OBSERVED TRENDS, CONCLUSIONS AND/OR RECOMMENDATIONS:

The following paragraphs describe observed trends (primarily qualitative), conclusions and/or recommendations for the mitigation program. General conclusions are followed by a summary of selected Mitigation Program categories.

General Overview

Overall, the Carmel River environment with respect to riparian vegetation, river flow, and aquifer levels is in better condition today than it was in 1990 when the Allocation Program EIR was prepared. This improvement is evidenced by increased riparian habitat and higher water tables in the Carmel Valley alluvial aquifer. However, the steelhead fishery was rebounding until the onset of the 2012-2015 drought. During and after the drought, steelhead numbers declined to levels similar to those seen in previous droughts, with 2016 being the fifth dry year with low numbers of both adult and juvenile steelhead.

The comprehensive MPWMD Mitigation Program is an important factor responsible for this improvement. Direct actions such as fish rescues and rearing, and riparian habitat restoration literally enable species to survive and reproduce. Indirect action such as conservation programs, water augmentation, ordinances/regulations and cooperative development of Cal-Am operation strategies result in less environmental impact from human water needs than would occur otherwise. The District's comprehensive monitoring program provides a solid scientific data baseline, and enables better understanding of the relationships between weather, hydrology, human activities and the environment. Better understanding of the MPWRS enables informed decision-making that achieves the District's mission of benefiting the community and the environment.

It is acknowledged that there are other important factors responsible for this improved situation. For example, since Water Year (WY) 1991, the Carmel River has received normal or better runoff in 16 out of 25 years. Actions by federal resource agencies under the Endangered Species Act (ESA) or the SWRCB under its Order WR 95-10 and follow-up orders have provided strong incentive for Cal-Am and other local water producers to examine and amend water production practices to the degree feasible, and for the community to reduce water use. Except for one year in 1997, the community has complied with the production limits imposed on Cal-Am by the SWRCB since Order 95-10 became effective in July 1995.

Despite these improvements, challenges still remain due to human influence on the river. The steelhead and red-legged frog remain listed as threatened species under the ESA. At least several miles of the river still dry up each year, harming habitat for listed fish and frog species. The presence of the two existing dams, flood-plain development and water diversions to meet community and local user needs continue to alter the natural dynamics of the river. Streambank restoration projects may be significantly damaged in large winter storm events, and some people continue to illegally dump refuse into the river or alter their property without the proper permits. Thus, the Mitigation Program (or a comprehensive effort similar to it) will be needed as long as significant quantities of water are diverted from the Carmel River and people live in close proximity to it.

Water Resources Monitoring Program

Streamflow and precipitation data continue to provide a scientific basis for management of the water resources within the District. These data continue to be useful in Carmel River Basin planning studies, reservoir management operations, water supply forecast and budgeting, and defining the baseline hydrologic conditions of the Carmel River Basin. Also, the District's streamflow monitoring program continues to produce high quality and cost-effective data.

There is limited storage of surface water by dams on the Carmel River. Los Padres Reservoir, completed in 1948, holds 1,626 AF of usable storage (without flashboard), based on 2008 survey data. In addition, San Clemente Reservoir (SCR), completed in 1921, was removed in the fall of 2015 by order of the Department of Water Resources (DWR) due to seismic safety concerns.

Groundwater levels, and consequently groundwater storage conditions, in the Carmel Valley Alluvial Aquifer have maintained a relatively normal pattern in recent years, in contrast to the dramatic storage declines that were observed during the prolonged 1987-1991 drought period. The relatively stable storage in the Carmel Valley alluvial aquifer in recent years is attributable to a combination of periods of more favorable hydrologic conditions and the adoption of improved water management practices that have tended to preserve higher storage conditions in the aquifer. In WY 2016, Carmel Valley alluvial aquifer storage increased slightly compared with recent years as this year was classified as "below normal."

In contrast, storage conditions in the coastal portion of the Seaside Groundwater Basin have not been stable in recent years, in particular with respect to the deeper Santa Margarita aquifer, from which over 80 percent of the Cal-Am production in the Seaside Basin is derived. This downward trend in water levels reflects the changed production operations in the Seaside Basin stemming primarily from changed practices after SWRCB Order 95-10. The increased annual reliance on production from Cal-Am's major production wells in Seaside, along with significant increases in non-Cal-Am use, have dramatically lowered water levels in this aquifer, and seasonal recoveries have not been sufficient to reverse this trend.

To address this storage depletion trend, the District initiated efforts in the 2000-2001 timeframe to prepare a Seaside Basin Groundwater Management Plan in compliance with protocols set by the State of California (AB 3030, as amended by SB 1938). This process was superseded by litigation filed by Cal-Am in August 2003, requesting a court adjudication of water production and storage rights in the Seaside Basin. The District participated in all litigation proceedings as an intervening "interested party". The Superior Court held hearings in December 2005 and issued a final adjudication decision in March 2006, which was amended through an additional court filing in February 2007. The final decision established a new, lower "natural safe yield" for the Basin of 3,000 AFY, and an initial Basin "operating safe yield" of 5,600 AFY. Under the decision, the operating safe yield would be reduced by 10% every three years until the operating safe yield matches the natural safe yield of the Basin in 2021. The Court also created a nine-member Watermaster Board (of which the District is a member) to implement the Court's decision. With the triennial reductions in operational yield required by the Seaside Basin Adjudication Decision, water levels have not been declining as fast as previously observed.

One of the means that could potentially mitigate this observed storage depletion trend is a program that the District has been actively pursuing since 1996 -- the Seaside Basin groundwater injection program (also known as aquifer storage and recovery, or ASR). ASR entails diverting excess water flows (typically in Winter/Spring) from the Carmel Valley Alluvial Aquifer through existing Cal-Am facilities and injecting the water into the Seaside Groundwater Basin for later recovery in dry periods.

The primary goal of the MPWMD ASR Project is better management of existing water resources and production facilities to help reduce impacts to the Carmel River, especially during the dry season. The projects are viewed as being complementary to other larger, long-term water augmentation projects that are currently being pursued for the Monterey Peninsula. These projects, also known as Phase 1 and 2 ASR projects, entail a maximum diversion of 2,426 AFY, and 2,900 AFY respectively from the Carmel River for injection. The combined average yield for both projects is estimated at about 2,000 AFY. The operation of the Phase 1 and 2 ASR Projects result in reduced unauthorized pumping of the Carmel River in Summer/Fall and increased storage in the Seaside Basin, which are both considered to be environmentally beneficial.

The ASR water supply efforts in 2015-2016 included: (1) continued work with regulatory and land use agencies on expansion of the Phase 1 Santa Margarita ASR site; (2) completion of the utility water system for the Phase 2 ASR Project at the Seaside Middle School site; (3) Completion of initial injection testing of the second ASR well at the Phase 2 ASR site; (4) coordination with Cal-Am and other parties to construct the necessary infrastructure for the ASR project expansion; and (5) continued implementation of a Memorandum of Understanding (MOU) with Cal-Am on operation and maintenance at the ASR facilities.

Groundwater quality conditions in both the Carmel Valley Alluvial Aquifer and Seaside Basin have remained acceptable in terms of potential indicators of contamination from shallow sources such as septic systems. There have been no identifiable trends indicative of seawater intrusion into the principal supply sources the coastal areas of these two aquifer systems to date.

Steelhead Fishery Program

Although the Carmel River steelhead population dramatically improved after the inception of the Mitigation Program in 1990, there was a period of general decline in the adult run from 2001 to 2011. Between 1992 and 2001, the spawning population recovered from a handful of fish to levels approaching 900 adults per year as counted at SCD. Then the run experienced a six-year downward trend from 804 adults in 2001 to 222 adults in 2007, rebounding somewhat in 2008 to 412 adults. However, in 2009 and 2010, the population underwent a dramatic reduction to 95 and 157 adults, respectively. Then in 2011 and 2012, the population rebounded again with 452 and 470 adults passing over SCD, while in 2013 the number dropped to 249, well below the 1994-2013 average of 421, likely due in part to the dry year. Drought conditions worsened in 2014 and the river failed to connect to the lagoon for the first time since 1990. Despite a lack of sea-run adults in 2014, some resident adults did spawn in the upper valley as evidenced by the appearance of fry during summer rescues. Surpassing the four-year drought of the late 1980s to early 1990s, 2016 was the fifth dry year with low numbers of both adult and juvenile steelhead.

Previous redd surveys below SCD confirm that the spawning habitat in the lower river has improved considerably over the last 20 years and many adults now spawn there instead of the upper watershed. In addition, juvenile steelhead rescued by the District from the lower river that survive to adulthood are more likely to return to the lower river to spawn rather than migrate upstream past the SCD. In 2012, the District deployed the DIDSON counting station, acquired from CDFW grant funding, in the lower river to help determine whether more adults are in fact spawning downstream of the dam.

Variability of adult steelhead counts are likely the result of a combination of controlling and limiting factors including:

- the severe five-year drought affecting the entire west coast. The drought is the primary negative factor for all steelhead life stages including adult steelhead, as migration is limited or blocked and spawning reaches dry early;
- variable lagoon conditions, caused by artificial manipulation of the sandbar and/or naturally occurring periods of low winter flows;
- adverse ocean conditions in which ocean water temperatures off the coast of California were the highest ever recorded for much of 2014-2015, likely affecting the abundance of food resources and possibly even the survival of returning steelhead;
- low densities of juvenile fish in 2004, 2007, and 2009-2011 affecting subsequent adult populations; and
- the improved spawning conditions in the lower Carmel River, encouraging fish to spawn before they reach the counter at the dam, thus lowering the recorded count (but not the actual number of spawning adult fish).

• Juvenile Steelhead

Long-term monitoring of the juvenile steelhead population at eleven sites along the mainstem Carmel River below LPD shows that fish density continues to be quite variable both year to year and site to site from less than 0.10 fish-per-foot (fpf) of stream to levels frequently ranging above 1.00 fpf, values that are typical of well-stocked steelhead streams. In this 2015-2016 reporting period, the average population density was much less than the long-term average of 0.74 fpf for the Carmel River, likely due to the ongoing drought and poor habitat conditions in the lower river.

District staff believes the variability of the juvenile steelhead population in the Carmel River Basin is directly related to the following factors:

Positive Factors:

- improvements in streamflow patterns, due to favorable natural fluctuations, exemplified by relatively high base-flow conditions since 1995;

- District and SWRCB rules to actively manage the rate and distribution of groundwater extractions and direct surface diversions within the basin, coupled with changes to CAW's operations at SCD and LPD, providing increased streamflow below SCD;
- restoration and stabilization of the lower Carmel River's stream banks, providing improved riparian habitat (tree cover/shade along the stream and an increase in woody debris) while preventing erosion of silt/sand from filling gravel beds and pools;
- extensive juvenile steelhead rescues by the District over the last 26 years, now totaling 426,154 fish through 2015;
- rearing and releases of rescued fish from the SHSRF of nearly 97,300 juveniles and smolts back into the river and lagoon over the past 20 years (15 years of operation), at sizes generally larger than the river-reared fish, which in theory should enhance their ocean survival;

Negative Factors:

- As noted above, the severe five-year drought affecting the entire west coast is the primary negative factor for the juvenile steelhead population as rearing habitat dries early, or doesn't exist at all, along with low flows and higher water temperatures;
- variable lagoon conditions, including highly variable water surface elevation changes caused by mechanical breaching, chronic poor water quality (especially in the fall), and predation by birds and striped bass;
- barriers or seasonal impediments to juvenile and smolt emigration, such as intermittent periods of low flow below the Narrows during the normal spring emigration season;
- spring flow variability such as low-flow conditions that could dewater redds prematurely or high flows that could either deposit sediment over redds or completely wash them out;
- chronic, and occasionally acute, fall temperature and hydrogen sulfide levels below LPD, and the increase in suspended sediment from the SCD removal project;
- the potential for enhanced predation on smolts and YOY migrating through the sediment field above LPD.

A recent challenge that may remain for some years is the potential effects of substantive physical and operational changes that occur at SCD due to the Carmel River Re-route and Dam Removal project (CRRDR), especially the process of removal of the dam. The most significant issues are the effect of released or remobilized sediment from the CRRDR project on downstream river habitat, and the proper functioning of MPWMD's SHSRF. The three-year dam removal project began in 2013 with the removal of vegetation and rechanneling the river through the reservoir reach. The dam itself was removed in 2015 and the reconfigured channel was rewetted during

the 2015-16 winter. Additional restoration and repairs are slated for late 2016. Major changes include:

- changes to the release flows and water quality;
- potentially significant changes in the sediment regime in the Carmel River downstream of San Clemente as the dam removal project progresses; and
- loss of reservoir storage, which, in the past, has helped maintain adequate river flows and cooler water in the lower Carmel River.

District staff continues to provide technical expertise and scientific data to CAW engineers and environmental consultants, DWR/DSOD, CDFW, NMFS, U.S. Fish and Wildlife Service, and others involved in addressing the resource management issues associated with both LPD and the area influenced by the SCD Removal and Carmel River Reroute Project. District staff also continues to provide technical expertise and scientific data to California Department Parks and Recreation, Monterey County Water Resources Agency, Monterey County Public Works Department, California Coastal Commission, U. S. Army Corps of Engineers, Carmel Area Wastewater District, and other regulatory agencies and stakeholders involved in the management of the Carmel River, the Carmel River Lagoon and the barrier beach.

Riparian Habitat Mitigation

With the exception of the Rancho Cañada to Rancho San Carlos Road Bridge reach, the Carmel River streamside corridor has stabilized in nearly all reaches that were affected by a combination of increased groundwater extraction, extreme drought and flood events that occurred during the 1970s, 1980s and 1990s. A complex channel has developed in the lower 16 miles of the river with improved steelhead spawning substrate, diverse habitat, and a richer riparian community. Areas with perennial or near perennial flow (upstream of Schulte Bridge) or a high groundwater table, such as downstream of Highway 1, have experienced vigorous natural recruitment in the channel bottom, which has helped to stabilize streambanks and diversify aquatic habitat. Areas that continue to be dewatered annually have somewhat less, but still significant growth.

The Soberanes fire in the summer of 2016 combined with the removal of San Clemente Dam and high flows in the winter of 2016-17 proved to be a combination of events that is changing the river downstream of the former dam site. Significant quantities of silt, sand, and debris were carried down from the fire-scarred upper watershed into the active channel in the alluvial reach.

In these areas, natural recruitment has led to vegetation encroachment that, in some areas, may constrict high flows and threaten bank stability. MPWMD continues to monitor these areas closely and to develop a management strategy to balance protection of native habitat with the need to reduce erosion potential. Environmental review of proposed projects and the process of securing permits is quite complex and requires an exhaustive review of potential impacts.

In contrast to areas with perennial flow, the recovery of streamside areas subjected to annual dewatering requires monitoring. Plant stress in the late summer and fall is evident in portions of

the river that go dry. In these areas, streambanks can exhibit unstable characteristics during high flows, such as sudden bank collapse, because of the lack of healthy vegetation that would ordinarily provide stability. The drought that began with Water Year 2013 (beginning October 2012) and ended in Water Year 2016 is an ongoing concern because of the past history of channel erosion and bank instability after severe droughts in 1976-77 and 1987-1991. Impacts to streamside vegetation can manifest themselves for several years even after the end of a drought.

Although there are areas of deposition in the active channel, the long-term reduced sediment load delivery from the upper watershed has resulted in channel degradation (incision of the stream into the valley floor) in certain areas. Thus, pools become deeper and when combined with scour along the outside of streambanks this creates “cut” banks. Although this leads to a more complex and dynamic channel, which are desirable conditions, continued degradation can result in bank collapses and trigger an episode of erosion along the river. District staff continues to document degradation in the river bed including at the Carmel Area Wastewater District pipe across the river downstream of Highway 1 and at bridge infrastructure in the active channel. When river flows drop in late spring or early summer of 2017, District staff will investigate the overall scour and deposition of the streambed and report on this in next year’s mitigation report.

Restoration project areas sponsored by MPWMD since 1984 continue to mature and exhibit more features of relatively undisturbed reaches, such as plant diversity and vigor, complex floodplain topography, and a variety of in-channel features such as large wood, extensive vegetative cover, pools, riffles, and cut banks.

As cited in previous reports, the most significant trends continue to include the following:

- increased encroachment of vegetation into the active channel bottom that can induce debris blockage, bank erosion and increased risks during floods,
- effects to areas with groundwater extraction downstream of Schulte Road,
- channel changes and erosion due to new supply of sediment from upstream associated with high flows, San Clemente Dam removal, and the Soberanes Fire in Water Year 2017,
- healthy avian species diversity, and
- maturing of previous restoration projects.

Carmel River Erosion Protection and Restoration

With the exception of the channel area between the Via Mallorca Road bridge and the Rancho San Carlos Road bridge, streambanks in the main stem appear to be relatively stable during average water years with “frequent flow” storm events (flows with a return magnitude of less than five years). The program begun by MPWMD in 1984 (and later subsumed into the Mitigation Program) to stabilize streambanks appears to be achieving the goals that were initially set out, i.e., to reduce bank erosion during high flow events up to a 10-year return flow, restore vegetation along the streamside, and improve fisheries habitat.

Consistent with previous reports, it is likely that the following trends will continue:

- Local, State and Federal agencies consider the Carmel River watershed to be a high priority area for restoration, as evidenced by the interest in addressing water supply issues, the removal of San Clemente Dam, proposed projects in the lower Carmel River, and continued oversight with the management of threatened species. Stringent avoidance and mitigation requirements will continue to be placed on activities that could have negative impacts on sensitive aquatic species or their habitats.
- Activities that interrupt or curtail natural stream functions, such as lining streambanks with riprap, have come under increasing scrutiny and now require significant mitigation offsets. Approximately 35% to 40% of the streambanks downstream of Carmel Valley Village have been altered or hardened since the late 1950s. Activities that increase the amount of habitat or restore natural stream functions are more likely to be approved or funded through State and Federal grant programs.
- Additional work to add instream features (such as large logs for steelhead refuge or backwater channel areas for frogs) can restore and diversify aquatic habitat.
- Major restoration projects completed between 1987 and 1999 have had extensive and successful work to diversify plantings. However, maintenance of irrigation systems is ongoing and requires extensive work in water years classified as below normal, dry and critically dry.
- The channel will change due to a new supply of sediment coming from upstream of the old San Clemente Dam and additional sources of sediment associated with the Soberanes Fire of 2016.

Between the mouth of the river and Robinson Canyon Road bridge, many areas of the river appear to be deeper than at any previous time since measurements have been recorded (i.e., beginning in 1978), with many reaches showing several feet of downcutting. This trend, which was identified as a concern in the 1984 Carmel River Management Program EIR, appears to have accelerated in the period from 1998 to 2015. This was a period of exceptional stability (for the Carmel River) as streambanks hardened with structural protection over the past several decades resisted erosion and the force of the river during high flows was directed into the channel bottom. This condition has resulted in the undermining of rip-rap protection and bridge infrastructure in some reaches. To assess the impact of scour and degradation in the bottom of the channel, the District budgeted funds in Fiscal Year 2014-15 and carried out a thalweg survey (survey along the bottom of the channel) along a portion of the lower river. The survey was completed in 2015 and 2016 and will be compared to similar periodic surveys dating back to 1984. However, this trend will have to be looked at carefully because as of Water Year 2017 recent high flows have transported large amounts of sediment into the mainstem of the Carmel River.

In the spring of 2010, the Carmel Area Wastewater District (CAWD) concrete-encased pipe across the bottom of the river was exposed for the first time since it was constructed in 1973. Information from CAWD about the depth of cover in 1973 indicates that the pipe was installed with six feet of cover; however, there is conflicting survey information that indicates the pipe encasement may have had only a few feet of cover. In 2012, District staff measured a maximum of 4.5 feet of scour from the top of the encasement, which is approximately five feet wide and five feet high (see **Figure XVII-3**). In September 2013, District staff measured between 4.0 and 4.25 feet of scour. Measurements from 2014 and 2015 indicated the scour hole remains at about

four feet. In addition, the pipe encasement appears to be causing the river to create a large deep pool on the downstream side, while on the upstream side the encasement causes the river bottom to be flat and wide for an extended length. At certain low flow periods with the lagoon open, the encasement likely creates a temporary barrier to steelhead migration.

In the spring of 2011, the river migrated into the north streambank at the Rancho San Carlos Road Bridge (see **Figure XVII-4**). In the winter of 2017, during a series of high flows, erosion started taking place on the south side of the river. This reach has become unstable and the District will propose a restoration project that would stabilize the streambanks. If no work to stabilize the streambank is carried out, it is likely that the river will continue to erode property along the southern and northern streambanks and there will be additional loss of mature riparian forest.

Eventually, without corrective measures to balance the sediment load with the flow of water or to mitigate for the effect of the downcutting, streambanks will begin to collapse and the integrity of bridges and other infrastructure in the active channel of the river may be threatened.

Vegetation Restoration and Irrigation

To the maximum extent possible, MPWMD-sponsored river restoration projects incorporate a functional floodplain that is intended to be inundated in relatively frequent storm events (those expected every 1-2 years). For example, low benches at the Red Rock and All Saints Projects have served as natural recruitment areas and are currently being colonized by black cottonwoods, sycamores and willows. In addition, willow and cottonwood pole plantings in these areas were installed with a backhoe, which allows them to tap into the water table. These techniques have been successful and have reduced the need for supplemental irrigation.

Channel Vegetation Management

Another notable trend relating to the District's vegetation management program was the widening of the channel after floods in 1995 and 1998. With relatively normal years following these floods, the channel has narrowed as vegetation recruits on the channel bottom and gravel bars. Current Federal regulations such as the Endangered Species Act (ESA) "Section 4(d)" rules promulgated by NOAA Fisheries to protect steelhead significantly restrict vegetation management activities. Because of these restrictions, the District can carry out activities only on the most critical channel restrictions and erosion hazards in the lower 15 miles of the river. In the absence of high winter flows capable of scouring vegetation out of the channel bottom, encroaching vegetation may significantly restrict the channel. As vegetation in the river channel matures in the channel bottom, more conflicts are likely to arise between preserving habitat and reducing the potential for property damage during high flows. MPWMD will continue to balance the need to treat erosion hazards in the river yet maintain features that contribute to aquatic habitat quality.

Permits for Channel Restoration and Vegetation Management

In 2012, MPWMD renewed its long-term permits with the U.S. Army Corps of Engineers and the California Regional Water Quality Control Board for routine maintenance and restoration work. In 2014, the District also renewed a long-term Routine Maintenance Agreement (RMA) with the California Department of Fish and Wildlife to conduct regular maintenance and restoration activities in the Carmel River.

Monitoring Program

Vegetative moisture stress fluctuates depending on the rainfall, proximate stream flow, depth to groundwater, and average daily temperatures, and tends to be much lower in above-normal rainfall years. Typical trends for a single season start with little to no vegetative moisture stress in the spring, when the soil is moist and the river is flowing. As the river begins to dry up in lower Carmel Valley (normally around June) and temperatures begin to increase, an overall increase in vegetative moisture stress occurs. For much of the riparian corridor in the lower seven miles of the Carmel River, this stress has been mitigated by supplemental irrigation, thereby preventing the die off of large areas of riparian habitat. However, many recruiting trees experience high levels of stress or mortality in areas difficult to irrigate. Riparian vegetation exposed to rapid or substantial lowering of groundwater levels (i.e., below the root zones of the plants) will continue to require monitoring and irrigation during the dry season.

With respect to riparian songbird diversity, populations dropped after major floods in 1995 and 1998 because of the loss of streamside habitat. Since 1998, species diversity recovered and now fluctuates depending on habitat conditions. Values indicate that the District mitigation program is preserving and improving riparian habitat.

Strategies for the future

A comprehensive long-term solution to overall environmental degradation requires a significant increase in dry-season water flows in the lower river, a reversal of the incision process, and reestablishment of a natural meander pattern. Of these, MPWMD has made progress on increasing summer low flows and groundwater levels by aggressively pursuing a water conservation program, implementing the first and second phases of the Seaside Groundwater Basin Aquifer Storage and Recovery Project, and recommending an increase in summer releases from Los Padres Reservoir.

Reversal, or at least a slowing, of channel incision may be possible if the supply of sediment is brought into better balance with the sediment transport forces. Additional sediment from the tributary watersheds between San Clemente Dam and Los Padres Dam will pass into the lower river in the foreseeable future now that San Clemente Dam has been removed. District staff are already seeing signs of additional sediment in the Carmel River below Esquiline Road Bridge associated with high flows in Water Year 2017.

Over the long term, an increase in sediment supply could help reduce streambank instability and erosion threats to public and private infrastructure. However, reestablishing a natural supply of

sediment and restoring the natural river meander pattern through the lower 15.5 miles of the Carmel Valley presents significant political, environmental, and fiscal challenges, and is not currently being considered as part of the Mitigation Program.

Integrated Regional Water Management (IRWM) Grant Program

The IRWM program promoted by the California DWR encourages planning and management of water resources on a regional scale and promotes projects that incorporate multiple objectives and strategies. In addition, the IRWM process brings stakeholders together and encourages cooperation among agencies in developing mutually beneficial solutions to resource problems.

MPWMD adopted the 2014 Update to the IRWM Plan for a region encompassing Monterey Peninsula areas within the District boundary, the area in the Carmel River watershed outside of the MPWMD boundary, Carmel Bay and the Southern Monterey Bay. The IRWM Plan combines strategies to improve and manage potable water supply, water conservation, stormwater runoff, floodwaters, wastewater, water recycling, habitat for wildlife, and public recreation. A final report on the grant to update the plan was completed in FY 2015-2016.

Funding from the IRWM grant program and other programs requiring an adopted IRWM Plan could provide the incentive to undertake a set of projects that would continue to improve the Carmel River environment and engage a larger number of organizations in helping to develop and implement a comprehensive solution to water resource problems in the planning region.

More information about the IRWM Plan and the group of stakeholders in the planning region can be found at the following web site:

<http://www.mpirwm.org>

Carmel River Lagoon Habitat

The District continues to support and encourage the ongoing habitat restoration efforts in the wetlands and riparian areas surrounding the Carmel River Lagoon. These efforts are consistent with goals that were identified in the Carmel River Lagoon Enhancement Plan, which was partially funded by the District. The District continues to work with various agencies and landowners to implement ongoing restoration of the Odello West property and future restoration of the Odello East property across the highway. Because of the restoration activities on the south side of the lagoon, the District has concentrated its monitoring efforts on the relatively undisturbed north side. Staff also continue to meet and discuss with other agencies the ongoing use of an existing CDPR agricultural well.

The District expanded its long-term monitoring around the lagoon in 1995 in an attempt to determine if the reduction in freshwater flows due to groundwater pumping upstream might change the size or ecological character of the wetlands. Demonstrable changes have not been identified. Because of the complexity of the estuarine system, a variety of parameters are monitored, including vegetative cover in transects and quadrats, water conductivity, and

hydrology. It is notable that due to the number of factors affecting this system, it would be premature to attribute any observed changes solely to groundwater pumping. During the 22-year period to date, for example, there have been two **Extremely Wet** (1995 and 1998), two **Wet** (2005, 2006), five **Above Normal** (1996, 1997, 2000, 2010 and 2011), five **Normal** (1999, 2001, 2003, 2008 and 2009), two **Below Normal** (2004 and 2016), four **Dry** (2002, 2012, 2013 and 2015), and two **Critically Dry** (2007 and 2014) Water Year types in terms of total annual runoff. Thus, the hydrology of the watershed has been wetter than average 41% of the time, and at least normal or better 64% of the time during that 22 year period. However, monitoring in 2014 occurred during a Critically Dry Water Year that followed two consecutive Dry Water Years, and 2015 was the first time a fourth year of drought was ever monitored. Other natural factors that affect the wetlands include introduction of salt water into the system as waves overtop the sandbar in autumn and winter, tidal fluctuations, and long-term global climatic change. When the District initiated the long-term lagoon monitoring component of the Mitigation Program, it was with the understanding that it would be necessary to gather data for an extended period in order to draw conclusions about well production drawdown effects on wetland dynamics. It is recommended that the current vegetation, conductivity, topographical and wildlife monitoring be continued in order to provide a robust data set for continued analysis of potential changes around the lagoon. The District has also budgeted to reactivate the CDPR lagoon water-quality profiler that has been out of service for four years, under an interagency MOU. Continuous data at the CAWD pipe site should begin to be acquired again during the next RY.

Lagoon bathymetric cross sectional surveys, initially conducted in 1988, have been completed annually during the dry season since 1994. These data are useful in assessing changes in the sand supply within the main body of the lagoon and are necessary to answer to questions concerning whether or not the lagoon is filling up with sand, thus losing valuable habitat. As indicated in the survey plots, the sandy bed of the lagoon can vary significantly from year to year. In general, no major trends indicating sand accumulation or depletion at the lagoon cross sections have been identified based on available data, with the exception of the upstream-most cross section (XS) 4, which exhibits an overall loss in sand volume over the 1994-2013 period. The sand loss or down-cutting observed at XS 4 is consistent with the pervasive down-cutting that has occurred along the thalweg of the Lower Carmel River (LCR) upstream of the Highway 1 Bridge for several miles. The trend of LCR streambed scour appears to have begun in Water Year 2006. In addition, now that annual cross-sectional data have been collected in two Critically Dry years (WY 2007 and 2014) and two Dry years (WY 2012 and 2013), it is concluded that substrate elevations at the cross sections generally do not change in these low-flow years, despite the regular occurrence of major lagoon mouth breaches in all of these years, except WY 2014. Accordingly, the multi-year cross-sectional data set (22 years) indicates quantity of streamflow as the primary factor that controls substrate changes at the key cross sections.

Program Costs

Mitigation Program costs for FY 2015-2016 totaled approximately \$2.27 million including direct personnel expenses, operating costs, project expenditures, capital equipment, and fixed asset purchases. The annual cost of mitigation efforts varies because several mitigation measures are weather dependent. Expenditures in FY 2015-2016 were \$0.03 million less than the prior fiscal

year due to decreases in Mitigation Program costs. However, the overall costs have remained constant (average of \$2.5 million per year) for last five years. In the past, expenditures had trended upward due to expenditures for the Aquifer Storage Recovery (ASR) Project. ASR Project costs are no longer captured under Mitigation Program Costs. FY 2013-2014 expenditures were \$2.41 million; and FY 2014-2015 expenditures were \$2.30 million.

During FY 2015-2016, revenues totaled \$2.88 million including mitigation program revenues, grant receipts, investment income and miscellaneous revenues. The Mitigation Program Fund Balance as of June 30, 2016 was \$1,065,968.

Table I-1

**SUMMARY OF COMPONENTS OF MPWMD MITIGATION PROGRAM
July 1, 2015 - June 30, 2016**

WATER MANAGEMENT

- Monitor Water Resources
- Manage Water Production
- Manage Water Demand
- Monitor Water Usage
- Augment Water Supply
- Allocation of New Supply
- Determine Drought Reserve

STEELHEAD FISHERY

- Capture/Transport Emigrating Smolts in Spring
 - Smolt rescues
 - Build acclimation facility/tagging study
- Prevent Stranding of Fall/Winter Juvenile Migrants
 - Juvenile rescues
 - Build mid-Valley holding facility
- Rescue Juveniles Downstream of Robles del Rio in Summer
- Operate Sleepy Hollow holding/rearing facility
- Modify Spillway/Transport Smolts Around Los Padres Dam
- Monitoring Activities for Mitigation Plan
 - Juvenile population surveys
- Other Activities not required by Mitigation Plan
 - Spawning habitat restoration
 - Fish planting (steelhead broodstock program)
 - Coastal Salmon Recovery Program grant (began mid-2001)
 - Modify critical riffles

RIPARIAN VEGETATION AND WILDLIFE

- Conservation and Water Distribution Management
- Prepare/Oversee Riparian Corridor Management Plan
- Implement Riparian Corridor Management Program
 - Cal-Am well irrigation (4 wells)
 - Channel clearing
 - Vegetation monitoring
 - Track and pursue violations
 - River Care Guide booklet
 - CRMP Erosion Protection Program

LAGOON VEGETATION AND WILDLIFE

- Assist with Lagoon Enhancement Plan Investigations (See Note 1)
- Expand Long-Term Lagoon Monitoring Program

- Water quality/quantity
- Vegetation/soils
- Identify Alternatives to Maintain Lagoon Volume

AESTHETICS

- Restore Riparian Vegetation (see above)

Note 1: Mitigation measures are dependent on implementation of the Lagoon Enhancement Plan by the California Department of Parks and Recreation, the land owner and CEQA lead agency. Portions of the Enhancement Plan have been implemented by CalTrans as part of a “mitigation banking” project.

Table I-2
Summary of MPWMD Mitigation Program Accomplishments: 2015-2016 Report

MITIGATION ACTION	MAJOR ACCOMPLISHMENTS
Monitor Water Resources	Regularly tracked precipitation, streamflow, surface and groundwater levels and quality, and lagoon characteristics between Los Padres Dam and the Carmel River Lagoon, using real-time methods at numerous data collection stations. Maintained extensive monitoring network, and continuous streamflow recorders below San Clemente Dam and other sites.
Manage Water Production	Developed and implemented multi-agency Memorandum of Agreement and quarterly water supply strategies based on normal-year conditions; worked cooperatively with resource agencies implementing the federal Endangered Species Act. Implemented ordinances that regulate wells and water distribution systems.
Manage Water Demand	<p>A total of 1,842 conservation inspections were conducted in FY 2015-2016. An estimated 3.637 acre-feet (AF) of water were saved by new retrofits verified this year in these two categories. For FY 2015-2016, a total of 2,244 applications for rebates were received, 1,771 applications were approved with the use of the rebate refund, as described in Section VIII.</p> <p>As of June 30, 2016, a total of 91.775 AF of water remained available in the areas served by CAW, as described in Section IX. This includes water from pre- and post-Paralta Allocations and water added to a Jurisdiction’s Allocation from Water Use Credit transfers and public retrofits.</p>
Monitor Water Usage	Complied with SWRCB Order 95-10 for Water Year 2016.
Augment Water Supply	Long-term efforts to augment supply included: (1) Continued participation in the CPUC rate hearing process to review elements of the Monterey Peninsula Water Supply Project (MPWSP); (2) Participated in meetings intended to resolve concerns about MPWSP construction, operations, financing, management and oversight; (3) Participated on Technical Advisory Committee to the Monterey Peninsula Regional Water Authority; (4) Operated Aquifer Storage and Recovery (ASR) Phase 1 and 2 projects in WY 2016; (5) performed preliminary injection test on second ASR Phase 2 injection well Seaside Middle School site; (6) Held regular coordination meetings with Cal-Am regarding planned infrastructure upgrades to deliver water supply to the ASR project wells at full capacity; (7)

MITIGATION ACTION	MAJOR ACCOMPLISHMENTS
	<p>Conducted additional work related to alternative desalination plant sites; (9) Provided technical support to the Monterey Regional Water Pollution Control Agency (MRWPCA) for the Groundwater Replenishment Project (GRP) and received presentations by MRWPCA; (10) Participated in CPUC hearing process on Cal-Am related rate requests.</p> <p>Other ongoing activities included: (1) Served as member of both the Seaside Basin Watermaster Board and as the Technical Advisory Committee; (2) Delivered several database products to the Watermaster and its consultants under the District’s contract for the required Seaside Basin Monitoring and Management Plan; (3) Continued participation in a technical role regarding removal of San Clemente Dam and associated sediment management.</p>
Allocate New Supply	Remained within Water Allocation Program limits.
Determine Drought Reserve	Rationing was not required due to maintenance of adequate storage reserve.
Steelhead Fishery Program	<p>The surface flow of the Carmel River dropped to below 10 cfs at the Highway 1 Bridge May 22, 2015 and District staff began full-scale rescues. Rescues were conducted over a four-month period (May 22 - September 28, 2015) between the Highway 1 Bridge (River Mile [RM] 1.0) and Robinson Canyon Bridge (RM 8.5) plus an additional 2.5 mile reach from Cal-Am’s West Garzas Well area to Rosies Bridge on Esquiline Road (RM 12 – 14.5). During this period staff conducted 67 rescue operations over 10 miles, yielding a total of 2,521 steelhead including: 2,231 young-of-the-year (YOY), 244 yearlings (1+), 30 resident adults (> 12” length), 1 kelt and 15 mortalities (0.59%). This total translates to 252 fish-per-mile (fpm) or 0.05 fish-per-lineal-foot (fpf). Since 1989, District staff has rescued 426,154 steelhead from drying reaches in the mainstem Carmel River. Compared to previous rescue seasons, rescue totals in the 2015 dry season was only 16% the 1989-2015 average of 15,783, as described in Section XVI.</p>
Riparian Habitat Program	<p>Continued revegetation efforts at exposed banks with little or no vegetation located between Via Mallorca and Esquiline Roads; Contracted to collect channel profile data and limited cross section data from the Carmel River for use in maintaining a long-term record and comparing to the past and future data; Made public presentations showing MPWMD-sponsored restoration work over the past 25 years; Continued long-term</p>

MITIGATION ACTION	MAJOR ACCOMPLISHMENTS
	<p>monitoring of physical and biological processes along the river in order to evaluate the District’s river management activities; Continued the annual inspections of the Carmel River from the upstream end of the lagoon to Camp Steffani; Walked the entire river to observe and record erosion damage, conditions that could cause erosion, riparian ordinance infractions, and the overall condition of the riparian corridor; Continued enforcement actions to address serious violations of District riparian ordinances; Carried out vegetation management activities; Developed an Integrated Regional Water Management Plan; Operated under Routine Maintenance Agreement with CDFW for MPWMD vegetation maintenance activities.</p>
<p>Lagoon Habitat Program</p>	<p>The District continues to support and encourage the ongoing habitat restoration efforts in the wetlands and riparian areas surrounding the Carmel River Lagoon. These efforts are consistent with goals that were identified in the Carmel River Lagoon Enhancement Plan, which was partially funded by the District. The District continues to work with various agencies and landowners to implement ongoing restoration of the Odello West property and future restoration of the Odello East property across the highway. The District also surveyed and analyzed four bathymetric transects, participated in interagency meetings regarding management of lagoon in winter storm events (see also steelhead efforts that benefit lagoon) and monitored lagoon stage.</p>
<p>Aesthetic Measures</p>	<p>See Riparian Habitat Program measures in Section XVII.</p>

ITEM: CONSENT CALENDAR**9. CONSIDER ADOPTION OF TREASURER'S REPORT FOR FEBRUARY 2017**

Meeting Date:	April 19, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Suresh Prasad	Cost Estimate:	N/A

General Counsel Review: N/A**Committee Recommendation:** The Administrative Committee considered this item on April 10, 2017 and recommended approval.**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Exhibit 9-A comprises the Treasurer's Report for February 2017. Exhibit 9-B, Exhibit 9-C and Exhibit 9-D are listings of check disbursements for the period February 1-28, 2017. Check Nos. 28491 through 28659, the direct deposits of employee's paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$446,088.49. That amount included \$14,677.67 for conservation rebates. Exhibit 9-E reflects the unaudited version of the financial statements for the month ending February 28, 2017.

RECOMMENDATION: District staff recommends adoption of the February 2017 Treasurer's Report and financial statements, and ratification of the disbursements made during the month. The Administrative Committee reviewed this item at its April 10, 2017 meeting and voted 3 to 0 to recommend approval.

EXHIBITS

- 9-A** Treasurer's Report
- 9-B** Listing of Cash Disbursements-Regular
- 9-C** Listing of Cash Disbursements-Payroll
- 9-D** Listing of Other Bank Items
- 9-E** Financial Statements

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
TREASURER'S REPORT FOR FEBRUARY 2017**

<u>Description</u>							PB
	<u>Checking</u>	<u>MPWMD Money Market</u>	<u>L.A.I.F.</u>	<u>Wells Fargo Investments</u>	<u>MPWME Total</u>	<u>Rabobank Line of Credit</u>	<u>Reclamation Money Market</u>
Beginning Balance	\$26,853.00	\$678,521.41	\$1,702,951.00	\$1,513,699.23	\$ 3,922,024.64	\$0.00	\$200,288.56
Fee Deposits		285,856.91			285,856.91		426,655.78
Line of Credit Draw/Payoff					0.00		
Interest		10.77		4.37	15.14		5.76
Transfer to/from LAIF					0.00		
Transfer-Money Market to Checking	\$400,000.00	(400,000.00)			0.00		
Transfer-Money Market to W/Fargo					0.00		
Transfer-W/Fargo to Money Market					0.00		
W/Fargo-Investment Purchase					0.00		
Transfer Ckg to MPWMD M/Mrkt					0.00		
MoCo Tax & WS Chg Installment Pymt					0.00		
Transfer to CAWD					0.00		(190,000.00)
Voided Cks					0.00		
Bank Corrections/Reversals/Errors					0.00		
Bank Charges/Rtn'd Deposits/Other	(\$254.32)	(29.70)			(284.02)		(10.00)
Payroll Tax Deposits	(34,864.23)				(34,864.23)		
Payroll Checks/Direct Deposits	(119,615.92)				(119,615.92)		
General Checks	(291,354.02)				(291,354.02)		
Bank Draft Payments					0.00		
Ending Balance	(\$19,235.49)	\$564,359.39	\$1,702,951.00	\$1,513,703.60	\$3,761,778.50	\$0.00	\$436,940.10

Check Report

By Check Number

Date Range: 02/01/2017 - 02/28/2017



Monterey Peninsula Water Management Dist

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK	-Bank of America Checking					
00249	A.G. Davi, LTD	02/03/2017	Regular	0.00	395.00	28535
01188	Alhambra	02/03/2017	Regular	0.00	85.33	28536
04042	Cabelas Government Outfitters	02/03/2017	Regular	0.00	330.30	28537
01195	California Dept. of Fish & Wildlife	02/03/2017	Regular	0.00	5,000.00	28538
13577	California Regional Water Quality Control Board, C	02/03/2017	Regular	0.00	200.00	28539
00243	CalPers Long Term Care Program	02/03/2017	Regular	0.00	50.06	28540
01001	CDW Government	02/03/2017	Regular	0.00	1,017.34	28541
13434	Chris L. Brown	02/03/2017	Regular	0.00	190.37	28542
00230	Cisco WebEx, LLC	02/03/2017	Regular	0.00	197.80	28543
00028	Colantuono, Highsmith, & Whatley, PC	02/03/2017	Regular	0.00	308.80	28544
06001	Cypress Coast Ford	02/03/2017	Regular	0.00	3,417.66	28545
07624	Franchise Tax Board	02/03/2017	Regular	0.00	35.00	28546
07624	Franchise Tax Board	02/03/2017	Regular	0.00	87.98	28547
12655	Graphicsmiths	02/03/2017	Regular	0.00	137.50	28548
12191	Gutierrez Consultants	02/03/2017	Regular	0.00	1,085.00	28549
00993	Harris Court Business Park	02/03/2017	Regular	0.00	721.26	28550
00768	ICMA	02/03/2017	Regular	0.00	4,840.09	28551
04717	Inder Osahan	02/03/2017	Regular	0.00	1,149.00	28552
00094	John Arriaga	02/03/2017	Regular	0.00	2,500.00	28553
06745	KBA Docusys - Lease Payments	02/03/2017	Regular	0.00	943.95	28554
05829	Mark Bekker	02/03/2017	Regular	0.00	600.00	28555
12658	McC Campbell Analytical, Inc.	02/03/2017	Regular	0.00	24.00	28556
13396	Navia Benefit Solutions, Inc.	02/03/2017	Regular	0.00	975.38	28557
04032	Normandeau Associates, Inc.	02/03/2017	Regular	0.00	17,673.75	28558
00256	PERS Retirement	02/03/2017	Regular	0.00	13,638.24	28559
00282	PG&E	02/03/2017	Regular	0.00	3,112.83	28560
00282	PG&E	02/03/2017	Regular	0.00	429.43	28561
00282	PG&E	02/03/2017	Regular	0.00	1,856.27	28562
09989	Star Sanitation Services	02/03/2017	Regular	0.00	86.11	28563
09351	Tetra Tech, Inc.	02/03/2017	Regular	0.00	19,001.76	28564
00207	Universal Staffing Inc.	02/03/2017	Regular	0.00	811.20	28565
00221	Verizon Wireless	02/03/2017	Regular	0.00	677.86	28566
11451	Western Weather Group	02/03/2017	Regular	0.00	680.59	28567
11822	CSC	02/10/2017	Regular	0.00	2,000.00	28571
04041	Cynthia Schmidlin	02/10/2017	Regular	0.00	610.17	28572
00761	Delores Cofer	02/10/2017	Regular	0.00	405.00	28573
00758	FedEx	02/10/2017	Regular	0.00	115.55	28574
00277	Home Depot Credit Services	02/10/2017	Regular	0.00	157.79	28575
00769	Laborers Trust Fund of Northern CA	02/10/2017	Regular	0.00	27,775.00	28576
00222	M.J. Murphy	02/10/2017	Regular	0.00	15.02	28577
00259	Marina Coast Water District	02/10/2017	Regular	0.00	71.97	28578
00259	Marina Coast Water District	02/10/2017	Regular	0.00	1,355.15	28579
12658	McC Campbell Analytical, Inc.	02/10/2017	Regular	0.00	132.00	28580
00118	Monterey Bay Carpet & Janitorial Svc	02/10/2017	Regular	0.00	1,000.00	28581
00274	MRWPCA	02/10/2017	Regular	0.00	148.21	28582
00225	Palace Office Supply	02/10/2017	Regular	0.00	498.40	28583
00154	Peninsula Messenger Service	02/10/2017	Regular	0.00	465.00	28584
00755	Peninsula Welding Supply, Inc.	02/10/2017	Regular	0.00	74.00	28585
00159	Pueblo Water Resources, Inc.	02/10/2017	Regular	0.00	3,514.40	28586
00262	Pure H2O	02/10/2017	Regular	0.00	64.41	28587
04709	Sherron Forsgren	02/10/2017	Regular	0.00	650.33	28588
00990	Smith-Root, Inc.	02/10/2017	Regular	0.00	279.11	28589
04719	Telit Wireless Solutions	02/10/2017	Regular	0.00	236.14	28590
00207	Universal Staffing Inc.	02/10/2017	Regular	0.00	811.20	28591

EXHIBIT 9-B

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Check Report

Date Range: 02/01/2017 - 02/28/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
04348	Water Education Foundation	02/10/2017	Regular	0.00	750.00	28592
00994	Whitson Engineers	02/10/2017	Regular	0.00	118.50	28593
00763	ACWA-JPIA	02/10/2017	Regular	0.00	440.25	28594
00263	Arlene Tavani	02/10/2017	Regular	0.00	37.97	28595
00253	AT&T	02/10/2017	Regular	0.00	1,445.56	28596
12188	Brown and Caldwell	02/10/2017	Regular	0.00	8,281.83	28597
00252	Cal-Am Water	02/10/2017	Regular	0.00	87.93	28598
00252	Cal-Am Water	02/10/2017	Regular	0.00	83.51	28599
04351	Carmel Chamber of Commerce	02/10/2017	Regular	0.00	675.00	28600
13577	California Regional Water Quality Control Board, C	02/14/2017	Regular	0.00	520.00	28601
00760	Andy Bell	02/17/2017	Regular	0.00	699.00	28603
00036	Bill Parham	02/17/2017	Regular	0.00	650.00	28604
00252	Cal-Am Water	02/17/2017	Regular	0.00	176.78	28605
13577	California Regional Water Quality Control Board, C	02/17/2017	Regular	0.00	720.00	28606
00243	CalPers Long Term Care Program	02/17/2017	Regular	0.00	50.06	28607
01001	CDW Government	02/17/2017	Regular	0.00	3,560.87	28608
00281	CoreLogic Information Solutions, Inc.	02/17/2017	Regular	0.00	341.00	28609
00046	De Lay & Laredo	02/17/2017	Regular	0.00	20,866.00	28610
13077	Enviro-Equipment, Inc.	02/17/2017	Regular	0.00	1,500.00	28611
00192	Extra Space Storage	02/17/2017	Regular	0.00	742.00	28612
07624	Franchise Tax Board	02/17/2017	Regular	0.00	87.98	28613
07624	Franchise Tax Board	02/17/2017	Regular	0.00	35.00	28614
00083	Hayashi & Wayland Accountancy Corp.	02/17/2017	Regular	0.00	16,200.00	28615
08929	HDR Engineering, Inc.	02/17/2017	Regular	0.00	15,482.39	28616
00768	ICMA	02/17/2017	Regular	0.00	4,840.09	28617
03857	Joe Oliver	02/17/2017	Regular	0.00	1,149.00	28618
00094	John Arriaga	02/17/2017	Regular	0.00	2,500.00	28619
13431	Lynx Technologies, Inc	02/17/2017	Regular	0.00	675.00	28620
00222	M.J. Murphy	02/17/2017	Regular	0.00	38.64	28621
00242	MBAS	02/17/2017	Regular	0.00	7,955.00	28622
13396	Navia Benefit Solutions, Inc.	02/17/2017	Regular	0.00	975.38	28623
13396	Navia Benefit Solutions, Inc.	02/17/2017	Regular	0.00	787.00	28624
00755	Peninsula Welding Supply, Inc.	02/17/2017	Regular	0.00	166.99	28625
00256	PERS Retirement	02/17/2017	Regular	0.00	13,638.24	28626
00282	PG&E	02/17/2017	Regular	0.00	10,333.11	28627
00282	PG&E	02/17/2017	Regular	0.00	10.18	28628
00282	PG&E	02/17/2017	Regular	0.00	10.52	28629
00282	PG&E	02/17/2017	Regular	0.00	3,298.21	28630
00282	PG&E	02/17/2017	Regular	0.00	21.39	28631
00282	PG&E	02/17/2017	Regular	0.00	19.51	28632
13430	Premier Global Services	02/17/2017	Regular	0.00	74.42	28633
00752	Professional Liability Insurance Service	02/17/2017	Regular	0.00	56.48	28634
00159	Pueblo Water Resources, Inc.	02/17/2017	Regular	0.00	6,585.00	28635
07627	Purchase Power	02/17/2017	Regular	0.00	1,274.59	28636
13394	Regional Government Services	02/17/2017	Regular	0.00	3,599.00	28637
00176	Sentry Alarm Systems	02/17/2017	Regular	0.00	125.50	28638
00283	SHELL	02/17/2017	Regular	0.00	612.50	28639
00258	TBC Communications & Media	02/17/2017	Regular	0.00	4,100.00	28640
00203	ThyssenKrup Elevator	02/17/2017	Regular	0.00	583.35	28641
00271	UPEC, Local 792	02/17/2017	Regular	0.00	1,128.68	28642
00010	Access Monterey Peninsula	02/27/2017	Regular	0.00	160.00	28643
00253	AT&T	02/27/2017	Regular	0.00	61.93	28644
00253	AT&T	02/27/2017	Regular	0.00	241.32	28645
00243	CalPers Long Term Care Program	02/27/2017	Regular	0.00	50.06	28646
00024	Central Coast Exterminator	02/27/2017	Regular	0.00	104.00	28647
00758	FedEx	02/27/2017	Regular	0.00	411.70	28648
12191	Gutierrez Consultants	02/27/2017	Regular	0.00	325.50	28649
00993	Harris Court Business Park	02/27/2017	Regular	0.00	721.26	28650
06745	KBA Docusys - Lease Payments	02/27/2017	Regular	0.00	943.95	28651
12658	McC Campbell Analytical, Inc.	02/27/2017	Regular	0.00	84.00	28652
01002	Monterey County Clerk	02/27/2017	Regular	0.00	50.00	28653

EXHIBIT 9-B

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Check Report

Date Range: 02/01/2017 - 02/28/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
04034	Monterey County Tax Collector	02/27/2017	Regular	0.00	198.90	28654
04032	Normandeau Associates, Inc.	02/27/2017	Regular	0.00	8,943.75	28655
00225	Palace Office Supply	02/27/2017	Regular	0.00	118.12	28656
00282	PG&E	02/27/2017	Regular	0.00	373.14	28657
00766	Standard Insurance Company	02/27/2017	Regular	0.00	1,518.20	28658
00207	Universal Staffing Inc.	02/27/2017	Regular	0.00	1,622.40	28659

Bank Code APBNK

Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	164	121	0.00	276,676.35
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	164	121	0.00	276,676.35

EXHIBIT 9-B

Check Report

Date Range: 02/01/2017 - 02/28/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: REBATES-02-Rebates: Use Only For Rebates						
13517	AIMEE BURKE	02/03/2017	Regular	0.00	500.00	28491
13562	ALAN SPARKMAN	02/03/2017	Regular	0.00	125.00	28492
13507	ANGELITA MALDONADO	02/03/2017	Regular	0.00	196.00	28493
13551	Arakady Godin	02/03/2017	Regular	0.00	418.59	28494
13504	BERNADINE PHILLIPSEN	02/03/2017	Regular	0.00	100.00	28495
13514	CARMELLA A TOCE	02/03/2017	Regular	0.00	500.00	28496
13553	Custom House Realty	02/03/2017	Regular	0.00	100.00	28497
13571	DANIEL DECAMP	02/03/2017	Regular	0.00	499.99	28498
13567	DAVID FRIED	02/03/2017	Regular	0.00	459.12	28499
13565	DEBORAH B. BROWN	02/03/2017	Regular	0.00	499.99	28500
13568	DIANA STAINES	02/03/2017	Regular	0.00	500.00	28501
13559	DIANA WHEELER	02/03/2017	Regular	0.00	100.00	28502
13558	DIEGO ANEA	02/03/2017	Regular	0.00	264.00	28503
13505	ELIZABETH MUELLER	02/03/2017	Regular	0.00	600.00	28504
13566	Eric & Robin Jensen	02/03/2017	Regular	0.00	500.00	28505
13563	GEOFFREY & JANICE WHITE	02/03/2017	Regular	0.00	125.00	28506
13561	GLENN ITANO	02/03/2017	Regular	0.00	125.00	28507
13512	JACKSON DY	02/03/2017	Regular	0.00	500.00	28508
13506	JAMES HEMPHILL	02/03/2017	Regular	0.00	100.00	28509
13516	JOSE HERNANDEZ	02/03/2017	Regular	0.00	500.00	28510
13511	JULIE A WEBB	02/03/2017	Regular	0.00	500.00	28511
13564	Kalyani Gilliam	02/03/2017	Regular	0.00	125.00	28512
13509	Kathryn McKenna	02/03/2017	Regular	0.00	125.00	28513
13569	Kenneth Wentzel	02/03/2017	Regular	0.00	500.00	28514
13576	KIRSTEEN A MAGUIRE	02/03/2017	Regular	0.00	500.00	28515
13560	KRISTOPHER & TENLEY BAXTER	02/03/2017	Regular	0.00	200.00	28516
13575	Lacey & Mark Van Den Ham	02/03/2017	Regular	0.00	499.00	28517
13572	LLOYD PARKER	02/03/2017	Regular	0.00	500.00	28518
13520	Lupe Sanchez	02/03/2017	Regular	0.00	500.00	28519
13574	Mangold Property Management	02/03/2017	Regular	0.00	91.00	28520
13515	NANCY WILLIS	02/03/2017	Regular	0.00	500.00	28521
13552	OLIPHANT FAMILY TRUST	02/03/2017	Regular	0.00	300.00	28522
13554	Paramount Properties	02/03/2017	Regular	0.00	100.00	28523
13573	RALPH SAND III	02/03/2017	Regular	0.00	300.00	28524
13556	RICHARD & ANN BARBER	02/03/2017	Regular	0.00	200.00	28525
13557	RICHARD & ANN BARBER	02/03/2017	Regular	0.00	200.00	28526
13518	RICHARD CHEW	02/03/2017	Regular	0.00	500.00	28527
13519	RONALD PINSKY	02/03/2017	Regular	0.00	775.00	28528
13570	RUTH CARROLL	02/03/2017	Regular	0.00	499.99	28529
13510	TAMMY CONSOLI	02/03/2017	Regular	0.00	125.00	28530
13555	Tom Mangold	02/03/2017	Regular	0.00	100.00	28531
13550	TOMIKO DE MELLO	02/03/2017	Regular	0.00	200.00	28532
13508	WILLIAM KUCHER	02/03/2017	Regular	0.00	125.00	28533
13513	WILLIAM KUCHER	02/03/2017	Regular	0.00	499.99	28534

Bank Code REBATES-02 Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	44	44	0.00	14,677.67
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	44	44	0.00	14,677.67

Fund Summary

Fund	Name	Period	Amount
99	POOL CASH FUND	2/2017	291,354.02
			<hr/>
			291,354.02

EXHIBIT 9-C

Payroll Bank Transaction Report - MPWMD



Monterey Peninsula Water Management Dist

By Payment Number

Date: 2/1/2017 - 2/28/2017

Payroll Set: 01 - Monterey Peninsula Water Management District

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
2772	02/03/2017	Regular	1024	Stoldt, David J	0.00	5,177.78	5,177.78
2773	02/03/2017	Regular	1025	Tavani, Arlene M	0.00	1,902.95	1,902.95
2774	02/03/2017	Regular	1006	Dudley, Mark A	0.00	2,632.98	2,632.98
2775	02/03/2017	Regular	1039	Flores, Elizabeth	0.00	1,858.30	1,858.30
2776	02/03/2017	Regular	1018	Prasad, Suresh	0.00	3,666.78	3,666.78
2777	02/03/2017	Regular	1019	Reyes, Sara C	0.00	1,811.44	1,811.44
2778	02/03/2017	Regular	1022	Soto, Paula	0.00	1,378.14	1,378.14
2779	02/03/2017	Regular	1002	Bekker, Mark	0.00	1,676.09	1,676.09
2780	02/03/2017	Regular	1005	Christensen, Thomas T	0.00	2,626.91	2,626.91
2781	02/03/2017	Regular	1042	Hamilton, Maureen C.	0.00	2,739.74	2,739.74
2782	02/03/2017	Regular	1008	Hampson, Larry M	0.00	3,301.65	3,301.65
2783	02/03/2017	Regular	1009	James, Gregory W	0.00	3,074.22	3,074.22
2784	02/03/2017	Regular	1011	Lear, Jonathan P	0.00	2,814.35	2,814.35
2785	02/03/2017	Regular	1012	Lindberg, Thomas L	0.00	2,237.74	2,237.74
2786	02/03/2017	Regular	1013	Lyons, Matthew J	0.00	1,650.93	1,650.93
2787	02/03/2017	Regular	1023	Stern, Henrietta L	0.00	532.72	532.72
2788	02/03/2017	Regular	6028	Atkins, Daniel N	0.00	190.71	190.71
2789	02/03/2017	Regular	1004	Chaney, Beverly M	0.00	2,196.11	2,196.11
2790	02/03/2017	Regular	1007	Hamilton, Cory R	0.00	2,086.85	2,086.85
2791	02/03/2017	Regular	1043	Suwada, Joseph	0.00	1,685.56	1,685.56
2792	02/03/2017	Regular	1026	Urquhart, Kevan A	0.00	1,720.76	1,720.76
2793	02/03/2017	Regular	1001	Ayala, Gabriela D	0.00	1,760.21	1,760.21
2794	02/03/2017	Regular	1041	Gonnerman, Maryan C	0.00	1,547.79	1,547.79
2795	02/03/2017	Regular	1010	Kister, Stephanie L	0.00	1,802.97	1,802.97
2796	02/03/2017	Regular	1017	Locke, Stephanie L	0.00	2,775.32	2,775.32
2797	02/03/2017	Regular	1014	Martin, Debra S	0.00	1,909.51	1,909.51
2798	02/03/2017	Regular	1040	Smith, Kyle	0.00	1,512.25	1,512.25
2799	02/10/2017	Regular	7015	Adams, Mary L	0.00	120.02	120.02
2800	02/10/2017	Regular	7013	Clarke, Andrew	0.00	423.77	423.77
2801	02/10/2017	Regular	7014	Evans, Molly F	0.00	249.34	249.34
2802	02/10/2017	Regular	7003	Lewis, Brenda	0.00	124.67	124.67
2803	02/17/2017	Regular	1024	Stoldt, David J	0.00	5,177.78	5,177.78
2804	02/17/2017	Regular	1025	Tavani, Arlene M	0.00	1,902.96	1,902.96
2805	02/17/2017	Regular	1006	Dudley, Mark A	0.00	2,632.97	2,632.97
2806	02/17/2017	Regular	1039	Flores, Elizabeth	0.00	1,858.31	1,858.31
2807	02/17/2017	Regular	1018	Prasad, Suresh	0.00	3,666.78	3,666.78
2808	02/17/2017	Regular	1019	Reyes, Sara C	0.00	1,811.43	1,811.43
2809	02/17/2017	Regular	1022	Soto, Paula	0.00	1,460.55	1,460.55
2810	02/17/2017	Regular	1002	Bekker, Mark	0.00	1,676.10	1,676.10
2811	02/17/2017	Regular	1005	Christensen, Thomas T	0.00	2,626.91	2,626.91
2812	02/17/2017	Regular	1042	Hamilton, Maureen C.	0.00	2,739.75	2,739.75
2813	02/17/2017	Regular	1008	Hampson, Larry M	0.00	3,301.65	3,301.65
2814	02/17/2017	Regular	1009	James, Gregory W	0.00	3,074.21	3,074.21
2815	02/17/2017	Regular	6034	Kleven, Alana K	0.00	492.85	492.85
2816	02/17/2017	Regular	1011	Lear, Jonathan P	0.00	2,814.35	2,814.35
2817	02/17/2017	Regular	1012	Lindberg, Thomas L	0.00	2,237.74	2,237.74
2818	02/17/2017	Regular	1013	Lyons, Matthew J	0.00	1,650.93	1,650.93
2819	02/17/2017	Regular	1023	Stern, Henrietta L	0.00	651.09	651.09
2820	02/17/2017	Regular	6028	Atkins, Daniel N	0.00	190.71	190.71
2821	02/17/2017	Regular	1004	Chaney, Beverly M	0.00	2,196.12	2,196.12
2822	02/17/2017	Regular	1007	Hamilton, Cory R	0.00	2,086.86	2,086.86
2823	02/17/2017	Regular	1043	Suwada, Joseph	0.00	1,698.35	1,698.35
2824	02/17/2017	Regular	1026	Urquhart, Kevan A	0.00	1,720.77	1,720.77
2825	02/17/2017	Regular	1001	Ayala, Gabriela D	0.00	1,760.21	1,760.21
2826	02/17/2017	Regular	1041	Gonnerman, Maryan C	0.00	1,547.80	1,547.80
2827	02/17/2017	Regular	1010	Kister, Stephanie L	0.00	1,802.96	1,802.96
2828	02/17/2017	Regular	1017	Locke, Stephanie L	0.00	2,775.32	2,775.32

EXHIBIT 9-C

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
2829	02/17/2017	Regular	1014	Martin, Debra S	0.00	1,909.51	1,909.51
2830	02/17/2017	Regular	1040	Smith, Kyle	0.00	1,512.25	1,512.25
28568	02/10/2017	Regular	7006	Brower, Sr., Robert S	249.34	0.00	249.34
28569	02/10/2017	Regular	7007	Byrne, Jeannie	498.69	0.00	498.69
28570	02/10/2017	Regular	7001	Pendergrass, David K	374.02	0.00	374.02
28602	02/17/2017	Regular	6007	Delay, Thomas E	328.09	0.00	328.09
Totals:					1,450.14	118,165.78	119,615.92



Monterey Peninsula Water Management Dist

Bank Transaction Report

Transaction Detail

Issued Date Range: 02/01/2017 - 02/28/2017

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Bank Account: 111 - Bank of America Checking - 0000 8170 8210							
02/03/2017	02/28/2017	DFT0000856	I.R.S.	Accounts Payable	Cleared	Bank Draft	-10,775.50
02/03/2017	02/28/2017	DFT0000857	I.R.S.	Accounts Payable	Cleared	Bank Draft	-2,374.40
02/03/2017	02/28/2017	DFT0000858	Employment Development Dept.	Accounts Payable	Cleared	Bank Draft	-3,798.89
02/03/2017	02/28/2017	DFT0000859	I.R.S.	Accounts Payable	Cleared	Bank Draft	-123.68
02/10/2017	02/28/2017	DFT0000861	I.R.S.	Accounts Payable	Cleared	Bank Draft	-75.38
02/10/2017	02/28/2017	DFT0000862	I.R.S.	Accounts Payable	Cleared	Bank Draft	-66.58
02/10/2017	02/28/2017	DFT0000863	Employment Development Dept.	Accounts Payable	Cleared	Bank Draft	-4.19
02/10/2017	02/28/2017	DFT0000864	I.R.S.	Accounts Payable	Cleared	Bank Draft	-284.58
02/15/2017	02/28/2017	SVC0000111	02/2017 To Post Bank Service Fee	General Ledger	Cleared	Service Charge	-254.32
02/17/2017	02/28/2017	DFT0000866	I.R.S.	Accounts Payable	Cleared	Bank Draft	-10,874.63
02/17/2017	02/28/2017	DFT0000867	I.R.S.	Accounts Payable	Cleared	Bank Draft	-2,408.92
02/17/2017	02/28/2017	DFT0000868	Employment Development Dept.	Accounts Payable	Cleared	Bank Draft	-3,815.60
02/17/2017	02/28/2017	DFT0000869	I.R.S.	Accounts Payable	Cleared	Bank Draft	-261.88
Bank Account 111 Total: (13)							-35,118.55
Report Total: (13)							-35,118.55

EXHIBIT 9-D

Bank Transaction Report

Summary

Bank Account	Count	Amount
111 Bank of America Checking - 0000 8170 8210	13	-35,118.55
Report Total:	13	-35,118.55

Cash Account	Count	Amount
99 99-10-100100 Pool Cash Account	13	-35,118.55
Report Total:	13	-35,118.55

Transaction Type	Count	Amount
Bank Draft	12	-34,864.23
Service Charge	1	-254.32
Report Total:	13	-35,118.55



Monterey Peninsula Water Management Dist

Statement of Revenue Over Expense - No Decimals
Group Summary

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Revenue								
R100 - Water Supply Charge	0	283,220	-283,220	0.00 %	2,037,436	3,400,000	-1,362,564	-59.92 %
R110 - Mitigation Revenue	204,741	209,791	-5,050	-97.59 %	1,228,444	2,518,500	-1,290,056	-48.78 %
R120 - Property Taxes Revenues	0	133,280	-133,280	0.00 %	988,762	1,600,000	-611,238	-61.80 %
R130 - User Fees	0	7,914	-7,914	0.00 %	28,731	95,000	-66,269	-30.24 %
R140 - Connection Charges	49,043	17,701	31,341	-277.06 %	181,589	212,500	-30,911	-85.45 %
R150 - Permit Processing Fee	16,710	14,578	2,133	-114.63 %	138,573	175,000	-36,427	-79.18 %
R160 - Well Registration Fee	25	0	25	0.00 %	1,250	0	1,250	0.00 %
R180 - River Work Permit Application	0	0	0	0.00 %	25	0	25	0.00 %
R190 - WDS Permits Rule 21	3,600	4,665	-1,065	-77.17 %	15,209	56,000	-40,791	-27.16 %
R200 - Recording Fees	1,052	666	386	-157.86 %	8,599	8,000	599	-107.49 %
R210 - Legal Fees	285	833	-548	-34.21 %	1,653	10,000	-8,347	-16.53 %
R220 - Copy Fee	35	0	35	0.00 %	185	0	185	0.00 %
R230 - Miscellaneous - Other	50	1,666	-1,616	-2.98 %	5,725	20,000	-14,275	-28.62 %
R240 - Insurance Refunds	0	0	0	0.00 %	290	0	290	0.00 %
R250 - Interest Income	15	1,666	-1,651	-0.91 %	1,946	20,000	-18,054	-9.73 %
R265 - CAW - Los Padres Reimbursement	0	41,650	-41,650	0.00 %	0	500,000	-500,000	0.00 %
R270 - CAW - Rebates	9,716	83,300	-73,584	-11.66 %	278,721	1,000,000	-721,279	-27.87 %
R280 - CAW - Conservation	0	27,797	-27,797	0.00 %	0	333,700	-333,700	0.00 %
R290 - CAW - Miscellaneous	0	35,561	-35,561	0.00 %	0	426,900	-426,900	0.00 %
R300 - Watermaster	0	6,214	-6,214	0.00 %	0	74,600	-74,600	0.00 %
R308 - Reclamation Project	0	1,666	-1,666	0.00 %	0	20,000	-20,000	0.00 %
R310 - Other Reimbursements	0	2,999	-2,999	0.00 %	0	36,000	-36,000	0.00 %
R320 - Grants	0	27,522	-27,522	0.00 %	-805	330,400	-331,205	0.24 %
R510 - Operating Reserve	0	143,613	-143,613	0.00 %	0	1,724,050	-1,724,050	0.00 %
R695 - Other Financing Sources	0	0	0	0.00 %	0	0	0	0.00 %
Total Revenue:	285,271	1,046,302	-761,031	-27.26 %	4,916,335	12,560,650	-7,644,315	-39.14 %

EXHIBIT 9-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	172,881	200,478	27,597	86.23 %	1,473,809	2,406,700	932,891	61.24 %
1110 - Manager's Auto Allowance	462	500	38	92.34 %	3,692	6,000	2,308	61.54 %
1120 - Manager's Deferred Comp	631	700	69	90.14 %	5,361	8,400	3,039	63.83 %
1130 - Unemployment Compensation	0	250	250	0.00 %	0	3,000	3,000	0.00 %
1140 - Insurance Opt-Out Supplemental	0	808	808	0.00 %	6,557	9,700	3,143	67.59 %
1150 - Temporary Personnel	3,083	3,432	349	89.82 %	34,888	41,200	6,312	84.68 %
1160 - PERS Retirement	16,973	33,953	16,980	49.99 %	342,901	407,600	64,699	84.13 %
1170 - Medical Insurance	26,514	27,814	1,300	95.33 %	205,756	333,900	128,144	61.62 %
1180 - Medical Insurance - Retirees	5,622	4,823	-799	116.57 %	54,152	57,900	3,748	93.53 %
1190 - Workers Compensation	3,372	4,048	676	83.30 %	28,906	48,600	19,694	59.48 %
1200 - Life Insurance	369	541	172	68.15 %	3,140	6,500	3,361	48.30 %
1210 - Long Term Disability Insurance	1,085	1,225	139	88.63 %	8,759	14,700	5,941	59.59 %
1220 - Short Term Disability Insurance	215	283	68	76.08 %	1,739	3,400	1,661	51.14 %
1230 - Other Benefits	0	0	0	0.00 %	787	0	-787	0.00 %
1250 - Moving Expense Reimbursement	0	0	0	0.00 %	116	0	-116	0.00 %
1260 - Employee Assistance Program	59	125	66	47.02 %	485	1,500	1,015	32.36 %
1270 - FICA Tax Expense	377	458	81	82.27 %	4,394	5,500	1,106	79.89 %
1280 - Medicare Tax Expense	2,435	2,999	564	81.19 %	28,436	36,000	7,564	78.99 %
1290 - Staff Development & Training	-20	2,341	2,361	-0.85 %	7,571	28,100	20,529	26.94 %
1300 - Conference Registration	0	367	367	0.00 %	2,580	4,400	1,820	58.64 %
1310 - Professional Dues	115	183	68	62.75 %	941	2,200	1,259	42.77 %
1320 - Personnel Recruitment	60	541	481	11.08 %	1,942	6,500	4,559	29.87 %
Total Level1: 100 - Personnel Costs:	234,232	285,869	51,637	81.94 %	2,216,912	3,431,800	1,214,888	64.60 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	2,970	3,082	112	96.36 %	17,550	37,000	19,450	47.43 %
2020 - Board Expenses	0	833	833	0.00 %	2,305	10,000	7,695	23.05 %
2040 - Rent	1,787	1,933	146	92.47 %	15,329	23,200	7,871	66.07 %
2060 - Utilities	2,132	3,182	1,050	67.01 %	19,706	38,200	18,494	51.59 %
2120 - Insurance Expense	3,405	3,757	352	90.64 %	27,240	45,100	17,860	60.40 %
2130 - Membership Dues	750	2,424	1,674	30.94 %	25,145	29,100	3,955	86.41 %
2140 - Bank Charges	286	333	47	85.83 %	2,785	4,000	1,215	69.61 %
2150 - Office Supplies	262	1,166	904	22.49 %	11,480	14,000	2,520	82.00 %
2160 - Courier Expense	350	650	300	53.87 %	4,534	7,800	3,266	58.13 %
2170 - Printing/Photocopy	0	825	825	0.00 %	148	9,900	9,752	1.50 %
2180 - Postage & Shipping	64	533	469	12.04 %	4,226	6,400	2,174	66.03 %
2190 - IT Supplies/Services	2,203	7,747	5,544	28.44 %	63,317	93,000	29,683	68.08 %
2200 - Professional Fees	14,727	14,161	-566	104.00 %	127,600	170,000	42,400	75.06 %
2220 - Equipment Repairs & Maintenance	0	625	625	0.00 %	2,840	7,500	4,660	37.87 %
2235 - Equipment Lease	944	1,166	222	80.94 %	9,133	14,000	4,867	65.24 %
2240 - Telephone	3,214	3,574	360	89.94 %	26,285	42,900	16,615	61.27 %

EXHIBIT 9-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 02/28/2017**

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2260 - Facility Maintenance	2,659	3,157	498	84.23 %	21,235	37,900	16,665	56.03 %
2270 - Travel Expenses	743	2,674	1,931	27.78 %	9,461	32,100	22,639	29.47 %
2280 - Transportation	808	2,216	1,408	36.47 %	14,138	26,600	12,462	53.15 %
2300 - Legal Services	21,272	33,320	12,048	63.84 %	236,942	400,000	163,058	59.24 %
2380 - Meeting Expenses	33	675	642	4.89 %	2,478	8,100	5,622	30.60 %
2420 - Legal Notices	0	358	358	0.00 %	0	4,300	4,300	0.00 %
2460 - Public Outreach	660	425	-235	155.36 %	3,795	5,100	1,305	74.41 %
2480 - Miscellaneous	199	300	101	66.33 %	424	3,600	3,176	11.79 %
2500 - Tax Administration Fee	0	1,666	1,666	0.00 %	0	20,000	20,000	0.00 %
2900 - Operating Supplies	353	1,566	1,213	22.53 %	10,598	18,800	8,202	56.37 %
Total Level1: 200 - Supplies and Services:	59,822	92,346	32,525	64.78 %	658,697	1,108,600	449,903	59.42 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	97,698	562,283	464,585	17.38 %	1,585,004	6,750,100	5,165,096	23.48 %
4000 - Fixed Asset Purchases	9,219	9,621	402	95.83 %	29,288	115,500	86,212	25.36 %
5000 - Debt Service	0	19,159	19,159	0.00 %	70,424	230,000	159,576	30.62 %
6000 - Contingencies	0	6,248	6,248	0.00 %	0	75,000	75,000	0.00 %
6500 - Reserves	0	70,776	70,776	0.00 %	0	849,650	849,650	0.00 %
Total Level1: 300 - Other Expenses:	106,918	668,087	561,169	16.00 %	1,684,716	8,020,250	6,335,534	21.01 %
Total Expense:	400,972	1,046,302	645,330	38.32 %	4,560,325	12,560,650	8,000,325	36.31 %
Report Total:	-115,700	0	-115,700		356,009	0	356,009	

EXHIBIT 9-E

Statement of Revenue Over Expense - No Decimals

Fund Summary

Fund	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	58,074	0	58,074		-176,700	0	-176,700	
26 - CONSERVATION FUND	-79,190	0	-79,190		-3,240	0	-3,240	
35 - WATER SUPPLY FUND	-94,585	0	-94,585		535,950	0	535,950	
Report Total:	-115,700	0.01	-115,700		356,009	0	356,009	



Monterey Peninsula Water Management Dist

Statement of Revenue Over Expense - No Decimals
Group Summary

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 24 - MITIGATION FUND								
Revenue								
R110 - Mitigation Revenue	204,741	209,791	-5,050	-97.59 %	1,228,444	2,518,500	-1,290,056	-48.78 %
R130 - User Fees	0	7,289	-7,289	0.00 %	24,255	87,500	-63,245	-27.72 %
R160 - Well Registration Fee	25	0	25	0.00 %	1,250	0	1,250	0.00 %
R180 - River Work Permit Application	0	0	0	0.00 %	25	0	25	0.00 %
R190 - WDS Permits Rule 21	3,600	4,665	-1,065	-77.17 %	15,209	56,000	-40,791	-27.16 %
R230 - Miscellaneous - Other	0	833	-833	0.00 %	4,163	10,000	-5,837	-41.63 %
R250 - Interest Income	4	208	-205	-1.71 %	530	2,500	-1,970	-21.22 %
R290 - CAW - Miscellaneous	0	35,561	-35,561	0.00 %	0	426,900	-426,900	0.00 %
R310 - Other Reimbursements	0	2,416	-2,416	0.00 %	0	29,000	-29,000	0.00 %
R320 - Grants	0	16,660	-16,660	0.00 %	-805	200,000	-200,805	0.40 %
R510 - Operating Reserve	0	8,688	-8,688	0.00 %	0	104,300	-104,300	0.00 %
Total Revenue:	208,369	286,111	-77,741	-72.83 %	1,273,072	3,434,700	-2,161,628	-37.07 %

EXHIBIT 9-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	72,619	84,766	12,147	85.67 %	620,678	1,017,600	396,922	60.99 %
1110 - Manager's Auto Allowance	92	100	8	92.34 %	738	1,200	462	61.53 %
1120 - Manager's Deferred Comp	126	142	15	89.09 %	1,072	1,700	628	63.08 %
1130 - Unemployment Compensation	0	108	108	0.00 %	0	1,300	1,300	0.00 %
1140 - Insurance Opt-Out Supplemental	0	267	267	0.00 %	1,879	3,200	1,321	58.71 %
1150 - Temporary Personnel	0	42	42	0.00 %	3,585	500	-3,085	717.03 %
1160 - PERS Retirement	7,199	14,369	7,171	50.10 %	145,371	172,500	27,129	84.27 %
1170 - Medical Insurance	10,873	11,729	856	92.70 %	86,765	140,800	54,035	61.62 %
1180 - Medical Insurance - Retirees	2,361	2,074	-287	113.85 %	22,744	24,900	2,156	91.34 %
1190 - Workers Compensation	2,123	2,482	359	85.54 %	18,538	29,800	11,262	62.21 %
1200 - Life Insurance	176	242	66	72.80 %	1,448	2,900	1,452	49.93 %
1210 - Long Term Disability Insurance	468	525	57	89.18 %	3,808	6,300	2,492	60.44 %
1220 - Short Term Disability Insurance	93	117	24	79.73 %	756	1,400	644	54.01 %
1230 - Other Benefits	0	0	0	0.00 %	331	0	-331	0.00 %
1250 - Moving Expense Reimbursement	0	0	0	0.00 %	116	0	-116	0.00 %
1260 - Employee Assistance Program	24	50	26	48.30 %	203	600	397	33.87 %
1270 - FICA Tax Expense	243	292	49	83.31 %	3,545	3,500	-45	101.30 %
1280 - Medicare Tax Expense	1,068	1,266	198	84.38 %	12,603	15,200	2,597	82.92 %
1290 - Staff Development & Training	279	841	562	33.21 %	3,840	10,100	6,260	38.02 %
1300 - Conference Registration	0	125	125	0.00 %	496	1,500	1,004	33.04 %
1310 - Professional Dues	115	67	-48	172.57 %	305	800	495	38.10 %
1320 - Personnel Recruitment	60	225	165	26.68 %	917	2,700	1,783	33.96 %
Total Level1: 100 - Personnel Costs:	97,920	119,827	21,907	81.72 %	929,738	1,438,500	508,762	64.63 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	1,247	1,291	44	96.61 %	7,410	15,500	8,090	47.81 %
2020 - Board Expenses	0	350	350	0.00 %	956	4,200	3,245	22.75 %
2040 - Rent	834	900	66	92.72 %	7,146	10,800	3,654	66.16 %
2060 - Utilities	902	1,341	439	67.24 %	8,323	16,100	7,777	51.69 %
2120 - Insurance Expense	1,430	1,574	144	90.84 %	11,441	18,900	7,459	60.53 %
2130 - Membership Dues	315	841	526	37.44 %	10,107	10,100	-7	100.07 %
2140 - Bank Charges	119	142	22	84.23 %	1,172	1,700	528	68.94 %
2150 - Office Supplies	110	475	365	23.20 %	4,840	5,700	860	84.91 %
2160 - Courier Expense	148	275	127	53.91 %	1,905	3,300	1,395	57.74 %
2170 - Printing/Photocopy	0	175	175	0.00 %	62	2,100	2,038	2.96 %
2180 - Postage & Shipping	27	225	198	11.99 %	1,826	2,700	874	67.64 %
2190 - IT Supplies/Services	925	3,257	2,332	28.41 %	26,677	39,100	12,423	68.23 %
2200 - Professional Fees	6,185	5,948	-238	104.00 %	53,572	71,400	17,828	75.03 %
2220 - Equipment Repairs & Maintenance	0	267	267	0.00 %	1,193	3,200	2,007	37.28 %
2235 - Equipment Lease	406	491	86	82.59 %	3,927	5,900	1,973	66.56 %
2240 - Telephone	1,410	1,474	65	95.61 %	11,826	17,700	5,874	66.81 %

EXHIBIT 9-E

101

Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 02/28/2017**

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2260 - Facility Maintenance	1,117	1,341	224	83.28 %	8,926	16,100	7,174	55.44 %
2270 - Travel Expenses	236	883	647	26.73 %	1,583	10,600	9,017	14.93 %
2280 - Transportation	648	858	210	75.56 %	12,625	10,300	-2,325	122.57 %
2300 - Legal Services	9,249	9,330	81	99.14 %	105,388	112,000	6,612	94.10 %
2380 - Meeting Expenses	14	200	186	6.93 %	1,068	2,400	1,332	44.52 %
2420 - Legal Notices	0	158	158	0.00 %	0	1,900	1,900	0.00 %
2460 - Public Outreach	117	175	58	66.88 %	1,046	2,100	1,054	49.79 %
2480 - Miscellaneous	84	125	41	66.86 %	99	1,500	1,401	6.58 %
2900 - Operating Supplies	148	192	43	77.34 %	521	2,300	1,779	22.63 %
Total Level1: 200 - Supplies and Services:	25,672	32,287	6,615	79.51 %	283,639	387,600	103,961	73.18 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	22,831	58,464	35,633	39.05 %	224,405	701,850	477,445	31.97 %
4000 - Fixed Asset Purchases	3,872	2,132	-1,740	181.58 %	11,991	25,600	13,609	46.84 %
6000 - Contingencies	0	2,624	2,624	0.00 %	0	31,500	31,500	0.00 %
6500 - Reserves	0	70,776	70,776	0.00 %	0	849,650	849,650	0.00 %
Total Level1: 300 - Other Expenses:	26,703	133,996	107,293	19.93 %	236,396	1,608,600	1,372,204	14.70 %
Total Expense:	150,295	286,111	135,815	52.53 %	1,449,773	3,434,700	1,984,927	42.21 %
Total Revenues	208,369	286,111	-77,741	-72.83 %	1,273,072	3,434,700	-2,161,628	-37.07 %
Total Fund: 24 - MITIGATION FUND:	58,074	0	58,074		-176,700	0	-176,700	

EXHIBIT 9-E

102

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 26 - CONSERVATION FUND								
Revenue								
R120 - Property Taxes Revenues	0	0	0	0.00 %	618,965	0	618,965	0.00 %
R130 - User Fees	0	625	-625	0.00 %	4,476	7,500	-3,024	-59.68 %
R150 - Permit Processing Fee	16,710	14,578	2,133	-114.63 %	138,573	175,000	-36,427	-79.18 %
R200 - Recording Fees	1,052	666	386	-157.86 %	8,599	8,000	599	-107.49 %
R210 - Legal Fees	285	833	-548	-34.21 %	1,653	10,000	-8,347	-16.53 %
R230 - Miscellaneous - Other	0	0	0	0.00 %	500	0	500	0.00 %
R250 - Interest Income	3	292	-289	-0.96 %	730	3,500	-2,770	-20.86 %
R270 - CAW - Rebates	9,716	83,300	-73,584	-11.66 %	278,721	1,000,000	-721,279	-27.87 %
R280 - CAW - Conservation	0	27,797	-27,797	0.00 %	0	333,700	-333,700	0.00 %
R310 - Other Reimbursements	0	500	-500	0.00 %	0	6,000	-6,000	0.00 %
R320 - Grants	0	1,666	-1,666	0.00 %	0	20,000	-20,000	0.00 %
R510 - Operating Reserve	0	200	-200	0.00 %	0	2,400	-2,400	0.00 %
R695 - Other Financing Sources	0	83,433	-83,433	0.00 %	0	1,001,600	-1,001,600	0.00 %
Total Revenue:	27,766	213,889	-186,124	-12.98 %	1,052,218	2,567,700	-1,515,482	-40.98 %

EXHIBIT 9-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	38,666	46,556	7,890	83.05 %	345,103	558,900	213,797	61.75 %
1110 - Manager's Auto Allowance	92	100	8	92.34 %	738	1,200	462	61.53 %
1120 - Manager's Deferred Comp	126	142	15	89.09 %	1,072	1,700	628	63.08 %
1130 - Unemployment Compensation	0	58	58	0.00 %	0	700	700	0.00 %
1140 - Insurance Opt-Out Supplemental	0	267	267	0.00 %	1,879	3,200	1,321	58.71 %
1150 - Temporary Personnel	3,083	3,357	274	91.83 %	28,472	40,300	11,828	70.65 %
1160 - PERS Retirement	3,668	7,247	3,579	50.62 %	72,384	87,000	14,616	83.20 %
1170 - Medical Insurance	6,788	7,489	701	90.64 %	54,997	89,900	34,903	61.18 %
1180 - Medical Insurance - Retirees	1,518	1,158	-360	131.11 %	14,621	13,900	-721	105.19 %
1190 - Workers Compensation	147	208	62	70.40 %	1,344	2,500	1,156	53.74 %
1200 - Life Insurance	82	117	34	70.49 %	722	1,400	678	51.54 %
1210 - Long Term Disability Insurance	250	300	50	83.42 %	2,111	3,600	1,489	58.65 %
1220 - Short Term Disability Insurance	50	67	17	74.64 %	420	800	380	52.44 %
1230 - Other Benefits	0	0	0	0.00 %	212	0	-212	0.00 %
1260 - Employee Assistance Program	15	33	18	45.29 %	131	400	269	32.78 %
1270 - FICA Tax Expense	50	83	34	59.69 %	287	1,000	713	28.66 %
1280 - Medicare Tax Expense	561	708	147	79.24 %	5,573	8,500	2,927	65.56 %
1290 - Staff Development & Training	-321	758	1,079	-42.36 %	3,053	9,100	6,047	33.55 %
1300 - Conference Registration	0	133	133	0.00 %	1,719	1,600	-119	107.41 %
1310 - Professional Dues	0	50	50	0.00 %	378	600	222	62.99 %
1320 - Personnel Recruitment	0	150	150	0.00 %	325	1,800	1,475	18.05 %
Total Level1: 100 - Personnel Costs:	54,775	68,981	14,206	79.41 %	535,540	828,100	292,560	64.67 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	802	833	31	96.27 %	4,621	10,000	5,379	46.21 %
2020 - Board Expenses	0	225	225	0.00 %	614	2,700	2,086	22.75 %
2040 - Rent	200	225	25	89.08 %	1,754	2,700	947	64.94 %
2060 - Utilities	555	850	295	65.28 %	5,183	10,200	5,017	50.82 %
2120 - Insurance Expense	919	1,016	97	90.47 %	7,355	12,200	4,845	60.29 %
2130 - Membership Dues	203	950	747	21.32 %	7,578	11,400	3,822	66.48 %
2140 - Bank Charges	77	92	15	83.70 %	798	1,100	302	72.55 %
2150 - Office Supplies	71	325	254	21.79 %	2,864	3,900	1,036	73.44 %
2160 - Courier Expense	91	175	84	51.96 %	1,221	2,100	879	58.12 %
2170 - Printing/Photocopy	0	525	525	0.00 %	40	6,300	6,260	0.63 %
2180 - Postage & Shipping	17	133	116	13.00 %	1,069	1,600	531	66.79 %
2190 - IT Supplies/Services	595	2,083	1,488	28.56 %	16,699	25,000	8,301	66.80 %
2200 - Professional Fees	3,976	3,823	-153	104.00 %	34,439	45,900	11,461	75.03 %
2220 - Equipment Repairs & Maintenance	0	167	167	0.00 %	767	2,000	1,233	38.35 %
2235 - Equipment Lease	227	317	90	71.57 %	2,239	3,800	1,561	58.92 %
2240 - Telephone	824	941	117	87.55 %	6,670	11,300	4,630	59.02 %
2260 - Facility Maintenance	718	791	73	90.73 %	5,712	9,500	3,788	60.13 %

EXHIBIT 9-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 02/28/2017**

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2270 - Travel Expenses	132	1,075	943	12.28 %	5,959	12,900	6,941	46.20 %
2280 - Transportation	97	500	403	19.43 %	605	6,000	5,395	10.08 %
2300 - Legal Services	4,439	3,998	-441	111.02 %	33,085	48,000	14,915	68.93 %
2380 - Meeting Expenses	9	325	316	2.74 %	631	3,900	3,269	16.19 %
2420 - Legal Notices	0	58	58	0.00 %	0	700	700	0.00 %
2460 - Public Outreach	427	117	-310	366.15 %	1,269	1,400	131	90.67 %
2480 - Miscellaneous	54	83	30	64.47 %	63	1,000	937	6.34 %
2500 - Tax Administration Fee	0	600	600	0.00 %	0	7,200	7,200	0.00 %
2900 - Operating Supplies	95	1,225	1,129	7.78 %	9,479	14,700	5,221	64.48 %
Total Level1: 200 - Supplies and Services:	14,527	21,450	6,922	67.73 %	150,715	257,500	106,785	58.53 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	35,163	115,929	80,765	30.33 %	361,361	1,391,700	1,030,339	25.97 %
4000 - Fixed Asset Purchases	2,489	5,839	3,350	42.63 %	7,843	70,100	62,257	11.19 %
6000 - Contingencies	0	1,691	1,691	0.00 %	0	20,300	20,300	0.00 %
Total Level1: 300 - Other Expenses:	37,653	123,459	85,806	30.50 %	369,204	1,482,100	1,112,896	24.91 %
Total Expense:	106,955	213,889	106,934	50.00 %	1,055,458	2,567,700	1,512,242	41.11 %
Total Revenues	27,766	213,889	-186,124	-12.98 %	1,052,218	2,567,700	-1,515,482	-40.98 %
Total Fund: 26 - CONSERVATION FUND:	-79,190	0	-79,190		-3,240	0	-3,240	

EXHIBIT 9-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 02/28/2017**

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 35 - WATER SUPPLY FUND								
Revenue								
R100 - Water Supply Charge	0	283,220	-283,220	0.00 %	2,037,436	3,400,000	-1,362,564	-59.92 %
R120 - Property Taxes Revenues	0	133,280	-133,280	0.00 %	369,797	1,600,000	-1,230,203	-23.11 %
R140 - Connection Charges	49,043	17,701	31,341	-277.06 %	181,589	212,500	-30,911	-85.45 %
R220 - Copy Fee	35	0	35	0.00 %	185	0	185	0.00 %
R230 - Miscellaneous - Other	50	833	-783	-5.96 %	1,062	10,000	-8,938	-10.62 %
R240 - Insurance Refunds	0	0	0	0.00 %	290	0	290	0.00 %
R250 - Interest Income	9	1,166	-1,157	-0.75 %	686	14,000	-13,314	-4.90 %
R265 - CAW - Los Padres Reimbursement	0	41,650	-41,650	0.00 %	0	500,000	-500,000	0.00 %
R300 - Watermaster	0	6,214	-6,214	0.00 %	0	74,600	-74,600	0.00 %
R308 - Reclamation Project	0	1,666	-1,666	0.00 %	0	20,000	-20,000	0.00 %
R310 - Other Reimbursements	0	83	-83	0.00 %	0	1,000	-1,000	0.00 %
R320 - Grants	0	9,196	-9,196	0.00 %	0	110,400	-110,400	0.00 %
R510 - Operating Reserve	0	134,725	-134,725	0.00 %	0	1,617,350	-1,617,350	0.00 %
R695 - Other Financing Sources	0	-83,433	83,433	0.00 %	0	-1,001,600	1,001,600	0.00 %
Total Revenue:	49,137	546,302	-497,166	-8.99 %	2,591,045	6,558,250	-3,967,205	-39.51 %

EXHIBIT 9-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	61,596	69,156	7,560	89.07 %	508,028	830,200	322,172	61.19 %
1110 - Manager's Auto Allowance	277	300	23	92.34 %	2,215	3,600	1,385	61.54 %
1120 - Manager's Deferred Comp	378	417	38	90.86 %	3,217	5,000	1,783	64.33 %
1130 - Unemployment Compensation	0	83	83	0.00 %	0	1,000	1,000	0.00 %
1140 - Insurance Opt-Out Supplemental	0	275	275	0.00 %	2,799	3,300	501	84.82 %
1150 - Temporary Personnel	0	33	33	0.00 %	2,831	400	-2,431	707.76 %
1160 - PERS Retirement	6,106	12,337	6,231	49.49 %	125,146	148,100	22,954	84.50 %
1170 - Medical Insurance	8,853	8,597	-257	102.99 %	63,994	103,200	39,206	62.01 %
1180 - Medical Insurance - Retirees	1,743	1,591	-152	109.55 %	16,787	19,100	2,313	87.89 %
1190 - Workers Compensation	1,102	1,358	255	81.19 %	9,024	16,300	7,276	55.36 %
1200 - Life Insurance	111	183	72	60.54 %	970	2,200	1,230	44.09 %
1210 - Long Term Disability Insurance	367	400	33	91.80 %	2,840	4,800	1,960	59.18 %
1220 - Short Term Disability Insurance	73	100	27	72.77 %	563	1,200	637	46.93 %
1230 - Other Benefits	0	0	0	0.00 %	244	0	-244	0.00 %
1260 - Employee Assistance Program	20	42	22	46.87 %	151	500	349	30.20 %
1270 - FICA Tax Expense	84	83	-1	101.22 %	562	1,000	438	56.19 %
1280 - Medicare Tax Expense	805	1,025	219	78.60 %	10,260	12,300	2,040	83.42 %
1290 - Staff Development & Training	22	741	720	2.93 %	678	8,900	8,222	7.62 %
1300 - Conference Registration	0	108	108	0.00 %	366	1,300	934	28.14 %
1310 - Professional Dues	0	67	67	0.00 %	258	800	542	32.29 %
1320 - Personnel Recruitment	0	167	167	0.00 %	700	2,000	1,300	34.98 %
Total Level1: 100 - Personnel Costs:	81,537	97,061	15,524	84.01 %	751,635	1,165,200	413,565	64.51 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	921	958	37	96.11 %	5,519	11,500	5,981	47.99 %
2020 - Board Expenses	0	258	258	0.00 %	735	3,100	2,365	23.72 %
2040 - Rent	753	808	55	93.13 %	6,430	9,700	3,270	66.29 %
2060 - Utilities	676	991	315	68.17 %	6,200	11,900	5,700	52.10 %
2120 - Insurance Expense	1,056	1,166	111	90.51 %	8,445	14,000	5,555	60.32 %
2130 - Membership Dues	233	633	401	36.73 %	7,460	7,600	140	98.16 %
2140 - Bank Charges	90	100	10	90.05 %	814	1,200	386	67.87 %
2150 - Office Supplies	81	367	285	22.18 %	3,776	4,400	624	85.83 %
2160 - Courier Expense	111	200	89	55.47 %	1,408	2,400	992	58.66 %
2170 - Printing/Photocopy	0	125	125	0.00 %	46	1,500	1,454	3.06 %
2180 - Postage & Shipping	20	175	155	11.38 %	1,331	2,100	769	63.38 %
2190 - IT Supplies/Services	683	2,407	1,724	28.37 %	19,941	28,900	8,959	69.00 %
2200 - Professional Fees	4,565	4,390	-176	104.00 %	39,589	52,700	13,112	75.12 %
2220 - Equipment Repairs & Maintenance	0	192	192	0.00 %	881	2,300	1,419	38.28 %
2235 - Equipment Lease	312	358	47	86.97 %	2,967	4,300	1,333	69.00 %
2240 - Telephone	980	1,158	178	84.67 %	7,789	13,900	6,111	56.04 %
2260 - Facility Maintenance	824	1,025	200	80.45 %	6,597	12,300	5,703	53.64 %

EXHIBIT 9-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 02/28/2017**

Level...	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2270 - Travel Expenses	375	716	342	52.32 %	1,919	8,600	6,681	22.32 %
2280 - Transportation	63	858	795	7.29 %	909	10,300	9,391	8.82 %
2300 - Legal Services	7,584	19,992	12,408	37.94 %	98,469	240,000	141,531	41.03 %
2380 - Meeting Expenses	10	150	140	6.82 %	779	1,800	1,021	43.26 %
2420 - Legal Notices	0	142	142	0.00 %	0	1,700	1,700	0.00 %
2460 - Public Outreach	116	133	17	87.03 %	1,480	1,600	120	92.51 %
2480 - Miscellaneous	62	92	30	67.29 %	262	1,100	838	23.84 %
2500 - Tax Administration Fee	0	1,066	1,066	0.00 %	0	12,800	12,800	0.00 %
2900 - Operating Supplies	109	150	41	72.94 %	598	1,800	1,202	33.23 %
Total Level1: 200 - Supplies and Services:	19,623	38,610	18,987	50.82 %	224,343	463,500	239,157	48.40 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	39,704	387,891	348,187	10.24 %	999,239	4,656,550	3,657,311	21.46 %
4000 - Fixed Asset Purchases	2,858	1,649	-1,209	173.28 %	9,454	19,800	10,346	47.75 %
5000 - Debt Service	0	19,159	19,159	0.00 %	70,424	230,000	159,576	30.62 %
6000 - Contingencies	0	1,933	1,933	0.00 %	0	23,200	23,200	0.00 %
Total Level1: 300 - Other Expenses:	42,562	410,632	368,070	10.36 %	1,079,117	4,929,550	3,850,433	21.89 %
Total Expense:	143,722	546,302	402,581	26.31 %	2,055,094	6,558,250	4,503,156	31.34 %
Total Revenues	49,137	546,302	-497,166	-8.99 %	2,591,045	6,558,250	-3,967,205	-39.51 %
Total Fund: 35 - WATER SUPPLY FUND:	-94,585	0	-94,585		535,950	0	535,950	
Report Total:	-115,700	0	-115,700		356,009	0	356,009	

EXHIBIT 9-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 02/28/2017

Fund Summary

Fund	February Activity	February Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	58,074	0	58,074		-176,700	0	-176,700	
26 - CONSERVATION FUND	-79,190	0	-79,190		-3,240	0	-3,240	
35 - WATER SUPPLY FUND	-94,585	0	-94,585		535,950	0	535,950	
Report Total:	-115,700	0.01	-115,700		356,009	0	356,009	

ITEM: PUBLIC HEARING**14. CONSIDER APPLICATION TO AMEND CALIFORNIA-AMERICAN WATER COMPANY, RYAN RANCH UNIT, TO SERVE COMMUNITY HOSPITAL PROPERTIES VIA D.B.O. DEVELOPMENT NO. 30 WATER RIGHTS IN SEASIDE GROUNDWATER BASIN; MPWMD APPLICATION #WDS-20170227RYA (EXEMPT FROM ENVIRONMENTAL REVIEW PER CEQA GUIDELINES SECTION 15378.)**

Meeting Date:	April 19, 2017	Budgeted:	N/A
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From:	David J. Stoldt General Manager	Program/ Line Item No.:	N/A
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Prepared By:	Gabriela Ayala	Cost Estimate:	N/A
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General Counsel Review: Yes**Committee Recommendation: N/A****CEQA Compliance: N/A. The Superior Court and Appellate Court found that MPWMD has limited authority to make determinations under CEQA for usage of adjudicated Seaside Groundwater Basin water.**

- A. CONSIDER APPROVAL OF AMENDMENT TO RYAN RANCH UNIT WATER DISTRIBUTION SYSTEM (WDS) TO ENABLE ADDITIONAL SERVICE TO CHOMP, PARCELS APN 259-221-004 AND 259-221-005, CALIFORNIA-AMERICAN WATER COMPANY, APPLICANT**
- B. CONSIDER APPROVAL OF RYAN RANCH WDS SYSTEM CAPACITY AMENDMENT IN COMPLIANCE WITH MPWMD DECISION ON INSUFFICIENT PHYSICAL SUPPLIES (JUNE 2009) AND STATEMENT OF EXPANDED SUPPLY (APRIL 19, 2017)**

SUMMARY: The Board will consider Application #WDS-20170227RYA (**Exhibit 14-A**) submitted on February 27, 2017 by co-applicants California-American Water Company (CAW) and DBO Development No. 30 (DBO). This application stems from the previous Board approval of Permit #M15-07-L3 (“CAW/DBO Amendment”) on November 16, 2015, which allowed CAW to increase its System Capacity (annual water production limit) in the Seaside Groundwater Basin Coastal Subareas by up to 15.0 Acre-Feet Annually (AFA) of production from transferred DBO water rights. This translates to 13.95 AFA metered sales delivered to future recipient parcels within the Seaside Groundwater Basin designated by DBO. In this case, the 2.00 AFA of metered sales is designated to serve additional water needs for the Community Hospital Properties (CHOMP) campus at Ryan Ranch on Assessor’s Parcel Numbers (APN) 259-221-004 and 259-221-005 (**Exhibit 14-B**), referred to herein as the “CHOMP Parcels.”

CAW’s Ryan Ranch Unit WDS has been under a moratorium for new connections since June 15, 2009, when the District Board determined that supplies were insufficient to serve customers and specified certain actions before new customers could be served. However, the Board on August

17, 2015, took action to approve WDS Permit #M15-06-L3 to enable CAW delivery of 3.17 AFA metered sales to the CHOMP Parcels via the Ryan Ranch Unit. Since then, CHOMP has found that additional water is needed to complete its expansion of the new medical office building in Ryan Ranch. Thus, two Board actions are under consideration:

1. Amend the Ryan Ranch Unit WDS to enable additional service of 2.0 AFA metered sales to the CHOMP Parcels (referred to herein as the “CAW/Ryan Ranch-CHOMP Amendment No. 2”), which entails several changes to the current Conditions of Approval for the Ryan Ranch Unit. This results in a total of 5.17 AFA metered sales to the CHOMP Parcels.
2. Approve an amended *April 2017 Statement of Expanded Supply for the Ryan Ranch Unit WDS (Exhibit 14-C)* that increases the System Capacity pursuant to Order #5 of the June 15, 2009 *Findings, Conclusions and Decision of the Board, Hearing on Insufficient Physical Supplies in Accord with District Rule 40-B (“Ryan Ranch Decision”* shown as **Exhibit 14-D**); and enable receipt of a future application by CHOMP for a Water Permit to expand water use pursuant to Order #4 of the *Ryan Ranch Decision*.

District compliance with the California Environmental Quality Act (CEQA) is addressed in the “Recommendations” section below. Additional information is provided in the “Background” and “Discussion” sections below. This public hearing has been properly noticed as described below. MPWMD files associated with this application by CAW and DBO are available for review at the District office, or other locations as applicable.

RECOMMENDATIONS: District staff recommends that the Board take the following actions:

1. Adopt the MPWMD Findings of Approval for Application #WDS-20170227RYA for the CAW/Ryan Ranch-CHOMP Amendment No. 2 (**Exhibit 14-E**).
2. Approve Application #WDS-20170227RYA; authorize issuance of MPWMD Permit #M17-01-L3 for the CAW/Ryan Ranch-CHOMP Amendment No. 2 with the Conditions of Approval specified in **Exhibit 14-F**. The Conditions of Approval include all the Mandatory Conditions of Approval specified in MPWMD Rule 22-D as well as several special conditions for this project, as described in the “Discussion” section below. Notably, they allow CAW to transfer an additional 2.00 AFA metered sales from its “main” system (derived from Seaside Basin Coastal Subareas) into the Ryan Ranch Unit via the existing emergency interconnection to serve only the two CHOMP Parcels.
3. Direct staff to file a Notice of Exemption with the County Clerk. As explained below, this would be a Statutory Exemption for a ministerial action pursuant to CEQA Guidelines section 15268.
4. Approve an *April 2017 Statement of Expanded Supply for the Ryan Ranch Unit (Exhibit 14-C)* that confirms: (a) the System Capacity for the Ryan Ranch Unit may be increased by another 2.00 AFA metered sales (resulting in 5.17 AFA meter sales total) designated solely for the CHOMP Parcels; (b) “credible expert analysis” has occurred in the form of

the August 17, 2015 hearing materials that led to the Board approval of the CAW/Ryan Ranch-CHOMP Amendment (Permit #M15-06-L3); and (c) District staff may accept a future application by CHOMP for a Water Permit to expand water use within Ryan Ranch. These actions comply with Orders #4 and #5 of the 2009 *Ryan Ranch Decision* (**Exhibit 14-D**).

MPWMD CEQA Compliance

A Monterey County Superior Court Order dated May 11, 2009, as confirmed by the Appellate Court (*Cal-Am v. Seaside*, and *Sierra Club v. MPWMD*; 6th Appellate District, H034335, April 1, 2010), determined that MPWMD can require a WDS Permit for water rights transfers in the Seaside Basin, but the Physical Solution governs the environmental aspects of Seaside Basin groundwater usage, and no party to the Basin Adjudication can require environmental review under CEQA with regard to such usage. District Counsel has confirmed that the MPWMD Board's decision on the CAW/Ryan Ranch-CHOMP Amendment No. 2 is viewed as a CEQA ministerial action (CEQA Guidelines section 15268) due to the above Court Orders.

In his July 30, 2010 *Order After Ex Parte Hearing, Case #M66343*, Judge Roger Randall determined that MPWMD has the authority to require an accounting of water production to satisfy itself that no Carmel River water is being used, but cannot make environmental decisions based on mere co-mingling of Seaside and Carmel Basin waters in CAW storage tanks. Thus, the previous CAW/DBO Amendment Conditions of Approval (MPWMD Permit #M15-07-L3) included a "Front-Loading Agreement" (**Exhibit 14-G**) and specified a data collection protocol to ensure that only CAW Wells in the Coastal Subareas of the Seaside Basin are used to serve the DBO recipient Parcels, which are now designated as the two CHOMP Parcels in Ryan Ranch.

BACKGROUND: An extensive history and litigation is associated with water rights in the Seaside Groundwater Basin, which affect the Findings, Conditions and CEQA compliance for water right transfers in the Seaside Basin. In brief, the Seaside Groundwater Basin Adjudication Decision by the Monterey County Superior Court allows parties to combine pumping facilities and delivery for maximum benefit and management of the Basin, with Watermaster approval. Thus, DBO water rights may be physically produced from another Seaside Basin Well owned by CAW and delivered to recipient parcels within the Seaside Basin. The SWRCB previously determined that the one-for-one replacement in Order WR 95-10 for new CAW supplies does not apply to transferred water rights within the Seaside Basin.

CAW/Ryan Ranch-CHOMP Amendment

The Board approved Permit #M15-06-L3 ("CAW/Ryan Ranch-CHOMP Amendment") on August 17, 2015 which allowed CAW to deliver 3.17 AFA metered sales to the CHOMP Parcels via its Ryan Ranch Unit water system. This quantity stemmed from an earlier approval of the CAW/Cypress Amendment (WDS Permit M14-05-L4) on September 15, 2014, which allowed 3.41 AFA additional production from CAW Wells in the Seaside Groundwater Basin Coastal Subareas, equivalent to 3.17 AFA metered sales, to future recipient Parcels. The CAW/Ryan Ranch-CHOMP Amendment transferred the entire 3.17 AFA amount to the CHOMP Parcels.

CAW/DBO Amendment

The Board approved Permit #M15-07-L3 (“CAW/DBO Amendment”) on November 16, 2015, which allowed CAW to increase its System Capacity (annual water production limit) in the Seaside Groundwater Basin Coastal Subareas by up to 15.0 AFA of production from transferred DBO water rights. This translates to 13.95 AFA metered sales delivered to future recipient parcels within the Seaside Basin designated by DBO. In this case, DBO is transferring 2.00 AFA of metered sales for the CHOMP Parcels. Thus, there will be 11.95 AFA remaining in the DBO “account” for future metered sales.

Determinations on Ryan Ranch Unit System Capacity

In November 1989, the District approved the annexation of the Ryan Ranch Unit into the CAW system, to be operated as a separate unit. The 1989 Conditions of Approval included a System Capacity of 175 AFA and the Expansion Capacity Limit of 190 connections, assuming five Wells and certain capacity requirements. This approval also allowed an emergency intertie between the main CAW system and the Ryan Ranch Unit, which was metered and reported, when used.

Based on repeated annual use of the emergency intertie and the fact that only two Wells were in service, in September 2008 the District General Manager formally advised CAW that the Ryan Ranch water supplies were insufficient, which triggered a series of MPWMD public hearings to determine changes that should be made to the System Limits. These efforts culminated in June 15, 2009 Board action that reduced the production limit to 72 AFA. Because the previous Water Year production was 82 AFA, a moratorium on any new Water Permits was imposed. The MPWMD Board directed that no Water Permit applications would be received until CAW “develops additional Well capacity to sustain a higher System Capacity and has its System Capacity modified” in a future public hearing. These actions were formalized in the June 15, 2009 *Findings, Conclusions and Decision of the Board, Hearing on Insufficient Physical Supplies in Accord with District Rule 40-B (Exhibit 14-D)*.

As part of the August 2015 CAW/Ryan Ranch-CHOMP Amendment, the Ryan Ranch Unit System Capacity was increased by 3.17 AFA metered sales to 75.17 AFA, and a *Statement of Expanded Supply* was approved by the Board. It is noted that because production increases were allowed only for CAW Wells in the Seaside Basin Coastal Subareas, the System Capacity increase in the Ryan Ranch Unit reflects only metered sales.

CAW funded hydrogeologic studies and test Well explorations in Ryan Ranch, but no new supplies have been developed to date. The emergency intertie from the main CAW system was used in 13 out of the past 14 Water Years (WY 2003 through WY 2016), but the trend is toward much lower amounts in recent years due to infrastructure improvements.

CAW/Ryan Ranch-Bishop Interconnection

At its June 15, 2015 meeting, the Board approved Permit #M15-03-L3 for the “CAW/Ryan Ranch-Bishop Interconnection” for Emergency Use, which entails use of the Bishop Unit WDS (rather than the main CAW system) as the source of emergency supply when Ryan Ranch Unit supplies are insufficient. This included updating and revising the Conditions of Approval for both the Ryan Ranch and Bishop WDS. Notably, Permit #M15-03-L3 Condition #13 prohibits

use of the intertie between the main CAW system and the Ryan Ranch Unit unless written authorization is provided by the MPWMD General Manager in an emergency event, based on documentation that neither the Ryan Ranch nor Bishop Units can provide adequate supply. Special Condition #27 allowed modification of the Ryan Ranch Unit limit under specific circumstances.

CAW/Ryan Ranch-CHOMP Amendment No. 2

The current action before the Board is to combine the 3.17 AFA from the 2014 CAW/Cypress Amendment and 2.0 AFA metered sales from the 2015 CAW/DBO Amendment for a total of 5.17 AFA for the CHOMP Parcels. CHOMP will need to demonstrate that the 5.17 AFA limit will not be exceeded.

DISCUSSION: The following paragraphs describe the proposed Findings and Conditions of Approval, and the *April 2017 Statement of Expanded Supply*.

Findings of Approval

The Findings of Approval for Application #WDS-20170227RYA (**Exhibit 14-E**) are based on evidence provided in the application materials, including supporting documents received through April 12, 2017, on file at the District office. With the Conditions of Approval for the previous CAW/DBO Amendment, CAW/Ryan Ranch Bishop Interconnection, and the current WDS Permit #M17-01-L3, and previous action by the Monterey County Superior Court and Seaside Basin Watermaster, District staff believes a Finding can be made that the Application meets the criteria and minimum standards for Approval set by District Rules 22-B (Findings) and 22-C (Minimum Standards for Granting a Permit). Specifically, this action should “not create an Overdraft or increase an existing Overdraft...” (Rule 22-C-4).

Conditions of Approval

The Conditions of Approval (**Exhibit 14-F**) proposed for Permit #M17-01-L3 are consistent with MPWMD Rule 22-D (Mandatory Conditions) governing approval of Water Distribution Systems. Conditions #1 through #4 define the Permitted System, including an additional 2.00 AFA metered sales from DBO to serve the two CHOMP Parcels in Ryan Ranch, for a total of 5.17 AFA for these Parcels. This would increase the total System Capacity (production limit) in the Ryan Ranch Unit from 75.17 AFA to 77.17 AFA.

Mandatory Conditions #5 through #24 include a variety of subjects such as water quality, metering, annual reporting, conservation, fee payments, timely notice of system changes, staff access, and required Indemnification Agreement, Acceptance Form and Deed Restriction. Condition #24 states that the WDS Permit is subject to revocation if CAW (or CHOMP) does not fully comply with each and every Condition of Approval for Permit #M17-01-L3. Conditions #25 and #26 address basic water rights and the Endangered Species Act; these conditions are not required by District rules, but are included in all MPWMD WDS Permits.

CAW/Ryan Ranch-CHOMP Amendment No. 2 Special Conditions of Approval

The current Special Conditions for the Ryan Ranch Unit reflect the Board’s August 17, 2015 approval of the CAW/Ryan Ranch-CHOMP Amendment. Approval of application #WDS-20170227RYA and Permit #M17-01-L3 would amend the current Special Conditions in the

following ways:

- **Condition #27** describing the current moratorium on Water Permits is amended to specify that only the two CHOMP Parcels may receive an additional 2.00 AFA metered sales (resulting in 5.17 AFA total) for future expansion of the hospital facilities; no other Parcels may be served with that water unless written authorization by MPWMD is granted. The new text is in ***bold italic*** as follows:
 27. Except for service of up to ~~3.17 AFA~~ ***5.17 AFA*** metered sales designated solely for the two CHOMP Parcels specified in Conditions #1 through #4, the District shall not accept an application for a Water Permit to expand water use in the Ryan Ranch Unit Service Area until its System Capacity is further modified pursuant to the *Findings, Conclusions and Decisions Regarding Insufficient Supply in the Ryan Ranch Unit* adopted by the MPWMD Board of Directors on June 15, 2009. Permittee may apply for, and the District may further amend, the Ryan Ranch Unit System Capacity based upon credible expert analysis in accordance with Rule 40-B-4.
- **Condition #28** regarding copies of Watermaster approvals, if applicable, is amended to add the CAW/Ryan Ranch-CHOMP Amendment *No. 2*.
- **Condition #29** regarding Well production reporting is not changed.
- **Condition #30** regarding Well water level reporting is not changed.
- **Condition #31** regarding reporting of metered sales is amended to require CAW to meter the pipelines that deliver water to the two CHOMP Parcels and report cumulative water use on a quarterly basis to MPWMD. This is to ascertain whether or not the two CHOMP Parcels are staying within the 5.17 AFA limit (3.17 + 2.0 AFA). If metered sales on the two CHOMP Parcels exceed 5.17 AFA, then CHOMP will be subject to the procedures specified in District Rule 20.4, Permit Rule Non-Compliance. The old text is in ~~strikeout~~ and new text is in ***bold italic*** as follows:
 31. By November 30 of each year, Permittee shall continue to provide an annual report to the District of metered sales (customer consumption) that identifies consumption during the previous Water Year. Permittee shall meter the pipelines that deliver water to the two CHOMP Parcels and report cumulative water use on a quarterly basis to MPWMD to ascertain that water deliveries to the two CHOMP Parcels remain within the ~~3.17 AFA~~ ***5.17 AFA*** limit. If metered sales on the two CHOMP Parcels exceed ~~3.17 AFA~~ ***5.17 AFA***, then CHOMP will be subject to the procedures specified in District Rule 20.4, Permit Rule Non-Compliance.
- **Condition #32** is amended to state that final construction plans will need to demonstrate that projected water use will not exceed ***5.17 AFA***, using District methodology at that time, in order to receive a Water Permit for the project.

- **Condition #33** is unchanged; all Water Permits require a Deed Restriction that entails release of consumption information upon request by the District.
- **New Condition #34** refers to and attaches the September 24, 2015 *Agreement Regarding Front Loading Delivery of Water* between CAW and DBO (**Exhibit 14-G**). It specifies the steps that must be taken by CAW to ensure that only Seaside Basin water is delivered by CAW.

April 2017 Statement of Expanded Supply

The *April 2017 Statement of Expanded Supply for the Ryan Ranch Unit* (**Exhibit 14-C**) formally determines compliance with Order #4 and #5 of the June 2009 *Ryan Ranch Decision* (**Exhibit 14-D**). It formalizes the additional 2.00 AFA metered sales increase to the System Capacity for the Ryan Ranch Unit (for a total of 5.17 AFA metered sales); determines that “credible expert analysis” to justify this increase has occurred in the form of the November 16, 2015 hearing materials that led to the Board approval of the CAW/DBO Amendment (Permit #M15-07-L3); and allows District staff to accept a future application by CHOMP for a Water Permit to expand water use within Ryan Ranch.

Noticing

Public notice has been provided no later than 10 days prior to this public hearing in several ways, including: (1) mailed notices to property owners within 300 feet of Parcels APNs 259-221-004 and -005; (2) posted notices onsite and in public areas closest to the subject Parcels; (3) posted notices at the District office, CAW office, Watermaster office, and Monterey City Hall; (4) notice of the public hearing to recipients of District agendas for the April 19, 2017 meeting; and (5) posting of the April 19, 2017 public hearing notice and agenda materials on the District website.

EXHIBITS

- 14-A** Application #WDS-20170227RYA dated February 27, 2017
- 14-B** Location of CHOMP Parcels, APNs 259-221-004 and 259-221-005
- 14-C** MPWMD *April 2017 Statement of Expanded Supply for the Ryan Ranch Unit*
- 14-D** MPWMD *Ryan Ranch Decision on Insufficient Supplies* (June 2009)
- 14-E** MPWMD Draft Findings of Approval dated April 2017
- 14-F** MPWMD Draft Conditions of Approval dated April 2017
- 14-G** Front Loading Agreement between CAW and DBO (September 2015)



RECEIVED
FEB 27 2017
MPWMD

**APPLICATION for a PERMIT to CREATE or AMEND a
WATER DISTRIBUTION SYSTEM or MOBILE WDS**

For detailed guidance, please visit the District website at:

<http://www.mpwmd.net/regulations/wells-water-systems/water-distribution-systems/>

(click on "2014 Implementation Guidelines").

For staff assistance, contact 831-658-5601 or skister@mpwmd.net or gabby@mpwmd.net

Form received on February 27, 2017 by Gabriela Ayala.
 Fee Received: \$1,200 (Level 1 or 2); \$3,000 (Level 3)
 ID# WDS- 20170227KYA

Please complete the table below (attach extra sheets as needed):

#	QUESTIONS	FILL IN ANSWERS BELOW
1	System Name	Ryan Ranch subunit of California-American Water Distribution System
2	Assessor's Parcel ## (list all)	If multiple parcel, identify APN for well/facility location and APN of parcels receiving water from WDS or Mobile WDS. 259-221-004
3	Physical Address or Location	2 Upper Ragsdale Drive, Monterey, CA 93940
4	Name of Applicant	Cal-Am / D.B.O. Development No. 30
5	Mailing Address	(Street or PO) 511 Forest Lodge Rd. / c/o Ted Lim, 10 Harris Ct., #B-1
6	City, State, Zip	Pacific Grove, CA 93950 / Monterey, CA 93940
7	Phone/fax/email:	(831) 646-3291 / (831) 649-0220
8	Agent (if applicable)	(i.e., person who may receive paperwork on behalf of applicant/owner) Eric Sabolsice / Ted Lim
9	Agent mailing address	511 Forest Lodge Rd. / c/o Ted Lim, 10 Harris Ct., #B-1
10	Agent City, State, Zip	Pacific Grove, CA 93950 / Monterey, CA 93940
11	Agent phone/fax/email	(831) 646-3291 / (831) 649-0220
12	Hydrogeologist (if applicable)	(e.g., licensed professional who has conducted well testing and evaluation) N/A; existing system
13	Hydro mailing address	N/A
14	Hydro City, State, Zip	N/A
15	Hydro phone/fax/email	N/A
16	Is this an amendment to an existing WDS?	<input checked="" type="radio"/> YES or NO. If yes, identify previous MPWMD permit #, if any. # Describe planned changes. MPWMD Permit #M15-07-L3 and Permit #M15-06-L3; see Attachment A11 for more detailed discussion
17	Is this a Mobile WDS?	YES or <input checked="" type="radio"/> NO. If yes, go to Row 50

18	Is this a water well?	YES or NO . If no, go to Row 21.
19	MCEHB ¹ Permit # and issuance date	(One for each well) N/A
20	DWR Well Completion Report # and date	(One for each well) N/A
21	Within MPWRS ² ?	YES or NO. Consult with District staff if unsure; see definition in footnote.
22	>1,000 ft. MPWRS?	YES or NO. Consult with District staff if unsure. See Section 4.0 of 2014 Implementation Guidelines. N/A
23	≤1,000 ft. MPWRS?	YES or NO. Consult with District staff if unsure. Staff will assess well log re: potential impacts; additional testing may be required. See Section 4.2 of 2014 Implementation Guidelines. N/A
24	Seaside Basin source?	YES or NO. If yes, Adjudication documentation and/or approval from Watermaster are required. See Section 5.0 of 2014 Implementation Guidelines.
25	CV Alluvium source?	YES or NO . If yes, water rights documentation is required. See Section 6.0 of 2014 Implementation Guidelines. District staff will confirm if alluvial.
26	Fractured rock spring or seep?	YES or NO . If yes, state if onsite or offsite use, and if potable (drinking water) or non-potable use. See Section 7.0 of 2014 Implementation Guidelines.
27	River/tributary direct diversion?	YES or NO . If yes, water rights documentation is required. See Section 7.0 of 2014 Implementation Guidelines. Describe system.
28	Dam/reservoir?	YES or NO . If yes, water rights documentation and EIR is required. See Section 7.0 of 2014 Implementation Guidelines.
29	Desal plant?	YES or NO . If yes, describe facilities, annual production and recipients. EIR required. See Section 7.0 of 2014 Implementation Guidelines.
30	Reclamation plant?	YES or NO . If yes, describe facilities, annual production and recipients. EIR required. See Section 7.0 of 2014 Implementation Guidelines.
31	Rainwater harvest + offsite delivery?	YES or NO . If yes, describe. See Section 7.0 of 2014 Implementation Guidelines.
32	Other water systems?	YES or NO . Describe. See Section 7.0 of 2014 Implementation Guidelines.
33	Estimated production	Unit is acre-feet per year (AFY). See Section 2.9 of 2014 Implementation Guidelines. 2.0 acre feet in metered sales (2.15 acre feet total production)
34	Total acreage served	(Break out acreage of each parcel served) 0.87 acres
35	Type of water use?	(e.g., drinking water, irrigation only) Office use
36	Type of land use?	(e.g., residential, commercial, agriculture) Institutional (Montage Health - Community Hospital Properties)
37	New subdivision?	YES or NO . CEQA document from lead agency is required.
38	In CAW ³ service area?	YES or NO.
39	Active CAW service?	What is currently served by Cal-Am on the property (e.g., home or business)? Vacant/development in progress
40	What is Zoning?	Industrial
41	Environmental	Describe CEQA documentation and Lead Agency, if applicable.

¹ MCEHB= Monterey County Environmental Health Bureau

² MPWRS= Monterey Peninsula Water Resource System (i.e., Carmel Valley Alluvial Aquifer, Carmel River/tributaries, and Seaside Basin)

³ CAW = California American Water Company

	information	Mitigated Negative Declaration, City of Monterey; per California-American Water v. City of Seaside (2010) 183 Cal. App. 4th 471, no environmental review shall be required to process this application
50	Is Mobile WDS source within MPWMD?	YES or NO . If yes, describe source and location. See Rows 21 - 32 for possibilities.
51	Is water source outside MPWMD?	YES or NO . If yes, describe source and location.
52	Source agency and approval	If outside MPWMD, identify source agency with authority. Attach written documentation that the source water may be exported to serve applicant. N/A
53	Describe intended use (long-term)	Mobile WDS may only be non-potable (e.g., irrigation, pools only) unless an emergency. N/A
54	# parcels served?	Use Request for Exemption form if service is to 3 or fewer parcels from a source out side MPWMD. N/A
55	Emergency drinking water service?	YES or NO . If yes, describe situation.
60	Other relevant information or unique considerations?	Refer to Question #. Attach explanatory sheets as needed. None
ATTACHMENTS		
A1	Parcel Maps	See attached Parcel Map
A2	MCEHB permit(s)	N/A
A3	DWR well log(s)	N/A
A4	Well registration forms	N/A
A5	Well meter sign-offs	N/A
A6	Grant deed	N/A
A7	Water rights docs.	N/A
A8	Environmental docs.	N/A
A9	Mobile WDS approval	N/A
A10	Application fee (check)	Check for application fee enclosed
A11	Other	See attached Application Item #16 Discussion

This Request for Exemption must be signed by the person who is identified in a recorded Deed as the owner of the parcel on which the well or other water producing facility is located. If multiple owners, at least two must sign.

Under penalty of perjury, I verify that the above information is accurate to the best of my knowledge and understanding.




Signature of Applicant/System Owner

2/24/17

Date

Printed name of Applicant: Eric Sabolsice



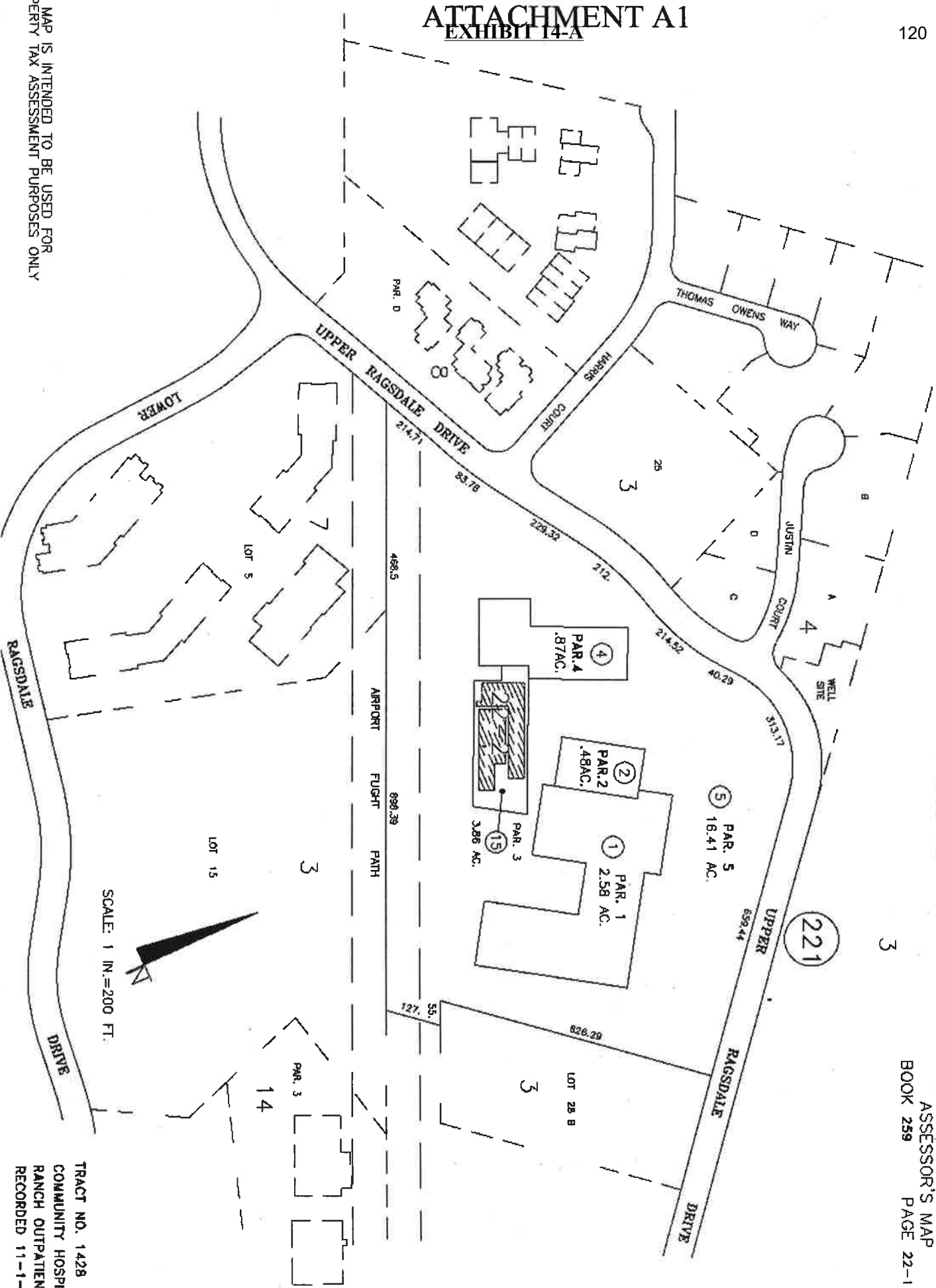
Signature of Applicant/System Owner

2/27/17

Date

Printed name of Applicant: Donald B. Orosco

ATTACHMENT A1
EXHIBIT 14-A



TAX CODE AREA 3-04

COUNTY OF MONTEREY
ASSESSOR'S MAP
BOOK 259 PAGE 22-1

THIS MAP IS INTENDED TO BE USED FOR
PROPERTY TAX ASSESSMENT PURPOSES ONLY

TRACT NO. 1428
COMMUNITY HOSPITAL RYAN
RANCH OUTPATIENT CAMPUS
RECORDED 11-1-04

ATTACHMENT A11

Application Item #16 Discussion: The purpose of this application is to amend the MPWMD Water Distribution System Permit for California-American Water Company's Ryan Ranch subunit to accomplish the following:

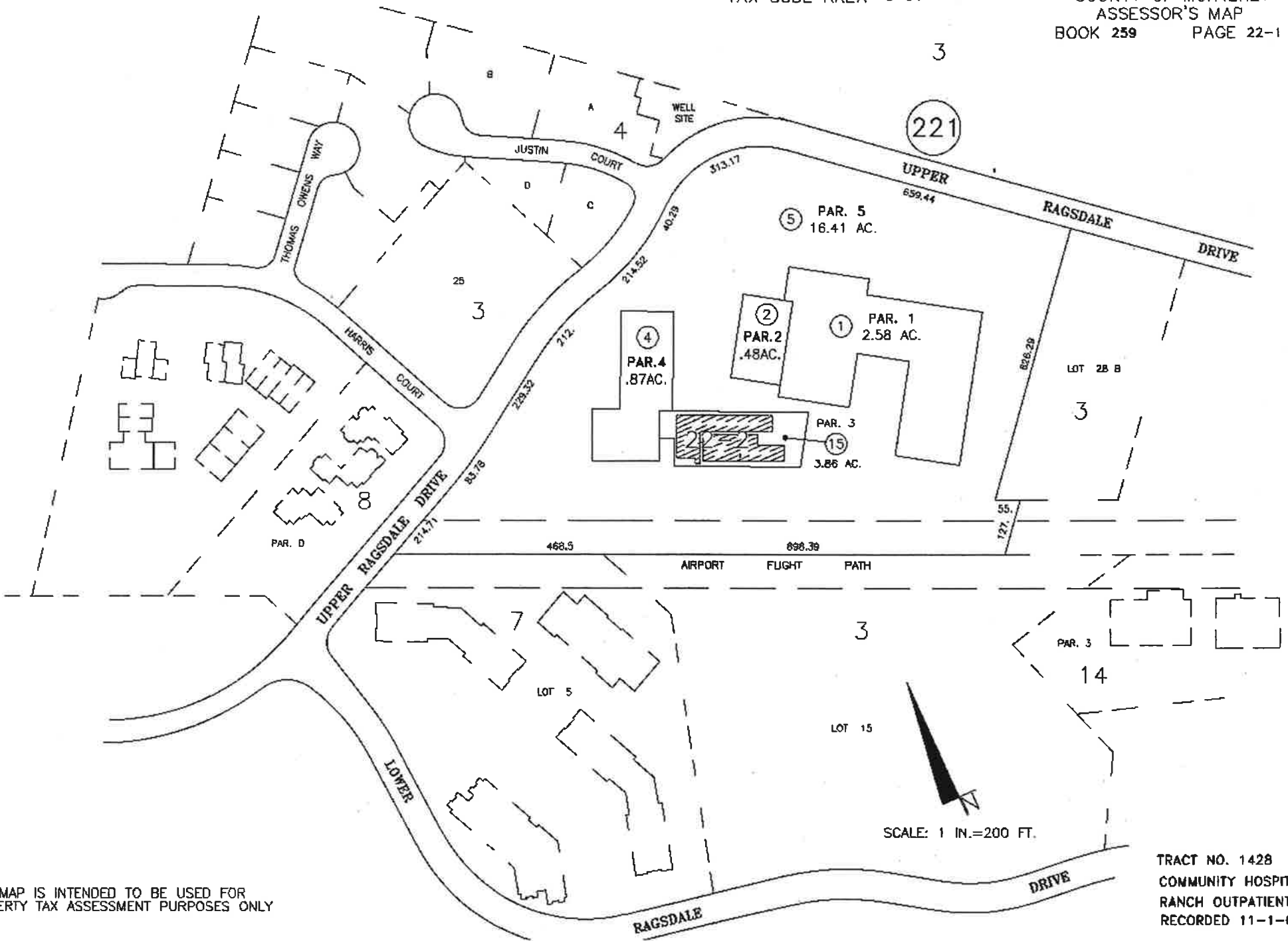
1. Increase the system capacity based on the transfer of a portion of the DBO Development No. 30 Water Entitlement under MPWMD Ord. No. 166 and Rule 23.8 to allow service of an additional 2.0 acre feet in metered sales to APN 259-221-004 ("Benefited Property") owned by Community Hospital Properties (Montage Health); and

2. To amend Condition 13 of the Ryan Ranch subunit of the California-American Water Company Water Distribution System to allow the emergency interconnection between the main Cal-Am system and the Ryan Ranch subunit to be used to transfer an additional 2.0 acre feet per year in metered sales (3.17 acre feet per year per Permit #M15-06-L3 + 2.0 acre feet per year per this application = 5.17 acre feet per year total) from the Cal-Am main system to the Ryan Ranch water system. The purpose of this proposed condition amendment is to allow a portion of the Seaside Groundwater Basin water approved for inclusion in the Cal-Am main system in MPWMD Permit #15-07-L3 to be supplied to serve approved development on the Benefited Property located within Ryan Ranch.

EXHIBIT 14-B

TAX CODE AREA 3-04

COUNTY OF MONTEREY
ASSESSOR'S MAP
BOOK 259 PAGE 22-1



221

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14

SCALE: 1 IN.=200 FT.

TRACT NO. 1428
COMMUNITY HOSPITAL RYAN
RANCH OUTPATIENT CAMPUS
RECORDED 11-1-04

THIS MAP IS INTENDED TO BE USED FOR
PROPERTY TAX ASSESSMENT PURPOSES ONLY



EXHIBIT 14-C

APRIL 2017 STATEMENT OF EXPANDED SUPPLY FOR THE CALIFORNIA-AMERICAN WATER COMPANY WATER DISTRIBUTION SYSTEM, RYAN RANCH UNIT

In compliance with *Findings, Conclusions and Decision of the Board, Hearing on Insufficient Physical Supplies in Accord with District Rule 40-B (June 15, 2009)*

Adopted by MPWMD Board on April 19, 2017

The Board of Directors of the Monterey Peninsula Water Management District (MPWMD or District) hereby makes the following findings of fact:

- A. In November 1989, the District approved the annexation of the Ryan Ranch Unit into the California-American Water Company (CAW) Water Distribution System (WDS) to be operated as a separate and independent water system. The System Capacity (production limit) was set at 175 Acre-Feet Annually (AFA) and the Expansion Capacity Limit was 190 connections. This approval also allowed an emergency intertie between the “main” CAW system and the Ryan Ranch Unit, which was metered and reported, when used.
- B. Based on repeated annual use of the emergency intertie, evidence about the insufficient physical capabilities of the Ryan Ranch Unit to meet customer demand, and the metered water sales at that time, on June 15, 2009 the MPWMD Board reduced the System Capacity to 72 AFA and directed that no Water Permit applications would be received until CAW “develops additional well capacity to sustain a higher System Capacity and has its System Capacity modified” in a future public hearing. These actions were formalized in Order #4 and #5 of the *Findings, Conclusions and Decision of the Board, Hearing on Insufficient Physical Supplies in Accord with District Rule 40-B* adopted on June 15, 2009 (“2009 Ryan Ranch Decision”).
- C. On September 15, 2014, the District Board approved WDS Permit #M14-05-L4 (CAW/Cypress Amendment), and adopted Findings of Approval and Conditions of Approval, which allowed CAW to increase its System Capacity in the Seaside Groundwater Basin Coastal Subareas by up to 3.41 AFA based on transferred water rights owned by Cypress Pacific, Inc. (Cypress). This translates to 3.17 AFA metered sales (customer water consumption) delivered to future recipient parcels within the Seaside Basin. In 2015, Cypress designated the entire 3.17 AFA metered sales to serve Assessor Parcel Numbers 259-221-004 and 259-221-005 to enable expansion of the Community Hospital Properties (CHOMP) campus at Ryan Ranch (“CHOMP Parcels”). This was approved by the District Board as WDS Permit #M15-06-L3 on August 17, 2015 (CAW/Ryan Ranch-CHOMP Amendment). In addition the Ryan Ranch Unit System Capacity was increased to 75.17 AFA.
- D. On November 16, 2015, the District Board approved WDS Permit #M15-07-L3 (CAW/DBO Amendment), and adopted Findings of Approval and Conditions of Approval, which allowed CAW to increase its System Capacity in the Seaside Groundwater Basin Coastal Subareas by

up to 15.0 AFA based on transferred water rights owned by DBO Development No. 30 (DBO). This translates to 13.95 AFA metered sales (customer water consumption) delivered to future recipient parcels within the Seaside Basin. DBO has designated 2.0 AFA to serve the CHOMP Parcels. This leaves 11.95 AFA available for transfer.

- E. On June 15, 2015, the MPWMD Board approved Permit #M15-03-L3 (CAW/Ryan Ranch-Bishop Interconnection), and adopted Findings of Approval and Conditions of Approval, where the Bishop Unit would be the primary source of emergency supply augmentation rather than the main CAW system.
- F. On April 19, 2017, the District Board approved CAW's Application #WDS-20170227RYA, authorized Permit #M17-01-L3 for the "CAW/Ryan Ranch-CHOMP Amendment No. 2," and adopted Findings of Approval and Conditions of Approval. This action allows the Ryan Ranch Unit System Capacity to be increased by 2.00 AFA metered sales from the current allowed amount of 75.17 AFA to serve solely the two CHOMP Parcels for a total System Capacity of 77.17 AFA. The Ryan Ranch Unit Conditions of Approval were amended to enable water to be delivered via the intertie between the CAW main system and the Ryan Ranch Unit to serve the CHOMP Parcels. The Findings of Approval concluded that: (a) CAW has the physical and legal capability to increase production from the Seaside Basin Coastal Subareas to enable delivery of 2.00 AFA metered sales to the CHOMP Parcels designated by DBO Development No. 30; and (b) a long-term reliable source of water supply is available to CAW via the CAW/Cypress Amendment (MPWMD WDS Permit #M14-05-L4) and the CAW/DBO Amendment (MPWMD WDS Permit #M15-07-L3), based on the Seaside Basin Adjudication.

Based on the above facts, the MPWMD Board of Directors hereby declares the following:

- 1. "Credible expert analysis" in accord with MPWMD Rule 40(B)4 has occurred in the form of: (a) the September 15, 2014 public hearing materials that led to the Board approval of the CAW/Cypress Amendment (Permit #M14-05-L4) to enable service of up to 3.17 AFA metered sales to Recipient Parcels within the Seaside Groundwater Basin; (b) the August 17, 2015 public hearing materials that led to the Board approval of the CAW/Ryan Ranch-CHOMP Amendment (Permit #M15-06-L3) to enable service of up to 3.17 AFA metered sales specifically to the CHOMP Parcels; (c) the November 16, 2015 public hearing materials that led to the Board approval of the CAW/DBO Amendment (Permit #M15-07-L3) to enable service of up to 13.95 AFA metered sales to Recipient Parcels within the Seaside Groundwater Basin; and (d) public hearing materials that led to the Board approval of the CAW/Ryan Ranch-CHOMP Amendment No. 2 (Permit #M17-01-L3) to enable an increase of 2.00 AFA to the Ryan Ranch Unit System Capacity specifically to serve the CHOMP Parcels [Order #5, 2009 *Ryan Ranch Decision*];
- 2. The new System Capacity is 77.17 AFA which includes an additional 2.0 AFA metered sales designated solely for the CHOMP Parcels for a total of 5.17 AFA [Order #5, 2009 *Ryan Ranch Decision*];
- 3. District staff may accept a future application for a Water Permit by CHOMP to expand water use within Ryan Ranch to an amount of no greater than 5.17 AFA. [Order #4, 2009 *Ryan Ranch Decision*].

On motion by Director _____, and second by Director _____, the foregoing Statement of Expanded Supply for Ryan Ranch Unit is adopted on this 19th day of April, 2017 by the following vote:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary of the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the forgoing Statement of Expanded Supply for Ryan Ranch Unit was adopted on the 19th day of April 2017.

Witness my hand and seal of the Board of Directors this day of April 2017.

file:///U:/staff/Boardpacket/2017/20170419/PubHrng/14/Item-14-Exh-C.docx

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BEFORE THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

In the Matter of the California-American)	
Water Company Ryan Ranch Unit,)	FINDINGS, CONCLUSIONS
)	
Hearing On Insufficient Physical Supplies)	AND DECISION OF THE BOARD
In Accord with District Rule 40-B)	
)	

The Board of Directors (Board) of the Monterey Peninsula Water Management District (District or MPWMD) convened this administrative hearing pursuant to District Rule 40 B to determine whether the Ryan Ranch Water Distribution System (WDS or System) has sufficient physical supplies of water to meet demand, and/or whether modifications to System Capacity and/or Expansion Capacity Limits should be made.

Parties to the hearing included the District staff prosecution team, represented by its attorney, Frances M. Farina, California-American Water Company (Cal-Am), represented by its attorneys Carrie L. Gleeson, Lori W. Girard and Timothy J. Miller, Wilson Street Investors, LLC and Ryan Court Investors, LLC, represented by their attorney, Sheri L. Damon, and Community Hospital of the Monterey Peninsula (CHOMP), represented by its attorney, David C. Sweigert.

District General Counsel David C. Laredo assisted the Board in this proceeding.

The administrative hearing was convened on January 21, 2009 and was continued to February 18, 2009. Statements were received, sworn testimony was taken and exhibits were admitted into evidence. Post hearing briefs and summary statements of the Parties were allowed. Board deliberation was held on May 20, 2009.

1 Based on the record, and for good cause, the Board makes the following Findings,
2 Conclusions and Decision.

3
4 **BACKGROUND**

5 1. The District is an independent special district and holds power granted to it by
6 the state legislature. **EVIDENCE:** Statutes of 1977, Chapter 527, as amended, found at
7 West's Water Code Appendix, Sec. 118-1, *et. seq* (Water District Law).

8 2. The District regulates water distribution systems within its boundaries, adopts
9 regulations, establishes rules to protect public health and has the power to do any act necessary
10 to ensure sufficient water is available for present or future beneficial use of inhabitants within
11 the District. **EVIDENCE:** Water District Law, §118-363, §118-308, §118-326 (c), §118-325.

12
13 **REGULATORY FRAMEWORK**

14 3. The District has established a permit system for operation of Water Distribution
15 Systems within its boundaries. **EVIDENCE:** MPWMD Rules and Regulations (Rules &
16 Regs), Regulation II, Rules 20 – 29.

17 4. Each Water Distribution System within the District is required to operate within
18 an established Expansion Capacity Limit and System Capacity Limit. **EVIDENCE:** MPWMD
19 Rules & Regs, Rule 20 and Rule 22.

20 5. The District defines the term Expansion Capacity Limit to mean “the maximum
21 number of connections beyond which a Water Distribution System is not authorized to
22 Expand.” **EVIDENCE:** MPWMD Rules & Regs, Rule 11.

23 6. The District defines the term System Capacity to mean “the amount of water in
24 gallons, cubic feet or Acre Feet that can be produced for delivery to a Water Distribution
25 System based upon the cumulative Sustained Yield of Wells adjusted for periodic lowering of
26 the water table and the projected yield of other Sources of Supply.” **EVIDENCE:** MPWMD
27 Rules & Regs, Rule 11.

28

1 7. The MPWMD General Manager is required to monitor the physical ability of
2 Water Distribution Systems having more than ten connections to supply water within the
3 System Capacity and/or the Expansion Capacity for that System. **EVIDENCE:** MPWMD
4 Rules & Regs, Rule 40 B 1.

5 8. Where physical water supplies do not appear sufficient to support either the
6 System Capacity or the Expansion Capacity for that WDS, the General Manager shall rely on
7 credible information presented by a certified hydrogeologist, a registered geologist with a
8 specialty in hydrogeology, a certified engineering geologist with a specialty in hydrogeology, or
9 a registered civil engineer with a specialty in hydrogeology. **EVIDENCE:** MPWMD Rules &
10 Regs, Rule 40 B 1.

11 9. Based upon expert opinion, the General Manager is required to convene a hearing
12 before the District Board to review the System Capacity or the Expansion Capacity, or both, for
13 such WDS. The instant proceeding constitutes such a hearing. **EVIDENCE:** MPWMD Rules
14 & Regs, Rule 40 B 2.

15 10. The District provided Notice to Cal-Am that its Ryan Ranch WDS did not appear
16 to have sufficient water supplies to support its System Capacity. Notice of this proceeding was
17 provided to Cal-Am on September 19, 2008 and November 4, 2008. Notice to property owners
18 and tenants in the Ryan Ranch service area was provided on January 9, 2009. **EVIDENCE:**
19 Exhibits A, C, F-8, and F-10.

20 11. The purpose of this hearing is to determine whether or not physical water
21 supplies are sufficient to support either the System Capacity or the Expansion Capacity, or both,
22 for the Ryan Ranch WDS, and whether, and to what extent, modifications shall be made to
23 either the System Capacity or Expansion Capacity, or both, for that WDS. **EVIDENCE:**
24 MPWMD Rules & Regs, Rule 40 B 3.

25 12. The Board's determination is based upon substantial evidence, including credible
26 expert evidence. **EVIDENCE:** MPWMD Rules & Regs, Rule 40 B 3.

27

28

1 **PRELIMINARY ISSUES**

2 13. Cal-Am and others argue this proceeding is not fair, and that the Board cannot be
3 impartial, because the District participates in matters before the California Public Utilities
4 Commission (CPUC) in which Cal-Am is also a party. Cal-Am cites circumstances where the
5 District filed a protest in CPUC proceedings, but the only way to fully participate in a CPUC
6 proceeding is by filing a protest. These assertions fail for lack of evidence that an unacceptable
7 probability of actual bias exists. **EVIDENCE:** No evidence to sustain the argument. *Nasha*
8 *LLC v. City of Los Angeles* (2004) 125 Cal. App.4th 470 citing *BreakZone Billiards v. City of*
9 *Torrance* (2000) 81 Cal. App.4th 1205.

10 14. Cal-Am and others also argue this proceeding is not fair because the prosecuting
11 attorney, Frances M. Farina, simultaneously served as an advisor to the Board on unrelated
12 matters, including but not limited to CPUC matters in which Cal-Am is involved. No evidence
13 was produced to show improper conduct. The presumption of impartiality was not refuted by
14 any evidence. Absent such evidence, there is no violation of due process for a prosecuting
15 attorney to simultaneously serve as an advisor to the Board on unrelated matters. **EVIDENCE:**
16 No evidence to sustain the argument. *Morongo Band of Mission Indians v. State Water*
17 *Resources Control Board* (2009) 45 Cal.4th 731, 88 Cal. Rptr.3d 610.

18 15. Cal-Am and others also argue this proceeding is not fair because the prosecuting
19 attorney, Frances M. Farina, serves in an "of counsel" role to the firm of De Lay & Laredo,
20 while a named partner of that firm, David C. Laredo, represents the District as General Counsel
21 and has been the legal advisor to the Board for this proceeding to provide general advice and
22 consultation to the Chair and Board. Frances M. Farina assisted District staff in this hearing as
23 an independent attorney, and had no contact or direction from District General Counsel. Ms.
24 Farina's office is located in Santa Barbara, while Mr. Laredo's office is located in Pacific
25 Grove. No evidence was produced to show Ms. Farina had access or used confidential
26 information related to this matter, or that Mr. Laredo exercised authority or control over Ms.
27 Farina. No evidence was shown that the ethical wall established to ensure separation of

1 functions had been breached or was capable of being breached. **EVIDENCE:** Exhibit E;
2 Following the guidance of *Howitt v. Superior Court*, (1992) 3 Cal. App. 4th 1575, 5 Cal. Rptr.
3 2d 196 and *Nightlife Partners, Ltd. v. City of Beverly Hills*, (2003) 108 Cal. App. 4th 81, 133
4 Cal. Rptr. 2d. 234. No evidence to sustain the argument.

5 16. Cal-Am and others argue the District lacks regulatory authority over Cal-Am's
6 Ryan Ranch WDS because the CPUC has exclusive jurisdiction. However, the District Law
7 authorizes MPWMD to regulate water distributions systems, including those operated by Cal-
8 Am. **EVIDENCE:** Statutes of 1977, Chapter 527, as amended, found at West's Water Code
9 Appendix, Sec. 118-1, *et seq.*

10 17. Section 118-363 the District Law provides, "No person, owner, or operator shall
11 establish, extend, expand, or create a water distribution system unless and until the approval of
12 the board is first obtained in writing." The section also provides the Board may "adopt such
13 rules and regulations and establish such forms for such applications as are necessary and
14 proper." **EVIDENCE:** Statutes of 1977, Chapter 527, as amended, found at West's Water
15 Code Appendix, Sec. 118-363.

16 18. Cal-Am and others argue the District must complete an environmental impact
17 report (EIR) under the California Environmental Quality Act (CEQA) before it can make any
18 order pursuant to the MPWMD Rule 40 B hearing process. The District's action, however, is in
19 the nature of an enforcement action by a regulatory agency and qualifies for an exemption under
20 CEQA. **EVIDENCE:** CEQA Guidelines, section 15321.

21 19. CHOMP argues it has a vested right to proceed to construct additional buildings
22 on its Ryan Ranch property and that any interference in its planned development constitutes an
23 unconstitutional taking. CHOMP, however, lacks a building permit for its property and cannot
24 show that it has a vested right to complete its phased development. **EVIDENCE:** Exhibit 4,
25 Exhibits L, M and N. *Congregation Etz Chaim v. City of Los Angeles* (2004) 371 F.3d 1122,
26 1125 citing *Toigo v. Town of Ross* (1998) 70 Cal. App.4th 309, 321.

27 20. CHOMP argues District regulatory action regarding the Ryan Ranch WDS
28

1 deprives it of all economically beneficial use and interferes with its investment-backed
2 expectations. CHOMP fails to present evidence of specific diminution in property values. To
3 the contrary, action under District Rule 40B has general application, is not aimed at any
4 individual landowner, and is taken to ensure sufficient water supplies are available to satisfy the
5 needs of current water users, including CHOMP's already-constructed office campus. Rule 40
6 B provides a rational response to water shortage and long-term water availability problems.

7 **EVIDENCE:** Exhibit 4; Exhibits L, M and N, *Penn Central Transp. Co. v. New York City*
8 (1978) 438 U.S. 104; *Kawaoka v. City of Arroyo Grande* (1994) 17 F.3d 1227, 1238, fn. 10;
9 *Swanson v. Marin Municipal Water District* (1976) 56 Cal. App.3d 512

10 21. CHOMP requests special consideration, perhaps in the nature of a special
11 allocation of Ryan Ranch WDS System Capacity, and points to the process enabled by District
12 Ordinance No. 87. **EVIDENCE:** Exhibits 4 and 13, Policy Statement by David C. Sweigert.

13 22. The allocation of water is established by ordinance, as an exercise of District
14 legislative discretion, and a discrete allocation of water cannot properly be created as a result of
15 a quasi-judicial administrative proceeding such as this hearing. **EVIDENCE:** Water District
16 Law; MPWMD Rules & Regs, District Ordinance No. 87.

17
18 **RYAN RANCH WDS SUPPLY ISSUES**

19 23. The Ryan Ranch WDS was formerly known as the Ryan Ranch Mutual Water
20 Company. The term Ryan Ranch WDS as used in these findings refers to both the Ryan Ranch
21 Mutual Water Company and its later operation as by Cal-Am as the Ryan Ranch WDS.
22 **EVIDENCE:** Exhibits F-6 and Exhibit F-7; Testimony of Darby W. Fuerst.

23 24. Cal-Am holds a District permit to operate the Ryan Ranch WDS, and operates
24 that WDS as a separate unit, distinct from Cal-Am's main system. **EVIDENCE:** Exhibits F-6
25 and Exhibit F-7; Testimony of Darby W. Fuerst.

26 25. When the Ryan Ranch WDS was formed on December 13, 1982, the District
27 approved its operation and granted it a System Capacity of 60 Acre Feet/Year (AFY). The

1 WDS was to receive its water supply from three (3) wells. **EVIDENCE:** Exhibit F-1;
2 Testimony of Darby W. Fuerst.

3 26. The District amended the Ryan Ranch WDS permit on September 24, 1984. The
4 permitted System Capacity was increased to 100.5 AFY. The Ryan Ranch WDS was required
5 to develop two (2) additional production wells. **EVIDENCE:** Exhibit F-1; Testimony of Darby
6 W. Fuerst.

7 27. The District further amended the Ryan Ranch WDS permit on April 10, 1989.
8 The permitted System Capacity was increased to 175 AFY. The WDS was required to have
9 five (5) production wells designed to deliver 250 gallons per minute (GPM). **EVIDENCE:**
10 Exhibits F-1 and F-5; Testimony of Darby W. Fuerst.

11 28. At present, the Ryan Ranch WDS has only two (2) operational production wells.
12 **EVIDENCE:** Exhibits F-1; Testimony of Darby W. Fuerst; Testimony of Joseph W. Oliver.

13 29. The current Ryan Ranch WDS permit limits water deliveries though any
14 interconnection between the main Cal-Am service area and the Ryan Ranch WDS area.
15 Transfers of water through this interconnection are limited to emergency use, and must be
16 metered and reported to the District within one week of occurrence. **EVIDENCE:** Exhibit F-6.

17 30. Water demand requirements of Ryan Ranch WDS users are required to be met
18 solely by Ryan Ranch WDS production facilities. As such, it is "stand-alone" water system
19 served by separate and distinct supplies and not reliant upon Cal-Am's main Monterey water
20 system. **EVIDENCE:** Exhibits F-6, F-7, and G-10; Testimony of Darby W. Fuerst.

21 31. The current Ryan Ranch WDS System Capacity limits production to 175 AFY.
22 **EVIDENCE:** Exhibit F-6.

23 32. The current Ryan Ranch WDS Expansion Capacity limits the system to 190
24 connections. **EVIDENCE:** Exhibit F-6.

25 33. Joseph W. Oliver, a certified hydrogeologist with requisite credentials under Rule
26 40 B, provided testimony on the System Capacity of the Ryan Ranch WDS and the history of its
27 production wells. **EVIDENCE:** Exhibits G-2, G-7, and G-11; Testimony of Joseph W. Oliver.

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1 34. Aside from Joseph W. Oliver, no other witness provided testimony or
2 declarations holding credentials as a certified hydrogeologist, a registered geologist with a
3 specialty in hydrogeology, a certified engineering geologist with a specialty in hydrogeology, or
4 a registered civil engineer with a specialty in hydrogeology in this proceeding. **EVIDENCE:**
5 Entire Hearing Record.

6 35. Cal-Am reports show declining capacity in the Ryan Ranch WDS wells.
7 **EVIDENCE:** Exhibits G-4 and G-9; Testimony of Joseph W. Oliver.

8 36. Testimony of John Kilpatrick, a senior planning engineer for Cal-Am, before the
9 CPUC in General Rate Case Application 08-01-027, showed the Ryan Ranch WDS total well
10 capacity to be 101 GPM. **EVIDENCE:** Exhibit J.

11 37. Annual production for the Ryan Ranch WDS has varied from 26 AFY to 91 AFY
12 during the period 1990 to 2008; annual production in the most recent reporting year, Water
13 Year 2008, was 82 AFY. **EVIDENCE:** Exhibit G-5; Testimony of Joseph W. Oliver.

14 38. The existing well production capacity of the Ryan Ranch WDS, with both
15 primary wells in operation, is 101 GPM. A firm operating capacity of 101 GPM equates to an
16 annual production volume of 72 AFY. **EVIDENCE:** Exhibits G-1 and G-11; Testimony of
17 Joseph W. Oliver.

18 39. The Ryan Ranch WDS has an existing Maximum Day Demand of 115 GPM, a
19 permitted Average Day Demand of 108 GPM, and a permitted Maximum Day Demand of 244
20 GPM. **EVIDENCE:** Exhibit G-11; Testimony of Joseph W. Oliver.

21 40. The existing production capacity of the Ryan Ranch WDS of 101 GPM is
22 sufficient to meet an existing Average Day Demand of only 51 GPM. **EVIDENCE:** Exhibit
23 G-11; Testimony of Joseph W. Oliver.

24 41. The existing well production capacity of the Ryan Ranch WDS of 101 GPM is
25 not sufficient to meet existing Maximum Day Demand (115 GPM). **EVIDENCE:** Exhibit G-
26 11; Testimony of Joseph W. Oliver.

27 42. The existing well production capacity of the Ryan Ranch WDS of 101 GPM is

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1 not sufficient to meet permitted Average Day Demand (108 GPM). **EVIDENCE:** Exhibit G-
2 11; Testimony of Joseph W. Oliver.

3 43. The existing well production capacity of the Ryan Ranch WDS of 101 GPM is
4 not sufficient to meet permitted Maximum Day Demand (244 GPM). **EVIDENCE:** Exhibit G-
5 11; Testimony of Joseph W. Oliver.

6 44. Cal-Am has not been able to produce sufficient water from its Ryan Ranch WDS
7 sources of supply, and has had to transfer water from its main service area to the Ryan Ranch
8 WDS during six (6) reporting years during the period from Water Year 2003 to Water Year
9 2008. **EVIDENCE:** Exhibit G-5; Testimony of Joseph W. Oliver.

10 45. Cal-Am has raised questions about the adequacy of long-term water production
11 facilities at its Ryan Ranch WDS, is in the process of identifying other well sites and conducting
12 ground water studies to develop future water supply reliability, but has had limited success in
13 increasing long-term water production for Ryan Ranch WDS to date. **EVIDENCE:** Exhibit,
14 F-13, G-1 and G-10; Testimony of Joseph W. Oliver; Testimony of Darby W. Fuerst.

15 46. Ryan Ranch WDS does not comply with Monterey County permit conditions
16 because the system relies on supplemental domestic water supplied from Carmel Valley.
17 **EVIDENCE:** Exhibit F-12.

18

19 **CONCLUSIONS**

20 47. The ability of the Ryan Ranch WDS to take on new consumers is limited by the
21 amount of its supply. When demand reaches this limit, it has no right to take on new
22 consumers. *Butte Co. W.U. Assn. v. Railroad Com.* (1921) 185 Cal. 218.

23 48. The District may restrict new connections to the Ryan Ranch WDS to ensure the
24 system does not exceed the existing safe yield of its water supply, and continue the restrictions
25 until the water supply is augmented.

26 49. Substantial evidence, including credible expert analysis, establishes the physical
27 water supply available to the Ryan Ranch WDS is not sufficient to meet either the permitted
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1 System Capacity or Maximum Day conditions.

2 50. Since the Ryan Ranch WDS wells are no longer capable of producing water at
3 the rates required in the MPWMD permit, or to meet Maximum Day conditions, the System
4 Capacity must be adjusted downward to reflect current production capacity.

5 51. The System Capacity for the Ryan Ranch WDS should be limited to 72 AFY.
6 This is consistent with the firm well production capacity of 101 GPM that is available to that
7 system.

8 52. The District shall not accept an application for a water permit to expand water
9 use in the Ryan Ranch WDS service area until Cal-Am develops additional well production
10 capacity to sustain a higher System Capacity and has its System Capacity modified.

11 53. Upon development of additional well production capacity, or based upon credible
12 expert analysis that the Ryan Ranch WDS can sustain operations in excess of the System
13 Capacity limit set by this order, Cal-Am may apply for amendment of its Ryan Ranch WDS
14 System Capacity. The Board shall at that time set an amended System Capacity for the Water
15 Distribution System, based upon such credible expert analysis in accord with its Rule 40 B 4.

16 54. Any decision to create an exception to the Ryan Ranch WDS capacity limits set
17 by this decision for CHOMP or others, similar to the water allocation set by District Ordinance
18 No. 87, is not limited by this decision. Such an exception could result from an exercise of
19 legislative prerogative beyond the scope of this proceeding.

20 55. The decision of the board is subject to judicial review within ninety (90) days of
21 its adoption pursuant to the provisions of the Code of Civil Procedure, section 1094.6, and in
22 accord with District Rule 16.

23 **ORDER**

24 Based on the record, and for good cause, the Board makes the following Order:

25 1. Physical water supplies are not sufficient to support the System Capacity for the
26 Ryan Ranch WDS.

27 2. Modification of the System Capacity for the Ryan Ranch WDS is required.

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3. The System Capacity for the Ryan Ranch WDS shall be limited to 72 AFY.

4. The District shall not accept an application for a water permit to expand water use in the Ryan Ranch WDS service area until its System Capacity is further modified.

5. Cal-Am may apply for, and the District may further amend, the Ryan Ranch WDS System Capacity based upon credible expert analysis in accord with Rule 40 B 4.

On motion by Director Lehman, and second by Director Doyle, the foregoing Findings, Conclusions and Decision is adopted upon this 15th day of June, 2009, by the following vote:

AYES: Directors Brower, Doyle, Lehman and Markey

NAYS: Director Pendergrass

ABSENT: Directors Potter and Edwards

I, Darby W. Fuerst, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing Findings, Conclusions and Decision were duly adopted on the 15th day of June 2009.

Witness my hand and seal of the Board of Directors this 18th day of June 2009.


Darby W. Fuerst, Secretary to the Board

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EXHIBIT 14-E

DRAFT

FINDINGS of APPROVAL

CONSIDER APPLICATION TO AMEND CALIFORNIA-AMERICAN WATER COMPANY, RYAN RANCH UNIT, TO SERVE COMMUNITY HOSPITAL PROPERTIES VIA D.B.O DEVELOPMENT NO. 30 WATER RIGHTS IN SEASIDE GROUNDWATER BASIN

Application #WDS-20170227RYA; Permit #M17-01-L3

Donor Service Area: APN 011-011-051 (per MPWMD Permit #M15-07-L3)

Recipient Service Area: APNs 259-221-004 and 259-221-005 in Ryan Ranch (CHOMP)

Adopted by MPWMD Board of Directors on April 19, 2017

Unless noted otherwise, all cited documents and materials are available for review at the MPWMD Office, 5 Harris Court, Building G, Monterey (Ryan Ranch).

It is hereby found and determined as follows:

1. **FINDING:** Co-Applicant **California-American Water Company (CAW)**, a California corporation, is the current owner and operator of the Ryan Ranch Unit Water Distribution System (WDS), a public utility regulated by the California Public Utilities Commission and considered as a valid WDS by the Monterey Peninsula Water Management District (MPWMD or District) and the State of California. The 312-acre Ryan Ranch business park is located within the City of Monterey, and is served by the CAW Ryan Ranch Unit. In June 2009, MPWMD reduced the System Capacity (wellhead production limit) to 72.0 Acre-Feet Annually (AFA) and instituted a moratorium on new Connections in the Ryan Ranch Unit due to insufficient supply. In most years in summer/fall, emergency augmentation for the Ryan Ranch Unit is needed via an intertie from the "main" CAW water system that derives supply from the Monterey Peninsula Water Resource System (Carmel River Basin and Seaside Groundwater Basin). In June 2015, the MPWMD Board approved Permit #M15-03-L3 to allow the Ryan Ranch-Bishop Unit Interconnection, where the Bishop Unit would be the primary source of emergency supply augmentation rather than the main system. In September 2014, the District approved Permit #M14-05-L4, which allowed CAW to increase its System Capacity in the Seaside Groundwater Basin Coastal Subareas by up to 3.41 AFA based on transferred water rights owned by Cypress Pacific Investors, LLC

(Cypress). This translates to 3.17 AFA metered sales (customer water consumption) delivered to future recipient parcels within the Seaside Basin designated by Cypress. In 2015, Cypress designated the entire 3.17 AFA to serve Assessor Parcel Numbers (APN) 259-221-004 and 259-221-005 to enable expansion of the Community Hospital of the Monterey Peninsula (CHOMP) campus at Ryan Ranch. This was approved by the District on August 17, 2015 via Permit #M15-06-L3 (CAW/Ryan Ranch-CHOMP Amendment). In November 2015, the District approved a similar water rights transfer of 15.0 AFA production (13.95 AFA of metered sales) for the CAW/DBO Development No. 30 Amendment (Permit M15-07-L3). Application #WDS-20170227RYA requests that the Ryan Ranch Unit System Capacity be increased by 2.00 AFA metered sales from the DBO water rights allotment to serve solely the two CHOMP Parcels, and that Conditions of Approval be amended to enable 5.17 AFA metered sales to be delivered via the intertie between the CAW main system and the Ryan Ranch Unit. This application is referred to herein as the “CAW/Ryan Ranch-CHOMP Amendment No. 2.”

EVIDENCE: Application #WDS-20170227RYA submitted February 27, 2017, including CHOMP Parcel map; California Department of Public Health Services (now called SWRCB Division of Drinking Water), *Certificate of Issuance of a Water Supply Permit to California American Water Company – Ryan Ranch Water System*, Permit #0524134 dated May 24, 2013; MPWMD *Findings, Conclusions and Decision of the Board, Hearing on Insufficient Physical Supplies in Accord with District Rule 40-B (“Ryan Ranch Decision”)* dated June 15, 2009; MPWMD *Annual Water Production Summary for Ryan Ranch Unit (1990-2016)*, dated November 18, 2016. MPWMD Permit #M14-05-L4 (CAW/Cypress Amendment) approved by District Board on September 15, 2014; MPWMD Permit #M15-06-L3 approved on August 17, 2015 (CAW/Ryan Ranch-CHOMP Amendment); MPWMD Permit #M15-07-L3 approved on November 16, 2015 (CAW/DBO Amendment); MPWMD Permit #M15-03-L3 (Ryan Ranch-Bishop Interconnection) approved by District Board on June 15, 2015; MPWMD staff agenda package prepared for MPWMD Board of Directors April 19, 2017 Public Hearing for Application #WDS-20170227RYA (Item 12).

2. **FINDING:** The Ryan Ranch Unit is within CAW’s Monterey Division, but is operated as a separate independent unit from CAW’s main WDS. It is one of three CAW “satellite systems” that draws supply from the Laguna Seca Subarea of the Seaside Groundwater Basin. The Seaside Groundwater Basin is an adjudicated basin governed by the Seaside Basin Watermaster in compliance with a 2006 Adjudication Decision by the Monterey County Superior Court.

- EVIDENCE: Permit application materials specified in Finding #1; map of CAW Service Area. Seaside Groundwater Basin Adjudication Judgment dated March 27, 2006 (as amended), Monterey Superior Court Case #M66343, *California American Water vs. City of Seaside et al.*
3. FINDING: No new Wells are associated with this proposed action. New delivery pipelines will be needed to serve the new CHOMP facilities on the Parcels identified Finding #1, once completed. The Superior Court, Watermaster, and Sixth District Court of Appeal have confirmed that DBO water rights may be delivered to recipient properties in the Seaside Basin from CAW Well(s) located in the Seaside Basin.
- EVIDENCE: Permit application specified in Finding #1. Letter from Seaside Basin Watermaster to David C. Sweigert (attorney for DBO) dated October 19, 2015. Seaside Groundwater Basin Adjudication Judgment dated March 27, 2006, as amended, Monterey Superior Court Case #M66343, *California American Water vs. City of Seaside et al.* Order After Hearing on SNG's Motion to Enforce and Clarify the Amended Decision, Case #M66343, filed by the Monterey County Superior Court (Judge Roger Randall) on May 11, 2009; Sixth District Court of Appeal Decision, Case #H034335, dated April 1, 2010.
4. FINDING: The Applicant has applied for a Permit to amend the Ryan Ranch Unit WDS Conditions of Approval to enable treated CAW main system water to serve solely the CHOMP Parcels in Ryan Ranch as described in Finding #1. The water would be conveyed via the existing intertie between the main system and Ryan Ranch Unit. No other changes to the Ryan Ranch Unit are proposed. No other Parcels would be served from the DBO water right transfer, and the moratorium on new Connections would remain in effect for all other Parcels. The restriction on the use of the main system intertie would be in effect.
- EVIDENCE: Permit application materials specified in Finding #1; MPWMD Permit #M17-01-L3, Amended Conditions of Approval #1 through #4, #13, and Special Condition #27 for Ryan Ranch Unit.
5. FINDING: Previous District staff analysis and Board approval of the CAW/DBO Amendment (Permit #M15-07-L3) determined that CAW has the physical and legal capability to increase production from the Seaside Basin Coastal Subareas by 15.0 AFA, equivalent to delivery of 13.95 AFA metered sales to Parcels designated by DBO. This permit entails 2.0 AFA of the 13.95 AFA amount. CAW has the physical and legal capability to deliver water to the CHOMP Parcels in Ryan Ranch as specified in Finding #1.
- EVIDENCE: Permit application materials specified in Finding #1. MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated

Findings and Conditions of Approval. MPWMD Permit #M17-01-L3, Amended Conditions of Approval #3, #13 and Special Condition #27 for the Ryan Ranch Unit.

6. **FINDING:** The application for the CAW/Ryan Ranch-CHOMP Amendment No. 2, along with supporting materials, is in accordance with District Rule 21 (WDS Applications) and Rule 22 (Action on Application).
- EVIDENCE:** Permit application materials specified in Finding #1; “Notice of Public Hearing” letter to CAW from MPWMD dated March 14, 2017; MPWMD Rules and Regulations.

Required Findings (MPWMD Rule 22-B)

7. **FINDING:** The approval of the Permit would not cause unnecessary duplication of Potable water service within any existing system. The CAW/Ryan Ranch-CHOMP Amendment No. 2 complies with the Adjudication Decision, and would be used only to serve the CHOMP Parcels. [Rule 22-B-1]
- EVIDENCE:** Permit application materials specified in Finding #1. MPWMD Permit #M17-01-L3, Amended Conditions of Approval #3, #13 and Special Condition #27 for the Ryan Ranch Unit.
8. **FINDING:** The approval of the Permit would not result in water importation or exportation to or from the District, respectively. The referenced water systems and properties are located wholly within the MPWMD. [Rule 22-B-2]
- EVIDENCE:** District boundary location maps.
9. **FINDING:** Approval of the application would not result in significant adverse impacts to “Sensitive Environmental Receptors” (SER) as defined by MPWMD Rule 11 (Definitions), including the Seaside Groundwater Basin and the Carmel Valley Alluvial Aquifer (CVAA). The Monterey County Superior Court Adjudication Decision determined the Seaside Basin “natural safe yield” and specified pumping rights of property owners, including DBO. The Superior Court further determined that serving Seaside Basin recipient properties with CAW Wells further inland is an overall benefit to the ongoing integrity of the Seaside Basin and is part of the Physical Solution. The Front-Loading Agreement included in the Conditions of Approval for CAW/DBO Amendment (MPWMD Permit #M15-07-L3) is consistent with the May 11, 2009 Court Order finding that with adequate “front-loading,” there is no resultant adverse impacts to the Carmel River or the CVAA. The current application simply implements Permit #M15-07-L3 and specifies the two CHOMP Parcels in Ryan Ranch. [Rule 22-B-3]

- EVIDENCE: Permit application materials specified in Finding #1. Seaside Basin Adjudication Decision and Court determinations referenced in Finding #3. MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated Findings and Conditions of Approval (Special Condition #30 addresses Front-Loading Agreement). MPWMD Permit #M17-01-L3, Amended Conditions of Approval #3, #13 and Special Condition #27 for the Ryan Ranch Unit.
10. FINDING: The application is based on specified DBO water rights as determined by the Superior Court as part of the Seaside Basin Adjudication Decision. [Rule 22-B-4]
- EVIDENCE: Seaside Basin Adjudication Decision, May 11, 2009 Court Order and April 1, 2010 Appeal Decision specified in Finding #3.
11. FINDING: A long-term reliable source of water supply (15.0 AFA production, equivalent to 13.95 AFA metered sales) is available to CAW via the CAW/DBO Amendment (MPWMD Permit #M15-07-L3), based on the Seaside Basin Adjudication. The application #WDS-20170227RYA requests 2.0 AFA of the 13.95 AFA amount. Notably, the California Public Utilities Commission (CPUC) in April 2015 approved future CAW plans to fully integrate the three “satellite systems” described in Finding #2 with the main CAW system once the Monterey Peninsula Water Supply Project is completed, adding to future supply reliability. [Rule 22-B-5]
- EVIDENCE: Seaside Basin Adjudication Decision, May 11, 2009 Court Order and April 1, 2010 Appeal Decision specified in Finding #3. CPUC Decision 15-04-007 approving the General Rate Case for CAW Application A.13-07-002. MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated Findings and Conditions of Approval.
12. FINDING: The source of water supply for the CAW/Ryan Ranch-CHOMP Amendment No. 2 is from CAW Wells in the Seaside Basin Coastal Subareas, consistent with previous approvals. The source of water supply for the Ryan Ranch Unit Wells is the Laguna Seca Subarea of the Seaside Groundwater Basin. The cumulative effects of issuance of this WDS Permit do not result in significant adverse impacts to the Source of Supply or the species and habitats dependent on the Source of Supply due to compliance with the Adjudication Decision issued by the Superior Court, the Front-Loading Agreement in the CAW/DBO Amendment (MPWMD Permit #M15-07-L3), and restrictions in the CAW/Ryan Ranch-Bishop Interconnection (MPWMD Permit #M15-03-L3). The CAW/Ryan Ranch-CHOMP Amendment No. 2 continues this compliance. [Rule 22-B-6]
- EVIDENCE: Permit application materials specified in Finding #1. Seaside Basin

Adjudication Decision and other Court determinations referenced in Finding #3. MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M15-03-L3 approved June 15, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M17-01-L3, Amended Conditions of Approval #1 through #4, #13 and Special Condition #27 for the Ryan Ranch Unit.

13. **FINDING:** With the actions required in the CAW/DBO Amendment (MPWMD Permit #M15-07-L3), the source of CAW supply for recipient properties is derived from the Paso Robles and Santa Margarita Aquifers in the Coastal Subareas of the Seaside Basin, which is not within the jurisdiction of the State Water Resources Control Board (SWRCB). The SWRCB has determined that the one-for-one replacement required in its Order WR 95-10 does not apply so long as CAW supply to the recipient properties is derived solely from the Seaside Basin. The Source of Supply for the Ryan Ranch Unit is from aquifers within the Laguna Seca Subarea of the Seaside Groundwater Basin, and is not derived from the Carmel Valley Alluvial Aquifer and is not within the jurisdiction of the SWRCB. Neither Source of Supply has been determined to be tributary to the Source of Supply for any other system. [Rule 22-B-7]

EVIDENCE: MPWMD maps showing boundaries of project area and jurisdiction of the SWRCB; MPWMD hydrogeologic maps on file; MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M17-01-L3, Amended Conditions of Approval #1 through #4, #13 and Special Condition #27 for the Ryan Ranch Unit.

14. **FINDING:** MPWMD Permits #M15-06-L3, M15-07-L3, and M17-01-L3 allow a physical intertie from the main CAW system (Coastal Subarea) to the Ryan Ranch Unit to be used only for the CHOMP Parcels, based on a transfer of Cypress and DBO water rights. The CAW/Ryan Ranch-Bishop Interconnection for emergency use and other restrictions in MPWMD Permit #M15-03-L3 would continue for all other Parcels in Ryan Ranch. Except for the CHOMP Parcels, augmentation from the main CAW WDS is only allowed via written permission by the MPWMD General Manager in emergency situations when both the Ryan Ranch and Bishop Units have documented insufficient supplies. Any CAW Source of Supply may be used in a fire emergency. [Rule 22-B-8]

EVIDENCE: Permit application materials specified in Finding #1; MPWMD Permit #M15-06-L3 approved August 17, 2015, and Permit #M15-07-L3, approved November 16, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M15-03-L3 approved June

15, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M17-01-L3, Amended Conditions of Approval #1 through #4, #13 and Special Condition #27 for the Ryan Ranch Unit.

15. FINDING: A back-flow protection device to prevent contamination of the CAW system is not necessary as CAW is the water purveyor. [Rule 22-B-9]

EVIDENCE: Permit application materials specified in Finding #1.

Minimum Standards for Granting a Permit (MPWMD Rule 22-C)

16. FINDING: The application adequately identifies the Responsible Party as California-American Water Company, a California Corporation. [Rule 22-C-1]

EVIDENCE: Permit application materials specified in Finding #1.

17. FINDING: The application meets the definition of a “Multiple-Parcel Connection System” as water will be provided by CAW, a regulated Public Utility, to the CHOMP Parcels in Ryan Ranch. Compliance with California Title 22 water quality standards is the authority of the SWRCB, Division of Drinking Water. [Rule 22-C-2]

EVIDENCE: Permit application specified in Finding #1. MPWMD Permit #M17-01-L3, Amended Conditions of Approval #1 through #4, and #15. California Administrative Code, Title 22.

18. FINDING: The application identifies the location of the Source of Supply for CAW/Ryan Ranch-CHOMP Amendment No. 2 as CAW Wells in the Seaside Groundwater Basin. Because CAW is “wheeling” DBO water, it is possible that water delivered to the CHOMP Parcels could be comingled with water from either the Coastal Subareas or the Laguna Seca Subarea of the Seaside Basin. [Rule 22-C-3]

EVIDENCE: Permit application materials specified in Finding #1; MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M17-01-L3, Amended Condition of Approval #4 for Ryan Ranch Unit.

19. FINDING: The approval of the application would not create an Overdraft or increase an existing Overdraft of a Groundwater basin, and a superior right has been demonstrated. The Superior Court has determined the “natural safe yield” and specified pumping rights of property owners in the Seaside Basin as part of the Adjudication Decision, and has designated 15.0 AFA Alternative Production Allocation for DBO. Of this amount, 2.15 AFA production is associated with the delivery of 2.00 AFA metered sales solely to the CHOMP Parcels identified in Finding #1. [Rule 22-C-4]

EVIDENCE: Adjudication Decision specified in Finding #2. MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M17-01-L3, Amended Conditions of Approval #1 through #4, #13 and Special Condition #27 for the Ryan Ranch Unit.

20. FINDING: The approval of the application would not adversely affect the ability of existing systems to provide water to Users due to conditions of approval that limit future water use to a reasonable and acceptable amount, consistent with the water rights determinations of the Superior Court as the result of the Seaside Basin Adjudication. [Rule 22-C-5]

EVIDENCE: Seaside Basin Adjudication Decision and other Court Orders specified in Finding #3. MPWMD Permit #M15-07-L3 approved November 16, 2015, including associated Findings and Conditions of Approval; MPWMD Permit #M17-01-L3, Amended Conditions of Approval #1 through #4, #13 and Special Condition #27 for the Ryan Ranch Unit.

Compliance with California Environmental Quality Act (CEQA)

21. FINDING: In the review of this application, MPWMD has followed those guidelines adopted by the State of California and published in the California Administrative Code, Title 14, Section 15000, *et seq.* Specifically, the MPWMD has determined that a Statutory Exemption applies as defined in CEQA Guidelines Section 15268 (Ministerial Projects), based on previous environmental determinations by the Courts. The Monterey County Superior Court concluded that its Adjudication Decision included environmental determinations related to the Seaside Basin and adjudication of the rights therein. The MPWMD action is also consistent with the May 11, 2009 Court Order as confirmed by the Sixth District Court of Appeal, which limits CEQA review of adjudicated groundwater supply in the Seaside Basin.

EVIDENCE: CEQA and CEQA Guidelines, Section 15268; Seaside Basin Adjudication Decision, May 11, 2009 Court Order, and April 1, 2010 Appeal Decision specified in Finding #3. Front-Loading Agreement specified in MPWMD Permit #M15-07-L3 (Condition #30) approved November 16, 2015. MPWMD Permit #M17-01-L3, Amended Conditions of Approval for the Ryan Ranch Unit. MPWMD Notice of Exemption for CAW/Ryan Ranch-CHOMP Amendment No. 2 signed April __, 2017.



EXHIBIT 14-F

DRAFT

**AMENDED CONDITIONS OF APPROVAL FOR
CALIFORNIA-AMERICAN WATER DISTRIBUTION SYSTEM, RYAN
RANCH UNIT, TRANSFER OF DBO DEVELOPMENT NO. 30 WATER
RIGHTS TO SERVE COMMUNITY HOSPITAL PROPERTIES**

Approved April 19, 2017

MPWMD APPLICATION #WDS-20170227RYA, Permit M17-01-L3

Permittee: California-American Water Company, a California Corporation
Permitted System: California American Water, Ryan Ranch Unit
Donor Service Area: APN 011-011-051 (per MPWMD Permit #M15-07-L3)
Recipient Service Area: APNs 259-221-004 and 259-221-005 in Ryan Ranch
Owner: Community Hospital Properties, a California Nonprofit Benefit Corporation

Permitted System

1. The California-American Water Company (CAW) Water Distribution System, Ryan Ranch Unit (Permitted System), is authorized by the Monterey Peninsula Water Management District (MPWMD or District) to provide water service to the 312-acre Ryan Ranch business park located in the City of Monterey. In April 2017, the District approved Permit #M17-01-L3 for the "CAW/Ryan Ranch CHOMP Amendment No. 2," which authorized a transfer of an additional 2.00 Acre-Feet Annually (AFA) metered sales to recipient Parcels designated by DBO Development No. 30 (DBO) pursuant to MPWMD Permit #M15-07-L3. DBO has identified Assessor's Parcel Numbers 259-221-004 and 259-221-005, owned by Community Hospital Properties, a California nonprofit benefit corporation (Owner), as the designated recipient Parcels for 2.00 AFA out of the 13.95 AFA available for transfer. These "CHOMP Parcels" are shown in **Attachment 1**. This action is referred to herein as the "CAW/Ryan Ranch-CHOMP Amendment No. 2." [Rule 22-D-1-a]
2. The Permit authorizes the Permitted System to provide potable drinking water supply to the two CHOMP Parcels referenced in Condition #1, which is the sole exception to the current moratorium on new Connections imposed by the District Board on June 15, 2009, as described in Special Condition #27. [Rule 22-D-1-b]
3. The System Capacity (water production limit) for the Permitted System is hereby set at 77.17 AFA, comprised of the 72.00 AFA limit as ordered by the MPWMD Board of

Directors on June 15, 2009, plus the 3.17 AFA metered sales allowed via MPMWD Permit #M15-06-L3, plus the 2.00 AFA metered sales designated solely for the two CHOMP Parcels described in Condition #1. The Expansion Capacity Limit remains at 190 Connections, with restrictions described in Special Condition #27. [Rule 22-D-1]

4. The source of water for the CAW/Ryan Ranch-CHOMP Amendment No. 2 water rights transfer is Groundwater extracted by CAW Wells in the Coastal Subareas of Seaside Groundwater Basin. Water for the CHOMP Parcels shall be delivered through CAW's Ryan Ranch Unit WDS. Because CAW is "wheeling" DBO water, it is possible that the actual water delivered to the future CHOMP facilities could be derived from CAW Wells located within the Laguna Seca Subarea of the Seaside Groundwater Basin, as follows: RR #7 (MCEHB Permit #W-2089, DWR #082916 completed 1/17/1981); RR #8 (MCEHB Permit #W-2117, DWR #082948 completed 6/16/1981); and RR #11 (MCEHB Permit #03-01475, DWR #804084 completed 8/11/2003). [Rule 22-C-3]

Additional Mandatory Conditions of Approval

5. No other agency approvals are specifically identified as being required before this Permit is valid. [Rule 22-D-1-c] However, precedent to use of this Permit, Permittee shall first obtain and comply with any required approval from the local Jurisdiction in which Ryan Ranch Unit Parcels, including the CHOMP Parcels, are located, as well as the Seaside Basin Watermaster, if necessary. Approval of construction of the emergency interconnection pipeline referenced in Condition #13 is the authority of the City and/or County of Monterey. [Rule 22-D-3]
6. Permittee and Owner shall execute an Indemnification Agreement, provided separately, which holds the District harmless and promises to defend the District from any claims, demands, or expenses of any nature or kind arising from or in any way related to the District approval of the Permitted System or the adequacy of the system water supply. This Permit is not valid until the Indemnification Agreement is signed by both the Permittee and MPWMD. The Indemnification Agreement must be signed within 60 days of the Board approval for this Permit to remain valid. [Rule 22-D-1-d]
7. Permittee shall comply with District rules relating to water Well registration, metering and annual reporting of production (MPWMD Rules 52 and 54). [Rule 22-D-1-e; Rule 22-D-2]
8. Permittee shall report production by the Water Meter Method (MPWMD Rule 56) for the Wells designated in Condition #4. Refer to Special Conditions #29 and #30 for additional Well reporting requirements. [Rule 22-D-1-e; Rule 22-D-2]
9. Owner shall comply with all MPWMD Water Efficiency rules that pertain to CAW customers, as applicable, (e.g., commercial, Residential, landscape). Current ordinances specify maximum water use rates for fixtures and require new development to install drought-resistant landscapes, and drip irrigation, where appropriate. Contact with the District Permit and Conservation Office at 831-658-5601 is recommended during project planning. [Rule 22-D-1-f]

10. No new Connections to the Permitted System may be set until a Water Permit has been secured from MPWMD for each Connection in accordance with MPWMD regulations governing issuance of Water Permits. Connection Capacity Fees shall be calculated based on water demand estimates using the District's water demand methodology at the time of the application. [Rule 22-D-1-g]
11. Any intensification or expansion of use within the Permitted System shall require a new application and Permit pursuant to MPWMD Rules 23 and 24. [Rule 22-D-1-k]
12. Any new facilities, expansion of Service Area boundaries, changed conditions regarding water service by other entities, increase in the System Limits set in Condition #3, or other changes described in MPWMD Rule 22-E shall require a Permit to amend the Permitted System. [Rule 22-E]
13. Except for service solely to the two CHOMP Parcels specified in Conditions #1 through #4 and Special Condition #27, no intertie between the Permitted System and any other water system intended to provide non-emergency service to the Ryan Ranch Unit Parcels shall be allowed without amending this WDS Permit pursuant to Rule 22-E. An intertie between the CAW Bishop Unit and the Ryan Ranch Unit shall only be allowed during emergency events via a one-way pipeline crossing York Road as approved by the City and/or County of Monterey. The term "emergency event" means that water system facilities are not capable of providing sufficient supply to customers, typically due to failure of a facility component. Transfers of water between the Bishop Unit and the Ryan Ranch Unit must be metered and reported to the District within one week of occurrence. Use of the emergency intertie between the Bishop and Ryan Ranch Units shall be subject to MPWMD Board review if such use occurs for more than 60 days. Except for service solely to the two CHOMP Parcels specified in Conditions #1 through #4 and Special Condition #27, use of an intertie between the "main" CAW water system (i.e., draws water from the Monterey Peninsula Water Resource System) and the Ryan Ranch Unit is prohibited unless written permission is given by the District General Manager in an emergency event, including documentation that both Ryan Ranch and Bishop Unit supply cannot meet the required demand. The Ryan Ranch Parcels may receive CAW water from any source for emergency fire service, so long as this service is documented and reported in accordance with these conditions. [Rule 22-D-1-h]
14. A back-flow protection device to prevent contamination of the CAW system is not required as all Ryan Ranch Parcels will be served by CAW. [Rule 22-D-1-h]
15. Because the Permittee and Permitted System is a regulated Public Utility, compliance with California Title 22 drinking water standards is already required by the State Water Resources Control Board, Division of Drinking Water. [Rule 22-C-2]
16. Permittee is not required to carry out specific mitigation measures by MPWMD to offset adverse environmental impacts above and beyond those actions already required by the "Physical Solution" specified by the Superior Court in the Seaside Basin Adjudication Decision or by the Seaside Basin Watermaster. [Rule 22-D-1-i]

17. Because the Permittee and Permitted System is a regulated Public Utility, Permittee is not required to provide an agreement to serve water to Parcels in the Ryan Ranch Unit. [Rule 22-D-1-j]
18. Upon District approval of this Permit, Permittee shall pay to the District the invoiced cost for MPWMD staff, attorney and consultant time spent to process the Permit subsequent to the application date, if required. Actual costs will be compared to the initial Application Fee. The Permittee will be separately provided documentation to support the invoiced amount. This Permit is not valid until payment for the invoiced amount is received by MPWMD. The payment must be received within 60 days of the preparation date (see top of page 1) for this Permit to remain valid. [Rule 22-D-1-l]
19. Upon finalization of these conditions, the Permittee and Owner shall sign and notarize an Acceptance of Permit Conditions Form associated with the approval of the Permitted System. By signing the form, Permittee and Owner acknowledge that they understand and accept these conditions as a binding part of the Permit approval, and agree to carry them out faithfully. The Acceptance Form must be received by MPWMD within 60 days of the preparation date (see top of page 1) for this Permit to remain valid. [Rule 22-D-1-m]
20. Permittee shall disclose to any future owner, successors and assigns of the CAW Ryan Ranch Unit WDS described in Condition #1 the requirements for the Permitted System associated with this Permit. MPWMD shall be advised in a timely manner of any changes in system ownership, system name, or other substantive changes to the system to facilitate accurate record-keeping. [Rule 22-D-2]
21. Given the unique nature of the CAW/Ryan Ranch-CHOMP Amendment, and the fact that CAW system infrastructure is already in place to serve the Ryan Ranch Unit, this Permit does not include deadlines associated with the construction of the proposed facilities on the CHOMP Parcels, which will be approved by the City of Monterey. [Rule 22-D-4]
22. Permittee shall execute a Notice of Agreement prepared separately by MPWMD regarding the limitation on water use as set forth in these conditions. Permittee shall also ensure that the Owner of the CHOMP Parcels executes a Notice and Deed Restriction prepared separately by MPWMD regarding the limitation on water use as set forth in these conditions. Permittee shall pay all fees associated with preparation, review and recording of the Notice of Agreement and the Notice and Deed Restriction. The Notice of Agreement and Notice and Deed Restriction must be signed and notarized by the Permittee or Owner, respectively, and accepted by the Monterey County Recorder for processing within 60 days of Board approval for this Permit to remain valid. [Rule 22-D-1-n]
23. Upon notice to the Permittee in writing, e-mail or by telephone, reasonable access shall be given to MPWMD staff or its designated representative to inspect and document Water-Gathering Facilities and Water-Measuring Devices, obtain hydrogeologic data, and take readings from Water Measuring Devices within the Permitted System. [Rule 22-D-1-o]

24. The Permit granted herein is subject to revocation in the event the Permittee and Owner do not fully comply with each condition set forth in this Permit. [Rule 22-D-1-p]

Other Standard Conditions of Approval

25. Nothing in this Permit shall be construed to grant or confirm any water right.
26. This Permit does not authorize any act that results in the taking of a threatened or endangered species or any act which is now prohibited, or becomes prohibited in the future, under either the California Endangered Species Act (Fish and Game Code Sections 2050 to 2097) or the federal Endangered Species Act (16 U.S.C.A. Sections 1531 to 1544). If a “take” will result from any act authorized under this Permit, the Permittee shall obtain authorization for an incidental take prior to construction or operation of the project. Permittee shall be responsible for meeting all requirements of the applicable Endangered Species Act for the project authorized under this Permit.

Special Conditions of Approval

27. Except for service of up to 5.17 AFA metered sales designated solely for the two CHOMP Parcels specified in Conditions #1 through #4, the District shall not accept an application for a Water Permit to expand water use in the Ryan Ranch Unit Service Area until its System Capacity is further modified Pursuant to the *Findings, Conclusions and Decisions Regarding Insufficient Supply in the Ryan Ranch Unit* adopted by the MPWMD Board of Directors on June 15, 2009. Permittee may apply for, and the District may further amend, the Ryan Ranch Unit System Capacity based upon credible expert analysis in accordance with Rule 40-B-4.
28. Precedent to use of this Permit, Permittee shall provide copies to MPWMD of documents from the Seaside Basin Watermaster associated with approval of the CAW/Cypress Amendment, CAW/Ryan Ranch-CHOMP Amendment, CAW/DBO Amendment, CAW/Ryan Ranch-Bishop Interconnection, and the CAW/Ryan Ranch-CHOMP Amendment No. 2, if applicable.
29. For each Well specified in Condition #4, Permittee shall continue to provide monthly reports of water production that identify production on a daily basis.
30. For each Well specified in Condition #4, Permittee shall continue to obtain monthly measure water levels in each Well, and measure water levels in monitoring Wells within the Ryan Ranch Unit, and report these data to the District along with the monthly production report described in Condition #29.
31. By November 30 of each year, Permittee shall continue to provide an annual report to the District of metered sales (customer consumption) that identifies consumption during the previous Water Year. Permittee shall meter the pipelines that deliver water to the two CHOMP Parcels and report cumulative water use on a quarterly basis to MPWMD to ascertain that water deliveries to the two CHOMP Parcels remain within the 5.17 AFA

limit. If metered sales on the two CHOMP Parcels exceed 5.17 AFA, then CHOMP will be subject to the procedures specified in District Rule 20.4, Permit Rule Non-Compliance.

32. Final construction plans for the future CHOMP facilities must demonstrate that water use will not exceed 5.17 AFA metered sales, using District methodology at that time, in order to receive a Water Permit for the project.
33. A standard Condition of Approval for any Water Permit issued to the Owners of the Recipient Parcels is a voluntary binding agreement (“Notice and Deed Restriction”) to provide public access to water use data, upon request by MPWMD. Permittee shall provide to MPWMD any information authorized to be released in accordance with a Notice and Deed Restriction executed and recorded by a Recipient Parcel Owner.
34. The September 24, 2015 *Agreement Regarding Front Loading Delivery of Water* between CAW and DBO (**Attachment 2**) specifies the steps that must be taken by CAW to ensure that only Seaside Groundwater Basin water is delivered by CAW.

ATTACHMENT 1--Service Area map of CHOMP Parcels
ATTACHMENT 2 –Front Loading Agreement

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**AGREEMENT REGARDING
FRONT-LOADING DELIVERY OF WATER**

This Agreement Regarding Front-Loading Delivery of Water (“**Agreement**”) made by and between D.B.O. Development No. 30, a California limited liability company (“**D.B.O.**”) and California-American Water Company, a California corporation (“**CAW**”), hereinafter individually a “**Party**,” and collectively, the “**Parties**,” is entered into with respect to the following:

WHEREAS, CAW, a public utility regulated by the California Public Utilities Commission (“**CPUC**”), owns and operates wells and infrastructure and a water distribution system which serves properties located within the Seaside Basin and generally on the Monterey Peninsula;

WHEREAS, D.B.O. is the owner and developer of property within the CAW water service area and is the successor in interest to D.B.O. Development No. 27, a California limited liability company;

WHEREAS, the Amended Decision governing the Seaside Basin Adjudication matter in the case of *California American Water v. City of Seaside, et al.* (Monterey County Superior Court, Case No. M66343) filed on February 9, 2007 (“**Amended Decision**”) established that D.B.O. has the right and title to produce and use a percentage of the Operating Safe Yield and Natural Safe Yield of Seaside Basin water as described more fully in the Amended Decision;

WHEREAS, on or about December 3, 2014, in its Notice to All Seaside Groundwater Producers, the Seaside Groundwater Basin Watermaster (“**Watermaster**”) declared that, under the Amended Decision, D.B.O. was entitled to produce 422.96 acre-feet (“**AF**”) of water in water year 2015, which amount includes 238.88 AF of “free” carryover credit and 152.52 AF of “not-free” carryover credit from previous water years, plus the 2015 base allocation of 31.56AF;

WHEREAS, D.B.O. calculates that, after the final triennial ten percent reduction mandated under the Amended Decision in approximately 2021, its share of the Natural Safe Yield of the Seaside Basin would be no less than 15.72 AF per year, calculated by applying D.B.O.’s weighted average under Table 1 of the Amended Decision of 1.27 percent to the lower value of the estimated Natural Safe Yield of the Coastal Subarea of the Seaside Basin (1,973 AF per year, as stated in Amended Decision sections II.B.1 and III.A.17) reduced by 735 AF per year, the amount of water available to Alternative Production Allocation producers in the Coastal Subarea (743 AF per year under Table 2 of the Amended Decision reduced by 8 AF per year per conversion of 8 AF per year by Cypress Pacific Investors, LLC, formerly Calabrese, approved by the Watermaster on January 27, 2014);

WHEREAS, D.B.O. anticipates that it will file an application or applications with the appropriate local jurisdiction or jurisdictions for the necessary permits, approvals, and entitlements to develop such real property owned or controlled by D.B.O., by a company affiliated with D.B.O., and/or by any other persons or entities designated by D.B.O., and located

at one or more addresses and on one or more assessor's parcel numbers within CAW's Seaside Basin water service area, as DBO may designate from time to time (individually a "**D.B.O. Property**" or collectively "**D.B.O. Properties**"). Said permits, approvals, and entitlements are hereinafter referred to as the "**Permits**";

WHEREAS, CAW and D.B.O. intend to file one or more co-applications with the Monterey Peninsula Water Management District ("**WMD**") requesting one or more amendments to the CAW water distribution system permit as and if required to account for the lease by D.B.O. of up to fifteen (15) AF per year of D.B.O.'s Court-adjudicated entitlement to Seaside Basin water to CAW for the purpose of moving the production of such water to the inland wells operated by CAW and for delivery of such water by CAW to one or more of the D.B.O. Properties; and

WHEREAS, the Parties enter into this Agreement: (1) to make clear that they intend to comply with the terms of the Amended Decision, as clarified by the Monterey Court in its ruling on April 29, 2009, subsequent order filed on May 11, 2009, in Monterey County Superior Court, case number M66343, and any subsequent order of the court in said case; (2) to ensure operationally that only Seaside Basin water is produced and stored for the benefit of the D.B.O. Properties in advance of the D.B.O. demand for such water at any D.B.O. Property, and (3) to provide assurance (in addition to accounting and reporting requirements) that there will be no temporal or other impact on waters produced or stored from other sources, including, without limitation, the Carmel River.

NOW THEREFORE, the Parties agree as follows:

1. Leased Water/Commencement of Lease. D.B.O. agrees to lease up to a maximum of fifteen (15) AF per year of its allocated water production under the Amended Decision to CAW at no charge ("**Lease**" or "**Leased Water**") for delivery to and use on one or more D.B.O. Properties. The Lease shall commence upon the occurrence of all of the following events: i) upon issuance of the Permits and satisfaction of the conditions of approval for the first D.B.O. Property to be served pursuant to this Agreement; ii) satisfaction of the conditions set forth in Section 6 of this Agreement; and iii) issuance of a water permit by the WMD for the new or increased uses on the D.B.O. Property pursuant to the Permits. CAW agrees the Leased Water may only be used to serve the D.B.O. Properties in accordance with the terms and conditions of this Agreement.

2. Commencement and Terms of Service. With respect to each D.B.O. Property to be served with Leased Water pursuant to this Agreement, D.B.O. shall provide CAW with written notice, sufficiently in advance to enable CAW to produce water in accordance with Section 3, specifying: i) the address/location and owner of the D.B.O. Property; ii) the expected date for the meter to be set (if applicable); iii) the expected date for initiation of water service by CAW or increased water use by the D.B.O. Property; and iv) the amount of Leased Water to be provided (which amount shall be exclusive of any baseline for past water use on said D.B.O. Property as recognized and documented by an appropriate methodology acceptable to the WMD and the State Water Resources Control Board ("**SWRCB**"), currently the lesser of either the actual average metered annual water use for a water year from the last five years of records or the amount calculated from the fixture unit count). CAW shall have no obligation to serve any

D.B.O. Property under this Agreement until it receives such notice. Service to any D.B.O. Property pursuant to this Agreement shall be subject to all of CAW's tariffs as authorized by the CPUC, including the conditions of and the rates charged for service.

3. Production of Leased Water. CAW agrees to initially produce the Leased Water for each D.B.O. Property from its inland Seaside Wells at least 30 calendar days prior to either: i) the setting of a meter for the D.B.O. Property; or ii) if the D.B.O. Property to be served already has a meter, commencement of any increased use on said D.B.O. Property. CAW will store the amount of Leased Water so produced in a CAW storage facility deemed appropriate by CAW. Thereafter, CAW shall, as frequently as necessary, produce the Leased Water in an amount that exceeds the amount of water actually delivered to the D.B.O. Properties pursuant to this Agreement.

4. Interpretation. The Parties intend that any production, export, delivery, or use of water pursuant to this Agreement shall be in accordance and consistent with the Amended Decision and that nothing in this Agreement shall be construed to require either Party to violate the terms of the Amended Decision. Further, nothing in this Agreement shall be construed to prohibit the "mixing of molecules" from different sources or supplies of water, which is a practice recognized and allowed by California law and by the Amended Decision, as clarified by the Monterey Court on April 29, 2009, and memorialized in the court's May 11, 2009, Order.

5. Accounting and Reporting. CAW will account for and report the production of the Leased Water in accordance with Section 11 of the *Rules and Regulations of the Seaside Groundwater Basin Watermaster* as it may be amended from time to time. D.B.O. understands and agrees, and will so instruct the Watermaster, that under no circumstances shall production by CAW of the Leased Water for use on any D.B.O. Property served pursuant to this Agreement be deducted from CAW's production rights under the Amended Decision.

6. Conditions Precedent. The application of this Agreement to any D.B.O. Property shall be conditional on all of the following:

- a. Approval of a moratorium exception by the CPUC or the written approval of an authorized official of the SWRCB, as required to allow CAW to produce and deliver Leased Water to the D.B.O. Properties pursuant to this Agreement;
- b. Compliance with Section 9.0 of the *Rules and Regulations of the Seaside Groundwater Basin Watermaster* as it may be amended from time to time with respect to the assignment or transfer to CAW of a portion of D.B.O.'s production allocation for purposes of this Agreement;
- c. Approval of any amendment or amendments to the CAW water distribution system permit by the WMD (or, alternatively, issuance of said permit or authorization granted by order of an applicable court) necessary to allow CAW to produce and deliver Leased Water to such D.B.O. Property;
- d. Acceptance and approval by CAW of any conditions restricting or regulating CAW water systems operations imposed by the WMD on its approval and/or issuance of any amended CAW water distribution system permit or other permit

necessary to allow service to such D.B.O. Property, which acceptance and approval by CAW shall not be unreasonably withheld; and

- e. The provision of Leased Water to such D.B.O. Property will not cause the total deliveries of Leased Water to all D.B.O. Properties under this Agreement to exceed fifteen (15) AF per water year as defined in the Amended Decision.

In the event any of the foregoing conditions is not satisfied with respect to any particular D.B.O. Property, the failure of such condition or conditions shall not affect the validity or enforceability of this Agreement with respect to any other D.B.O. Property.

7. Cooperation. D.B.O. and CAW mutually agree to provide such notification and cooperation to one another as may be necessary to achieve the purposes and implementation of this Agreement. The Parties shall provide further assurances in writing or other documentation as necessary in order to achieve the purposes and implementation of this Agreement.

8. Termination. This Agreement may be terminated upon mutual written agreement of the Parties. Further, CAW may terminate this Agreement as to D.B.O. Properties proposed to be served hereunder that have not received all necessary Permits prior to the date of termination if ordered to do so by the CPUC.

9. Cost Allocation. Costs to implement this Agreement will be paid as follows:

- a. Except as provided in Section 10 below, CAW will pay all costs to request and obtain any CPUC or SWRCB approval for an exception to the CPUC moratorium to allow CAW to produce and deliver Leased Water to the D.B.O. Properties, including but not limited to preparation of any required Advice Letter and supporting documentation.

- b. D.B.O. will pay any application fees and all other fees and costs charged by the WMD related to the application to the WMD for any amendment or amendments to the CAW water distribution system permit necessary to allow CAW to provide Leased Water to the D.B.O. Properties, including but not limited to consultant fees and any fees and costs related to compliance with the California Environmental Quality Act.

- c. Notwithstanding any other provision of this Agreement, and except as provided in Section 10 below, each Party shall be responsible for its own legal costs and attorney's fees associated with performance of the Agreement, including but not limited to all costs and fees related to drafting, review, and editing of applications, preparation and submittal of any application to the CPUC for a moratorium exception, preparation and submittal of any application to the WMD for any amendment or amendments to the CAW water distribution system permit, monitoring of the CPUC and WMD processes for review and approval of the moratorium exception and amendment of the CAW water distribution system permit, and compliance with any and all CPUC and WMD requirements.

- d. Notwithstanding any other provision of this Agreement, and except as provided in Section 10 below, neither D.B.O. nor CAW shall be responsible for paying costs associated with any time expended on the performance or implementation of this Agreement by any officer, director, manager, attorney, representative, agent, or employee of the other Party.

10. Indemnification.

a. D.B.O. agrees that, to the fullest extent permitted by law, CAW shall be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorney's fees, litigation costs, defense costs, court costs, or any other cost arising out of or in any way related to an Indemnified Claim as defined in Section 10(b), below. Accordingly, the provisions of this Section 10 are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to CAW with respect to such Indemnified Claims. D.B.O. acknowledges that CAW would not enter into this Agreement in the absence of this commitment from D.B.O. to indemnify, defend, and hold harmless CAW as set forth herein.

b. To the fullest extent permitted by law, D.B.O. shall defend, indemnify and hold harmless CAW and its directors, officers, employees and agents (individually an "**Indemnified Party**" and collectively "**Indemnified Parties**") from any claim, action, or proceeding to attack, challenge, set aside, void, or annul: (i) the entering into, making, or performance of this Agreement; or (ii) any governmental or regulatory approval related to implementation or performance of this Agreement (individually an "**Indemnified Claim**" and collectively "**Indemnified Claims**"). D.B.O.'s obligation to indemnify applies regardless of whether a liability is caused or contributed to by any act or omission of an Indemnified Party unless it is finally adjudicated that the liability is a result of the sole active negligence or sole willful misconduct of an Indemnified Party. The indemnification includes any damages, fees and/or costs awarded against an Indemnified Party, and costs of suit, attorney's fees, and other costs, liabilities and expenses incurred by an Indemnified Party in connection with an Indemnified Claim, including any costs incurred as a result of an indemnification obligation imposed by a governmental or regulatory entity as part of an approval process.

c. D.B.O.'s duty to defend is a separate and distinct obligation from its duty to indemnify and shall arise immediately upon submittal to D.B.O. of notice of an Indemnified Claim in any form or at any stage of the Indemnified Claim, whether or not liability is established. CAW shall have the right to approve defense counsel, all significant decisions concerning the manner in which the defense is conducted, and any and all settlements, which approvals shall not be unreasonably withheld. The obligation to defend extends through final judgment, including exhaustion of any appeals; or, alternatively, through final settlement of the claim. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of one of the Indemnified Parties, D.B.O. may submit a claim to CAW for reimbursement of reasonable attorney's fees and defense costs which claim shall be paid by CAW within 90 days from submittal. CAW shall also have the right, at any stage of the Indemnified Claim and at its own election, to conduct its own defense. This Section survives the completion or termination of this Agreement.

d. Notwithstanding any other provision of this Agreement, in the event any Indemnified Claim is threatened or asserted so as to give rise to D.B.O.'s indemnification obligation under this Section 10, D.B.O. shall have the unilateral right at any time, with or without CAW's consent, to agree to rescind or vacate any governmental or regulatory approval by any public agency that is necessary in order for CAW to commence producing and delivering Leased Water to a D.B.O. Property pursuant to this Agreement, including but not limited to any amendment to the CAW water distribution system permit by the WMD, provided that such

rescission or vacation does not materially increase or adversely affect CAW's obligations or operations. For example, D.B.O. shall not have the unilateral right to rescind or vacate any such approval if CAW has lawfully commenced producing and delivering Leased Water to the implicated D.B.O. Property. Prior to agreeing to rescind or vacate any such approval, D.B.O. shall provide CAW with written notice of its intent to rescind or vacate the approval and the Parties shall meet and confer on whether a material increase in or adverse effect on CAW's obligations or operations would result from the proposed rescission or vacation.

11. Assignment. D.B.O. may not assign its rights or delegate its obligations hereunder, in whole or in part, without the prior written consent of CAW, which may be given or withheld in CAW's sole and absolute discretion. Notwithstanding the foregoing:

a. D.B.O. shall have the unilateral right to designate the D.B.O. Properties to receive Leased Water under this Agreement without the consent of CAW, notwithstanding the fact that neither D.B.O. nor its affiliate companies may be the record owner of such D.B.O. Property; and

b. D.B.O. may assign all of its rights and obligations hereunder to any person or entity ("Assignee") without the consent of CAW if D.B.O. has permanently sold 51% or more of its Base Water Right as defined in the Amended Decision and transferred its voting power to the Assignee in accordance with the Amended Decision and Section 9.0 of the Watermaster's Rules and Regulations, provided that all of the following conditions are satisfied: (i) D.B.O. is not in default under this Agreement; (ii) there are no amounts currently owing from D.B.O. to CAW under Section 10 of this Agreement; (iii) there are no pending or threatened Indemnified Claims; (iv) no Indemnified Claims has been identified that is probable of being asserted; and (v) such assignment is for a legitimate business purpose and not principally for the purpose of avoiding the restrictions on assignment otherwise applicable under this Section 11. For purposes of this Section 11.b, an unasserted Indemnified Claim would be considered "probable of being asserted" only when the prospect of it being asserted seems reasonably certain (i.e., supported by extrinsic evidence strong enough to establish a presumption that it will happen) and the prospects of non-assertion seem slight.

c. D.B.O. may assign all of its rights and obligations hereunder to any Assignee if: (1) D.B.O. has received the advance written approval of CAW, which approval shall not be unreasonably withheld or delayed; and (2) D.B.O. has permanently sold 51% or more of its Base Water Right as defined in the Amended Decision and transferred its voting power to the Assignee in accordance with the Amended Decision and Section 9.0 of the *Rules and Regulations of the Seaside Groundwater Basin Watermaster* as it may be amended from time to time. Under this Subsection 11.c, written approval shall be deemed "unreasonably delayed" if a substantive written response is not delivered to D.B.O. within 30 calendar days after delivery to CAW of a written request for approval. The Parties shall deliver documents under this Subsection 11.c in accordance with Section 12, Notices. If CAW does not deliver a substantive written response to D.B.O. within said 30-day period, the assignment shall be deemed approved by CAW.

d. If this Agreement is assigned or an assignment is requested pursuant to Subsection 11.b or 11.c above, D.B.O. shall deliver supporting documentation to CAW, which shall include documentation consistent with the Amended Decision and Section 9.0 of the *Rules*

and Regulations of the Seaside Groundwater Basin Watermaster as it may be amended from time to time, showing the transfer to Assignee of 51% or more of D.B.O.'s Base Water Right as defined in the Amended Decision, the transfer of D.B.O.'s voting power to the Assignee, and an instrument duly executed by Assignee by which Assignee assumes (as of the effective date of such assignment) observance and performance of, and agrees to be bound by, all of the terms, covenants and conditions of this Agreement to be performed and observed by D.B.O. ("**Assignment Documents**"). If this Agreement is assigned pursuant to Subsection 11.b, the Assignment Documents shall include a written statement signed by a duly authorized representative of D.B.O. certifying that all of the conditions set forth in Subsection 11.b have been satisfied and D.B.O. shall deliver the Assignment Documents to CAW within 30 calendar days of the effective date of the assignment. If CAW objects to the proposed assignment on the grounds that the conditions set forth in Subsection 11.b have not been met, CAW shall notify D.B.O. in writing of such objection and the specific facts it contends support its objection within 14 calendar days after receipt of the Assignment Documents from D.B.O. If CAW fails to provide D.B.O. with written notice of such objection and facts within 10 calendar days after receipt of the Assignment Documents from D.B.O. CAW shall be deemed to have waived its right to contest the assignment under Subsection 11.b. In the event CAW so notifies D.B.O., D.B.O. shall have the right, at its sole discretion, to respond to CAW's contention in any matter it deems appropriate, including but not limited to any one or more of the following: (i) provide further information or documents to CAW related to the issue of whether the conditions of Subsection 11.b have been met; (ii) request CAW's approval of the assignment pursuant to Subsection 11.c; (iii) withdraw or rescind the assignment; or (iv) pursue any legal remedies to enforce its rights of assignment under Subsection 11.b. If an assignment of this Agreement is requested pursuant to Subsection 11.c, D.B.O shall deliver the Assignment Documents to CAW with D.B.O.'s written request for approval of the assignment.

12. Notices. Any notice, consent, approval or disapproval to be given or other document to be delivered by any Party to the other or others hereunder may be delivered in person to the addressee identified below, or may be delivered by Federal Express, other private commercial delivery or courier service for next business day delivery, or may be deposited in the United States mail, duly certified or registered, return receipt requested, with postage prepaid, and addressed to the Party for whom intended, as follows:

If to CAW:

Eric Sabolsice
 General Manager
 511 Forest Lodge Road, Suite 100
 Pacific Grove, CA 93950
 Email: Eric.Sabolsice@amwater.com

If to D.B.O.:

Ted Lim
 DBO Development
 10 Harris Court, Suite B-1
 Monterey, CA 93940
 TLim@oroscogroup.com

With a copy to:

Donald B. Orosco
 DBO Development
 10 Harris Court, Suite B-1
 Monterey, CA 93940
 DOrosco@oroscogroup.com

And with a copy to:

David C. Sweigert
 Fenton & Keller
 Post Office Box 791
 Monterey, CA 93942-0791
 Email: DSweigert@fentonkeller.com

Notice may also be given by electronic mail ("Email") to any Party at the respective Email address given above provided receipt of such transmission shall be confirmed by follow-up notice within 72 hours by another method authorized above. Any Party hereto may from time-to-time, by written notice to the other, designate a different address or person which shall be substituted for the one above specified. Any notice shall be deemed served or delivered upon actual receipt or first attempted delivery (as shown by the records of the U.S. Postal Service or private delivery service) at the address listed above.

13. Amendment. This Agreement may only be amended by a document in writing signed by the Parties hereto.

14. Authority. The persons executing this Agreement on behalf of the Parties hereto warrant that: (i) such Party is duly organized and existing; (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party; and (iii) by so executing this Agreement such Party is formally bound to the provisions of this Agreement.

15. Governing Law; Disputes.

- a. The Agreement shall be interpreted in accordance with California law, without giving effect to choice of law provisions. Headings used in this Agreement are for convenience only and are not to be used in the construction or interpretation of this Agreement.
- b. The Parties agree that in the event of litigation, exclusive venue shall be in Monterey County, California.
- c. In the event of any legal action or other proceeding between the Parties regarding this Agreement (an "Action"), the prevailing Party shall be entitled to the payment by the losing Party of the prevailing Party's reasonable attorney's fees, court costs and litigation expenses, as determined by the court.
- d. Likewise, the prevailing Party in any Action shall be entitled, in addition to the amounts set forth in Section 15(c) above, to the payment by the losing Party of the prevailing Party's reasonable attorney's fees, court costs and litigation expenses incurred in connection with: (i) any appellate review of the judgment rendered in

the Action; and (ii) any proceeding to enforce a judgment in such Action. It is the intent of the Parties that the provisions of this Section 15(d) shall be distinct and severable from the other rights of the Parties, shall survive the entry of judgment and shall not be merged into such judgment.

16. No Third Party Beneficiaries. This Agreement is made and entered into solely for the benefit of D.B.O. and CAW and no other person shall have any right of action under or by reason of this Agreement.

IN WITNESS WHEREOF, this Agreement is executed by the parties in duplicate on the dates set forth herein below.

CALIFORNIA-AMERICAN WATER COMPANY

Date: 9/24/15

By: [Signature]

Eric Sabolsice, Director Operations
Print Name and Title

D.B.O. DEVELOPMENT NO. 30, LLC
A California limited liability company

By: THE OROSCO FAMILY TRUST
dated June 28, 1977, as amended, Member

Date: 9/17/15

[Signature]
Donald B. Orosco, Co-Trustee

Date: 9/17/15

Mary Kay Orosco
Mary Kay Orosco, Co-Trustee

By: LYLES DIVERSIFIED, INC.,
a California corporation, Member

Date: 9/17/2015

[Signature]
Gerald V. Lyles, Senior Vice President

ITEM: PUBLIC HEARING**15. CONSIDER ADOPTION OF 20156MPWMD ANNUAL REPORT**

Meeting Date:	April 19, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A N/A
Prepared By:	Arlene Tavani	Cost Estimate:	N/A

General Counsel Approval: N/A**Committee Recommendation: The Public Outreach Committee reviewed the report on April 10, 2017 and agreed that it should be presented to the Board for adoption.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

SUMMARY: Attached as **Exhibit 15-A** is the draft 2016 Annual Report for the Monterey Peninsula Water Management District. On April 10, 2017 the Public Outreach Committee reviewed the report and agreed that it should be submitted to the Board for adoption. If Directors have suggestions for changes to the report, they can be incorporated into the final.

RECOMMENDATION: Staff recommends the Board accept public comment, then direct District staff to finalize the 2016 MPWMD Annual Report. Directors are asked to submit any written comments or edits on the report to staff by Monday, April 24, 2017.

BACKGROUND: The District's enabling legislation requires production of an annual written report of the activities of the District in the protection and augmentation of water supplies of the District. The legislation further requires that a public hearing be held each year regarding the contents of the report before it is finalized.

EXHIBIT**15-A** Draft 2016 MPWMD Annual Report

Monterey Peninsula Water Management District Draft 2016 Annual Report

Accomplishments

- Monterey Peninsula Water Supply Project** – The District has made continued progress on the Monterey Peninsula Water Supply Project working jointly with California American Water (Cal-Am), the Monterey Peninsula Regional Water Authority, and other parties. This past year, Cal-Am began work on the Monterey Pipeline.
- Pure Water Monterey Project** – The District provided the majority of funding and provided services for work on this innovative water recycling plant, working in partnership with the Monterey Regional Water Pollution Control Agency (MRWPCA) which will own and operate the system.

This past year, the project partners successfully obtained water rights for the project, secured State Revolving Fund loan monies from the State Water Resources Control Board (SWRCB) to build the project, and certified an Addendum to the Environmental Impact Report to add the Monterey Pipeline and Hilby Pump Station. Construction on the Monterey Pipeline began in late 2016 with the District acting as Project Manager for environmental compliance assurance. When completed, the pipeline will allow Pure Water Monterey water to be supplied to Pebble Beach, Carmel and Carmel Valley and also allow excess Carmel River water to be delivered to the ASR wells in the winter.

- Aquifer Storage and Recovery (ASR)** – The District operated the ASR facilities in coordination with Cal-Am while diverting 699 acre-feet (AF) of Carmel River Basin water for injection and storage in the Seaside Basin during the 2016 water year (WY). Since inception of the ASR program, a total of 5,685 AF has been diverted from the Carmel River for storage and subsequent recovery through the end of WY 2016.
- Water Availability** – In cooperation with the United States Geological Survey (USGS), the District worked to calibrate an integrated ground water-surface water GSFLOW/MODFLOW model to update water availability for additional water supply from the Carmel River. In addition, the District completed a draft instream flow study and hydraulic model to simulate flow requirements for steelhead in the Carmel River. These models will be finalized in mid-2017, and allow the District to model different water supply scenarios and their impacts on the Carmel River environment.
- Well Permitting** – MPWMD issued 11 Water Distribution System Permits and 13 Confirmation of Exemptions for private properties that met the criteria established in District Rules and Regulations. Applications were reviewed for potential impacts to the water resource system and other water users.
- Proposition 1 Integrated Regional Water Management (IRWM) Program** – An agreement for sharing Proposition 1 funds in the Central Coast funding area was executed that will allow the Monterey Peninsula region to receive \$4.2 million for implementation of projects. Initial scopes of work were also developed for projects to ensure the involvement of Disadvantaged Communities in IRWM planning efforts.



New Monterey Pipeline under construction to facilitate distribution of water from the Pure Water Monterey project, and transmit excess Carmel River water to ASR wells in the winter.

- Legally-Mandated Carmel River Mitigation and Stewardship** – Approved an Initial Study/Mitigated Negative Declaration and completed permit applications for an upgrade to the Sleepy Hollow Steelhead Rearing Facility, which includes construction of a new intake and water supply system to protect the facility from changes in river flows due to the removal of San Clemente Dam and to allow the facility to continue to operate during periods of extreme drought or high flows. The total project cost is estimated at \$2.2 million and will be reimbursed from funds generated by a Settlement Agreement between Cal-Am and the National Marine Fisheries Service (NMFS). The project is scheduled to be completed in 2018.



Rescued Carmel River steelhead fish are released into the Sleepy Hollow Steelhead Rearing Facility. In 2016, the District reared 425 rescued steelhead at the facility.

The District successfully rescued 425 wild steelhead from approximately 10.9 miles of the Carmel River, and reared them in the Sleepy Hollow Steelhead Rearing Facility. All fish were electronically tagged and released into the lower river in early December. An additional 239 steelhead were rescued from an isolated pool below Los Padres Dam and released into the river.

Staff reinstalled the Dual-frequency Identification Sonar (DIDSON) in the lower river from January through May to count immigrating adult steelhead for the fourth year in a row. Staff also continued to work for the second year with NMFS, the USGS, and California State University at Monterey Bay on field studies to: (a) evaluate the impact of removing San Clemente Dam, and (b) develop a steelhead population life history model for the watershed, based on tagged fish from NMFS' studies, MPWMD fall population surveys, and fish released from the Sleepy Hollow Steelhead Rearing Facility. This effort included NMFS reinstallation, for the second year, of a tag detection array at the Carmel Area Wastewater District's treatment plant. Fisheries staff also completed three additional miles of survey work in the lower 15 miles of the Carmel River to document changes in the profile of the channel bottom since 2007.

District crews carried out a Vegetation Management Program in the active channel of the Carmel River at 13 sites to prevent debris dams and erosion, trimming back encroaching vegetation and reducing the hazard of downed trees in preparation for winter flows. Trash was removed from along the river before winter rains washed it into the ocean. District staff also planted native trees on exposed banks to improve habitat value, protect water quality, and reduce bank erosion.

- Los Padres Dam Improvements** – A study of upstream volitional fish passage alternatives was started and proposals received for studying alternatives to the dam and management of reservoir sediment. District expenses will be partially reimbursed by Cal-Am under a Public Utilities Commission decision to plan for the long-term future of the dam and associated reservoir.
- Salinas and Carmel Rivers Basin Study** – The District developed a final Plan of Study for a Basin Study that will evaluate future water demands and water supplies taking into account the effects of climate change. The area includes all of the Salinas River Valley through Monterey and San Luis Obispo Counties, the Monterey Peninsula, and the Carmel River Basin. The US Bureau of Reclamation is providing \$1.8 million in grant funds for the study, which is expected to take about four years to complete.
- North Monterey County Drought Contingency Plan (DCP)** – Received a federal grant of \$280,000 to prepare a plan for North Monterey County areas from Salinas to the Monterey Peninsula to better cope with recurring droughts in the region. The DCP is to be coordinated with the Basin Plan.

- **Conservation** – The District approved 1,602 rebate applications \$537,239 for annual savings of 28.9 acre-feet of water. Staff began inspecting building-by-building for compliance with the non-residential water efficiency requirements (Rule 143). More than 744 businesses were inspected. All Peninsula businesses will be verified by 2019.

1,163 residential properties were inspected to verify compliance with water efficiency standards (Retrofit Upon Change of Ownership or Use).

933 water permits were issued, including 108 water permits for water entitlement holders.

Workshops: Hosted several greywater (“Laundry to Landscape”) rainwater harvesting, and water efficient irrigation workshops, including hands-on demonstration installations at local locations. One of the locations was Garland Ranch Regional Park, where a cistern was installed to water a drought-tolerant demonstration garden. Hosted a hands-on sheet mulching workshop at Carmel Middle School.

- **Community Outreach** - During 2016, the District’s website was updated and converted to a new format. Constituents were contacted through direct mail, radio, and print ads on a variety of topics including adoption of the Monterey Peninsula Water Conservation and Rationing Program. Posted weekly updates to the District’s Facebook page. New signage was installed at the ASR site.

Outreach to schools continued with presentations to fifth graders from the International School of Monterey; Chartwell High School; seniors of Environmental Science classes from Robert Louis Stevenson School and graduate school classes at CSUMB in Watershed Science and Policy. Presentations were also made to the Carmel Valley Village Improvement Committee and the California Naturalist program.

Executed over 25 presentations to community groups and city councils, and several guest opinions in local media. The District promoted and participated in an Ultra-High Efficiency Toilet rebate event at Home Depot, and Conservation staff participated in numerous outreach events to provide information and water saving devices to the public.

- **Awards** - Received the Association of California Water Agencies Region 5 Outstanding Outreach Participation Award. Entered a drought tolerant landscape display in the Monterey County Fair and was awarded second place in the Water-Wise Landscape category, and second place in the category of Gardens of Monterey County: Featuring Native/Drought Tolerant Landscaping, by the Water Awareness Committee of Monterey County.

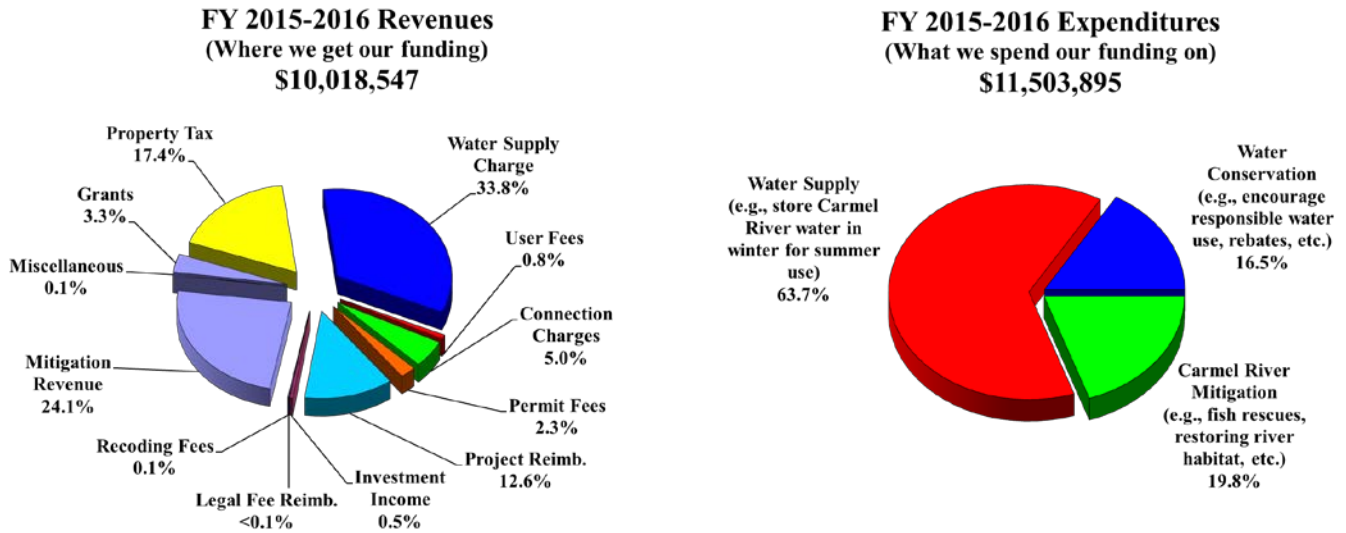


ACWA Region 5 Outstanding Outreach Participation award. Left to right: David Stoldt, Steve Thomas, Stephanie Locke and ACWA President, Kathleen J. Tieg

Financial Analysis

The District has prepared a Comprehensive Annual Financial Report (CAFR). A CAFR is a set of government financial statements comprising the financial report of a municipality that complies with the accounting requirements promulgated by the Government Accounting Standards Board. MPWMD received a clean financial audit report with no material weakness or deficiencies. The audit for fiscal year 2015-2016 was conducted by Hayashi Wayland, an independent auditing firm. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its CAFR for the fiscal year ended June 30, 2015.

As shown in the charts on the next page, total revenues received in Fiscal Year 2015-2016 were \$10,018,547, while expenditures totaled \$11,503,895, generating a decrease in fund balance of \$1,485,348. As of June 30, 2016, the District’s total fund balance was \$3,631,551. The budget for Fiscal Year 2016-17 anticipates expenditures of \$12,560,650.



Future Financing Methods

The District has historically paid for costs associated with water supply projects on a pay-as-you-go basis with the majority of the funding coming from user fees, which was the District's largest and most fluid revenue source. However, beginning in 2012 the User Fee revenue from Cal-Am customers was not available to the District. The District now funds its water supply projects from the Water Supply Charge established in 2012. The District also uses a line of credit to provide additional funding for preliminary costs of current and future potential water supply projects. Possible sources of funds to pay for actual construction of future water supply projects include ongoing revenue increases, user fees, water supply charge, new revenue categories, grants, and bond financing. Actual funding sources will be dependent on the type of project, the amount of funding needed and other variables.

Water Supply

Groundwater Zone Charge: In June 1980, the District Board approved formation of a groundwater charge zone to provide the legal basis for a comprehensive well-monitoring program consisting of well registration, well metering, and water production reporting. However, the District abandoned this source as a revenue and no groundwater charge will be levied in any zone of the District during Water Year 2016.

Available Water Supplies: In Water Year 2016, 12,002 AF of water was legally available to serve Cal-Am customers within the District. Similarly, approximately 3,046 AF of water were assumed to be available to serve non-Cal-Am users extracting water from the Carmel Valley Aquifer and the Seaside Basin. However, because of legal and regulatory constraints, long-term water supplies available to Cal-Am's customers in the future will be reduced to approximately 5,500 acre-feet per year (AFY) assuming that Cal-Am will retain rights to produce 774 AFY from Seaside Groundwater sources (restored to 1,474 in 25 years), 94 AFY from the Sand City Desalination Facility, 1,300 AFY from Aquifer Storage and Recovery, and 3,376 AFY from Carmel River sources.

Non-Cal-Am pumpers outside of the Seaside Basin and Carmel River Basin that depend on percolating groundwater rights pumped 925.2 acre-feet in Water Year 2016.

Requirements for Future Capital Improvements: A 6,252 AFY desalination facility is expected by 2021 with the Pure Water Monterey project expected to create 3,500 AFY of new supply is expected in late 2018. Aquifer Storage and Recovery is expected to be doubled in capacity by 2018, to almost 3,000 AFY in good years. The District continues to develop plans for additional ASR opportunities for future water supply.

ITEM: ACTION ITEM**16. DISCUSS AND ADOPT STRATEGIC PLANNING GOALS****Meeting Date:** April 19, 2017 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/** N/A
Line Item No.: N/A**Prepared By:** David J. Stoldt **Cost Estimate:** N/A**General Counsel Approval:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

SUMMARY: Every two years, the District establishes 1-Year and 3-Year Strategic Planning Goals and evaluates progress on the prior goals. During a series of meetings between the General Manager and Directors, District Counsel, and management staff, several potential Strategic Planning Goals have been identified and are discussed below. Further, progress on goals adopted in 2015 is included as **Exhibit 16-A**.

RECOMMENDATION: The General Manager recommends the Board review, discuss, edit as necessary, and adopt 1-Year and 3-Year Strategic Planning Goals from the proposed list of goals.

DISCUSSION:**Discussion of Possible One-Year Goals****1. Continue to Advance Water Supply Projects**

The District has made progress over the past year to secure contracts and funding for water supply projects. Continued progress would entail the following:

- Break ground and begin construction of Pure Water Monterey; Project-manage injection well construction; Develop coordination plan for well operations; Determine projected cost of water and take actions as necessary; Develop plan for payment of treatment cost for reserve water.
- Support completion of final EIR for the Cal-Am desalination project; Supervise compliance with Mitigation Monitoring and Reporting Program; Further develop Financing Order and timing for the “Ratepayer Relief Bonds” public contribution;
- Complete Santa Margarita ASR Site – Enhanced backflush pond, redefine easement, enter into agreements with City of Seaside and FORA, complete construction.
- Cease and Desist Order – Continue to seek clarity on Condition 2 as it relates to existing service connections.
- Pursue Proposition 1 (including IRWM) and Federal funding opportunities.

- Local Projects – Work with jurisdictions to advance planning and development of local supplies. Includes City of Monterey/MRWPCA stormwater management plan, seeking a market for Monterey Regional Airport non-potable supply, Pacific Grove local project, and Pebble Beach Company Del Monte Golf Course.

2. Scenario Analysis – Delay or Failure of Large Water Supply to Advance

Evaluate options under a delay in the water supply project:

- Identify costs and timelines of alternatives.
- Develop action plan to implement Conservation and Rationing Plan
- Address rule changes to create additional supplies in short term (reestablish District Reserve, expand use of water entitlements, ease transfers, identify unused credits, Malpaso temporary urgency change petition, etc)
- Examine health and safety needs of institutions and residences

3. Establish Clear Requirements for Water Distribution Systems within the District

The District could benefit by more clearly stating its expectations and requirements from large Water Distribution Systems within its boundaries with respect to the following:

- Reporting production and consumption and other reporting requirements
- Posting current rates and charges
- Posting other consumer-oriented information
- Rules on annexations
- Ensure District revenues appropriately collected (e.g. User Fee in Canada Woods territory; Water Supply Charge in satellite systems; Revisit Capacity Fee discount for non-Main territory)
- Examine compliance with water pressure requirements
- Consider aligning District Boundaries more closely to underlying systems (LAFCO process)
- Other

4. Raise Profile of District at Local, State, and Federal Level

- Develop ongoing outreach and visibility plan (e.g. monthly in print, quarterly on radio)
- Annual update of District website
- Obtain CSDA “Transparency Certificate”; Continue to achieve Government Finance Officer Association award for Comprehensive Annual Financial Report (CAFR)
- More interaction with local NGOs
- Continue speaking and sponsorship opportunities
- Enhance State and Federal regulators’ understanding of District role
- Pursue State and Federal funding opportunities

5. **Fiscal Sustainability and Long-Term Financial Planning**

As large-scale out-of-pocket costs for water supply projects begins to decline, the District should examine its requirements for long-term fiscal strength, including:

- Reserves and investments
- Strategies for funding PERS and OPEB liabilities
- Ongoing maintenance and replacement of District assets
- Water Supply Charge plan for sunset/suspension/reduction; Need for new rate study?
- User Fee status and uses
- Plan for retirement of Rabobank Loan
- Plan for paying for Pure Water Monterey reserves

6. **Develop Long-Term Information Technology Plan**

- Evaluate aging infrastructure; Develop replacement schedule
- Replace Water Demand Database
- Identify District data assets; Develop greater accessibility
- Plan for replacement of District phone system
- Digitize District maps, aerial photos, documents
- Improve field personnel technology and access
- Formalize plan for upkeep of District Website
- Improve search function for District server and District website

7. **Organizational Issues**

The Board may seek to direct staff to review its essential services and staffing levels, as well as succession plans. This review may include actions related to the following:

- Adopt and implement new annual performance evaluation tool
- Addition of new staff to meet changing District priorities
- Examine succession planning
- Consider employee team-building or morale-building events each year
- Ensure appropriate staff training (active shooter, customer service, CPR, confined space, etc)
- Finish reorganization
- Develop revised file retention policy and email retention policy; Reduce physical files

Discussion of Possible Three-Year Goals

8. **Establish a Long-Term Strategy for Los Padres Dam**

The National Marine Fisheries Service has indicated that permanent removal of Los Padres Dam is a priority for restoration of the Steelhead in the Central Coast. However, many fisheries experts believe that a regulated river would be a better long-term solution for the Steelhead. Further, an

unregulated river might radically affect the water rights and businesses of property owners along the river. The District, jointly with Cal-Am and a team of consultants, will address the following:

- Instream Flow Incremental Method (IFIM) study to evaluate habitat from dam removal, expanded reservoir capacity, and/or changed operations.
- Carmel River Basin Hydrologic Model to evaluate water availability under various alternatives.
- Los Padres Dam upstream fish passage feasibility study
- Los Padres Dam Alternatives and Sediment Management Study
- Overall feasibility and cost considerations
- Liability and management issues
- Extending District river work permit jurisdiction upriver to extend regulatory authority

9. Develop Comprehensive Strategy for Permit 20808-B

The District has successfully reassigned portions of the original New Los Padres Reservoir permit 20808 to Phases 1 and 2 of ASR (20808-A and 20808-C.) However, permit conditions for each are different. The remainder permit 20808-B, without an approved extension, could be revoked by the SWRCB if water is not put to authorized use by the year 2020. ASR operations are constrained by the season of diversion, points of injection and extraction, and out-of-date instream flow requirements. A strategy for the remainder will include:

- Identification of two to three potential new injection and recovery sites, both in the Seaside Basin and the Carmel Valley
- Possible source well rehabilitation and/or expansion in Carmel Valley; Potential treatment capacity expansion. May require EIR.
- Develop strategy for direct diversion component of water right.
- Amend existing permits and conform all permits to same standards; Attempt to create greater operating flexibility such that any injection well can inject any water and wells can be used for both recovery and production.
- Undertake CEQA for a possible increase to season of diversion.
- Complete a water availability analysis and an IFIM study to revise permit conditions.

10. Prepare for Allocation of “New Water”

The 1990 Allocation EIR resulted in the District developing a process for the allocation of water to the jurisdictions. The process was very interactive with jurisdiction participation. The District will need to be proactive to develop fair and equitable mechanisms for allocation of such water to the jurisdictions. Policies need to be considered for:

- In FY 2017-18, meet with jurisdictions to agree on future parameters
- The almost 1,800 acre-feet for legal lots of record
- Local projects such as Pacific Grove that free-up potable supplies within jurisdictions
- Future ASR, Table 13, Odello, changes in permit conditions, and so on may create additional supplies

- Use of any “excess” supplies in the early years of the project, before allocation to full build-out of Pebble Beach or legal lots of record
- Update and evaluation of the jurisdiction’s general plan needs
- Clean up the District rules regarding Water Credit transfers, sales, and categories.

11. Reform Rules and Regulations

Some Board members have expressed a desire to allow the addition of a half bathroom beyond a second bathroom. This may be part of a broader examination of all residential restrictions and a determination of what policies can be revised without an intensification of water use while the CDO remains in effect, as well as what direction policy should take for the future when the CDO is lifted.

- Consider change to second-bathroom protocol
- Develop credit for innovative technology
- Examine conservation off-set program
- Refine Group I, Group II, and Group III distinctions
- Reestablish District Reserve
- Expand use of water entitlements and ease water credit transfers
- Develop metering standard for non-Cal-Am pumpers on land use reporting method in the Carmel Valley Alluvial Aquifer
- General clean-up

12. Carmel River Mitigation Program

Determine direction for the District’s Carmel River mitigation activities as a result of removal of San Clemente Dam and the assumption that a new water supply comes on line.

Near term:

- Remove damaged bridge and footing from 1995 flood
- Restore area downstream of Rancho San Carlos Road bridge damaged in 2017
- Invest in data collection to support future actions (PIT tagging, construction and staffing of a weir for fish counts, etc)
- Promote strategies for addressing the striped bass issue
- Secure outside funding for habitat restoration

Long term:

- Develop Mitigation Program “Endgame” Plan
- What will be future Cal-Am operations?
- What will be role of Cal-Am, NMFS, CDFW, non-Cal-Am pumpers?
- How will a baseline be established?
- What data will be needed? How will it be collected? For how long?

EXHIBIT

16-A Review of Status of 2015 Strategic Goals

EXHIBIT 16-A**Summary of Status of 2015 District Strategic Goals*****Adopted Strategic 1-Year Goals***

Goal Area	Status
<p>1. Continue to Advance Water Supply Projects</p> <p>The District has made progress over the past year to secure funding for planning and advancement of water supply projects. Continued progress would entail the following:</p> <ul style="list-style-type: none"> • Further develop the “Ratepayer Relief Bonds” proposal for a public contribution for the Cal-Am desalination project. • Develop financial plan for Groundwater Replenishment and advance CEQA, feasibility, and CPUC proceedings. • Complete Water Project 1 (ASR Phase 1) – Enhanced backflush pond, redefine easement, enter into agreements with City of Seaside and FORA, complete construction. • Pursue Proposition 1 and Federal funding opportunities. • Local Projects – Work with jurisdictions to advance planning and development of local supplies. Includes Monterey Regional Airport, Monterey County Fairgrounds, and Pebble Beach Company Del Monte Golf Course. 	<ul style="list-style-type: none"> • ✓ Accomplished • ✓ Accomplished • Delayed, but right-of-entry secured • ✓ Accomplished • ✓ Accomplished and Ongoing
<p>2. Develop Ordinance and Allocation Frameworks For Locally Developed Supplies</p> <ul style="list-style-type: none"> • Odello property – Regulate and provide oversight to owners’ proposal to de-link water right and transfer property into open space public land. • Pacific Grove – Regulate and provide oversight to reallocation of potable water saved by conversion to non-potable irrigation. • Cypress LLC – Regulate and provide oversight to Seaside Basin Alternative producers converting to Standard producers and transfer of water 	<ul style="list-style-type: none"> • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished
<p>3. Respond to New Sustainable Groundwater Management Act</p> <p>The Legislature signed sweeping groundwater legislation in 2014. The District may seek to:</p> <ul style="list-style-type: none"> • Adopt resolution designating District as Groundwater Sustainability Agency within its jurisdiction. • Work with State Water Resources Control Board and Department of Water Resources to resolve categorization of Carmel Valley Alluvial Aquifer. • Work with Watermaster to ensure reporting requirements for adjudicated Seaside Groundwater Basin are met. • Coordinate with County and/or County Water Resources Agency on formation of Groundwater Sustainability Agency for rest of the County and interaction of Salinas Valley Groundwater Basin and Seaside Groundwater Basin. 	<ul style="list-style-type: none"> • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished

4. Revise Rationing Program

The existing rationing program which was developed by the District and is the same as Cal-Am’s program does not appear sufficiently robust to address the required reductions in water supply due to drought, climate, the CDO and the Seaside Basin Adjudication. Approaches might include:

- De-linking residential and commercial sectors
- Reevaluate rationing categories and triggers
- Enforcement
- Evaluate the “baseline” need for individual use
- Examine health and safety needs of institutions (CHOMP, law enforcement, schools, etc)
- Discuss status of visitor serving facilities (commercial v. transient residential)
- Develop alternate strategies that address economic viability of region
- Work with SWRCB to better understand limitations of rationing as regulatory tool

- ✓ Accomplished
- ✓ Accomplished
- ✓ Accomplished
- ✓ Accomplished
- Not Addressed
- ✓ Accomplished
- ✓ Accomplished
- Mixed results; Did engage with ACWA and SWRCB on conservation regulations

5. Succession Planning and Possible Reorganization

The Board may seek to direct staff to review its essential services and staffing levels, as well as succession plans. This review may include actions related to the following:

- Reductions in personnel through outsourcing, shift to part-time, or elimination of functions
- Addition of new staff to meet changing District priorities
- Review opportunities for shared services
- Consider employee team-building or morale-building events each year
- Negotiate new multi-year labor agreement

- ✓ Accomplished
- ✓ Accomplished
- ✓ Accomplished
- Need to do more
- ✓ Accomplished

6. Establish a Short Term Action Plan and Long-Term Strategy for Los Padres Dam

The National Marine Fisheries Service has indicated that permanent removal of Los Padres Dam is a priority for restoration of the Steelhead in the Central Coast. However, many fisheries experts believe that a regulated river would be a better long-term solution for the Steelhead. Further, an unregulated river might radically affect the water rights and businesses of property owners along the river. So long as the threat of dam removal exists, it is unlikely that significant long-term investment will be made in Los Padres Dam. The District will address the following:

- Dam ownership
- Dam removal and Steelhead recovery
- Property owners and rights

- Not addressed
- ✓ Accomplished

- Additional water supply
- Fish passage
- Extending District river work permit jurisdiction upriver to extend regulatory authority

7. Establish Clear Requirements for Water Distribution Systems within the District

The District could benefit by more clearly stating its expectations and requirements from large Water Distribution Systems within its boundaries with respect to the following:

- Reporting production and consumption and other reporting requirements
- Posting current rates and charges
- Posting other consumer-oriented information
- Rules on annexations
- “Cook book” for coordinated operations (e.g. ASR)
- Enhance State and federal regulators’ understanding of District role
- Other

8. Address Pension and Other Post-Employment Benefits (OPEB)

New Government Accounting Standard Board (GASB) rules are changing the way agencies must recognize and report their pension and OPEB liabilities. The Board needs to understand the new rules and provide direction to staff on future recognition and funding.

9. Raise Profile of District at Local, State, and Federal Level

- Improve coordination and integration with other local resource agencies
- Continue public outreach efforts
- Enhance State and Federal regulators’ understanding of District role
- Pursue State and Federal funding opportunities

- Too Early
- ✓ Accomplished
- ✓ Accomplished
- Not done

Some progress, but need to make a 1-year goal for 2017.

Have apprised board annually of GASB 45 and GASB 68 valuations. Future recognition and funding was dependent on User Fee resolution, so schedule for 2017-18

- ✓ Accomplished
- ✓ Accomplished
- ✓ Accomplished
- ✓ Accomplished

Adopted Strategic 3-Year Goals

Goal Area	Status
<p>10. Examine Second Bathroom Protocol and Other Residential Restrictions</p> <p>Some Board members have expressed a desire to allow the addition of a half bathroom beyond a second bathroom. This may be part of a broader examination of all residential restrictions and a determination of what policies can be revised without an intensification of water use while the CDO remains in effect, as well as what direction policy should take for the future when the CDO is lifted.</p>	<p>Discussion, along with revisions to other District Rules and Regs regarding both demand and supply</p>
<p>11. Develop Comprehensive Strategy for Permit 20808-B</p> <p>The District has successfully reassigned portions of the original New Los Padres Reservoir permit 20808 to Phases 1 and 2 of ASR (20808-A and 20808-C.) However, permit conditions for each are different. The remainder permit is 20808-B and, without an approved extension, could be revoked by the SWRCB if water is not put to authorized use by the year 2020. A strategy for the remainder will include:</p> <ul style="list-style-type: none"> • Identification of two to three potential new injection and recovery sites, both in the Seaside Basin and the Carmel Valley • Possible source well rehabilitation and/or expansion in Carmel Valley; Potential treatment capacity expansion. May require EIR. • Develop strategy for direct diversion component of water right. • Amend existing permits and conform all permits to same standards; Attempt to create greater operating flexibility such that any injection well can inject any water and wells can be used for both recovery and production. • Complete a water availability analysis and an IFIM study to revise permit conditions. 	<p>Limited progress; Should be 3-year goal for 2017</p>
<p>12. Prepare for Allocation of “New Water”</p> <p>The 1990 Allocation EIR resulted in the District developing a process for the allocation of water to the jurisdictions. The process was very interactive with jurisdiction participation. The District will need to be proactive to develop fair and equitable mechanisms for allocation of such water to the jurisdictions. Policies need to be considered for:</p> <ul style="list-style-type: none"> • The almost 1,200 acre-feet for legal lots of record • Local projects such as Pacific Grove that free-up potable supplies within jurisdictions • Future ASR, Table 13, Odello, changes in permit conditions, and so on may create additional supplies • Use of any “excess” supplies in the early years of the project, before allocation to full build-out of Pebble Beach or legal lots of record • Update and evaluation of the jurisdiction’s general plan needs • Clean up the District rules regarding Water Credit transfers, sales, and categories. 	<p>Deferred due to lack of progress on water supply project; Should be 3-year goal for 2017</p>

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**17. LETTERS RECEIVED****Meeting Date:** April 19, 2017 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/** N/A
Line Item No.:**Prepared By:** Arlene Tavani **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

A list of letters that were submitted to the Board of Directors or General Manager and received between March 7, 2017 and April 10, 2017 is shown below. The purpose of including a list of these letters in the Board packet is to inform the Board and interested citizens. Copies of the letters are available for public review at the District office. If a member of the public would like to receive a copy of any letter listed, please contact the District office. Reproduction costs will be charged. The letters can also be downloaded from the District's web site at www.mpwmd.net.

Author	Addressee	Date	Topic
David Stivers	David J. Stoldt	4/3/17	Temporary Conference Center at the Lodge
Juli Hofmann	MPWMD Board	3/28/17	Cal-Am Slant Well Project (MPWSP)
Jennifer Bowles and Sue McClurg	David J. Stoldt	3/27/17	Thanks to Mr. Stoldt for Speaking at Water Education Foundation Event
George T. Riley	MPWMD Board	3/21/17	Monterey Peninsula Water Supply Project
Tim Godwin and Trevor Joseph	Joseph Oliver	3/16/17	Approved as modified 2016 Basin Boundary Modification Request
Ted Balestreri	David J. Stoldt	3/17/17	Congratulations on Public Official of the Year Award
Nancy Kotowski	David J. Stoldt	3/15/17	“ ”
Chris Shake	David J. Stoldt	3/14/17	“ ”

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**18. COMMITTEE REPORTS**

Meeting Date:	April 19, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Arlene Tavani	Cost Estimate:	N/A

General Counsel Review: N/A**Committee Recommendation: N/A**

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

Attached for your review as **Exhibits 18-A and 18-B** are final minutes of the committee meetings listed below.

EXHIBIT**18-A** Final Minutes of March 13, 2017 Administrative Committee Meeting**18-B** Final Minutes of October 31, 2016 Ordinance No. 152 Oversight Panel Meeting



EXHIBIT 18-A

FINAL MINUTES
Monterey Peninsula Water Management District
Administrative Committee
March 13, 2017

Call to Order

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

Committee members present: Brenda Lewis - Chair
 Andrew Clarke

Committee members absent: David Pendergrass

Staff present: David Stoldt, General Manager
 Suresh Prasad, Administrative Services Manager/CFO
 Larry Hampson, Water Resources & Engineering Manager/District Engineer
 Stephanie Locke, Water Demand Manager
 Sara Reyes, Office Services Supervisor

Oral Communications

None

Items on Board Agenda for March 20, 2017

1. **Consider Adoption of Minutes of February 15, 2017 Committee Meeting**
On a motion by Clarke and second by Lewis, the minutes of the February 15, 2017 meeting were approved on a vote of 2 to 0.
2. **Approve Expenditure for Community Demonstration Gardens at Garland Ranch Regional Park and Lagunita Mirada Park in Monterey**
On a motion by Clarke and second by Lewis, the committee voted 2 to 0 to recommend the Board approve an expenditure of \$19,718 and authorize the General Manager to partner with the MPRPD and the City of Monterey to install two community demonstration gardens.
3. **Consider Authorization of a Contract Amendment with AECOM, Inc. for Additional Sediment Samples at Los Padres Reservoir**
On a motion by Clarke and second by Lewis, the committee voted 2 to 0 to recommend the Board accept the AECOM proposal for additional sediment samples and authorization for the General Manager to amend the contract with AECOM to increase the not-to-exceed amount by \$60,000.

4. Consider Adoption of Treasurer’s Report for January 2017

On a motion by Clarke and second by Lewis, the committee voted 2 to 0 to recommend the Board adopt the January 2017 Treasurer’s Report and financial statements, and ratification of the disbursements made during the month.

Other Business

5. Review Draft March 20, 2017 Board Meeting Agenda

The committee reviewed the agenda and made no changes.

Adjournment

The meeting was adjourned at 3:46 PM.

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EXHIBIT 18-B

FINAL MINUTES
Ordinance No. 152 Oversight Panel of the
Monterey Peninsula Water Management District
October 31, 2016

Call to Order The meeting was called to order at 10:10 am in the conference room at the offices of the Monterey Peninsula Water Management District.

Committee members present:

Paul Bruno
 Jason Campbell
 Jody Hanson (arrived at 10:30 am)
 Todd Kruper
 George Riley
 John Tilley

MPWMD Staff members present:

David J. Stoldt, General Manager
 Suresh Prasad, Administrative Services Manager
 Arlene Tavani, Executive Assistant

District Counsel Present:

Heidi Quinn

Committee members absent:

Christine Monteith
 John Bottomley

Comments from the Public:

No comments were directed to the committee.

Action Items

1. Consider Adoption of Minutes of June 7, 2016 Committee meeting

On a motion by Kruper and second of Riley, the minutes were approved on a vote of 4 – 0 by Bruno, Campbell, Kruper and Riley. Tilley abstained as he did not attend the June 7, 2016 meeting. Hanson was absent for the vote.

2. Approve 2016 Annual Report to MPWMD Board

Riley offered a motion that was seconded by Bruno to approve the 2016 Annual Report with the following modifications. (a) Page 2, paragraph 2, describe how the Water Revenue Adjustment Mechanism surcharge relates to the User Fee. (b) Page 2, paragraph 3, second sentence – remove the word “significant” from the phrase “significant progress is being made...” (c) Explain why the Rabobank loan was needed and how it relates to water supply. The motion was approved on a vote of 5 – 0 by Bruno, Campbell, Kruper, Riley and Tilley. Hanson was absent for the vote.

Discussion Items**3. Review of Revenue and Expenditures of Water Supply Charge Related to Water Supply Activities**

Suresh Prasad, Administrative Services Manager/Chief Financial Officer, reviewed Exhibit 3-A, Water Supply Charge Availability Analysis that was submitted with the staff report. (Hanson joined the meeting at 10:30 am.) Prasad explained that Water Supply Charge Collections totaled only \$71,694 because it was early in the year. The next installment from the Monterey County Assessor would be received in December 2016. Stoldt stated that the analysis did not reflect an additional \$700,000 in unbudgeted Pure Water Monterey (PWM) expenses. Prasad noted Aquifer Storage and Recovery project (ASR) costs will be lower than budgeted, so funds originally intended for ASR will cover the additional Pure Water Monterey project costs.

Other Items**4. Update on District User Fee and CPUC**

Stoldt reported that the California Public Utilities Commission (CPUC) had not taken action to implement the User Fee, although the courts had ordered that the User Fee be reinstated. However, a member of the Commission who had opposed reinstatement of the User Fee recently resigned from the CPUC. In response to the personnel change, the Water Management District and California American Water submitted to the CPUC an All Party Motion for Order Authorizing Collection and Remittance of the Monterey Peninsula Water Management District User Fee. The Motion proposes that the two surcharges on the Cal-Am bill currently collected for the District be removed (Carmel River Mitigation Surcharge and MPWMD Conservation Surcharge), and replaced with the reinstated User Fee. It is anticipated that the User Fee will provide sufficient revenue to pay for water conservation and mitigation activities currently funded by the two surcharges. After the User Fee has been collected over time, staff can determine if sufficient funds will be available to fund water supply expenditures. The District plans to collect the User Fee and the Water Supply Charge for a three-year period and then determine if the Water Supply Charge can be reduced.

5. Water Supply Project Update

Stoldt presented an update that is on file at the District office and can be viewed on the Water Management District's website.

Adjourn: The meeting was adjourned at 11:25 pm

ITEM: INFORMATIONAL ITEM/STAFF REPORTS**19. MONTHLY ALLOCATION REPORT**

Meeting Date:	April 19, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program:	N/A
		Line Item No.:	
Prepared By:	Gabriela Ayala	Cost Estimate:	N/A

General Counsel Review: N/A**Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

SUMMARY: As of March 31, 2017, a total of **26.152** acre-feet (**7.6%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **35.913** acre-feet is available to the Jurisdictions, and **29.128** acre-feet is available as public water credits.

Exhibit 19-A shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in March 2017 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in March 2017.

Exhibit 19-A also shows additional water available to each of the Jurisdictions and the information regarding the Community Hospital of the Monterey Peninsula (Holman Highway Facility). Additional water from expired or canceled permits that were issued before January 1991 are shown under “PRE-Paralta.” Water credits used from a Jurisdiction’s “public credit” account are also listed. Transfers of Non-Residential Water Use Credits into a Jurisdiction’s Allocation are included as “public credits.” **Exhibit 19-B** shows water available to Pebble Beach Company and Del Monte Forest Benefited Properties, including Macomber Estates, Griffin Trust. Another table in this exhibit shows the status of Sand City Water Entitlement.

BACKGROUND: The District’s Water Allocation Program, associated resource system supply limits, and Jurisdictional Allocations have been modified by a number of key ordinances. These key ordinances are listed in **Exhibit 19-C**.

EXHIBITS**19-A** Monthly Allocation Report**19-B** Monthly Entitlement Report**19-C** District’s Water Allocation Program Ordinances

EXHIBIT 19-A

MONTHLY ALLOCATION REPORT
Reported in Acre-Feet
For the month of March 2017

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Credits	Changes	Remaining	Public Credits	Changes	Remaining	Total Available
Airport District	8.100	0.000	5.197	0.000	0.000	0.000	0.000	0.000	0.000	5.197
Carmel-by-the-Sea	19.410	0.000	1.397	1.081	0.000	1.081	0.910	0.000	0.182	2.660
Del Rey Oaks	8.100	0.000	0.000	0.440	0.000	0.000	0.000	0.000	0.000	0.000
Monterey	76.320	0.000	0.203	50.659	0.000	0.030	38.121	0.080	2.405	2.638
Monterey County	87.710	0.000	10.717	13.080	0.000	0.352	7.827	0.000	1.891	12.960
Pacific Grove	25.770	0.000	0.000	1.410	0.000	0.012	15.874	0.000	0.133	0.145
Sand City	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.373	23.373
Seaside	65.450	0.000	8.638	34.438	0.000	34.438	2.693	0.000	1.144	44.220
TOTALS	342.720	0.000	26.152	101.946	0.000	35.913	90.142	0.080	29.128	91.193

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
Quail Meadows	33.000	0.000	32.310	0.690
Water West	12.760	0.000	9.274	3.556

* Does not include 15.280 Acre-Feet from the District Reserve prior to adoption of Ordinance No. 73.

EXHIBIT 19-B

**MONTHLY ALLOCATION REPORT
ENTITLEMENTS
Reported in Acre-Feet
For the month of March 2017**

Recycled Water Project Entitlements

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
Pebble Beach Co. ¹	234.940	0.150	25.994	208.946
Del Monte Forest Benefited Properties ² (Pursuant to Ord No. 109)	130.060	0.302	45.618	84.442
Macomber Estates	10.000	0.000	9.595	0.405
Griffin Trust	5.000	0.000	4.829	0.171
CAWD/PBCSD Project Totals	380.000	0.452	86.036	293.964

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
City of Sand City	165.000	0.545	3.544	161.456
Malpas Water Company	80.000	0.048	2.527	77.473
D.B.O. Development No. 30	13.95	0.000	0.000	13.95
City of Pacific Grove	66.000	0.000	0.000	66.000
Cypress Pacific	3.170	0.000	0.000	3.170

Increases in the Del Monte Forest Benefited Properties Entitlement will result in reductions in the Pebble Beach Co. Entitlement.

EXHIBIT 19-C

District's Water Allocation Program Ordinances

Ordinance No. 1 was adopted in September 1980 to establish interim municipal water allocations based on existing water use by the jurisdictions. Resolution 81-7 was adopted in April 1981 to modify the interim allocations and incorporate projected water demands through the year 2000. Under the 1981 allocation, Cal-Am's annual production limit was set at 20,000 acre-feet.

Ordinance No. 52 was adopted in December 1990 to implement the District's water allocation program, modify the resource system supply limit, and to temporarily limit new uses of water. As a result of Ordinance No. 52, a moratorium on the issuance of most water permits within the District was established. Adoption of Ordinance No. 52 reduced Cal-Am's annual production limit to 16,744 acre-feet.

Ordinance No. 70 was adopted in June 1993 to modify the resource system supply limit, establish a water allocation for each of the jurisdictions within the District, and end the moratorium on the issuance of water permits. Adoption of Ordinance No. 70 was based on development of the Paralta Well in the Seaside Groundwater Basin and increased Cal-Am's annual production limit to **17,619** acre-feet. More specifically, Ordinance No. 70 allocated 308 acre-feet of water to the jurisdictions and 50 acre-feet to a District Reserve for regional projects with public benefit.

Ordinance No. 73 was adopted in February 1995 to eliminate the District Reserve and allocate the remaining water equally among the eight jurisdictions. Of the original 50 acre-feet that was allocated to the District Reserve, 34.72 acre-feet remained and was distributed equally (4.34 acre-feet) among the jurisdictions.

Ordinance No. 74 was adopted in March 1995 to allow the reinvestment of toilet retrofit water savings on single-family residential properties. The reinvested retrofit credits must be repaid by the jurisdiction from the next available water allocation and are limited to a maximum of 10 acre-feet. This ordinance sunset in July 1998.

Ordinance No. 75 was adopted in March 1995 to allow the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities. Fifteen percent of the savings are set aside to meet the District's long-term water conservation goal and the remainder of the savings are credited to the jurisdictions allocation. This ordinance sunset in July 1998.

Ordinance No. 83 was adopted in April 1996 and set Cal-Am's annual production limit at **17,621** acre-feet and the non-Cal-Am annual production limit at **3,046** acre-feet. The modifications to the production limit were made based on the agreement by non-Cal-Am water users to permanently reduce annual water production from the Carmel Valley Alluvial Aquifer in exchange for water service from Cal-Am. As part of the agreement, fifteen percent of the historical non-Cal-Am production was set aside to meet the District's long-term water conservation goal.

Ordinance No. 87 was adopted in February 1997 as an urgency ordinance establishing a community benefit allocation for the planned expansion of the Community Hospital of the Monterey Peninsula (CHOMP). Specifically, a special reserve allocation of 19.60 acre-feet of production was created exclusively for the benefit of CHOMP. With this new allocation, Cal-Am's annual production limit was increased to **17,641** acre-feet and the non-Cal-Am annual production limit remained at **3,046** acre-feet.

Ordinance No. 90 was adopted in June 1998 to continue the program allowing the reinvestment of toilet retrofit water savings on single-family residential properties for 90-days following the expiration of Ordinance No. 74. This ordinance sunset in September 1998.

Ordinance No. 91 was adopted in June 1998 to continue the program allowing the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities.

Ordinance No. 90 and No. 91 were challenged for compliance with CEQA and nullified by the Monterey Superior Court in December 1998.

Ordinance No. 109 was adopted on May 27, 2004, revised Rule 23.5 and adopted additional provisions to facilitate the financing and expansion of the CAWD/PBCSD Recycled Water Project.

Ordinance No. 132 was adopted on January 24, 2008, established a Water Entitlement for Sand City and amended the rules to reflect the process for issuing Water Use Permits.

Ordinance No. 165 was adopted on August 17, 2015, established a Water Entitlement for Malpas Water Company and amended the rules to reflect the process for issuing Water Use Permits.

Ordinance No. 166 was adopted on December 15, 2015, established a Water Entitlement for D.B.O. Development No. 30.

Ordinance No. 168 was adopted on January 27, 2016, established a Water Entitlement for the City of Pacific Grove.

ITEM: INFORMATIONAL ITEM/STAFF REPORTS**20. WATER CONSERVATION PROGRAM REPORT**

Meeting Date:	April 19, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Kyle Smith	Cost Estimate:	N/A

Committee Recommendation: N/A

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

I. MANDATORY WATER CONSERVATION RETROFIT PROGRAM

District Regulation XIV requires the retrofit of water fixtures upon Change of Ownership or Use with High Efficiency Toilets (HET) (1.28 gallons-per-flush), 2.0 gallons-per-minute (gpm) Showerheads, 1.2 (gpm) for washbasin faucets, 1.8 (gpm) for Kitchen, utility and bar sink faucets and Rain Sensors on all automatic Irrigation Systems. Property owners must certify the Site meets the District's water efficiency standards by submitting a Water Conservation Certification Form (WCC), and a Site inspection is often conducted to verify compliance.

A. Changes of Ownership

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information is entered into the database and compared against the properties that have submitted WCCs. Details on **94** property transfers that occurred in March 2017 were entered into the database.

B. Certification

The District received **33** WCCs between March 1, 2017, and March 31, 2017. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

C. Verification

In March, **83** properties were verified to be in compliance with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **83** verifications, **48** properties verified compliance by submitting certification forms and/or receipts. District staff completed **53** Site inspections. Of the **53** properties inspected **35 (37%)** were in compliance. **None** of the properties that passed inspection involved more than one visit to verify compliance with all water efficiency standards.

District inspectors track toilet replacement with High Efficiency Toilets (HET). These retrofits occur in remodels and new construction, and are required for Rule 144 compliance. State law mandated the sale and installation of HET by January 1, 2014, with a phase-in period that began in 2010. Toilets sold in California are HET.

Savings Estimate

Water savings from HET retrofits triggered by Rule 144 verified in March 2017 are estimated at **0.820** acre-feet annually (AFA). Water savings from retrofits that exceeded requirements (i.e.,

HETs to Ultra High Efficiency Toilets) is estimated at **0.770** AFA (77 toilets). Year-to-date estimated savings occurring as a result of toilet retrofits is **4.350** AFA.

D. CII Compliance with Water Efficiency Standards

Effective January 1, 2014, all Non-Residential properties were required to meet Rule 143, Water Efficiency Standards for Existing Non-Residential Uses. To verify compliance with these requirements, property owners and businesses are being sent notification of the requirements and a date that inspectors will be on Site to check the property. This month, District inspectors performed **68** inspections. Of the **68** inspections certified, **51 (75%)** were in compliance. **Six** of the properties that passed inspection involved more than one visit to verify compliance with all water efficiency standards; the remainder complied without a reinspection.

MPWMD is forwarding its CII inspection findings to California American Water (Cal-Am) for their verification with the Rate Best Management Practices (Rate BMPs) that are used to determine the appropriate non-residential rate division. Compliance with MPWMD's Rule 143 achieves Rate BMPs for indoor water uses, however, properties with landscaping must also comply with Cal-Am's outdoor Rate BMPs to avoid Division 4 (Non-Rate BMP Compliant) rates. In addition to sharing information about indoor Rate BMP compliance, MPWMD notifies Cal-Am of properties with landscaping. Cal-Am then conducts an outdoor audit to verify compliance with the Rate BMPs. During February 2017, MPWMD referred **30** properties to Cal-Am for verification of outdoor Rate BMPs.

E. Water Waste Enforcement

In response to the State's drought emergency conservation regulation effective June 1, 2016, the District has increased its Water Waste enforcement. The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waster occurrences at www.mpwmd.net or www.montereywaterinfo.org. There were **no** Water Waste responses during the past month. There were **no** repeated incidents that resulted in a fine.

II. WATER DEMAND MANAGEMENT

A. Permit Processing

District Rule 23 requires a Water Permit application for all properties that propose to expand or modify water use on a Site, including New Construction and Remodels. District staff processed and issued **100** Water Permits in March 2017. **Sixteen** Water Permits were issued using Water Entitlements (Macomber, Pebble Beach Company, Griffin Estates, etc). **One** Water Permits involved a debit to a Public Water Credit Account.

All Water Permits have a disclaimer informing applicants of the Cease and Desist Order against California American Water and that MPWMD reports Water Permit details to California American Water. All Water Permit recipients with property supplied by a California American Water Distribution System will continue to be provided with the disclaimer.

District Rule 24-3-A allows the addition of a second Bathroom in an existing Single-Family Dwelling on a Single-Family Residential Site. Of the **100** Water Permits issued in March, **eight** were issued under this provision.

B. Permit Compliance

District staff completed **120** Water Permit final inspections during March 2017. **Seventeen** of the final inspections failed due to unpermitted fixtures. Of the **89** properties that were in

compliance, **72** passed on the first visit. In addition, **two** pre-inspection were conducted in response to Water Permit applications received by the District.

C. Deed Restrictions

District staff prepares deed restrictions that are recorded on the property title to provide notice of District Rules and Regulations, enforce Water Permit conditions, and provide notice of public access to water records. In April 2001, the District Board of Directors adopted a policy regarding the processing of deed restrictions. In the month of March, the District prepared **62** deed restrictions. Of the **100** Water Permits issued in March, **62 (62%)** required deed restrictions. District staff provided Notary services for **53** Water Permits with deed restrictions.

III. JOINT MPWMD/CAW REBATE PROGRAM

Participation in the rebate program is detailed in the following chart. The table below indicates the program summary for Rebates for California American Water Company customers.

REBATE PROGRAM SUMMARY		March-2017				2017 YTD	1997 - Present	
I. <u>Application Summary</u>								
A.	Applications Received	118				390	23,301	
B.	Applications Approved	93				315	18,272	
C.	Single Family Applications	108				364	21,029	
D.	Multi-Family Applications	8				20	1,168	
E.	Non-Residential Applications	2				6	305	
II. <u>Type of Devices Rebated</u>		Number of devices	Rebate Paid	Estimated AF	Gallons Saved	YTD Quantity	YTD Paid	YTD Est AF
A.	High Efficiency Toilet (HET)	18	1788.00	0.751464	244,865	36	3,577.00	1.502928
B.	Ultra Low Flush to HET	31	3023.06	0.310000	101,014	93	9,146.33	0.93
C.	Ultra HET	7	1043.00	0.070000	22,810	4	562.59	0.04
D.	Toilet Flapper	0	0.00	0.000000	0	0	0.00	0
E.	High Efficiency Dishwasher	12	1500.00	0.036000	11,731	36	4,500.00	0.108
F.	High Efficiency Clothes Washer	41	20427.98	0.660100	215,094	80	39,700.33	1.288
G.	Instant-Access Hot Water System	1	200.00	0.000000	0	1	200.00	0
H.	On Demand Systems	0	0.00	0.000000	0	1	100.00	0
I.	Zero Use Urinals	0	0.00	0.000000	0	0	0.00	0
J.	High Efficiency Urinals	0	0.00	0.000000	0	0	0.00	0
K.	Pint Urinals	0	0.00	0.000000	0	0	0.00	0
L.	Cisterns	2	2887.50	0.000000	0	5	2,653.75	0
M.	Smart Controllers	0	0.00	0.000000	0	0	0.00	0
N.	Rotating Sprinkler Nozzles	0	0.00	0.000000	0	0	0.00	0
O.	Moisture Sensors	0	0.00	0.000000	0	0	0.00	0
P.	Lawn Removal & Replacement	0	0.00	0.000000	0	4	59,832.00	4.906224
Q.	Graywater	0	0.00	0.000000	0	0	0.00	0
R.	Ice Machines	0	0.00	0.000000	0	0	0.00	0
III. <u>Totals: Month; AF; Gallons; YTD</u>		112	30869.54	1.827564	595,514	260	120,272.00	8.775152
						2017 YTD	1997 - Present	
IV. <u>Total Rebated: YTD; Program</u>						120,272.00	5,582,673.13	
V. <u>Estimated Water Savings in Acre-Feet Annually*</u>						8.775152	524.221587	

* Retrofit savings are estimated at 0.041748 AF/HET; 0.01 AF/UHET; 0.01 AF/ULF to HET; 0.003 AF/dishwasher; 0.0161 AF/residential washer; 0.0082 AF/100 square feet of lawn removal.

ITEM: INFORMATIONAL ITESM/STAFF REPORTS**21. QUARTERLY WATER USE CREDIT TRANSFER STATUS REPORT****Meeting Date: April 19, 2017** **Budgeted: N/A****From: David J. Stoldt,
General Manager** **Program/
Line Item No.: N/A****Prepared By: Gabriela Ayala** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California
Environmental Quality Act Guidelines section 15378.**

Information about Water Use Credit transfer applications will be reported as applications are received. There are no pending Water Use Credit transfer applications.

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**22. QUARTERLY CARMEL RIVER RIPARIAN CORRIDOR MANAGEMENT PROGRAM REPORT**

Meeting Date:	April 19, 2017	Budgeted:	N/A
From:	Dave Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Thomas Christensen and Larry Hampson	Cost Estimate:	N/A

General Counsel Review: N/A**Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

IRRIGATION OF RIPARIAN VEGETATION: Supplemental watering of riparian restoration plantings at nine sites has been on hold since last November because of sufficient rainfall.

Water Use in Acre-Feet (AF)

January - March 2017	<u>0.0</u> AF
Year-to-date	0.0 AF

MONITORING OF RIPARIAN VEGETATION: During the winter season, the District suspended the riparian vegetation monitoring program. The monitoring of soil moisture, groundwater levels, and canopy defoliation (a measure of vegetation moisture stress) will resume in June 2017. During the months of June through October, staff will take monthly measurements of depth to groundwater and canopy vigor in areas where willow and cottonwood trees may be impacted by lowered water levels caused by groundwater extraction. The areas monitored are in the vicinity of California American Water's (Cal-Am) Cañada and San Carlos wells, and the District's Valley Hills (next to Cal-Am's Cypress Well) and Schulte (next to Cal-Am's Schulte Well) Restoration Projects. The District's monitoring provides insight into the status of soil moisture through the riparian corridor by collecting and analyzing monthly readings from the District's array of monitoring wells and pumping records for large-capacity Carmel Valley wells in the Cal-Am system.

OTHER TASKS PERFORMED SINCE THE JANUARY 2017 QUARTERLY REPORT:

- 1. Carmel River Clean Up:** District staff removed plastic bags, metal, tires, and trash from long reaches of the Carmel River starting at Esquiline Bridge and extending downstream to the Highway One Bridge.
- 2. Public Outreach and Education:** On March 14, 2017, District staff presented information

on the District's Mitigation Program at Carmel High Career Day. Students had an opportunity to ask questions about typical work tasks associated with Fisheries Biologists, River Restoration Design, and Hydrologic Monitoring. Then on March 28, 2017, District staff gave a presentation on the Monterey Peninsula Water Resource System and Carmel River Lagoon Dynamics to seniors of Environmental Science classes from Robert Louis Stevenson School.

3. **Carmel River Assessment:** In January and February 2017, Carmel River flows reached their highest level since 1998. The February 21st flow topped out at just under 9,600 cubic feet per second (about a 10% chance flow), which caused flooding in the Paso Hondo area and sent much debris and sediment downstream from the watershed above the former San Clemente Dam site for the first time in almost 100 years. Peak flows and delivery of debris and sediment were likely amplified due to the effects of the 2016 Soberanes fire that burned intensively in some of the subwatersheds that drain directly into the main stem.

District staff inspected river front properties with the owners to help them evaluate bank stability along their property after recent high flows. District staff are also evaluating channel vegetation and debris piles and creating a list of sites for work this summer. Downstream of Rancho San Carlos Road Bridge, significant erosion of mature riparian forest occurred along about 500 feet of the south bank of the channel, which had historically been stable since the early 1980s.

4. **State Proposition 1 Integrated Regional Water Management (IRWM) Grant Program:** Staff continued to work with the Santa Cruz Foundation and Central Coast funding area entities to develop a proposal for Disadvantaged Community projects.
5. **Sleepy Hollow Steelhead Rearing Facility Intake Upgrade:** Permit applications for the project were submitted to the Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Wildlife, and Monterey County Planning.
6. **Instream Flow Incremental Method Study:** A Draft Final Study was presented to regulatory agencies for review including the State Water Resources Control Board, California Department of Fish and Wildlife, and the National Marine Fisheries Service.
7. **Los Padres Dam Long-Term Plan:** The District entered into an agreement with AECOM to study dam alternatives. Field work to sample reservoir sediment is expected to begin in Quarter 2, 2017.
8. **Salinas and Carmel Rivers Basin Study:** Staff met with Reclamation officials in Sacramento to coordinate schedules and tasks for the Basin Study and Drought Contingency Plan. A Plan of Study and Memorandum of Agreement for the Basin Study was finalized.
9. **Stormwater Resource Plan:** Staff reviewed a draft work plan for the Stormwater Resource Plan and budget. Work on the plan with the Monterey Regional Water Pollution Control Agency and City of Monterey and others is expected to commence by mid-2017.

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**23. CARMEL RIVER FISHERY REPORT FOR MARCH 2017**

Meeting Date:	April 19, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Beverly Chaney	Cost Estimate:	N/A

General Counsel Review: N/A**Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

AQUATIC HABITAT AND FLOW CONDITIONS: Following the wettest January-February since at least 1998, March was relatively dry with only 2.2 inches of rain although river flows remained well above the long-term median. Flow conditions in the Carmel River were generally excellent for migration and rearing of all steelhead life stages.

Mean daily streamflow at the Sleepy Hollow Weir ranged from 159 to 717 cfs (monthly mean 331 cfs) resulting in 20,350 acre-feet (AF) of runoff. The Highway 1 gage was rewetted on December 9 and the March monthly flow ranged from 229 to 651 cfs (monthly mean 378 cfs), resulting in 23,240 AF of runoff.

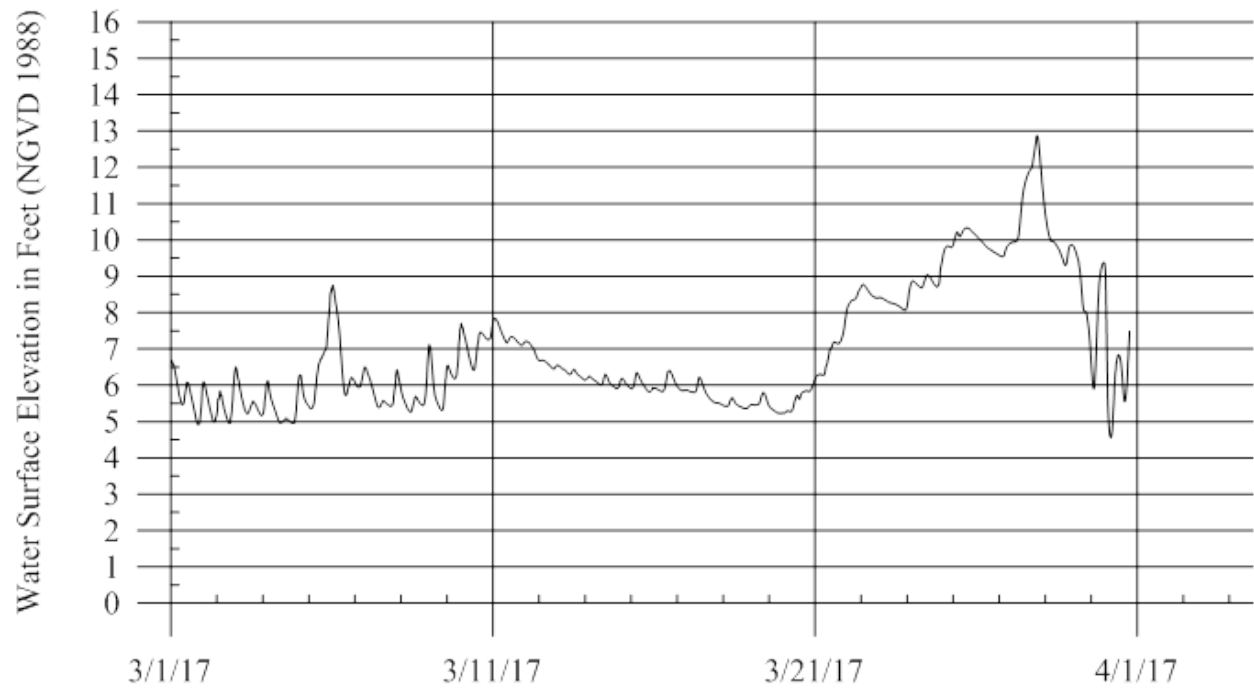
There were 2.17 inches of rainfall in March as recorded at Cal-Am's San Clemente gauge. The rainfall total for WY 2017 (which started on October 1, 2016) is 30.23 inches, or 161% of the long-term year-to-date average of 18.72 inches.

CARMEL RIVER LAGOON: The lagoon began filling December 9th and spilled on its own (without mechanical breeching) through an outlet channel sculpted by the County to the south on December 19th at ~14.2 feet water surface elevation (WSE) above mean-sea-level (NAVD 1988 datum). During March 2017, the WSE ranged from approximately 4.6 – 12.8 feet above mean-sea-level (see graph below). By the end of March, the lagoon mouth had moved back to the south.

Water-quality profiles were conducted at five lagoon sites on February 13th. Conditions were "good to excellent" with low salinity (< 4 ppt), and moderate dissolved oxygen (DO) levels (5-12 mg/l) and water temperatures (54-60 degrees Fahrenheit).

LOS PADRES DAM ADULT COUNTS: Cal-Am began their adult steelhead trap and truck operations at LPD on December 19, 2016. The first ocean-run adult steelhead since 2013 were trapped and transported above the dam on February 2, 2017. By the end of March, a total of five ocean-run steelhead and 24 resident fish (<16", non-ocean run) had been trapped and transported.

Carmel River Lagoon
March 2017



ITEM: INFORMATIONAL ITEMS/STAFF REPORT**24. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT****Meeting Date:** April 19, 2017 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/
Line Item No.:** N/A**Prepared By:** Jonathan Lear **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

Exhibit 24-A shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **April 1, 2017**. This system includes the surface water resources in the Carmel River Basin, the groundwater resources in the Carmel Valley Alluvial Aquifer and the Seaside Groundwater Basin. **Exhibit 24-A** is for Water Year (WY) 2017 and focuses on four factors: rainfall, runoff, and storage. The rainfall and Streamflow values are based on measurements in the upper Carmel River Basin at Sleepy Hollow Weir.

Water Supply Status: Rainfall through **March** 2017 totaled **2.17 inches** and brings the cumulative rainfall total for WY 2017 to **30.23 inches**, which is **162%** of the long-term average through **March**. Estimated unimpaired runoff during **March** totaled **20,383 acre-feet (AF)** and brings the cumulative runoff total for WY 2017 to **169,585 AF**, which is **325%** of the long-term average through **March**. Usable storage, which includes surface and groundwater, was **32,170** or **100%** of the long-term average at the end of **March**. This storage equates to **85%** of system capacity.

Production Compliance: Under State Water Resources Control Board (SWRCB) Cease and Desist Order No. 2016-0016 (CDO), California American Water (Cal-Am) is allowed to produce no more than 8,310 AF of water from the Carmel River in WY 2017. Through **March**, using the CDO accounting method, Cal-Am has produced **3,072 AF** from the Carmel River (including ASR, Table 13, and Mal Paso.) In addition, under the Seaside Basin Decision, Cal-Am is allowed to produce 2,251AF of water from the Coastal Subareas and 48 AF from the Laguna Seca Subarea of the Seaside Basin in WY 2017. Through **March**, Cal-Am has produced **1,172 AF** from the Seaside Groundwater Basin. Through **March**, **1,510 AF** of Carmel River Basin groundwater have been diverted for Seaside Basin injection; **305 AF** have been recovered for customer use, and **293 AF** have been diverted under Table 13 water rights. Cal-Am has produced **4,778 AF** for customer use from all sources through **March**. The 12 month rolling average of production is **9,743 AF**, which is below the rationing threshold of **10,609 AF**. A breakdown of Cal-Am's production for WY 2017 is included as **Exhibit 24-B**. **Exhibit 24-C** shows production by source. Some of the values in this report may be revised in the future as Cal-Am finalizes their production values and monitoring data.

EXHIBITS**24-A** Water Supply Status: **April 1, 2017****24-B** Monthly Cal-Am Diversions from Carmel River and Seaside Groundwater Basins: WY 2017**24-C** Monthly Cal-Am production by source: WY 2017

EXHIBIT 24-A

**Monterey Peninsula Water Management District
Water Supply Status
April 1, 2017**

Factor	Oct – Mar 2017	Average To Date	Percent of Average	Water Year 2016
Rainfall (Inches)	28.06	15.42	182%	21.47
Runoff (Acre-Feet)	169,585	52,220	325%	37,219
Storage (Acre-Feet)	32,170	32,030	100%	31,100

Notes:

1. Rainfall and runoff estimates are based on measurements at San Clemente Dam. Annual rainfall and runoff at Sleepy Hollow Weir average 21.1 inches and 67,246 acre-feet, respectively. Annual values are based on the water year that runs from October 1 to September 30 of the following calendar year. The rainfall and runoff averages at the Sleepy Hollow Weir site are based on records for the 1922-2016 and 1902-2016 periods respectively.
2. The rainfall and runoff totals are based on measurements through the dates referenced in the table.
3. Storage estimates refer to usable storage in the Monterey Peninsula Water Resources System (MPWRS) that includes surface water in Los Padres and San Clemente Reservoirs and ground water in the Carmel Valley Alluvial Aquifer and in the Coastal Subareas of the Seaside Groundwater Basin. The storage averages are end-of-month values and are based on records for the 1989-2016 period. The storage estimates are end-of-month values for the dates referenced in the table.
4. The maximum storage capacity for the MPWRS is currently 37,639 acre-feet.

Production vs. CDO and Adjudication to Date: WY 2017

(All values in Acre-Feet)

Year-to-Date Values	MPWRS				Water Projects and Rights				MPWRS and Projects Total ⁸	
	Carmel River Basin ^{2, 6}	Seaside Groundwater Basin		MPWRS Total	ASR Recovery	Table 13 ⁷	Sand City ³	Water Projects and Rights Total		
		Coastal	Laguna Seca							Ajudication Compliance
Target	2,998	1,100	20	1,120	4,118	300	285	150	735	4,798
Actual ⁴	3,072	1,172	118	1,290	4,362	305	293	110	708	4,778
Difference	-74	-72	-98	-170	-244	-5	-8	40	27	20
WY 2016 Actual	3,834	733	128	861	4,696	0	133	34	167	4,863

1. This table is current through the date of this report.
2. For CDO compliance, ASR, Mal Paso, and Table 13 diversions are included in River production per State Board.
3. Sand City Desal, Table 13, and ASR recovery are also tracked as water resources projects.
4. To date, 1510 AF and 293 AF have been produced from the River for ASR and Table 13 respectively.
5. All values are rounded to the nearest Acre-Foot.
6. For CDO Tracking Purposes, ASR production for injection is capped at 600 AFY.
7. Table 13 diversions are reported under water rights but counted as production from the River for CDO tracking.
8. Actual total is the sum of MPWRS, ASR Recovery and Sand City Production. Table 13 is tracked as River production for CDO.

Monthly Production from all Sources for Customer Service: WY 2017

(All values in Acre-Feet)

	Carmel River Basin	Seaside Basin	ASR Recovery	Table 13	Sand City	Mal Paso	Total
Oct-16	408	271	155	0	15	8	856
Nov-16	358	177	150	0	7	8	699
Dec-16	342	301	0	10	14	2	669
Jan-17	313	225	0	91	20	9	658
Feb-17	344	158	0	91	26	9	628
Mar-17	415	158	0	101	28	9	711
Apr-17							
May-17							
Jun-17							
Jul-17							
Aug-17							
Sep-17							
Total	2,180	1,290	305	293	110	44	4,221
WY 2016	3,101	861	0	133	34	0	4,129

1. This table is produced as a proxy for customer demand.
2. Numbers are provisional and are subject to correction.

Rationing Trigger: WY 2017

12 Month Moving Average	9,743	10,609	Rule 160 Production Limit
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California American Water Production by Source: Water Year 2017

	Carmel Valley Wells ¹						Seaside Wells ²						Total Wells			Sand City Desal		
	Actual		Anticipated ³		Under Target		Actual		Anticipated		Under Target		Actual	Anticipated	Acre-Foot Under Target	Actual	Anticipated	Under Target
	Upper acre-feet	Lower acre-feet	Upper acre-feet	Lower acre-feet	Upper acre-feet	Lower acre-feet	Coastal acre-feet	LagunaSeca acre-feet	Coastal acre-feet	LagunaSeca acre-feet	Coastal acre-feet	LagunaSeca acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet
Oct-16	0	408	0	446	0	38	397	29	350	5	-47	-24	833	801	-32	15	25	10
Nov-16	0	358	0	281	0	-77	308	19	350	3	42	-16	685	634	-51	7	25	18
Dec-16	74	390	0	588	-74	198	283	19	100	3	-183	-16	765	691	-74	14	25	11
Jan-17	116	724	130	678	14	-46	209	16	100	3	-109	-13	1065	911	-154	20	25	5
Feb-17	93	747	130	563	37	-184	142	16	100	3	-42	-13	997	796	-201	26	25	-1
Mar-17	0	1073	130	672	130	-401	138	20	100	3	-38	-17	1231	905	-326	28	25	-3
Apr-17																		
May-17																		
Jun-17																		
Jul-17																		
Aug-17																		
Sep-17																		
To Date	282	3,700	390	3,228	108	-472	1,477	118	1,100	20	-377	-98	5,577	4,738	-839	110	150	40

Total Production: Water Year 2017

	Actual	Anticipated	Acre-Foot Under Target
Oct-16	848	826	-22
Nov-16	692	659	-33
Dec-16	780	716	-64
Jan-17	1,086	936	-150
Feb-17	1,023	821	-202
Mar-17	1,259	930	-329
Apr-17			
May-17			
Jun-17			
Jul-17			
Aug-17			
Sep-17			
To Date	5,688	4,888	-800

1. Carmel Valley Wells include upper and lower valley wells. Anticipate production from this source includes monthly production volumes associated with SBO 2009-60, 20808A, and 20808C water rights. Under these water rights, water produced from the Carmel Valley wells is delivered to customers or injected into the Seaside Groundwater Basin for storage.

2. Seaside wells anticipated production is associated with pumping native Seaside Groundwater (which is regulated by the Seaside Groundwater Basin Ajudication Decision) and recovery of stored ASR water (which is prescribed in a MOA between MPWMD, Cal-Am, California Department of Fish and Game, National Marine Fisheries Service, and as regulated by 20808C water right).



Supplement to 4/19/17 MPWMD Board Packet

Attached are copies of letters received between March 11, 2017 and April 10, 2017. These letters are listed in the April 19, 2017 Board packet under Letters Received.

Author	Addressee	Date	Topic
David Stivers	David J. Stoldt	4/3/17	Temporary Conference Center at the Lodge
Juli Hofmann	MPWMD Board	3/28/17	Cal-Am Slant Well Project (MPWSP) Review attachments on MPWMD website
Jennifer Bowles and Sue McClurg	David J. Stoldt	3/27/17	Thanks to Mr. Stoldt for Speaking at Water Education Foundation Event
George T. Riley	MPWMD Board	3/21/17	Monterey Peninsula Water Supply Project Review attachments on MPWMD website
Tim Godwin and Trevor Joseph	Joseph Oliver	3/16/17	Approved as modified 2016 Basin Boundary Modification Request
Ted Balestreri	David J. Stoldt	3/17/17	Congratulations on Public Official of the Year Award
Nancy Kotowski	David J. Stoldt	3/15/17	“ “
Chris Shake	David J. Stoldt	3/14/17	“ “

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PEBBLE BEACH
COMPANY

RECEIVED

APR 07 2017

MPWMD

April 3, 2017

Mr. David Stoldt, General Manager
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Re: Temporary Conference Center at The Lodge
- County File Nos. PLN100138 and PLN140818

Dear Dave -

As you know, in 2012 Pebble Beach Company (PBC) received unanimous County and Coastal Commission approval for our "Del Monte Forest Plan" (Plan), a master preservation and development plan for our undeveloped and other properties in the Del Monte Forest. We have completed some of the elements in the Plan, such as the parking lot at Spanish Bay Resort, the relocation of the Pebble Beach Driving Range, the Special Event Field near the Equestrian Center, and two residential subdivisions (Areas F-2 and I-2). We have also commenced work on the new Fairway One addition to The Lodge and three subdivisions (Areas J, K, and L).

We are now ready to commence another component of the Plan - a major parking improvement project above The Lodge. This component will provide parking for existing and future demand in accordance with our 2012 approvals. As you can see from the attached site plan, the parking includes a 224 two-level parking structure, additional parking in the area of the existing Chevron Station, and reconfigured bus parking. All of this activity is directly across from the Pebble Beach Conference Center. The construction period is scheduled to commence in September 2017, and should be completed by June 2018. Given the negative impacts of construction on our existing Conference Center, we have submitted a plan to Monterey County to install a temporary tent using two of the Beach Club tennis courts that will allow us to continue to have meetings and conferences without the disruption of construction activity. Additionally, you may be aware that Pebble Beach Golf Links is the host site of the U.S. Amateur in August 2018 and the U.S. Open in June 2019. Therefore, our application with the County for temporary use is from August 2017 to allow for pre-construction mobilization for the parking facility, to August 2019, to allow use as a hospitality venue for the 2019 U.S. Open and Concours d'Elegance.

Hi Dave -

I spoke at length with both Stephanie Locke and Debbie Martin about this Temp. Water Use Permit and they indicated that a letter request starts the process - so here it is!
Call me if you have questions!
Cheryl
625-8497

Mr. David Stoldt/MPWMD
Re: Temporary Water Use Permit
April 3, 2017
Page 2 of 2

Pursuant to District Rule 23.A.2, we are requesting a Temporary Water Permit for this tent structure to meet the need for a temporary conference center facility as well as to provide for hospitality for upcoming special events.

Thank you for your consideration of our request. Please advise our staff, Cheryl Burrell, as to the process for a Temporary Water Use Permit. She can be reached during the day at 625-8497.

Sincerely,



David Stivers
Executive Vice President

enclosures

- c: Steve Aitchison
- Cheryl Burrell
- David Heuck
- Ken Muscutt
- Mark Stilwell

**RULE 23 - ACTION ON APPLICATION FOR A WATER PERMIT TO CONNECT TO OR
MODIFY A CONNECTION TO AN EXISTING WATER DISTRIBUTION SYSTEM**

A. PROCESS

1. New and Amended Water Permit

- a. The General Manager shall review the application and determine whether the Applicant has met the criteria for a Water Permit. If additional information is required to complete the application, the Applicant shall be notified in writing within thirty (30) days of the initial application.
- b. The General Manager shall determine if the District has temporarily delayed the issuance of new Water Permits pursuant to Regulation XV. If a temporary delay is in place that affects the application, no Water Permit shall be processed and the application shall be returned to the Applicant. Exceptions to this rule shall be made for Permit applications for a new water meter for a fire suppression system or to individually meter uses previously metered by one water meter (i.e. meter split) unless otherwise determined by action of the Board of Directors.
- c. The General Manager shall not process a Water Permit when any portion of the Site lies outside of the affected Water Distribution System Service Area.
- d. The General Manager shall not process a Water Permit when there is a previously issued Permit for a completed Project on the application Site and a final inspection by the District has not been conducted, or where the property is not in compliance with District Rules and Regulations or conditions attached to previous District Permits.
- e. The General Manager shall calculate the appropriate Capacity Fee for the Project using Rule 24, Calculation of Water Use Capacity and Capacity Fees.
- f. When the application involves an Intensification of Use, the General Manager shall ensure that the total quantity of water permitted for all projects, including the current application, within a Jurisdiction shall not exceed that Jurisdiction's total Allocation. Similarly, for Projects not subject to a Jurisdiction's Allocation, the General Manager shall ensure that the total quantity of water permitted for all Projects, including the current application, does not exceed the production limit and/or Connection limit of the Water Distribution System serving the Project Site.
- g. When the Adjusted Water Use Capacity as determined in Rule 24 is a positive number, that amount of water shall be deducted from the

Jurisdiction's Allocation or Water Entitlement as authorized on the Water Release Form. If additional water is required to meet the Adjusted Water Use Capacity of the Project and the Applicant is unable to reduce the Adjusted Water Use Capacity, the application shall be denied and returned to the Applicant to secure additional water resources.

- h. Intensification of Use allowed by a Water Permit shall result in a deduction from a Jurisdiction's Allocation (for Projects served by the Main California American Water System), from a Water Entitlement available to the property, or from the total available production limit for that Water Distribution System. Each Project which allows new, modified, or Intensified Water Use, shall require a Water Permit.
- i. Water Meters maintained by the Water Distribution System Operator shall be installed for each Residential and Non-Residential water User except as allowed in 23-A-1-i-(3), (4), and (5).
 - (1) A Non-Residential User may extend water use to another Non-Residential User within an existing structure unless the Remodel or Addition requires a Water Permit for a Change of Use (as defined in Rule 11).
 - (2) A Change of Use as defined in Rule 11 shall trigger the requirement for a separate Water Meter.
 - (3) Users of multiple structures on a Site occupied by one Non-Residential User may apply for a variance of this Rule.
 - (4) The General Manager shall allow sub-metering for each Multi-Family Dwelling, Mixed Use, or Non-Residential User when the installation of separate Water Meters is not feasible and the User is utilizing Water Credits on a Site that has a Connection. Applications for sub-metering of Single Family Dwellings will be considered by the General Manager when the Jurisdiction confirms there is no potential that the sub-metered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site. Approval of a Water Permit allowing sub-metering under this provision shall require recordation of a deed restriction on the title of the property that shall encumber current and future Site owners to comply with the following conditions:
 - a. Site's owner shall have Water Meters installed for each sub-metered User by the Water Distribution System Operator within ninety (90) days of the conclusion of a Connection moratorium. Once Water Meters maintained by the Water Distribution System Operator

have been installed, the deed restriction shall be removed;

- b. Annually at the conclusion of the Water Year, and within 30 days of change in tenancy, the Site's owner shall provide the General Manager with individual monthly consumption for each User in a format acceptable to the District. Information shall identify the User of the sub-meter (e.g. apartment number or lease space number) and the number of residents in each Residential Dwelling Unit or the type of use according to Rule 24, Table 2, for each Non-Residential User;
 - c. During Stages of The 2016 Monterey Peninsula Water Conservation and Rationing Plan (Regulation XV), sub-metered consumption shall be provided to the District monthly or more frequently if requested by the General Manager;
- (5) The Board shall consider variances to this Rule when the installation of separate Water Measuring Devices is not feasible due to Special Circumstances. In considering a variance, the Board shall determine if another type of Water Measuring Device is appropriate and shall make reporting of consumption a condition of approval.
- j. When the application involves recordation of notices on the title of the property, all notices shall be recorded by the District prior to final issuance of a Water Permit. Additional information (e.g. trust documents, Articles of Incorporation) may be requested to verify ownership and to facilitate preparation of District notices.
 - k. The General Manager shall collect payment of the appropriate Capacity Fee and processing fees and shall issue a receipt prior to final issuance of a Water Permit.
 - l. When the application requests a Permit to install a new water meter for a fire suppression system, to extend a water main within the boundaries of the Water Distribution System, or to individually meter uses previously metered by one water meter (i.e. meter split), there shall be no processing fee.
 - m. The General Manager shall mark the Construction Plans and the Landscape plans with the District's Water Permit Approval Stamp and shall sign the stamp and include the Water Permit number and date issued. An electronic copy of the Landscaping plan shall be retained by the District.

- n. The General Manager shall review the final Water Permit with the Applicant or his agent prior to requesting a signature on the Water Permit and releasing the Permit and Construction Plans.
- o. Following Project completion, a final inspection of the Project shall be conducted by the District. If the completed Project varies from the permitted project, application for an amended Water Permit is required. When the completed Project has fewer fixture units than the number permitted (Residential Water Permits), or has a smaller Water Use Capacity than permitted (Non-Residential Water Permits), the Applicant shall not be required to secure the signature of the authorized official of the applicable Jurisdiction on the Water Release Form.
- p. Notice by the District to correct any discrepancy shall be provided on the inspection report to the Person contacted at the Site and by regular mail to the owner of record. Notice of violations that may result in a debit to a Jurisdiction's Allocation shall also be mailed, faxed or emailed to the Jurisdiction. Such notice shall include a date by which any corrections and amendments shall be made. Thereafter, the General Manager may adjust the charge and debit the water from a Jurisdiction's Allocation or cause a refund of Capacity Fees paid and water previously debited from an Allocation to reflect the Project as built rather than the Project as permitted.

→ 2. Temporary Water Permits.

- a. The General Manager may issue a Water Permit for temporary water use when the Applicant has submitted a written request for a Temporary Water Permit, including an explanation of the type of use and quantity of water requested and a signed Water Release Form from the Jurisdiction.
- b. The Applicant for a Temporary Water Permit shall acknowledge in writing that the Temporary Water Permit does not confer a property interest to obtain or use water after expiration and/or Revocation of the Permit. The terms and conditions of the Temporary Water Permit shall be recorded on the title of the property for the duration of the Temporary Water Permit.
- c. The term of a Temporary Water Permit shall not exceed twenty-four (24) months.
- d. The General Manager shall process a Temporary Water Permit pursuant to the process in Rule 23-A-1.
- e. Following removal of the temporary use and verification by the District, water temporarily debited from the Jurisdiction's Allocation will be returned to the Jurisdiction and the Capacity Fee paid for the temporary

use will be refunded to the current property owner.

- f. A Notice of Removal of Deed Restriction shall be recorded by the District at the conclusion of the Temporary Water Permit process.

3. Conditional Water Permits.

A category of Water Permits known as Conditional Water Permits shall be available to a limited group of Applicants under restricted circumstances and only with the Jurisdiction's endorsement. A Conditional Water Permit creates a record that specifically quantifies the increment of water assigned for use at the location designated by the Jurisdiction and debits the Jurisdiction's Allocation. Conditional Water Permits are available to those Projects that are unable to meet all of the criteria of Rule 23-A-1 and meet the standards of this Rule.

- a. The following categories of Projects may obtain a Conditional Water Permit:
- (1) Large Projects - Commercial Projects with a projected water demand of over one Acre-Foot annually.
 - (2) Government Projects - Projects owned and operated or financed by a Governmental agency.
 - (3) Projects with Complex Financial Underwriting - Determined at the discretion of the Board of Directors.
- b. The Conditional Water Permit may be issued when the following criteria have been met:
- (1) There is no Water Supply Emergency;
 - (2) There is sufficient water supply in the Jurisdiction's Allocation;
 - (3) The governing body of a Jurisdiction submits a written request that a Conditional Water Permit be issued to a Project;
 - (4) A completed Water Release Form for the Project is submitted which includes the authorizing signature of the Jurisdiction to debit its Allocation;
 - (5) Payment of all Capacity Fees and fees has been received by the District.
- c. A Conditional Water Permit shall be numbered with the next sequential alpha and numeric number beginning with C-001, C-002, etc. A Water Permit bearing the Permit number referenced in the Conditional Water

use will be refunded to the current property owner.

- f. A Notice of Removal of Deed Restriction shall be recorded by the District at the conclusion of the Temporary Water Permit process.

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A category of Water Permits known as Conditional Water Permits shall be available to a limited group of Applicants under restricted circumstances and only with the Jurisdiction's endorsement. A Conditional Water Permit creates a record that specifically quantifies the increment of water assigned for use at the location designated by the Jurisdiction and debits the Jurisdiction's Allocation. Conditional Water Permits are available to those Projects that are unable to meet all of the criteria of Rule 23-A-1 and meet the standards of this Rule.

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- (1) Large Projects - Commercial Projects with a projected water demand of over one Acre-Foot annually.
 - (2) Government Projects - Projects owned and operated or financed by a Governmental agency.
 - (3) Projects with Complex Financial Underwriting - Determined at the discretion of the Board of Directors.
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- (1) There is no Water Supply Emergency;
 - (2) There is sufficient water supply in the Jurisdiction's Allocation;
 - (3) The governing body of a Jurisdiction submits a written request that a Conditional Water Permit be issued to a Project;
 - (4) A completed Water Release Form for the Project is submitted which includes the authorizing signature of the Jurisdiction to debit its Allocation;
 - (5) Payment of all Capacity Fees and fees has been received by the District.
- c. A Conditional Water Permit shall be numbered with the next sequential alpha and numeric number beginning with C-001, C-002, etc. A Water Permit bearing the Permit number referenced in the Conditional Water

final inspection.

- e. All Water Permits shall include a Notice and Deed Restriction titled "Provide Public Access to Water Use Data." There shall be no additional charge for this deed restriction.

2. Construction of a New Structure.

- a. All new water use permitted by the District shall install a separate water meter to each User.
- b. All Non-Residential New Structures that include irrigated landscapes of 1,000 square-feet or greater shall utilize a separate Water Meter supplied by the Water Distribution System to measure all exterior water uses.

All Residential irrigated landscapes of 5,000 square-feet or greater shall install a sub-meter to measure outdoor water use.

- c. All New Structures receiving a Water Permit after January 1, 2009, shall have separate water supply lines that tee off after the Water Meter to supply fire suppression service and domestic service. This configurations shall facilitate installation of a Flow Restrictor in the domestic service without interfering with the fire suppression service.
- d. All Water Permits requiring deed restrictions shall also include a Notice and Deed Restriction titled "Provide Public Access to Water Use Data."

3. Construction in the Sleepy Hollow Subdivision of Carmel Valley.

- a. All exterior water use shall be supplied by the Sleepy Hollow Sub-potable Water system or by an On-Site Well.
- b. Interior water use shall be supplied by California-American Water Company (also known as the Sleepy Hollow Mutual Potable Water Distribution System) by a Master Meter at the subdivision boundary.
- c. Both interior and exterior uses shall be metered by individual water meters.

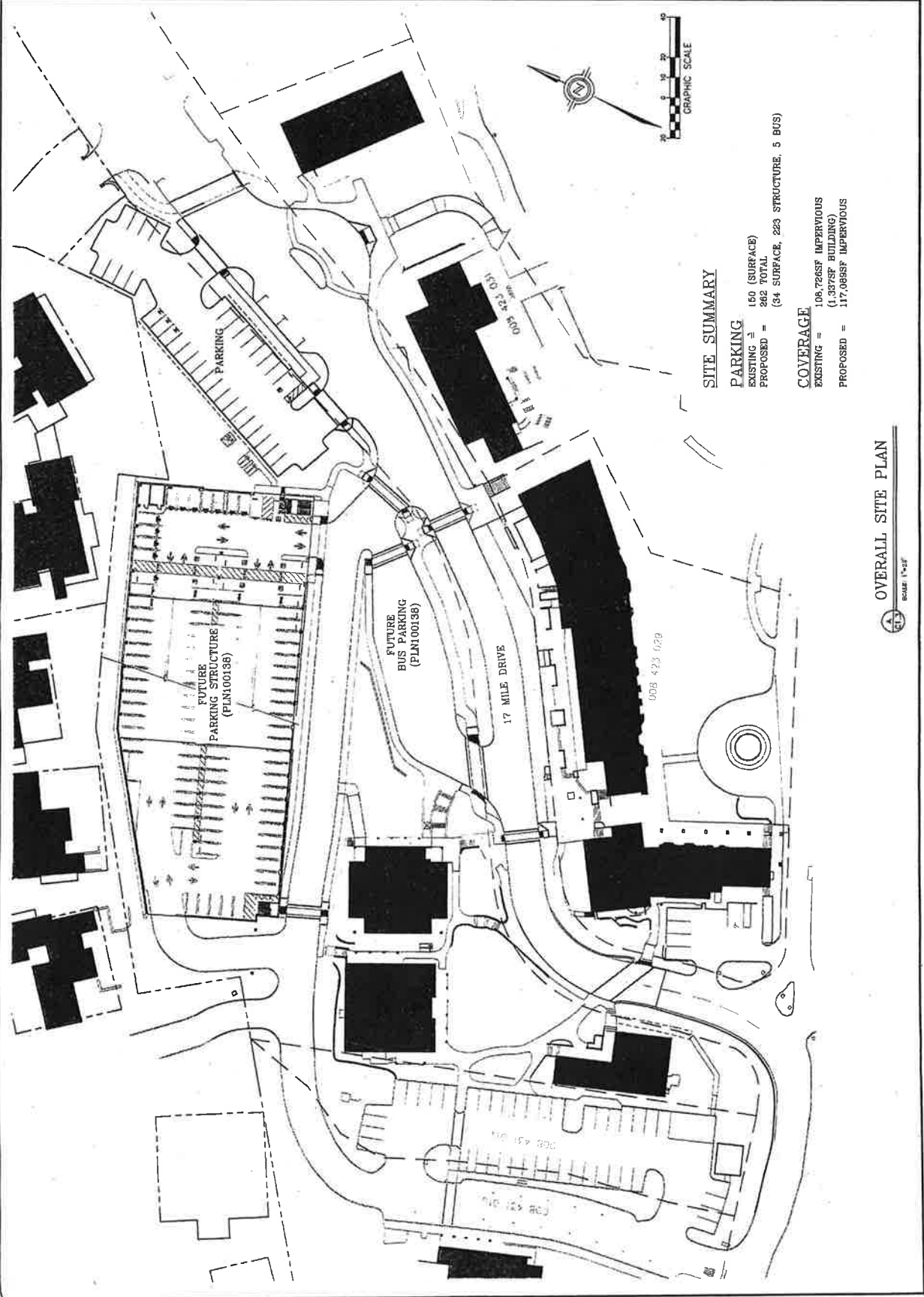
C. ADJUSTMENT OF ALLOCATION OR WATER USE PERMIT FOR UNUSED WATER CAPACITY

- 1. Any permitted Water Use Capacity which is not used because of an abandoned, expired, Revoked, returned, or amended Water Permit shall be returned to the applicable Allocation or Water Use Permit.

2. The Owner of any Benefited Property shall be entitled to receive additional Water Permit(s) until the Water Use Permit has been used in full.

Rule added by Ordinance No. 1 (2/11/80); amended by Ordinance No. 2 (3/11/80); Ordinance No. 3 (7/11/80); Ordinance No. 5 (4/13/81); Ordinance No. 6 (5/11/81); Ordinance No. 7 (7/13/81); Ordinance No. 8 (1/14/81); Ordinance No. 9 (2/14/83); Ordinance No. 11 (11/14/83); Ordinance No. 16 (8/13/84); Ordinance No. 26 (9/8/86); Ordinance No. 40 (4/10/89); Ordinance No. 44 (10/9/89); Ordinance No. 60 (6/15/92); Ordinance No. 64 (10/5/92); Ordinance No. 71 (12/20/93); Ordinance No. 77 (8/21/95); Ordinance No. 115 (05/17/2004); Ordinance No. 125 (9/18/2006); Ordinance No. 128 (6/18/2007); Ordinance No. 137 (12/8/2008); Ordinance No. 145 (9/20/2010); Ordinance No. 156 (1/18/2013); Ordinance No. 157 (12/9/2013); Ordinance No. 161 (7/21/2014); Ordinance No. 165 (8/17/2015); Ordinance No. 170 (5/16/2016); Ordinance No. 172 (8/15/2016)

 <p>LS ENGINEERING AND SURVEYING, INC. 1000 SHILOH ROAD, SUITE 10, MARYLAND HEIGHTS, MISSOURI 63043 PHONE: (636) 271-1100 FAX: (636) 271-1101 WWW: WWW.LS-ENGINEERING.COM</p>	<p>DESIGNED BY: MRS DATE: 2-23-17 SCALE: AS SHOWN JOB NUMBER: 17-086</p>	<p>REVISIONS: LAST REVISION: [blank] DRAWN BY: MRS DATE: 2-23-17 SCALE: AS SHOWN JOB NUMBER: 17-086</p>	<p>SURFACE PARKING LOT THE LODGE AT PEBBLE BEACH 3103 17 MILE DRIVE, PEBBLE BEACH APR 08-41-09</p>	<p>OVERALL SITE PLAN</p>	<p>SHEET C1.3 OF 12 SHEETS</p>
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SITE SUMMARY

PARKING
 EXISTING = 160 (SURFACE)
 PROPOSED = 262 TOTAL
 (34 SURFACE, 228 STRUCTURE, 5 BUS)

COVERAGE
 EXISTING = 108,726SF IMPERVIOUS
 (1,375SF BUILDING)
 PROPOSED = 117,085SF IMPERVIOUS

OVERALL SITE PLAN
 SCALE: 1"=25'

RECEIVED¹³

MAR 28 2017

Juli Hofmann
3201 Martin Circle
Marina CA 93933
February 23, 2017

MPWMD

ATTEN: Arlene Tavani/Sara Reyes
Monterey Peninsula Water Management District (MPWMD)
P.O. Box 85
Monterey, CA 93942

RE: Cal-Am Slant Well Project (MPWSP)

Dear Board Members:

In addition to 791 signed letters sent to you prior to the first DEIR public comment deadline in February, I am now forwarding 126 additional signed letters as well as 312 new petition signatures, all opposing the Cal-Am slant well project (MPWSP) to be sited in Marina.

I expect that both the previous and current signatures have been and will be distributed, as required by law as a public document.

These letters and petitions are signed by individual citizens, like me, who wish to express concerns regarding the Cal-Am Slant Well project (MPWSP). With the previous mailings, the current total, as of March 23, 2017 is 1,229 signatures.

791 letters forwarded on Feb. 23, 2017
312 new petition signatures
126 add'l new signed letters

1,229 signatures to date

Citizens for Just Water ("Just Water") has collated and forwarded these responses from private citizens, mostly from the City of Marina and Ord Communities, and are NOT specifically related to the DEIR public comments. However, the issues are vital to us and we wish our collective voices to be heard.

I would appreciate confirmation of receipt of these CDs at jhofmann@redshift.com when they have been distributed to your commissioners.

Thank you very much,

Juli Hofmann

Juli Hofmann

1401 21st Street, Suite 200
 Sacramento, CA 95811
 Phone: 916-444-6240
 Fax: 916-448-7699



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 FOUNDATION

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MPWMD

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 Water Strategies LLC
 VICE PRESIDENT, Scott A. Morris
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 SECRETARY, Celeste Cantú
 Santa Ana Watershed Project Authority
 TREASURER, Michael T. Savage
 Brown and Caldwell
 EXECUTIVE DIRECTOR
 Jennifer Bowles

March 27, 2017

DIRECTORS:
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 Fort Mojave Indian Tribe
 Jennifer P. Allen
 Contra Costa Water District
 Thomas M. Berliner
 Duane Morris, LLP
 Thaddeus L. Bettner
 Glenn-Colusa Irrigation District
 Roberta Borgonovo
 League of Women Voters
 Gwendolyn M. Buchholz
 CH2M Hill

David J. Stoldt
 Monterey Peninsula Water Management District
 P.O. Box 85
 Monterey, CA 93942

Dear ~~Mr. Stoldt~~: *David,*

Mike Chrisman
 Chrisman Ranches
 JaNell Cook
 HDR, Inc.
 Ane D. Deister
 California Council Of Land Trusts
 Kim Delfino
 Defenders of Wildlife
 Danielle Duncan
 Sustainable Conservation
 Phil Dunn
 GEI Consultants
 Gary J. Freeman
 Pacific Gas & Electric Company

Thank you so much for speaking at our 34th Annual Executive Briefing, which was held in Sacramento on March 23, 2017. We were very pleased with the event, the attendance, the participation and the interaction between the speakers and the audience.

David J. Guy
 Northern California Water Association
 Maurice Hall
 Environmental Defense Fund
 Thomas Harter
 University of California
 Cynthia Koehler
 WaterNow

Your remarks were enlightening and contributed greatly to the success of the event. The Water Education Foundation is dedicated to providing our participants with high quality experiences, which are only possible with help from experts such as you.

Mark Larsen
 Kaweah Delta Water Conservation District
 Mary Aileen Matheis
 Irvine Ranch Water District

We hope you will continue to be involved in our programs. Please regard us as a resource on water issues and do not hesitate to call if we can be of any assistance.

Cannon Michael
 Bowles Farming Company
 William R. Mills
 Groundwater Consulting Engineer

Thanks again for your time and support.

Sincerely,

Jennifer
 Jennifer Bowles
 Executive Director

Sue
 Sue McClurg
 Deputy Executive Director

Christopher Park
 CDM Smith
 Jennifer G. Persike
 ACWA

*Thanks David -
 It was a great
 presentation!*

Thomas S. Philp
 MWD of Southern California
 Sara Reid
 CoBank

Ronald B. Robie
 Court of Appeal, 3rd Appellate District
 Peter S. Silva
 Silva-Silva International

Gary Weatherford
 California Public Utilities Commission
 Peter C. Wijeman
 ARCADIS

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**PUBLIC
WATER
NOW**

MAR 23 2017

MPWMD

PUBLIC WATER NOW**P.O. Box 1293, Monterey CA 93942**

www.publicwaternow.org

publicwaternow@gmail.com

Monterey Peninsula Water Management District (MPWMD)
Attn: Arlene Tavani
P.O.Box 85
Monterey CA 93942

March 21, 2017

Re: Monterey Peninsula Water Supply Project (MPWSP)

Dear Chair, District Directors and General Manager,

The two most alarming deficiencies in California American Water Company's proposed desal project are 1) poor science around feasibility of the 'first of its kind' slant well ocean intake; and 2) lack of water rights.

1. There are NO completed, successful slant wells operating for subsurface ocean desalination intake anywhere in the U.S. or the world. State agencies require a feasibility study of this new technology. With an untested and experimental design, the *highest standard* of scientific testing must be made. There is a more accurate method of mapping the saltwater intrusion in the Salinas Valley Groundwater Basin (called Electrical Resistivity Tomography--ERT) but this method is NOT used in the DEIR environmental review of impacts. ERT imaging will be completed in mid-2017. Such scientific data and observations must be included in the DEIR evaluation of impacts and the question of 'no harm' from the project.

2. Cal Am has no water rights in the Salinas Groundwater Basin, but Cal Am intends to pump another water district's groundwater. The fundamental determination of legal water rights must be made now before further infrastructure investment and before more project approvals. Feasibility depends on water rights.

Additional concerns include possible litigation and delay, lack of contingency planning, and continued and confounding pressure from the State Cease and Desist Order.

Ratepayers are facing huge new costs, regardless of success, delay or failure. I and other signers (enclosed) request your support in pursuing these deficiencies. Sooner, rather than later. Thank you for your attention.

Sincerely,

George T. Riley
Managing Director, Public Water Now
1198 Castro Road, Monterey Ca 93940
831-645-9914, georgetriley@gmail.com

CC: CPUC Public Advisor, NOAA Sanctuary Advisory Council, California Coastal Commission, State Water Resources Control Board, CPUC Office of Ratepayer Advocacy, Monterey County Supervisors, Monterey County Water Resources Agency (MCWRA), Monterey Peninsula Water Management District (MPWMD), Fort Ord Reuse Authority (FORA), Peninsula Mayors' Water Authority, Marina Coast Water District (MCWD), Seaside Groundwater Basin WaterMaster, City Councils of Seaside, Monterey, Marina, Pacific Grove, Carmel, Del Rey Oaks, Sand City

1947

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

PHYSICS 309



DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791

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MAR 21 2017

MPWMD

March 16, 2017

Mr. Joseph Oliver
Monterey Peninsula Water Management District
P.O. Box 85
Monterey, California 93942-0085

RE: Approved as modified 2016 Basin Boundary Modification Request

Dear Mr. Oliver:

The purpose of this letter is to inform you of the final 'approved as modified' status of the Monterey Peninsula Water Management District 2016 Basin Boundary modification request. On October 6, 2016 the Department of Water Resources (DWR) released the Final Basin Boundary modification request results table¹ notifying local agencies of the resulting basin boundary modifications. In addition, these results were published on December 23, 2016 in the 2016 Bulletin 118 Interim Update².

On March 31, 2016 DWR closed the 2016 basin boundary modification request submission period and received a request submitted by the Monterey Peninsula Water Management District to modify the 3-04.10 SALINAS VALLEY - CORRAL DE TIERRA AREA and 3-04.08 SALINAS VALLEY - SEASIDE AREA basins. The modification request included a scientific external modification type.

Basin Boundary regulations (23 CCR § 344 et seq.) specify information that must be provided by the requesting agency to support a basin boundary modification request. DWR reviewed the modification requests following the methodology and criteria set forth in the regulations (23 CCR § 345 et seq.).

The modification request was 'approved as modified' based on compliance with requirements of the regulation. The 'approved as modified' indicates that some modification to the original requested modification was necessary to comply with Bulletin 118 basin definitions or to accommodate minor adjustments. The final 'as modified' basin boundary modification generally included the incorporation of the remaining portions of the original Seaside subbasin into the Corral De Tierra subbasin based on similar geology and hydrogeologic properties.

As a result of your approved basin boundary modification request, the basin boundary description has been modified to reflect a new segment-based description supported with specific referential documentation provided in the request or previously included. A link for your updated basin boundary description³ is provided below; or you can download from the Basin Boundary Assessment Tool (BBAT)⁴.

Joseph Oliver
March 16, 2017
Page 2

The Department will be offering another opportunity to modify basin boundaries tentatively beginning in the latter half of 2017 (Initial Notification) and last through the first quarter of 2018 (Submission Period). More information will be provided on the Basin Boundary website¹ and sent out to the SGMA email list. If you have any further questions or concerns regarding this basin boundary modification request or SGMA please feel free to contact Tim Godwin directly at (916) 651-9223.

Regards,



Tim Godwin
Senior Engineering Geologist
Basin Boundary Project Manager



Trevor Joseph
Supervising Engineering Geologist
SGM Section Chief

Reference Links:

1. http://www.water.ca.gov/groundwater/sgm/basin_boundaries.cfm
2. http://www.water.ca.gov/groundwater/bulletin118/docs/Bulletin_118_Interim_Update_2016.pdf
3. https://gis.water.ca.gov/app/bbat/reports/BasinBoundaryDescription/BasinBoundaryDescription__3_004_08.pdf
4. <https://gis.water.ca.gov/app/bbat/>



Monterey County Office of Education

Dr. Nancy Kotowski
County Superintendent of Schools

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MAR 27 2017

MPWMD

March 15, 2017

Mr. David J. Stoldt, General Manager
Monterey Peninsula Water Management District
P.O. Box 85
Monterey, CA 93942

David
Dear Mr. Stoldt:

I am delighted to have this opportunity to congratulate you for receiving the 2016 Ruth Vreeland Memorial Award for Public Official of the Year at the Monterey Peninsula Chamber of Commerce's 109th Annual Awards Dinner. It was a pleasure to be a part of the evening's festivities and to honor you and acknowledge your outstanding accomplishments.

You personally are making significant and lasting impressions throughout Monterey County. Your extensive involvement in water management and resources are helping to build a better and stronger community. The business, educational, and non-profit communities are fortunate to have you as a leader.

Thank you for your concern and support for the residents of Monterey County and your ongoing role in building a strong and thriving community.

Sincerely,

Nancy Kotowski

Nancy Kotowski, Ph.D.
Monterey County Superintendent of Schools

Thank you, too, David, for the long hours & tireless work you do for all of us! Nancy

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This is essential for ensuring the integrity of the financial statements and for providing a clear audit trail.

2. The second part of the document outlines the various methods used to collect and analyze data. These methods include direct observation, interviews, and the use of statistical models. Each method has its own strengths and limitations, and it is important to choose the most appropriate one for the specific research question.

3. The third part of the document describes the results of the study. The data shows a clear trend of increasing sales over the period studied, which is consistent with the hypothesis. However, there are some interesting anomalies that warrant further investigation.

4. The fourth part of the document discusses the implications of the findings. The results suggest that the current marketing strategy is effective, but there are some areas where it could be improved. For example, targeting specific demographic groups might lead to higher sales.

5. The final part of the document provides a conclusion and some recommendations for future research. It is clear that there is still much to be learned about the relationship between marketing and sales, and further studies are needed to explore these issues in more detail.



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MAR 21 2017

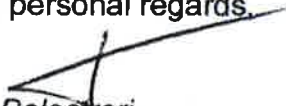
MPWMD

March 17, 2017

David Stoldt
MPWMD
P.O. Box 85
Monterey, CA 93942-0085

Dear David,
Congratulations on receiving the 2016 Public Official of the Year Award. You are certainly deserving of the honor.

Best personal regards,


Ted Balestreri
Chairman and CEO
Cannery Row Company

Handwritten text, possibly a name or title, located in the upper left quadrant of the page.



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Faint handwritten text or a signature located in the lower right section of the page.



RECEIVED²⁵

MAR 17 2017

MPWMD

March 14, 2017

David J. Stoldt
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Dear David,

Congratulations on being awarded the Ruth Vreeland Memorial Award for Public Official of the Year award!

Thank you for all you do for our community and the support and involvement you have demonstrated with MPCC. Your leadership and achievements are commendable and set a wonderful example for others. You should be very proud!

I send my sincerest wishes for a successful and prosperous year ahead!

Best personal regards,

CHRIS SHAKE

CS:jls

