

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

Regular Meeting

Board of Directors

Monterey Peninsula Water Management District

Wednesday, January 25, 2017, 7:00 pm

Conference Room, Monterey Peninsula Water Management District
5 Harris Court, Building G, Monterey, CA

Staff notes will be available on the District web site at

<http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>

by 5 PM on Friday, January 20, 2017.

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

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

ADMINISTER OATH OF OFFICE TO MARY ADAMS, MONTEREY COUNTY BOARD OF SUPERVISORS APPOINTEE TO THE BOARD OF DIRECTORS

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 December 12, 2016 Board Meeting Minutes
2. Ratify Board Committee Assignments for Calendar Year 2017

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
Vacant, 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 Friday, January 20, 2017. Staff reports regarding these agenda items will be available for public review on 1/20/2017, 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 February 22, 2017 at 7 pm.

3. Consider Funding an Addendum to the Pure Water Monterey Project EIR to Realign a Section of the Monterey Pipeline
4. Consider Approval of Annual Update on Investment Policy
5. Receive Semi-Annual Financial Report on the CAWD/PBCSD Wastewater Reclamation Project
6. Consider Adoption of Treasurer's Report for November 2016

GENERAL MANAGER'S REPORT

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

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

9. 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.

10. **Consider Application for Variance of Separate Meter Requirement for a 19 Unit Senior Affordable Housing Project – 669 Van Buren Street, Monterey (APN: 001-512-020)**
Action: The Board will consider a request to allow a variance to the requirement for separate California-American Water meters by allowing in-line meters. The variance will reduce costs and increase safety in an affordable housing project in Monterey.
11. **Consider Second Reading and Adoption of Ordinance No. 176 - Amending Rules 11, 21, 24, 25.5, 60, 64, 141, 143 and 144**
Action: The Board will consider second reading and adoption of Ordinance No. 176 that amends several sections of the MPWMD Rules and Regulations related to conservation, fees, and water permit processing.
12. **Consider Adoption of Resolution No. 2017-01 - Change to Even-Year Elections**
Action: The Board will consider adoption of a resolution that would change the District's odd-year election cycle to an even-year election cycle as prescribed by Senate Bill 415.
13. **Consider Addendum to Mitigated Negative Declaration for Sleepy Hollow Steelhead Rearing Facility Upgrade Including Adoption of CEQA Findings and Mitigation Measures**
Action: The Board will consider an Addendum to correct a technical deficiency in the Mitigated Negative Declaration approved by the Board at their November 14, 2016 meeting.

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

14. **Consider Authorization for General Manager to Contract for Los Padres Dam Alternatives Study**
Action: The Board will consider entering into a contract with AECOM Technical Services, Inc. for a study of alternatives to manage Los Padres Dam and Reservoir.

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.

15. Letters Received Supplemental Letter Packet
16. Committee Reports
17. Monthly Allocation Report
- 1 Water Conservation Program Report
- 1 Carmel River Fishery Report
- 20 Monthly Water Supply and California American Water Production Report for January 2017
- 21 Quarterly Carmel River Riparian Corridor Management Program Report
- 22 Quarterly Water Use Credit Transfer Status Report

- [Click here for a revised staff report as of January 24, 2017](#)

23. Semi-Annual Groundwater Quality Monitoring 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			
Wednesday, Feb. 22, 2017	Regular Board Meeting	7:00 pm	District conference room
Monday, March 20, 2017	Regular Board Meeting	7:00 pm	District conference room
Monday, April 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, January 20, 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 DECEMBER 12, 2016
REGULAR MEETING OF THE BOARD OF DIRECTORS****Meeting Date: January 25, 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: N/A**

SUMMARY: Attached as **Exhibit 1-A** are draft minutes of the December 12, 2016 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 December 12, 2016 Regular Meeting of the Board of Directors



EXHIBIT 1-A

DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
December 12, 2016

The meeting was called to order at 7:00 pm in the MPWMD conference room.

CALL TO ORDER/ROLL CALL

Directors Present:

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

Directors Absent: None

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 Clarke and second of Brower, the Board voted unanimously to approve revisions to the agenda. The motion was approved on a vote of 7 – 0 by Clarke, Brower, Byrne, Lewis, Evans, Pendergrass and Potter.

ADDITIONS AND CORRECTIONS TO AGENDA

No comments.

ORAL COMMUNICATIONS

Potter offered a motion that was seconded by Pendergrass to approve the Consent Calendar with the exception of items 4 and 5 that were pulled for separate consideration. The motion was approved on a vote of 7 – 0 by Potter, Pendergrass, Brower, Byrne, Clarke, Evans and Lewis.

CONSENT CALENDAR

Adopted.

1. Consider Adoption of October 17, 2016 and November 14, 2016 Board Meeting Minutes

Adopted.

2. Adopt Board Meeting Schedule for 2017

Adopted.

3. Consider Adoption of Resolution No. 2016-21 Expressing Appreciation to David Potter for 20 Years of Service on the Board of Directors

On a motion by Brower and second of Lewis, the Board approved a contract with The Ferguson Group for up to \$40,000. Staff will work with the contractor on development of a scope of work for services through June 30, 2017. The goal is to develop a full scope of work and contract for the next fiscal year. The motion was approved on a vote of 7 – 0 by Brower, Lewis, Byrne, Clarke, Evans, Pendergrass and Potter.

On a motion by Evans and second of Clarke, the agreement was approved for an amount not-to-exceed \$35,000. The motion was approved unanimously on a vote of 7 – 0 by Evans, Clarke, Brower, Byrne, Lewis, Pendergrass and Potter.

Approved expenditure of \$80,000 to contract with Denise Duffy & Associates.

Received.

Adopted.

Chair Byrne presented a framed resolution of appreciation and a gift of a golf bag to Director Potter. She thanked him for his service to the Board and stated that his expertise would be missed. Director Potter stated that it had been a pleasure and a privilege to serve on the Water Management District Board. He noted that the agency had evolved into a well-respected and professional organization, known at the Federal and State level as an agency that knows how to create water in many ways. Director Pendergrass thanked Potter for his service and stated that he had been a very important member of the Board.

Chair Byrne thanked Ms. Schmidlin for her time with the District and presented her with a gift. Stoldt stated that he was appreciative of the human resources infrastructure that Ms. Schmidlin had developed over 20-years with the District. Ms. Schmidlin stated that the Water Management District staff was the finest group of public employees she had worked with.

General Manager Stoldt reported that the District had been awarded the Region 5 Outstanding Outreach Participation Award by the Association of California Water Agencies in December 2016. Stoldt explained that the Status Report had been reformatted due to the modified Cease and Desist Order adopted in July 2016. He noted that for the chart titled Actual

4. Consider Retention of Federal Legislative Consultant
5. Consider Approving Agreement with Regional Government Services Authority for Management and Administrative Services
6. Consider Funding Additional Expenditures for Environmental Monitoring and Compliance Services for Monterey Pipeline and Hilby Pump Station Projects
7. Receive Pension Reporting Standards Government Accounting Standards Board Statement No. 68 Accounting Valuation Report
8. Consider Adoption of Treasurer's Report for October 2016

PRESENTATIONS

9. Presentation to Director David Potter for 20 Years of Service on the Board of Directors
10. Presentation to Cynthia Schmidlin upon her Retirement after 20 Years with the MPWMD

GENERAL MANAGER'S REPORT

11. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2009-0060 and Seaside Groundwater Basin Adjudication Decision**

versus Target Production for Cal-Am Oct to Dec 2016, the Carmel River Basin Actual column did not reflect diversions from Malpaso for entitlement water. Stoldt reported that Actual diversions were much lower than the Targets which was due to withdrawals from Aquifer Storage and Recovery (ASR) that were counted as diversions in the prior year. Rainfall for the period of October through November 2016 was measured at 1.2 inches above the long-term average. Unimpaired Carmel River Flow for the October through November 2016 period was close to the long-term average.

General Manager Stoldt provided an update on several projects. **(a) ASR** – Diversions had not begun, but rains were expected the next week. Diversions to the ASR wells could begin when Carmel River Flows measured 60 to 80 cubic feet per second at the Near Carmel Gage. **(b) Pure Water Monterey Project (PWM)** – a \$10 million grant was issued from Proposition 1 Water Bond funds to the City of Salinas which will benefit the project. This would facilitate construction of a return pipeline from Salinas Industrial Ponds, so that stormwater could accumulate in the winter and be transmitted for treatment in the summer and utilized in the dry months. In addition, one of the industrial ponds would be lined to reduce percolation losses. The National Marine Fisheries Service had expressed support for the project, which was a requirement for submission of an application to receive State Revolving Fund financing. A pre-bid meeting regarding construction of the advanced water treatment facility was scheduled for mid-February. Regarding construction of injection facilities in Seaside, the City will issue a grading permit after receipt of proof from FORA that unexploded ordinance removal had been completed on the site. The Monterey Regional Water Pollution Control Agency and Marina Coast Water District were scheduled to meet regarding amendments to agreements for use of the pipeline. Also, the Regional Water Quality Control Board planned to consider the waste discharge permit at its March 2017 meeting in Watsonville. **(c) Other Items** - In response to a request from the Board, Stoldt stated that at the next Board meeting, he would present an update on Cal-Am non-revenue water totals. Potter requested that the District contact the Carmel River Steelhead Association and advise them that their concerns over breaching the Carmel River Lagoon may be solved by completion of projects that are in progress such as the barrier wall and the Big Sur Land Trust Carmel River FREE Project.

District Counsel reported that the Board discussed items 3.A through 3B. Counsel provided a status report and received general direction from the Board. No reportable action was taken.

12. Update on Development of Water Supply Projects

REPORT FROM DISTRICT COUNSEL ON 5:30 PM CLOSED SESSION OF THE BOARD

3. Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))

- A. Application of California American Water to CPUC Case No. A10-01-012 – Monterey Peninsula Water Management District user Fee
- B. MPWMD v. SWRCB; Santa Clara 1-10-CV-163328 – CDO – (6th District Appellate Case #HO39455)
- C. Application of California American Water to CPUC (No. 15-07-019) – Modify Water Rationing Rules, Rate Design

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

Byrne reported that she represented the Board of Directors at the December 9, 2016 groundbreaking ceremony for the City of Pacific Grove's Local Water Project.

- 13. Oral Reports on Activities of County, Cities, Other Agencies/Committees/ Associations**

On a motion by Pendergrass and second of Clarke, the Board of Directors adopted the January through March 2017 Quarterly Water Supply Strategy and Budget on a unanimous vote of 7 – 0 by Pendergrass, Clarke, Brower, Byrne, Evans, Lewis and Potter. No comments were directed to the Board during the public hearing on this item.

PUBLIC HEARINGS

- 14. Consider Adoption of January through March 2017 Quarterly Water Supply Strategy and Budget**

On a motion by Brower and second of Potter, the Board of Directors received the report on a unanimous vote of 7 – 0 by Brower, Potter, Byrne, Clarke, Evans, Lewis and Pendergrass. Stoldt stated that a few minor edits were noted by the Directors and that the report would be revised to include those corrections. No comments were directed to the Board during the public comment period on this item.

ACTION ITEMS

- 15. Receive Fiscal Year 2015-2016 Comprehensive Annual Financial Report**

On a motion by Potter and second of Lewis, the Board adopted Resolution No. 2016-22 on a unanimous vote of 7 – 0 by Potter, Lewis, Brower, Byrne, Clarke, Evans and Pendergrass. It was noted that the staff report incorrectly referred to this issue as a Consent Calendar item. No comments were directed to the Board during the public comment period on this item.

- 16. Consider Adoption of Resolution No. 2016-22 – Authorizing an Amendment to the District's Contract with the California Public Employees' Retirement System**

Byrne offered a motion that was seconded by Potter to elect Brower to the position of Chair; Clarke as Vice Chair; Stoldt as Secretary; and Suresh Prasad as Treasurer. The motion was approved on a unanimous vote of 7 – 0 by Byrne, Potter, Brower, Clarke, Evans, Lewis and Pendergrass.

- 17. Conduct Election of Board Officers for 2017**

During the public comment period on this item, George Riley stated that he admired David Potter for his good memory and intelligence.

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

INFORMATIONAL ITEMS/STAFF REPORTS

- 18. Letters Received**
- 19. Committee Report**
- 20. Monthly Allocation Report**

- 21. Water Conservation Program Report**
- 22. Carmel River Fishery Report**

The meeting was adjourned at 8 pm.

ADJOURNMENT

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Arlene M. Tavani, Deputy District Secretary

ITEM: CONSENT CALENDAR**2. RATIFY BOARD COMMITTEE ASSIGNMENTS FOR CALENDAR YEAR 2017****Meeting Date: January 25, 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: N/A**

SUMMARY: A list of committee assignments for calendar year 2017 is attached as **Exhibit 2-A**.

All committees are made up of less than a quorum of the Board. The Administrative Committee is the District's one standing committee. It generally meets one week prior to the Board meeting. The other committees do not meet regularly, but only as needed.

RECOMMENDATION: Ratify appointments as presented or modify them by motion.**EXHIBIT****2-A** Proposed Committee Assignments for Calendar Year 2017

PROPOSED BOARD COMMITTEE ASSIGNMENTS FOR 2017

Adopted on _____

BOARD COMMITTEES	
Administrative Committee	Brenda Lewis – Chair Andrew Clarke Brenda Lewis <i>Molly Evans, Alternate</i>
Public Outreach/Communications	David Pendergrass – Chair Molly Evans David Pendergrass <i>Jeanne Byrne, Alternate</i>
Rules and Regulations Review	Mary Adams – Chair David Pendergrass Andrew Clarke <i>Jeanne Byrne, Alternate</i>
Water Demand	Molly Evans – Chair Andrew Clarke Jeanne Byrne <i>Brenda Lewis, Alternate</i>
Legislative Advocacy	Andrew Clarke - Chair Bob Brower Molly Evans <i>David Pendergrass, Alternate</i>
Water Supply Planning	Bob Brower – Chair Jeanne Byrne David Pendergrass <i>Andrew Clarke, Alternate</i>
OUTSIDE AGENCIES/LIAISONS	
Seaside Groundwater Basin Watermaster	Jeanne Byrne, Representative <i>Andrew Clarke, Alternate</i>
Monterey County Special Districts' Association	Brenda Lewis, Representative <i>Jeanne Byrne, Alternate</i>
Policy Advisory Committee	Andy Clarke, Chair <i>Bob Brower, Alternate</i>
Monterey Peninsula Water Supply Project Governance Committee	Jeanne Byrne, Representative <i>Andrew Clarke, Alternate</i>
Association of California Water Agencies/Joint Powers Insurance Agency	Andrew Clarke, Representative

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ITEM: CONSENT CALENDAR**3. CONSIDER FUNDING AN ADDENDUM TO THE PURE WATER MONTEREY PROJECT EIR TO REALIGN A SECTION OF THE MONTEREY PIPELINE**

Meeting Date:	January 25, 2017	Budgeted:	No
From:	David J. Stoldt General Manager	Program/ Line Item:	Water Supply Projects N/A
Prepared By:	Maureen Hamilton	Cost Estimate:	\$15,000 NTE To be reimbursed by Cal-Am

General Counsel Review: Yes**Committee Recommendation: The Administrative Committee reviewed this item on January 18, 2016 and recommended approval.****CEQA Compliance: Addendum to EIR**

SUMMARY: Staff proposes to amend an existing contract with Denise Duffy & Associates, Inc. (DD&A) to assist with the preparation of an Addendum to the Pure Water Monterey/Groundwater Replenishment (PWM/GWR) Project EIR for a proposed realignment of a section of the Monterey Pipeline. Based on a review of the preliminary plans, the pipeline realignment is not expected to create new significant environmental impacts or substantially increase the severity of previously identified significant impacts. The preliminary determination is that an Addendum is appropriate (see **Exhibit 3-A**).

The recommendation is to authorize MPWMD funds not-to-exceed (NTE) \$15,000 for this purpose. Funds will be transferred from Budget Item 1-9-1, the “Cal-Am Desal Project”, which has been deferred to the next fiscal year. The additional funds needed for this project will be included in the mid-year budget adjustment to be issued in February 2017.

RECOMMENDATION: Staff recommends the Board authorize the General Manager to contract with Denise Duffy and Associates for a not-to-exceed amount of \$15,000 for preparation of an Addendum to the PWM/GWR Project EIR for the proposed realignment of a section of the Monterey Pipeline.

BACKGROUND:

Cal-Am is constructing the Monterey Pipeline that will be able to convey water in two directions (**Exhibit 3-B**):

- (1) from the Carmel River via the Monterey Peninsula to the existing Aquifer Storage and Recovery (ASR) wells;
- (2) and from the Seaside Basin extraction wells to the Cal-Am distribution system.

Please refer to **Exhibit 3-C** for a map overview of the Monterey Pipeline and the proposed realignment.

The Monterey Pipeline alignment, referred to as the Alternative Monterey Pipeline in the certified PWM/GWR Project EIR, had to be revised to avoid placing the water line in close proximity to a sewer line. An interim realignment design was found to encounter a localized high point at the intersection of Cypress and Hoffman. This proposed realignment (**Exhibit 3-B**) has a maximum elevation of 243 feet above mean sea level, meeting the maximum elevation criteria of 258 feet above mean sea level. Additionally, the following is true regarding the proposed realignment:

- There is no change in linear feet between the current alignment and proposed realignment; both alignments are approximately 2,350 linear feet.
- The proposed realignment is located within the City of Monterey Public Right-of-Way in paved streets.
- All appurtenances (valves, etc.) are located within the City of Monterey Public Right-of-Way.
- No additional staging area is proposed.
- No relocation of existing utilities or facilities is anticipated.

CEQA Section 15162 (b) allows that when changes to a project or its circumstances occur after adoption of a negative declaration, the lead agency shall determine whether to prepare a subsequent negative declaration, an addendum, or no further documentation if a subsequent EIR is not required; please refer to Exhibit E. When MPWMD approved Cal-Am's application to Amend the Water Distribution System (WDS) Permit #M16-01-L3 to include the Hilby Avenue Pump Station and Monterey Pipeline, MPWMD became the Lead Agency under CEQA. Please refer to Exhibit D Section 5.3.

Based on a review of the proposed realignment, the preliminary determination is that an Addendum would be appropriate because the realignment is not expected to create new significant environmental impacts or substantially increase the severity of previously identified significant impacts. The Addendum sections and analysis will document the preliminary determination per CEQA Guidelines sections 15162 and 15164.

DD&A has extensive experience providing similar services in connection with a number of infrastructure related projects. In addition, DD&A also has direct and relevant experience having prepared the underlying environmental documentation for the PWM project and the Addendum for the Hilby Avenue Pump Station project, which included the Monterey Pipeline. As a result, DD&A is uniquely qualified to assist MPWMD with the mitigation monitoring and reporting requirements needed for this project. The proposal is attached as **Exhibit 3-A**.

EXHIBITS

- 3-A** Proposal for Environmental Services for Monterey Pipeline CEQA Addendum from DD&A
- 3-B** Proposed Alignment Revision to Pure Water EIR
- 3-C** Proposed Alignment Revision to Pure Water EIR – Overview
- 3-D** Decision on California-American Water Company's Application for Approval of the Monterey Peninsula Supply Project Specifically in Regards to Phase 2
- 3-E** CEQA Sections 15162 and 15164

**Denise Duffy & Associates, Inc.**

PLANNING AND ENVIRONMENTAL CONSULTING

Environmental Services
Monterey Pipeline CEQA Addendum

December 21, 2016

Background/Project Understanding

The Monterey Peninsula Water Management District (MPWMD or District) has requested that Denise Duffy & Associates (DD&A) prepare a CEQA addendum for the proposed realignment of a section the Monterey Pipeline.

The proposed realignment consists of a change to the Monterey Pipeline alignment through Monterey. The revised alignment begins at the intersection of Lily and Irving, where the proposed route would turn north onto Irving, then east onto Spencer. The revised alignment would end at the intersection of Spencer and Hoffman, where it would continue following the current alignment. There is no change in linear feet between the revised and current alignment (both are ~2,350 LF). The revised alignment is located entirely within the City of Monterey Public Right-of-Way (ROW) in paved streets. All appurtenances (valves, etc.) will be located within the Public ROW. No additional staging area(s) are proposed and no relocation of existing utilities or facilities is anticipated.

DD&A understands that one of the purposes of the Monterey Pipeline is to expand the abilities for moving water between the Monterey and Seaside areas during Aquifer Storage and Recovery (ASR) injection and extraction operations. The current alignment encounters a localized high point at the intersection of Cypress and Hoffman (El. =295'). This high point limits the allowable operating parameters for ASR injection operations. In order to meet the required operating parameters for ASR injections, the pipeline alignment would need to avoid this high point. Based on hydraulic calculations, the maximum elevation of the pipe should not exceed an elevation of 258' at this location. The revised alignment of Lily to Irving to Spencer has a maximum elevation of 243', which meets the hydraulic criteria for the required ASR injection operating parameters.

The following presents DD&A's proposed scope of work.

*DD&A Scope and Budget
Monterey Pipeline Addendum
December 21, 2016*

Scope of Services

The following provides a scope of services and budget based on the preliminary project information provided by Cal-Am (December 15, 2016) and information from conversations with the District.

Task 1. Project Initiation/Site Visit/Initial Checklist

DD&A will initiate the Addendum process by completing the following tasks necessary for ultimate preparation of a thorough and defensible addendum:

- DD&A will communicate with Cal-Am and District staff to confirm project details and schedule needs, and to gather and review available information;
- DD&A staff will conduct one site visit and photograph existing conditions;
- DD&A will conduct an assessment of the existing relevant background reports. DD&A will collect data required to supplement the existing analysis consistent with CEQA;
- DD&A will review and edit the Cal-Am provided project description to a format needed for the Addendum; and
- DD&A will conduct initial evaluation by reviewing applicable CEQA regulations, existing CEQA documentation prepared for the project, and prepare an Initial Study checklist.

The Addendum will concisely describe and graphically depict the relevant site specific features of the project.

Task 2. Prepare Administrative Draft Addendum

An Administrative Draft Addendum will be prepared in compliance with Section 15164 of the CEQA Guidelines and will clearly and concisely describe the changes due to the proposed pipeline realignment. The Addendum will include a description of the changes to the project and itemize revisions to the projects compared to how they are described in the base environmental documentation. The administrative draft will be submitted in electronic form (in MS Word and PDF via email) to the District for review and comment. The Addendum will clearly and concisely describe the reasons for the Addendum determination.

Note: Based on a review of the preliminary plans, the preliminary determination is that an addendum would be appropriate because the pipeline realignment is not expected to create new significant environmental impacts or substantially increase the severity of previously identified significant impacts. The following sections and analysis in the addendum will document this preliminary determination per CEQA Guidelines sections 15162 and 15164.

Sections of the Addendum may include the following:

- Introduction
 - Addendum Overview

*DD&A Scope and Budget
Monterey Pipeline Addendum
December 21, 2016*

- Background on the Project
- Addendum Requirements
- Review of existing CEQA documentation
- Description of the Project
 - Location
 - Description of construction and operational characteristics
 - Comparison of Project to Facilities Evaluated in the existing CEQA documentation
- Impacts and Mitigation of the Project* (See Topical Analysis below)
- Comparison to the Conditions Listed in CEQA Guidelines Related to Addendum Preparation
 - Changes to the Project Considered Not Substantial
 - No New Information Leading to Environmental Effects
 - No Change in Project Circumstances
- Conclusion
- References
- Acronyms
- Appendices

*Topical Analysis: The addendum will include the following brief analyses, at a minimum:

Traffic. The Addendum will evaluate any potential changes to construction traffic based on the proposed realignment. The environmental documentation previously prepared for the project concluded that project and cumulative traffic impacts are considered to be less-than-significant.

Biological Resources. The Addendum will evaluate whether the proposed realignment would result in any additional biological impacts. DD&A understands that AECOM, on behalf of Cal-Am, will provide technical documentation related to biological resources. Based upon a preliminary review of relevant project documentation, no new significant impacts or a worsening of severity of significant impact is anticipated.

Cultural Resources. The Addendum will also evaluate potential impacts to cultural resources. More specifically, the Addendum will describe how the impacts on cultural resources will not be increased in severity when compared to the impacts identified in the previous environmental documentation.

Noise. The Addendum will describe the noise impacts on sensitive receptors when compared to the impacts identified in the previous environmental documentation and review applicable mitigation.

Land Use and Planning. The Addendum will describe the existing land uses and project area compared to the base environmental documentation and address potential land use effects.

Topic By Topic Discussion. Other topics, including air quality, agricultural resources, geotechnical, geology, hazards/hazardous materials, hydrology and water quality, population/housing, public services and recreation, and utilities and service systems will be briefly

*DD&A Scope and Budget
Monterey Pipeline Addendum
December 21, 2016*

addressed to describe how the revised project will not create any new impacts and will not increase the severity of those impacts previously identified.

Task 3. Prepare Draft Addendum

Based upon review comments from District staff, DD&A will prepare a Draft Addendum for the MPWMD Board packet. This scope of work assumes DD&A will receive one set of comments from MPWMD. The Addendum will be prepared pursuant to the California CEQA Guidelines Section 15164, to describe the modifications to the Project and to evaluate whether the modifications present any new significant impacts not identified in the previously certified documentation or any increase in severity in any previously identified significant impacts.

Task 4. Prepare Final Addendum

Based upon comments on the Draft Addendum, DD&A will revise a Final Addendum to accompany the staff report.

Task 5. Prepare Draft and Final Resolution, CEQA Findings, and Mitigation Monitoring and Reporting Program

In preparation for the MPWMD Board action on the Addendum and project approval, DD&A will prepare a draft Board Resolution, including CEQA-required findings related to the conclusions of the addendum. Changes will be recommended based upon project description changes. Revisions to mitigation will be recommended, if necessary. Based upon comments on the draft MMRP and resolution, DD&A will revise a final resolution to accompany the staff report.

Task 6. Prepare Notices

After project approval, DD&A will prepare a draft and final notices, as needed, related to the project approval. DD&A will file notices with proper documentation of previous fee payment to the Monterey County Clerk, Office of Planning and Research (OPR), or others, if requested.¹

Task 7. Meetings and Conference Calls

This task includes attendance/involvement in meetings and conference calls with the involved agencies and CalAm. The budget assumes attendance by the Project Manager at up to one public hearing. In addition, DD&A's Project Manager will coordinate meeting and conference call scheduling, and prepare and distribute meeting agendas and summaries of key discussion points, if requested.

¹ Filing a Notice of Determination is optional, thus DD&A would do this task only after confirmation by the MPWMD and their attorney.

DD&A Scope and Budget
 Monterey Pipeline Addendum
 December 21, 2016

Task 8. Project Management

This task consists of project management and communication responsibilities, including correspondence, schedule/budget tracking, project oversight, and document production. This task also includes coordination with MPWMD, Cal-Am, and others during preparation of the Addendum.

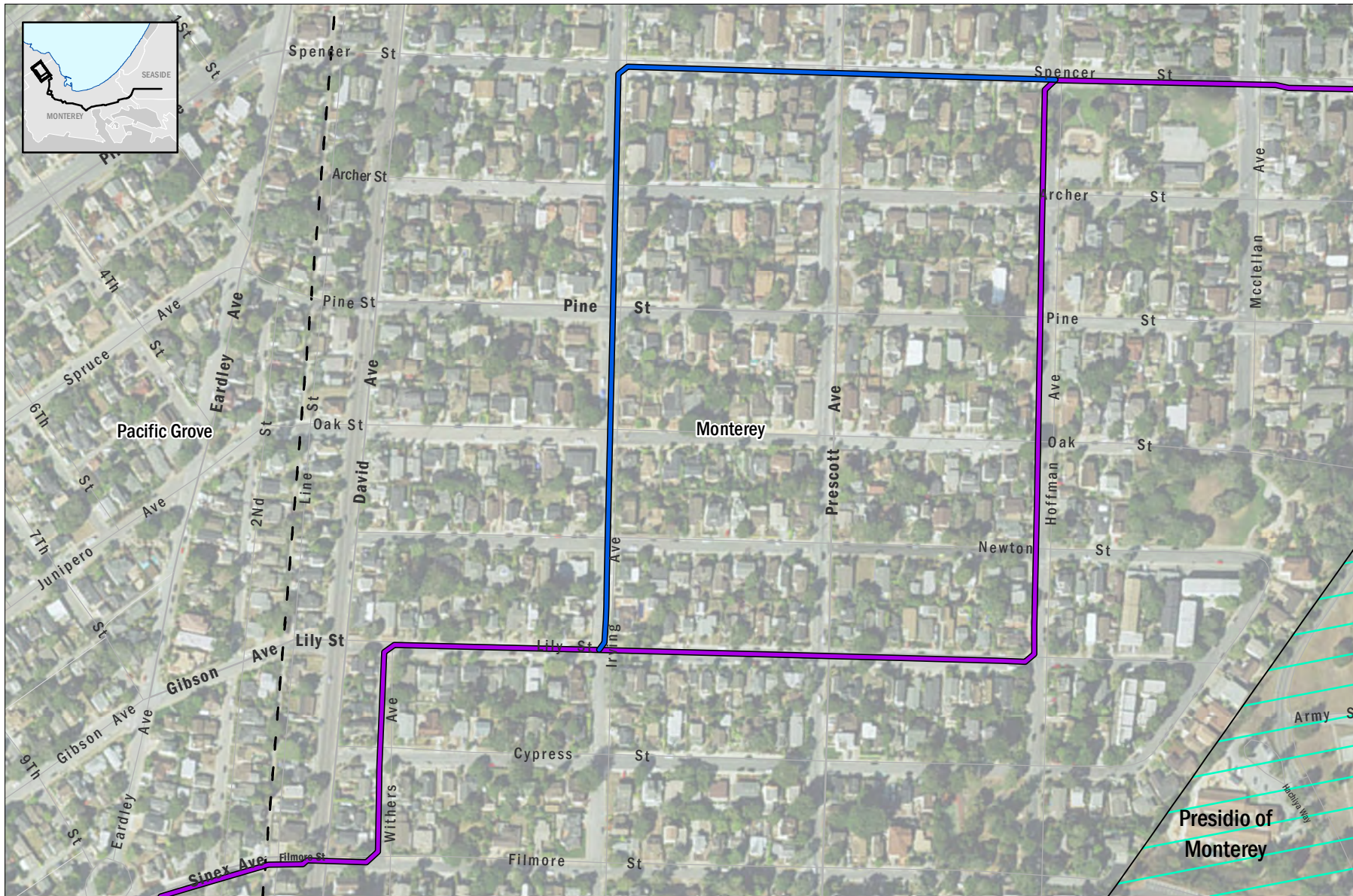
Budget

DENISE DUFFY & ASSOCIATES, INC.
Budget Estimate for the
CEQA Addendum for the Monterey Pipeline Project

Task #	Task Description	Denise Duffy Principal	Tyler Potter, AICP Project Manager	Associate Planner/Scientist	Graphics/GIS	Administrative	Total
	Rate	\$215	\$135	\$103	\$98	\$60	
1	Project Initiation/Site Visit	1	6	10		2	\$2,175
2	Prepare Administrative Draft Addendum	1	6	22	2	6	\$3,847
3	Prepare Draft Addendum	0	2	12	2	2	\$1,822
4	Prepare Final Addendum	0	2	4	2	2	\$998
5	Prepare Draft and Final Resolution/CEQA Findings/MMRP	1	4	14		2	\$2,317
6	Prepare Notices		1	6		2	\$873
7	Meetings and Conference Calls	2	4	4		0	\$1,382
8	Project Management	2	6			4	\$1,480
Total DD&A hours by person		7	31	72	6	20	
TOTAL		\$1,505	\$ 4,185	\$ 7,416	\$588	\$1,200	\$14,894

NOTES:

- Approach.** This budget estimate is based on the current understanding of approach per consultation with District and Cal-Am. Any significant changes may require an amendment.
- Responding to agency comments.** This budget estimate assumes an average number and length of comments from the reviewers with no new technical analysis. DD&A reserves the right to review the comments and adjust the estimated budget to accommodate responding to excessive comments. Specifically, responding to more than an average number of comments revising or conducting new analysis and/or excessively complex comments may require an amendment to the contract.
- Direct Costs.** Estimate does not include any filing fee for Notice of Determination or photocopying costs. Unless otherwise noted or requested, DD&A assumes that all deliverables would be submitted electronically (in PDF format, or if needed, Microsoft Word) only.
- New technical studies.** This task specifically excludes new technical studies in the areas of aesthetics/visual resources (visual simulations), air quality (risk assessment and emissions modeling), biological resources, coastal act consistency, cultural resources, energy, geotechnical and geologic hazards, hazardous materials, hydrology and water quality, noise, traffic and transportation, and utilities/water supply.

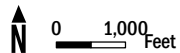


AECOM
 California American Water
 Transmission Mains and Aquifer Storage &
 Recovery (ASR) Facilities
 MONTEREY PENINSULA
 WATER SUPPLY PROJECT, MPWSP

Imagery/Roads: ESRI, 2016


- Pipeline Alignment**
-  Previously Analyzed Alignment in EIR
 -  Proposed Alignment
 -  Presidio of Monterey

PROPOSED ALIGNMENT REVISION TO PURE WATER EIR
Monterey Pipeline



AECOM
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Monterey Pipeline

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 22, 2016

TO: ALL PARTIES OF RECORD IN APPLICATION 12-04-019

Decision 16-09-021 is being mailed without the Concurrence of Commissioner Catherine J.K. Sandoval. The Concurrence will be mailed separately.

Very truly yours,

/s/ RICHARD SMITH for
Karen V. Clopton
Chief Administrative Law Judge

KVC/lil

Attachment

ALJ/GW2/ar9/lil

Date of Issuance 9/22/2016

Decision 16-09-021 September 15, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) for Approval of the Monterey Peninsula Water Supply Project and Authorization to Recover All Present and Future Costs in Rates.

Application 12-04-019
(Filed April 23, 2012)

**DECISION ON CALIFORNIA-AMERICAN
WATER COMPANY'S APPLICATION FOR APPROVAL
OF THE MONTEREY PENINSULA SUPPLY PROJECT
SPECIFICALLY IN REGARDS TO PHASE 2**

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Appendix B - Positions of Parties

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**DECISION ON CALIFORNIA-AMERICAN
WATER COMPANY'S APPLICATION FOR APPROVAL
OF THE MONTEREY PENINSULA SUPPLY PROJECT
SPECIFICALLY IN REGARDS TO PHASE 2**

Summary

Against the backdrop of a 2012 Application and the 2016 Amended Application, this decision addresses Phase 2 issues. In particular, we authorize California-American Water Company (Cal-Am) to enter into a revised Water Purchase Agreement (WPA). The revised WPA provides that the Monterey Regional Water Pollution Control Agency sells purified water from its advanced treated Pure Water Monterey Ground Water Replenishment Project to the Monterey Peninsula Water Management District, which will in turn sell it to Cal-Am for distribution to ratepayers in the Monterey District service area.

This decision also authorizes Cal-Am to build the Monterey pipeline and Monterey pump station, subject to compliance with a Mitigation Monitoring and Reporting Program to address environmental issues. These facilities are necessary for the efficient and optimal use of the Aquifer Storage and Recovery system as well as the Groundwater Replenishment Project, including conveyance of water over a hydraulic gradient. The decision adopts a cost cap of \$50.3 million for the combined pipeline and pump station project. Furthermore, the decision authorizes limited financing and ratemaking features, including cost-recovery of used and useful facilities via two advice letters.

This proceeding remains open to resolve Phase 1 issues relative to a certificate of public convenience and necessity for a proposed desalination plant and related facilities.

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1. Groundwater Replenishment (GWR) Project Background

In 1995, the State Water Resources Control Board (SWRCB) found that California-American Water Company (Cal-Am or applicant) did not have the legal right to about 10,730 acre-feet per year (AFY) of its then-current diversions from the Carmel River, and that the diversions were having an adverse effect on the river environment. The SWRCB directed applicant to cease and desist from its unlawful diversions. (SWRCB Order 95-10.)

For nearly twenty years the Commission has worked with applicant and a large number of diverse stakeholders to solve the water shortage and resulting environmental problems. In 2009, the SWRCB issued a cease and desist order (CDO) with a firm December 31, 2016 deadline for applicant to cease its unlawful diversions. (SWRCB Order WR 2009-0060.)

In 2010, the Commission authorized a Regional Desalination Project (RDP) to address the Monterey Peninsula water supply and environmental issues by the 2016 deadline. (Decision (D.) 10-12-016.) A groundwater replenishment project was considered but not adopted at that time. In 2012, the Commission authorized applicant to withdraw from the RDP given problems that were fatal to that project. (D.12-07-008.)

In April 2012, applicant filed the current application. The application proposed the Monterey Peninsula Water Supply Project (MPWSP) with new water supply by 2016 from three sources: aquifer storage and recovery project (ASR),¹ GWR project, and a desalination plant. Applicant proposed the

¹ The Monterey ASR project involves the injection of excess Carmel River water into the Seaside Groundwater Basin for later extraction and use. Future water sources for ASR may include the Pure Water Monterey Groundwater Replenishment Project and a desalination plant.

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alternative of either a large desalination plant (9.6 million gallons per day) or a smaller desalination plant (6.4 million gallons per day) paired with the GWR. The GWR would be jointly developed, and water sold, by the Monterey Regional Water Pollution Control Agency (MRWPCA or Agency) and the Monterey Peninsula Water Management District (MPWMD or District). The water would be sold by the Agency and District to applicant pursuant to a Water Purchase Agreement (WPA). The GWR would treat and purify wastewater for potable use. The District became the lead agency for California Environmental Quality Act (CEQA) review of the ASR project, and the Agency became the lead agency for CEQA review of the GWR project. The Commission became the lead agency for review of the desalination project.

In 2015, the Commission's CEQA work on the desalination plant was necessarily delayed. This was in part due to the state review being joined with federal review, causing some delay but offering the potential for an overall quicker and more complete joint state Environmental Impact Report (EIR) and federal Environmental Impact Statement (EIS).

Given the necessary delays in the desalination project, applicant joined with others in an application to the SWRCB for an order to extend the 2016 deadline. On July 19, 2016 the SWRCB extended Cal-Am's the CDO deadline to December 31, 2021. The extension order requires that both applicant and the Commission meet several milestones by dates certain. One condition involves the Commission addressing the GWR and WPA by the end of 2016.

While the desalination project, if approved, was originally expected to be operational by 2016, the delays now result in the expected project operation, if approved, to be after 2019. The work on the GWR has proceeded, however. If necessary approvals, permits and contracts are completed in 2016 and 2017,

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there is the potential for initial operation of the GWR in late 2017, with water sales to Cal-Am in 2018.

2. Phase 2 Issues

This proceeding is bifurcated into two phases. Phase 1 addresses whether or not a Certificate of Public Convenience and Necessity (CPCN) should be granted for a desalination plant and related facilities. Phase 2 deals with the GWR and, in particular, whether applicant should be authorized by the Commission to enter into a WPA for GWR water. The Commission originally intended to address Phase 2 issues simultaneously with, or after, a decision on Phase 1 issues.

In a joint motion filed on April 18, 2016, eighteen parties, including the Commission's Office of Ratepayer Advocates (ORA), requested that the Commission issue a separate Phase 2 decision before addressing Phase 1 issues. In support, joint parties submitted that, given delays in the desalination project, a separate Phase 2 decision on the GWR and WPA, including issues related to the Monterey pipeline and pump station, could allow Cal-Am to take full advantage reasonably soon of two alternative water sources: (1) the GWR and (2) the ASR.²

The joint motion was granted. Hearings were held on Phase 2 issues in April and May 2016, with briefs filed in June 2016. A more detailed procedural history is in Appendix A to this decision.

Parties present three issues for resolution in Phase 2: (1) should applicant be authorized to enter into a WPA for purchase of GWR water; (2) should

² April 18, 2016 Joint Motion at 2.

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applicant be authorized to build the Monterey pipeline and Monterey pump station; and (3) should limited financing and ratemaking proposals for the pipeline and pump station be adopted. We determine for the reasons stated below that Cal-Am should be authorized to enter into the WPA for purchases of water from the GWR. Among other reasons, this provides Cal-Am and its ratepayers the best near-term supplemental water supply opportunity to reduce unauthorized diversions from the Carmel River by the end of the CDO period. We authorize construction of the Monterey pipeline and pump station to facilitate optimal use of the ASR and the GWR water, subject to applicant's compliance with a Mitigation Monitoring and Reporting Program (MMRP). We also authorize limited financing and ratemaking provisions. A brief summary of the positions of parties is contained in Appendix B.

3. Approval to Enter into Revised Water Purchase Agreement

Phase 2 issues, including a draft January 14, 2016 WPA, were addressed in proposed testimony served in January and March 2016. On April 8, 2016, the assigned Commissioner and assigned Administrative Law Judge (ALJ) issued a Joint Ruling requesting data with respect to, and identifying, a number of concerns with the draft WPA. A panel of witnesses composed of applicant, District, and Agency testified at the hearing on April 13, 2016, in response to the data requests and concerns. On April 25, 2016, a joint assigned Commissioner and Administrative Law Judge Ruling directed applicant to provide a revised WPA based on the testimony given April 13, 2016, along with addressing seven additional issues.

The revised WPA was provided in supplemental testimony served on May 19, 2016, and subject to cross-examination at hearing on May 26, 2016. The insurance portions were updated by a late-filed exhibit that was received as

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evidence on June 3, 2016. (Exhibit JE-10.) The May 19, 2016 WPA, with the insurance updates, is contained in Appendix C to this decision.

3.1. All Parties But One Support the Revised WPA

The GWR is widely supported by a diverse group of parties, and has backing from local leaders on the Monterey Peninsula, state lawmakers, federal legislators, the Fort Ord Reuse Authority, and the SWRCB. All parties except Water Plus support authorization by the Commission for applicant to enter into the Revised WPA.³

The principal arguments for opposition by Water Plus are based on cost and doubts concerning the quality of the GWR product water (i.e., toxicity related to the recharging of aquifers with agricultural drainage water).⁴ We find that the issues of GWR cost and water quality have been satisfactorily addressed by express provisions in the Revised WPA (e.g., WPA Paragraphs 16 and 15 on cost, and Paragraph 14 on water quality, each discussed below), as explained and supported by testimony in April and May 2016. As a result, we are not persuaded by Water Plus's opposition.

In particular, Water Plus asserts that GWR costs may be several times those estimated by the Agency and District, and ratepayer costs might be as high as \$6,000 per acre-foot.⁵ These assertions are unsupported by any credible evidence, and are contradicted by not only the testimony of applicant, District, Agency, and ORA, but also by the plain terms of the proposed WPA. In particular, the WPA provides a first year soft cap of \$1,720 per acre foot. (WPA

³ June 6, 2016 Joint Opening Brief at 3.

⁴ June 6, 2016 Water Plus Opening Brief at 7.

⁵ *Id.* at 9.

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Paragraph 16; see Appendix C.) For the 30 year life of the agreement, the WPA establishes fundamental ratemaking principles that will guide the making of rates. For example, it establishes that rates are based on actual costs, applicant shall only pay for water it receives, applicant will only pay its proportionate costs, and rates are adjusted each year to equate rates with actual costs via an annual true-up (all discussed further below). (WPA ¶ 16.) It provides for a reasonably transparent budgeting and rate setting process, with budgets and supporting data displayed on the Agency and District webpages, and also data available by data request. (WPA ¶ 15.) The cost concerns of Water Plus are not credible.

Water Plus also alleges that some source waters (i.e., Blanco Drain and Reclamation Ditch) contain toxic substances (e.g., diazinon, chlorpyrifos) that will not be successfully treated in the advanced water treatment facilities of the GWR. The result, according to Water Plus, will be water that is a danger to the public. We find otherwise.

The assertions by Water Plus are unsupported by any credible evidence, and are contradicted by not only the testimony of applicant, District, and Agency, but also by the plain terms of the proposed WPA. In particular, the WPA provides a water treatment guarantee. (WPA ¶ 14.) Delivered water must at all times meet water quality requirements set by law.

3.2. Concerns Identified by Two Rulings

The assigned Commissioner and assigned ALJ raised numerous concerns in the Rulings dated April 8 and April 25, 2016. Those concerns included a possible unlawful delegation of Commission authority and responsibilities, prejudice of Phase 1 issues, costs, prices, price formulas, potential for cross-subsidization with other customers of the GWR, the need for an

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addendum to the District and Agency GWR EIR, and a cost cap at a point of indifference for Cal-Am ratepayers (between the estimated cost of the larger desalination plant and the estimated higher cost of the GWR/WPA combined with the smaller desalination plant).

The May 19, 2016 revised WPA substantially addresses these concerns, as supported by the testimony provided by applicant, District, and Agency witnesses at hearings in April and May 2016. In particular, for example, the revised language removes objectionable language and resolves concerns about otherwise unlawful delegation of Commission authority and responsibilities to the Agency and District. Testimony clarifies that the WPA neither addresses nor prejudices whether or not a desalination plant will later be authorized (Phase 1). The revised WPA improves the description and process for the annual true-up of actual costs with rates. It adds a specific statement of the fundamental ratemaking principles. It improves the “firewall” between Cal-Am and other users of GWR water to prevent cross-subsidization. It includes a reasonable price cap for the cost of GWR water in the first year. It affirms that in no circumstance shall the obligations of the Agency and District to deliver GWR water to Cal-Am be affected by the pendency of a Cal-Am application to the Commission for approval of a rate greater than the first year cost-cap, or a decision by the Commission to deny such a request. To a substantial degree, the concerns are satisfied by the revised WPA and explanatory testimony, as discussed more below.

Against this background and overview, we first address the specific tests we use to determine whether or not to authorize applicant to enter into the WPA. We find all tests are met. We then comment on one provision of the

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WPA and require applicant to take specific actions with respect to that provision.

3.3. Tests for Consideration of Revised WPA

We judge the merits of the Revised WPA using two sets of criteria. First, parties argue the viability and reasonableness of the GWR and WPA can be measured by applying the nine criteria used in the Large Settlement Agreement.⁶ The Commission has not adopted the Large Settlement Agreement, and may or may not ultimately do so. Nonetheless, we agree with parties that the nine criteria are important elements in considering the viability of the GWR and the reasonableness of the WPA.

Second, our decision must rest on broader principles, including what is just, reasonable, and in the public interest.⁷ We first address the nine criteria. We then address the broader principles.

3.3.1. Nine Criteria

We use the nine criteria advocated by parties to assess the viability of the GWR and reasonableness of the WPA.

Criterion 1: Final EIR

Criterion 1 requires that the Agency has approved the GWR pursuant to a certified Final EIR; no timely CEQA lawsuit has been filed; or, if a timely CEQA lawsuit has been filed, no stay of the GWR has been granted.

The Agency certified the GWR Project Final EIR on October 8, 2015. No timely litigation was filed. The GWR Final EIR includes an environmental

⁶ June 6, 2016 Joint Opening Brief at 2-3. The nine criteria are contained in Section 4.2 of the Large Settlement Agreement. The Large Settlement Agreement is Exhibit CA-44.

⁷ November 17, 2016 Ruling at 8.

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review of the Monterey pipeline. Implementation of the WPA also requires a pump station to address hydraulic pressures and optimal transfer of water through applicant's system. The District prepared an Addendum to the GWR Final EIR to address the pump station. The Addendum was adopted at the June 20, 2016 meeting of the District. It is now final, and not subject to judicial review. Thus, Criterion 1 is satisfied.

Criterion 2: Permits

Criterion 2 states that the status of required permits is consistent with the published GWR development schedule and, for required permits not yet obtained, the weight of the evidence does not show any required permits are unlikely to be obtained in a timeframe consistent with the published schedule.

The schedule for the GWR (assuming timely Commission authorization of the WPA in 2016) has initial operation in late 2017; and delivery of water to applicant in early 2018. The record shows that the Agency is working diligently and quickly to obtain the outstanding federal and state approvals in line with the project schedule, and expects to obtain these outstanding approvals in time to complete construction and place the GWR in service on or about the projected first quarter of 2018 in-service date. The weight of the record evidence satisfies Criterion 2.

Criterion 3: Source Waters

Criterion 3 calls for an examination of whether there is sufficient legal certainty as to agreements or other determinations to secure delivery of source waters necessary to produce between 3,000 and 3,500 AFY of GWR water.

According to applicant, approximately 4,321 AFY of source water is needed to produce 3,500 AFY of produce water due to a 19 percent loss during the advanced treatment processes. To obtain the necessary source water, the

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Agency has entered into separate agreements with the City of Salinas and the Monterey County Water Resources Agency (MCWRA). The agreement with the City of Salinas alone provides the Agency with 4,045 AFY of industrial waste water (nearly all of the necessary 4,321 AFY), and no further approvals are needed for applicant to obtain this water.

The agreement with the MCWRA provides 8,701 AFY, comprised of Salinas industrial wastewater and new source water from that the Salinas storm water system, Blanco Drain, and the Reclamation Ditch. The MCWRA agreement states that the Agency has priority on the first 4,321 AFY of these new source waters. Moreover, the Agency has rights to excess winter wastewater as source water for the GWR. All approvals for the source waters from this agreement are obtained, with limited exception (and the MCWRA has applied for the necessary additional water rights, with that application process still ongoing, for the Blanco Drain and the Reclamation Ditch).

Thus, the Agency will have rights to sufficient source waters to meet the contractual obligations under the GWR WPA. Once water right approvals for source waters from the Blanco Drain and the Reclamation Ditch are obtained, the MCWRA Agreement alone would provide adequate source waters for the Agency's obligations under the GWR WPA.⁸ In the interim, however, the Agency has adequate source water from the City of Salinas coupled with winter wastewater and the priority allocation from MCWRA to produce 3,500 AFY of water for Cal-Am. Therefore, the weight of the evidence in the record satisfies Criterion 3.

⁸ Exh. PCA-4 3:19-23.

Criterion 4: Water Quality and Regulatory Approvals

Criterion 4 examines whether the weight of the evidence indicates that the California Department of Health or the Regional Water Quality Control Board (RWQCB) will decline to accept or approve the GWR extraction or GWR treatment and injection processes, respectively.

While the approval process before the Department of Drinking Water (DDW) (in collaboration with the California Department of Health) and the RWQCB is ongoing, the evidence indicates that the approvals will be forthcoming. Applicant states that RWQCB and DDW have been extensively involved in the development of the GWR since July 2013. The RWQCB was specifically consulted about the GWR during its review under CEQA. Applicant expects the forthcoming permit issued by the RWQCB (in consultation with the DDW) to require continuous water quality testing and sampling, including pesticides of local concern. MPWPCA has completed many of the steps needed for obtaining the needed groundwater replenishment permit and is expeditiously moving forward with the remaining steps.

Water Plus has raised a number of concerns regarding the safety of GWR water. As discussed above, these concerns are unfounded. The RWQCB and DDW are closely reviewing the project to ensure that GWR water meets or exceeds the safety requirements outlined in California Law. Once the GWR begins operations, the project's permit is expected to require continuous water quality testing and sampling, including the pesticides about which Water Plus is concerned. Moreover, the WPA contains a specific water quality requirement and guarantee. (WPA Paragraph 14.)

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In sum, many steps have been and will be taken to assure that GWR water will be safe for customers and the public. Thus, the weight of the evidence in the record satisfies Criterion 4.

Criterion 5: GWR Schedule Compared to Desalination Schedule

Criterion 5 requires a showing that the GWR is on schedule to be operable on or before the later of (a) the then-effective date of the CDO or such other date as the SWRCB states in writing is acceptable or (b) the date the MPWSP desalination project is scheduled to become operable.

The GWR is expected to begin initial operation in late 2017, with deliveries of water to applicant in early 2018. The CDO deadline is December 31, 2021. Thus, the GWR is expected to be operable before the CDO deadline.

Applicant projects the current in-service date of the desalination plant to be in the second quarter of 2019.⁹ On March 17, 2016, Commission Staff announced that the Final EIR/EIS for the desalination project will not be completed until late 2017. Unlike the GWR, however, the environmental review of the desalination plant is not complete and there are risks related to such review and possible challenge, perhaps affecting the project in-service date. Overall, the best evidence is that GWR water will be available one or two years (if not more) in advance of the availability of water from Cal-Am's desalination project, and well before the CDO deadline. Criterion 5 is satisfied.

⁹ Cal-Am's October 31, 2015 Quarterly Progress Report.

Criterion 6: Status of GWR Engineering

Criterion 6 looks to the level of design completed for the GWR, and requires a showing that the GWR is at least at the 10 percent level with support from a design report. Alternatively, this criterion can be met for the GWR based on a showing that the GWR's level is similar to or more advanced than the level of engineering for the desalination project.¹⁰

This criterion was addressed, and satisfied, by the testimony of Robert Holden, Principal Engineer at the Agency. Specifically, the design for various components of the GWR as of January 22, 2016 ranged from 10 percent to 100 percent leading to Holden's uncontested conclusion that the design of the GWR Project is at or above a 10% level of engineering. Criterion 6 is met.

Criterion 7: GWR Funding

Criterion 7 requires a GWR funding plan in sufficient detail to be accepted as an application for a State Revolving Fund loan.

The Agency submitted an application for the State Revolving Fund loan to the SWRCB on May 28, 2014. The SWRCB deemed the Agency's application complete on December 2, 2015. The Agency has also received additional certainty that it will obtain financing at an interest rate of one percent from the SWRCB. In particular, on February 16, 2016, the SWRCB voted to continue the one percent interest rate on State Revolving Fund loan applications submitted and deemed complete by December 2, 2015, and further identified the GWR as one that would qualify for the one percent interest rate. Thus, Criterion 7 is met.

¹⁰ Exh. CA-44 at 7.

Criterion 8: Reasonableness of WPA Terms

Criterion 8 requires that applicant, Agency, and District have agreed upon a WPA whose terms are just and reasonable.

Applicant, Agency and District revised the WPA to address concerns raised in the April 8, and April 25, 2016 Rulings of the assigned Commissioner and assigned ALJ, as described above. The revisions substantially satisfy those concerns. Further, the terms of the revised WPA are just and reasonable with respect to the cost and water quality concerns of Water Plus.

The WPA contains a first year cost cap of \$1,720 per acre foot that no party argues is unreasonable. Moreover, the WPA provides that only the actual cost will be charged to Cal-Am and Cal-Am ratepayers. The first year cost will be adjusted downward if the first year cost is less, while a price over \$1,720 is subject to Commission review and approval.

No party makes a credible case that the WPA terms are not just and reasonable. Subject to our further directions to applicant below, we find that Criteria 8 is satisfied.

Criterion 9: Reasonableness of the GWR Revenue Requirement

Criterion 9 requires that the revenue requirement for the combination of the GWR with the smaller desalination project is just and reasonable when compared to the revenue requirement for the larger desalination project alone.

In general, future revenue requirements for either the combined GWR with small desalination plant or the larger desalination plant remain uncertain and depend on assumptions about eventual construction costs, financing costs, escalation rates, power delivery method, return water requirements, delays, and lawsuits, among other factors. Nonetheless, there is no credible dispute among

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parties as to the reasonableness of the \$1,720 per acre-foot first year cost cap. Among other parties, ORA agrees that this is a reasonable cost cap.

Applicant, Agency, and District evaluated the first year indifference cost for the GWR using low and high cost scenarios over a reasonable range of fixed and variable costs measured against the lifecycle total revenue requirement, the net present value of the lifecycle revenue requirement, and the first year revenue requirement.¹¹ (The indifference point is where ratepayers are indifferent between the larger desalination plant and the GWR/WPA combined with the smaller desalination plant). The first year indifference cost ranges from \$1,178 to \$2,062 per AFY. The soft cap of \$1,720 is reasonable given the wide range of results.

Several parties also argue that a first year premium, if any, is reasonable given several externalities, or non-quantified benefits, of the WPA. We discuss those under broader principles below.

Beyond the first year, future revenue requirements remain uncertain but ORA and other parties argue that lifecycle costs for the two options should also be considered in addition to the first year revenue requirement. A life-cycle analysis provides an opportunity to consider estimated replacement costs; estimated escalation of operation, maintenance and energy costs; and different financing costs. It is entirely plausible that, over the range of variables during the 30-year life of the WPA, the net present value of the revenue requirement for the smaller desalination plant with GWR is less than the net present value of the revenue requirement for the larger plant. It is nearly unanimous among parties, however, that even if a revenue requirement premium is required, the overall

¹¹ Exh. JE-2 at 7-8.

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benefits of the GWR justify this premium. Those benefits are discussed under broader principles below. Overall, the comparison test in Criterion 9 is met.

3.3.2. Broader Principles

To the extent not addressed in the nine criteria above, we must also consider broader principles, including what is just, reasonable, and in the public interest. We find the revised WPA satisfies those principles.

Numerous environmental, water policy, and other public benefits would accrue from the GWR and the WPA according to Surfrider Foundation, Landwatch Monterey County, Planning and Conservation League Foundation, Sierra Club, Public Trust Alliance (PTA), Marina Coast Water District (MCWD), ORA, and others. Applicant, Agency, District, and others make clear that the WPA is needed to secure financing for the GWR and make the GWR a viable project. The GWR, supported by the WPA, would provide many benefits.

For example, the GWR would substantially reduce applicant's reliance on unlawful diversions from the Carmel River, thereby decreasing unacceptable environmental impacts on the river's ecosystem and resident fish (including steelhead). The GWR would substantially reduce the size of applicant's proposed desalination plant, thereby lessening the desalination plant's greenhouse gas emissions, discharge of highly saline brine into the sensitive marine environment, and use of important groundwater resources. MCWD even suggests that GWR supply with expanded ASR utilization, along with the aggressive conservation implemented to date, could allow applicant to achieve the full CDO compliance without the need for any desalination plant.¹²

¹² June 6, 2016 MCWD's Opening Brief at 9.

Other benefits include a material schedule advantage, with the GWR anticipated to be operable much sooner than the desalination plant. Further, the GWR supports water supply resilience and reliability (i.e., the benefit of a portfolio approach to water supply on the Monterey Peninsula compared to one large plant). The GWR also implements and encourages State policies regarding water recycling through early adoption of a water reuse project. As advocated by PTA, the GWR project not only helps save the Carmel ecosystem, it furthers the public trust.

On the basis of all these factors, we find that the GWR is viable, and the WPA for purchases of GWR water is just, reasonable and in the public interest.

3.4. Cal-Am participation in Agency/District ratesetting

The WPA provides a period as short as 15 days for the WPA parties to review estimated budgets and the Boards of the respective entities to adopt new rates.¹³ (See WPA Paragraph 15.) Agency and District state that they will make every reasonable effort to provide those estimates with more than 15 days for review by the parties and the public, and will publish those estimates with supporting data on their respective web sites, or make them readily available by data request.

We encourage the Agency and District to provide more than 15 days for that review and comment period before the estimates are available for adoption by each Board. Providing reasonable due process to parties and the public, in our experience, will likely take more than 15 days.

¹³ WPA parties are the Agency, District, and Cal-Am.

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We expect Cal-Am to be an active participant on behalf of its ratepayers before the Agency and the District. Therefore, we require Cal-Am to intervene in each Agency/District rate proceeding in which Cal-Am has concerns that its ratepayers will be overcharged, bear a disproportionate cost burden, or face any other issues, and provide written comments stating those concerns to the Agency/District, with simultaneous service of those comments on the Commission's Water Division. Similarly, if Cal-Am has no concerns with the estimated budgets, proposed rates, or other issues, we require Cal-Am to serve comments on the Agency and District affirming that it has no concerns, with simultaneous service of those comments on the Commission's Water Division.

4. Need for Pipeline and Pump Station

The April 25, 2016 Ruling on the parties' Joint Motion for a separate Phase 2 decision set dates for service of supplemental and rebuttal testimony largely to address further issues and concerns with respect to a potentially revised WPA. Citing the impacts of Cal-Am's diversions on the Carmel River and its ecosystem, the Ruling noted water supply matters must be addressed "without unreasonable delay."¹⁴ The Ruling then recognized that "[t]o the extent the Monterey pipeline is related to the GWR and WPA . . . it is timely and responsible to consider the Monterey pipeline now."¹⁵ The May 9, 2016 Joint Supplemental Testimony, served in accordance with the April 25, 2016 Ruling, addressed the Monterey pipeline and pump station. For the reasons stated below, we authorize the pipeline and pump station.

¹⁴ April 25, 2016 Assigned Commissioner and Administrative Law Judge's Ruling at 4.

¹⁵ *Ibid.*

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All parties support or are neutral on the Monterey pipeline and pump station with the exception of ORA, PTA and Water Plus. A panel of witnesses (Cal-Am, MPWMD, and MRWPCA) sponsoring the Joint Supplemental Testimony¹⁶ testified in support of the pipeline and pump station at hearings in this proceeding on May 26, 2016. The panel's testimony confirms that the Monterey pipeline is needed and will be utilized by Cal-Am independent of whether the Commission ultimately approves Cal-Am's desalination plant. The Monterey pipeline and pump station will allow Cal-Am to maximize the benefits of water produced by the GWR and, through utilization of the ASR, allow Cal-Am to reduce reliance on Carmel River diversions. The GWR is scheduled to produce water so that Cal-Am can extract water from the Seaside Groundwater Basin by February 2018.¹⁷ If approved in a timely Phase 2 decision, Cal-Am expects to have the Monterey pipeline and pump station in service to take advantage of the ASR permit window that starts in December 2017. Cal-Am argues that this would also allow it to begin taking full advantage of GWR water when that water can be extracted in 2018.¹⁸

Despite opponent's concerns (discussed more fully below), we find that the record evidence shows the Monterey pipeline and pump station are necessary (independent of the proposed desalination plant) to maximize the use of water from the GWR and ASR.¹⁹ We also find persuasive and accept the evidence of the panel testimony in the May 18, 2016 Joint Supplemental

¹⁶ Exh. JE-2 at 16.

¹⁷ Reporter's Transcript (RT) Vol. 19 at 3196.

¹⁸ *Ibid.*

¹⁹ Exh. JE-2 at 14:7-13.

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Testimony²⁰ and at the May 26, 2016 hearings²¹ that there is a pressure zone (“trough”) currently limiting water movement within Cal-Am’s Monterey service area due to an absence of infrastructure sufficient to manage the desired flow in light of existing hydraulic gradient lines.²² System schematics²³ illustrating the trough that prevents the movement of water from the north to the south of the Cal-Am service area are set out in Appendix D.

We find persuasive the evidence showing that without the Monterey Pipeline up to a 100 pounds per square inch pressure increase would be required to serve customers north of the trough, and move water efficiently in other areas throughout the system. This pressure increase would risk leaks and blowouts in the system.²⁴ The record shows that the Monterey pipeline and pump station are needed to address issues caused by the trough and to allow for the conveyance of water between the southern and northern areas of the system.²⁵ Such movement is necessary to obtain the maximum benefits from the GWR and ASR, so as to allow for the greatest reductions in Carmel River diversions.

We agree with the panel²⁶ that detailed modeling of the trough, as urged by ORA,²⁷ is not needed before accepting evidence of the effects of the trough.

²⁰ Exh. JE-2 at 14.

²¹ RT Vol. 19 at 3201-3207.

²² Exh. JE-2 at 14:7.

²³ Exh. JE-4-8.

²⁴ RT Vol.19 at 3162-3163.

²⁵ *Id.* at 3159.

²⁶ *Id.* at 3168-3169, 3205-3206.

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The ASR uses the watershed to store excess water in the winter months, which is then used in the dry summer months.²⁸ Cal-Am's permit allows, if all the conditions on the Carmel River are met, for the diversion of approximately 6,500 gallons per minute which can then be injected into the ASR project for storage purposes.²⁹ As David Stoldt, General Manager of the District, testified:

Actually in a wet year, not even the wettest year, it would be about 1500 to 1700 acre feet [that could be stored]. When you look at the current demand in the system, that's approximately 17 percent of total demand. So it's a significant increase availability of the supply.³⁰

This would be an additional amount of water that could be used by Cal-Am to reduce its Carmel River diversions. Due to current system constraints created by the hydraulic gradient Cal-Am is not able to inject the full amount allowed under its permit. The Monterey pipeline, however, would allow it to do so and maximize ASR injections. The Monterey pipeline will allow extracted ASR water to move past the gradient and to the southern portion of Cal-Am's system.³¹

ORA opposes Commission approval of the Monterey pipeline and pump station in Phase 2. PTA joins with ORA's opposition. ORA argues that: (1) an independent need for the Monterey pipeline and pump station has not been shown; (2) existing infrastructure is sufficient to accommodate GWR water, and

²⁷ June 13, 2016 ORA's Reply Brief at 5-6 (regarding both Monterey Pipeline and Pump Station).

²⁸ RT Vol. 19 at 3166:23-28.

²⁹ *Id.* at 3162-3163.

³⁰ *Id.* at 3163-4.

³¹ June 6, 2016 Joint Opening Brief at 27.

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the injection and extraction of ASR Project water; and (3) the construction of the Monterey pipeline and pump station should be delayed until there is more certainty on the desalination plant's design.³² These claims are not compelling.

First, the testimony and evidence establishes an independent need for the pipeline and pump station. In addition, the GWR Final EIR explains that a hydraulic trough in Cal-Am's distribution system prevents water from being delivered in adequate quantities from the Seaside Groundwater Basis to most of Monterey and all of Pacific Grove, Pebble Beach, Carmel Valley, and the City of Carmel.³³

Second, the evidence shows that the existing infrastructure is not sufficient to maximize use of water from the GWR and ASR. Cal-Am convincingly shows that ORA's analysis used calculations based on quarterly data that do not adequately recognize monthly and daily operations to move water where it is needed, nor recognize effects on the whole system. Moreover, we are persuaded by MCWD that the record clearly establishes that the pipeline and pump station are critical infrastructure components required to maximize use of the GWR and ASR.

Finally, we are not persuaded by ORA and PTA that construction of the pipeline and pump station should be delayed until there is more certainty regarding the desalination plant. The desalination plant may or may not ever be built (particularly if MCWD is correct that the GWR, ASR and conservation may be enough to satisfy the terms of the CDO). The pipeline and pump station, however, are needed even without the desalination plant. PTA also favors

³² Exh. DRA-19 at 7-8.

³³ RT Vol. 19 at 3241:28-3242:9.

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postponing construction of the pipeline and pump station so that, if later built, they may be optimally sized and located to fully account for other external conditions, such as climate change and improved recycled water technology.³⁴ Waiting for more and better information, and improved technology, is always tempting, but optimal use of the GWR and ASR require the pipeline and pump station now. The evidence is sufficient to authorize the pipeline and pump station subject to the facilities being used and useful, the costs being reasonable, and the facilities being appropriately sized, all discussed more below.

Water Plus opposes development of the pipeline in favor of what it asserts is a less costly and less disruptive alternative. We are not convinced. The GWR Final EIR properly considers alternatives. Water Plus seeks to advance its preferred alternative in the wrong forum (at the Commission rather than the Agency and District in their EIR process). Further, Water Plus presents no credible evidence here. Finally, Water Plus presents its views far too late in our process to be reasonably considered.³⁵

5. Environmental Review of Pipeline and Pump Station

5.1. Introduction

While the schedule for the final preparation of the state EIR and federal EIS for the desalination plant and related facilities has been necessarily delayed, the need for water in the Cal-Am Monterey service area has not diminished.

³⁴ In its Reply Comments on the proposed decision, PTA “revises its opposition to the expedited construction of this infrastructure [pipeline and pump station]...” (Reply Comments at 4.) PTA also clarifies that it “does not oppose the construction of infrastructure that maximizes the use of recycled water. Indeed, we strongly support this result.” (Reply Comments at 5.)

³⁵ Water Plus fails to present its alleged alternative in evidentiary testimony, but first identifies this alternative in its June 6, 2016 Opening Brief.

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The use of the GWR and ASR, as described above, however, also requires other facilities.

In particular, Cal-Am proposes to upgrade the existing Hilby Avenue Pump Station, and use it to pressurize/convey potable water within the Cal-Am system to assist the existing ASR facilities during injection. The upgraded pump station will be used primarily during the wet weather period when excess water is permitted to be captured from the Carmel River and is conveyed to the Seaside Basin for aquifer storage and recovery. Cal-Am would also construct and operate the pipeline that was previously evaluated in the EIR prepared for the GWR as the “Alternative Monterey Pipeline.” This pipeline would connect to the Hilby Avenue Pump Station and would enable Cal-Am to use existing water rights to divert additional excess Carmel River flows during the winter and deliver the water to the City of Seaside and to the ASR facilities. Cal-Am’s proposal is referred to in this section as the pipeline/pump station project.

We here consider the pipeline/pump station project pursuant to the California Environmental Quality Act of 1970 (as amended, Public Resources Code Section 21000, *et seq.*). Today’s decision follows the June 20, 2016, action by the Board of Directors of the MPWMD to approve the (1) the Monterey Pipeline, (2) the Hilby Avenue Pump Station; and (3) Cal-Am Water Distribution System Amendment Permit #M16-01-L3 (the “MPWMD Project”).

5.2. Prior Environmental Review

On August 21, 2006, the MPWMD Board of Directors certified the EIR and Environmental Assessment (EIR/EA) for “Phase 1” of the ASR project. The pipeline/pump station project will be used to convey excess water diverted from the Carmel River to the ASR injection sites, and thus constitutes a part of the larger ASR project.

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On August 24, 2006, the MPWMD filed a Notice of Determination (NOD) for the ASR project with the State of California Office of Planning and Research. The NOD states that the ASR project will not have a significant effect on the environment, and that those findings were made pursuant to the provisions of CEQA.

On April 16, 2012, the MPWMD Board of Directors adopted an Addendum to the EIR/EA for the ASR project (now referred to as "Addendum No. 1" to the ASR Project) and approved the full implementation of "ASR Water Project 2." As noted above, the pipeline/pump station project will be used to convey excess water diverted from the Carmel River to the ASR injection sites, and thus constitutes a part of the larger ASR Water Project.

On April 16, 2012, the MPWMD filed an NOD for the ASR Water Project 2 with the State of California Office of Planning and Research. The NOD states that the ASR Project 2 will not have a significant effect on the environment, and that those findings were made pursuant to the provisions of CEQA.

On October 8, 2015, the Board of Directors of the MRWPCA certified the Final EIR for the GWR. The Monterey pipeline is a part of the larger GWR.

On October 8, 2015, the MRWPCA filed an NOD for the GWR with the State of California Office of Planning and Research. The NOD states that the GWR will have a significant effect on the environment, that a Statement of Overriding Considerations was adopted for the GWR, and that those findings were made pursuant to the provisions of CEQA.

On June 20, 2016, the MPWMD Board of Directors adopted an Addendum that amended the previously-certified ASR Project EIR/EA and GWR EIR in connection with the MPWMD Project (this addendum is known as

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“Addendum No. 2” to the ASR Project EIR/EA and “Addendum No. 1” to the GWR EIR). The pipeline/pump station project is part of the larger MPWMD Project.

On June 23, 2016, the MPWMD filed an NOD with the State of California Office of Planning and Research. The NOD states that the MPWMD Project will have a significant effect on the environment, that a Statement of Overriding Considerations was adopted for the MPWMD Project, and that those findings were made pursuant to the provisions of CEQA.

5.3. CEQA Compliance

CEQA applies to discretionary projects to be carried out or approved by public agencies. A basic purpose of CEQA is to inform governmental decision-makers and the public about potential, significant environmental effects of the proposed activities. The pipeline/pump station project is subject to CEQA. Cal-Am requests that the Commission authorize the construction of the pipeline/pump station project. In considering this request, the Commission must also consider the environmental consequences of the project by acting as either a lead or responsible agency under CEQA.

The lead agency is either the public agency that carries out the project,³⁶ or the agency with the greatest responsibility for supervising or approving the project as a whole.³⁷ Here, the MPWMD is the lead agency under CEQA for the pipeline/pump station project. It prepared the environmental documents for the project, and the Commission is a responsible agency because it has jurisdiction to issue a permit for the pipeline/pump station project. As a

³⁶ CEQA Guidelines (Title 14 of the California Code of Regulations), Section 15051(a).

³⁷ *Id.* Section 15051(b).

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responsible agency under CEQA, the Commission must consider the lead agency's environmental documents and findings before acting on or approving the pipeline/pump station project.³⁸ Also, as a responsible agency, the Commission is responsible for mitigating or avoiding only the direct or indirect environmental effects of those parts of the pipeline/pump station project which it decides to carry out, finance, or approve.³⁹

Prior to approving or carrying out a project for which an environmental impact report has been certified that identifies one or more significant environmental effects, all public agencies must make one or more written findings for each of those significant impacts, accompanied by a brief explanation of the rationale for each finding. (CEQA § 21081(a); Cal. Code Regs., Tit. 14 ("CEQA Guidelines"), §§ 15091 & 15092.) This requirement applies to the lead agency and responsible agencies under CEQA. (CEQA § 21081; CEQA Guidelines §§ 15091 & 15096(h).) As specified in the CEQA Guidelines, the possible findings are:

- 1) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment;
- 2) Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency; or
- 3) Economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the EIR.

³⁸ *Id.* Sections 15050(b) and 15096.

³⁹ *Id.* Section 15096(g).

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These findings provide the specific reasons supporting the Commission's decisions under CEQA as they relate to the authorization of the pipeline/pump station project. The findings are supported by substantial evidence in the Commission's administrative record. (CEQA Guidelines § 15091(b).)

5.4. Incorporation by Reference

All CEQA project impacts and mitigation measures, including those discussed below, are analyzed in greater detail in the environmental documents referenced under the "Prior Environmental Review" section above, all of which are incorporated herein by reference.

CEQA mitigation measures and reporting responsibilities for the pipeline/pump station project are also summarized in the MMRP that was adopted by the MPWMD Board of Directors on June 20, 2016, as Attachment 17-B to the MPWMD June 20, 2016 meeting packet. A copy of the MMRP is attached to this Decision as Appendix E.

Also considered are all exhibits and testimony in Phases 1 and 2 of this proceeding that address the Monterey Pipeline and Monterey Pump Station. We also incorporate by reference the MPWMD's Resolution No. 2016-12 authorizing the pipeline/pump station project, together with all attachments and all documents referenced in such Resolution No. 2016-12 as being part of that record of proceedings. The Commission has reviewed all of these documents, together with other supporting documents in the record, and finds these documents to be adequate for our decision-making purposes.

5.5. Environmental Review

As noted above, on June 20, 2016, the MPWMD Board of Directors adopted an Addendum that amended the previously-certified ASR Project EIR/EA and GWR EIR in connection with the MPWMD Project (this

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Addendum is known as “Addendum No. 2” to the ASR Project EIR/EA and “Addendum No. 1” to the GWR EIR). On June 23, 2016, the MPWMD filed an NOD with the State of California Office of Planning and Research. The MPWMD has adopted an MMRP that lists all project mitigation measures and reporting responsibilities, in compliance with CEQA Section 21081.6 and CEQA Guidelines Section 15097. The MMRP is in Appendix E to this decision.

As directed by CEQA, the Commission has been deemed to have waived any objection to the adequacy of the Addendum that was adopted by the MPWMD on June 20, 2016, and that Addendum, together with the underlying ASR Project EIR/EA and the underlying GWR EIR, (together, the “Pipeline/Pump Project CEQA Documentation”) is conclusively presumed to comply with CEQA for purposes of use by the Commission. (CEQA § 21167.3(b); CEQA Guidelines §§ 15096 (e)(2) & 15231.) Based on the administrative record, the Commission finds that no Subsequent EIR or Supplement to the Pipeline/Pump Project CEQA Documentation is necessary pursuant to the requirements of CEQA. (CEQA Guidelines §§ 15162 & 15163.) Prior to issuing this Decision on the pipeline/pump station project, the Commission has considered the environmental effects of the pipeline/pump station project as shown in the Pipeline/Pump Project CEQA Documentation. (CEQA Guidelines § 15096 (f).) The Pipeline/Pump Project CEQA Documentation specifies mitigation measures for identified impacts, and a mitigation monitoring and reporting plan (i.e., the MMRP) is in place to document the mitigation measures and how they are to be implemented.

The CEQA findings specified below address those significant project impacts identified in the Pipeline/Pump Project CEQA Documentation that are subject to the Commission’s jurisdiction. The first section below identifies

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potentially significant impacts that cannot be avoided or substantially lessened to a less than significant level in connection with the pipeline/pump station project. The second section below addresses project-level impacts that are avoided or substantially lessened to a less than significant level by mitigation measures incorporated into, or required as a condition of, the pipeline/pump station project. The last section below addresses cumulative impacts that are avoided or substantially lessened to a less than significant level by mitigation measures incorporated into, or required as a condition of, the pipeline/pump station project. The Commission finds that all other impacts would be less than significant in accordance with the conclusions of the Pipeline/Pump Project CEQA Documentation.

As described below, after implementation of all feasible mitigation measures, the pipeline/pump station project will have a significant unavoidable impact in the area of nighttime construction noise.

5.5.1. Significant and Unavoidable Impacts

After implementation of all feasible mitigation measures, the pipeline/pump station project will have a significant and unavoidable impact due to the temporary increase in ambient noise levels during nighttime construction of the Monterey Pipeline in residential areas. Certain mitigation measures (including Mitigation Measure NV-1b, requiring preparation of a noise control plan for nighttime pipeline construction, and Mitigation Measure NV-2b, requiring neighborhood notice of the commencement of construction activities with respect to the pipeline alignments) have been imposed by the MPWMD on the Monterey Pipeline portion of the pipeline/pump station project. The Commission also imposes such mitigation measures on the pertinent components of the pipeline/pump

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station project as a condition of approval of the pipeline/pump station project, and implementation will be monitored through the MMRP.

However, while these mitigation measures will substantially reduce nighttime construction noise associated with the Monterey Pipeline, there are no feasible mitigation measures or alternatives to avoid or reduce such nighttime construction noise to a less than significant level. Accordingly, the Commission adopts the Statement of Overriding Considerations set forth below.

5.5.2. Significant Avoided Project-Level Impacts

The Pipeline/Pump Project CEQA Documentation describes various project-level environmental impacts of the pipeline/pump station project. These potential impacts are related to air quality, biological resources, cultural resources, noise, aesthetics, energy, hazards and hazardous materials, land use, and transportation. However, implementation of the mitigation measures set forth in the MMRP will mitigate all such project-level environmental impacts (with the exception of nighttime construction noise, discussed in Section 5.5.1 above) to a less than significant level.

The pipeline/pump station project will not result in any new significant project-level impacts, increase the severity of significant project-level impacts previously identified in the Pipeline/Pump Project CEQA Documentation as significant, or cause any environmental effects not previously examined in the Pipeline/Pump CEQA Documentation. All significant project-level impacts to which the components of the pipeline/pump station project would contribute have been discussed in the Pipeline/Pump Project CEQA Documentation.

5.5.3. Significant Avoided Cumulative Impacts

The Pipeline/Pump Project CEQA Documentation describes various potentially significant cumulative impacts that may result from the pipeline/pump station project. These potential cumulative impacts include considerable contributions to (1) significant cumulative regional emissions of PM10,⁴⁰ (2) significant cumulative impacts on marine water quality due to the potential exceedance of the California Ocean Plan⁴¹ water quality objectives for several constituents, and (3) significant cumulative impacts on marine biological resources due to the potential exceedance of the California Ocean Plan water quality objectives for several constituents. However, implementation of the mitigation measures set forth in the MMRP will mitigate all such cumulative environmental impacts to a less than significant level.

The pipeline/pump station project will not result in any new significant cumulative impacts, increase the severity of significant cumulative impacts previously identified in the Pipeline/Pump Project CEQA Documentation as significant, or cause any environmental effects not previously examined in the Pipeline/Pump CEQA Documentation. All significant cumulative impacts to which the components of the pipeline/pump station project would contribute have been discussed in the Pipeline/Pump Project CEQA Documentation.

⁴⁰ PM10 refers to respirable particulate matter with a diameter of less than 10 microns.

⁴¹ The SWRCB first adopted a California Ocean Plan in 1972. (See Section 13000 of Division 7 of the California Water Code (Stats. 1969, Chap. 482).) It has been revised and modified several times thereafter. Its purpose is to protect the quality of ocean waters for the use and enjoyment of Californian by requiring control of the discharge of waste into ocean waters. The plan is available on the web site of the SWRCB.

5.6. Alternatives

There is substantial evidence in the record that the alternatives identified in the Pipeline/Pump Project CEQA Documentation: (1) would not avoid the significant unavoidable impact from nighttime construction noise related to the Monterey Pipeline; (2) are not feasible; and/or (3) would fail to meet most of the basic project objectives for the ASR Project and/or the GWR. The reasons for rejecting each alternative are discussed in the Pipeline/Pump Project CEQA Documentation and incorporated by reference herein. The reasons for rejecting each alternative are independent and each reason alone is sufficient to support a determination that the alternative is infeasible.

5.7. Mitigation Monitoring and Reporting Program

MPWMD has, as described above, approved a plan to guide the monitoring and reporting of CEQA mitigation compliance. The MMRP guides implementation of all CEQA project mitigation measures by assigning implementation and reporting responsibilities and specifying timelines. The MMRP, which lists all Project mitigation measures and reporting and is attached to this decision as Appendix E, is adopted by this Commission in connection with this decision as a condition of project approval. No additional CEQA mitigation measures are being imposed in connection with this decision, so no additional CEQA MMRP is required.

5.8. Statement of Overriding Considerations

The Commission finds that the remaining significant and unavoidable effect on the environment caused by the implementation of the pipeline/pump station project (i.e., the temporary increase in ambient noise levels during nighttime construction in residential areas) remains acceptable when balanced with the economic, social, technological, and other project

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benefits, due to the reasons set forth in the GWR Findings and Statement of Overriding Considerations adopted by the MRWPCA in Resolution 2015-24 in connection with its certification of the GWR. These reasons as stated in the GWR Findings and Statement (each of which constitutes a separate and independent basis for overriding the significant environmental effect of the pipeline/pump station project) include the following:

- The pipeline/pump station project would replace 3,500 AFY of unauthorized Carmel River diversions for municipal use with additional groundwater pumping;
- The pipeline/pump station project would provide up to 4,500 - 4,750 AFY and up to 5,900 AFY in drought years of additional recycled water to Salinas Valley growers for crop irrigation;
- The Salinas Valley Groundwater Basin is in overdraft and the pipeline/pump station project would reduce the volume of water pumped from Salinas Valley aquifers;
- The pipeline/pump station project would increase water supply reliability and drought resistance;
- The pipeline/pump station project would maximize the use of recycled water in compliance with the state Recycled Water Policy; and
- The pipeline/pump station project would reduce pollutant loads from agricultural areas to sensitive environmental areas including the Salinas River and Monterey Bay.

The Commission finds that these reasons are supported by the Pipeline/Pump Project CEQA Documentation and other information in the administrative record. Accordingly, the Commission hereby adopts this Statement of Overriding Considerations, which is attached to MPWMD Resolution No. 2016-12 and incorporated herein by this reference.

5.9. Conclusion

The Commission has independently reviewed the Project CEQA Documentation associated with the pipeline/pump station project. The Commission finds that the Project CEQA Documentation was prepared in accordance with CEQA and is adequate for the Commission's decision making purposes. The Commission further finds that the conclusions contained in the Project CEQA Documentation is supported by substantial evidence and support the Commission's decision as follows:

- 1) As set forth above, the Commission finds that the mitigation measures identified in the MMRP will reduce all impacts associated with the pipeline/pump station project to less-than-significant levels, save for the temporary construction impact to noise resources.
- 2) The Commission hereby adopts the implementation of the mitigation measures contained in the MMRP as a condition of approval of the pipeline/pump station project.
- 3) The Commission finds that benefits associated with the pipeline/pump station project outweigh the significant and unavoidable impact to noise resources that will result from temporary construction activities as set forth above in the Statement of Overriding Considerations.
- 4) The Commission finds that none of the conditions described in Public Resources Code Section 21166 and CEQA Guidelines Section 15162 are present with respect to the Commission's approval of the pipeline/pump station project, and therefore no subsequent or supplemental environmental review is required.

5.10. Custodian of Documents

The Commission is designated as the custodian of the documents and other materials that constitute the record of proceedings on which this decision

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is based. Such documents and other materials are located in the Commission's offices located at 505 Van Ness Avenue, San Francisco, CA 94102.

6. Financing and Ratemaking

The Joint Parties propose financing and ratemaking treatment for the Monterey pipeline and pump station that is generally consistent with traditional ratemaking for capital projects, and is largely based on the approach to which settling parties agreed in the Large Settlement Agreement.⁴² This includes provisions wherein Cal-Am will track in a segregated section of the Cal-Am-only facilities memorandum account: (1) the costs of the Monterey pipeline and pump station (including allowance for funds used during construction - AFUDC), (2) a pro-rated portion of the engineering and environmental costs of the entire Cal-Am-only facilities, (3) and any portion of the Monterey pipeline or pump station placed in service prior to the Commission approving the costs to be included in plant in service and recovered in base rates. Joint Parties also propose that the memorandum account will draw interest at the actual cost to finance the project.⁴³ As the Monterey pipeline and pump station facilities become used and useful, Joint Parties recommend that they be put into rates via two Tier 2 advice letter filings.

The estimated cost of the Monterey pipeline and pump station is \$50.3 million, which includes \$46.5 million for the pipeline and \$3.8 million for the pump station.⁴⁴ Joint Parties propose a cost cap of \$50.3 million, with authority to request higher amounts, if necessary. Cal-Am has agreed to fund

⁴² June 13, 2016 Joint Reply Brief at 11.

⁴³ *Ibid.*

⁴⁴ Exh. JE-2 at 16.

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\$7.4 million of the initial costs of the Monterey pipeline and pump station with short-term debt provided by its parent company.⁴⁵ The remaining costs will be funded with Cal-Am's debt and equity.⁴⁶

The rate making process proposed by the Joint Parties for the pipeline and pump station is consistent with our process for other memorandum account capital projects. No party makes a convincing case that any element of this proposal should not be adopted. We have not yet adopted the Large Settlement Agreement and may or may not later do so. Nonetheless, Joint Parties' proposed treatment is reasonable and is adopted.

6.1. Cost Cap

Joint Parties propose a cost cap of \$50.3 million based on the most recent estimates for the pipeline and pump station. ORA is concerned that these estimates are greater than presented by applicant in 2013. This is not surprising, however. The current cost estimates for the pipeline reflect an additional 6,000 feet (20 percent) in length, and are based on actual bids, allocation of incurred and future implementation costs, and contingency reflective of actual bids.

No party makes a compelling argument to adopt a different cost cap. We adopt a combined cost cap of \$50.3 million, without differentiation between the pipeline and pump station. A combined total cost cap will give applicant reasonable flexibility, promote administrative efficiencies, and encourage cost savings. Cal-Am may apply by Tier 3 advice letter for additional recovery if actual costs exceed the cost cap.

⁴⁵ Exh. JE-2 at 21.

⁴⁶ *Id.* at 22.

6.2. Advice Letters

The Joint Parties propose that Cal-Am make two separate Tier 2 advice letter filings to place the costs of the pipeline and pump station into rates. As proposed, the first would be on April 30, 2017. It would cover costs for the pipeline and pump station through March 30, 2017, and would reflect recovery of the used and useful portions of the facilities to date. The second Tier 2 advice letter would be filed once the pipeline and pump station are completed and fully in service. In support, Joint Parties assert that this approach will limit AFUDC, to the ultimate benefit of ratepayers. No party makes a compelling case that another approach should be used.

We adopt the Joint Parties' proposal. Consistent with Joint Parties' proposal, recovery under the first advice letter is for the portions of the facilities that are used and useful up to March 30, 2017.⁴⁷ We agree with Joint Parties that this will moderate AFUDC, to the benefit of ratepayers. It is also consistent with the principle of ratepayers paying the costs of the facilities they use, and not unreasonably deferring those costs to future ratepayers.⁴⁸ Cal-Am must include

⁴⁷ In their Reply Comments, Joint Parties say: "Indeed, Cal-Am expects that the portion of the Monterey Pipeline facilities completed by March 30, 2017 will be used and useful to provide additional fire protection and reliability through additional system interconnections." (Joint Consolidated Reply Comments at 4, footnote 13.)

⁴⁸ See D.06-12-040 for related treatment of costs. We said there, for example, that "the Commission has authorized water utilities to recover costs related to a capital project...prior to the completion or construction of the capital project when...unusual or exigent circumstances surrounding the plant's construction warranted recovery or interim relief. [Footnote deleted.]" (Mimeo at 22.) Unusual and exigent circumstances exist with the pipeline and pump station. For example, the SWRCB requires that applicant receive our approvals to enter into WPA and to construct the pipeline and pump station by December 31, 2016, and that construction start by September 30, 2017, or applicant and its ratepayers will face serious consequences. (SWRCB Order WR 2016-0016 at 20-23.)

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a showing with each advice letter that the funds have been spent reasonably.⁴⁹ Each reasonableness showing must also include evidence that the pipeline and pump station are sized appropriately for purposes of maximizing reasonable use of the GWR and ASR pursuant to the WPA, including optimizing transfers within applicant's system. We do not require that the first advice letter be filed on April 30, 2017, but by that date. We require the second advice letter be filed within 90 days of the date the projects are completed and fully in service.

Applicant is authorized here to file two Tier 2 advice letters to seek recovery of pipeline and pump station costs. In addition to anything else appropriate for consideration, three particular cost factors are to be considered: the costs (1) are to be for facilities that are used and useful, (2) must be reasonable, and (3) are for facilities that are appropriately sized. Tier 2 advice letters generally become effective upon staff approval. We provide the following guidance to staff in its consideration of the two Tier 2 advice letters.

Applicant must include all reasonable information necessary to support the requested relief in each advice letter. That information must include a showing that the three cost factors stated above are met. Staff's processing of the advice letter shall include, but is not limited to, a comparison of the cost of the pipeline and pump station with and without the desalination plant. Staff shall approve the advice letter only if the facilities are used and useful, the costs are reasonable, and the facilities are appropriately sized. In its approval, staff

⁴⁹ See D.06-12-040 at 13-15. Urgent and exigent circumstances require that we authorize construction of the pipeline and pump station now. Just as we did with respect to engineering and environmental costs in D.06-12-040, we will give further consideration to the reasonableness of the costs expended, and require applicant to make that showing with each advice letter. We also require a showing relative to the pipeline and pump station that demonstrates they are sized appropriately.

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can authorize the requested cost recovery, or can reduce the allowed cost recovery to only that amount that satisfies the three cost factors.

7. Conclusion

The evidence shows that the Revised WPA is reasonable, and Cal-Am is authorized to enter into it. Cal-Am is authorized to build the pipeline and pump station, subject to the MMRP. The cost cap for the pipeline and pump station project is \$50.3 million. Finally, we authorize Cal-Am to file Tier 2 advice letters for cost recovery of the pipeline and pump station, with applicant including a showing that the facilities are used and useful, costs have been spent reasonably, and the facilities are appropriately sized. The proceeding remains open to resolve Phase 1 issues.

8. Comments on Proposed Decision

The proposed decision of assigned ALJ Weatherford in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code, and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure.

8.1. Opening Comments

Opening comments were timely filed on September 1, 2016, by Cal-Am, District and Agency (as "Joint Commenters"), ORA and PTA. The Joint Commenters note that the version of the WPA attached to the Proposed Decision as Appendix C was not the version corrected by Exhibit JE-10 (received as evidence on June 3, 2016). We appreciate their contribution and have substituted the correct version as the final Appendix C.

The Joint Commenters seek to have the separate cost caps (\$46.5 million for the pipeline and \$3.8 million for the pump station) converted to a

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consolidated \$50.3 million. We agree and accordingly have made the requested change.

Several minor errors were found by the Joint Commenters, which we acknowledge and have corrected in this final version of the decision.

In its opening comments, ORA takes issue, as it did during hearings, with granting authority for the pipeline and pump station facilities at this time, alleging that those facilities are not necessary. ORA contends that a grant of authority for expedited construction of those facilities “would constitute legal error because the record does not provide sufficient support to build these facilities on an expedited basis.” (ORA Comments at 2.) ORA states:

...[T]he record demonstrates that the expedited construction of these facilities is not appropriate because: (1) Cal-Am’s existing infrastructure can accommodate extraction of GWR water, and the injection and extraction of ASR water, (2) Cal-Am has not demonstrated the independent need for these facilities, separate from the desalination plant and (3) the final design of the desalination plant and the design details of the facilities necessary to support that project are uncertain pending the completion of a final Environmental Impact Report (EIR). In particular, ORA’s argument to wait until there is more certainty regarding the final design of the desalination plant is supported by language in the proposed decision. The proposed decision indicates “[t]he desalination may or may not ever built[.]” However, “[t]he 36-inch pipeline is designed and sized to accommodate water from the Pure Water Monterey Project, the ASR Project, and the desalination project[.]” Even assuming the proposed decision’s finding that the Monterey Pipeline is needed without the desalination plant, the final design, sizing, and cost of this pipeline would likely be substantially different if it will not also serve the desalination plant. (*Id.*)

We disagree. The record supports the authorization for constructing the pipeline and pump station, and there is no specific evidence supporting any

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different size. (See e.g., Chapter 4 above.) This includes the unusual and exigent circumstances with respect to the pipeline and pump station due to the milestones within the SWRCB's CDO. These circumstances, however, support an additional requirement within the advice letters for pipeline and pump station cost recovery. The requirement is that the advice letters not only include that the costs for the used and useful facilities have been spent reasonably, but that the pipeline and pump station are correctly sized for purposes of maximizing reasonable use of the GWR and ASR pursuant to the WPA, including optimizing transfers within applicant's system.

ORA takes a fall-back position: if the Commission grants the authority in the decision to build, ORA is concerned that the decision's employment of the phrase "used and useful" could include the costs of partially built facilities, is internally inconsistent and, further, runs counter to Pub. Util. Code subsection 701.10(a). (ORA Comments at 3.) We are deleting the reference to the phrase referring to money that has been spent.

Finally, ORA argues that the decision mischaracterizes ORA's position in one particular area. That has been corrected.

While PTA supports the decision's approval of the GWR project, it would like to see more inclusion of climate change and other contingencies and environmental developments, including recycling's favorable comparison to desalination. The record of evidence is closed, precluding the changes sought by PTA. Further, the general nature of PTA's suggestions would expand the Phase 2 decision beyond what would be appropriate under the current and pressing timetable.

8.2. Reply Comments

Reply comments were timely made on September 6 by the Joint Commenters as well as PTA. ORA did not add to its opening comments.

The Joint Commenters argued that the preponderance of evidence standard employed in the decision is applicable, not the clear and convincing evidence standard advocated by ORA in ORA's opening comments. PTA's reply comments similarly support the preponderance of evidence standard. We agree with Joint Commenters and PTA.⁵⁰ ORA says the higher standard is appropriate given the amount of money involved. We not persuaded given that the preponderance of the evidence standard is the appropriate standard, and the standard we use in other proceedings when even more money is involved. Nonetheless, we remove the reference to preponderance of evidence since it is unnecessary for this decision.

In its reply comments PTA revises its previous opposition to the expedited construction of the pipeline and pump station facilities. PTA notes that the decision contains the language, "the desalination plant may or may not be built." PTA recommends the inclusion in the decision of clarifying language: "[T]his proceeding does not necessarily imply approval of the associated 'small desalination project' and that if Cal-Am incurs expenses in preparation to build a desalination project that is determined by the PUC to be unnecessary, those expenses may be excluded from the rate base." We do not find that language necessary and we decline to prejudge any future decisions on the proposed desalination plant and cost recovery.

⁵⁰ See for example, D.08-12-058 at 17-19; D.09-07-024 at 3.

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9. Assignment of Proceeding

Catherine J.K. Sandoval is the assigned Commissioner and Gary Weatherford is the assigned ALJ in this proceeding.

Findings of Fact

1. In 1995, the SWRCB found that Cal-Am did not have the legal right to about 10,730 acre-feet annually of its then-current diversions from the Carmel River, and that the diversions were having an adverse effect on the river environment.

2. In 2009, the SWRCB ordered that Cal-Am cease and desist from its unlawful diversions of Carmel River water by December 31, 2016.

3. This proceeding is bifurcated into Phase 1 (desalination plant CPCN) and Phase 2 (GWR WPA).

4. Consideration of Phase 1 issues has been delayed.

5. A joint motion dated April 18, 2016 asserts that, given Phase 1 delays, Phase 2 should be considered first since the GWR WPA with limited additional infrastructure may provide substantial assistance with water supply in the near term.

6. The April 18, 2016 motion was granted.

7. On July 19, 2016 the SWRCB extended Cal-Am's CDO deadline to December 31, 2021.

8. Phase 2 issues are: (1) should Cal-Am be authorized to enter in a WPA for purchase of product water from the GWR; (2) should Cal-Am be authorized to construct the Monterey pipeline and pump station; and (3) should limited financing and ratemaking proposal be adopted.

9. Cal-Am filed a revised WPA on May 19, 2016 (a) in response to issues and concerns raised by the assigned Commissioner and Administrative Law Judge

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in a Ruling dated April 8, 2016; (b) to incorporate clarifying and explanatory testimony given April 13, 2016; (c) and to respond to a Joint Ruling dated April 25, 2016 that raised additional concerns and issues; and filed further revisions with respect to insurance provisions in Exhibit JE-10.

10. All parties but Water Plus support authorization by the Commission for Cal-Am to enter into the revised WPA.

11. The opposition by Water Plus is based on concerns about costs and water quality.

12. The assertions made by Water Plus are contradicted by testimony and the terms of the WPA itself and, therefore, are not persuasive.

13. Parties recommended that the nine criteria used in the Large Settlement Agreement be applied to the GWR project and the Revised WPA even though the Commission has not yet acted on the Large Settlement Agreement.

14. The GWR project and the WPA meet the nine criteria used in the Large Settlement Agreement.

15. The WPA also meets broader tests of reasonableness based on numerous environmental, water policy, scheduling, reliability, public trust, and other public benefits.

16. The GWR project is viable, and the revised WPA is just, reasonable and in the public interest.

17. The WPA provides a period as short as 15 days for WPA parties to review the estimated budgets and the Boards of the respective entities to adopt new rates.

18. Agency and District state that they will make every reasonable effort to provide the budget estimates with more than 15 days for review and will

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publish the estimates with supporting data on their respective web sites and/or make them readily available by data request.

19. It is important for Cal-Am to take an active involvement each year when WPA rates are set to inform the Agency and District whether or not Cal-Am has any concerns with the Agency and District proposals.

20. All parties support or are neutral on the Monterey pipeline and pump station, with the exception of ORA, PTA, and Water Plus.

21. Testimony conclusively demonstrates that the Monterey pipeline and pump station is necessary and will be utilized by Cal-Am independent of whether the Commission approves the desalination plant.

22. The Monterey pipeline and pump station will allow Cal-Am to maximize the use of GWR and ASR water, and reduce reliance on Carmel River diversions.

23. If the Commission timely approves the Monterey pipeline and pump station, Cal-Am expects that it will be able to take full advantage of GWR water in 2018.

24. The Monterey pipeline and pump station are needed to address issues caused by a pressure zone "trough" currently limiting water movement between the southern and northern areas of the Cal-Am Monterey service area, such transfers being necessary to obtain the maximum benefits from the GWR and ASR.

25. Sufficient evidence substantiates the need for the pipeline and pump station, and detailed modeling of the trough is unnecessary.

26. Due to current system constraints Cal-Am is unable to inject the full amount of potential diverted water from the Carmel River (6,500 gallons per minute) allowed under its permit for injection into the ASR.

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27. The Monterey pipeline would allow Cal-Am to maximize its ASR injections.

28. The evidence establishes that there is an independent need (separate from the desalination plant) for the pipeline and pump station; existing infrastructure is insufficient to maximize use of water from the GWR and ASR; and construction of the pipeline and pump station should not be delayed until there is more certainty about the desalination plant and other influences (e.g., global warming, new technologies).

29. Applicant proposes to upgrade the existing Hilby Avenue Pump Station and construct and operate the pipeline that was evaluated in the EIR prepared for the GWR as the "Alternative Monterey Pipeline."

30. The MPWMD acted as lead agency under CEQA for purposes of considering and approving Cal-Am's proposed upgrade of the pump station and construction of the pipeline, and approved the pipeline/pump station project on June 20, 2016.

31. On June 23, 2012, MPWMD filed a Notice of Determination for the pipeline/pump station project, stating that the MPWMD Project will have a significant effect on the environment, that a Statement of Overriding Considerations was adopted for the MPWMD Project, and that those findings were made pursuant to the provisions of CEQA.

32. Cal-Am has asked the Commission to issue an additional discretionary approval for the pipeline/pump station project.

33. The Commission is a responsible agency for purposes of approving the pipeline/pump station project and environmental impacts associated with that project are within the scope of the Commission's permitting process.

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34. Under CEQA, the Commission must consider the environmental impacts associated with its approval of the pipeline/pump station project and identify measures to avoid or reduce such impacts.

35. In considering the environmental impacts of the pipeline/pump station project, the Commission considers the record of proceedings before the lead agency, inclusive of the environmental documentation and analyses considered by the lead agency and the findings and conclusions reach by the lead agency with the pipeline/pump station project's impacts.

36. The Commission reviewed the Project CEQA Documentation to determine whether the measures contained therein avoid or reduce direct or indirect impacts associated with the pipeline/pump station project to the extent feasible.

37. The Commission has independently reviewed the Pipeline/Pump Station Project CEQA Documentation, finds that it was prepared in accordance with CEQA, is adequate for the Commission's decision making purposes and, with implementation of a MMRP, reasonably mitigates adverse impacts.

38. All environmental impacts associated with the pipeline/pump station project have been avoided or mitigated to the extent feasible as set forth in Appendix E.

39. The pipeline/pump station project will have one significant and unavoidable impact to noise resources as more fully described in Appendix E, and a statement of overriding considerations for this impact is adopted.

40. Joint Parties propose financing and ratemaking treatment for the pipeline and pump station that is generally consistent with traditional ratemaking projects and is largely based on the approach to which settling parties agreed in the Large Settlement Agreement.

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41. The estimated cost of the Monterey pipeline and pump station is \$50.3 million (\$46.5 million for the pipeline and \$3.8 million for the pump station).

42. Joint Parties propose a cost cap of \$50.3 million with authority to request higher amounts via the advice letter process if actual costs exceed the cap.

43. Cal-Am has agreed to fund \$7.4 million of the initial costs of the Monterey pipeline and pump station with short-term debt provided by its parent company; the remaining costs will be funded with Cal-Am's debt and equity.

44. The Joint Parties propose that Cal-Am make two Tier 2 advice letter filings to place the costs of the Monterey pipeline and pump station in rates; the first would cover costs for the pipeline and pump station through March 30, 2017 and reflect recovery of the used and useful portions of the facilities to that date; the second advice letter would be filed once the pipeline and pump station are complete and fully in service.

45. The two Tier 2 advice letter approach will limit the accrual of AFUDC costs, to the ultimate benefit of ratepayers.

46. No party to this proceeding makes a convincing case that any element of the proposed financial and ratemaking treatment should not be adopted.

47. The Commission finds that the remaining significant and unavoidable effect on the environment caused by the implementation of the pipeline and pump station project (i.e., the temporary increase in ambient noise levels during nighttime construction in residential areas) remains acceptable when balanced with the economic, social, technological, and other project benefits, due to the reasons set forth in (i) the Ground Water Replenishment Findings and Statement of Overriding Considerations adopted by the Monterey Regional Water Pollution Control Agency in Resolution 2015-24 in connection with its

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certification of the GWR, and (ii) and other information in the administrative record.

48. The pipeline and pump station project would replace 3,500 AFY of unauthorized Carmel River diversions for municipal use with additional groundwater pumping.

49. The pipeline and pump station project would provide up to 4,500 – 4,750 AFY and up to 5,900 AFY in drought years of additional recycled water to Salinas Valley growers for crop irrigation.

50. The Salinas Valley Groundwater Basin is in overdraft and the pipeline and pump station project would reduce the volume of water pumped from Salinas Valley aquifers.

51. The pipeline and pump station project would increase water supply reliability and drought resistance.

52. The pipeline and pump station project would maximize the use of recycled water in compliance with the state Recycled Water Policy.

53. The pipeline and pump station project would reduce pollutant loads from agricultural areas to sensitive environmental areas including the Salinas River and Monterey Bay.

Conclusions of Law

1. The GWR is viable and the Revised WPA is just, reasonable, and in the public interest.

2. Applicant should be authorized to enter into the revised WPA.

3. Applicant should be required to participate in all Agency and District rate proceedings under the WPA, with written comments to the Agency and District stating concerns, if any, with the Agency and District proposals along with applicant's alternative proposals, or stating applicant has no concerns, with

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simultaneous service of a copy of those comments on the Commission' Director of Division of Water and Audits.

4. The Commission's CEQA determinations and approval of the pipeline/pump station project are based on the Commission's exercise of independent judgment and analysis.

5. Applicant should be authorized to construct the pipeline and pump station, subject to the MMRP in Appendix E.

6. The joint parties' proposed financing and ratemaking treatment for the pipeline and pump station is reasonable and should be adopted, including applicant funding \$7.4 million of the initial costs with short-term debt provided by its parent company.

7. The cost cap on the pipeline/pump station project should be \$50.3 million, with authority for applicant to file a Tier 3 advice letter if costs exceed the cost cap.

8. Applicant should be authorized to file a Tier 2 advice letter on April 30, 2017 to seek recovery of the used and useful portion of the actual pipeline and pump station costs incurred through March 30, 2017; and the advice letter should include evidence that the costs are reasonable, and that the facilities are appropriately sized.

9. Applicant should be authorized to file a Tier 2 advice letter upon completion of the pipeline and pump station to seek recovery of the remaining amount of the used and useful portion of the actual pipeline and pump station costs when the facilities are completed and fully in service; and the advice letter should include evidence that the costs are reasonable, and that the facilities are appropriately sized.

10. The Commission should adopt the Statement of Overriding Considerations, which is attached to Monterey Peninsula Water Management District Resolution No. 2016-12 and incorporated herein by this reference.

O R D E R

IT IS ORDERED that:

1. California-American Water Company is authorized to enter into the Revised Water Purchase Agreement contained in Appendix C.
2. California-American Water Company (Cal-Am) shall participate in each Monterey Regional Water Pollution Control Agency (Agency) and Monterey Peninsula Water Management District (District) rate proceeding involving the Revised Water Purchase Agreement (WPA). Cal-Am shall serve written comments to the Agency and District in that rate proceeding. The written comments shall state any and all concerns of Cal-Am with Agency and District proposals, and provide alternative recommendations. If Cal-Am has no concerns, the written comments shall state it has no concerns. At the time Cal-Am serves its comments on the Agency and District, it shall simultaneously serve a copy of the comments on the Commission's Director of the Division of Water and Audits.
3. California-American Water Company is authorized to upgrade the existing Hilby Avenue Pump Station and construct and operate the Monterey pipeline that was evaluated in the Environmental Impact Report prepared for the Pure Water Monterey Groundwater Replenishment Project as the "Alternative Monterey Pipeline."

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4. Construction of the pipeline and pump station is conditioned on compliance by California-American Water Company with the Mitigation Monitoring and Reporting Program contained in Appendix E.

5. Within 30 days after completion of the pipeline, and the pump station, California-American Water Company shall notify the Division of Water by letter that those facilities are completed.

6. The authorization to build the pipeline and pump station is subject to a cost cap of \$50.3 million for the combined pipeline and pump station project. If actual costs exceed the cap, California-American Water Company is authorized to file a Tier 3 advice letter to seek additional recovery.

7. California-American Water Company (Cal-Am) is authorized to make two separate Tier 2 advice letter filings to place the costs of the pipeline and pump station into rates. Cal-Am shall file the first Tier 2 advice letter by April 30, 2017 to cover costs for the pipeline and pump station through March 30, 2017, reflecting the recovery of actual costs for the used and useful portions of the facilities to date. Cal-Am shall include a showing with its advice letter that the expended costs are reasonable, and a showing that the pipeline and pump station are sized appropriately for purposes of maximizing reasonable use of the Pure Water Monterey Groundwater Replenishment Project and the Aquifer Storage and Recovery Project pursuant to terms of the Water Purchase Agreement, including optimizing transfers within applicant's system. Cal-Am shall file the second Tier 2 advice letter within 90 days after the pipeline and pump station are completed and fully in service, and shall include a showing with its advice letter that the expended costs are reasonable, and a showing that the pipeline and pump station are sized appropriately for purposes of maximizing reasonable use of the Pure Water Monterey

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Groundwater Replenishment Project and the Aquifer Storage and Recovery Project pursuant to terms of the Water Purchase Agreement, including optimizing transfers within applicant's system. Commission staff shall follow the guidance stated in the body of this decision in its processing of each Tier 2 advice letter.

8. California-American Water Company (Cal-Am) shall track in a separate section of the its facilities memorandum account: (a) the costs of the pipeline and pump station (including allowance for funds used during construction); (b) a pro-rated portion of the engineering and environmental costs of the entire Cal-Am facilities; and (c) and any portion of the pipeline or pump station placed in service prior to the Commission approving the costs to be included in plant in service and recovered in base rates.

9. The Rulings of the Administrative Law Judge(s), and the Joint Rulings of the assigned Commissioner and the Administrative Law Judge(s), are affirmed.

10. The Commission hereby adopts this Statement of Overriding Considerations, which is attached to Monterey Peninsula Water Management District Resolution No. 2016-12 and incorporated herein by this reference.

11. Application 12-04-019 remains open to address Phase 1 issues.

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This order is effective today.

Dated September 15, 2016, at San Francisco, California.

MICHAEL PICKER

President

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

LIANE M. RANDOLPH

Commissioners

I reserve the right to file a concurrence.

/s/ CATHERINE J.K. SANDOVAL

Commissioner

Commissioner Carla J. Peterman, being
necessarily absent, did not participate.

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APPENDICES A and B

APPENDIX A**SUMMARY OF GROUNDWATER REPLENISHMENT-FOCUSED
PROCEDURAL HISTORY**

California-American Water Company (Cal-Am) filed the initial Application (A.12-04-019) for the Monterey Peninsula Water Supply Project (MPWSP) on April 23, 2012, after the demise of the Regional Water Supply Project. The Application proposed desalination plant sizing options of 9.0 million gallons per day (mgd) and 5.4 mgd respectively (later resized to 9.6 mgd and 6.4 mgd respectively). The smaller option was linked to a water supply of between 3,000 to 3,500 acre feet per year (AFY) from the groundwater replenishment (GWR) project (now termed the Pure Water Project). Supporting the GWR component of the MPWSP was the prepared testimony of Keith Israel, then general manager of the GWR project sponsor, Monterey Regional Water Pollution Control Agency (MRWPCA). MRWPCA perceived many benefits of the Pure Water Project.

The initial Prehearing Conference (PHC) was held June 6, 2012. Discussion in the PHC statements, as well as the PHC itself included the subject of GWR.

Between April 30, 2012 and July 3, 2012, party status was sought and granted to 19 entities; Marina Coast Water District (Marina Coast), Coalition of Peninsula Businesses, County of Monterey, Monterey County Water Resources Agency (MCWRA), Monterey Peninsula Regional Water Authority (MPRWA), Water Plus, City of Pacific Grove, Citizens for Public Water, MRWPCA, Salinas Valley Water Coalition (SVWC), Sierra Club, Planning and Conservation League Foundation (PCL), the Monterey Peninsula Water Management District

(MPWMD), Public Trust Alliance, Land Watch Monterey County (Land Watch), Latino Water Use Coalition, Monterey Peninsula Latino Seaside Merchants Association, Comunidad en Accion, the Monterey County Farm Bureau (MCFB) and the Surfrider Foundation (Surfrider). Of those, Water Plus, PCL, Surfrider, Sierra Club, Coalition of Peninsula Businesses, Citizens for Public Water and SVWC filed notices of intent to claim intervenor compensation.

Assigned Commissioner Peevey’s Scoping Ruling was issued on June 28, 2012, and included references to the GWR component and associated issues. Briefs were requested from parties on two issues; (1) Is the Monterey County ordinance governing desalination and limiting desalination plant ownership and operation to public agencies preempted by Commission authority, and (2) Does or will Cal-Am, or another entity participating in the separate GWR and Aquifer Storage and Recovery (ASR) projects of Cal-Am’s proposal for replacement water, possess adequate rights to the slant well intake water, GWR and to the outfall for purposes of project feasibility? Responses to the ruling were provided on July 11 and 25, 2012, respectively.

On October 25, 2012 a proposed decision (which became Decision (D.) 12-10-030) was issued, recommending state preemption of the Monterey County ordinance that precluded private entity construction, ownership, and operation of desalination facilities. Applications for a rehearing of D.12-10-030 were filed on November 30, 2012, by Marina Coast Water District (MCWD) and County of Monterey.

A second PHC was held on December 13, 2012. Public participation hearings were conducted on the Monterey Peninsula on January 9, 2013.

On February 13, 2013 an Administrative Law Judge (ALJ)-requested compliance report was provided by Cal-Am, which led to the quarterly project progress reports.

Evidentiary hearings were held on April 2 - 5, 8 - 11, & 30, and May 1 & 2, 2013. On May 30, 2013 Judge Weatherford issued a ruling that among other things circulated a draft agenda for a June 12, 2013 workshop on GWR milestones. The ruling also modified the schedule in a manner different from that sought in a May 2, 2013, motion by MCWD.

In mid-July 2013 Judge Angela Minkin was co-assigned to the proceeding. On July 25, 2013, the Commission issued D. 13-07-048 modifying D.12-10-030 and denying a rehearing on the modified decision.

Various parties jointly filed motions to approve two Settlement Agreements on July 31, 2013. The first settlement agreement dealt with the MPWSP that consists of slant intake wells, brackish water pipelines, the desalination plant, product water pipelines, brine disposal facilities, and related appurtenant facilities. The MPWSP also incorporates facilities that the Commission previously approved in D.10-12-016 (referred to as the Cal-Am-only facilities). These facilities consist of the Transfer Pipeline, the Seaside Pipeline, the Monterey Pipeline, the Terminal Reservoir, the ASR Pipeline, the ASR Recirculation and Backflush Pipelines, the ASR Pump Station and the Valley Greens Pump Station.¹ The second settlement agreement, the Sizing Settlement,

¹ The settling parties were Cal-Am, Citizens for Public Water, City of Pacific Grove, Coalition of Peninsula Businesses, County of Monterey, DRA, Land Watch, Monterey County Farm Bureau (MCFB), Monterey County Water Resources Agency (MCWRA), MPRWA, MPWMD, MRWPCA, PCL, Salinas Valley Water Coalition (SVWC), Sierra Club, and Surfrider Foundation (Surfrider).

reflects an agreement on the sizing of the desalination plant component of the MPWSP.²

On August 21, 2013, 14 of the parties jointly filed a motion to bifurcate the proceeding into Phase 1 dealing with the desalination plant and Phase 2 dealing with the GRW project.³ Comments on the two joint parties’ motions to approve the settlement agreements were filed in September 2013. Judge Minkin issued a ruling on November 4, 2013 identifying issues to be addressed in the evidentiary hearings on the settlement agreements set for December 2, 2013. Briefs were submitted on January 21 and February 24, 2014, respectively.

Acknowledging the merits of an Energy Division August 11, 2014 request for a delay in the Draft Environmental Impact Report and Final Environmental Impact Report schedules due to complications related to boreholes, Judge Minkin ruled on August 21, 2014 granting that request. She noted that “additional time is needed to assess cumulative effects of the MPWSP on seawater intrusion in conjunction with future operations of the Castroville Seawater Intrusion Project and the Salinas Valley Water Project (SVWP) Given the anticipated delay in the environmental review of the Groundwater Replenishment Project, it appears that the anticipated schedule for Phase 2 of this proceeding should be modified.”

² The settling parties were Cal-Am, Citizens for Public Water, City of Pacific Grove, Coalition of Peninsula Businesses, DRA, MPRWA, MPWMD, MRWPCA, and PCL.

³ Cal-Am, Citizens for Public Water, City of Pacific Grove, Coalition of Peninsula Businesses, County of Monterey, DRA, Landwatch, MCWRA, MPRWA, MPWMD, MRWPCA, PCL, Sierra Club, and Surfrider.

Commissioner Catherine J.K. Sandoval succeeded Commissioner Peevey as Assigned Commissioner in 2015.

Judge Weatherford’s January 23, 2015 ruling updated the schedule for Phase 1 (targeting the Commission’s agenda in February 2016). As to Phase 2 he stated, “The schedule for Phase 2 of this proceeding may also need to be modified, but we will not modify it at this time. As the proceeding progresses, we will evaluate the need to modify the Phase 2 schedule.”

On March 26, 2015 Commissioner Sandoval set an all-party meeting for July 30, 2015. On May 19, 2015, the settling parties moved for groundwater modeling workshops and in a May 21, 2015 ruling Judge Weatherford indicated that one or more decision makers might attend California Environmental Quality Act presentations.

An email ruling on June 16, 2015 by Judge Burton Mattson revised the deadline for comments on the Draft Environmental Impact Report to July 1, 2015.

Commissioner Sandoval issued a Second Amended Scoping Memo and Ruling on August 19, 2015 extending the statutory deadline to December 31, 2016.

On October 1, 2015, Water Plus filed a motion to dismiss the proceeding, alleging data tampering. Judge Weatherford denied the motion on October 29, 2015.

Sixteen Parties filed a joint motion on October 8, 2015 to modify the Phase 2 schedule and to comment on cost updates.

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A PHC was held on October 12, 2015. On October 13, 2015, the then Phase 2 schedule was suspended by an ALJ ruling. On October 20, 2015, 16 parties offered a joint proposal to complete the record for Phase 1 and Phase 2.

On November 17, 2015 Judge Weatherford issued a ruling setting the evidentiary issues and schedule to complete the record for Phases 1 and 2.

On November 17, 2015 an ALJ ruling setting evidentiary hearing issues. On February 11, 2016 Judge Weatherford issued a ruling directing the Parties to propose a revised schedule.

On February 22, 2016, Commissioner Sandoval directed Cal-Am to amend its application with a new project description.

On March 2, 2016, ALJ Weatherford issued a ruling revising the schedule.

Cal-Am filed its amended application with an updated project description on March 14, 2016.

A March 30, 2016 ALJ ruling set a morning PHC on April 11, 2016 to report on the status of the proceeding in preparation for the evidentiary hearings scheduled to be held in the afternoon of April 11 through April 15, 2016.

On April 25, 2016 Commissioner Sandoval and the ALJ jointly and conditionally granted a joint motion for a separate Phase 2 decision and for evidentiary hearing dates of May 26-27, 2016. The ruling directed Cal-Am, the MPWMD and MRWPCA to address seven specific issues in supplemental testimony and to submit a revised draft Water Purchase Agreement (WPA) reflecting changes discussed during the April 13th panel. The ruling also permitted other parties to address the issues and proposals identified in the ruling. On May 9, 2016, in accordance with the April 25th ruling, Cal Am, the

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MPWMD and the MRWPCA submitted Joint Supplemental Testimony which addressed each of the seven issues identified in the April 25th ruling and included a revised WPA.

ORA also submitted supplemental testimony on May 9, 2016. On May 19, 2016, Cal Am, the MPWMD, and the MRWPCA submitted Joint Rebuttal Testimony, including minor revisions to the draft WPA. ORA and Water Plus also submitted rebuttal testimony contesting the requested authorization for Cal-Am to move forward with the Monterey pipeline and pump station required to maximize use of water from the GWR Project and ASR.

On May 26, 2016, the Commission held an evidentiary hearing giving the parties an opportunity to conduct cross-examination on the supplemental and rebuttal testimony. Opening Briefs were filed on June 6, 2016 and Reply Briefs were filed on June 13, 2016.

The Phase 2 record in this proceeding was submitted on June 13, 2016.

(End of Appendix A.)

**APPENDIX B
POSITIONS OF PARTIES**

California American Water Company (Cal-Am), Monterey Peninsula Water Management District (MPWMD), Monterey Region Water Pollution Control Agency (MRWPCA), Monterey Peninsula Regional Water Authority (MPRWA), Planning and Conservation League Foundation (PCL) (Collectively Joint Parties)

The Joint Parties filed opening and a reply briefs in support of the Revised WPA. They also favor construction of the Monterey pipeline (PL) and pump station (PS), the financial and ratemaking treatment of the Monterey PL and PS (including allowing Cal-Am to file two advice letters to recover the costs of those facilities in base rates), tracking all costs of those facilities in a segregated section of a Cal-Am-only facilities memorandum account, and earning allowance for fund used during construction (AFUDC) based on the financing instruments necessary to pay the actual costs incurred. These positions are seen as allowing Cal-Am to reduce its Carmel River diversions. The Joint Parties contend that all nine criteria of the proposed Large Settlement Agreement have been met with supporting evidence, clearing the way for Cal-Am to enter into the Revised WPA. They argue that a Phase 2 GWR decision can be made without regard to a decision whether to approve the Desalination Plant (Phase I issue). They argue that the settlements comply with Rule 12.1 and can be adopted.

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Office of Ratepayers Advocates (ORA)

While ORA supports Cal-Am's entry into the Revised WPA to gain GWR water, it argues that Cal-Am's existing infrastructure is capable of delivering extracted groundwater replenishment (GWR) and aquifer storage and recovery (ASR) water, and diverting excess Carmel River water. ORA asserts that prudence demands that the construction of the Monterey PL and Monterey PS be deferred until there is more certainty as to the desalination plant design. According to ORA, Cal-Am has failed to establish an independent need for the proposed PL and PS. ORA does find the cost of the GWR and small desalination plant reasonable. ORA finds the smaller (6.4 million gallons per day (mgd)) desalination plant more advantageous than the larger (9.6 mgd) and supports inclusion of the \$1720 soft cap. ORA notes that the MRWPCA federal Environmental Impact Statement (EIS) is complete, well ahead of the Monterey Peninsula Water Supply Project (MPWSP) EIR. ORA finds Water Plus' concerns over GWR water quality unfounded [Reply at 3-4].

Surfrider Foundation (Surfrider), LandWatch Monterey County (Landwatch), PCL and Sierra Club

Surfrider, LandWatch, PCL* and the Sierra Club find that multiple benefits (e.g., threatened Steelhead and the Carmel River ecosystem) warrant approval of the Revised WPA. The benefits support a revenue requirement premium if necessary. Surfrider, LandWatch, PCL and the Sierra Club support the Monterey PL if it is necessary for the full implementation of the GWR project; otherwise have no position on the PL, PS or related financing and ratemaking features.

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*PCL is one of the Joint Parties whose joint opening and reply briefs supported the PL and PS as well as the financial and ratemaking treatment for the facilities.

Public Trust Alliance (PTA)

PTA believes the current emergency derives in significant part from Cal-Am's withdrawal from a prior, approved desalination project in which the desalination facility would have been owned by public agencies rather than Cal-Am.

PTA supports the Revised WPA, although the merits of that instrument should be considered in light of quantified and unquantified environmental costs and benefits. The Commission should consider whether desalination is an "optimum or reasonable" means of supplying an additional source of water for Monterey County. The Commission should approve the WPA.

PTA thinks the Commission should consider the burden of proof/degree of scrutiny applicable when there is a history of failure of projects similar to the project proposed here. PTA also believes the Commission should consider "used and useful" principles re Cal-Am water facilities and their applicable ratemaking and design implications. These should be considered in the context of possible abandonment of the desalination portion of the Monterey Peninsula Water Supply Project. PTA also believes the Commission should carefully consider whether desalination is the optimum or reasonable method of securing an additional source of water for Monterey County and Cal-Am ratepayers, in view of changed circumstances and potentially superior sources such as recycled

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water and/or water potentially available as a result of the passage of the Sustainable Groundwater Management Act.

Water Plus

According to Water Plus, the motion to bifurcate into two phases should have been denied by the Commission. Water Plus also believes the development of the Monterey Pipeline should be prohibited, as there is a less costly (\$10M vs. \$41M) and less disruptive ASR route.

Marina Coast Water District (Marina Coast)

Marina Coast supports prompt Commission approval of Cal-Am's entry into the WPA and believes the record supports approval of Cal-Am's construction of the Monterey PL and PS. Marina Coast finds those facilities are needed and does not think their approval assumes Commission approval of the desalination project. Marina Coast takes no position on financial or ratemaking treatment.

(End of Appendix B.)

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APPENDIX C

Revised GWR Water Purchase Agreement

**WATER PURCHASE AGREEMENT FOR
PURE WATER MONTEREY PROJECT**

THIS WATER PURCHASE AGREEMENT (“Agreement”) is made this ____ day of _____, 2016 (the “Effective Date”) by and between California-American Water Company, a California corporation, hereinafter referred to as the “Company,” Monterey Regional Water Pollution Control Agency, hereinafter referred to as the “Agency,” and Monterey Peninsula Water Management District, hereinafter referred to as the “District.” The Company, the Agency, and the District are hereinafter referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

- A. The Company has a statutory duty to serve water in certain cities on the Monterey Peninsula and in a portion of Monterey County for its service area, the boundaries of which are shown in **Exhibit A** attached hereto and incorporated herein.
- B. The Company has been ordered by the State Water Resources Control Board in orders 95-10 and WR 2009-0060 to find alternatives to the Carmel River to fulfill its duty to serve, and the Company has applied to the California Public Utilities Commission (“CPUC”) for an order seeking a Certificate of Public Convenience and Necessity for the construction of water supply facilities and authorizing the recovery of the costs for such construction in rates.
- C. The Agency will be responsible for the design, construction, operation, and ownership of facilities for the production and delivery of advanced treated recycled water, such facilities to be part of the Pure Water Monterey groundwater replenishment project.
- D. The District will buy advanced treated recycled water from the Agency for purpose of securing the financing of and paying the operating costs of the project. The District will sell the advanced treated recycled water to the Company subject to the terms of this Agreement.
- E. The Company desires to buy advanced treated recycled water from the District for the purpose of fulfilling its duty to serve its customers within its service area and the District is willing to sell advanced treated recycled water to the Company for this purpose on the terms and conditions provided for herein.
- F. The Agency contends, and has so advised the District and the Company, that based on advice of counsel, (1) Agency assets and revenue derived from Agency ratepayers are not available for satisfying claims and judgments for any liability arising from this water project Agreement, and (2) therefore, the single source for so satisfying is insurance coverage described as Required Insurance in this Agreement.

G. The Agency has separately entered into an agreement with the Monterey County Water Resources Agency in Section 4.05 of which, the Monterey County Water Resources Agency may request additional irrigation water from Agency sources. Pursuant to that agreement the Agency has committed to produce no more than 200 acre-feet per year, up to a total quantity of 1,000 acre-feet, for delivery to the District as a drought reserve. When such a request is made, the District may make available to the Company Drought Reserve Water in order to satisfy the Company Allotment. Additionally, in order to ensure delivery of the Company Allotment in the event of an interruption in project operations, the District has established an Operating Reserve. Together the two reserves are called the Reserve Account and will be paid for by the District until deemed delivered to the Company if needed at a future date

NOW, THEREFORE, the Parties agree as follows:

1. Purpose of Agreement.

The purpose of this Agreement is to provide for the sale of advanced treated recycled water from the Agency to the District and from the District to the Company derived from the Pure Water Monterey groundwater replenishment project owned and operated by the Agency, and to serve the Company's customers within its service area. The Parties confirm that this Agreement constitutes a contractual right to purchase advanced treated recycled water, that no water right is conferred to the Company, and that no additional rights in the Seaside Groundwater Basin are conferred to the District or the Agency.

2. Definitions

The following terms shall, for all purposes of this Agreement have the following meanings:

“Additional Project Participant” means any public district, agency, or entity, or any private water company, other than the Company, that executes a water purchase agreement in accordance with Section 18 hereof, together with its respective successors or assigns.

“Affected Party” means a Party claiming the occurrence of a Force Majeure Event and seeking relief under this Agreement as a result thereof.

“Agreement” means this Water Purchase Agreement, as the same may be amended from time to time.

“Applicable Law” means any federal, state or local statute, local charter provision, regulation, ordinance, rule, mandate, order, decree, permit, code or license requirement or other governmental requirement or restriction, or any interpretation or administration of any of the foregoing by any governmental authority, which applies to the services or obligations of any of the Parties under this Agreement.

“AWT Facilities” means the advanced water treatment facilities portion of the Project that provides advanced treatment to source water that has undergone secondary treatment at the Regional Treatment Plant.

“AWT Water” means advanced treated recycled water produced by the AWT Facilities.

“Company Account” means the account managed by the District and the Company that tracks and records the quantity of Company Water delivered to the Delivery Point.

“Company Allotment” means 3,500 acre-feet of AWT Water, or another quantity of AWT Water as agreed to, in writing, by the Parties.

“Company Water” means the AWT Water delivered to the Delivery Point to be used and owned by the Company and will be counted toward the Company Allotment.

“Company Water Payments” means payments made by the Company to the District pursuant to Section 16 hereof for the furnishing of Company Water.

“Company Water Rate” means the dollar amount per acre-foot of Company Water that the Company pays the District for delivery of Company Water, as calculated pursuant to Section 16.

“CPUC” means the California Public Utilities Commission.

“Delivery Point” means any of the metered points of delivery identified in **Exhibit C**.

“Delivery Start Date” means the date that the District commences delivery of AWT Water to the Delivery Point.

“Drought Reserve” means one of the two sub-accounts that comprise the Reserve Account.

“Drought Reserve Minimum” means 1,000 acre-feet of Drought Reserve Water in the Drought Reserve.

“Drought Reserve Water” means Excess Water in the Drought Reserve Account at any given time.

“Event of Default” means each of the items specified in Section 20 which may lead to termination of this Agreement upon election by a non-defaulting Party.

“Excess Water” means a quantity of AWT Water in excess of the Company Allotment delivered by the District to the Delivery Point in any given Fiscal Year.

“Fiscal Year” means a twelve-month period from July 1 through June 30. Any computation made on the basis of a Fiscal Year shall be adjusted on a pro rata basis to take into account any Fiscal Year of less than 365 or 366 days, whichever is applicable.

“Fixed Project Costs” means all pre-construction, development, and capital costs of the Project, including debt service and reserves for the payment of debt service, incurred by the Agency or District in accordance with Section 6 hereof; provided, however, Fixed Project Costs shall not include any damages or other amounts paid by the Agency or the District to the Company as indemnification payments pursuant to Section 22 of this Agreement.

“Force Majeure Event” means any act, event, condition or circumstance that (1) is beyond the reasonable control of the Affected Party, (2) by itself or in combination with other acts, events, conditions or circumstances adversely affects, interferes with or delays the Affected Party’s ability to perform its obligations under this Agreement, and (3) is not the fault of, or the direct result of the willful or negligent act, intentional misconduct, or breach of this Agreement by, the Affected Party.

“Injection Facilities” means the injection wells and appurtenant facilities portion of the Project used to inject AWT Water into the Seaside Basin.

“Minimum Allotment” means 2,800 acre-feet of AWT Water.

“Operating Reserve” means one of the two sub-accounts that comprise the Reserve Account.

“Operating Reserve Minimum” means 1,000 acre-feet of Operating Reserve Water in the Operating Reserve prior to the date that is three (3) years following the Performance Start Date, and 1,750 acre-feet of Operating Reserve Water in the Operating Reserve after the date that is three (3) years following the Performance Start Date.

“Operating Reserve Water” means Excess Water in the Operating Reserve at any given time.

“Performance Start Date” means the date set forth in a written notice provided by the District to the Company upon which the District’s performance obligations with respect to the Water Availability Guarantee, the Water Delivery Guarantee, and the Water Treatment Guarantee shall commence, such date not to be more than six months following the Delivery Start Date.

“Product Water Facilities” means the product water conveyance facilities portion of the Project used to transport the AWT Water from the AWT Facilities to the Injection Facilities.

“Project” means the Pure Water Monterey groundwater replenishment project, including (a) Source Water Facilities, (b) AWT Facilities, (c) Product Water Facilities, and (d) Injection Facilities, all as additionally described in **Exhibit B**.

“Project Operation and Maintenance Expenses” means all expenses and costs of management, operation, maintenance, repair, replacement, renovation, or improvement of the Project incurred by the Agency and the District, including overhead costs, and properly chargeable to the Project in accordance with generally accepted accounting principles, including, without limitation (a) salaries, wages, and benefits of employees, contracts for professional services, power, chemicals,

supplies, insurance, and taxes; (b) an allowance for depreciation, amortization, and obsolescence; (c) all administrative expenses; and (d) a reserve for contingencies, in each case incurred by the Agency or District with respect to the Project; provided, however, Project Operation and Maintenance Expenses shall not include any damages or other amounts paid by the Agency or the District to the Company as indemnification payments pursuant to Section 22 of this Agreement.

“Regional Treatment Plant” means the Agency’s Regional Wastewater Treatment Plant.

“Required Insurance” means, with respect to the Agency and the District, the insurance each Party is required to obtain and maintain during the term of this Agreement as set forth in Exhibit D.

“Reserve Account” means the account managed by the District that tracks and records (a) quantities of Excess Water delivered to the Delivery Point, and (b) quantities of Reserve Water debited from the Reserve Account to satisfy the Company Allotment.

“Seaside Basin” means the Seaside Groundwater Basin.

“Service Area” means the Company’s service area as of the Effective Date of this Agreement, as shown in **Exhibit A**, and as amended from time-to-time by the CPUC.

“Storage and Recovery Agreement” means the storage and recovery agreement among the Company, the District and the Watermaster that allows for injection of AWT Water into the Seaside Basin for purposes of continued storage or withdrawal.

“Source Water Facilities” means the source water diversion and conveyance facilities portion of the Project used to divert and convey new source waters to the Regional Treatment Plant.

“Watermaster” means the Seaside Groundwater Basin Watermaster.

“Water Availability Guarantee” means the water availability guarantee set forth in Section 13.

“Water Delivery Guarantee” means the water delivery guarantee set forth in Section 12.

“Water Treatment Guarantee” means the water treatment guarantee set forth in Section 14.

OPERATIVE PROVISIONS

3. Commencement of Service.

The Performance Start Date shall be no later than January 1, 2020. Failure of the Agency and the District to meet this deadline shall constitute an Event of Default upon which the Company

may terminate this Agreement in accordance with Section 20. The Company shall not incur any costs or be responsible for any payments under this Agreement prior to the Performance Start Date.

4. Term of Agreement.

This Agreement shall be effective as of the Effective Date and shall remain in effect until the date that is thirty (30) years after the Performance Start Date (the “Expiration Date”), unless earlier terminated as provided in this Agreement.

5. Option for Continued Service.

The Company may extend the Expiration Date of this Agreement for one or more periods not to exceed ten (10) years, in total. The Company shall notify the Agency and the District, in writing at least 365 days prior to the then-applicable Expiration Date, of its intent to extend the Expiration Date and such notice shall indicate the new Expiration Date. At the election of any Party, the Parties will meet and confer to consider the Parties’ interest in any additional extension or renewal of an arrangement similar to this Agreement. Such meet-and-confer sessions should take place approximately five (5) years prior to the then-applicable Expiration Date; provided, however, if pursuant to an extension under this Section 5 the new Expiration Date is less than five (5) years following the Company’s notification of the extension, the Parties will meet and confer within a reasonable time prior to the new Expiration Date.

6. Agency and District to Develop Project.

Subject to all terms and conditions of the Agency’s water rights, permits and licenses, and all agreements relating thereto, the Agency and District will cause and complete the design, construction, operation, and financing of the Project, the production and delivery of AWT Water, the obtaining of all necessary authority and rights, consents, and approvals, and the performance of all things necessary and convenient therefor. The Agency will own and operate the Project.

As consideration for funding environmental, permitting, design, and other pre-construction costs, as well as for pledging revenues for repayment of future costs under this Agreement in the event Company Water Payments are insufficient, the District shall (i) own AWT Water for sale and delivery to the Company, (ii) have the right to sell AWT Water to the Company or any Additional Project Participant (if approved by the Company pursuant to Section 19), (iii) have the right to bill the Company for Company Water Payments or to bill any Additional Project Participant for AWT Water, and (iv) have the right to apply all Company Water Payments to payment of Fixed Project Costs and Project Operation and Maintenance Expenses.

7. Obligation to Pay Design and Construction Costs.

The Agency shall be solely responsible for the design, construction, implementation and performance of the Project, and shall bear all costs associated with such design, construction, implementation and performance. Title to the structures, improvements, fixtures, machinery, equipment, materials, and pipeline capacity rights constituting the Project shall remain with the Agency and the Agency shall bear all risk of loss concerning such structures, improvements, fixtures, machinery, equipment, and materials.

8. Obligation to Pay Operation and Maintenance Costs.

The Agency shall be solely responsible for the operation, maintenance, repair and replacement of the Project, and shall bear all costs associated with such operation, maintenance, repair and replacement.

9. Point of Delivery and Ownership of AWT Water.

All AWT Water shall be delivered to the Delivery Point. Water utilized to backflush an injection well that percolates into the ground is considered delivered AWT Water.

The Agency shall own the AWT Water until the point it leaves the AWT Facilities. The District shall own the AWT Water from the point it leaves the AWT Facilities to the Delivery Point. After the Delivery Point, if the water is Company Water, it will be owned by the Company. If, however, the water is Excess Water after the Delivery Point, then ownership of such water shall remain with the District. The District shall own any water in the Reserve Account, until such time as Operating Reserve Water or Drought Reserve Water is used to satisfy the Water Availability Guarantee at which point it shall become Company Water and be owned by the Company.

The Company recognizes and agrees that it acquires no interest in or to any portion of the District's system or any Agency facilities.

Delivery by the District and withdrawal by the Company shall be governed by the Storage and Recovery Agreement.

10. Points of Withdrawal.

All AWT Water furnished pursuant to this Agreement shall be taken from storage by the Company at the points of withdrawal controlled by the Company and permitted by the California Department of Public Health. The Company shall be solely responsible for operating and maintaining all of its facilities for withdrawal of water.

11. Measurement.

All AWT Water furnished pursuant to this Agreement shall be measured by the Agency at the Delivery Point. Such measurement shall be with equipment chosen by the Agency, installed by the Agency on Agency facilities, and approved by the District and Company in writing. All measuring equipment shall be installed, maintained, repaired and replaced by the Agency. The Agency will provide annual meter calibration by an outside contractor and provide a copy of results of such calibrations to District and Company. The Agency shall have the primary obligation to measure the quantity of AWT Water delivered to the Delivery Point. The Company may request, at any time, investigation and confirmation by the District or Agency of the measurement being made as well as the charges associated with those measurements. Errors in measurement and charges discovered by the investigation will be corrected in a timely manner by the Agency and the District. The Company may, at its own expense, at any time, inspect the measuring equipment and the record of such measurements for the purpose of determining the accuracy of the equipment and measurements.

12. Water Delivery Guarantee.

- (a) Beginning on the Performance Start Date and in every Fiscal Year throughout the term of this Agreement, the Agency shall use its best efforts to deliver AWT Water to the District in quantities at least equal to the Company Allotment.
- (b) Beginning on the Performance Start Date and in every Fiscal Year throughout the term of this Agreement, the District shall use its best efforts to deliver Company Water to the Delivery Point in quantities at least equal to the Company Allotment.
- (c) Beginning on the Performance Start Date and in every Fiscal Year throughout the term of this Agreement, the Agency shall deliver AWT Water to the District in quantities at least equal to the Minimum Allotment (the “Water Delivery Guarantee”).
- (d) Beginning on the Performance Start Date and in every Fiscal Year throughout the term of this Agreement, the District shall deliver Company Water to the Delivery Point in quantities at least equal to the Minimum Allotment (also, the “Water Delivery Guarantee”).
- (e) All AWT Water delivered by the District to the Delivery Point between the Delivery Start Date and the Performance Start Date shall be deemed Operating Reserve Water and allocated to the Operating Reserve. The Performance Start Date shall not occur until the Operating Reserve Minimum has been allocated to the Operating Reserve. Beginning on the Performance Start Date and in every Fiscal Year throughout the term of this

Agreement, the first 3,500 acre-feet of AWT Water delivered to the Delivery Point each Fiscal Year shall be Company Water.

13. Water Availability Guarantee.

- (a) Beginning on the Performance Start Date and throughout the term of this Agreement, the Agency must deliver enough AWT Water to the District so that the Company may draw AWT Water (including Company Water, Operating Reserve Water, and Drought Reserve Water released by the District to the Company) from the Seaside Basin every Fiscal Year in an amount at least equal to the Company Allotment (the “Water Availability Guarantee”).
- (b) Beginning on the Performance Start Date and throughout the term of this Agreement, the District must deliver enough AWT Water to the Delivery Point so that the Company may draw AWT Water (including Company Water, Operating Reserve Water, and Drought Reserve Water released by the District to the Company) from the Seaside Basin every Fiscal Year in an amount at least equal to the Company Allotment (also, the “Water Availability Guarantee”).
- (c) If in any Fiscal Year the District delivers Excess Water, any such amount shall be credited to the Reserve Account. The Reserve Account will have two sub-accounts: the Operating Reserve and the Drought Reserve. The District will allocate all Excess Water into either the Operating Reserve or the Drought Reserve as it shall determine in its sole discretion.
- (d) If the amount of Operating Reserve Water in the Operating Reserve at any time is less than the Operating Reserve Minimum, then all Excess Water in a Fiscal Year must be allocated to the Operating Reserve until the Operating Reserve Minimum is achieved, except for up to 200 acre-feet of Excess Water that may, at the District’s election, be allocated to the Drought Reserve but only if the balance in the Drought Reserve is less than the Drought Reserve Minimum. In no instance shall the District reduce Company Water deliveries to make available additional irrigation water to the Monterey County Water Resources Agency from Agency sources in an amount exceeding the balance available in the Drought Reserve.
- (e) If in any Fiscal Year the District delivers Company Water to the Delivery Point in quantities less than the Company Allotment, the Company shall have the right, but not the obligation, to draw Operating Reserve Water from the Operating Reserve to make up for any such shortfall in Company Water. In addition, if a shortfall still exists after Operating Reserve Water is drawn by the Company, the District may, in its sole discretion, use Drought Reserve Water available in the Drought Reserve to satisfy the Water Availability

Guarantee. Upon the occurrence of the Expiration Date, or the earlier termination of this Agreement as contemplated herein, the Company shall have the right to draw Drought Reserve Water from the Drought Reserve.

- (f) Every three (3) months during the term of this Agreement, beginning on the Performance Start Date, the District will report to the Company the balances and activity in the Operating Reserve and Drought Reserve. In addition, the District shall, with ten (10) days following the Company's request, provide to the Company the balances and activity in the Operating Reserve and Drought Reserve.

14. Water Treatment Guarantee.

All AWT Water delivered by the Agency to the District and by the District to the Delivery Point must meet the water quality requirements set forth in Applicable Law (the "Water Treatment Guarantee"). If at any time the Agency or the District fails to meet the Water Treatment Guarantee, the Agency or the District shall give the Company immediate notice thereof and shall promptly meet with the Company to discuss the circumstances of such failure and the District's and the Agency's proposed action plan for remediation so that the Water Treatment Guarantee will be met. AWT Water delivered by the Agency to the District or by the District to the Delivery Point that does not meet the Water Treatment Guarantee shall not be considered Company Water or Excess Water.

15. Budgeting.

Not later than May 1 each year, the Fixed Project Costs and Project Operation and Maintenance Expenses shall be estimated by the Agency and the District for the following Fiscal Year. Such estimates shall be made available for review by the Parties at least fifteen (15) days prior to adoption by the Agency's or District's respective boards.

16. Rate of Payment for Company Water.

For Company Water furnished to the Company under this Agreement, the Company shall pay Company Water Payments to the District on a monthly basis determined as the Company Water Rate multiplied by the quantity of Company Water delivered the previous month. The Company shall not pay for deliveries to the Operating Reserve and the Drought Reserve until such reserves are designated by the Company or the District, as applicable, as Company Water.

The Company Water Rate in each Fiscal Year of the Agreement shall be the sum of the Fixed Project Costs and Project Operation and Maintenance Expenses budgeted for production and delivery of AWT Water in such Fiscal Year, divided by the amount of AWT Water expected to be produced during such Fiscal Year. The Parties agree that the fundamental rate-setting

principles of this Agreement shall be (a) the Company does not pay for water it does not receive, (b) the cost of water shall only reflect the true cost of service consistent with California public agency laws and regulations, and (c) the Company shall pay only its proportionate share of the costs of the Agency and the District producing AWT Water.

In the first year following the Performance Start Date, the Company Water Rate shall not exceed \$1,720 per acre foot (the “Soft Cap”). Prior to the Performance Start Date, if the first-year Company Water Rate as calculated is expected to exceed the Soft Cap, the Company shall apply to the CPUC through a Tier 2 advice letter for approval of such rate before the Company shall be required under this Agreement to pay an amount greater than the Soft Cap as the Company Water Rate. Unless and until the CPUC approves a Company Water Rate in an amount greater than the Soft Cap, the Company shall only be required to pay an amount equal to the Soft Cap as the Company Water Rate. In no circumstance shall the District’s or the Agency’s obligations under this Agreement to deliver Company Water to the Company be affected by the pendency of the Company’s application to the CPUC for approval of a rate greater than the Soft Cap or a decision by the CPUC to deny any such application.

As Project Operation and Maintenance Expenses are projected or budgeted for an upcoming Fiscal Year, the Parties agree there will be a “true-up” or reconciliation at the end of every Fiscal Year following the Performance Start Date to ensure the principles set forth in this section are met. Such “true-up” shall mean: if actual Project Operation and Maintenance Expenses are more or less than budgeted Project Operation and Maintenance Expenses used to calculate the Company Water Rate paid during the Fiscal Year, a corresponding adjustment (up or down) will be provided against the subsequent Fiscal Year budget and computed Company Water Rate for that Fiscal Year.

The Parties agree that, given the status of the Agency and the District as governmental agencies and the requirements under law that they incur only reasonable and prudent costs and expenses for purposes related to their governmental duties and the fact that such costs and expenses are subject to public review and scrutiny, all Fixed Project Costs and Project Operation and Maintenance Expenses incurred by the Agency and/or the District in compliance with the terms of this Agreement shall reflect only the actual cost of service consistent with California public agency laws and regulations and shall be subject to CPUC review consistent with that used for existing water purchase agreements by CPUC-regulated Class A investor-owned water utilities.

The District covenants and agrees to pay to the Agency the revenues received from the Company from the Company Water Payments provided, however, it will reduce the payment amount by any portion of the Fixed Project Costs and Project Operation and Maintenance Expenses directly paid or incurred by the District.

17. Time and Method of Payments.

The District shall send the Company a detailed monthly statement of charges due for all Company Water delivered to the Delivery Point during the preceding month as measured by the Agency meters, which shall be read on a monthly basis, and all Operating Reserve Water and Drought Reserve Water used to satisfy the Water Availability Guarantee, The Company shall not be billed for Excess Water that goes into the Reserve Account.

The Company shall pay to the District all undisputed portions of statements, within forty-five (45) days after receipt. Statements shall be mailed to the Company at the following address:

California American Water Company
Director of Operations
511 Forest Lodge Rd # 100
Pacific Grove, CA 93950

The Agency shall send the District a monthly statement of charges due for all AWT Water actually delivered to the District during the preceding month as measured by the meters, which shall be read on a monthly basis. The District shall pay all statements within forty-five (45) days after receipt. Statements shall be mailed to the District at the following address:

Monterey Peninsula Water Management District
Administrative Services Division Manager
5 Harris Court, Building G
Monterey, CA 93940

If payment of any amount due hereunder is not made when due, excluding disputed amounts, simple interest will be payable on such undisputed amount at the legal rate of interest charged on California judgments, as provided in California Code of Civil Procedure Section 685.010, and shall be calculated on the basis of a 365-day year from the date such payment is due under this Agreement until paid.

The Company is obligated to pay to the District the undisputed amounts becoming due under this Agreement, notwithstanding any individual default by its water users or others in the payment to the Company of assessments or other charges levied by the Company.

GENERAL PROVISIONS**18. CPUC Rate Recovery Process.**

All costs that the Company pays to the District pursuant to this Agreement shall be considered purchased water costs that are a pass-through to customers to be recovered via the Modified Cost Balancing Account (“MCBA”) mechanism.

At least six (6) months prior to the Performance Start Date, at least one time between May 1 and June 1 of every year thereafter, and at any time throughout the term of this Agreement the District deems necessary, the District shall provide the Company with written notice of the Company Water Rate, supported by detailed information relating to the Fixed Project Costs and the estimated Operation and Maintenance Expenses to be incurred in the upcoming Fiscal Year that were used to determine the Company Water Rate. Within sixty (60) days following receipt of the written notice containing the Company Water Rate, the Company shall file a Tier 1 advice letter for rate recovery with the CPUC to update its rates and tariffs, and in doing so establish a surcharge rate to reflect the Company Water Rate.

All changes to the Company Water Rate resulting from annual increases or decreases to the Fixed Project Costs or Project Operation and Maintenance Expenses, as reflected in the Company Water Rate, shall be requested for rate recovery through a Tier 1 advice letter in accordance with Section 3.2 of Water Industry Rules in General Order 96-B, as amended from time to time, for processing expense offset rate changes. The rate change will be applied to the surcharge to ensure that the Company’s customer rates remain aligned with the Company Water Rate under the Agreement.

The Company shall have no obligation to make Company Water Payments unless and until the CPUC approves payment and recovery of those payments in rates through the process set forth in General Order 96-B, including a Tier 1 advice letter, which is effective upon filing pending CPUC approval, or another process resulting in CPUC approval of such costs, which shall be diligently pursued by the Company. Failure of the Company to pay amounts in excess of the amount approved by the CPUC shall not constitute a breach, and the District and Agency shall not be relieved of any obligations hereunder as a result thereof.

Access to the books and records of the Agency and the District will be made available to the Company for purposes of reviewing the accuracy and reasonableness of all costs relating to the Project and determination of the Company Water Rate.

19. Additional Project Participants.

After giving sixty (60) days’ prior written notice to the Company, the District and Agency may enter into water purchase agreements for AWT Water with Additional Project Participants subsequent to the Effective Date of this Agreement to the extent the District determines sufficient capacity exists (after accounting for the need to maintain the Operating Reserve Minimum and the Drought Reserve Minimum), to the extent there is no additional cost to the Company as a result of any such agreement, and to the extent any such agreement does not

adversely affect the Agency's or the District's ability to meet their performance obligations under this Agreement.

In order to not diminish the source waters available to produce AWT Water under this Agreement, the Company shall have the right, prior to the District or the Agency entering into any water purchase agreement for AWT Water and in the Company's sole discretion, to approve or not approve in writing any Additional Project Participants deriving water from the water sources identified for the Project, specifically source waters identified in Sections 1.04 and 2.02 of the Amended and Restated Water Recycling Agreement between the Agency and Monterey County Water Resources Agency, dated November 3, 2015.

The Company shall not have the right to approve Additional Project Participants deriving water from prior existing rights to wastewater flows to the Regional Treatment Plant pursuant to Section 4.01 of the Agency's agreement with Monterey County Water Resources Agency or from future additional sources, as yet unidentified, such as wastewater systems annexed to the Agency's service area.

Any Additional Project Participant will pay for all additional capital costs necessitated by existence of the new water purchase agreement, its proportionate share of both the unamortized capital costs of the Project, and its proportionate share of future operation and maintenance expenses of the Project. The District and Agency will provide supporting documentation to the Company to ensure the Company Water Payments do not include any costs properly allocable to an Additional Project Participant.

20. Breach, Event of Default and Termination.

- (a) Remedies for Breach – The Parties agree that, except as otherwise provided in this section with respect to termination rights, if any Party breaches this Agreement, any other Party may exercise any legal rights it may have under this Agreement and under Applicable Law to recover damages or to secure specific performance. No Party shall have the right to terminate this Agreement for cause except upon the occurrence of an Event of Default. If a Party exercises its rights to recover damages upon a breach of this Agreement or upon a termination due to an Event of Default, such Party shall use all reasonable efforts to mitigate damages. If a Force Majeure Event occurs, the Affected Party shall be entitled to relief from determination of a breach pursuant to Section 23 of this Agreement.
- (b) If the District fails to exercise, and diligently pursue, any legal rights it may have against the Agency pursuant to subsection (a) of this section 20 within forty-five (45) days after the Company's written request that the District do so, the District shall be deemed to have assigned to the Company all such legal rights. The Agency shall not object to any such

assignment, but shall not waive any defense it may otherwise assert to any claim brought by the Company.

(c) Event of Default – The following shall each constitute an “Event of Default” under this Agreement:

- (1) The Delivery Start Date does not occur on or before July 1, 2019;
- (2) The Performance Start Date does not occur on or before January 1, 2020;
- (3) The failure of the Agency or the District to deliver Company Water to the Delivery Point in quantities at least equal to the Company Allotment in each of three consecutive Fiscal Years;
- (4) The failure of the Agency or the District to meet the Water Delivery Guarantee in each of two consecutive Fiscal Years;
- (5) The failure of the Agency or the District to deliver Company Water to the Delivery Point in quantities at least equal to 1,800 acre-feet in any Fiscal Year;
- (6) The failure of the Agency or the District to meet the Water Availability Guarantee in any Fiscal Year;
- (7) The failure of any Party to perform any material term, covenant, or condition of this Agreement, and the failure continues for more than thirty (30) days following the defaulting Party’s receipt of written notice of such default from a non-defaulting Party; provided, however, that if and to the extent such default cannot reasonably be cured with such thirty (30) day period, and if the defaulting Party has diligently attempted to cure the same within such thirty (30) period and thereafter continues to diligently attempt to cure the same, then the cure period provided for herein shall be extended from thirty (30) days to one-hundred twenty (120) days;
- (8) The failure of the Agency or the District to meet the Water Treatment Guarantee on a repeated basis; and
- (9) The Company no longer has a statutory duty to serve water in the Service Area.

(d) Termination for Event of Default – If an Event of Default occurs, any non-defaulting Party may terminate this Agreement immediately upon written notice to the other Parties. A

non-defaulting Party may enforce any and all rights and remedies it may have against a defaulting Party under Applicable Law.

21. Dispute Resolution.

Representatives from each Party shall meet and use reasonable efforts to settle any dispute, claim, question or disagreement (a “Dispute”) arising from or relating to this Agreement. To that end, the Parties’ representatives shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to the Parties. If the Parties do not reach such a solution within a period of thirty (30) days after the first notice of the Dispute is received by the non-disputing Parties, then the Parties shall pursue non-binding mediation to be completed within one-hundred twenty (120) days after the notice of the Dispute is received by the non-disputing Parties. If the Parties do not settle the Dispute within the one-hundred twenty (120) day period, any Party may pursue any and all available legal and equitable remedies.

22. Indemnification.

Each Party (an “Indemnifying Party”) shall fully indemnify the other Parties and their respective officers, directors, employees, consultants, contractors, representatives and agents (the “Indemnified Persons”) against, and hold completely free and harmless from, all liability and damages including any cost, expense, fine, penalty, claim, demand, judgment, loss, injury and/or other liability of any kind or nature, including personal or bodily injury, death or property damage, that are incurred by or assessed against the Indemnified Persons and directly or indirectly caused by, resulting from, or attributable to the fault, failure, breach, error, omission, negligent or wrongful act of the Indemnifying Party, or its officers, directors, employees, consultants, contractors, representatives and agents, in the performance or purported performance of the Indemnifying Party’s obligations under this Agreement, but only to the extent of and in proportion to the degree of fault, failure, breach, error, omission, negligent or wrongful act of the Indemnifying Party, or its officers, directors, employees, consultants, contractors, representatives and agents.

23. Force Majeure Event Relief.

- (a) If a Force Majeure Event occurs, the Affected Party shall be entitled to (1) relief from its performance obligations under this Agreement to the extent the occurrence of the Force Majeure Event prevents or adversely affects Affected Party’s performance of such obligations, and (2) an extension of schedule to perform its obligations under this Agreement to the extent the occurrence of the Force Majeure Event prevents or adversely affects Affected Party’s ability to perform such obligations in the time specified in this Agreement. The occurrence of a Force Majeure Event shall not, however, excuse or delay

the other Parties' obligation to pay monies previously accrued and owing to Affected Party under this Agreement, or for Affected Party to perform any obligation under this Agreement not affected by the occurrence of the Force Majeure Event.

- (b) Upon the occurrence of a Force Majeure Event, Affected Party shall notify the other Parties in accordance with the notice provisions set forth herein promptly after Affected Party first knew of the occurrence thereof, followed within fifteen (15) days by a written description of the Force Majeure Event, the cause thereof (to the extent known), the date the Force Majeure Event began, its expected duration and an estimate of the specific relief requested or to be requested by the Affected Party. Affected Party shall use commercially reasonable efforts to reduce costs resulting from the occurrence of the Force Majeure Event, fulfill its performance obligations under the Agreement and otherwise mitigate the adverse effects of the Force Majeure Event. While the Force Majeure Event continues, the Affected Party shall give the other Parties a monthly update of the information previously submitted. The Affected Party shall also provide prompt written notice to the other Parties of the cessation of the Force Majeure Event.

24. Amendments.

No change, alteration, revision or modification of the terms and conditions of this Agreement shall be made, and no verbal understanding of the Parties, their officers, agents or employees shall be valid, except through a written amendment to this Agreement duly authorized and executed by the Parties.

25. Remedies Not Exclusive.

The use by any Party of any remedy for the enforcement of this Agreement is not exclusive and shall not deprive the Party using such remedy of, or limit the application of, any other remedy provided by law.

26. Mitigation of Damages.

In all situations arising out of this Agreement, the Parties shall attempt to avoid and minimize the damages resulting from the conduct of another Party.

27. Failure of CPUC Approval.

If this Agreement is not approved by the CPUC in a manner acceptable to the Parties, any Party may, within sixty (60) days after the effective date of the decision or order of the CPUC relating to the approval of this Agreement, give written notice to the other Parties that the Agreement will terminate ten (10) days after receipt of such notice. Those acts and obligations

that are to be performed on or after the Execution Date shall be discharged and no Party shall thereafter be obligated to continue to perform this Agreement or any provision hereof. Whether this Agreement is approved by the CPUC in a manner acceptable to the Parties or not, those acts and obligations performed prior to the date of termination shall be final and no party shall have any claim to be restored to its pre-Execution Date status with regard to any of those acts or obligations.

28. Insurance.

The Agency and District will each obtain the applicable Required Insurance, as set forth in Exhibit D. If insurance proceeds fail to satisfy the obligations of the Agency or the District under this Agreement, the District and the Agency will utilize their own resources, including Prop 218 revenue raising capacity, to the extent allowable by law, to satisfy their obligations.

29. No Waiver.

Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by another Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of any default or breach shall affect or alter this Agreement, and each and every covenant, term, and condition hereof shall continue in full force and effect to any existing or subsequent default or breach.

30. Successors in Interest, Transferees, and Assignees.

- (a) This Agreement and all the rights and obligations created by this Agreement shall be in full force and effect whether or not any of the Parties to this Agreement have been succeeded by another entity, or had their interests transferred or assigned to another entity, and all rights and obligations created by this Agreement shall be vested and binding on any Party's successor in interest, transferee, or assignee. If the Company, the Agency or the District is succeeded by another entity, it shall assign this Agreement to its successor. If the District ceases to exist, the Agency and the Company shall continue their obligations hereunder in a manner that will substantively comply with the intent of this Agreement. Except as provided in subsection (b) of this Section 30, no succession, assignment or transfer of this Agreement, or any part hereof or interest herein, by a Party shall be valid without the prior written consent of the other Parties, such consent not to be unreasonably withheld.
- (b) In the event of the creation of a local governmental agency duly established for the sole purpose of succeeding to, assuming, and performing all obligations and rights of Agency or District created by this Agreement, Agency or District may assign this Agreement and

all those obligations and rights to such local governmental agency without consent, written or otherwise, of any other Party.

31. Covenants and Conditions.

All provisions of this Agreement expressed either as covenants or conditions on the part of the District, Agency, or the Company shall be deemed to be both covenants and conditions.

32. Governing Law.

This Agreement and the rights and obligations of the Parties shall be governed, controlled and interpreted in accordance with the laws of the State of California.

33. Headings.

All headings are for convenience only and shall not affect the interpretation of this Agreement.

34. Construction of Agreement Language.

The provisions of this Agreement shall be construed as a whole according to its common meaning and purpose of providing a public benefit and not strictly for or against any Party. The Agreement shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the Parties. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

35. Drafting Ambiguities.

This Agreement is the product of negotiation and preparation between the Parties. The Parties and their counsel have had the opportunity to review and revise this Agreement. The Parties waive the provisions of Section 1654 of the Civil Code of California and any other rule of construction to the effect that ambiguities are to be resolved against the drafting Party, and the Parties warrant and agree that the language of this Agreement shall neither be construed against nor in favor of any Party unless otherwise specifically indicated.

36. Partial Invalidity; Severability.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

37. No Third Party Beneficiaries.

Nothing in this Agreement is intended to create any third Party beneficiaries to the Agreement, and no person or entity other than the Parties and the permitted successors, transferees and assignees of either of them shall be authorized to enforce the provisions of this Agreement.

38. Relationship of the Parties.

The relationship of the Parties to this Agreement shall be that of independent contractors. Each Party shall be solely responsible for any workers compensation, withholding taxes, unemployment insurance, and any other employer obligations associated with the described work or obligations assigned to them under this Agreement.

39. Signing Authority.

The representative of each Party signing this Agreement hereby declares that authority has been obtained to sign on behalf of the Party such person is representing.

40. Further Acts and Assurances.

The Parties agree to execute, acknowledge and deliver any and all additional papers, documents and other assurances, and shall perform any and all acts and things reasonably necessary in connection with the performance of the obligations hereunder and to carry out the intent of the Parties.

41. Opinions and Determinations.

Where the terms of this Agreement provide for action to be based upon opinion, judgment, approval, review or determination of any Party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review or determination to be arbitrary, capricious or unreasonable.

42. Interpretation of Conflicting Provisions.

If there is any conflict, discrepancy or inconsistency between the provisions of this Agreement and the provisions of any exhibit or attachment to this Agreement, the provisions of this Agreement shall prevail and control.

43. Integration.

This Agreement, including the exhibits, represent the entire Agreement between the Parties with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the Parties as of the Effective Date.

44. Counterparts.

All signatures need not appear on the same counterpart of this Agreement and all counterparts of this Agreement shall constitute one and the same instrument.

45. Notices.

All notices to a Party required or permitted under this Agreement shall be in writing and shall be deemed delivered (i) when delivered in person; (ii) on the third day after mailing, if mailed, postage prepaid, by registered or certified mail (return receipt requested); or (iii) on the day after mailing if sent by a nationally recognized overnight delivery service which maintains records of the time, place, and recipient of delivery. Notices to the Parties shall be sent to the following addresses or to other such addresses as may be furnished in writing by one Party to the other Parties:

Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940
Attention: General Manager

Monterey Regional Water Pollution Control Agency
5 Harris Court, Building D
Monterey, CA 93940
Attention: General Manager

California American Water
Attn: President
1033 B Avenue, Suite 200
Coronado, CA 92118

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

**MONTEREY REGIONAL WATER POLLUTION
CONTROL AGENCY,**

By: _____

Board Chair, Agency Board of Directors

**MONTEREY PENINSULA WATER MANAGEMENT
DISTRICT,**

By: _____

Chair, District Board of Directors

CALIFORNIA-AMERICAN WATER COMPANY,

By: _____

President

EXHIBIT A

Service Area



EXHIBIT B**Description of Project**

Source Water Facilities – facilities to enable diversion of new source waters to the existing municipal wastewater collection system and conveyance of those waters as municipal wastewater to the Regional Treatment Plant to increase availability of wastewater for recycling. Modifications would also be made to the existing Salinas Industrial Wastewater Treatment Facility to allow the use of the existing treatment ponds for storage of excess winter source water flows and later delivery to the Regional Treatment Plant for recycling.

AWT Facilities – use of existing primary and secondary treatment facilities at the Regional Treatment Plant, as well as new pre-treatment, advanced water treatment (AWT), product water stabilization, product water pump station, and concentrate disposal facilities.

Product Water Facilities – new pipelines, pipeline capacity rights, booster pump station(s), appurtenant facilities along one of two optional pipeline alignments to move the product water from the Regional Treatment Plant to the Seaside Groundwater Basin injection well facilities.

Injection Facilities – new deep and vadose zone wells to inject Proposed Project product water into the Seaside Groundwater Basin, along with associated back-flush facilities, pipelines, electricity/ power distribution facilities, and electrical/motor control buildings.

EXHIBIT C

Delivery Point

AWT Water will be injected into the Seaside Groundwater Basin using new injection wells. The proposed new Injection Well Facilities will be located east of General Jim Moore Boulevard, south of Eucalyptus Road in the City of Seaside, including up to eight injection wells (four deep injection wells, four vadose zone wells, in pairs identified as #5, #6, #7, and #8 in the figure below), six monitoring wells, and back-flush facilities.

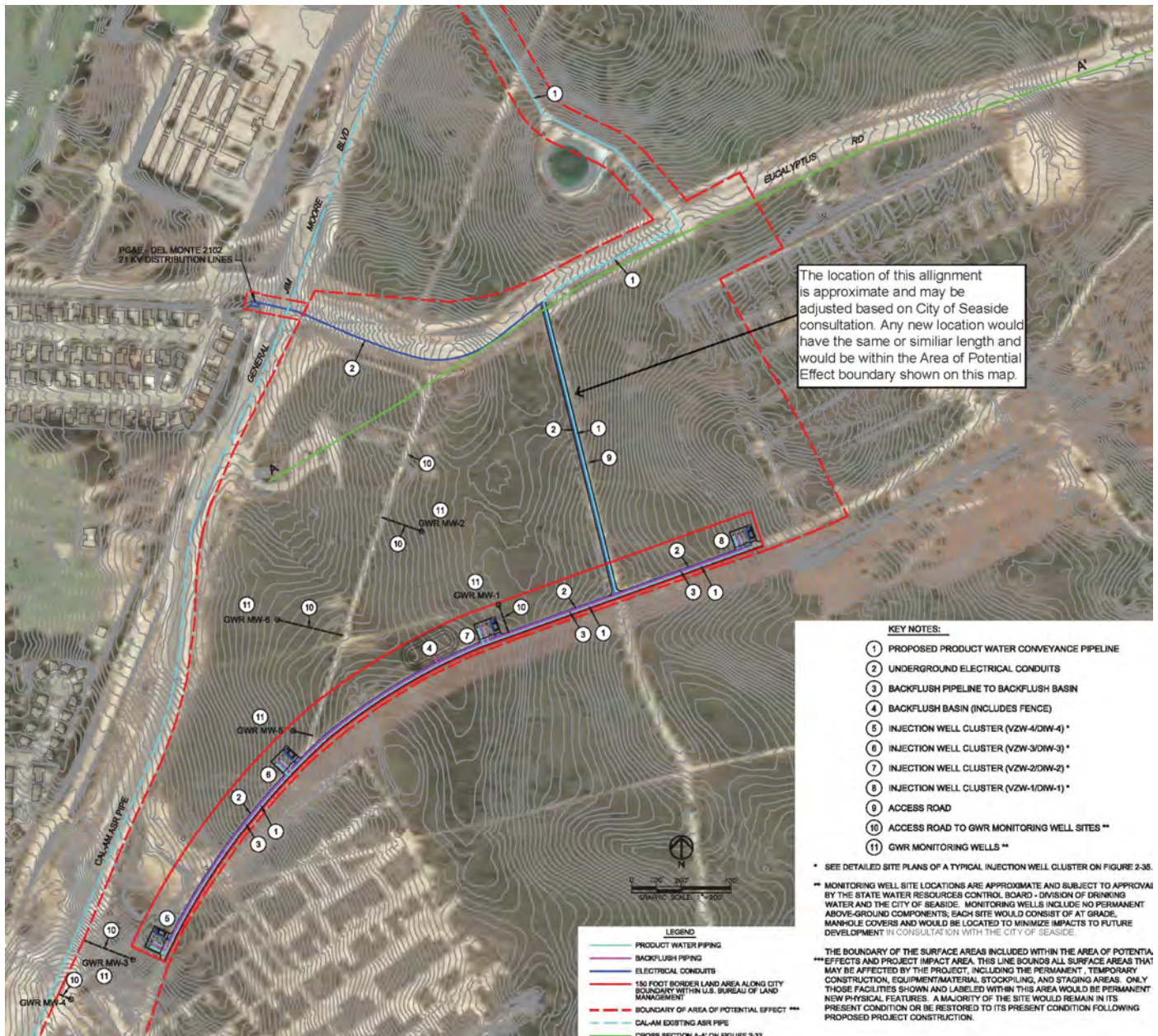


EXHIBIT D**Required Insurance**

As provided in Section 28 of this Agreement, Agency and District shall, to the extent it continues to be available and applicable to the insured risk, obtain and keep in force during the term of this Agreement the following minimum insurance limits and coverage (or greater where required by Applicable Law). Such coverage will be in place not later than the inception of the covered activity, or such time as the Agency's and the District's insurable interest exists.

The cost of Project insurance obtained pursuant to this Exhibit is a Project Operation and Maintenance Expense as defined in Section 2 of this Agreement.

Upon request, Agency and District will provide Company with a certificate of insurance or memorandum of coverage as to any Project insurance and/or complete copies of policies.

Company shall be provided at least 30 days' written notification of cancellation, material reduction in coverage or reduction in limits.

Project insurance may be issued by a public agency Joint Powers Authority Program or insurance companies authorized to do business in California with a current A. M. Best rating of A or better.

All commercial general liability insurance, including completed operations-products liability, automobile liability, and pollution liability insurance obtained pursuant to this Agreement shall designate Company, its parent and affiliates, their respective directors, officers, employees and agents, as additional covered parties. All such insurance should be primary and non-contributory, and is required to respond and pay prior to any other insurance or self-insurance available to Company. In addition to the liability limits available, such insurance will pay on behalf or will indemnify Company for defense costs. Any other coverage available to Company applies on a contingent and excess basis. All such insurance shall include appropriate clauses pursuant to which the insurance companies shall waive their rights of subrogation against Company, its parent and affiliates, their respective directors, officers, employees and agents.

Agency shall require that the contractors and subcontractors of all tiers as appropriate provide insurance during the pre-construction and construction (as covered activities begin) of the AWT Facilities as described in "Pure Water Monterey – Insurance Requirements for Construction and Design Professional Contracts," attached to this Exhibit D as Attachment 1. Approval of any deviation or exception from these insurance requirements resides solely with the Agency.

Coverages:

i. The Agency will provide coverage as follows:

(a) General liability insurance, including coverage for auto, errors and omissions and employment practices, and for the Water Delivery Guarantee, Water Availability Guarantee, and Water Treatment Guarantee at Sections 12, 13, and 14, respectively, of this Agreement. Total general and excess liability coverage limits shall be no less than \$15,000,000 per occurrence.

(b) “All Risk” Property Insurance (including coverage for Builders’ Risk, with additional coverage for loss or damage by water, earthquake, flood, collapse, and subsidence) with a total insured value equal to replacement cost of the AWT Facilities during the term of this Agreement

(c) Cyber Liability Insurance with \$2,000,000 coverage limits for first and third party limits.

(d) (1) Public Entity Pollution Liability (claims made and reported) with coverage limits in the amounts of \$25,000,000 policy aggregate and \$2,000,000 per pollution condition with a \$75,000 per pollution condition retention; (2) Pollution & Remediation Legal Liability with coverage limits in the amounts of \$1,000,000 each pollution condition and \$5,000,000 aggregate liability limits including a self-insured retention not to exceed \$25,000 each pollution condition; and (3) TankAdvantage Pollution Liability with coverage limits in the amounts of \$1,000,000 each claim and \$2,000,000 aggregate.

(e) Workers’ Compensation/Employers’ Liability. Workers' Compensation and Employer's Liability insurance and excess insurance policy(s) shall be written on a policy form providing workers’ compensation statutory benefits as required by California law. Employers’ liability limits shall be no less than one million dollars (\$1,000,000) per accident or disease.

ii. The District will provide coverage as follows:

(a) General Liability Coverage: \$10,000,000 per Occurrence
Personal injury and Property Damage Coverage

(b) Automobile Liability Coverage: \$10,000,000 per Occurrence
Personal Injury and Property Damage Coverage

(c) Workers’ Compensation Coverage
A. Statutory Workers Compensation Coverage;
B. Employers’ Liability Coverage: \$5,000,000 each Occurrence

(d) Public Officials’ and Employees Errors and Omissions: \$10,000,000 per Occurrence

(e) Property Coverage: \$1,000,000,000 (pooled limit)

Includes Fire, Theft and Flood Coverage with property replacement values

(f) Public Entity Pollution Liability with coverage limits in the amounts of \$10,000,000 per occurrence with a not-to-exceed \$75,000 per-pollution-condition retention; and (2) Pollution & Remediation Legal Liability with coverage limits in the amounts of \$10,000,000 per occurrence including a self-insured retention not to exceed \$25,000 each pollution condition.

Attachment 1

**Pure Water Monterey
Proposed Insurance Requirements for Construction
and Design Professional Contracts**

Contractors and design professionals (as that term is used in California Civil Code §2782.8) shall procure and maintain for the duration of the contract, and for twelve (12) years thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the contractor or design professional, his/her agents, representatives, employees, or subcontractors.¹

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

- 1. Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$5,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- 2. Automobile Liability:** Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits no less than \$5,000,000 per accident for bodily injury and property damage.
- 3. Workers’ Compensation** insurance as required by the State of California, with Statutory Limits, and Employers’ Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
- 4. Builder’s Risk (Course of Construction)** insurance utilizing an “All Risk” (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.
- 5. Surety Bonds** as described below.

¹ The coverages herein are understood to be representative only and the Agency and District retain the right to modify the insurance and indemnity requirements based upon the scope of services for any engagement.

6. **Professional Liability** (for all design professionals and contractors for design/build projects), with limits no less than \$2,000,000 per occurrence or claim, and \$4,000,000 policy aggregate.
7. **Contractors' Pollution Legal Liability and Errors and Omissions** (if project involves environmental hazards) with limits no less than \$2,000,000 per occurrence or claim, and \$4,000,000 policy aggregate.

If the contractor or design professional maintains higher limits than the minimums shown above, the Entity² requires and shall be entitled to coverage for the higher limits maintained by the contractor or design professional. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Entity.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the Entity. At the option of the Entity, either: the contractor shall cause the insurer to reduce or eliminate such deductibles or self-insured retentions as respects the Entity, its officers, officials, employees, and volunteers; or the contractor or design professional shall provide a financial guarantee satisfactory to the Entity guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

The insurance policies are to contain, or be endorsed to contain, the following provisions³:

1. The Entity, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 10 93, CG 00 01 11 85 or both CG 20 10 10 01 and CG 20 37 10 01 forms if later revisions used).
2. For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the Entity, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Entity, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

² The term "Entity" as used herein means the Agency or the District.

³ The term "Contractor" as used herein also means Design Professional in context of an agreement for services by a design professional as that term is used in CA CC 2782.8.

3. Each insurance policy required by this clause shall provide at least thirty (30) days' written notification of cancellation, material reduction in coverage or reduction in available limits.

Builder's Risk (Course of Construction) Insurance

Contractor may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage shall name the Entity as a loss payee as their interest may appear.

If the project does not involve new or major reconstruction, at the option of the Entity, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the Entity's site.

Claims Made Policies

If any coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least twelve (12) years after completion of contract work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the Contractor must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the Entity for review.
5. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to do business in California with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the Entity.

Waiver of Subrogation

Contractor hereby agrees to waive rights of subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the Entity for all work performed by the Contractor, its employees, agents and subcontractors.

Verification of Coverage

Contractor shall furnish the Entity with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this contract. All certificates and endorsements are to be received and approved by the Entity before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Entity reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that Entity is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

Surety Bonds

Contractor shall provide the following Surety Bonds:

1. Bid bond
2. Performance bond
3. Payment bond
4. Maintenance bond

The Payment Bond and the Performance Bond shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. If the warranty period specified in the contract is for longer than one year a Maintenance Bond equal to 10% of the contract price is required. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

Special Risks or Circumstances

Entity reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

Hold Harmless - Contractor

To the fullest extent permitted by law, Contractor shall hold harmless, immediately defend, and indemnify Entity and its officers, officials, employees, and volunteers from and against all claims, damages, losses, and expenses including attorney fees arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except to the extent caused by the active negligence, sole negligence, or willful misconduct of the Entity.

Hold Harmless – Design Professional

To the fullest extent permitted by law, Design Professional shall hold harmless, immediately defend, and indemnify Entity and its officers, officials, employees, and volunteers from and against all claims, damages, losses, and expenses including attorney fees that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Design Professional, or its employees, agents or subcontractors, except to the extent caused by the active negligence, sole negligence, or willful misconduct of the Entity.

A.12-04-019 ALJ/GW2/ar9/lil

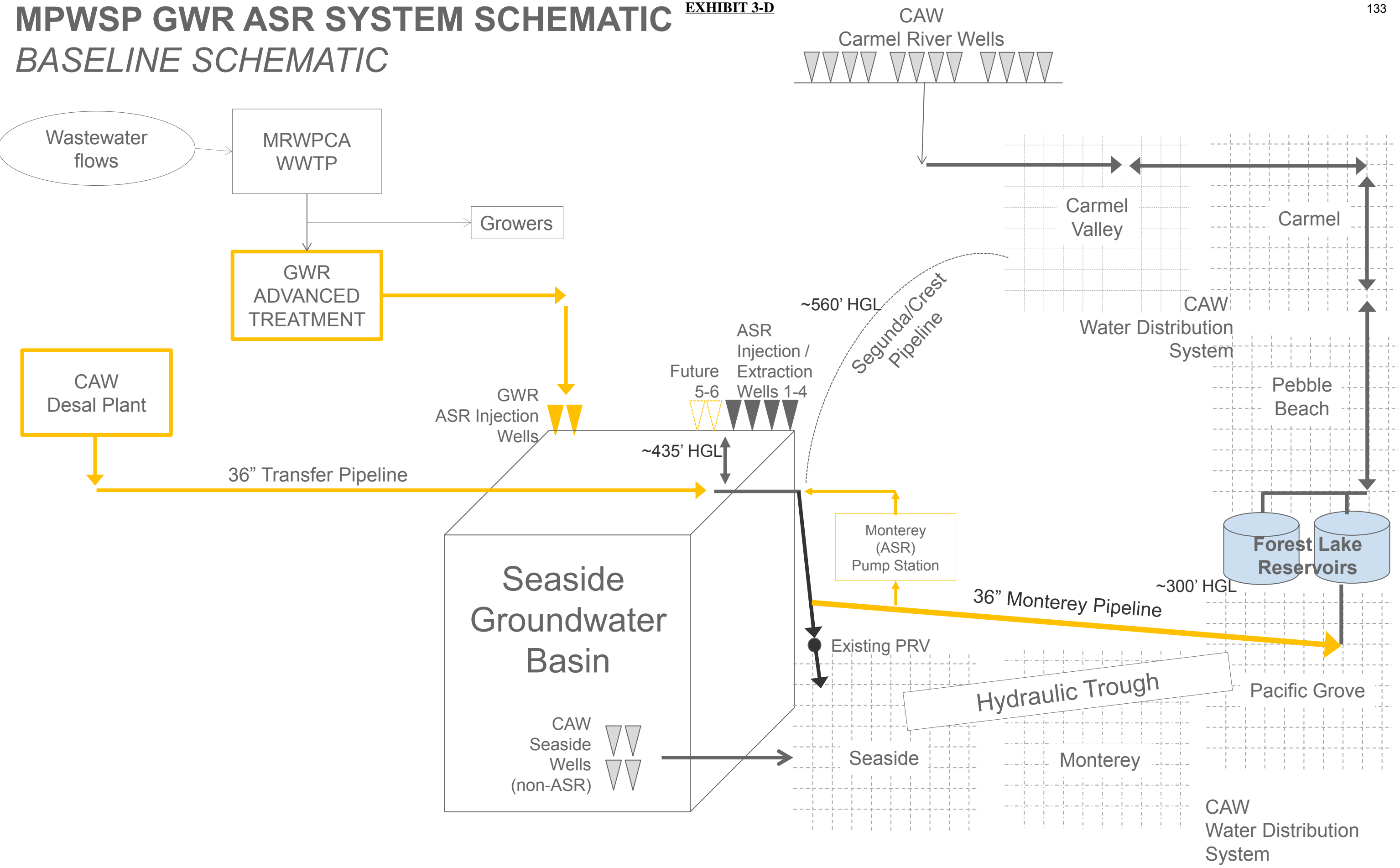
APPENDIX D

System Schematics

MPWSP GWR ASR SYSTEM SCHEMATIC

BASELINE SCHEMATIC

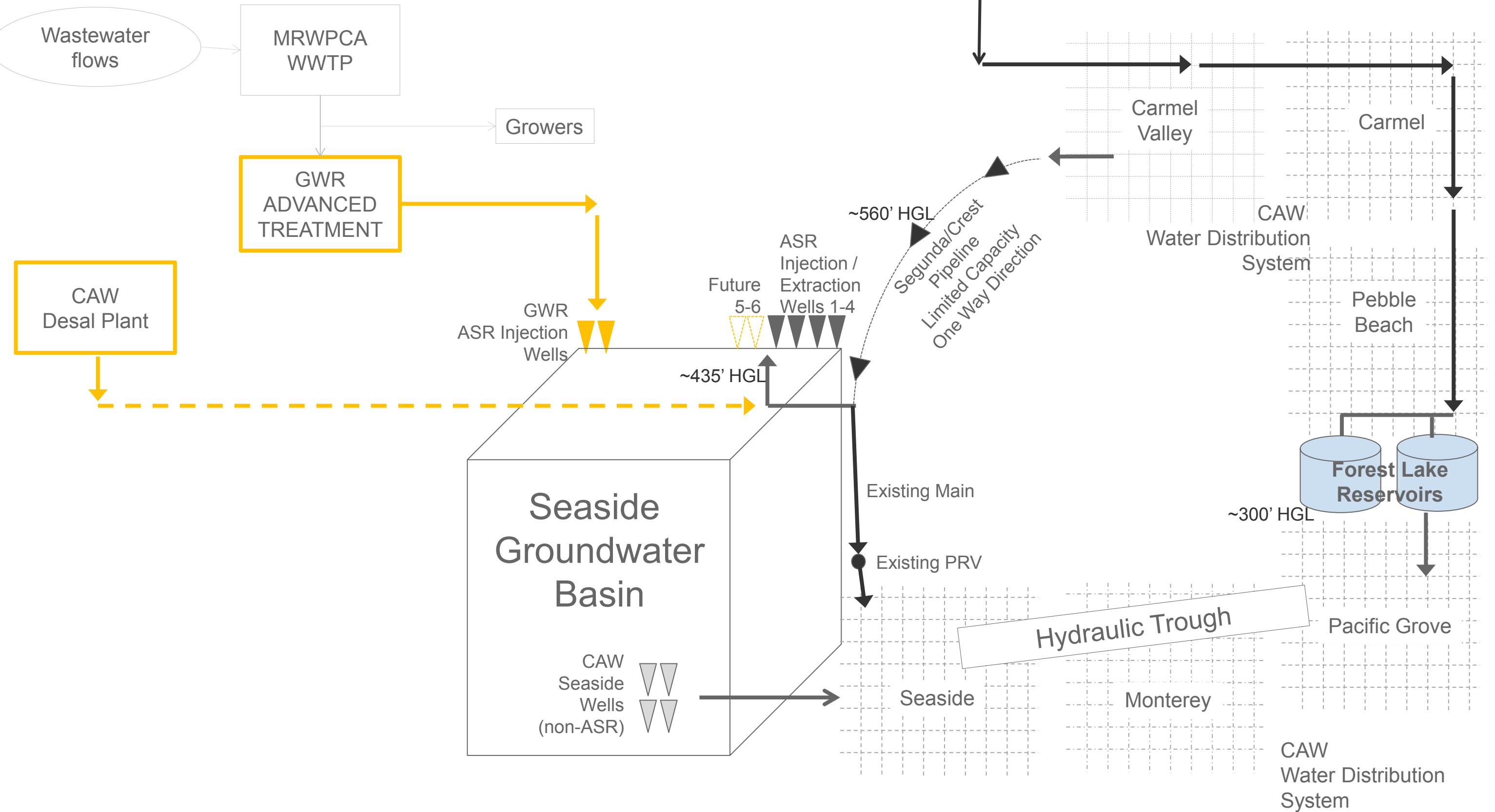
EXHIBIT 3-D



MPWSP GWR ASR SYSTEM SCHEMATIC

INJECTION W/O MP&PS

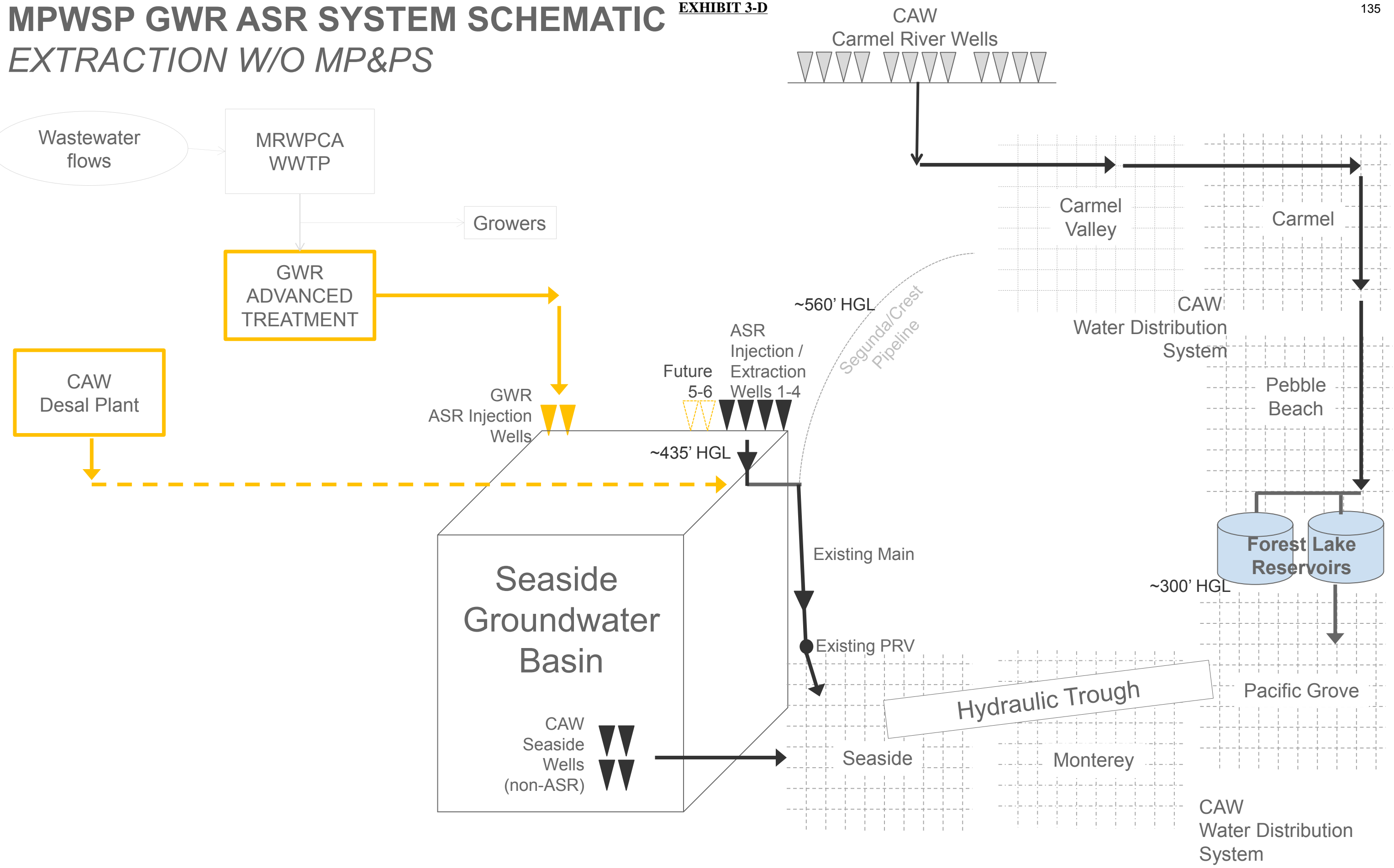
EXHIBIT 3-D



MPWSP GWR ASR SYSTEM SCHEMATIC

EXTRACTION W/O MP&PS

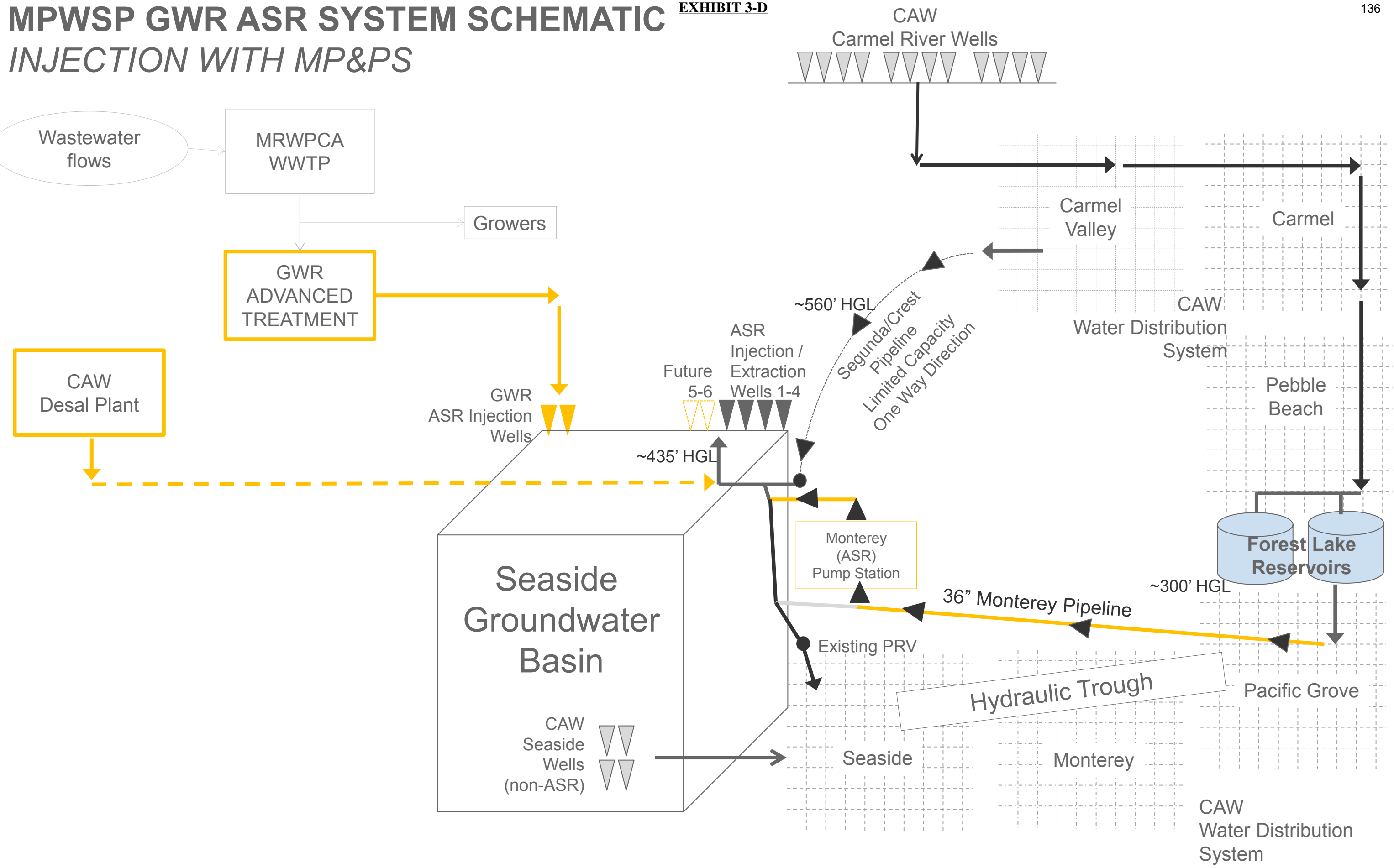
EXHIBIT 3-D



MPWSP GWR ASR SYSTEM SCHEMATIC

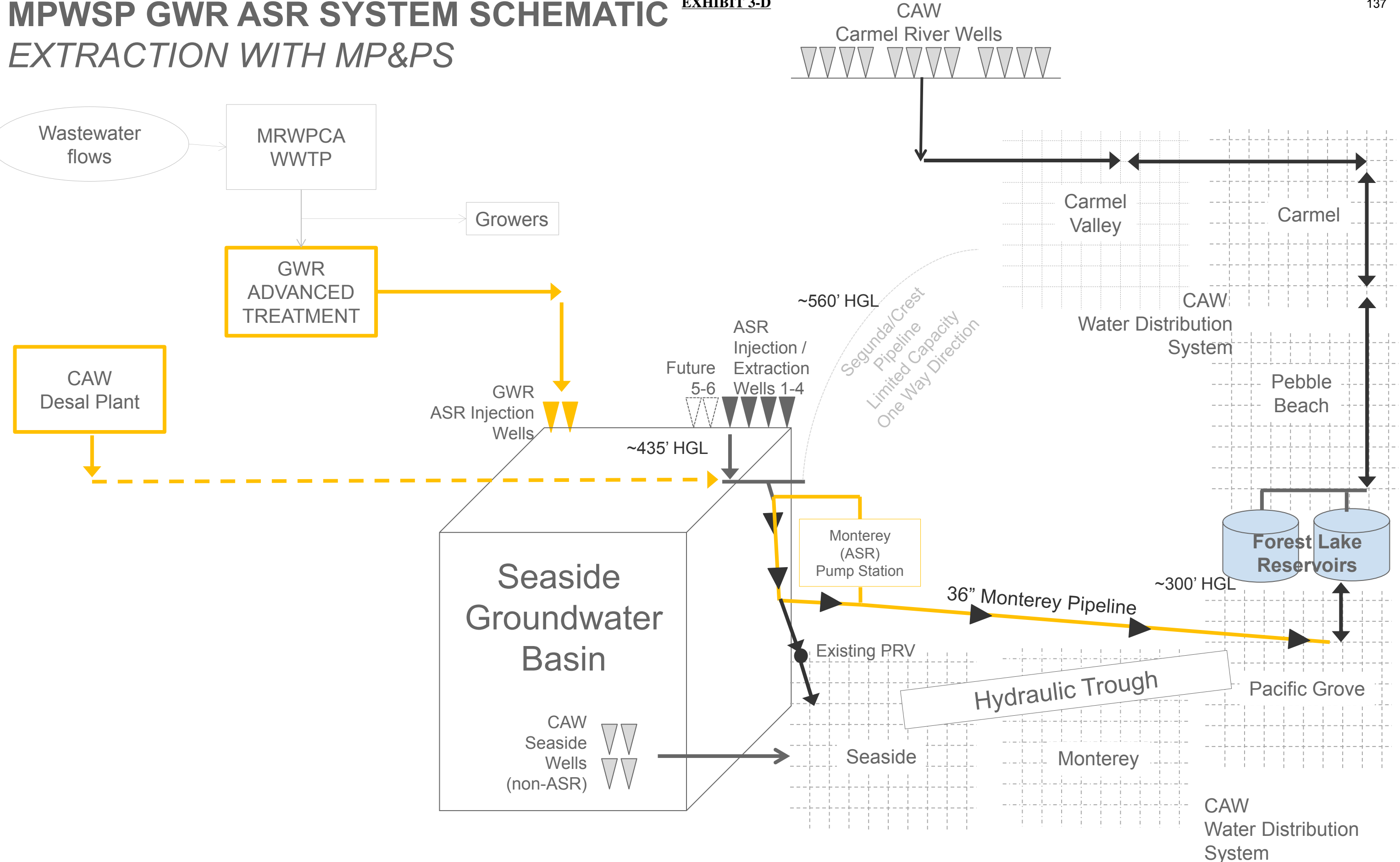
INJECTION WITH MP&PS

EXHIBIT 3-D



MPWSP GWR ASR SYSTEM SCHEMATIC

EXTRACTION WITH MP&PS



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APPENDIX E

Mitigation Monitoring and Reporting Program

**Mitigation Monitoring and Reporting Program
Hilby Avenue Pump Station (June 14, 2016)**

Section 21081.6 of the Public Resources Code requires all state and local agencies to establish monitoring or reporting programs whenever approval of a project relies upon an environmental impact report (EIR). The purpose of the monitoring and reporting program is to ensure implementation of the measures being imposed to mitigate or avoid the significant adverse environmental impacts identified in the Aquifer Storage and Recover EIR/EA and the Pure Water Monterey Groundwater Replenishment Project EIR as amended in the Hilby Avenue Pump Station Addendum.

The following table contains text edits to the Mitigation Measures shown in strikethrough for deleted text and underline for added text. These changes have been made to the mitigation measures to make them applicable to the Hilby Avenue Pump Station.

Mitigation Measure	Timing of Implementation	Responsible Party		Done (X)
		Implementation	Compliance/ Verification	
AIR QUALITY				
<p>Mitigation Measure AQ-1: Construction Fugitive Dust Control Plan. (PWM/GWR EIR) The following standard Dust Control Measures shall be implemented during construction to help prevent potential nuisances to nearby receptors due to fugitive dust and to reduce contributions to exceedances of the state ambient air quality standards for PM₁₀, in accordance with MBUAPCD's CEQA Guidelines.</p> <ul style="list-style-type: none"> a) Water all active construction areas as required with non-potable sources to the extent feasible; frequency should be based on the type of operation, soil, and wind exposure and minimized to prevent wasteful use of water. b) Prohibit grading activities during periods of high wind (over 15 mph). c) Cover all trucks hauling soil, sand, and other loose materials and require trucks to maintain at least 2 feet of freeboard. d) Sweep daily (with water sweepers) all paved access roads, parking areas, and staging areas at construction sites. e) Sweep streets daily (with water sweepers) if visible soil material is carried onto adjacent public streets; f) Enclose, cover, or water daily exposed stockpiles (dirt, sand, etc.); g) Replant vegetation in disturbed areas as quickly as possible. h) Wheel washers shall be installed and used by truck operators at the exits of the construction sites to the AWT Facility site, the Injection Well Facilities, and the Booster Pump Station. 	During Construction	CalAm and construction contractor	CalAm and MPWMD	<input type="checkbox"/>

Mitigation Monitoring and Reporting Program for the Hilby Avenue Pump Station and Monterey Pipeline

<p>i) Post a publicly visible sign that specifies the telephone number and person to contact regarding dust complaints. This person shall respond to complaints and take corrective action within 48 hours. The phone number of the MBUAPCD shall also be visible to ensure compliance with MBUAPCD rules.</p>				
<p>Mitigation Measure AQ-1: Use Newer, Cleaner-Burning Engines. (ASR EIR/EA) The project applicant will encourage all construction contractors that use equipment with diesel engines to use as much equipment as possible that meets EPA Tier II engine standards. The project applicant will also encourage construction contractors to install diesel particulate matter filters and lean-NOx or diesel oxidation catalysts in all equipment, especially equipment that doesn't meet Tier II engine standards.</p>	<p align="center">During Construction</p>	<p align="center">Construction contractor</p>	<p align="center">CalAm and MPWMD</p>	<p align="center"><input type="checkbox"/></p>
<p>BIOLOGICAL RESOURCES</p>				
<p>Mitigation Measure BT-1a: Implement Construction Best Management Practices. (PWM/GWR EIR) The following best management practices shall be implemented during all identified phases of construction (i.e., pre-, during, and post-) to reduce impacts to special-status plant and wildlife species:</p> <ol style="list-style-type: none"> 1) A qualified biologist must conduct an Employee Education Program for the construction crew prior to any construction activities. A qualified biologist must meet with the construction crew at the onset of construction at the site to educate the construction crew on the following: 1) the appropriate access route(s) in and out of the construction area and review project boundaries; 2) how a biological monitor will examine the area and agree upon a method which would ensure the safety of the monitor during such activities, 3) the special-status species that may be present; 4) the specific mitigation measures that will be incorporated into the construction effort; 5) the general provisions and protections afforded by the USFWS and CDFW; and 6) the proper procedures if a special-status species is encountered within the site. 2) Trees and vegetation not planned for removal or trimming shall be protected prior to and during construction to the maximum extent possible through the use of exclusionary fencing, such as hay bales for herbaceous and shrubby vegetation, and protective wood barriers for trees. Only certified weed-free straw shall be used, to avoid the introduction of non-native, invasive species. A biological monitor shall supervise the installation of protective fencing and monitor at least once per week until construction is complete to ensure that the protective fencing remains intact. 3) Protective fencing shall be placed prior to and during construction to keep construction equipment and personnel from impacting vegetation outside of work 	<p align="center">Prior to commencement of construction, During Construction</p>	<p align="center">Construction contractor</p>	<p align="center">CalAm and MPWMD</p>	<p align="center"><input type="checkbox"/></p>

<p>limits. A biological monitor shall supervise the installation of protective fencing and monitor at least once per week until construction is complete to ensure that the protective fencing remains intact.</p> <p>4) Following construction, disturbed areas shall be restored to pre-construction contours to the maximum extent possible and revegetated using locally-occurring native species and native erosion control seed mix, per the recommendations of a qualified biologist.</p> <p>5) Grading, excavating, and other activities that involve substantial soil disturbance shall be planned and carried out in consultation with a qualified hydrologist, engineer, or erosion control specialist, and shall utilize standard erosion control techniques to minimize erosion and sedimentation to native vegetation (pre-, during, and post-construction).</p> <p>6) No firearms shall be allowed on the construction sites at any time.</p> <p>7) All food-related and other trash shall be disposed of in closed containers and removed from the project area at least once a week during the construction period, or more often if trash is attracting avian or mammalian predators. Construction personnel shall not feed or otherwise attract wildlife to the area.</p> <p>8) To protect against spills and fluids leaking from equipment, the project proponents shall require that the construction contractor maintains an on-site spill plan and on-site spill containment measures that can be easily accessed.</p> <p>9) Refueling or maintaining vehicles and equipment should only occur within a specified staging area that is at least 100 feet from a waterbody (including riparian and wetland habitat) and that has sufficient management measures that will prevent fluids or other construction materials including water from being transported into waters of the state. Measures shall include confined concrete washout areas, straw wattles placed around stockpiled materials and plastic sheets to cover materials from becoming airborne or otherwise transported due to wind or rain into surface waters.</p> <p>10) The project proponents and/or their contractors shall coordinate with the City of Seaside on the location of <u>the Pump Station Injection Well Facilities</u> and the removal of sensitive biotic material.</p>				
CULTURAL RESOURCES				
<p>Mitigation Measure CR-1: Stop Work If Buried Cultural Deposits Are Encountered during Construction Activities. (ASR EIR/EA) If buried cultural resources such as chipped stone or groundstone, historic debris, building foundations, or human bone are inadvertently discovered during ground-</p>	<p>During Construction</p>	<p>Construction contractor</p>	<p>CalAm and MPWMD</p>	<p><input type="checkbox"/></p>

<p>disturbing activities, the construction contractor will stop work in that area and within a 100-foot radius of the find until a qualified archaeologist can assess the significance of the find and, if necessary, develop appropriate treatment measures. Treatment measures typically include avoidance strategies or mitigation of impacts through data recovery programs such as excavation or detailed documentation.</p>				
<p>Mitigation Measure CR-2: Stop Work If Human Remains Are Encountered during Construction Activities. (ASR EIR/EA)</p> <p>If human skeletal remains are encountered, the construction contractor will notify CalAm MPWMD and the county coroner immediately. CalAm MPWMD will ensure the construction specifications include this order.</p> <p>If the county coroner determines that the remains are Native American, the coroner will be required to contact the NAHC (pursuant to Section 7050.5 [c] of the California Health and Safety Code) and the County Coordinator of Indian Affairs. A qualified archaeologist will also be contacted immediately.</p> <p>If human remains are discovered in any location other than a dedicated cemetery, there will be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until:</p> <ul style="list-style-type: none"> • the coroner of the county has been informed and has determined that no investigation of the cause of death is required; and • if the remains are of Native American origin: <ul style="list-style-type: none"> ○ the descendants from the deceased Native Americans have made a recommendation to the landowner or the person responsible for the excavation work for means of treating or disposing of with appropriate dignity the human remains and any associated grave goods as provided in Public Resources Code Section 5097.98; or ○ the NAHC was unable to identify a descendent or the descendent failed to make a recommendation within 24 hours after being notified by the commission. <p>According to the California Health and Safety Code, six or more human burials at one location constitute a cemetery (Section 8100), and disturbance of Native American cemeteries is a felony (Section 7052). Section 7050.5 requires that construction or excavation be stopped in the vicinity of discovered human remains until the coroner can determine whether the remains are those of a Native American. If the remains are determined to be Native American, the coroner must contact the NAHC.</p>	<p>During Construction</p>	<p>Construction contractor</p>	<p>CalAm and MPWMD</p>	<p><input type="checkbox"/></p>
NOISE				
<p>Mitigation Measure NZ-1a: Prohibit Ancillary and Unnecessary Equipment During</p>	<p>During</p>	<p>Construction</p>	<p>CalAm and</p>	<p><input type="checkbox"/></p>

Mitigation Monitoring and Reporting Program for the Hilby Avenue Pump Station and Monterey Pipeline

<p>Nighttime Construction Well Drilling Activities. (ASR EIR/EA) The project applicant shall ensure that the construction contractor prohibit the use of all ancillary equipment (i.e., backhoe, truck, air compressor, and pump, etc.) during nighttime hours. Cleanup and other activities will occur only during daytime activities.</p>	<p align="center">Construction</p>	<p align="center">contractor</p>	<p align="center">MPWMD</p>	
<p>Mitigation Measure NZ-1b: Employ Noise-Reducing Construction Practices to Meet Nighttime Standards. (ASR EIR/EA) The construction contractor will employ noise-reducing construction practices such that nighttime standards are not exceeded. Measures that will be used to limit noise include, but are not limited to:</p> <ul style="list-style-type: none"> • using noise-reducing enclosures around noise-generating equipment; • constructing barriers between noise sources and noise-sensitive land uses or taking advantage of existing barrier features (terrain, structures) to block sound transmission; and • enclosing equipment. 	<p align="center">During Construction</p>	<p align="center">Construction contractor</p>	<p align="center">CalAm and MPWMD</p>	<p align="center"><input type="checkbox"/></p>
<p>Mitigation Measure NZ-1c: Prepare a Noise Control Plan. (ASR EIR/EA) The construction contractor will prepare a detailed noise control plan based on the construction methods proposed. This plan will identify specific measurement that will be taken to ensure compliance with the noise limits specified above. <u>The plan shall also identify anticipated construction schedule, notification procedures, and contact information for noise related complaints.</u> The noise control plan will be reviewed and approved by City of Seaside staff before any noise-generating construction activity begins.</p>	<p align="center">Prior to commencement of construction</p>	<p align="center">Construction contractor</p>	<p align="center">CalAm and MPWMD</p>	<p align="center"><input type="checkbox"/></p>

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EXHIBIT 3-D

Mitigation Monitoring and Reporting Program for the Hilby Avenue Pump Station and Monterey Pipeline

MITIGATION MONITORING AND REPORTING PROGRAM

for the Monterey Pipeline (previously the Alternative Monterey Pipeline in the Pure Water Monterey Groundwater Replenishment Project)

June 14, 2016

INTRODUCTION

Section 21081.6 of the California Public Resources Code and Section 15091(d) and Section 15097 of the California Environmental Quality Act (CEQA) Guidelines require public agencies “to adopt a reporting or monitoring program for changes to the project which it has adopted or made a condition of project approval in order to mitigate or avoid significant effects on the environment.” This Mitigation Monitoring and Reporting Program (MMRP) has been prepared for the Pure Water Monterey Groundwater Replenishment (GWR) Project’s Alternative Monterey Pipeline. This MMRP is based on the mitigation measures included in the Final Environmental Impact Report (EIR).

This MMRP is applicable to the “Alternative Monterey Pipeline” of the GWR Project that is referenced as the Monterey Pipeline in the MPWMD consideration of the CalAm Water Distribution System Permit Amendments being considered in June 2016. Therefore, this MMRP includes mitigation measures, monitoring and reporting requirements identified in the Final EIR for this project component, and it does not include all mitigation measures applicable to the ASR Project nor the GWR Project. The original MMRP for the ASR Project is Chapter 4 of the Final Phase 1 EIR/EA, as amended by the Phase 2 Addendum accepted in April 2012.¹ The original MMRP for the PWM/GWR Project can be found in Section 5 of Volume IV of the Consolidated Final EIR found at <http://purewatermonterey.org/reports-docs/cfeir/>. These MMRPs included mitigation measures applicable to operation of the ASR Wells 1 through 4, and construction and operation of the Monterey Pipeline (referred to as the Alternative Monterey Pipeline in the PWM/GWR MMRP).

For a complete list of acronyms used in this document, please refer to the acronym list in the EIRs for each project.

¹ See Draft and Final EIR/EA at <http://www.mpwmd.net/wp-content/uploads/2015/08/MPWMD-Draft-EIR-EA-3-06.pdf> and http://www.mpwmd.net/wp-content/uploads/2015/08/FEIR_8-21-06.pdf and Addendum No. 1 for the Phase 2 ASR facilities at: <http://www.mpwmd.net/asd/board/boardpacket/2012/20120416/16/item16.htm>.

EXHIBIT 3-D

Mitigation Monitoring and Reporting Program for the Hilby Avenue Pump Station and Monterey Pipeline

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Mitigation Monitoring and Reporting Program – Monterey Pipeline

Impacts	Mitigation Measures	Timing of Implementation	Implementation Responsibility ²	Timing of Monitoring	Responsibility for Compliance Monitoring ¹
Impact AE-2: Construction Impacts due to Temporary Light and Glare	Mitigation Measure AE-2: Minimize Construction Nighttime Lighting. As part of its contract specifications, MRWPCA shall require its construction contractors to implement site-specific nighttime construction lighting measures for nighttime construction at the proposed Injection Well Facilities site and for the CalAm Distribution System: Alternative Monterey Pipeline. The measures shall, at a minimum, require that lighting be shielded, directed downward onto work areas to minimize light spillover, and specify that construction lighting use the minimum wattage necessary to provide safety at the construction sites. MRWPCA shall ensure these measures are implemented at all times during nighttime construction at the Injection Well Facilities site and for the CalAm Distribution System: Alternative Monterey Pipeline and for the duration of all required nighttime construction activity at these locations.	In contract specifications and during project construction	MRWPCA, CalAm, construction contractors	During project construction	MRWPCA and CalAm
Impact AQ-1: Construction Criteria Pollutant Emissions	Mitigation Measure AQ-1: Construction Fugitive Dust Control Plan. The following standard Dust Control Measures shall be implemented during construction to help prevent potential nuisances to nearby receptors due to fugitive dust and to reduce contributions to exceedances of the state ambient air quality standards for PM ₁₀ , in accordance with MBUAPCD’s CEQA Guidelines. <ul style="list-style-type: none"> • Water all active construction areas as required with non-potable sources to the extent feasible; frequency should be based on the type of operation, soil, and wind exposure and minimized to prevent wasteful use of water. • Prohibit grading activities during periods of high wind (over 15 mph). • Cover all trucks hauling soil, sand, and other loose materials and require trucks to maintain at least 2 feet of freeboard. • Sweep daily (with water sweepers) all paved access roads, parking areas, and staging areas at construction sites. • Sweep streets daily (with water sweepers) if visible soil material is carried onto adjacent public streets. • Enclose, cover, or water daily exposed stockpiles (dirt, sand, etc.). • Replant vegetation in disturbed areas as quickly as possible. • Wheel washers shall be installed and used by truck operators at the exits of the construction sites to the AWT Facility site, the Injection Well Facilities, and the Booster Pump Station. • Post a publicly visible sign that specifies the telephone number and person to contact regarding dust complaints. This person shall respond to complaints and take corrective action within 48 hours. The phone number of the MBUAPCD shall also be visible to ensure compliance with MBUAPCD rules. 	During project construction	MRWPCA, CalAm project engineers and contractors	During project construction	MRWPCA, CalAm, and MBUAPCD
Impact BT-1: Construction Impacts to Special-Status Species and Habitat	Mitigation Measure BT-1a: Implement Construction Best Management Practices. The following best management practices shall be implemented during all identified phases of construction (i.e., pre-, during, and post-) to reduce impacts to special-status plant and wildlife species: <ol style="list-style-type: none"> 1. A qualified biologist must conduct an Employee Education Program for the construction crew prior to any construction activities. A qualified biologist must meet with the construction crew at the onset of construction at the site to educate the construction crew on the following: 1) the appropriate access route(s) in and out of the construction area and review project boundaries; 2) how a biological monitor will examine the area and agree upon a method which would ensure the safety of the monitor during such activities, 3) the special-status species that may be present; 4) the specific mitigation measures that will be incorporated into the construction effort; 5) the general provisions and protections afforded by the USFWS and CDFW; and 6) the proper procedures if a special-status species is encountered within the site. 2. Trees and vegetation not planned for removal or trimming shall be protected prior to and during construction to the maximum extent possible through the use of exclusionary fencing, such as hay bales for herbaceous and shrubby vegetation, and protective wood barriers for trees. Only certified weed-free straw shall be used, to avoid the introduction of non-native, invasive species. A biological monitor shall supervise the installation of protective fencing and monitor at least once per week until construction is complete to ensure that the protective fencing remains intact. 3. Protective fencing shall be placed prior to and during construction to keep construction equipment and personnel from impacting vegetation outside of work limits. A biological monitor shall supervise the installation of protective fencing and monitor at least once per week until construction is complete to ensure that the protective fencing remains intact. 4. Following construction, disturbed areas shall be restored to pre-construction contours to the maximum extent possible and revegetated using locally-occurring native species and native erosion control seed mix, per the recommendations of a qualified biologist. 5. Grading, excavating, and other activities that involve substantial soil disturbance shall be planned and carried out in consultation with a qualified hydrologist, engineer, or erosion control specialist, and shall utilize standard erosion control techniques to minimize erosion and sedimentation to native vegetation (pre-, 	Prior to, during and after project construction	MRWPCA, CalAm, construction contractors and qualified biologist	Prior to and during project construction	MRWPCA, CalAm, qualified biologist and construction biological monitor; City of Seaside for Injection Well Facilities

² CalAm Distribution System: Alternative Monterey Pipelines and the associated mitigation measures would be the responsibility of CalAm to implement and the local jurisdictions and/or the California Public Utilities Commission to monitor.

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Mitigation Monitoring and Reporting Program – Monterey Pipeline

Impacts	Mitigation Measures	Timing of Implementation	Implementation Responsibility ²	Timing of Monitoring	Responsibility for Compliance Monitoring ¹
	<p>during, and post-construction).</p> <p>6. No firearms shall be allowed on the construction sites at any time.</p> <p>7. All food-related and other trash shall be disposed of in closed containers and removed from the project area at least once a week during the construction period, or more often if trash is attracting avian or mammalian predators. Construction personnel shall not feed or otherwise attract wildlife to the area.</p> <p>8. To protect against spills and fluids leaking from equipment, the project proponent shall require that the construction contractor maintains an on-site spill plan and on-site spill containment measures that can be easily accessed.</p> <p>9. Refueling or maintaining vehicles and equipment should only occur within a specified staging area that is at least 100 feet from a waterbody (including riparian and wetland habitat) and that has sufficient management measures that will prevent fluids or other construction materials including water from being transported into waters of the state. Measures shall include confined concrete washout areas, straw wattles placed around stockpiled materials and plastic sheets to cover materials from becoming airborne or otherwise transported due to wind or rain into surface waters.</p> <p>10. The project proponent and/or its contractors shall coordinate with the City of Seaside on the location of Injection Well Facilities and the removal of sensitive biotic material.</p>				
	<p>Mitigation Measure BT-1k: Conduct Pre-Construction Surveys for Protected Avian Species, including, but not limited to, white-tailed kite and California horned lark. Prior to the start of construction activities at each project component site, a qualified biologist shall conduct pre-construction surveys for suitable nesting habitat within the component Project Study Area and within a suitable buffer area from the component Project Study Area. The qualified biologist shall determine the suitable buffer area based on the avian species with the potential to nest at the site.</p> <p>In areas where nesting habitat is present within the component project area or within the determined suitable buffer area, construction activities that may directly (e.g., vegetation removal) or indirectly (e.g., noise/ground disturbance) affect protected nesting avian species shall be timed to avoid the breeding and nesting season. Specifically, vegetation and/or tree removal can be scheduled after September 16 and before January 31. Alternatively, a qualified biologist shall be retained by the project proponents to conduct pre-construction surveys for nesting raptors and other protected avian species where nesting habitat was identified and within the suitable buffer area if construction commences between February 1 and September 15. Pre-construction surveys shall be conducted no more than 14 days prior to the start of construction activities during the early part of the breeding season (February through April) and no more than 30 days prior to the initiation of these activities during the late part of the breeding season (May through August). Because some bird species nest early in spring and others nest later in summer, surveys for nesting birds may be required to continue during construction to address new arrivals, and because some species breed multiple times in a season. The necessity and timing of these continued surveys shall be determined by the qualified biologist based on review of the final construction plans.</p> <p>If active raptor or other protected avian species nests are identified during the preconstruction surveys, the qualified biologist shall notify the project proponents and an appropriate no-disturbance buffer shall be imposed within which no construction activities or disturbance shall take place until the young have fledged and are no longer reliant upon the nest or parental care for survival, as determined by a qualified biologist.</p>	<p>Prior to project construction and if found establish and comply with no-disturbance buffer</p>	<p>MRWPCA, CalAm, construction contractors, and qualified biologists</p>	<p>Prior to project construction</p>	<p>MRWPCA, CalAm, qualified biologist(s), USFWS</p>
<p>Impact BT-1: Construction Impacts to Special-Status Species and Habitat (continued)</p>	<p>Mitigation Measure BT-1m: Minimize Effects of Nighttime Construction Lighting. Nighttime construction lighting shall be focused and downward directed to preclude night illumination of the adjacent open space area.</p>	<p>During project construction</p>	<p>MRWPCA and CalAm construction contractors</p>	<p>During project construction</p>	<p>MRWPCA, CalAm, City of Seaside, City of Monterey</p>
<p>Impact CR-1: Construction Impacts on Historic Resources</p>	<p>Mitigation Measure CR-1: Avoidance and Vibration Monitoring for Pipeline Installation in the Presidio of Monterey Historic District, and Downtown Monterey. Avoidance and Vibration Monitoring for Pipeline Installation in the Presidio of Monterey Historic District, and Downtown Monterey. (Applies to portion of the CalAm Distribution System: Alternative Monterey Pipeline) CalAm shall construct the section of the Alternative Monterey Pipeline located on Stillwell Avenue within the Presidio of Monterey Historic District, adjacent to the Spanish Royal Presidio, and within the Monterey Old Town National Historic Landmark District (including adjacent to Stokes Adobe, the Gabriel de la Torre Adobe, the Fremont Adobe, Colton Hall, and Friendly Plaza in downtown Monterey)³ as close as possible to the centerlines of these streets to: (1) avoid direct impacts to the historic Presidio Entrance Monument, and (2) reduce impacts from construction vibration</p>	<p>During project construction</p>	<p>CalAm, project engineers, construction contractors</p>	<p>During project construction</p>	<p>CalAm and City of Monterey</p>

³ A modification to this mitigation measure has been made to clarify its applicability to the Staff-Recommendation Alternative of the GWR Project. Specifically, the text highlighted in gray has been added and the following text deleted: “and within W. Franklin Street in downtown Monterey.” This change to the mitigation measure does not constitute significant new information; it merely clarifies the mitigation for the selected alternative.

EXHIBIT 3-D

Mitigation Monitoring and Reporting Program – Monterey Pipeline

Impacts	Mitigation Measures	Timing of Implementation	Implementation Responsibility ²	Timing of Monitoring	Responsibility for Compliance Monitoring ¹
	<p>to below the 0.12 inches per second (in/sec) peak particle velocity vibration PPV) threshold. If CalAm determines that the pipeline cannot be located near the centerline of these street segments due to traffic concerns or existing utilities, the historic properties identified on Table 4.6-2 of the GWR Project Draft EIR (MRWPCA/DD&A, April 2015) shall be monitored for vibration during pipeline construction, especially during the use of jackhammers and vibratory rollers. If construction vibration levels exceed 0.12 in/sec PPV, construction shall be halted and other construction methods shall be employed to reduce the vibration levels below the standard threshold. Alternative construction methods may include using concrete saws instead of jackhammers or hoe-rams to open excavation trenches, the use of non-vibratory rollers, and hand excavation. If impact sheet pile installation is needed (i.e., for horizontal directional drilling or jack-and-bore) within 80 feet of any historical resource or within 80 feet of a historic district, CalAm shall monitor vibration levels to ensure that the 0.12-in/sec PPV damage threshold is not exceeded. If vibration levels exceed the applicable threshold, the contractor shall use alternative construction methods such as vibratory pile drivers.</p>				
<p>Impact CR-2: Construction Impacts on Archaeological Resources or Human Remains</p>	<p>Mitigation Measure CR-2a: Archaeological Monitoring Plan. Each of the project proponents shall contract a qualified archaeologist meeting the Secretary of the Interior’s Qualification Standard (Lead Archaeologist) to prepare and implement an Archaeological Monitoring Plan, and oversee and direct all archaeological monitoring activities during construction. Archaeological monitoring shall be conducted for all subsurface excavation work within 100 feet of Presidio #2 in the Presidio of Monterey, and within the areas of known archaeologically sensitive sites in Monterey⁴. At a minimum, the Archaeological Monitoring Plan shall:</p> <ul style="list-style-type: none"> • Detail the cultural resources training program that shall be completed by all construction and field workers involved in ground disturbance; • Designate the person(s) responsible for conducting monitoring activities, including Native American monitor(s), if deemed necessary; • Establish monitoring protocols to ensure monitoring is conducted in accordance with current professional standards provided by the California Office of Historic Preservation; • Establish the template and content requirements for monitoring reports; • Establish a schedule for submittal of monitoring reports and person(s) responsible for review and approval of monitoring reports; • Establish protocols for notifications in case of encountering cultural resources, as well as methods for evaluating significance, developing and implementing a plan to avoid or mitigate significant resource impacts, facilitating Native American participation and consultation, implementing a collection and curation plan, and ensuring consistency with applicable laws including Section 7050.5 of the California Health and Safety Code and Section 5097.98 of the Public Resources Code; • Establish methods to ensure security of cultural resources sites; • Describe the appropriate protocols for notifying the County, Native Americans, and local authorities (i.e. Sheriff, Police) should site looting and other illegal activities occur during construction with reference to Public Resources Code 5097.99. <p>During the course of the monitoring, the Lead Archaeologist may adjust the frequency – from continuous to intermittent – of the monitoring based on the conditions and professional judgment regarding the potential to encounter resources. If archaeological materials are encountered, all soil disturbing activities within 100 feet of the find shall cease until the resource is evaluated. The Lead Archaeologist shall immediately notify the relevant Project proponent of the encountered archaeological resource. The Lead Archaeologist shall, after making a reasonable effort to assess the identity, integrity, and significance of the encountered archaeological resource, present the findings of this assessment to the lead agency, or CPUC, for the CalAm Distribution Pipeline. In the event archaeological resources qualifying as either historical resources pursuant to CEQA Section 15064.5 or as unique archaeological resources as defined by Public Resources Code 21083.2 are encountered, preservation in place shall be the preferred manner of mitigation.</p> <p>If preservation in place is not feasible, the applicable project proponent(s) shall implement an Archaeological Research Design and Treatment Plan (ARDTP). The Lead Archaeologist, Native American representatives, and the State Historic Preservation Office designee shall meet to determine the scope of the ARDTP. The ARDTP will identify a program for the treatment and recovery of important scientific data contained within the portions of the archaeological resources located within the project Area of Potential Effects; would preserve any significant historical information obtained; and will identify the scientific/historic research questions applicable to the resources, the data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. The results of the investigation shall be documented in a technical report that provides a full artifact catalog, analysis of items collected, results of any special studies conducted, and interpretations of the resource within a regional and local context. All technical documents shall be placed on file at the Northwest Information Center of the California Historical Resources Information System.</p>	<p>Prior to and during project construction</p>	<p>MRWPCA (for Lake El Estero Diversion only), CalAm, qualified archaeologist</p>	<p>During project construction</p>	<p>MRWPCA, CalAm, qualified archaeologist</p>

⁴ A modification to this mitigation measure has been made to clarify its applicability to the Staff-Recommendation Alternative of the GWR Project. Specifically, the text highlighted in gray has been added and the following text deleted: “in downtown Monterey on W. Franklin Street between High and Figueroa Streets, and at potentially sensitive archaeological sites at Lake El Estero”

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Mitigation Monitoring and Reporting Program – Monterey Pipeline

Impacts	Mitigation Measures	Timing of Implementation	Implementation Responsibility ²	Timing of Monitoring	Responsibility for Compliance Monitoring ¹
	<p>Mitigation Measure CR-2b: Discovery of Archaeological Resources or Human Remains. If archaeological resources or human remains are unexpectedly discovered during any construction, work shall be halted within 50 meters (±160 feet) of the find until it can be evaluated by a qualified professional archaeologist. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented. The County Coroner shall be notified in accordance with provisions of Public Resources Code 5097.98-99 in the event human remains are found and the Native American Heritage Commission shall be notified in accordance with the provisions of Public Resources Code section 5097 if the remains are determined to be of Native American origin.</p>	During project construction	MRWPCA, CalAm, and qualified archaeologists	During project construction	MRWPCA, CalAm, and qualified archaeologist
	<p>Mitigation Measure CR-2c: Native American Notification. Because of their continuing interest in potential discoveries during construction, all listed Native American Contacts shall be notified of any and all discoveries of archaeological resources in the project area.</p>	During project construction	MRWCPA, CalAm and qualified archaeologist	During project construction	MRWCPA, CalAm and qualified archaeologist
<p>Impact EN-1: Construction Impacts due to Temporary Energy Use</p>	<p>Mitigation Measure EN-1: Construction Equipment Efficiency Plan. MRWPCA (for all components except the CalAm Distribution System) or CalAm (for the Cal Am Distribution System) shall contract a qualified professional (i.e., construction planner/energy efficiency expert) to prepare a Construction Equipment Efficiency Plan that identifies the specific measures that MRWPCA or CalAm (and its construction contractors) will implement as part of project construction to increase the efficient use of construction equipment. Such measures shall include, but not necessarily be limited to: procedures to ensure that all construction equipment is properly tuned and maintained at all times; a commitment to utilize existing electricity sources where feasible rather than portable diesel-powered generators; consistent compliance with idling restrictions of the state; and identification of procedures (including the use of routing plans for haul trips) that will be followed to ensure that all materials and debris hauling is conducted in a fuel-efficient manner.</p>	Prior to project construction	MRWPCA, CalAm, energy efficiency expert, construction contractors	During project construction	MRWPCA and CalAm
	<p>Mitigation Measure HH-2a: Environmental Site Assessment. If required by local jurisdictions and property owners with approval responsibility for construction of each component, MRWPCA and CalAm shall conduct a Phase I Environmental Site Assessment in conformance with ASTM Standard 1527-05 to identify potential locations where hazardous material contamination may be encountered. If an Environmental Site Assessment indicates that a release of hazardous materials could have affected soil or groundwater quality at a project site, a Phase II environmental site assessment shall be conducted to determine the extent of contamination and to prescribe an appropriate course of remediation, including but not limited to removal of contaminated soils, in conformance with state and local guidelines and regulations. If the results of the subsurface investigation(s) indicate the presence of hazardous materials, additional site remediation may be required by the applicable state or local regulatory agencies, and the contractors shall be required to comply with all regulatory requirements for facility design or site remediation.</p>	Prior to project construction (if presence of hazardous materials is identified, site remediation or design changes may be required)	MRWPCA and CalAm project engineers, construction contractors	Only needed until owner/contractor deems each construction site is deemed safe for required construction	MRWPCA and CalAm
<p>Impact HH-2: Accidental Release of Hazardous Materials During Construction</p>	<p>Mitigation Measure HH-2b: Health and Safety Plan. The construction contractor(s) shall prepare and implement a project-specific Health and Safety Plan (HSP) for each site on which construction may occur, in accordance with 29 CFR 1910 to protect construction workers and the public during all excavation, grading, and construction. The HSP shall include the following, at a minimum:</p> <ul style="list-style-type: none"> • A summary of all potential risks to construction workers and the maximum exposure limits for all known and reasonably foreseeable site chemicals (the HSP shall incorporate and consider the information in all available existing Environmental Site Assessments and remediation reports for properties within ¼-mile using the EnviroStor Database); • Specified personal protective equipment and decontamination procedures, if needed; • Emergency procedures, including route to the nearest hospital; <p>Procedures to be followed in the event that evidence of potential soil or groundwater contamination (such as soil staining, noxious odors, debris or buried storage containers) is encountered. These procedures shall be in accordance with hazardous waste operations regulations and specifically include, but are not limited to, the following: immediately stopping work in the vicinity of the unknown hazardous materials release, notifying Monterey County Department of Environmental Health, and retaining a qualified environmental firm to perform sampling and remediation; and</p> <p>The identification and responsibilities of a site health and safety supervisor.</p>	Prior to project construction	Construction contractors	During project construction	MRWPCA, CalAm, Monterey County Dept. of Environmental Health
	<p>Mitigation Measure HH-2c: Materials and Dewatering Disposal Plan. MRWPCA and CalAm and/or their contractors shall develop a materials disposal plan specifying how the contractor will remove, handle, transport, and dispose of all excavated material in a safe, appropriate, and lawful manner. The plan must identify the disposal method for soil and the approved disposal site, and include written documentation that the disposal site will accept the waste. For areas within the</p>	Prior to and during project construction	MRWPCA, CalAm, construction	During project construction	MRWPCA and CalAm; FORA and the City of

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Mitigation Monitoring and Reporting Program – Monterey Pipeline

Impacts	Mitigation Measures	Timing of Implementation	Implementation Responsibility ²	Timing of Monitoring	Responsibility for Compliance Monitoring ¹
	<p>Seaside munitions response areas called Site 39 (coincident with the Injection Well Facilities component), the materials disposal plans shall be reviewed and approved by FORA and the City of Seaside.</p> <p>The contractor shall develop a groundwater dewatering control and disposal plan specifying how the contractor will remove, handle, and dispose of groundwater impacted by hazardous substances in a safe, appropriate, and lawful manner. The plan must identify the locations at which potential contaminated groundwater dewatering are likely to be encountered (if any), the method to analyze groundwater for hazardous materials, and the appropriate treatment and/or disposal methods. If the dewatering effluent contains contaminants that exceed the requirements of the General WDRs for Discharges with a Low Threat to Water Quality (Order No. R3-2011-0223, NPDES Permit No. CAG993001), the construction contractor shall contain the dewatering effluent in a portable holding tank for appropriate offsite disposal or discharge. The contractor can either dispose of the contaminated effluent at a permitted waste management facility or discharge the effluent, under permit, to the Regional Treatment Plant.</p>		contractors		Seaside for areas within Site 39
Impact LU-2: Operational Consistency with Plans, Policies, and Regulations	See the following mitigation measures: AQ-1, BF-1a, BF-1b, BF-1c, BF-2a or Alternate BF-2a, BT-1a through BT-1q, BT-2a through BT-2c, CR-2a through CR-2c, EN-1, NV-1a through NV-1d, NV-2a, NV-2b, PS-3, TR-2, TR-3, and TR-4.	See other rows for specific timing of each mitigation measure	See other lines for responsibilities for each mitigation measure	See other rows for specific timing of each mitigation measure	See other rows for responsibilities for each mitigation measure
Impact NV-1: Construction Noise	Mitigation Measure NV-1b: Monterey Pipeline Noise Control Plan for Nighttime Pipeline Construction. CalAm shall submit a Noise Control Plan for all nighttime pipeline work to the California Public Utilities Commission for review and approval prior to the commencement of project construction activities. The Noise Control Plan shall identify all feasible noise control procedures to be implemented during nighttime pipeline installation in order to reduce noise levels to the extent practicable at the nearest residential or noise sensitive receptor. At a minimum, the Noise Control Plan shall require use of moveable noise screens, noise blankets, or other suitable sound attenuation devices be used to reduce noise levels during nighttime pipeline installation activities.	Prior to project construction	CalAm	During project construction	CalAm, CPUC and City of Monterey
	Mitigation Measure NV-1c: Neighborhood Notice. Residences and other sensitive receptors within 900 feet of a nighttime construction area shall be notified of the construction location and schedule in writing, at least two weeks prior to the commencement of construction activities. The notice shall also be posted along the proposed pipeline alignments, near the proposed facility sites, and at nearby recreational facilities. The contractor shall designate a noise disturbance coordinator who would be responsible for responding to complaints regarding construction noise. The coordinator shall determine the cause of the complaint and ensure that reasonable measures are implemented to correct the problem. A contact number for the noise disturbance coordinator shall be conspicuously placed on construction site fences and included in the construction schedule notification sent to nearby residences. The notice to be distributed to residences and sensitive receptors shall first be submitted, for review and approval, to the MRWPCA and city and county staff as may be required by local regulations.	Prior to project construction	MRWPCA, CalAm, construction contractor, noise disturbance coordinator	Prior to project construction	MRWPCA and CalAm
Impact PS-3: Construction Solid Waste Policies and Regulations	Mitigation Measure PS-3: Construction Waste Reduction and Recycling Plan. The construction contractor(s) shall prepare and implement a construction waste reduction and recycling plan identifying the types of construction debris the Project will generate and the manner in which those waste streams will be handled. In accordance with the California Integrated Waste Management Act of 1989, the plan shall emphasize source reduction measures, followed by recycling and composting methods, to ensure that construction and demolition waste generated by the project is managed consistent with applicable statutes and regulations. In accordance with the California Green Building Standards Code and local regulations, the plan shall specify that all trees, stumps, rocks, and associated vegetation and soils, and 50% of all other nonhazardous construction and demolition waste, be diverted from landfill disposal. The plan shall be prepared in coordination with the Monterey Regional Waste Management District and be consistent with Monterey County’s Integrated Waste Management Plan. Upon project completion, MRWPCA and CalAm shall collect the receipts from the contractor(s) to document that the waste reduction, recycling, and diversion goals have been met.	Prior to, during, and after project construction	MRWPCA and CalAm construction contractors	Upon project completion	MRWPCA and CalAm
Impact TR-2: Construction-Related Traffic Delays, Safety and Access Limitations	Mitigation Measure TR-2: Traffic Control and Safety Assurance Plan. Prior to construction, MRWPCA and/or its contractor shall prepare and implement a traffic control plan or plans for the roadways and intersections affected by MRWPCA construction (Product Water Conveyance Pipeline) and CalAm shall prepare and implement a traffic control plan for the roadways and intersections affected by the CalAm Distribution System Improvements (Transfer and Monterey pipelines). The traffic control plan(s) shall comply with the affected jurisdiction’s encroachment permit requirements and will be based on detailed design plans. For all project construction activities that could affect the public right-of-way (e.g., roadways, sidewalks, and walkways), the plan shall include measures that would provide for continuity of vehicular, pedestrian, and bicyclist access; reduce the potential for traffic accidents; and ensure worker safety in construction zones. Where project construction activities could disrupt mobility and access for bicyclists and pedestrians, the plan shall include measures to ensure safe and convenient access would	Prior to project construction	MRWPCA and CalAm construction contractor	During project construction	MRWPCA, CalAm, and local jurisdictions

EXHIBIT 3-D

Mitigation Monitoring and Reporting Program – Monterey Pipeline

Impacts	Mitigation Measures	Timing of Implementation	Implementation Responsibility ²	Timing of Monitoring	Responsibility for Compliance Monitoring ¹
	<p>be maintained. The traffic control and safety assurance plan shall be developed on the basis of detailed design plans for the approved project. The plan shall include, but not necessarily be limited to, the elements listed below:</p> <p>General</p> <p>a. Develop circulation and detour plans to minimize impacts on local streets. As necessary, signage and/or flaggers shall be used to guide vehicles to detour routes and/or through the construction work areas.</p> <p>b. Implement a public information program to notify motorists, bicyclists, nearby residents, and adjacent businesses of the impending construction activities (e.g., media coverage, email notices, websites, etc.). Notices of the location(s) and timing of lane closures shall be published in local newspapers and on available websites to allow motorists to select alternative routes.</p> <p>Roadways</p> <p>c. Haul routes that minimize truck traffic on local roadways and residential streets shall be used to the extent feasible.</p> <p>d. Schedule truck trips outside of peak morning and evening commute hours to minimize adverse impacts on traffic flow.</p> <p>e. Limit lane closures during peak hours. Travel lane closures, when necessary, shall be managed such that one travel lane is kept open at all times to allow alternating traffic flow in both directions along affected two-lane roadways. In the City of Marina, one-way traffic shall be limited to a maximum of 5 minutes of traffic delay.</p> <p>f. Restore roads and streets to normal operation by covering trenches with steel plates outside of normal work hours or when work is not in progress.</p> <p>g. Comply with roadside safety protocols to reduce the risk of accidents. Provide “Road Work Ahead” warning signs and speed control (including signs informing drivers of state legislated double fines for speed infractions in a construction zone) to achieve required speed reductions for safe traffic flow through the work zone. Train construction personnel to apply appropriate safety measures as described in the plan.</p> <p>h. Provide flaggers in school areas at street crossings to manage traffic flow and maintain traffic safety during the school drop-off and pickup hours on days when pipeline installation would occur in designated school zones.</p> <p>i. Maintain access to private driveways.</p> <p>j. Coordinate with MST so the transit provider can temporarily relocate bus routes or bus stops in work zones as deemed necessary.</p> <p>Pedestrian and Bicyclists</p> <p>k. Perform construction that crosses on street and off street bikeways, sidewalks, and other walkways in a manner that allows for safe access for bicyclists and pedestrians. Alternatively, provide safe detours to reroute affected bicycle/pedestrian traffic.</p> <p>Recreational Trails</p> <p>l. At least two weeks prior to construction, post signage along all potentially affected recreational trails; Class I, II, and II bicycle routes; and pedestrian pathways, including the Monterey Peninsula Recreational Trail, to warn bicyclists and pedestrians of construction activities. The signs shall include information regarding the nature of construction activities, duration, and detour routes. Signage shall be composed of or encased in weatherproof material and posted in conspicuous locations, including on park message boards, and existing wayfinding signage and kiosks, for the duration of the closure period. At the end of the closure period, CalAm, MRWPCA or either of its contractors shall retrieve all notice materials.</p> <p>Emergency Access</p> <p>m. Maintain access for emergency vehicles at all times. Coordinate with facility owners or administrators of sensitive land uses such as police and fire stations, transit stations, hospitals, and schools.</p> <p>n. Provide advance notification to local police, fire, and emergency service providers of the timing, location, and duration of construction activities that could affect the movement of emergency vehicles on area roadways.</p> <p>o. Avoid truck trips through designated school zones during the school drop-off and pickup hours.</p>				
<p>Impact TR-3: Construction-Related Roadway Deterioration</p>	<p>Mitigation Measure TR-3: Roadway Rehabilitation Program. Prior to commencing project construction, MRWPCA (for all components other than the CalAm Distribution System Improvements) and CalAm (for CalAm Distribution System Improvements) shall detail the preconstruction condition of all local construction access and haul routes proposed for substantial use by project-related construction vehicles. The construction routes surveyed must be consistent with those identified in the construction traffic control and safety assurance plan developed under Mitigation Measure TR-2. After construction is completed, the same roads shall be surveyed again to determine whether excessive wear and tear or construction damage has occurred. Roads damaged by project-related construction vehicles shall be repaired to a structural condition equal to, or greater than, that which existed prior to construction activities. In the City of Marina, the construction in the city rights-way must comply with the City’s design standards, including restoration of the streets from curb to curb, as applicable. In the City of Monterey, asphalt pavement of full travel lanes will be resurfaced without seams along wheel or bike paths.</p>	<p>Prior to project construction, after project construction</p>	<p>MRWPCA and CalAm construction contractors</p>	<p>After project construction</p>	<p>MRWPCA, CalAm, and local jurisdictions</p>

EXHIBIT 3-D

Mitigation Monitoring and Reporting Program – Monterey Pipeline

Impacts	Mitigation Measures	Timing of Implementation	Implementation Responsibility ²	Timing of Monitoring	Responsibility for Compliance Monitoring ¹
Impact TR-4: Construction Parking Interference	Mitigation Measure TR-4: Construction Parking Requirements. Prior to commencing project construction, the construction contractor(s) shall coordinate with the potentially affected jurisdictions to identify designated worker parking areas that would avoid or minimize parking displacement in congested areas of Marina, Seaside, and downtown Monterey. The contractors shall provide transport between the designated parking location and the construction work areas. The construction contractor(s) shall also provide incentives for workers that carpool or take public transportation to the construction work areas. The engineering and construction design plans shall specify that contractors limit time of construction within travel lanes and public parking spaces and provide information to the public about locations of alternative spaces to reduce parking disruptions.	Prior to project construction	MRWPCA and CalAm construction contractor	During project construction	MRWPCA City of Marina, City of Seaside, City of Monterey

EXHIBIT 3-E

CEQA Sections 15162 and 15164

15162. Subsequent EIRs and Negative Declarations

(a) When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

(b) If changes to a project or its circumstances occur or new information becomes available after adoption of a negative declaration, the lead agency shall prepare a subsequent EIR if required under subdivision (a). Otherwise the lead agency shall determine whether to prepare a subsequent negative declaration, an addendum, or no further documentation.

(c) Once a project has been approved, the lead agency's role in project approval is completed, unless further discretionary approval on that project is required. Information appearing after an approval does not require reopening of that approval. If after the project is approved, any of the conditions described in subdivision (a) occurs, a subsequent EIR or negative declaration shall only be prepared by the public agency which grants the next discretionary approval for the project, if any. In this situation no other responsible agency shall grant an approval for the project until the subsequent EIR has been certified or subsequent negative declaration adopted.

(d) A subsequent EIR or subsequent negative declaration shall be given the same notice and public review as required under Section 15087 or Section 15072. A subsequent EIR or negative declaration shall state where the previous document is available and can be reviewed.

EXHIBIT 3-E

Note: Authority cited: Public Resources Code Section 21083; Reference: Section 21166, Public Resources Code; *Bowman v. City of Petaluma* (1986) 185 Cal.App.3d 1065; *Benton v. Board of Supervisors* (1991) 226 Cal.App.3d 1467; and *Fort Mojave Indian Tribe v. California Department of Health Services et al.* (1995) 38 Cal.App.4th 1574.

Discussion: This section implements the requirements in Section 21166 of CEQA which limit preparation of a subsequent EIR to certain situations. This section provides interpretation of the three situations in which the statute requires preparation of a subsequent EIR. These interpretations are necessary to add certainty to the process.

This section also clarifies that a subsequent EIR may be prepared where a negative declaration had previously been adopted. Further, a subsequent negative declaration may be adopted where none of the situations described in subsection (a) have occurred.

Subsections (b) and (c) explain which agency would have responsibility for preparing a subsequent EIR under different circumstances. A subsequent EIR must, of course, receive the same circulation and review as the previous EIR.

Fund for Environmental Defense v. Orange (1988) 204 Cal. App. 3d 1538, contains a discussion of the application of §15162 and §15163. The Court in *Bowman v. Petaluma* (1986) 185 Cal. App. 3d 1065 distinguished requirements for a subsequent EIR from the threshold required for initial EIR preparation, saying "whereas §15064 (§21151 PRC) requires an EIR if the initial project may have a significant effect on the environment, §15162 (§21166 PRC) indicates a quite different intent, namely, to restrict the powers of agencies by prohibiting them from requiring a subsequent or supplemental EIR unless "substantial changes" in the project or its circumstances will require major revisions to the EIR. §15162 (§21166 PRC) comes into play precisely because in-depth review has already occurred, the time for challenging the sufficiency of the original EIR has long since expired, and the question is whether circumstances have changed enough to justify repeating a substantial portion of the process.

15164. Addendum to an EIR or Negative Declaration

(a) The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.

(b) An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.

(c) An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.

(d) The decision making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.

(e) A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

Note: Authority cited: Public Resources Code Section 21083; Reference: Section 21166, Public Resources Code; *Bowman v. City of Petaluma* (1986) 185 Cal.App.3d 1065; and *Benton v. Board of Supervisors* (1991) 226 Cal.App.3d 1467.

EXHIBIT 3-E

Discussion: This section is designed to provide clear authority for an addendum as a way of making minor corrections in EIRs and negative declarations without recirculating the EIR or negative declaration.

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ITEM: CONSENT CALENDAR**4. CONSIDER APPROVAL OF ANNUAL UPDATE OF INVESTMENT POLICY****Meeting Date: January 25, 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 reviewed this item on January 18, 2017 and recommended approval.****CEQA Compliance: N/A**

SUMMARY: The State of California Government Code requires the District Board to annually review and approve the District Investment Policy. The District's current investment policy, included as **Exhibit 4-A**, was adopted by the Board on September 20, 1997 and has been reviewed and approved annually by the Board. The policy provides guidance for the District Treasurer, who acts on behalf of the Board in all investment matters. The policy was last reviewed and approved by the Board on January 27, 2016. District staff has again reviewed the investment policy and determined that it complies with the current Government Code; and that it is adequate for protecting safety and providing liquidity while yielding a reasonable rate of return given current market conditions.

RECOMMENDATION: District staff recommends that the Board review and approve the District's Investment Policy. This item will be approved if adopted along with the Consent Calendar.

BACKGROUND: The State of California Government Code requires the District Board to annually review and approve the District Investment Policy. The District's current policy was adopted on September 20, 1997 and has been reviewed and approved annually by the Board since that time. Additionally, State law, as well as District policy, requires that each quarter the Board receive and approve a report of investments held by the District. This requirement has been met as the Board has received quarterly reports on the contents and performance of the investment portfolio since adoption of the investment policy.

EXHIBITS**4-A Monterey Peninsula Water Management District Investment Policy**

EXHIBIT 4-A

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
INVESTMENT POLICY**

Approved by the MPWMD Board on January 25, 2017



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MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

INVESTMENT POLICY

1 Introduction

This policy governs the investment of District funds. The purpose of the policy is to provide guidance to the District Treasurer to invest funds in a manner that provides for the protection of principal (safety), meets the cash flow (liquidity) demands of the District and earns a reasonable yield. It shall be the policy of the District to invest all funds in strict conformance with all state statutes governing the investment of public monies. Moreover, it shall be the policy to manage investments under the prudent investor rule. This rule affords the District a broad spectrum of investment opportunities so long as the investment is deemed prudent and is allowable under State of California Government Code section 53600 et. seq., the investment policy of Monterey County and Section 118-507 (West's Annotated Government Code) of the District's enabling legislation.

2 Prudence

The District Treasurer is a trustee and therefore a fiduciary subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the treasurer shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investments of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the District. Within the limitation of this policy and considering individual investments as part of an overall investment strategy, a trustee is authorized to acquire investments as authorized by law.

3 Investment and Risk

The objectives of the District's investment program in order of priority are:

- 1) Safety of invested funds – The Treasurer shall ensure the safety of the District's invested funds by limiting, as much as possible, credit and interest rate risk. Credit risk is the risk of loss due to failure of the security issuer or backer. Interest rate risk is the risk that the market value of investments will fall due to an increase in the general level of interest rates.
- 2) Maintenance of sufficient liquidity to meet cash flow requirements – Attainment of a market average rate of return during budgetary and economic cycles, taking into account the District's investment risk constraints and cash requirements. The Treasurer, acting in accordance with District procedures and this policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4 Types of Investments

District funds may be placed in any instrument or medium approved by the State of California as enumerated in Government Code Section 53651, and not otherwise limited by the Monterey County Investment Policy. A listing of currently eligible securities shall be maintained. The Treasurer shall submit any proposed changes to the list of eligible investments to the Administrative Committee and Board of Directors. The Administrative Committee shall approve investment in a class of securities included on the list, but in which the District has not previously invested. The Board of Directors shall approve changes to the list of eligible securities. The currently approved list of securities is incorporated as Attachment I.

5 Prohibited Investments

The District shall not be authorized to invest in any security that has the possibility of returning a zero or negative yield if held to maturity except that investment in U. S. Treasury Certificates of indebtedness ("SLUGS") issued by the U. S. Bureau of Public debt is authorized. Prohibited investments shall include inverse floaters, range notes and interests only strips derived from a pool of mortgages.

6 Access to Funds

The premise underlying the District's investment policy is to ensure that money is available when needed. To this end, the District will maintain funds on deposit in a local bank or other federal or state regulated depository sufficient to meet expenditure requirements for the following six months as represented in the most recent budget adopted by the Board of Directors.

7 Authority

The Treasurer of the Board of Directors of the Monterey Peninsula Water Management District is responsible for the custody and management of District investments. Management activity will adhere to applicable state law, provisions of the District's enabling legislation and this policy. The Treasurer may delegate ministerial duties related to the investment program to other District staff, but shall retain responsibility for all transactions undertaken and shall establish a system of internal control to regulate activity of subordinate personnel.

8 Reports

Pursuant to Government Code Section 53646 the Treasurer shall provide quarterly investment reports to the Board of Directors. Each report shall include a listing of all securities held in the portfolio. It shall list investments by type, issuer, maturity, par value, market value, and dollar amount invested. The report shall contain a citation of compliance with this policy, an explanation for any non-compliance and a statement as to the ability or inability to meet expenditure requirements for the following six months. District monies over which the Treasurer does not exercise control or safekeeping e.g., does not determine how the funds are to be

invested or banked, need not be included in the report. Agency contributions to the Public Employees Retirement System need not be included. Deferred compensation funds (Section 457) held by third-party administrators and invested at the direction of program participants need not be included pursuant to PL 104-188.

9 Audits

The District's portfolio, quarterly reports, policy, internal control procedures and investment practices shall be the subject of scrutiny in the course of annual audits performed by external independent auditors selected by the Board of Directors and approved by the Monterey County Auditor-Controller.

10 Policy Review

The Board of Directors shall review this policy at least annually.

11 Attachment I

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE
AS OF JANUARY 1, 2016

INVESTMENT TYPE	MAXIMUM SECURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations – CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Bankers' Acceptances	180 days	40%	None
Commercial Paper – Pooled Funds	270 days	40% of the agency's money	Highest letter and number rating by an NRSRO
Commercial Paper – Non-Pooled Funds	270 days	25% of the agency's money	Highest letter and number rating by an NRSRO
Negotiable Certificates of Deposits	5 years	30%	None
Non-negotiable Certificates of Deposits	5 years	None	None
Placement Service Deposits	5 years	30% (inclusive of placement service CDs)	None
Placement Service Certificates of Deposits	5 years	30% (combined with placement service deposits)	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio	None
Medium-Term Notes	5 years	30%	"A" Rating
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	"AA" Rating Category
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None
Supranational Obligations	5 years	30%	"AA" Rating

ITEM: CONSENT CALENDAR**5. RECEIVE SEMI-ANNUAL FINANCIAL REPORT ON THE CAWD/PBCSD WASTEWATER RECLAMATION PROJECT****Meeting Date: January 25, 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 reviewed this item on January 18, 2017 and recommended approval****CEQA Compliance: N/A**

This report relates to the original CAWD/PBCSD Wastewater Reclamation Project (Phase I) only and does not contain any information related to the CAWD/PBCSD Recycled Water Expansion Project (Phase II). On December 10, 1992, the Monterey Peninsula Water Management District (MPWMD or District) sold \$33,900,000 worth of variable rate certificates of participation to finance the wastewater reclamation project in Pebble Beach. The tables below summarize the investment information on funds held for future use, disbursements, and interest rate trends on the outstanding certificates for the period July 1, 2016 through December 31, 2016. During the first reporting period in 2006, the Wastewater Reclamation Project's (Project) Operations and Maintenance Reserve and Renewal and Replacement Reserve accounts were transferred to the Carmel Area Wastewater District in accordance with the Project's Amended Construction and Operations Agreement dated December 15, 2004. The Project's Operations and Maintenance account (Bank of America) and Certificate of Participation accounts (U.S. Bank) remain under the control of the District and will continue to be reported on this report and future reports.

Par of 1992 Certificates \$33,900,000

Investments as of December 31, 2016:

<u>Description</u>	<u>Institution</u>	<u>Market Value</u>	<u>Rate/Yield</u>	<u>Term</u>
Interest Fund	U.S. Bank	\$327	0.00%	Daily
Certificate Payment Fund	U.S. Bank	\$791	0.00%	Daily
Acquisition/Rebate Funds	U.S. Bank	\$19	0.00%	Daily
Water Sales Revenue Acct.	Bank of America	\$200,286	0.03%	Daily

Operation and Maintenance Disbursements:

MPWMD transferred advances in the amount of \$3,682,000 from the Water Sales Revenue Account to the Carmel Area Wastewater District during this reporting period. Advance payments are provided in accordance with the terms and conditions of Section 5.5 (a) of the Operation and Maintenance Agreement.

As provided in the Water Purchase Agreement, the obligation of the District to make disbursements is a special obligation of the District, payable solely from net operating revenues of the project, monies in the Revenue Fund, and other funds described in the Trust Agreement. In no event, will disbursements be payable out of any funds or properties of the District other than such sources.

Principal and Interest on Certificates:

A principal payment of \$1,900,000 was made by the Project during this reporting period. The outstanding balance on the Certificates is currently \$13,900,000.

The interest rate on the Series 1992 Certificates was set initially at 2.30 percent per annum until December 16, 1992. On that date and weekly thereafter, so long as the certificates are in the variable mode, the Remarketing Agent, Stone & Youngberg, determines the rate of interest. Interest rates for this reporting period fluctuated between 0.43% and 0.90%.

On June 7, 2000, the Reclamation Management Committee noted that the Capital Interest Fund, used for payment of monthly interest on the outstanding certificates, would soon be exhausted. The Committee discussed the use of water sales revenue to make future interest payments. On July 3, 2000, the Reclamation Technical Advisory Committee affirmed the use of water sales revenue for interest payments when excess funds are available.

Effective July 1, 2013, the Reclamation Project water rates have been delinked from the California American Water Company potable rates. The rates are now set based on revenue requirement for the Project.

ITEM: CONSENT CALENDAR**6. CONSIDER ADOPTION OF TREASURER'S REPORT FOR NOVEMBER 2016**

Meeting Date:	January 25, 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 January 18, 2017 and recommended approval.**CEQA Compliance:** N/A

SUMMARY: Exhibit 6-A comprises the Treasurer's Report for November 2016. Exhibit 6-B, Exhibit 6-C and Exhibit 6-D are listings of check disbursements for the period November 1-30, 2016. Check Nos. 27595 through 28061, the direct deposits of employee's paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$608,040.90. That amount included \$99,878.79 for conservation rebates. Exhibit 6-E reflects the unaudited version of the financial statements for the month ending November 30, 2016.

RECOMMENDATION: District staff recommends adoption of the November 2016 Treasurer's Report and financial statements, and ratification of the disbursements made during the month. The Administrative Committee reviewed this item at its January 18, 2017 meeting and voted 2 to 0 to recommend approval.

EXHIBITS

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

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
TREASURER'S REPORT FOR NOVEMBER 2016**

<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	(\$34,416.72)	\$632,656.66	\$202,606.10	\$1,509,604.75	\$ 2,310,450.79	(\$300,000.00)	\$367,061.49
Fee Deposits		412,138.51			412,138.51		541,258.52
Line of Credit Draw		0.00			0.00		
Interest		6.31		1.98	8.29		8.18
Transfer to/from LAIF					0.00		
Transfer-Money Market to Checking	\$600,000.00	(600,000.00)			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		(500,000.00)
Voided Cks					0.00		
Bank Corrections/Reversals/Errors					0.00		
Bank Charges/Rtn'd Deposits/Other	(\$314.79)	(38.70)			(353.49)		(3.00)
Payroll Tax Deposits	(27,065.32)				(27,065.32)		
Payroll Checks/Direct Deposits	(116,637.36)				(116,637.36)		
General Checks	(463,635.64)				(463,635.64)		
Bank Draft Payments	(387.79)				(387.79)		
Ending Balance	(\$42,457.62)	\$444,762.78	\$202,606.10	\$1,509,606.73	\$2,114,517.99	(\$300,000.00)	\$408,325.19

Check Report

By Check Number

Date Range: 11/01/2016 - 11/30/2016



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					
00254	MoCo Recorder	11/02/2016	Regular	0.00	29.00	27595
00254	MoCo Recorder	11/02/2016	Regular	0.00	32.00	27596
00254	MoCo Recorder	11/02/2016	Regular	0.00	61.00	27597
00254	MoCo Recorder	11/02/2016	Regular	0.00	29.00	27598
00254	MoCo Recorder	11/02/2016	Regular	0.00	44.00	27599
00254	MoCo Recorder	11/02/2016	Regular	0.00	29.00	27600
00254	MoCo Recorder	11/02/2016	Regular	0.00	61.00	27601
00254	MoCo Recorder	11/02/2016	Regular	0.00	96.00	27602
00254	MoCo Recorder	11/02/2016	Regular	0.00	29.00	27603
00254	MoCo Recorder	11/02/2016	Regular	0.00	29.00	27604
00254	MoCo Recorder	11/02/2016	Regular	0.00	61.00	27605
00254	MoCo Recorder	11/02/2016	Regular	0.00	26.00	27606
00249	A.G. Davi, LTD	11/04/2016	Regular	0.00	395.00	27607
00767	AFLAC	11/04/2016	Regular	0.00	1,139.96	27608
02840	California Conservation Corps	11/04/2016	Regular	0.00	1,400.00	27609
06003	Carmel Valley Chamber of Commerce	11/04/2016	Regular	0.00	210.00	27610
01001	CDW Government	11/04/2016	Regular	0.00	1,284.44	27611
00072	Goodin,MacBride,Squeri,Day,Lamprey	11/04/2016	Regular	0.00	11,846.80	27612
03965	Irrigation Association	11/04/2016	Regular	0.00	100.00	27613
03857	Joe Oliver	11/04/2016	Regular	0.00	1,149.00	27614
06999	KBA Docusys	11/04/2016	Regular	0.00	1,167.01	27615
00769	Laborers Trust Fund of Northern CA	11/04/2016	Regular	0.00	26,664.00	27616
00222	M.J. Murphy	11/04/2016	Regular	0.00	19.36	27617
12186	Marc P. Estrade	11/04/2016	Regular	0.00	930.07	27618
09983	Maryan Gonnerman	11/04/2016	Regular	0.00	579.59	27619
04032	Normandeu Associates, Inc.	11/04/2016	Regular	0.00	3,964.50	27620
04361	OneSource Office Systems	11/04/2016	Regular	0.00	507.66	27621
00225	Palace Office Supply	11/04/2016	Regular	0.00	439.53	27622
00154	Peninsula Messenger Service	11/04/2016	Regular	0.00	560.00	27623
00282	PG&E	11/04/2016	Regular	0.00	5,455.33	27624
00282	PG&E	11/04/2016	Regular	0.00	1,933.41	27625
07627	Purchase Power	11/04/2016	Regular	0.00	557.49	27626
00262	Pure H2O	11/04/2016	Regular	0.00	64.56	27627
04709	Sherron Forsgren	11/04/2016	Regular	0.00	637.86	27628
00766	Standard Insurance Company	11/04/2016	Regular	0.00	1,534.50	27629
11622	United States Geologic Survey	11/04/2016	Regular	0.00	25,000.00	27630
00207	Universal Staffing Inc.	11/04/2016	Regular	0.00	1,183.95	27631
00221	Verizon Wireless	11/04/2016	Regular	0.00	606.02	27632
00254	MoCo Recorder	11/10/2016	Regular	0.00	32.00	27794
00254	MoCo Recorder	11/10/2016	Regular	0.00	29.00	27795
00254	MoCo Recorder	11/10/2016	Regular	0.00	14.00	27796
00254	MoCo Recorder	11/10/2016	Regular	0.00	61.00	27797
00254	MoCo Recorder	11/10/2016	Regular	0.00	61.00	27798
00254	MoCo Recorder	11/10/2016	Regular	0.00	32.00	27799
00254	MoCo Recorder	11/10/2016	Regular	0.00	29.00	27800
00254	MoCo Recorder	11/18/2016	Regular	0.00	-73.00	27801
00254	MoCo Recorder	11/10/2016	Regular	0.00	73.00	27801
00254	MoCo Recorder	11/10/2016	Regular	0.00	29.00	27802
03966	ACWA (Memberships/Conferences/Publications)	11/10/2016	Regular	0.00	445.00	27803
01188	Alhambra	11/10/2016	Regular	0.00	128.69	27804
00253	AT&T	11/10/2016	Regular	0.00	1,421.93	27805
00252	Cal-Am Water	11/10/2016	Regular	0.00	86.25	27806
00252	Cal-Am Water	11/10/2016	Regular	0.00	182.02	27807
00252	Cal-Am Water	11/10/2016	Regular	0.00	91.36	27808

EXHIBIT 6-B

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Check Report

Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
00243	CalPers Long Term Care Program	11/10/2016	Regular	0.00	40.56	27809
08926	Capitol Enquiry	11/10/2016	Regular	0.00	40.45	27810
01001	CDW Government	11/10/2016	Regular	0.00	1,373.58	27811
00224	City of Monterey	11/10/2016	Regular	0.00	260.45	27812
00046	De Lay & Laredo	11/10/2016	Regular	0.00	32,886.26	27813
08697	Elizabeth Flores	11/10/2016	Regular	0.00	92.05	27814
00267	Employment Development Dept.	11/10/2016	Regular	0.00	3,943.33	27815
00758	FedEx	11/10/2016	Regular	0.00	70.24	27816
08990	Fort Ord Reuse Authority	11/10/2016	Regular	0.00	311.65	27817
07624	Franchise Tax Board	11/10/2016	Regular	0.00	88.33	27818
00083	Hayashi & Wayland Accountancy Corp.	11/10/2016	Regular	0.00	25,000.00	27819
00277	Home Depot Credit Services	11/10/2016	Regular	0.00	260.49	27820
00768	ICMA	11/10/2016	Regular	0.00	5,426.09	27821
04717	Inder Osahan	11/10/2016	Regular	0.00	1,149.00	27822
03969	Jonathan Lear	11/10/2016	Regular	0.00	631.94	27823
00222	M.J. Murphy	11/10/2016	Regular	0.00	76.16	27824
00278	Monterey Tire Service	11/10/2016	Regular	0.00	347.10	27825
00256	PERS Retirement	11/10/2016	Regular	0.00	16,071.86	27826
00282	PG&E	11/10/2016	Regular	0.00	56.49	27827
00282	PG&E	11/10/2016	Regular	0.00	20.34	27828
00258	TBC Communications & Media	11/10/2016	Regular	0.00	7,199.50	27829
04719	Telit Wireless Solutions	11/10/2016	Regular	0.00	313.34	27830
09351	Tetra Tech, Inc.	11/10/2016	Regular	0.00	13,275.59	27831
00269	U.S. Bank	11/10/2016	Regular	0.00	3,328.54	27832
00207	Universal Staffing Inc.	11/10/2016	Regular	0.00	1,743.08	27833
04364	Western City	11/10/2016	Regular	0.00	39.00	27834
00254	MoCo Recorder	11/17/2016	Regular	0.00	29.00	27835
00254	MoCo Recorder	11/17/2016	Regular	0.00	61.00	27836
00254	MoCo Recorder	11/17/2016	Regular	0.00	29.00	27837
00254	MoCo Recorder	11/17/2016	Regular	0.00	61.00	27838
00254	MoCo Recorder	11/17/2016	Regular	0.00	32.00	27839
00254	MoCo Recorder	11/18/2016	Regular	0.00	-44.00	27840
00254	MoCo Recorder	11/17/2016	Regular	0.00	44.00	27840
00254	MoCo Recorder	11/17/2016	Regular	0.00	61.00	27841
00010	Access Monterey Peninsula	11/18/2016	Regular	0.00	360.00	27868
00036	Bill Parham	11/18/2016	Regular	0.00	650.00	27869
12188	Brown and Caldwell	11/18/2016	Regular	0.00	5,760.13	27870
01001	CDW Government	11/18/2016	Regular	0.00	2,508.65	27871
00028	Colantuono, Highsmith, & Whatley, PC	11/18/2016	Regular	0.00	54.75	27872
06268	Comcast	11/18/2016	Regular	0.00	209.64	27873
00281	CoreLogic Information Solutions, Inc.	11/18/2016	Regular	0.00	506.00	27874
00761	Delores Cofer	11/18/2016	Regular	0.00	405.00	27875
00192	Extra Space Storage	11/18/2016	Regular	0.00	742.00	27876
08929	HDR Engineering, Inc.	11/18/2016	Regular	0.00	8,020.06	27877
00986	Henrietta Stern	11/18/2016	Regular	0.00	1,149.00	27878
00277	Home Depot Credit Services	11/18/2016	Regular	0.00	296.72	27879
00094	John Arriaga	11/18/2016	Regular	0.00	2,500.00	27880
13079	Lowell M. Keely & Hilleri A. Keely	11/18/2016	Regular	0.00	161.63	27881
00222	M.J. Murphy	11/18/2016	Regular	0.00	150.64	27882
00259	Marina Coast Water District	11/18/2016	Regular	0.00	86.50	27883
00259	Marina Coast Water District	11/18/2016	Regular	0.00	1,270.58	27884
00242	MBAS	11/18/2016	Regular	0.00	10,991.00	27885
12658	McCampbell Analytical, Inc.	11/18/2016	Regular	0.00	504.00	27886
00254	MoCo Recorder	11/18/2016	Regular	0.00	35.00	27887
00118	Monterey Bay Carpet & Janitorial Svc	11/18/2016	Regular	0.00	1,000.00	27888
01002	Monterey County Clerk	11/18/2016	Regular	0.00	2,260.25	27889
04361	OneSource Office Systems	11/18/2016	Regular	0.00	172.18	27890
00225	Palace Office Supply	11/18/2016	Regular	0.00	110.28	27891
00755	Peninsula Welding Supply, Inc.	11/18/2016	Regular	0.00	45.00	27892
00256	PERS Retirement	11/18/2016	Regular	0.00	13,517.91	27893
00282	PG&E	11/18/2016	Regular	0.00	12.86	27894

EXHIBIT 6-B

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Check Report

Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
00752	Professional Liability Insurance Service	11/18/2016	Regular	0.00	39.17	27895
00283	SHELL	11/18/2016	Regular	0.00	777.96	27896
01351	Staples Credit Plan	11/18/2016	Regular	0.00	31.47	27897
04341	State Board of Equalization	11/18/2016	Regular	0.00	1,712.48	27898
04341	State Board of Equalization	11/18/2016	Regular	0.00	341.40	27899
04341	State Board of Equalization	11/18/2016	Regular	0.00	1,000.00	27900
04341	State Board of Equalization	11/18/2016	Regular	0.00	310.12	27901
13078	The Craig Family Trust dated April 7, 2014	11/18/2016	Regular	0.00	474.50	27902
00203	ThyssenKrup Elevator	11/18/2016	Regular	0.00	583.36	27903
00207	Universal Staffing Inc.	11/18/2016	Regular	0.00	1,444.16	27904
00271	UPEC, Local 792	11/18/2016	Regular	0.00	1,036.92	27905
03966	ACWA (Memberships/Conferences/Publications)	11/23/2016	Regular	0.00	9,800.00	27910
00763	ACWA-JPIA	11/23/2016	Regular	0.00	467.25	27911
00767	AFLAC	11/23/2016	Regular	0.00	1,139.96	27912
00760	Andy Bell	11/23/2016	Regular	0.00	810.00	27913
00253	AT&T	11/23/2016	Regular	0.00	715.21	27914
00253	AT&T	11/23/2016	Regular	0.00	62.21	27915
00236	AT&T Long Distance	11/23/2016	Regular	0.00	0.67	27916
00243	CalPers Long Term Care Program	11/23/2016	Regular	0.00	50.06	27917
00024	Central Coast Exterminator	11/23/2016	Regular	0.00	104.00	27918
00237	Chevron	11/23/2016	Regular	0.00	436.17	27919
04362	Costco Membership	11/23/2016	Regular	0.00	165.00	27920
04041	Cynthia Schmidlin	11/23/2016	Regular	0.00	595.00	27921
00267	Employment Development Dept.	11/23/2016	Regular	0.00	3,927.92	27922
07624	Franchise Tax Board	11/23/2016	Regular	0.00	88.33	27923
00993	Harris Court Business Park	11/23/2016	Regular	0.00	721.26	27924
00277	Home Depot Credit Services	11/23/2016	Regular	0.00	45.60	27925
00768	ICMA	11/23/2016	Regular	0.00	5,526.09	27926
11223	In-Situ	11/23/2016	Regular	0.00	1,100.34	27927
00280	Kevan Urquhart	11/23/2016	Regular	0.00	984.50	27928
00117	Marina Backflow Company	11/23/2016	Regular	0.00	60.00	27929
00242	MBAS	11/23/2016	Regular	0.00	260.00	27930
04032	Normandeau Associates, Inc.	11/23/2016	Regular	0.00	1,134.00	27931
00225	Palace Office Supply	11/23/2016	Regular	0.00	773.67	27932
00755	Peninsula Welding Supply, Inc.	11/23/2016	Regular	0.00	52.78	27933
00256	PERS Retirement	11/23/2016	Regular	0.00	13,517.93	27934
00282	PG&E	11/23/2016	Regular	0.00	7,371.25	27935
00282	PG&E	11/23/2016	Regular	0.00	4,276.45	27936
00282	PG&E	11/23/2016	Regular	0.00	25,259.63	27937
00759	RaboBank,N.A.	11/23/2016	Regular	0.00	956.82	27938
00251	Rick Dickhaut	11/23/2016	Regular	0.00	1,023.00	27939
00176	Sentry Alarm Systems	11/23/2016	Regular	0.00	250.00	27940
09989	Star Sanitation Services	11/23/2016	Regular	0.00	86.11	27941
03973	Stephanie Kister	11/23/2016	Regular	0.00	115.80	27942
00286	Stephanie L Locke	11/23/2016	Regular	0.00	116.61	27943
00258	TBC Communications & Media	11/23/2016	Regular	0.00	10,100.00	27944
09351	Tetra Tech, Inc.	11/23/2016	Regular	0.00	1,149.62	27945
06005	Trucksis Flag & Banner	11/23/2016	Regular	0.00	451.88	27946
00207	Universal Staffing Inc.	11/23/2016	Regular	0.00	1,805.20	27947

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Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
09382	Workin.com	11/23/2016	Regular	0.00	208.50	27948

Payment Type	Bank Code APBNK		Summary	
	Payable Count	Payment Count	Discount	Payment
Regular Checks	212	163	0.00	363,873.85
Manual Checks	0	0	0.00	0.00
Voided Checks	0	2	0.00	-117.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	212	165	0.00	363,756.85

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Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: REBATES-02-Rebates: Use Only For Rebates						
12965	ALBERTO DIAZ	11/08/2016	Regular	0.00	500.00	27633
12965	ALBERTO DIAZ	11/08/2016	Regular	0.00	-500.00	27633
12949	ALEXANDER CROSBY	11/08/2016	Regular	0.00	100.00	27634
12762	Alfonso Hernandez	11/08/2016	Regular	0.00	500.00	27635
13056	Alicia Buzan	11/08/2016	Regular	0.00	500.00	27636
12985	AMAN MAHARAJ	11/08/2016	Regular	0.00	100.00	27637
13028	AMANDA & GORDON FREEDMAN	11/08/2016	Regular	0.00	450.00	27638
13048	AMELIA HOWERTON	11/08/2016	Regular	0.00	624.00	27639
12980	ANDREA L HARROD	11/08/2016	Regular	0.00	100.00	27640
12990	ANDREA S KINGMAN	11/08/2016	Regular	0.00	125.00	27641
12765	Andrew Melendrez	11/08/2016	Regular	0.00	500.00	27642
13074	Andrew Stetson	11/08/2016	Regular	0.00	499.99	27643
13066	ANN M KASTING	11/08/2016	Regular	0.00	498.60	27644
13031	ANN WIDMAN BRAY & SCOTT BRAY	11/08/2016	Regular	0.00	500.00	27645
12993	ANNE M WASHBURN	11/08/2016	Regular	0.00	125.00	27646
13059	ANNE OJA	11/08/2016	Regular	0.00	500.00	27647
13005	ARCHIE M GIBSON	11/08/2016	Regular	0.00	500.00	27648
12958	Barbara Chudilowsky	11/08/2016	Regular	0.00	125.00	27649
12996	BECKY OHSIEK	11/08/2016	Regular	0.00	500.00	27650
12992	BETTY PAUL	11/08/2016	Regular	0.00	125.00	27651
13039	BEVERLY HUFF	11/08/2016	Regular	0.00	100.00	27652
13075	CARLOS J & JUDITH A QUINTANA	11/08/2016	Regular	0.00	2,144.00	27653
13032	Carrie Cetindag	11/08/2016	Regular	0.00	500.00	27654
13068	CHARLES & HAZEL BRAUER	11/08/2016	Regular	0.00	500.00	27655
13062	Chelsea Sellers	11/08/2016	Regular	0.00	479.99	27656
13026	Chris Fisher	11/08/2016	Regular	0.00	500.00	27657
13023	CHRISTIE BALCAEN	11/08/2016	Regular	0.00	125.00	27658
12763	CHRISTINE P JACOBSON	11/08/2016	Regular	0.00	200.00	27659
12758	CHRISTINE P JACOBSON	11/08/2016	Regular	0.00	500.00	27660
13017	DANA LINKLETTER	11/08/2016	Regular	0.00	100.00	27661
12757	DARLENE WRIGHT	11/08/2016	Regular	0.00	500.00	27662
12972	DAVID & SHEILA ALLAIRE	11/08/2016	Regular	0.00	500.00	27663
13058	DAVID BEERS	11/08/2016	Regular	0.00	499.99	27664
13019	DAVID DELCO	11/08/2016	Regular	0.00	100.00	27665
13043	DAVID JONES	11/08/2016	Regular	0.00	100.00	27666
13069	DAVID WAGNER	11/08/2016	Regular	0.00	500.00	27667
13045	DEBORAH KELLY TRUST	11/08/2016	Regular	0.00	100.00	27668
13012	DENNIS NIEKRO	11/08/2016	Regular	0.00	500.00	27669
13054	DENNIS PEAK	11/08/2016	Regular	0.00	125.00	27670
13067	DESIREE MUTTERS	11/08/2016	Regular	0.00	500.00	27671
12756	Dessislava Ghann	11/08/2016	Regular	0.00	500.00	27672
13063	DONNA YOUNG	11/08/2016	Regular	0.00	500.00	27673
13013	DOTTY STEVENS	11/08/2016	Regular	0.00	500.00	27674
12960	Dr. Nancy L. Knapp	11/08/2016	Regular	0.00	500.00	27675
12947	Ed Rodriguez	11/08/2016	Regular	0.00	238.00	27676
12971	EDWIN VINLUAN	11/08/2016	Regular	0.00	500.00	27677
12746	EDWIN VINLUAN	11/08/2016	Regular	0.00	298.00	27678
13020	ELISABETH FISCHBECK	11/08/2016	Regular	0.00	100.00	27679
12743	ERIC KAWASHIMA	11/08/2016	Regular	0.00	357.50	27680
12764	EVA LINDBERG	11/08/2016	Regular	0.00	100.00	27681
13009	FATHER RONALD KAWCZYNSKI	11/08/2016	Regular	0.00	150.00	27682
12953	FATIMA AZEVEDO MELO	11/08/2016	Regular	0.00	100.00	27683
13052	FERRELL DASTE	11/08/2016	Regular	0.00	125.00	27684
13034	Folktale Winery	11/08/2016	Regular	0.00	100.00	27685
13015	Folktale Winery	11/08/2016	Regular	0.00	300.00	27686
13051	FRITZ NAEF	11/08/2016	Regular	0.00	125.00	27687
12982	GAIL E LEHMAN-SIEGFRIED	11/08/2016	Regular	0.00	119.00	27688
12977	GASPER V CARDINALE	11/08/2016	Regular	0.00	100.00	27689
12950	GISELE MATILLA	11/08/2016	Regular	0.00	98.00	27690
12999	GLEN CHEDA	11/08/2016	Regular	0.00	500.00	27691

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Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
12970	GREG CAWELTI	11/08/2016	Regular	0.00	479.99	27692
12747	GREG JACOBSON	11/08/2016	Regular	0.00	100.00	27693
12981	HIDEO ODA	11/08/2016	Regular	0.00	100.00	27694
13035	HILL WILLIAM J & KARIN L TRS	11/08/2016	Regular	0.00	2,500.00	27695
12742	HILLTOP RANCH & VINEYARD, LLC	11/08/2016	Regular	0.00	499.99	27696
12753	HILMAN WALKER	11/08/2016	Regular	0.00	500.00	27697
12997	IAN A & CATHY M NUOVO	11/08/2016	Regular	0.00	499.99	27698
12967	Jackie & Don Craghead	11/08/2016	Regular	0.00	500.00	27699
13029	JAMES & KATY ANASTASI	11/08/2016	Regular	0.00	500.00	27700
13036	JAMES E & SHARON L BURNIS TRS	11/08/2016	Regular	0.00	540.00	27701
12760	JANETTE LOOMIS	11/08/2016	Regular	0.00	500.00	27702
13041	Jeanne Olin	11/08/2016	Regular	0.00	100.00	27703
12752	JEFFREY WOOD	11/08/2016	Regular	0.00	499.99	27704
12751	Jeremy Grennan	11/08/2016	Regular	0.00	500.00	27705
12974	JOE C MELO	11/08/2016	Regular	0.00	500.00	27706
12754	JOHN & CHARLOTTE ROACH	11/08/2016	Regular	0.00	500.00	27707
12998	JOHN MICEK	11/08/2016	Regular	0.00	500.00	27708
12744	JOHN TENANES	11/08/2016	Regular	0.00	94.12	27709
12759	JOHN VITALICH	11/08/2016	Regular	0.00	500.00	27710
13003	JOSE LUZ VELASQUEZ	11/08/2016	Regular	0.00	499.99	27711
12962	JOSEPH TANOUS	11/08/2016	Regular	0.00	500.00	27712
12955	Juli Reynolds	11/08/2016	Regular	0.00	125.00	27713
12989	KAREN F DAMM	11/08/2016	Regular	0.00	125.00	27714
13004	KATHLEEN WOJTKOWSKI	11/08/2016	Regular	0.00	500.00	27715
13049	KD LANDHOLDINGS LLC	11/08/2016	Regular	0.00	125.00	27716
13064	KENT MITCHELL	11/08/2016	Regular	0.00	500.00	27717
12956	KIM FUJII	11/08/2016	Regular	0.00	125.00	27718
12750	Kyle Lupo	11/08/2016	Regular	0.00	500.00	27719
13011	LAUREN ROGALSKY	11/08/2016	Regular	0.00	100.00	27720
13027	LINDA IVERSON JOHNSON	11/08/2016	Regular	0.00	500.00	27721
12966	Lola Escalante	11/08/2016	Regular	0.00	500.00	27722
13047	LORI SANCHEZ	11/08/2016	Regular	0.00	125.00	27723
13025	Luis De La Garza	11/08/2016	Regular	0.00	500.00	27724
12954	MAHLON COLEMAN	11/08/2016	Regular	0.00	100.00	27725
13044	MALINDA FURTADO	11/08/2016	Regular	0.00	100.00	27726
13073	Mangold Property Management	11/08/2016	Regular	0.00	99.13	27727
12987	MARIBEL RAMIREZ	11/08/2016	Regular	0.00	100.00	27728
13018	MARIKAY BRIDGES LE VALLEY	11/08/2016	Regular	0.00	100.00	27729
12979	MARILYN ST CLAIR	11/08/2016	Regular	0.00	100.00	27730
13002	MARSHA DODSON	11/08/2016	Regular	0.00	500.00	27731
13055	MARVIN D TILLOTSON	11/08/2016	Regular	0.00	125.00	27732
12948	MARY JO TRIVERS	11/08/2016	Regular	0.00	7.29	27733
12748	MELANIE CARDINALI	11/08/2016	Regular	0.00	100.00	27734
13000	MELISSA JOHNSON	11/08/2016	Regular	0.00	500.00	27735
12749	MICHAEL McCANN	11/08/2016	Regular	0.00	125.00	27736
12984	MICHAEL RICHARDSON	11/08/2016	Regular	0.00	98.00	27737
13014	MONTEREY PENINSULA BUDDHIST CH	11/08/2016	Regular	0.00	500.00	27738
13046	MR. DONALD MATLE	11/08/2016	Regular	0.00	300.00	27739
13001	NANCY RUBIN	11/08/2016	Regular	0.00	497.88	27740
13007	NOEL MILLS	11/08/2016	Regular	0.00	100.00	27741
12959	NORBERTA GARCIA	11/08/2016	Regular	0.00	500.00	27742
12995	PAMELA BALL	11/08/2016	Regular	0.00	500.00	27743
12975	PAT SPADARO	11/08/2016	Regular	0.00	100.00	27744
13060	PATRICIA HEARNE	11/08/2016	Regular	0.00	500.00	27745
12946	Paul F. Bystrowski	11/08/2016	Regular	0.00	400.00	27746
12952	PEGGY BORN	11/08/2016	Regular	0.00	200.00	27747
13042	PEI JU CHANG	11/08/2016	Regular	0.00	300.00	27748
12968	PETER FERBRACHE	11/08/2016	Regular	0.00	500.00	27749
13061	Peter Riestler	11/08/2016	Regular	0.00	500.00	27750
13010	PHYLLIS TAYLOR	11/08/2016	Regular	0.00	100.00	27751
13040	REGENIA I GOMEZ	11/08/2016	Regular	0.00	100.00	27752

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Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
12986	REID WOODWARD	11/08/2016	Regular	0.00	100.00	27753
13065	RICH BRIMER	11/08/2016	Regular	0.00	500.00	27754
12994	RICHARD HAWKINS	11/08/2016	Regular	0.00	500.00	27755
12761	RICHARD SCULLY	11/08/2016	Regular	0.00	500.00	27756
12988	ROBERT & CONSTANCE BIDDINGER	11/08/2016	Regular	0.00	325.00	27757
13030	ROBERT B HICKS	11/08/2016	Regular	0.00	477.90	27758
12973	ROBERT CARY	11/08/2016	Regular	0.00	500.00	27759
13024	Robert Murray	11/08/2016	Regular	0.00	500.00	27760
12945	ROBERT SEIDEL	11/08/2016	Regular	0.00	119.00	27761
12942	ROBERT SEIDEL	11/08/2016	Regular	0.00	149.00	27762
12944	ROBERT SEIDEL	11/08/2016	Regular	0.00	238.00	27763
13008	ROBERT STEGER	11/08/2016	Regular	0.00	200.00	27764
12957	ROBERT VRIJENHOEK	11/08/2016	Regular	0.00	125.00	27765
12991	ROBERTA SWANSON	11/08/2016	Regular	0.00	125.00	27766
13022	RONALD BECK	11/08/2016	Regular	0.00	625.00	27767
12943	RUDY MARTIN	11/08/2016	Regular	0.00	447.00	27768
13016	RUSSELL COTTON	11/08/2016	Regular	0.00	100.00	27769
13072	SASHA SPADONI	11/08/2016	Regular	0.00	500.00	27770
12961	Scott Rosa	11/08/2016	Regular	0.00	500.00	27771
13070	SHEILA HIEBERT	11/08/2016	Regular	0.00	500.00	27772
12963	Shelley Deary	11/08/2016	Regular	0.00	500.00	27773
12755	SHU FEN LAM	11/08/2016	Regular	0.00	383.76	27774
12978	SIEGFRIED LACKNER	11/08/2016	Regular	0.00	100.00	27775
13006	STACY L MARSHALL	11/08/2016	Regular	0.00	220.00	27776
12964	STACY MARSHALL	11/08/2016	Regular	0.00	500.00	27777
13033	STUART PRESSMAN	11/08/2016	Regular	0.00	200.00	27778
12983	Terri Paden	11/08/2016	Regular	0.00	400.00	27779
13050	TOM & JILL HOULETTE	11/08/2016	Regular	0.00	125.00	27780
13021	Tracy Haack	11/08/2016	Regular	0.00	100.00	27781
13071	VICKI SINNHUBER	11/08/2016	Regular	0.00	478.80	27782
13053	WALTER WHITE JR	11/08/2016	Regular	0.00	125.00	27783
12976	WAYNE SHANNON	11/08/2016	Regular	0.00	100.00	27784
13038	WILLIAM AMBROSINI	11/08/2016	Regular	0.00	100.00	27785
13057	William Takasaki	11/08/2016	Regular	0.00	500.00	27786
13037	WILLIAM WILLIAMS	11/08/2016	Regular	0.00	100.00	27787
12969	YARA C DIPAOLA	11/08/2016	Regular	0.00	499.99	27788
12951	YOSHI ANTO	11/08/2016	Regular	0.00	100.00	27789
13123	ANDREW JOHNSON	11/18/2016	Regular	0.00	500.00	27842
13111	BETHANY ANN BECKMAN	11/18/2016	Regular	0.00	100.00	27843
13110	BETHANY ANN BECKMAN	11/18/2016	Regular	0.00	100.00	27844
13127	DAURA PALMER	11/18/2016	Regular	0.00	500.00	27845
13131	GRANT NAKAJIMA	11/18/2016	Regular	0.00	55.00	27846
13122	JACK CORDIER	11/18/2016	Regular	0.00	500.00	27847
13134	Jeffrey Kong	11/18/2016	Regular	0.00	100.00	27848
13125	Jerry Lima	11/18/2016	Regular	0.00	500.00	27849
13119	JOAN LINDER	11/18/2016	Regular	0.00	500.00	27850
13121	JOSEPH RICHARDSON	11/18/2016	Regular	0.00	499.99	27851
13124	Laura Hodge	11/18/2016	Regular	0.00	500.00	27852
13120	Lynette Cardinalli	11/18/2016	Regular	0.00	500.00	27853
13132	MALCOLM BARLOW	11/18/2016	Regular	0.00	51.25	27854
13114	MELVIN ELTISTE	11/18/2016	Regular	0.00	100.00	27855
13115	MICHAEL & CAROL VOUT	11/18/2016	Regular	0.00	125.00	27856
13113	MINA SUNWOO	11/18/2016	Regular	0.00	825.00	27857
13109	PATRICIA CARACCIOLI	11/18/2016	Regular	0.00	200.00	27858
13128	PATRICK JONES	11/18/2016	Regular	0.00	500.00	27859
13118	Peter A. Rerig	11/18/2016	Regular	0.00	479.99	27860
13117	REMY RYAN	11/18/2016	Regular	0.00	125.00	27861
13129	RICK & PEGGY BORN	11/18/2016	Regular	0.00	500.00	27862
13133	Sabina Gaudoin	11/18/2016	Regular	0.00	500.00	27863
13116	Stephen Pakula	11/18/2016	Regular	0.00	125.00	27864
13112	Stewart Eisele	11/18/2016	Regular	0.00	200.00	27865

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Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
13130	THOMAS J KEATON	11/18/2016	Regular	0.00	500.00	27866
13126	WILL MAE BANKS	11/18/2016	Regular	0.00	500.00	27867
12965	ALBERTO DIAZ	11/28/2016	Regular	0.00	500.00	27949
13197	ALLEN PETER JOHNSON	11/28/2016	Regular	0.00	500.00	27950
13137	ANDREW & DIANE MALIK	11/28/2016	Regular	0.00	479.99	27951
13168	ANKIT PANCHAL	11/28/2016	Regular	0.00	500.00	27952
13181	ANN PEACOCK	11/28/2016	Regular	0.00	100.00	27953
13224	ANTHONY CHAPMAN	11/28/2016	Regular	0.00	500.00	27954
13210	ARNIE BURTTSCHELL	11/28/2016	Regular	0.00	500.00	27955
13172	BARBARA JOHNSON	11/28/2016	Regular	0.00	500.00	27956
13189	BARBARA STONE	11/28/2016	Regular	0.00	100.00	27957
13211	Beatrice Chan	11/28/2016	Regular	0.00	500.00	27958
13220	BENJAMIN LAZARE	11/28/2016	Regular	0.00	500.00	27959
13221	BETKA GUILFORD	11/28/2016	Regular	0.00	285.00	27960
13191	BEVERLEY D. HILL	11/28/2016	Regular	0.00	300.00	27961
13174	BRIAN GEORGE	11/28/2016	Regular	0.00	500.00	27962
13209	CARLA MORREALE	11/28/2016	Regular	0.00	500.00	27963
13158	CAROLE SAKAMOTO	11/28/2016	Regular	0.00	200.00	27964
13225	CARSON EOYANG	11/28/2016	Regular	0.00	100.00	27965
13237	CATHERINE LYONS	11/28/2016	Regular	0.00	500.00	27966
13178	CELESTE FALOR	11/28/2016	Regular	0.00	200.00	27967
13173	CHARLES BETLACH II	11/28/2016	Regular	0.00	500.00	27968
13151	CHARLES HUGHES	11/28/2016	Regular	0.00	700.00	27969
13136	CHRIS SCHOTT	11/28/2016	Regular	0.00	100.00	27970
13170	Christina Hart	11/28/2016	Regular	0.00	500.00	27971
13242	CHRISTINE OVERDEVEST	11/28/2016	Regular	0.00	500.00	27972
13201	CHRISTOPHER & JULIE BARLOW	11/28/2016	Regular	0.00	500.00	27973
13236	CINDI SCARLETT	11/28/2016	Regular	0.00	500.00	27974
13195	CLAUDIA SUMMERS	11/28/2016	Regular	0.00	125.00	27975
13230	CLYDE ROSS	11/28/2016	Regular	0.00	500.00	27976
13142	CSILLA FOSS	11/28/2016	Regular	0.00	100.00	27977
13140	DANA LEE HERZ	11/28/2016	Regular	0.00	100.00	27978
13194	DAVID DRABO	11/28/2016	Regular	0.00	125.00	27979
13219	DAVID LUM	11/28/2016	Regular	0.00	200.00	27980
13222	DAVID M & MARY D BARRETT TRS	11/28/2016	Regular	0.00	2,229.00	27981
13138	DAVID PALSHAW	11/28/2016	Regular	0.00	100.00	27982
13149	DAVID PICUS	11/28/2016	Regular	0.00	100.00	27983
13166	DEIRDRE MCCAULEY	11/28/2016	Regular	0.00	500.00	27984
13161	DIANE M GRECO	11/28/2016	Regular	0.00	125.00	27985
13207	DIANE WHITEMAN	11/28/2016	Regular	0.00	500.00	27986
13198	DIANE WRIGHT	11/28/2016	Regular	0.00	500.00	27987
13148	Dianne Busse	11/28/2016	Regular	0.00	89.00	27988
13234	DOUG HERRMAN	11/28/2016	Regular	0.00	500.00	27989
13239	EC Wekell	11/28/2016	Regular	0.00	479.99	27990
13193	ELIZABETH T HIRSCH	11/28/2016	Regular	0.00	325.00	27991
13155	ELLEN MCEWEN	11/28/2016	Regular	0.00	100.00	27992
13186	GARY PEASLEY	11/28/2016	Regular	0.00	200.00	27993
13153	GENE ARDELL	11/28/2016	Regular	0.00	100.00	27994
13240	GERALDINE BARRETT	11/28/2016	Regular	0.00	500.00	27995
13202	Gwyn Alford	11/28/2016	Regular	0.00	500.00	27996
13169	Helen V. Ogden	11/28/2016	Regular	0.00	500.00	27997
13190	HUNTER LEIGHTON	11/28/2016	Regular	0.00	447.00	27998
13154	JAMES F DALTON	11/28/2016	Regular	0.00	100.00	27999
13184	JAMES MILLER	11/28/2016	Regular	0.00	100.00	28000
13243	JOHN D SOBELMAN	11/28/2016	Regular	0.00	500.00	28001
13159	JOHN WATKINS	11/28/2016	Regular	0.00	125.00	28002
13143	JOHNNY EDWARDS	11/28/2016	Regular	0.00	100.00	28003
13228	JOSEPHINE RAPP	11/28/2016	Regular	0.00	200.00	28004
13175	Jude Shell	11/28/2016	Regular	0.00	449.99	28005
13206	Karen A. Mignano	11/28/2016	Regular	0.00	500.00	28006
13231	KEN GRIGGS	11/28/2016	Regular	0.00	500.00	28007

EXHIBIT 6-B

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Check Report

Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
13160	KIM FRASER	11/28/2016	Regular	0.00	125.00	28008
13204	LARA SAILER LONG	11/28/2016	Regular	0.00	500.00	28009
13147	LAWRENCE LARSON	11/28/2016	Regular	0.00	50.00	28010
13217	LIAM DOUST	11/28/2016	Regular	0.00	197.50	28011
13245	LOUIE SAN PAOLO	11/28/2016	Regular	0.00	500.00	28012
13246	LUCIANA AMODEO	11/28/2016	Regular	0.00	500.00	28013
13214	LYNN PACE	11/28/2016	Regular	0.00	102.50	28014
13145	MARJORIE BRETT	11/28/2016	Regular	0.00	149.00	28015
13192	MARSHA W ANDREWS	11/28/2016	Regular	0.00	125.00	28016
13203	Martin Becker	11/28/2016	Regular	0.00	500.00	28017
13165	Megan Best	11/28/2016	Regular	0.00	500.00	28018
13238	MIKE RUPP	11/28/2016	Regular	0.00	500.00	28019
13218	Mon Pen Company	11/28/2016	Regular	0.00	100.00	28020
13200	NANCY HUFFORD	11/28/2016	Regular	0.00	500.00	28021
13156	NATHAN PIOTRKOWSKI	11/28/2016	Regular	0.00	100.00	28022
13157	NED B VAN ROEKEL	11/28/2016	Regular	0.00	100.00	28023
13205	OLIVIA RAMOS	11/28/2016	Regular	0.00	500.00	28024
13141	PATRICIA BASCO	11/28/2016	Regular	0.00	100.00	28025
13183	PATRICIA ILENE CARDINALLI	11/28/2016	Regular	0.00	100.00	28026
13199	Patrick B. Frain	11/28/2016	Regular	0.00	500.00	28027
13241	PETER & HARRIET BROOKS	11/28/2016	Regular	0.00	500.00	28028
13139	PETER GUERRA	11/28/2016	Regular	0.00	100.00	28029
13233	Philip M. Geiger	11/28/2016	Regular	0.00	500.00	28030
13182	Qian Wang	11/28/2016	Regular	0.00	98.00	28031
13226	RAMONA REED	11/28/2016	Regular	0.00	100.00	28032
13164	RANDOLF GROUNDS	11/28/2016	Regular	0.00	125.00	28033
13162	REBECCA BISHOP	11/28/2016	Regular	0.00	125.00	28034
13167	RICHARD BORQUIST	11/28/2016	Regular	0.00	500.00	28035
13212	RICHARD EKKER	11/28/2016	Regular	0.00	497.70	28036
13229	RICHARD HARRIT	11/28/2016	Regular	0.00	250.00	28037
13208	RICHARD L SCHAFER	11/28/2016	Regular	0.00	500.00	28038
13146	RICHARD LUNDY	11/28/2016	Regular	0.00	447.00	28039
13150	RICHARD REED	11/28/2016	Regular	0.00	100.00	28040
13196	ROSEMARY WELLS	11/28/2016	Regular	0.00	125.00	28041
13171	RUTH DUNNE	11/28/2016	Regular	0.00	500.00	28042
13176	RYAN DURHAM	11/28/2016	Regular	0.00	500.00	28043
13227	SARAH LIVINGSTON	11/28/2016	Regular	0.00	200.00	28044
13177	SCOTT & LINDA HARVEY	11/28/2016	Regular	0.00	119.00	28045
13216	SCOTT GILES	11/28/2016	Regular	0.00	50.00	28046
13179	SCOTT HARVEY	11/28/2016	Regular	0.00	40.00	28047
13188	SEUNG-HEE PARK	11/28/2016	Regular	0.00	100.00	28048
13187	Sherie Dodsworth	11/28/2016	Regular	0.00	100.00	28049
13152	Stacey Johnson	11/28/2016	Regular	0.00	89.00	28050
13180	STAN & ELENA LINKER	11/28/2016	Regular	0.00	500.00	28051
13185	STEPHEN MILLICH	11/28/2016	Regular	0.00	100.00	28052
13235	SUNG HYUN LEE	11/28/2016	Regular	0.00	500.00	28053
13244	SUSAN JONES	11/28/2016	Regular	0.00	500.00	28054
13213	SUSAN SCHAFER	11/28/2016	Regular	0.00	500.00	28055
13215	TAMMIE TIMMION	11/28/2016	Regular	0.00	375.00	28056
13247	THIRD FAIRWAY HOA	11/28/2016	Regular	0.00	356.00	28057
13144	TOMMY ADAM	11/28/2016	Regular	0.00	100.00	28058
13163	TOMMY ADAM	11/28/2016	Regular	0.00	125.00	28059
13223	VINCENT FERRANTE	11/28/2016	Regular	0.00	125.00	28060

EXHIBIT 6-B

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Check Report

Date Range: 11/01/2016 - 11/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
13232	WILLIAM CASH	11/28/2016	Regular	0.00	500.00	28061

Bank Code REBATES-02 Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	296	296	0.00	100,378.79
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	-500.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	296	297	0.00	99,878.79

Fund Summary

Fund	Name	Period	Amount
99	POOL CASH FUND	11/2016	463,635.64
			<hr/>
			463,635.64

EXHIBIT 6-C

Payroll Bank Transaction Report - MPWMD



Monterey Peninsula Water Management Dist

By Payment Number

Date: 11/1/2016 - 11/30/2016

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
2609	11/10/2016	Regular	1024	Stoldt, David J	0.00	5,134.72	5,134.72
2610	11/10/2016	Regular	1025	Tavani, Arlene M	0.00	1,956.74	1,956.74
2611	11/10/2016	Regular	1006	Dudley, Mark A	0.00	2,627.94	2,627.94
2612	11/10/2016	Regular	1039	Flores, Elizabeth	0.00	1,854.63	1,854.63
2613	11/10/2016	Regular	1018	Prasad, Suresh	0.00	3,658.51	3,658.51
2614	11/10/2016	Regular	1019	Reyes, Sara C	0.00	1,827.13	1,827.13
2615	11/10/2016	Regular	1021	Schmidlin, Cynthia L	0.00	1,862.25	1,862.25
2616	11/10/2016	Regular	1002	Bekker, Mark	0.00	1,678.84	1,678.84
2617	11/10/2016	Regular	1005	Christensen, Thomas T	0.00	2,624.34	2,624.34
2618	11/10/2016	Regular	1042	Hamilton, Maureen C.	0.00	2,792.02	2,792.02
2619	11/10/2016	Regular	1008	Hampson, Larry M	0.00	3,289.55	3,289.55
2620	11/10/2016	Regular	1009	James, Gregory W	0.00	3,009.44	3,009.44
2621	11/10/2016	Regular	6034	Kleven, Alana K	0.00	88.84	88.84
2622	11/10/2016	Regular	1011	Lear, Jonathan P	0.00	2,813.62	2,813.62
2623	11/10/2016	Regular	1012	Lindberg, Thomas L	0.00	2,222.95	2,222.95
2624	11/10/2016	Regular	1013	Lyons, Matthew J	0.00	1,649.14	1,649.14
2625	11/10/2016	Regular	1023	Stern, Henrietta L	0.00	515.82	515.82
2626	11/10/2016	Regular	6028	Atkins, Daniel N	0.00	827.15	827.15
2627	11/10/2016	Regular	6035	Besson, Jordan C.	0.00	245.04	245.04
2628	11/10/2016	Regular	1004	Chaney, Beverly M	0.00	2,245.56	2,245.56
2629	11/10/2016	Regular	1007	Hamilton, Cory R	0.00	2,083.47	2,083.47
2630	11/10/2016	Regular	1026	Urquhart, Kevan A	0.00	1,542.32	1,542.32
2631	11/10/2016	Regular	1001	Ayala, Gabriela D	0.00	1,758.42	1,758.42
2632	11/10/2016	Regular	1041	Gonnerman, Maryan C	0.00	1,545.05	1,545.05
2633	11/10/2016	Regular	1010	Kister, Stephanie L	0.00	1,893.36	1,893.36
2634	11/10/2016	Regular	1017	Locke, Stephanie L	0.00	2,757.04	2,757.04
2635	11/10/2016	Regular	1014	Martin, Debra S	0.00	1,868.78	1,868.78
2636	11/23/2016	Regular	1024	Stoldt, David J	0.00	5,093.76	5,093.76
2637	11/23/2016	Regular	1025	Tavani, Arlene M	0.00	1,919.14	1,919.14
2638	11/23/2016	Regular	1006	Dudley, Mark A	0.00	2,627.94	2,627.94
2639	11/23/2016	Regular	1039	Flores, Elizabeth	0.00	1,854.63	1,854.63
2640	11/23/2016	Regular	1018	Prasad, Suresh	0.00	3,658.51	3,658.51
2641	11/23/2016	Regular	1019	Reyes, Sara C	0.00	1,827.12	1,827.12
2642	11/23/2016	Regular	1021	Schmidlin, Cynthia L	0.00	1,862.25	1,862.25
2643	11/23/2016	Regular	1002	Bekker, Mark	0.00	1,678.84	1,678.84
2644	11/23/2016	Regular	1005	Christensen, Thomas T	0.00	2,624.34	2,624.34
2645	11/23/2016	Regular	1042	Hamilton, Maureen C.	0.00	2,792.01	2,792.01
2646	11/23/2016	Regular	1008	Hampson, Larry M	0.00	3,289.55	3,289.55
2647	11/23/2016	Regular	1009	James, Gregory W	0.00	3,009.44	3,009.44
2648	11/23/2016	Regular	6034	Kleven, Alana K	0.00	154.63	154.63
2649	11/23/2016	Regular	1011	Lear, Jonathan P	0.00	2,813.62	2,813.62
2650	11/23/2016	Regular	1012	Lindberg, Thomas L	0.00	2,222.94	2,222.94
2651	11/23/2016	Regular	1013	Lyons, Matthew J	0.00	1,649.14	1,649.14
2652	11/23/2016	Regular	1023	Stern, Henrietta L	0.00	346.69	346.69
2653	11/23/2016	Regular	6028	Atkins, Daniel N	0.00	784.12	784.12
2654	11/23/2016	Regular	1004	Chaney, Beverly M	0.00	2,245.56	2,245.56
2655	11/23/2016	Regular	1007	Hamilton, Cory R	0.00	2,083.46	2,083.46
2656	11/23/2016	Regular	1026	Urquhart, Kevan A	0.00	1,460.41	1,460.41
2657	11/23/2016	Regular	1001	Ayala, Gabriela D	0.00	1,758.42	1,758.42
2658	11/23/2016	Regular	1041	Gonnerman, Maryan C	0.00	1,545.05	1,545.05
2659	11/23/2016	Regular	1010	Kister, Stephanie L	0.00	1,828.60	1,828.60
2660	11/23/2016	Regular	1017	Locke, Stephanie L	0.00	2,757.04	2,757.04
2661	11/23/2016	Regular	1014	Martin, Debra S	0.00	1,868.78	1,868.78
27790	11/10/2016	Regular	1022	Soto, Paula	0.00	0.00	0.00
27791	11/10/2016	Regular	6038	Chow, Kaitlyn S.	335.51	0.00	335.51
27792	11/10/2016	Regular	1043	Suwada, Joseph	586.25	0.00	586.25
27793	11/10/2016	Regular	1040	Smith, Kyle	1,509.59	0.00	1,509.59

EXHIBIT 6-C

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
27906	11/23/2016	Regular	1022	Soto, Paula	0.00	0.00	0.00
27907	11/23/2016	Regular	6038	Chow, Kaitlyn S.	103.44	0.00	103.44
27908	11/23/2016	Regular	1043	Suwada, Joseph	464.33	0.00	464.33
27909	11/23/2016	Regular	1040	Smith, Kyle	1,509.58	0.00	1,509.58
Totals:					4,508.70	112,128.66	116,637.36

EXHIBIT 6-D



Monterey Peninsula Water Management Dist

Bank Transaction Report

Transaction Detail

Issued Date Range: 11/01/2016 - 11/30/2016

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Bank Account: 111 - Bank of America Checking - 0000 8170 8210							
11/10/2016	11/30/2016	DFT0000808	I.R.S.	Accounts Payable	Cleared	Bank Draft	-10,800.01
11/10/2016	11/30/2016	DFT0000809	I.R.S.	Accounts Payable	Cleared	Bank Draft	-2,370.47
11/10/2016	11/30/2016	DFT0000810	I.R.S.	Accounts Payable	Cleared	Bank Draft	-403.74
11/15/2016	11/30/2016	SVC0000101	To Post Bank Service Charge	General Ledger	Cleared	Service Charge	-314.79
11/23/2016	11/30/2016	DFT0000812	I.R.S.	Accounts Payable	Cleared	Bank Draft	-10,743.81
11/23/2016	11/30/2016	DFT0000813	I.R.S.	Accounts Payable	Cleared	Bank Draft	-2,459.51
11/23/2016	11/30/2016	DFT0000814	I.R.S.	Accounts Payable	Cleared	Bank Draft	-287.78
Bank Account 111 Total: (7)							-27,380.11
Report Total: (7)							-27,380.11

EXHIBIT 6-D

Bank Transaction Report

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Issued Date Range: 11/01/2016 - 11/30/2016 Cleared Date Range: -

Summary

Bank Account	Count	Amount
111 Bank of America Checking - 0000 8170 8210	7	-27,380.11
Report Total:	7	-27,380.11

Cash Account	Count	Amount
99 99-10-100100 Pool Cash Account	7	-27,380.11
Report Total:	7	-27,380.11

Transaction Type	Count	Amount
Bank Draft	6	-27,065.32
Service Charge	1	-314.79
Report Total:	7	-27,380.11



Monterey Peninsula Water Management Dist

Statement of Revenue Over Expense - No Decimals
Group Summary

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Level...	November Activity	November 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 %	-2,376	3,400,000	-3,402,376	0.07 %
R110 - Mitigation Revenue	204,741	209,791	-5,050	-97.59 %	614,222	2,518,500	-1,904,278	-24.39 %
R120 - Property Taxes Revenues	0	133,280	-133,280	0.00 %	0	1,600,000	-1,600,000	0.00 %
R130 - User Fees	8,333	7,914	420	-105.31 %	21,325	95,000	-73,675	-22.45 %
R140 - Connection Charges	9,211	17,701	-8,490	-52.04 %	113,786	212,500	-98,714	-53.55 %
R150 - Permit Processing Fee	18,339	14,578	3,762	-125.80 %	92,838	175,000	-82,162	-53.05 %
R160 - Well Registration Fee	175	0	175	0.00 %	1,150	0	1,150	0.00 %
R180 - River Work Permit Application	0	0	0	0.00 %	25	0	25	0.00 %
R190 - WDS Permits Rule 21	178	4,665	-4,487	-3.82 %	8,843	56,000	-47,157	-15.79 %
R200 - Recording Fees	995	666	329	-149.31 %	6,268	8,000	-1,732	-78.35 %
R210 - Legal Fees	57	833	-776	-6.84 %	969	10,000	-9,031	-9.69 %
R220 - Copy Fee	0	0	0	0.00 %	112	0	112	0.00 %
R230 - Miscellaneous - Other	0	1,666	-1,666	0.00 %	956	20,000	-19,044	-4.78 %
R240 - Insurance Refunds	0	0	0	0.00 %	290	0	290	0.00 %
R250 - Interest Income	6	1,666	-1,660	-0.38 %	-2,569	20,000	-22,569	12.85 %
R265 - CAW - Los Padres Reimbursement	0	41,650	-41,650	0.00 %	0	500,000	-500,000	0.00 %
R270 - CAW - Rebates	81,564	83,300	-1,736	-97.92 %	206,726	1,000,000	-793,274	-20.67 %
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	-805	27,522	-28,327	2.92 %	-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:	322,795	1,046,302	-723,507	-30.85 %	1,061,760	12,560,650	-11,498,890	-8.45 %

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	169,526	200,478	30,952	84.56 %	915,872	2,406,700	1,490,828	38.06 %
1110 - Manager's Auto Allowance	462	500	38	92.34 %	2,308	6,000	3,692	38.46 %
1120 - Manager's Deferred Comp	631	700	69	90.14 %	3,469	8,400	4,931	41.30 %
1130 - Unemployment Compensation	0	250	250	0.00 %	0	3,000	3,000	0.00 %
1140 - Insurance Opt-Out Supplemental	683	808	125	84.57 %	5,873	9,700	3,827	60.55 %
1150 - Temporary Personnel	7,097	3,432	-3,665	206.80 %	21,821	41,200	19,379	52.96 %
1160 - PERS Retirement	16,888	33,953	17,065	49.74 %	291,895	407,600	115,705	71.61 %
1170 - Medical Insurance	25,454	27,814	2,360	91.52 %	127,147	333,900	206,753	38.08 %
1180 - Medical Insurance - Retirees	5,714	4,823	-891	118.47 %	32,645	57,900	25,255	56.38 %
1190 - Workers Compensation	3,284	4,048	764	81.12 %	18,789	48,600	29,811	38.66 %
1200 - Life Insurance	391	541	150	72.21 %	2,003	6,500	4,497	30.82 %
1210 - Long Term Disability Insurance	1,069	1,225	156	87.28 %	5,526	14,700	9,174	37.59 %
1220 - Short Term Disability Insurance	212	283	71	74.92 %	1,097	3,400	2,303	32.26 %
1250 - Moving Expense Reimbursement	0	0	0	0.00 %	116	0	-116	0.00 %
1260 - Employee Assistance Program	59	125	66	47.02 %	309	1,500	1,191	20.61 %
1270 - FICA Tax Expense	346	458	112	75.47 %	3,236	5,500	2,264	58.84 %
1280 - Medicare Tax Expense	2,360	2,999	639	78.69 %	13,554	36,000	22,446	37.65 %
1290 - Staff Development & Training	0	2,341	2,341	0.00 %	4,175	28,100	23,925	14.86 %
1300 - Conference Registration	0	367	367	0.00 %	1,935	4,400	2,465	43.98 %
1310 - Professional Dues	0	183	183	0.00 %	399	2,200	1,801	18.14 %
1320 - Personnel Recruitment	654	541	-112	120.69 %	1,882	6,500	4,619	28.95 %
Total Level1: 100 - Personnel Costs:	234,829	285,869	51,040	82.15 %	1,454,051	3,431,800	1,977,749	42.37 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	0	3,082	3,082	0.00 %	9,180	37,000	27,820	24.81 %
2020 - Board Expenses	0	833	833	0.00 %	130	10,000	9,870	1.30 %
2040 - Rent	1,787	1,933	146	92.47 %	9,573	23,200	13,627	41.26 %
2060 - Utilities	2,333	3,182	850	73.30 %	12,940	38,200	25,260	33.87 %
2120 - Insurance Expense	3,405	3,757	352	90.64 %	17,025	45,100	28,075	37.75 %
2130 - Membership Dues	11,310	2,424	-8,886	466.58 %	22,356	29,100	6,744	76.82 %
2140 - Bank Charges	358	333	-25	107.39 %	1,767	4,000	2,233	44.17 %
2150 - Office Supplies	1,941	1,166	-775	166.46 %	9,517	14,000	4,483	67.98 %
2160 - Courier Expense	717	650	-67	110.35 %	3,209	7,800	4,591	41.14 %
2170 - Printing/Photocopy	0	825	825	0.00 %	148	9,900	9,752	1.50 %
2180 - Postage & Shipping	297	533	236	55.69 %	2,887	6,400	3,513	45.11 %
2190 - IT Supplies/Services	4,665	7,747	3,082	60.22 %	56,807	93,000	36,193	61.08 %
2200 - Professional Fees	34,900	14,161	-20,739	246.45 %	64,147	170,000	105,853	37.73 %
2220 - Equipment Repairs & Maintenance	0	625	625	0.00 %	1,680	7,500	5,820	22.40 %
2235 - Equipment Lease	946	1,166	220	81.13 %	5,894	14,000	8,106	42.10 %
2240 - Telephone	3,084	3,574	489	86.31 %	16,424	42,900	26,476	38.28 %
2260 - Facility Maintenance	2,804	3,157	353	88.80 %	14,492	37,900	23,408	38.24 %

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 11/30/2016**

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2270 - Travel Expenses	598	2,674	2,075	22.38 %	6,120	32,100	25,980	19.07 %
2280 - Transportation	1,557	2,216	659	70.26 %	6,481	26,600	20,119	24.37 %
2300 - Legal Services	47,308	33,320	-13,988	141.98 %	200,593	400,000	199,407	50.15 %
2380 - Meeting Expenses	160	675	515	23.71 %	1,835	8,100	6,265	22.66 %
2420 - Legal Notices	0	358	358	0.00 %	0	4,300	4,300	0.00 %
2460 - Public Outreach	80	425	345	18.83 %	1,535	5,100	3,565	30.10 %
2480 - Miscellaneous	0	300	300	0.00 %	225	3,600	3,375	6.26 %
2500 - Tax Administration Fee	0	1,666	1,666	0.00 %	0	20,000	20,000	0.00 %
2900 - Operating Supplies	864	1,566	702	55.17 %	9,346	18,800	9,454	49.71 %
Total Level1: 200 - Supplies and Services:	119,114	92,346	-26,768	128.99 %	474,312	1,108,600	634,288	42.78 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	589,841	562,283	-27,557	104.90 %	1,178,800	6,750,100	5,571,300	17.46 %
4000 - Fixed Asset Purchases	1,109	9,621	8,513	11.52 %	15,935	115,500	99,565	13.80 %
5000 - Debt Service	69,549	19,159	-50,390	363.01 %	69,549	230,000	160,451	30.24 %
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:	660,499	668,087	7,588	98.86 %	1,264,284	8,020,250	6,755,966	15.76 %
Total Expense:	1,014,442	1,046,302	31,860	96.95 %	3,192,647	12,560,650	9,368,003	25.42 %
Report Total:	-691,647	0	-691,647		-2,130,887	0	-2,130,887	

EXHIBIT 6-E**Statement of Revenue Over Expense - No Decimals**

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Fund Summary

Fund	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	22,973	0	22,973		-324,312	0	-324,312	
26 - CONSERVATION FUND	-81,040	0	-81,040		-411,205	0	-411,205	
35 - WATER SUPPLY FUND	-633,581	0	-633,581		-1,395,370	0	-1,395,370	
Report Total:	-691,647	0.01	-691,647		-2,130,887	0	-2,130,887	

Statement of Revenue Over Expense - No Decimals

Group Summary

For Fiscal: 2016-2017 Period Ending: 11/30/2016



Monterey Peninsula Water Management Dist

Level...	November Activity	November 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 %	614,222	2,518,500	-1,904,278	-24.39 %
R130 - User Fees	7,035	7,289	-254	-96.52 %	18,003	87,500	-69,497	-20.58 %
R160 - Well Registration Fee	175	0	175	0.00 %	1,150	0	1,150	0.00 %
R180 - River Work Permit Application	0	0	0	0.00 %	25	0	25	0.00 %
R190 - WDS Permits Rule 21	178	4,665	-4,487	-3.82 %	8,843	56,000	-47,157	-15.79 %
R230 - Miscellaneous - Other	0	833	-833	0.00 %	0	10,000	-10,000	0.00 %
R250 - Interest Income	2	208	-206	-0.96 %	405	2,500	-2,095	-16.18 %
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	-805	16,660	-17,465	4.83 %	-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:	211,326	286,111	-74,784	-73.86 %	641,843	3,434,700	-2,792,857	-18.69 %

EXHIBIT 6-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	72,787	84,766	11,979	85.87 %	388,396	1,017,600	629,204	38.17 %
1110 - Manager's Auto Allowance	92	100	8	92.34 %	462	1,200	739	38.46 %
1120 - Manager's Deferred Comp	126	142	15	89.09 %	694	1,700	1,006	40.82 %
1130 - Unemployment Compensation	0	108	108	0.00 %	0	1,300	1,300	0.00 %
1140 - Insurance Opt-Out Supplemental	226	267	41	84.60 %	1,653	3,200	1,547	51.66 %
1150 - Temporary Personnel	1,299	42	-1,258	3,119.86 %	2,168	500	-1,668	433.66 %
1160 - PERS Retirement	7,254	14,369	7,115	50.48 %	123,645	172,500	48,855	71.68 %
1170 - Medical Insurance	10,892	11,729	837	92.87 %	54,181	140,800	86,619	38.48 %
1180 - Medical Insurance - Retirees	2,400	2,074	-326	115.70 %	13,711	24,900	11,189	55.06 %
1190 - Workers Compensation	2,198	2,482	284	88.54 %	12,076	29,800	17,724	40.52 %
1200 - Life Insurance	180	242	62	74.36 %	906	2,900	1,994	31.25 %
1210 - Long Term Disability Insurance	473	525	52	90.15 %	2,400	6,300	3,900	38.10 %
1220 - Short Term Disability Insurance	94	117	23	80.57 %	477	1,400	923	34.05 %
1250 - Moving Expense Reimbursement	0	0	0	0.00 %	116	0	-116	0.00 %
1260 - Employee Assistance Program	25	50	25	50.18 %	130	600	470	21.65 %
1270 - FICA Tax Expense	326	292	-34	111.79 %	2,763	3,500	737	78.94 %
1280 - Medicare Tax Expense	1,092	1,266	174	86.22 %	6,315	15,200	8,885	41.55 %
1290 - Staff Development & Training	0	841	841	0.00 %	2,963	10,100	7,137	29.34 %
1300 - Conference Registration	0	125	125	0.00 %	225	1,500	1,275	14.98 %
1310 - Professional Dues	0	67	67	0.00 %	25	800	775	3.10 %
1320 - Personnel Recruitment	327	225	-102	145.28 %	857	2,700	1,843	31.74 %
Total Level1: 100 - Personnel Costs:	99,790	119,827	20,037	83.28 %	614,162	1,438,500	824,338	42.69 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	0	1,291	1,291	0.00 %	3,895	15,500	11,605	25.13 %
2020 - Board Expenses	0	350	350	0.00 %	42	4,200	4,158	1.00 %
2040 - Rent	834	900	66	92.72 %	4,446	10,800	6,354	41.17 %
2060 - Utilities	984	1,341	357	73.40 %	5,463	16,100	10,637	33.93 %
2120 - Insurance Expense	1,430	1,574	144	90.84 %	7,151	18,900	11,749	37.83 %
2130 - Membership Dues	4,750	841	-3,909	564.61 %	8,936	10,100	1,165	88.47 %
2140 - Bank Charges	148	142	-7	104.84 %	763	1,700	937	44.90 %
2150 - Office Supplies	798	475	-323	168.12 %	4,016	5,700	1,684	70.46 %
2160 - Courier Expense	301	275	-26	109.55 %	1,348	3,300	1,952	40.84 %
2170 - Printing/Photocopy	0	175	175	0.00 %	62	2,100	2,038	2.96 %
2180 - Postage & Shipping	125	225	100	55.44 %	1,264	2,700	1,436	46.82 %
2190 - IT Supplies/Services	1,959	3,257	1,298	60.15 %	23,943	39,100	15,157	61.24 %
2200 - Professional Fees	14,658	5,948	-8,710	246.45 %	26,922	71,400	44,478	37.71 %
2220 - Equipment Repairs & Maintenance	0	267	267	0.00 %	706	3,200	2,494	22.05 %
2235 - Equipment Lease	407	491	85	82.78 %	2,534	5,900	3,366	42.96 %
2240 - Telephone	1,464	1,474	11	99.28 %	7,567	17,700	10,133	42.75 %
2260 - Facility Maintenance	1,178	1,341	164	87.80 %	6,094	16,100	10,006	37.85 %

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 11/30/2016**

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2270 - Travel Expenses	222	883	661	25.12 %	808	10,600	9,792	7.62 %
2280 - Transportation	1,417	858	-559	165.10 %	5,636	10,300	4,664	54.72 %
2300 - Legal Services	29,617	9,330	-20,287	317.45 %	92,541	112,000	19,459	82.63 %
2380 - Meeting Expenses	67	200	133	33.61 %	810	2,400	1,590	33.73 %
2420 - Legal Notices	0	158	158	0.00 %	0	1,900	1,900	0.00 %
2460 - Public Outreach	34	175	141	19.21 %	258	2,100	1,842	12.30 %
2480 - Miscellaneous	0	125	125	0.00 %	15	1,500	1,485	1.01 %
2900 - Operating Supplies	66	192	125	34.68 %	225	2,300	2,075	9.80 %
Total Level1: 200 - Supplies and Services:	60,459	32,287	-28,172	187.26 %	205,445	387,600	182,155	53.00 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	26,995	58,464	31,469	46.17 %	140,165	701,850	561,685	19.97 %
4000 - Fixed Asset Purchases	1,109	2,132	1,024	51.99 %	6,383	25,600	19,217	24.93 %
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:	28,104	133,996	105,893	20.97 %	146,548	1,608,600	1,462,052	9.11 %
Total Expense:	188,353	286,111	97,757	65.83 %	966,155	3,434,700	2,468,545	28.13 %
Total Revenues	211,326	286,111	-74,784	-73.86 %	641,843	3,434,700	-2,792,857	-18.69 %
Total Fund: 24 - MITIGATION FUND:	22,973	0	22,973		-324,312	0	-324,312	

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 26 - CONSERVATION FUND								
Revenue								
R130 - User Fees	1,298	625	674	-207.81 %	3,322	7,500	-4,178	-44.30 %
R150 - Permit Processing Fee	18,339	14,578	3,762	-125.80 %	92,838	175,000	-82,162	-53.05 %
R200 - Recording Fees	995	666	329	-149.31 %	6,268	8,000	-1,732	-78.35 %
R210 - Legal Fees	57	833	-776	-6.84 %	969	10,000	-9,031	-9.69 %
R230 - Miscellaneous - Other	0	0	0	0.00 %	500	0	500	0.00 %
R250 - Interest Income	4	292	-287	-1.48 %	575	3,500	-2,925	-16.41 %
R270 - CAW - Rebates	81,564	83,300	-1,736	-97.92 %	206,726	1,000,000	-793,274	-20.67 %
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:	102,257	213,889	-111,632	-47.81 %	311,197	2,567,700	-2,256,503	-12.12 %

EXHIBIT 6-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	39,350	46,556	7,206	84.52 %	214,432	558,900	344,468	38.37 %
1110 - Manager's Auto Allowance	92	100	8	92.34 %	462	1,200	739	38.46 %
1120 - Manager's Deferred Comp	126	142	15	89.09 %	694	1,700	1,006	40.82 %
1130 - Unemployment Compensation	0	58	58	0.00 %	0	700	700	0.00 %
1140 - Insurance Opt-Out Supplemental	226	267	41	84.60 %	1,653	3,200	1,547	51.66 %
1150 - Temporary Personnel	4,654	3,357	-1,297	138.63 %	17,867	40,300	22,433	44.34 %
1160 - PERS Retirement	3,741	7,247	3,507	51.61 %	61,260	87,000	25,740	70.41 %
1170 - Medical Insurance	6,723	7,489	765	89.78 %	34,666	89,900	55,234	38.56 %
1180 - Medical Insurance - Retirees	1,543	1,158	-385	133.24 %	8,814	13,900	5,086	63.41 %
1190 - Workers Compensation	149	208	59	71.59 %	867	2,500	1,633	34.67 %
1200 - Life Insurance	93	117	24	79.39 %	469	1,400	931	33.51 %
1210 - Long Term Disability Insurance	255	300	45	85.10 %	1,358	3,600	2,242	37.71 %
1220 - Short Term Disability Insurance	51	67	16	76.16 %	270	800	530	33.73 %
1260 - Employee Assistance Program	16	33	18	47.39 %	85	400	315	21.26 %
1270 - FICA Tax Expense	0	83	83	0.00 %	146	1,000	854	14.64 %
1280 - Medicare Tax Expense	551	708	157	77.83 %	3,210	8,500	5,290	37.77 %
1290 - Staff Development & Training	0	758	758	0.00 %	1,112	9,100	7,988	12.22 %
1300 - Conference Registration	0	133	133	0.00 %	1,544	1,600	56	96.53 %
1310 - Professional Dues	0	50	50	0.00 %	116	600	484	19.32 %
1320 - Personnel Recruitment	0	150	150	0.00 %	325	1,800	1,475	18.05 %
Total Level1: 100 - Personnel Costs:	57,569	68,981	11,412	83.46 %	349,351	828,100	478,749	42.19 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	0	833	833	0.00 %	2,361	10,000	7,639	23.61 %
2020 - Board Expenses	0	225	225	0.00 %	27	2,700	2,673	1.00 %
2040 - Rent	200	225	25	89.08 %	1,152	2,700	1,548	42.68 %
2060 - Utilities	614	850	236	72.23 %	3,416	10,200	6,784	33.49 %
2120 - Insurance Expense	919	1,016	97	90.47 %	4,597	12,200	7,603	37.68 %
2130 - Membership Dues	3,054	950	-2,104	321.57 %	6,825	11,400	4,575	59.87 %
2140 - Bank Charges	95	92	-4	104.17 %	500	1,100	600	45.45 %
2150 - Office Supplies	571	325	-246	175.72 %	2,335	3,900	1,565	59.87 %
2160 - Courier Expense	194	175	-19	110.67 %	866	2,100	1,234	41.26 %
2170 - Printing/Photocopy	0	525	525	0.00 %	40	6,300	6,260	0.63 %
2180 - Postage & Shipping	80	133	53	60.14 %	707	1,600	893	44.20 %
2190 - IT Supplies/Services	1,260	2,083	823	60.48 %	14,971	25,000	10,029	59.88 %
2200 - Professional Fees	9,423	3,823	-5,600	246.45 %	17,307	45,900	28,593	37.71 %
2220 - Equipment Repairs & Maintenance	0	167	167	0.00 %	454	2,000	1,546	22.68 %
2235 - Equipment Lease	227	317	89	71.74 %	1,449	3,800	2,351	38.14 %
2240 - Telephone	757	941	184	80.45 %	4,145	11,300	7,155	36.68 %
2260 - Facility Maintenance	757	791	34	95.66 %	3,891	9,500	5,609	40.96 %
2270 - Travel Expenses	143	1,075	932	13.27 %	4,477	12,900	8,423	34.71 %

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 11/30/2016**

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	21	500	479	4.14 %	312	6,000	5,688	5.19 %
2300 - Legal Services	6,354	3,998	-2,355	158.91 %	25,102	48,000	22,898	52.30 %
2380 - Meeting Expenses	43	325	282	13.30 %	446	3,900	3,454	11.44 %
2420 - Legal Notices	0	58	58	0.00 %	0	700	700	0.00 %
2460 - Public Outreach	22	117	95	18.52 %	409	1,400	991	29.22 %
2480 - Miscellaneous	0	83	83	0.00 %	10	1,000	990	0.97 %
2500 - Tax Administration Fee	0	600	600	0.00 %	0	7,200	7,200	0.00 %
2900 - Operating Supplies	798	1,225	427	65.13 %	8,693	14,700	6,007	59.14 %
Total Level1: 200 - Supplies and Services:	25,530	21,450	-4,081	119.02 %	104,493	257,500	153,007	40.58 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	100,198	115,929	15,731	86.43 %	264,322	1,391,700	1,127,378	18.99 %
4000 - Fixed Asset Purchases	0	5,839	5,839	0.00 %	4,237	70,100	65,863	6.04 %
6000 - Contingencies	0	1,691	1,691	0.00 %	0	20,300	20,300	0.00 %
Total Level1: 300 - Other Expenses:	100,198	123,459	23,261	81.16 %	268,559	1,482,100	1,213,541	18.12 %
Total Expense:	183,297	213,889	30,592	85.70 %	722,403	2,567,700	1,845,297	28.13 %
Total Revenues	102,257	213,889	-111,632	-47.81 %	311,197	2,567,700	-2,256,503	-12.12 %
Total Fund: 26 - CONSERVATION FUND:	-81,040	0	-81,040		-411,205	0	-411,205	

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 11/30/2016**

Level...	November Activity	November 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 %	-2,376	3,400,000	-3,402,376	0.07 %
R120 - Property Taxes Revenues	0	133,280	-133,280	0.00 %	0	1,600,000	-1,600,000	0.00 %
R140 - Connection Charges	9,211	17,701	-8,490	-52.04 %	113,786	212,500	-98,714	-53.55 %
R220 - Copy Fee	0	0	0	0.00 %	112	0	112	0.00 %
R230 - Miscellaneous - Other	0	833	-833	0.00 %	456	10,000	-9,544	-4.56 %
R240 - Insurance Refunds	0	0	0	0.00 %	290	0	290	0.00 %
R250 - Interest Income	0	1,166	-1,166	0.00 %	-3,548	14,000	-17,548	25.35 %
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:	9,211	546,302	-537,091	-1.69 %	108,719	6,558,250	-6,449,531	-1.66 %

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals**For Fiscal: 2016-2017 Period Ending: 11/30/2016**

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Expense								
Level1: 100 - Personnel Costs								
1100 - Salaries & Wages	57,390	69,156	11,766	82.99 %	313,045	830,200	517,155	37.71 %
1110 - Manager's Auto Allowance	277	300	23	92.34 %	1,385	3,600	2,215	38.46 %
1120 - Manager's Deferred Comp	378	417	38	90.86 %	2,081	5,000	2,919	41.63 %
1130 - Unemployment Compensation	0	83	83	0.00 %	0	1,000	1,000	0.00 %
1140 - Insurance Opt-Out Supplemental	232	275	43	84.51 %	2,567	3,300	733	77.78 %
1150 - Temporary Personnel	1,144	33	-1,111	3,433.25 %	1,785	400	-1,385	446.32 %
1160 - PERS Retirement	5,894	12,337	6,443	47.77 %	106,990	148,100	41,110	72.24 %
1170 - Medical Insurance	7,839	8,597	758	91.19 %	38,300	103,200	64,900	37.11 %
1180 - Medical Insurance - Retirees	1,771	1,591	-180	111.33 %	10,120	19,100	8,980	52.98 %
1190 - Workers Compensation	937	1,358	421	69.01 %	5,847	16,300	10,453	35.87 %
1200 - Life Insurance	119	183	64	64.82 %	628	2,200	1,572	28.52 %
1210 - Long Term Disability Insurance	340	400	59	85.15 %	1,768	4,800	3,032	36.83 %
1220 - Short Term Disability Insurance	67	100	32	67.50 %	350	1,200	850	29.20 %
1260 - Employee Assistance Program	18	42	24	42.93 %	94	500	406	18.83 %
1270 - FICA Tax Expense	20	83	63	23.83 %	327	1,000	673	32.68 %
1280 - Medicare Tax Expense	717	1,025	308	69.99 %	4,028	12,300	8,272	32.75 %
1290 - Staff Development & Training	0	741	741	0.00 %	100	8,900	8,800	1.13 %
1300 - Conference Registration	0	108	108	0.00 %	166	1,300	1,134	12.76 %
1310 - Professional Dues	0	67	67	0.00 %	258	800	542	32.29 %
1320 - Personnel Recruitment	327	167	-160	196.13 %	700	2,000	1,300	34.98 %
Total Level1: 100 - Personnel Costs:	77,470	97,061	19,591	79.82 %	490,538	1,165,200	674,662	42.10 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	0	958	958	0.00 %	2,924	11,500	8,576	25.43 %
2020 - Board Expenses	0	258	258	0.00 %	61	3,100	3,039	1.97 %
2040 - Rent	753	808	55	93.13 %	3,975	9,700	5,725	40.98 %
2060 - Utilities	734	991	257	74.09 %	4,060	11,900	7,840	34.12 %
2120 - Insurance Expense	1,056	1,166	111	90.51 %	5,278	14,000	8,722	37.70 %
2130 - Membership Dues	3,506	633	-2,873	553.82 %	6,595	7,600	1,005	86.78 %
2140 - Bank Charges	114	100	-14	113.95 %	503	1,200	697	41.95 %
2150 - Office Supplies	572	367	-206	156.12 %	3,166	4,400	1,234	71.95 %
2160 - Courier Expense	222	200	-22	111.18 %	995	2,400	1,405	41.45 %
2170 - Printing/Photocopy	0	125	125	0.00 %	46	1,500	1,454	3.06 %
2180 - Postage & Shipping	92	175	83	52.62 %	916	2,100	1,184	43.62 %
2190 - IT Supplies/Services	1,446	2,407	961	60.07 %	17,893	28,900	11,007	61.91 %
2200 - Professional Fees	10,819	4,390	-6,429	246.45 %	19,918	52,700	32,782	37.80 %
2220 - Equipment Repairs & Maintenance	0	192	192	0.00 %	521	2,300	1,779	22.65 %
2235 - Equipment Lease	312	358	46	87.17 %	1,910	4,300	2,390	44.42 %
2240 - Telephone	863	1,158	294	74.57 %	4,712	13,900	9,188	33.90 %
2260 - Facility Maintenance	869	1,025	155	84.83 %	4,507	12,300	7,793	36.64 %
2270 - Travel Expenses	234	716	482	32.67 %	835	8,600	7,765	9.71 %

EXHIBIT 6-E

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Statement of Revenue Over Expense - No Decimals

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	120	858	738	13.95 %	534	10,300	9,766	5.18 %
2300 - Legal Services	11,337	19,992	8,655	56.71 %	82,950	240,000	157,050	34.56 %
2380 - Meeting Expenses	50	150	100	33.08 %	579	1,800	1,221	32.18 %
2420 - Legal Notices	0	142	142	0.00 %	0	1,700	1,700	0.00 %
2460 - Public Outreach	25	133	108	18.61 %	868	1,600	732	54.23 %
2480 - Miscellaneous	0	92	92	0.00 %	201	1,100	899	18.24 %
2500 - Tax Administration Fee	0	1,066	1,066	0.00 %	0	12,800	12,800	0.00 %
2900 - Operating Supplies	0	150	150	0.00 %	428	1,800	1,372	23.78 %
Total Level1: 200 - Supplies and Services:	33,124	38,610	5,485	85.79 %	164,374	463,500	299,126	35.46 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	462,648	387,891	-74,757	119.27 %	774,313	4,656,550	3,882,237	16.63 %
4000 - Fixed Asset Purchases	0	1,649	1,649	0.00 %	5,315	19,800	14,485	26.84 %
5000 - Debt Service	69,549	19,159	-50,390	363.01 %	69,549	230,000	160,451	30.24 %
6000 - Contingencies	0	1,933	1,933	0.00 %	0	23,200	23,200	0.00 %
Total Level1: 300 - Other Expenses:	532,197	410,632	-121,566	129.60 %	849,177	4,929,550	4,080,374	17.23 %
Total Expense:	642,792	546,302	-96,490	117.66 %	1,504,089	6,558,250	5,054,161	22.93 %
Total Revenues	9,211	546,302	-537,091	-1.69 %	108,719	6,558,250	-6,449,531	-1.66 %
Total Fund: 35 - WATER SUPPLY FUND:	-633,581	0	-633,581		-1,395,370	0	-1,395,370	
Report Total:	-691,647	0	-691,647		-2,130,887	0	-2,130,887	

EXHIBIT 6-E**Statement of Revenue Over Expense - No Decimals**

For Fiscal: 2016-2017 Period Ending: 11/30/2016

Fund Summary

Fund	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	22,973	0	22,973		-324,312	0	-324,312	
26 - CONSERVATION FUND	-81,040	0	-81,040		-411,205	0	-411,205	
35 - WATER SUPPLY FUND	-633,581	0	-633,581		-1,395,370	0	-1,395,370	
Report Total:	-691,647	0.01	-691,647		-2,130,887	0	-2,130,887	

ITEM: PUBLIC HEARING**10. CONSIDER APPLICATION FOR VARIANCE OF SEPARATE WATER METER REQUIREMENT FOR A 19 UNIT SENIOR AFFORDABLE HOUSING PROJECT – 669 VAN BUREN STREET, MONTEREY (APN: 001-512-020)**

Meeting Date:	January 25, 2017	Budgeted:	N/A
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From:	Dave Stoldt, General Manager	Program/ Line Item No.:	N/A
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Prepared By:	Stephanie Locke	Cost Estimate:	N/A
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General Counsel Approval: N/A
Committee Recommendation: N/A
CEQA Compliance: N/A

SUMMARY: MidPen Housing Corporation is requesting Board approval of a variance to allow the installation of in-line water meters in lieu of individual Cal-Am water meters at a 19-unit low-income senior housing project at city-owned 669 Van Buren Street, Monterey. The Site is currently served by three water meters. The project was designed to have a central water heating plant for domestic hot water that includes thermal solar water heating and allows for high efficiency condensing water heaters. The central water heater plant will have two water heaters, allowing redundancy. A central plant also reduces the space needed in the individual units for water heaters and allows the project to keep gas out of the units to increase the safety of the senior residents.

The applicant intends to have hot and cold water submeters in the units for the tenants that will be electronically monitored by a central computer. Consumption information will be available to MPWMD. MidPen Housing Corporation will be paying the utility bills for the project, and is therefore motivated to ensure that water consumption on the site is not excessive. MidPen Housing Corporation's variance application is shown at **Exhibit 10-A**.

District Rule 23-A (3), shown as **Exhibit 10-B**, requires that each water user have a separate Water Meter. Separate metering is also a best management practice of the California Urban Water Conservation Council. Furthermore, state legislation passed in 2016 (California Water Code, Div. 1, Ch.8, Article 5) requires every unit in a multi-unit residential structure to either have a utility meter or a submeter, but specifically exempts low-income housing.

The District Rule also allows for a variance when there are special circumstances or undue hardship. The applicant has indicated that there are special circumstances which merit consideration of a variance to the rule for this particular affordable senior housing project. As stated in the variance request, the requirement to install separate hot water heaters and individual Water Meters in this project would increase the project cost and would increase the cost of utilities for the limited income residents. MidPen Housing Corporation has indicated that this affordable senior housing project could be compromised if required to install separate hot water

systems to each residential apartment.

There have been three similar situations where variances have been granted for in-line meters at affordable housing projects: (1) the use of a single meter for each building was authorized for the Pacific Meadows senior housing complex in Carmel Valley; (2) the City of Monterey received a variance from the separate Water Meter requirement for the Osio Plaza low to moderate-income housing units; and (3) South County Housing Corporation received a variance to allow for the use of in-line meters for 49 low-income senior housing units in Pacific Grove.

RECOMMENDATION: District Rule 23-A, requiring individual Water Meters was adopted to encourage conserved water by making each water user accountable for their consumption. Individual water meters also facilitate compliance with water use reductions during rationing periods. MidPen Housing Corporation has agreed to install in-line meters for each unit (sub-metering) to have access to information about individual water use if needed. The proposed action by MidPen Housing Corporation to sub-meter the units supports the Districts goals.

Staff recommends the Board approve the variance and adopt the Findings of Approval attached as **Exhibit 10-C**, including the following conditions: (1) In-line meters for each unit must be installed and maintained. The in-line meter data must be accessible to the building management to assist with water use tracking during times of rationing. The applicant/owner shall provide this information to the District upon request; (2) Outdoor water use at the project site will be separately metered; (3) The Board's approval of this request is limited to one year. Within the year, the applicant must obtain water and building permits.

EXHIBITS

10-A Variance Application submitted by MidPen Housing Corporation

10-B District Rule 23-A (3)

10-C Draft Findings of Approval

MANAGEMENT DISTRICT

APPLICATION FOR VARIANCE REGARDING WATER CONNECTION PERMITS

Rule 24 of the District Rules and Regulations states that upon request an applicant may apply for a variance from standards incorporated in the District's rules and Regulations. Variances may be approved when: a) special circumstances exist, as defined in the Rules and Regulations; b) when strict interpretation and enforcement of any standard would cause undue hardship; and c) when the granting of such a variance will not tend to defeat the purpose of the Rules and Regulations. In order to be considered for a variance hearing, all applicants must submit a completed application with payment of a non-refundable processing fee (\$250 for less than half acre-foot of water, \$500 for half - one acre-foot of water, and \$750 for more than one acre-foot of water, plus \$70.00 an hour for more than 10 hours of staff time), and any other information necessary to evaluate the case.

Applications must be received 5 weeks in advance of the next scheduled Board meeting in order to be considered for placement on the agenda. All applicants are required to provide the information requested on this form. This information will be used as the basis for finding on which the Board will support or deny your variance request. Submission of an incomplete application may constitute grounds for denial of your request.

APPLICANT INFORMATION

Applicant's Full Name: MdPen Housing Corporation
Mailing Address: 303 Vintage Park Drive, Suite 250
City: Foster City State: CA Zip: 94404
Phone Number(s): Work (831) 707-2134 Home ()

Name of Agent(s) to Represent Applicant: Elizabeth Wilson
Mailing Address: 275 Main Street, Suite 204
City: Watsonville State: CA Zip: 95076
Phone Number(s): Work (831) 707-2134 Home ()

PROPERTY INFORMATION

Full Name of Property Owner: City of Monterey
Mailing Address: 580 Pacific Street
City: Monterey State: CA Zip: 93940
Phone Number(s): Work (831) 646-1567 Home ()

Property Address: Currently 613 through 669 of Van Buren Street
City: Monterey State: CA Zip: 93940
Assessor's Parcel Number: 001 - 512 - 003 Please see attached for additional site information
Property Area: Acres: .46 Square Feet: Other:
Past Land Use:
Present Land Use: Currently the land consists of 3 single family homes used by the City of Monterey as offices.
Proposed Land Use: 19 units of affordable housing for seniors
Existing buildings? Yes No x
Types of uses and square footage: Current buildings will be demolished & replaced by 19 units of affordable housing 16,740 sq.ft.

(PLEASE PROVIDE 5 YEARS OF WATER RECORDS)

VARIANCE APPLICATION**EXHIBIT 1****STATEMENT OF VARIANCE REQUEST**

**If additional space is needed for response to any question, please continue on a separate piece of paper and attach to the back of this application.*

From which rule(s) are you requesting a variance?

Rule 23.1.i(4)a, water meter installation at each sub-metered use after lifting of connection moratorium.

Please state the special circumstances which distinguish your application from all others which are subject to enforcement of this process.

The senior affordable housing facility consists of 19 individual apartments, each with a bedroom, living room kitchen and bathroom. Bathroom plumbing fixtures are all Cal Green, low consumption type. Kitchens do not have a dishwasher. Laundry is centralized with 2 washers and dryers, which will be Energy Star rated.

The plumbing design provides for central water heating plant for the domestic water heating. Space heating consists of split system heat pumps. Kitchen range will be electric. Each unit will be provided with hot and cold water submeters, readable in the unit, and monitored by a central computer, allowing for analysis for excess consumption and leaks.

The plumbing layout is designed to avoid any natural gas in the apartments. This is a safety issue with senior residents. If there were a gas leak, reduced sensitivity to smell could result in a serious leak without the tenant knowing there is a problem. The central water heater also allows for high efficiency water heaters (condensing type) and thermal solar water heating, which is mandated by California Title 24. The central water heater plant will be 2 water heaters, allowing redundancy. The domestic hot water will be circulated throughout the building allowing quick access to hot water at appliances, and conforming to local water conservation requirements.

What difficulties or hardships would result if your variance request was denied?

The rule requires installation of individual meters after the lifting of the connection moratorium. The plumbing design is optimized for water conservation, energy efficiency, cost of construction and occupant safety. The current design would not be workable if new meters are required. Including the provisions for future individual meters in the current design would be costly, and result in higher costs for residents due to the additional meter charges. In addition, all the advantages of water conservation, solar water heating, operations and maintenance would be lost.

What specific action are you requesting that the Board take?

MidPen Housing Coporation is requesting a variance that will allow the use of the existing water California American Water meters to be used, and not require any modification of the water distribution system if and when the connection moratorium is lifted.

Please indicate if you intend to make a statement at the variance hearing, and list the names of any other individuals who may speak on your behalf.

Yes, I will be making a statement at the hearing. Others authorized who may or may not speak:

Bill Estes

Peter Silva/Henry Ruhnke

Rick Marvin

VARIANCE APPLICATION

EXHIBIT 2

PROJECT INFORMATION

*If additional space is needed for response to any questions, please continue on a separate piece of paper and attach it to the back of this application.

Type of Project: X New Construction Remodel/Addition

Proposed New Use: (Please refer to the District's current Fixture Unit/Use Category sheet for assistance with this question.)

X Residential No. Dwellings 19 Total No. Fixture Units (Residential Only)

Commercial/Industrial/Governmental

Type of Use: Square Footage:

Other (Specify):

Current Zoning Classification:

PCD (Planned Community - Downtown) - 30 units/acre

Name of water company which services the property:

California American Water

Do you feel this project will use less water than that calculated by the District? If so, please explain how much you believe the project will use, and the basis on which you make this assumption.

Based on rule 24, table 1, there is a total of 152 FU, at 0.01AF/FU. District estimate of consumption is 1.52 AF/YR, or 68 gallons/unit/day. This is a reasonable estimate.

Has this project been approved by the local jurisdiction? If so, please list or attach a copy of all conditions which have been imposed on the project. (Attach a copy of these conditions and approvals received.)

Yes

Does the applicant intend to obtain a municipal or county building permit for the project within ninety (90) days following the granting of a water connection permit? If not, when will water be needed at the site?

Yes

I declare under penalty of perjury that the information in the application and on accompanying attachments is correct to the best of my knowledge and belief.

Signature of Applicant

12/1/16 Monterey, CA Date/Location

NOTE TO APPLICANT: You may attach written findings for the Board to review and consider in support of the action you have requested.

Fee Paid Receipt No. Staff Initials



RECEIVED
 DEC 07 2016
 MPWMD

DISCLOSURE STATEMENT
 (EX PARTE COMMUNICATIONS)

Name or description of project, action, etc: Application for Variance regarding Water Connection Permits

Names and addresses of all persons authorized to communicate with the Board of Directors on this matter:

Name	Address
<u>Bill Estes</u>	<u>22 Lower Ragsdale Dr, Ste A, Monterey, CA</u>
<u>Peter Silva, Henry Ruhnke or Lou Bartlett</u>	<u>2340 Garden Rd, Ste 100, Monterey, CA</u>
<u>Elizabeth Caraker or Rick Marvin</u>	<u>580 Pacific St, Monterey, CA</u>
<u>Diana Alfaro or Carlos Jurado</u>	<u>275 Main St, Ste 204, Watsonville, CA</u>

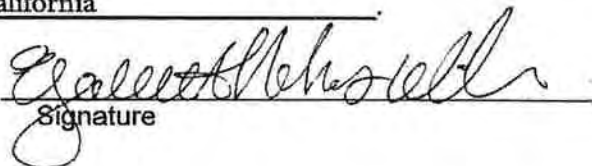
This *Disclosure Statement* is completed in my capacity as the Applicant for matter referenced in the first line, or as an authorized Agent of the Applicant. My signature evidences I am duly authorized to act on behalf of all individuals and/or entities that have an ownership interest in this matter (exceptions shall be noted by checking this box and providing a complete explanation as an attachment to this *Disclosure Statement*).

I understand this *Disclosure Statement* is required to list the names and addresses of all persons authorized to communicate with the Directors of the Water Management District on this matter. I further understand and agree to revise and amend this *Disclosure Statement* whenever any other person is authorized to communicate regarding this matter. Oral disclosure of agents shall not satisfy this requirement.

I understand and agree that failure to disclose the name of individuals who shall communicate with the District Board Members on behalf of the applicant shall subject the matter referenced above to immediate review and denial. Further, I understand that if denial is based on failure of either the applicant or of an authorized agent of the applicant to comply with these disclosure requirements, no request for approval of an identical or similar matter shall be granted for a period of twenty-four (24) months from the date this matter is denied.

I declare the foregoing to be true and correct of my own personal knowledge. I have signed this form this 7 day of December, 2016. This form is signed in the City of Watsonville, State of California.

Elizabeth Nahas Wilson
 Name (print)


 Signature

Account Review

City of Monterey

Account: 1015-210019351240 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	09/17/2010	11/16/2010	60	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	11/16/2010	12/16/2010	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	12/16/2010	01/18/2011	33	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	01/18/2011	02/16/2011	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	02/16/2011	03/17/2011	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	03/17/2011	04/18/2011	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	04/18/2011	05/17/2011	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	05/17/2011	06/17/2011	31	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	06/17/2011	07/19/2011	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	07/19/2011	08/17/2011	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	08/17/2011	09/19/2011	33	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	09/19/2011	11/16/2011	58	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	11/16/2011	12/15/2011	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	12/15/2011	01/20/2012	36	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	01/20/2012	02/15/2012	26	X
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	01/20/2012	03/16/2012	56	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	03/16/2012	04/17/2012	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	04/17/2012	05/16/2012	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	05/16/2012	06/18/2012	33	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	06/18/2012	07/18/2012	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	07/18/2012	08/17/2012	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	08/17/2012	09/18/2012	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	09/18/2012	10/18/2012	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	10/18/2012	11/16/2012	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	11/16/2012	12/18/2012	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	12/18/2012	01/17/2013	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	01/17/2013	02/15/2013	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	02/15/2013	03/18/2013	31	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	03/18/2013	04/16/2013	29	

SUBMITTED BY APPLICANT

Account Review
 City of Monterey
 Account: 1015-210019351240 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
0 cf	\$4.28	\$4.28	\$0.0000	0.00	\$0.07	\$4.28
4 cf	\$12.87	\$12.87	\$3.2175	0.13	\$0.43	\$12.87
4 cf	\$13.90	\$13.90	\$3.4750	0.12	\$0.42	\$13.90
4 cf	\$13.94	\$13.94	\$3.4850	0.14	\$0.48	\$13.94
4 cf	\$15.99	\$15.99	\$3.9975	0.14	\$0.55	\$15.99
4 cf	\$19.06	\$19.06	\$4.7650	0.13	\$0.60	\$19.06
4 cf	\$16.01	\$16.01	\$4.0025	0.14	\$0.55	\$16.01
6 cf	\$26.23	\$26.23	\$4.3717	0.19	\$0.85	\$26.23
3 cf	\$12.43	\$12.43	\$4.1433	0.09	\$0.39	\$12.43
4 cf	\$19.94	\$19.94	\$4.9850	0.14	\$0.69	\$19.94
6 cf	\$24.50	\$24.50	\$4.0833	0.18	\$0.74	\$24.50
4 cf	\$6.12	\$6.12	\$1.5300	0.07	\$0.11	\$6.12
0 ccf	\$0.00	\$12.69	\$0.0000	0.00	\$0.44	\$12.69
0 ccf	\$0.00	\$12.89	\$0.0000	0.00	\$0.36	\$12.89
0 ccf	\$0.00	\$13.07	\$0.0000	0.00	\$0.50	\$13.07
0 ccf	\$0.00	\$13.08	\$0.0000	0.00	\$0.23	\$13.08
0 ccf	\$0.00	\$15.22	\$0.0000	0.00	\$0.48	\$15.22
0 ccf	\$0.00	\$14.28	\$0.0000	0.00	\$0.49	\$14.28
0 ccf	\$0.00	\$14.53	\$0.0000	0.00	\$0.44	\$14.53
0 ccf	\$0.00	\$119.92	\$0.0000	0.00	\$4.00	\$119.92
0 ccf	\$0.00	\$17.88	\$0.0000	0.00	\$0.60	\$17.88
0 ccf	\$0.00	\$17.29	\$0.0000	0.00	\$0.54	\$17.29
0 ccf	\$0.00	\$19.60	\$0.0000	0.00	\$0.65	\$19.60
0 ccf	\$0.00	\$16.45	\$0.0000	0.00	\$0.57	\$16.45
0 ccf	\$0.00	\$17.50	\$0.0000	0.00	\$0.55	\$17.50
0 ccf	\$0.00	\$17.58	\$0.0000	0.00	\$0.59	\$17.58
0 ccf	\$0.00	\$17.23	\$0.0000	0.00	\$0.59	\$17.23
0 ccf	\$0.00	\$17.63	\$0.0000	0.00	\$0.57	\$17.63
0 ccf	\$0.00	\$16.53	\$0.0000	0.00	\$0.57	\$16.53

SUBMITTED BY APPLICANT

Account Review

City of Monterey

Account: 1015-210019351240 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	04/16/2013	05/16/2013	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	05/16/2013	06/18/2013	33	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	06/18/2013	07/17/2013	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	07/17/2013	08/16/2013	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	08/16/2013	09/17/2013	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	09/17/2013	10/21/2013	34	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	10/21/2013	11/18/2013	28	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	11/18/2013	12/17/2013	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	12/17/2013	01/17/2014	31	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	01/17/2014	02/18/2014	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	02/18/2014	03/18/2014	28	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	03/18/2014	04/16/2014	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	04/16/2014	05/16/2014	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	05/16/2014	06/17/2014	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	06/17/2014	07/17/2014	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	07/17/2014	08/18/2014	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	08/18/2014	09/17/2014	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	09/17/2014	10/16/2014	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	10/16/2014	11/14/2014	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	11/14/2014	12/16/2014	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	12/16/2014	01/15/2015	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	01/15/2015	02/17/2015	33	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	02/17/2015	03/17/2015	28	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	03/17/2015	04/16/2015	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	04/16/2015	05/18/2015	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	05/18/2015	06/16/2015	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	06/16/2015	07/17/2015	31	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	07/17/2015	08/18/2015	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	08/18/2015	09/17/2015	30	

SUBMITTED BY APPLICANT

Account Review
City of Monterey

Account: 1015-210019351240 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
0 ccf	\$0.00	\$16.40	\$0.0000	0.00	\$0.55	\$16.40
0 ccf	\$0.00	\$16.44	\$0.0000	0.00	\$0.50	\$16.44
0 ccf	\$0.00	\$16.05	\$0.0000	0.00	\$0.55	\$16.05
0 ccf	\$0.00	\$15.71	\$0.0000	0.00	\$0.52	\$15.71
0 ccf	\$0.00	\$18.87	\$0.0000	0.00	\$0.59	\$18.87
0 ccf	\$0.00	\$26.82	\$0.0000	0.00	\$0.79	\$26.82
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.92	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.88	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.83	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.80	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.92	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.88	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.85	\$25.64
6 cf	\$34.82	\$34.82	\$5.8033	0.19	\$1.09	\$34.82
9 cf	\$39.44	\$39.44	\$4.3822	0.30	\$1.31	\$39.44
143 cf	\$40.97	\$40.97	\$0.2865	4.47	\$1.28	\$40.97
10 cf	\$39.87	\$39.87	\$3.9870	0.33	\$1.33	\$39.87
9 cf	\$38.44	\$38.44	\$4.2711	0.31	\$1.33	\$38.44
9 cf	\$38.44	\$38.44	\$4.2711	0.31	\$1.33	\$38.44
9 cf	\$38.44	\$38.44	\$4.2711	0.28	\$1.20	\$38.44
9 cf	\$38.74	\$38.74	\$4.3044	0.30	\$1.29	\$38.74
10 cf	\$38.74	\$38.74	\$3.8740	0.30	\$1.17	\$38.74
9 cf	\$39.04	\$39.04	\$4.3378	0.32	\$1.39	\$39.04
9 cf	\$39.04	\$39.04	\$4.3378	0.30	\$1.30	\$39.04
9 cf	\$39.04	\$39.04	\$4.3378	0.28	\$1.22	\$39.04
9 cf	\$35.84	\$35.84	\$3.9822	0.31	\$1.24	\$35.84
10 cf	\$37.95	\$37.95	\$3.7950	0.32	\$1.22	\$37.95
10 cf	\$38.07	\$38.07	\$3.8070	0.31	\$1.19	\$38.07
7 cf	\$35.20	\$35.20	\$5.0286	0.23	\$1.17	\$35.20

SUBMITTED BY APPLICANT

Account Review

City of Monterey

Account: 1015-210019351240 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	09/17/2015	10/16/2015	29	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	10/16/2015	11/16/2015	31	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	11/16/2015	12/16/2015	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	12/16/2015	01/15/2016	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	01/15/2016	02/17/2016	33	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	02/17/2016	03/18/2016	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	03/18/2016	04/18/2016	31	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	04/18/2016	05/18/2016	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	05/18/2016	06/17/2016	30	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	06/17/2016	07/19/2016	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	07/19/2016	08/24/2016	36	X
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	08/18/2016	09/19/2016	32	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	09/20/2016	10/18/2016	28	
06 FIRE ADMIN 619 VAN BUREN ST	1015-210019351240	10/19/2016	11/16/2016	28	

Grand Total

SUBMITTED BY APPLICANT

Account Review

City of Monterey

Account: 1015-210019351240 -- 11/2010 to 10/2016

<u>Water Usage (units)</u>	<u>Water Usage Charges</u>	<u>Water Total Cost</u>	<u>Water Unit Cost</u>	<u>Water Avg Use/Day</u>	<u>Water Avg Cost/Day</u>	<u>Total Cost</u>
0 cf	\$23.00	\$23.00	\$0.0000	0.00	\$0.79	\$23.00
0 cf	\$25.44	\$25.44	\$0.0000	0.00	\$0.82	\$25.44
0 cf	\$23.00	\$23.00	\$0.0000	0.00	\$0.77	\$23.00
0 cf	\$23.27	\$23.27	\$0.0000	0.00	\$0.78	\$23.27
0 cf	\$23.77	\$23.77	\$0.0000	0.00	\$0.72	\$23.77
0 cf	\$23.77	\$23.77	\$0.0000	0.00	\$0.79	\$23.77
0 cf	\$23.77	\$23.77	\$0.0000	0.00	\$0.77	\$23.77
0 cf	\$23.77	\$23.77	\$0.0000	0.00	\$0.79	\$23.77
0 cf	\$23.77	\$23.77	\$0.0000	0.00	\$0.79	\$23.77
0 Gallons	\$23.77	\$23.77	\$0.0000	0.00	\$0.74	\$23.77
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.10	\$3.66
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.11	\$3.66
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.13	\$3.66
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.13	\$3.66
	\$1,188.52	\$1,712.46			\$0.75	\$1,712.46

SUBMITTED BY APPLICANT

Account Review
City of Monterey

Account: 1015-210021405850 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?	Water Usage
72 637 VAN BUREN PD ANNEX	1015-210021405850	10/18/2010	11/16/2010	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	11/16/2010	12/16/2010	30		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	12/16/2010	01/18/2011	33		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	01/18/2011	02/16/2011	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	02/16/2011	03/17/2011	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	03/17/2011	04/18/2011	32		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	04/18/2011	05/17/2011	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	05/17/2011	06/17/2011	31		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	06/17/2011	07/19/2011	32		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	07/19/2011	08/17/2011	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	08/17/2011	09/19/2011	33		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	09/19/2011	10/18/2011	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	10/18/2011	11/16/2011	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	11/16/2011	12/16/2011	30		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	12/16/2011	01/18/2012	33		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	01/18/2012	02/16/2012	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	02/16/2012	03/16/2012	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	03/16/2012	04/17/2012	32		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	04/17/2012	05/16/2012	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	05/16/2012	06/18/2012	33		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	06/18/2012	07/18/2012	30		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	07/18/2012	08/17/2012	30		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	08/17/2012	09/24/2012	38		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	09/24/2012	10/23/2012	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	10/23/2012	11/27/2012	35		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	11/27/2012	12/21/2012	24		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	12/21/2012	01/22/2013	32	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	12/21/2012	02/19/2013	60		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	02/19/2013	03/22/2013	31		0

SUBMITTED BY APPLICANT

Account Review
 City of Monterey
 Account: 1015-210021405850 -- 11/2010 to 10/2016

(units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
cf	\$11.94	\$11.94	\$0.0000	0.00	\$0.41	\$11.94
cf	\$10.54	\$10.54	\$0.0000	0.00	\$0.35	\$10.54
cf	\$10.58	\$10.58	\$0.0000	0.00	\$0.32	\$10.58
cf	\$10.58	\$10.58	\$0.0000	0.00	\$0.36	\$10.58
cf	\$10.60	\$10.60	\$0.0000	0.00	\$0.37	\$10.60
cf	\$10.62	\$10.62	\$0.0000	0.00	\$0.33	\$10.62
cf	\$10.62	\$10.62	\$0.0000	0.00	\$0.37	\$10.62
cf	\$10.62	\$10.62	\$0.0000	0.00	\$0.34	\$10.62
cf	\$10.62	\$10.62	\$0.0000	0.00	\$0.33	\$10.62
cf	\$10.62	\$10.62	\$0.0000	0.00	\$0.37	\$10.62
cf	\$10.62	\$10.62	\$0.0000	0.00	\$0.32	\$10.62
cf	\$10.62	\$10.62	\$0.0000	0.00	\$0.37	\$10.62
cf	\$11.09	\$11.09	\$0.0000	0.00	\$0.38	\$11.09
ccf	\$0.00	\$12.45	\$0.0000	0.00	\$0.42	\$12.45
ccf	\$0.00	\$12.66	\$0.0000	0.00	\$0.38	\$12.66
ccf	\$0.00	\$12.82	\$0.0000	0.00	\$0.44	\$12.82
ccf	\$0.00	\$12.82	\$0.0000	0.00	\$0.44	\$12.82
ccf	\$0.00	\$14.96	\$0.0000	0.00	\$0.47	\$14.96
ccf	\$0.00	\$14.02	\$0.0000	0.00	\$0.48	\$14.02
ccf	\$0.00	\$14.26	\$0.0000	0.00	\$0.43	\$14.26
ccf	\$0.00	\$14.20	\$0.0000	0.00	\$0.47	\$14.20
ccf	\$0.00	\$14.32	\$0.0000	0.00	\$0.48	\$14.32
ccf	\$0.00	\$14.33	\$0.0000	0.00	\$0.38	\$14.33
ccf	\$0.00	\$14.52	\$0.0000	0.00	\$0.50	\$14.52
ccf	\$0.00	\$14.69	\$0.0000	0.00	\$0.42	\$14.69
ccf	\$0.00	\$14.88	\$0.0000	0.00	\$0.62	\$14.88
ccf	\$0.00	\$14.94	\$0.0000	0.00	\$0.47	\$14.94
ccf	\$0.00	\$14.98	\$0.0000	0.00	\$0.25	\$14.98
ccf	\$0.00	\$14.98	\$0.0000	0.00	\$0.48	\$14.98

SUBMITTED BY APPLICANT

Account Review

City of Monterey

Account: 1015-210021405850 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?	Water Usage
72 637 VAN BUREN PD ANNEX	1015-210021405850	03/22/2013	04/17/2013	26		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	04/17/2013	05/16/2013	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	05/16/2013	06/18/2013	33		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	06/18/2013	07/18/2013	30		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	07/18/2013	08/16/2013	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	08/16/2013	09/17/2013	32		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	09/17/2013	10/21/2013	34	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	09/17/2013	11/18/2013	62		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	11/19/2013	12/17/2013	28		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	12/17/2013	01/17/2014	31		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	01/17/2014	02/18/2014	32		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	02/18/2014	03/18/2014	28		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	03/18/2014	04/16/2014	29		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	04/16/2014	05/16/2014	30		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	05/16/2014	06/17/2014	32		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	06/17/2014	07/17/2014	30		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	07/17/2014	08/18/2014	32	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	08/18/2014	09/17/2014	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	09/17/2014	10/16/2014	29	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	10/16/2014	11/14/2014	29	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	11/14/2014	12/16/2014	32	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	12/16/2014	01/15/2015	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	01/15/2015	02/17/2015	33	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	02/17/2015	03/17/2015	28	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	03/17/2015	04/16/2015	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	04/16/2015	05/18/2015	32	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	05/18/2015	06/16/2015	29	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	06/16/2015	07/17/2015	31	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	07/17/2015	08/18/2015	32	X	0

SUBMITTED BY APPLICANT

Account Review
 City of Monterey
 Account: 1015-210021405850 -- 11/2010 to 10/2016

(units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
ccf	\$0.00	\$14.29	\$0.0000	0.00	\$0.55	\$14.29
ccf	\$0.00	\$13.83	\$0.0000	0.00	\$0.48	\$13.83
ccf	\$0.00	\$13.81	\$0.0000	0.00	\$0.42	\$13.81
ccf	\$0.00	\$13.82	\$0.0000	0.00	\$0.46	\$13.82
ccf	\$0.00	\$13.09	\$0.0000	0.00	\$0.45	\$13.09
ccf	\$0.00	\$13.09	\$0.0000	0.00	\$0.41	\$13.09
ccf	\$0.00	\$13.07	\$0.0000	0.00	\$0.38	\$13.07
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.21	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.47	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.43	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.41	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.47	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.46	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.44	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.41	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.44	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.41	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.44	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.46	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.46	\$13.27
ccf	\$0.00	\$13.27	\$0.0000	0.00	\$0.41	\$13.27
ccf	\$0.00	\$13.54	\$0.0000	0.00	\$0.45	\$13.54
ccf	\$0.00	\$13.78	\$0.0000	0.00	\$0.42	\$13.78
ccf	\$0.00	\$13.78	\$0.0000	0.00	\$0.49	\$13.78
ccf	\$0.00	\$13.78	\$0.0000	0.00	\$0.46	\$13.78
ccf	\$0.00	\$12.70	\$0.0000	0.00	\$0.40	\$12.70
ccf	\$0.00	\$12.70	\$0.0000	0.00	\$0.44	\$12.70
ccf	\$0.00	\$14.07	\$0.0000	0.00	\$0.45	\$14.07
ccf	\$0.00	\$14.07	\$0.0000	0.00	\$0.44	\$14.07

SUBMITTED BY APPLICANT

**Account Review
City of Monterey**

Account: 1015-210021405850 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?	Water Usage
72 637 VAN BUREN PD ANNEX	1015-210021405850	08/18/2015	09/17/2015	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	09/17/2015	10/16/2015	29	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	10/16/2015	11/16/2015	31	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	11/16/2015	12/16/2015	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	12/16/2015	01/15/2016	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	01/15/2016	02/17/2016	33	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	02/17/2016	03/18/2016	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	03/18/2016	04/18/2016	31	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	04/18/2016	05/18/2016	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	05/18/2016	06/17/2016	30	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	06/17/2016	07/19/2016	32	X	0
72 637 VAN BUREN PD ANNEX	1015-210021405850	07/20/2014	08/17/2016	759		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	08/18/2016	09/19/2016	32		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	09/20/2016	10/18/2016	28		0
72 637 VAN BUREN PD ANNEX	1015-210021405850	10/19/2016	11/16/2016	28		0
Grand Total						

SUBMITTED BY APPLICANT

Account Review
 City of Monterey
 Account: 1015-210021405850 -- 11/2010 to 10/2016

(units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
ccf	\$0.00	\$14.07	\$0.0000	0.00	\$0.47	\$14.07
ccf	\$0.00	\$12.71	\$0.0000	0.00	\$0.44	\$12.71
ccf	\$0.00	\$15.15	\$0.0000	0.00	\$0.49	\$15.15
ccf	\$0.00	\$12.71	\$0.0000	0.00	\$0.42	\$12.71
ccf	\$0.00	\$12.85	\$0.0000	0.00	\$0.43	\$12.85
ccf	\$0.00	\$13.28	\$0.0000	0.00	\$0.40	\$13.28
ccf	\$0.00	\$13.28	\$0.0000	0.00	\$0.44	\$13.28
ccf	\$0.00	\$13.28	\$0.0000	0.00	\$0.43	\$13.28
ccf	\$0.00	\$13.28	\$0.0000	0.00	\$0.44	\$13.28
ccf	\$0.00	\$13.28	\$0.0000	0.00	\$0.44	\$13.28
cf	\$0.00	\$13.28	\$0.0000	0.00	\$0.42	\$13.28
cf	\$0.00	\$13.28	\$0.0000	0.00	\$0.02	\$13.28
cf	\$0.00	\$13.28	\$0.0000	0.00	\$0.42	\$13.28
cf	\$0.00	\$13.28	\$0.0000	0.00	\$0.47	\$13.28
cf	\$0.00	\$13.28	\$0.0000	0.00	\$0.47	\$13.28
	\$139.67	\$954.99			\$0.32	\$954.99

SUBMITTED BY APPLICANT

Account Review

City of Monterey

Account: 1015-210019351332 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	10/18/2010	11/16/2010	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	11/16/2010	12/16/2010	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	12/16/2010	01/18/2011	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	01/18/2011	02/16/2011	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	02/16/2011	03/17/2011	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	03/17/2011	04/18/2011	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	04/18/2011	05/17/2011	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	05/17/2011	06/17/2011	31	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	06/17/2011	07/19/2011	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	07/19/2011	08/17/2011	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	08/17/2011	09/19/2011	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	09/19/2011	10/18/2011	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	10/18/2011	11/16/2011	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	11/16/2011	12/16/2011	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	12/16/2011	01/18/2012	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	01/18/2012	02/16/2012	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	02/16/2012	03/16/2012	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	03/16/2012	04/17/2012	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	04/17/2012	05/16/2012	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	05/16/2012	06/18/2012	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	06/18/2012	07/24/2012	36	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	07/24/2012	08/17/2012	24	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	08/17/2012	09/19/2012	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	09/19/2012	10/31/2012	42	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	10/31/2012	11/27/2012	27	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	11/27/2012	12/21/2012	24	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	12/21/2012	01/22/2013	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	01/22/2013	03/22/2013	59	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	03/22/2013	04/17/2013	26	

SUBMITTED BY APPLICANT

Account Review
City of Monterey
Account: 1015-210019351332 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
4 cf	\$14.30	\$14.30	\$3.5750	0.14	\$0.49	\$14.30
0 cf	\$10.73	\$10.73	\$0.0000	0.00	\$0.36	\$10.73
0 cf	\$10.77	\$10.77	\$0.0000	0.00	\$0.33	\$10.77
0 cf	\$10.77	\$10.77	\$0.0000	0.00	\$0.37	\$10.77
0 cf	\$10.79	\$10.79	\$0.0000	0.00	\$0.37	\$10.79
0 cf	\$10.82	\$10.82	\$0.0000	0.00	\$0.34	\$10.82
0 cf	\$10.82	\$10.82	\$0.0000	0.00	\$0.37	\$10.82
0 cf	\$10.82	\$10.82	\$0.0000	0.00	\$0.35	\$10.82
0 cf	\$10.82	\$10.82	\$0.0000	0.00	\$0.34	\$10.82
0 cf	\$10.82	\$10.82	\$0.0000	0.00	\$0.37	\$10.82
0 cf	\$10.82	\$10.82	\$0.0000	0.00	\$0.33	\$10.82
0 cf	\$10.82	\$10.82	\$0.0000	0.00	\$0.37	\$10.82
0 cf	\$11.31	\$11.31	\$0.0000	0.00	\$0.39	\$11.31
0 ccf	\$0.00	\$12.69	\$0.0000	0.00	\$0.42	\$12.69
0 ccf	\$0.00	\$12.90	\$0.0000	0.00	\$0.39	\$12.90
0 ccf	\$0.00	\$13.07	\$0.0000	0.00	\$0.45	\$13.07
0 ccf	\$0.00	\$13.07	\$0.0000	0.00	\$0.45	\$13.07
0 ccf	\$0.00	\$15.22	\$0.0000	0.00	\$0.48	\$15.22
0 ccf	\$0.00	\$14.28	\$0.0000	0.00	\$0.49	\$14.28
0 ccf	\$0.00	\$14.53	\$0.0000	0.00	\$0.44	\$14.53
2 ccf	\$1.40	\$116.41	\$58.2050	0.06	\$3.23	\$116.41
0 ccf	\$0.00	\$14.58	\$0.0000	0.00	\$0.61	\$14.58
2 ccf	\$16.55	\$16.55	\$8.2750	0.06	\$0.50	\$16.55
9 ccf	\$7.10	\$25.15	\$2.7944	0.21	\$0.60	\$25.15
5 cf	\$20.80	\$20.80	\$4.1600	0.19	\$0.77	\$20.80
0 ccf	\$0.00	\$16.69	\$0.0000	0.00	\$0.70	\$16.69
0 ccf	\$0.00	\$15.98	\$0.0000	0.00	\$0.50	\$15.98
0 ccf	\$0.00	\$16.02	\$0.0000	0.00	\$0.27	\$16.02
2 cf	\$16.97	\$16.97	\$8.4850	0.08	\$0.65	\$16.97

SUBMITTED BY APPLICANT

Account Review

City of Monterey

Account: 1015-210019351332 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	04/17/2013	05/16/2013	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	05/16/2013	06/19/2013	34	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	06/19/2013	07/18/2013	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	07/18/2013	08/16/2013	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	08/16/2013	09/18/2013	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	09/18/2013	10/21/2013	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	10/21/2013	11/18/2013	28	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	11/18/2013	12/17/2013	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	12/17/2013	01/17/2014	31	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	01/17/2014	02/18/2014	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	02/18/2014	03/18/2014	28	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	03/18/2014	04/16/2014	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	04/16/2014	05/16/2014	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	05/16/2014	06/17/2014	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	06/17/2014	07/17/2014	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	07/17/2014	08/18/2014	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	08/18/2014	09/17/2014	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	09/17/2014	10/16/2014	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	10/16/2014	11/14/2014	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	11/14/2014	12/16/2014	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	12/16/2014	01/15/2015	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	01/15/2015	02/17/2015	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	02/17/2015	03/17/2015	28	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	03/17/2015	04/16/2015	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	04/16/2015	05/18/2015	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	05/18/2015	06/16/2015	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	06/16/2015	07/17/2015	31	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	07/17/2015	08/18/2015	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	08/18/2015	09/17/2015	30	

SUBMITTED BY APPLICANT

Account Review
 City of Monterey
 Account: 1015-210019351332 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
0 ccf	\$0.00	\$12.36	\$0.0000	0.00	\$0.43	\$12.36
0 ccf	\$0.00	\$14.07	\$0.0000	0.00	\$0.41	\$14.07
1 cf	\$15.33	\$15.33	\$15.3300	0.03	\$0.53	\$15.33
0 cf	\$13.34	\$13.34	\$0.0000	0.00	\$0.46	\$13.34
0 ccf	\$0.00	\$14.59	\$0.0000	0.00	\$0.44	\$14.59
0 ccf	\$0.00	\$26.82	\$0.0000	0.00	\$0.81	\$26.82
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.92	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.88	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.83	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.80	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.92	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.88	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.85	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.80	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.85	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.80	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.85	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.88	\$25.64
0 ccf	\$0.00	\$25.64	\$0.0000	0.00	\$0.88	\$25.64
0 cf	\$25.64	\$25.64	\$0.0000	0.00	\$0.80	\$25.64
0 ccf	\$0.00	\$26.14	\$0.0000	0.00	\$0.87	\$26.14
0 cf	\$26.65	\$26.65	\$0.0000	0.00	\$0.81	\$26.65
0 ccf	\$0.00	\$26.65	\$0.0000	0.00	\$0.95	\$26.65
0 cf	\$26.65	\$26.65	\$0.0000	0.00	\$0.89	\$26.65
0 ccf	\$0.00	\$24.55	\$0.0000	0.00	\$0.77	\$24.55
0 ccf	\$0.00	\$24.55	\$0.0000	0.00	\$0.85	\$24.55
0 ccf	\$0.00	\$25.67	\$0.0000	0.00	\$0.83	\$25.67
0 ccf	\$0.00	\$21.04	\$0.0000	0.00	\$0.66	\$21.04
0 ccf	\$0.00	\$25.67	\$0.0000	0.00	\$0.86	\$25.67

SUBMITTED BY APPLICANT

Account Review
City of Monterey

Account: 1015-210019351332 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	09/17/2015	10/16/2015	29	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	10/16/2015	11/16/2015	31	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	11/16/2015	12/16/2015	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	12/16/2015	01/15/2016	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	01/15/2016	02/17/2016	33	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	02/17/2016	03/18/2016	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	03/18/2016	04/18/2016	31	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	04/18/2016	05/18/2016	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	05/18/2016	06/17/2016	30	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	06/17/2016	07/19/2016	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	07/20/2016	08/17/2016	28	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	08/18/2016	09/19/2016	32	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	09/20/2016	10/18/2016	28	
07 DET OFFC 651 VAN BUREN ST	1015-210019351332	10/19/2016	11/16/2016	28	
Grand Total					

SUBMITTED BY APPLICANT

Account Review
 City of Monterey
 Account: 1015-210019351332 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
0 ccf	\$0.00	\$23.00	\$0.0000	0.00	\$0.79	\$23.00
0 ccf	\$0.00	\$25.44	\$0.0000	0.00	\$0.82	\$25.44
0 ccf	\$0.00	\$23.00	\$0.0000	0.00	\$0.77	\$23.00
0 cf	\$23.27	\$23.27	\$0.0000	0.00	\$0.78	\$23.27
0 ccf	\$0.00	\$23.77	\$0.0000	0.00	\$0.72	\$23.77
0 ccf	\$0.00	\$23.77	\$0.0000	0.00	\$0.79	\$23.77
0 ccf	\$0.00	\$23.77	\$0.0000	0.00	\$0.77	\$23.77
0 ccf	\$0.00	\$23.77	\$0.0000	0.00	\$0.79	\$23.77
0 ccf	\$0.00	\$23.77	\$0.0000	0.00	\$0.79	\$23.77
0 Gallons	\$0.00	\$23.77	\$0.0000	0.00	\$0.74	\$23.77
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.13	\$3.66
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.11	\$3.66
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.13	\$3.66
0 ccf	\$0.00	\$3.66	\$0.0000	0.00	\$0.13	\$3.66
	\$415.03	\$1,434.33			\$0.65	\$1,434.33

SUBMITTED BY APPLICANT

Account Review

City of Monterey

Account: 1015-210019351417 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	10/18/2010	11/16/2010	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	11/16/2010	12/16/2010	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	12/16/2010	01/18/2011	33	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	01/18/2011	02/16/2011	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	02/16/2011	03/17/2011	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	03/17/2011	04/18/2011	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	04/18/2011	05/17/2011	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	05/17/2011	06/17/2011	31	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	06/17/2011	07/19/2011	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	07/19/2011	08/17/2011	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	08/17/2011	09/19/2011	33	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	09/19/2011	10/18/2011	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	10/18/2011	11/16/2011	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	11/16/2011	12/15/2011	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	12/15/2011	01/17/2012	33	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	01/17/2012	02/15/2012	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	02/15/2012	03/16/2012	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	03/16/2012	04/17/2012	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	04/17/2012	05/16/2012	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	05/16/2012	06/18/2012	33	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	06/18/2012	07/18/2012	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	07/18/2012	08/17/2012	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	08/17/2012	09/18/2012	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	09/18/2012	10/18/2012	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	10/18/2012	11/16/2012	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	11/16/2012	12/18/2012	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	12/18/2012	01/17/2013	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	01/17/2013	02/15/2013	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	02/15/2013	03/18/2013	31	

SUBMITTED BY APPLICANT

Account Review
City of Monterey
Account: 1015-210019351417 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
14 cf	\$19.57	\$19.57	\$1.3979	0.48	\$0.67	\$19.57
8 cf	\$14.96	\$14.96	\$1.8700	0.27	\$0.50	\$14.96
10 cf	\$16.09	\$16.09	\$1.6090	0.30	\$0.49	\$16.09
10 cf	\$16.13	\$16.13	\$1.6130	0.34	\$0.56	\$16.13
9 cf	\$15.61	\$15.61	\$1.7344	0.31	\$0.54	\$15.61
12 cf	\$17.24	\$17.24	\$1.4367	0.38	\$0.54	\$17.24
15 cf	\$18.85	\$18.85	\$1.2567	0.52	\$0.65	\$18.85
16 cf	\$19.40	\$19.40	\$1.2125	0.52	\$0.63	\$19.40
15 cf	\$18.87	\$18.87	\$1.2580	0.47	\$0.59	\$18.87
17 cf	\$20.88	\$20.88	\$1.2282	0.59	\$0.72	\$20.88
16 cf	\$20.28	\$20.28	\$1.2675	0.48	\$0.61	\$20.28
14 cf	\$19.09	\$19.09	\$1.3636	0.48	\$0.66	\$19.09
11 cf	\$18.09	\$18.09	\$1.6445	0.38	\$0.62	\$18.09
12 cf	\$5.78	\$53.13	\$4.4275	0.41	\$1.83	\$53.13
8 cf	\$3.73	\$53.24	\$6.6550	0.24	\$1.61	\$53.24
8 cf	\$3.60	\$17.53	\$2.1913	0.28	\$0.60	\$17.53
10 cf	\$4.43	\$48.45	\$4.8450	0.33	\$1.62	\$48.45
11 cf	\$4.82	\$79.22	\$7.2018	0.34	\$2.48	\$79.22
13 cf	\$6.02	\$90.59	\$6.9685	0.45	\$3.12	\$90.59
15 cf	\$8.02	\$144.95	\$9.6633	0.45	\$4.39	\$144.95
15 cf	\$10.47	\$73.07	\$4.8713	0.50	\$2.44	\$73.07
12 cf	\$8.38	\$26.26	\$2.1883	0.40	\$0.88	\$26.26
16 cf	\$11.18	\$30.55	\$1.9094	0.50	\$0.95	\$30.55
14 cf	\$11.06	\$31.03	\$2.2164	0.47	\$1.03	\$31.03
8 cf	\$6.34	\$24.28	\$3.0350	0.28	\$0.84	\$24.28
8 cf	\$6.50	\$24.78	\$3.0975	0.25	\$0.77	\$24.78
11 cf	\$8.99	\$28.55	\$2.5955	0.37	\$0.95	\$28.55
10 cf	\$8.22	\$27.44	\$2.7440	0.34	\$0.95	\$27.44
11 cf	\$9.04	\$28.66	\$2.6055	0.35	\$0.92	\$28.66

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Account Review

City of Monterey

Account: 1015-210019351417 -- 11/2010 to 10/2016

Facility Name	Account #	From	Thru	Bill Days	Overlap?
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	03/18/2013	04/16/2013	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	04/16/2013	05/16/2013	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	05/16/2013	06/18/2013	33	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	06/18/2013	07/17/2013	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	07/17/2013	08/16/2013	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	08/16/2013	09/17/2013	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	09/17/2013	10/21/2013	34	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	10/21/2013	11/18/2013	28	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	11/18/2013	12/17/2013	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	12/17/2013	01/17/2014	31	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	01/17/2014	02/18/2014	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	02/18/2014	03/18/2014	28	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	03/18/2014	04/16/2014	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	04/16/2014	05/16/2014	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	05/16/2014	06/17/2014	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	06/17/2014	07/17/2014	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	07/17/2014	08/18/2014	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	08/18/2014	09/17/2014	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	09/17/2014	10/16/2014	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	10/16/2014	11/14/2014	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	11/14/2014	12/16/2014	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	12/16/2014	01/15/2015	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	01/15/2015	02/17/2015	33	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	02/17/2015	03/17/2015	28	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	03/17/2015	04/16/2015	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	04/16/2015	05/18/2015	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	05/18/2015	06/16/2015	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	06/16/2015	07/17/2015	31	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	07/17/2015	08/18/2015	32	

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Account Review
City of Monterey

Account: 1015-210019351417 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
12 cf	\$10.00	\$29.25	\$2.4375	0.41	\$1.01	\$29.25
14 cf	\$11.94	\$31.43	\$2.2450	0.47	\$1.05	\$31.43
11 cf	\$9.71	\$28.12	\$2.5564	0.33	\$0.85	\$28.12
12 cf	\$10.59	\$29.40	\$2.4500	0.41	\$1.01	\$29.40
13 cf	\$11.48	\$29.95	\$2.3038	0.43	\$1.00	\$29.95
13 cf	\$11.48	\$29.95	\$2.3038	0.41	\$0.94	\$29.95
14 cf	\$16.19	\$49.68	\$3.5486	0.41	\$1.46	\$49.68
9 cf	\$10.41	\$41.52	\$4.6133	0.32	\$1.48	\$41.52
0 cf	\$0.00	\$38.14	\$0.0000	0.00	\$1.32	\$38.14
8 cf	\$38.14	\$38.14	\$4.7675	0.26	\$1.23	\$38.14
7 cf	\$36.57	\$36.57	\$5.2243	0.22	\$1.14	\$36.57
6 cf	\$35.00	\$35.00	\$5.8333	0.21	\$1.25	\$35.00
8 cf	\$38.14	\$38.14	\$4.7675	0.28	\$1.32	\$38.14
9 cf	\$39.56	\$39.56	\$4.3956	0.30	\$1.32	\$39.56
0 cf	\$39.44	\$39.44	\$0.0000	0.00	\$1.23	\$39.44
9 cf	\$39.44	\$39.44	\$4.3822	0.30	\$1.31	\$39.44
8 cf	\$37.90	\$37.90	\$4.7375	0.25	\$1.18	\$37.90
9 cf	\$38.44	\$38.44	\$4.2711	0.30	\$1.28	\$38.44
11 cf	\$41.27	\$41.27	\$3.7518	0.38	\$1.42	\$41.27
9 cf	\$38.44	\$38.44	\$4.2711	0.31	\$1.33	\$38.44
7 cf	\$35.60	\$35.60	\$5.0857	0.22	\$1.11	\$35.60
5 cf	\$33.15	\$33.15	\$6.6300	0.17	\$1.11	\$33.15
8 cf	\$36.22	\$36.22	\$4.5275	0.24	\$1.10	\$36.22
7 cf	\$36.25	\$36.25	\$5.1786	0.25	\$1.29	\$36.25
6 cf	\$34.89	\$34.89	\$5.8150	0.20	\$1.16	\$34.89
8 cf	\$37.65	\$37.65	\$4.7063	0.25	\$1.18	\$37.65
7 cf	\$33.33	\$33.33	\$4.7614	0.24	\$1.15	\$33.33
9 cf	\$36.71	\$36.71	\$4.0789	0.29	\$1.18	\$36.71
7 cf	\$35.20	\$35.20	\$5.0286	0.22	\$1.10	\$35.20

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Account Review
City of Monterey

Account: 1015-210019351417 -- 11/2010 to 10/2016

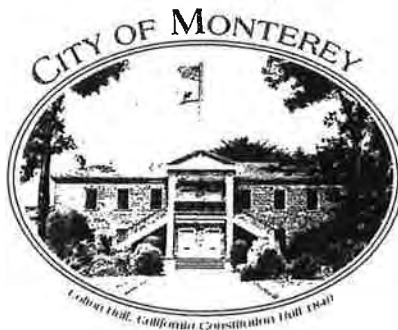
Facility Name	Account #	From	Thru	Bill Days	Overlap?
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	08/18/2015	09/17/2015	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	09/17/2015	10/16/2015	29	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	10/16/2015	11/16/2015	31	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	11/16/2015	12/16/2015	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	12/16/2015	01/15/2016	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	01/15/2016	02/17/2016	33	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	02/17/2016	03/18/2016	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	03/18/2016	04/18/2016	31	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	04/18/2016	05/18/2016	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	05/18/2016	06/17/2016	30	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	06/17/2016	07/19/2016	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	07/20/2016	08/17/2016	28	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	08/18/2016	09/19/2016	32	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	09/20/2016	10/18/2016	28	
08 HSG/PROP MGMT 699 VAN BUREN	1015-210019351417	10/19/2016	11/16/2016	28	
Grand Total					

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Account Review
 City of Monterey
 Account: 1015-210019351417 -- 11/2010 to 10/2016

Water Usage (units)	Water Usage Charges	Water Total Cost	Water Unit Cost	Water Avg Use/Day	Water Avg Cost/Day	Total Cost
5 cf	\$32.48	\$32.48	\$6.4960	0.17	\$1.08	\$32.48
6 cf	\$30.33	\$30.33	\$5.0550	0.21	\$1.05	\$30.33
7 cf	\$34.00	\$34.00	\$4.8571	0.23	\$1.10	\$34.00
8 cf	\$32.43	\$32.43	\$4.0538	0.27	\$1.08	\$32.43
4 cf	\$27.88	\$27.88	\$6.9700	0.13	\$0.93	\$27.88
6 cf	\$30.28	\$30.28	\$5.0467	0.18	\$0.92	\$30.28
6 cf	\$30.28	\$30.28	\$5.0467	0.20	\$1.01	\$30.28
6 cf	\$30.86	\$30.86	\$5.1433	0.19	\$1.00	\$30.86
7 cf	\$32.35	\$32.35	\$4.6214	0.23	\$1.08	\$32.35
5 cf	\$29.63	\$29.63	\$5.9260	0.17	\$0.99	\$29.63
5 Gallons	\$29.63	\$29.63	\$5.9260	0.16	\$0.93	\$29.63
0 ccf	\$0.00	\$4.50	\$0.0000	0.00	\$0.16	\$4.50
0 ccf	\$0.00	\$4.50	\$0.0000	0.00	\$0.14	\$4.50
0 ccf	\$0.00	\$4.50	\$0.0000	0.00	\$0.16	\$4.50
0 ccf	\$0.00	\$4.51	\$0.0000	0.00	\$0.16	\$4.51
	\$1,524.93	\$2,423.73			\$1.09	\$2,423.73

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May 5, 2015

Elizabeth Nahas Wilson
 Mid-Peninsula The Farm
 275 Main Street, Suite 204
 Watsonville, CA 95076

RE: Van Buren Senior Housing Development (613-669 Van Buren Street)
 Architectural Review P-15-123

Dear Ms Wilson:

Please retain this letter as an indication that the City of Monterey has approved your application for the above referenced project, as shown on the attached plans received by the Planning Office on May 5, 2015. This approval will be final following the required 10-day appeal period, ending on May 15, 2015, should no appeals be filed by that date. The approval was made with the attached Findings for Decision and the following Conditions of Approval:

Conditions of Approval:

General:

1. That the exterior modifications to the building shall be substantially constructed and thereafter maintained in accordance with the conditions of this permit and according to plans submitted to the Planning Office on May 5, 2015, except as conditioned herein.
2. That fire sprinkler risers, back flow preventers, trash areas, and other utilities shall be located inside a building or completely screened from public view.
3. That, prior to Building Permit issuance, the subject lots shall be merged into a single parcel.
4. That the permit shall become null and void if a building permit is not issued within 24 months of the date of this administrative approval. It is the applicant's responsibility to track the 24 month expiration date and request permit approval extensions prior to the permit expiration date. No renewal notice will be sent to the applicant.

Tree Removal and Protection:

5. That the proposed retaining wall shall extend beyond the City Tree Protection Standards' minimum safe distance calculation to the greatest extent feasible. The western boundary of the retaining wall is acceptable as placed at 8' from the trunk (4 times the trunk diameter), while the northern and southern boundaries of the retaining wall shall be shifted as close to the dripline (canopy) of the tree as feasible. The revised location of the retaining wall will be reviewed and approved as part of the building permit submittal.
6. To the greatest extent feasible, no mechanized or heavy equipment shall be used to remove concrete, soil, or vegetation within the canopy dripline of the tree—except that manually

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operated jackhammers may be used to break up the existing concrete slab(s) under the tree. All demolished materials, spoils and other materials will be removed by hand in order to keep heavy equipment outside the canopy dripline of the tree. After the pittosporum tree near the oak is removed, the stump shall be removed by hand. Ivy and other ground cover plants shall be removed by hand grubbing.

7. Once the area underneath the tree has been hand-cleared, the area between the tree trunk and the retaining wall boundary shall remain undisturbed and an immovable chain-link fence will be placed along this perimeter during construction so as to prevent access into this space. No storage of materials or equipment shall be permitted within this area. The developer's certified arborist shall oversee construction of the retaining wall and installation of the permeable pavers to ensure that soil excavation, grading, or grade raising fill is kept to a minimum and tree roots are protected. Encroachments into this space will be necessary for retaining wall construction, but this encroachment shall be monitored by the arborist to ensure minimal disturbance of the tree or root system. The installation method and encroachment requirements will be reviewed and approved as part of the building permit submittal.
8. Construction documents will call for structured soil or similar fill underneath the portion of permeable pavement located underneath the drip-line (canopy) of the tree. Fill shall be kept to a minimum to prevent burying the existing soil grade too deeply. Compaction of soil around the tree shall be kept to a minimum to ensure tree health and survival. No fill soil shall be added to the area in a 6 foot radius from the trunk. No soil compaction shall take place within the same 6 foot radius of the trunk. Installation of pervious pavers or pavement shall be performed in such a manner as to minimize the addition of fill soil under the canopy dripline of the tree.
9. Lateral limbs of the tree shall be retained, but selective pruning may occur where branches will impede pedestrian movement in the courtyard space or will inhibit construction of the residential building. The developer's certified arborist will consult on selective pruning to ensure minimum damage to the tree and pruning will not be undertaken during the months of March to June when the tree is flowering.
10. There will be no utility or drain lines located within the area between the tree trunk and the retaining wall boundary.
11. Contingent upon approval by the City of Monterey as part of the building permit submittal, the applicant shall make the following offsite improvements with regards to the oak tree:
 - o Soil erosion control measures shall be installed on the easterly slope below the tree near the police parking lot. Jute netting and wattles will be used as needed to prevent the movement of soil down the slope during the construction phase.
 - o After construction, native ground cover plants shall be installed to revegetate this area to control erosion and restore appearance. Plants such as the following shall be used for this purpose: *Ceanothus griseus horizontalis* (Carmel creeper), *Ceanothus gloriosis* (Pt. Reyes creeper), *Zauschneria californica* (California fuschia), *Ribes viburnifolium* (evergreen currant), etc. A drip irrigation system shall be installed to provide adequate water to establish the plants.
 - o Install a low wooden retaining wall at the lower edge of the slope to the east of the oak tree to prevent soil from drifting down into the parking lot. This construction shall be anchored by posts and be comprised of pressure-treated

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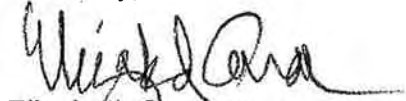
2X12 or similar wood components, or railroad ties fixed in the soil by posts or steel anchor rods.

Stormwater Treatment

12. **Storm Water Development Design for New and Redevelopment Projects:** Project must conform to new post-construction storm water design regulations (PCRs) for new and redevelopment projects per City Code Section 31.5-15(b) Requirement to Prevent, Control, and Reduce Storm Water Pollutants for New and Redevelopment, City NPDES General Permit, Regional Board Resolution No. R3-2013-0032, and subsequent amendments thereto, to minimize the generation, transport and discharge of pollutants. This includes the submittal of a Storm Water Control Plan and associated storm water design plans, calculations, information and attachments. Regulations, guidelines, and templates can be found online at this MRSWMP Developers Resource webpage: http://www.montereysea.org/resources_developers.php.
13. **Storm Water BMP Maintenance Agreement:** Prior to finalization of the Building Permit, the developer shall develop and submit an operations and maintenance plan for permanent, structural storm water BMPs constructed as a part of this project, and enter into a legal agreement or covenant with the City to provide verification of at least annual maintenance of any necessary post-construction storm water facilities constructed on the site. The legal agreement or covenant shall be subject to review and approval of the City Engineering and City Attorney. The provisions in the agreement shall run with the land and the document shall be recorded with the County Recorder.
14. **During-Construction Pollution Prevention:** During construction, the developer shall employ temporary storm water best management practices (BMPs) for erosion and sediment control, prevention of non-storm water discharges, and implement good housekeeping and construction waste management practices to protect the storm drainage system and water quality as required by City Code Section 31.5-15(c), City Phase II Permit, State Water Resources Control Board (SWRCB) Construction General Permit (CGP), and MRSWMP. Plans for the implementation of during-construction storm water management and BMPs, such as a Storm Water Pollution Prevention Plan (SWPPP), shall be submitted to the City and subject to review and approval of the City Engineer and Building Official prior to issuance of a grading and/or building permit.

Please retain this letter for your records. If you have any further questions, please contact me at (831) 646-1739.

Sincerely,



Elizabeth Caraker, AICP
Principal Planner

EC:jl

e: Rick Marvin

Attachment: Findings for Decision
CEQA Exemption
Project Plans received May 5, 2015

SUBMITTED BY APPLICANT

Findings for Decision:

The project is consistent with the Downtown Specific Plan objectives as follows:

1. USES	Project Compliance
Objectives	
O.1.1. The project includes a commercial component that is one of a wide range of business types including retail, restaurant, hotels, and development containing a mix of uses including business, retail and residential.	The Planning Commission approved a use permit for the location of residential uses on the ground floor.
O.1.2. The project is located in the Alvarado District and contains active uses such as retail and restaurants. Mixed-use development is encouraged in this district. Ground floor offices, personal services, and residential on Alvarado Street and the first blocks of Del Monte and Franklin are inappropriate uses (Figure 9)	N/A
O.1.3. The project is located in the East Village or Pearl Districts and provides either active uses or uses that provide services for residents.	N/A
O.1.4. The project is located in the Heritage or Island of Adobe Districts and is complimentary to these nationally significant historic areas.	N/A
O.1.5. The project is located in the Pierce District and provides uses that support and are compatible with office, educational, residential and support commercial.	The project provides a good transition between civic, educational and residential uses
O.1.6. The project is located in the Royal Presidio District and contains uses complimentary to sensitive areas, such as educational and residential uses.	N/A
O.1.7. The project is located in the Public Recreation District and contain active or passive recreation uses.	N/A
2. SITE PLANNING	
GENERAL	
Objectives	
O.2.1. Commercial spaces are oriented for the pedestrian.	N/A
O.2.2. New development creates a safe pedestrian environment.	The project includes windows facing the street and adequate lighting for safe pedestrian activity. CPTED standards are incorporated.

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Standards	
S.2.1. Maximum residential density Alvarado District – 100 du/acre Other Districts – 30 du/acre	A Density Bonus per State law will allow 41 dwelling units per acre
S.2.2. Projects on through lots and corner lots shall provide a building face to both streets.	N/A
TOPOGRAPHY	
Objectives	
O.2.3. No portion of the project shall appear out of scale as compared to the street due to topographical changes on the site.	Topography is flat along the street frontage
OPEN SPACE	
Objective	
O.2.4. The project provides sufficient open space to enhance livability by providing a pleasant outdoor environment.	Open space areas include gardens and patios that are central to the project, and balconies that face the street.
PUBLIC UTILITIES AND BUILDING SERVICES	
Objective	
O.2.5. Trash, service areas, and equipment areas are located to decrease impacts on the streetscape appearance and function.	Trash areas and equipment are screened by fences and roof design and meet appropriate setbacks.
Standard	
S.2.3 Fire sprinkler risers, back flow preventers, trash areas, and other utilities shall be located inside a building or completely screened from public view.	Utilities and backflow devices will be screened per conditions of approval
PARKING	
Objective	
O.2.6. Parking facilities are conveniently located and designed to be attractive, compatible additions that provide a pedestrian-friendly edge to the area.	Profile of parking area is minimal. A single driveway is proposed.
Standards	
S.2.5. Parking lots shall be screened from the public right-of-way	Fencing is proposed along Van Buren to screen the parking lot
S.2.6.2. Residential: 5 spaces per unit. Maximum of 2 spaces per unit. All new residential development shall “unbundle” the full cost of parking from the cost of the housing itself, by creating a separate parking charge.	10 spaces required; 11 spaces provided.
3. BUILDING DESIGN, MASS AND SCALE	
Objectives	
O.3.1. The building design conveys a sense of local identity and reflects the evolving character	The building reflects both multi-family and single-family elements.

of the area.	
O.3.2. The building design complements the natural features of Monterey.	Natural finishes are used
O.3.3. The building design respects the traditional character of the area while reflecting its own period and function.	The building has both traditional and modern elements.
O.3.4. Buildings that occur at a major intersection provide an anchor at the corner.	N/A
O.3.5. The project contributes to a variety of height and mass along the streetface.	The building changes planes, materials, and color.
O.3.6. The rhythm and scale of the street wall is designed to enhance the pedestrian experience.	N/A
O.3.7. The building design includes façade components that help establish traditional building composition.	The building has both traditional and modern elements.
O.3.8. The project is consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties If it has the potential to impact a historic resource.	N/A
O.3.9. The project qualifies as a Transit Priority Project (TPP) and implements the City's Climate Action Plan.	N/A
Standards	
S.3.1. Maximum Stories: <ul style="list-style-type: none"> ▪ Alvarado District - 4 stories ▪ East Village District - 3 stories ▪ Pearl District - 3 stories ▪ All other districts - 2 stories <p>➤ Note: Visitor Accommodation Facility zoned properties shall be subject to development standards set forth in City Code Chapter 38.</p>	2 stories
Guidelines	
4. COLORS	
Objectives	
O.4.1. The building color reflects the architectural style of the building	The colors are appropriate
O.4.2. The building colors compliment the district and adjacent buildings	The colors are complimentary
Standards	
S.4.1. Use a creative mix of colors to reflect architectural style	The colors are appropriate
S.4.2. Brick and stone shall not be painted but previously painted surfaces may be repainted.	N/A
5. BUILDING MATERIALS	

Objective	
O.5.1. Building materials convey a sense of “belonging” in the setting of the District.	Proposed materials are conventional and fit in with the neighborhood
O.5.2. Building materials are durable and low maintenance to avoid maintenance issues.	Proposed fiber cement and cement plaster siding, composition shingle roofing, and vinyl windows will avoid maintenance issues
6. LIGHTING	
Lighting plans shall be prepared and submitted for review as part of the project. Lighting plans must indicate all exterior lighting fixture locations, height, type of light source, fixture type and pole type. A photometric study may be required for parking lots.	Plans have been submitted including photometric study and cut sheets.
Objectives	
O.6.1. The lighting continues a consistent character and level of lighting that protects the dark sky.	Lighting is adequate
O.6.2. The lighting is sensitive to residential uses.	Lighting is screened and adequate
O.6.3. The project’s use of lighting is limited to providing an accent for building entrances; lighting signs; and providing a safe and secure environment for public places.	Lighting is adequate
O.6.4. The lighting source is efficient.	Details required
O.6.5. The project’s lighting is appropriate for the site.	Lighting is adequate
O.6.6. The project’s light does not result in glare and does not spill beyond its subject.	Photometric study provided and meet requirements
O.6.7. CPTED Standards have been incorporated where feasible.	CPTED Standards have been met
Standards	
S.6.1. Exposed bulbs are prohibited.	Screens will be required
S.6.2. Direct all light sources downward unless highlighting architectural features.	Lighting is directed downward
S.6.3. Outlining roof elements and building with lighting is prohibited.	None proposed
7. LANDSCAPING	
Objectives	
O.8.1. The project complies with the City’s Water Efficient Landscape Ordinance as specified in the City’s Municipal Code.	N/A
O.8.2. The landscaping is simple, drought tolerant and easy to maintain.	Yes
O.8.3. The landscaping uses a few plant species, as opposed to detailed planting with multiple plant types.	Yes.
O.8.4. The sidewalk trees selected will arch over	Yes.

the roadway as they mature (at suitable clearances for trucks and buses).	
O.8.5. The project includes street trees that will not drop leaves or seeds that may become a hazard for pedestrians or cyclists and include an adequate tree grate system that will contain the roots to avoid impacting the pedestrian and bicycle infrastructure.	Yes.
Standard	
S.8.1. Projects are required to plant street trees at appropriate intervals.	Street trees against the buildings are proposed
S.8.2. Fruiting trees along public walkways are prohibited.	No fruit trees are proposed

CEQA Finding:

The Van Buren Senior Affordable Housing project is exempt from CEQA in that the project meets all of the threshold requirements found at CEQA Guidelines Section 15192 as follows:

a) The project is consistent with:

(1) Any applicable general plan, specific plan, or local coastal program, including any mitigation measures required by such plan or program, as that plan or program existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete; and

(2) Any applicable zoning ordinance, as that zoning ordinance existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete, unless the zoning of project property is inconsistent with the general plan because the project property has not been rezoned to conform to the general plan.

The project also meets a community housing need for low-income seniors as identified in the Housing Element by offering 100% of the units to low-income seniors. The project is within the Pierce District of the Downtown Specific Plan. While the Pierce District allows a maximum of 30 dwelling units per acre, the project is using a density bonus, allowed by State law, to increase the project density to 41 dwelling units per acre.

The project is consistent with the design intent of the Pierce District, which is a transitional area between civic, multi-family, and single-family uses. The project successfully integrates into the neighborhood and the massing of the buildings is minimized through the use of a variety of architectures features, roof lines, building planes, colors, materials, and window designs (Attachment 3). The landscaping further softens the street elevation, screens utilities and includes street trees that mitigate tree removals. The roof planes have been design to minimize the visibility of rooftop equipment.

b) Community-level environmental review has been adopted or certified in that the City Council adopted the Downtown Specific Plan negative declaration in October 2013.

c) The project and other projects approved prior to the approval of the project can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all

applicable in-lieu or development fees in that the project has adequate water credits to accommodate the intensification of use at the site. The City's sewer and stormwater facilities are adequate to service the project.

(d) The site of the project:

(1) Does not contain wetlands, as defined in Section 328.3 of Title 33 of the Code of Federal Regulations.

(2) Does not have any value as an ecological community upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection. (3) Does not harm any species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.) or by the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code).

(4) Does not cause the destruction or removal of any species protected by a local ordinance in effect at the time the application for the project was deemed complete in that the project site is a developed site and does not contain any such species of concern.

(e) The site of the project is not included on any list of facilities and sites compiled pursuant to Section 65962.5 of the Government Code in that the previous uses include residential, office, and parking.

(f) The site of the project is subject to a preliminary endangerment assessment prepared by a registered environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity. In addition, the following steps have been taken in response to the results of this assessment:

(1) If a release of a hazardous substance is found to exist on the site, the release shall be removed, or any significant effects of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements.

(2) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with state and federal requirements.

Previous uses include residential, office, and parking and there is no potential for release of a hazardous substance on the site.

(g) The project does not have a significant effect on historical resources pursuant to Section 21084.1 of the Public Resources Code in that a historic survey was conducted and concluded that no historic resources are located on the project site.

(h) The project site is not subject to wildland fire hazard, as determined by the Department of Forestry and Fire Protection, unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a wildland fire hazard in that the site is not within a wildland fire hazard zone.

(i) The project site does not have an unusually high risk of fire or explosion from materials stored or used on nearby properties in that the project site is adjacent to City of Monterey Fire and Police offices, which offers no such unusually high risk.

(j) The project site does not present a risk of a public health exposure at a level that would exceed the standards established by any state or federal agency in that previous uses include residential, office, and parking.

(k) Either the project site is not within a delineated earthquake fault zone or a seismic hazard zone, as determined pursuant to Section 2622 and 2696 of the Public Resources Code respectively, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of an earthquake or seismic hazard in that the project will be designed to seismic safety building code standards.

(l) Either the project site does not present a landslide hazard, flood plain, flood way, or restriction zone, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a landslide or flood in that the site is not prone to landslide hazard or flooding.

(m) The project site is not located on developed open space. The project is located on a previously developed site.

(n) The project site is not located within the boundaries of a state conservancy.

(o) The project has not been divided into smaller projects to qualify for one or more of the exemptions set forth in sections 15193 to 15195 in that the project has been designed and will be developed as a single project.

The project meets the criteria set forth in section 15194 in that:

(a) The project meets the threshold criteria set forth in section 15192 as outlined above.

(b) The project meets the following size criteria: the project site is not more than five acres in area: the project is 0.46 acres.

(c) The project meets both of the following requirements regarding location:

(1) The project meets one of the following location requirements relating to population density:

(A) The project site is located within an urbanized area or within a census-defined place with a population density of at least 5,000 persons per square mile: the project is surrounded by a population density of over 5,000 persons per square mile.

(B) If the project consists of 50 or fewer units, the project site is located within an incorporated city with a population density of at least 2,500 persons per square mile and a total population of at least 25,000 persons: the project is located within an incorporated City.

(C) The project is located within either an incorporated city or a census defined place with a population density of at least 1,000 persons per square mile and there is no reasonable possibility that the project would have a significant effect on the environment or the residents of the project due to unusual circumstances or due to the related or cumulative impacts of reasonably foreseeable projects in the vicinity of the project: there are no unusual circumstances that could apply. The project is consistent with the Downtown Specific Plan and adopted negative declaration. No reasonably foreseeable significant cumulative impacts would result.

(2) The project meets one of the following site-specific location requirements (the project meets both (A) and (B):

(A) The project site has been previously developed for qualified urban uses; or

(B) The parcels immediately adjacent to the project site are developed with qualified urban uses.

(C) The project site has not been developed for urban uses and all of the following conditions are met: 1. No parcel within the site has been created within 10 years prior to the proposed development of the site.

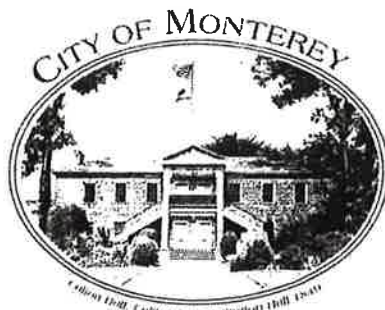
2. At least 75 percent of the perimeter of the site adjoins parcels that are developed with qualified urban uses.

3. The existing remaining 25 percent of the perimeter of the site adjoins parcels that have previously been developed for qualified urban uses.

(d) The project meets both of the following requirements regarding provision of affordable housing.

(1) The project consists of the construction, conversion, or use of residential housing consisting of 100 or fewer units that are affordable to low-income households. The project consists of the construction of 19 units affordable to low-income households.

(2) The developer of the project provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for lower income households for a period of at least 30 years, at monthly housing costs deemed to be "affordable rent" for lower income, very low income, and extremely low income households, as determined pursuant to Section 50053 of the Health and Safety Code in that a development agreement between the City and the developer will require that the units remain affordable for lower income, very low income, and extremely low income households in perpetuity.



May 13, 2015

Elizabeth Wilson,
Mid-Peninsula The Farm
275 Main Street, Suite 204
Watsonville, CA 95076

Subject: 613-669 Van Buren - Permit 15-082

Dear Ms. Wilson,

On April 28, 2015, the Planning Commission adopted a Resolution approving the above mentioned project. The final Resolution is enclosed. Please remember that compliance with the Conditions of Approval is required as indicated on the enclosed Resolution.

Please give me a call at (831) 646-1739 if you require any additional information or clarification on any issue pertaining to this project.

Sincerely,


Elizabeth Caraker
Principal Planner

EC:ar

Attachment: 1. Final Resolution

e: Elizabeth Wilson, Mid-Peninsula The Farm
Rick Marvin

RESOLUTION NO. P15-009**A RESOLUTION OF THE PLANNING COMMISSION****APPROVING USE PERMIT 15-082 TO ALLOW GROUND FLOOR RESIDENTIAL USES AND ON-SITE SURFACE PARKING FOR AN AFFORDABLE SENIOR HOUSING PROJECT LOCATED AT 613 - 669 VAN BUREN STREET**

WHEREAS, the City of Monterey owns a 0.48-acre property located at 613-669 Van Buren Street;

WHEREAS, the applicant, Mid Peninsula The Farm, will enter into a lease agreement with the City and develop the site as a 19-unit affordable senior housing complex, to include nine units on the first floor and 10 units on the second floor and 11 on-site surface parking spaces (Exhibit A);

WHEREAS, the applicant has requested City Council approval of a 35% density bonus in exchange for providing age restricted and low-income housing as 100% of the project, as allowed by CA Government Code Section 65915, which would increase the allowed density from 30 du/acre to 41 du/acre;

WHEREAS, the project is within the City's Residential General Plan land use designation and Planned Community/Downtown zoning designation;

WHEREAS, the Downtown Specific Plan requires a Use Permit for residential uses on the first floor and for public and private parking areas to ensure consistency with the specific plan goals and objectives;

WHEREAS, an on-street parking survey shows that on-street parking is available on Van Buren Street for visitors, employees, and deliveries, but not to meet the parking requirement for the project, and a neighborhood impact would likely result if adequate off-street parking were not provided for the project;

WHEREAS, existing off-street parking is located within the adjacent City lot, but, given the difference in topography between the project site and the City lot, the number of spaces required for the project, the need for disabled access, and the need for parking in close proximity for senior residents, this option was not deemed practical.

WHEREAS, the City of Monterey Planning Office determined the project is exempt from the California Environmental Quality Act (CEQA) Guidelines per the Infill/Affordable Housing exemption Sections 15192 and 15194. The Van Buren Senior Affordable Housing project meets all of the threshold requirements found at CEQA Guidelines Section 15192 in that:

a) The project is consistent with:

(1) Any applicable general plan, specific plan, or local coastal program, including any mitigation measures required by such plan or program, as that plan or program existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete; and

(2) Any applicable zoning ordinance, as that zoning ordinance existed on the date that the application for the project pursuant to Section 65943 of the Government Code was deemed complete, unless the zoning of project property is inconsistent with the general plan because the project property has not been rezoned to conform to the general plan.

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The project is consistent with the design intent of the Pierce District, which is a transitional area between civic, multi-family, and single-family uses. The project successfully integrates into the neighborhood and the massing of the buildings is minimized through the use of a variety of architectural features, roof lines, building planes, colors, materials, and window designs (Attachment 1). The landscaping further softens the street elevation, screens utilities and includes street trees that mitigate tree removals. The roof planes have been designed to minimize the visibility of rooftop equipment.

b) Community-level environmental review has been adopted or certified in that the City Council adopted the Downtown Specific Plan negative declaration in October 2013.

c) The project and other projects approved prior to the approval of the project can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all applicable in-lieu or development fees in that the project has adequate water credits to accommodate the intensification of use at the site. The City's sewer and stormwater facilities are adequate to service the project.

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Previous uses include residential, office, and parking and there is no potential for release of a hazardous substance on the site.

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(B) If the project consists of 50 or fewer units, the project site is located within an incorporated city with a population density of at least 2,500 persons per square mile and a total population of at least 25,000 persons: the project is located within an incorporated City.

(C) The project is located within either an incorporated city or a census defined place with a population density of at least 1,000 persons per square mile and there is no reasonable possibility that the project would have a significant effect on the environment or the residents of the project due to unusual circumstances or due to the related or cumulative impacts of reasonably foreseeable projects in the vicinity of the project: there are no unusual circumstances that could apply. The project is consistent with the Downtown Specific Plan and adopted negative declaration. No reasonably foreseeable significant cumulative impacts would result.

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2. At least 75 percent of the perimeter of the site adjoins parcels that are developed with qualified urban uses.

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WHEREAS, the Planning Commission, at a properly noticed public hearing on April 28, 2015, carefully considered all of the information presented to it, including the agenda report and information submitted at the public hearing by interested persons; and,

WHEREAS, notice is hereby given that decisions of the Planning Commission are appealable to the City Council within 10 days of the date of this action pursuant to Monterey City Code section 38-206.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF MONTEREY that it hereby approves Use Permit 15-082 to allow ground floor residential uses and on-site surface parking for an affordable senior housing project located at 613 - 669 Van Buren Street, based on the following findings and subject to the following conditions of approval:

FINDINGS:

1. That the proposed use and the proposed conditions under which it would be operated or maintained will be consistent with the General Plan; will not be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the neighborhood of such use; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the City because the project is appropriate for the site, zoning, and General Plan land use designation, and is compatible with the surrounding neighborhood;
2. That the project is consistent with the Residential General Plan land use designation and Planned Community/Downtown zoning designation in that the project is within the Pierce District of the Downtown Specific Plan and is consistent with the design intent of the Pierce District, which is a transitional area between civic, multi-family, and single-family uses and encourages housing at this location due to its proximity to amenities, such as the library and shopping.
3. That the first floor residential use is justified because the use is appropriate for the site and the location is not intended for pedestrian-oriented shopping or other commercial uses.
4. That the proposed surface on-site parking is justified because there is not adequate on-street parking available within the vicinity of the project; and the adjacent City surface parking poses accessibility issues due to proximity and topography; and subsurface parking would have rendered a 100% affordable housing project infeasible.

CONDITIONS OF APPROVAL:

1. That this approval will expire 24 months from the date of approval by the City of Monterey Zoning Administrator unless the required building permits are issued for the project. It is the applicant's responsibility to track the expiration date and any request for extension must be made a minimum of 60 days prior to expiration. No renewal notice will be sent to the applicant or property owner.
2. That the applicant provide a copy of these Conditions of Approval on the front page of any plans to be included in the Building Permit submittal, as well as the following standard requirements:
 - a. That the hours of construction shall be limited to the hours of 7:00 am to 7:00 pm Monday through Friday, 8:00 am to 6:00 pm Saturday and 10:00 am to 5:00 pm Sunday.

- b. That the project is subject to the categorical water allocation program approved by the City Council and subject to the rules and regulations as adopted by the Monterey Peninsula Water Management District. The applicant proceeds at his own risk that water may not be available at the time he requests building permits. No building permits will be issued if water is not available for this project.
- c. That the applicant shall fully comply with all provisions of Monterey City Code, Chapter 31.5, Storm Water Management, and associated City Storm Water Regulatory Permit and Management Program, including, but not limited to storm water design, installation and maintenance of all necessary best management practices and physical infrastructure required to comply with said chapter.
- d. **Storm Water Development Design for New and Redevelopment Projects:** Project must conform to new post-construction storm water design regulations (PCRs) for new and redevelopment projects, which include the submittal of a Storm Water Control Plan and associated storm water design plans, calculations, information and attachments. Regulations, guidelines, and templates can be found online at this MRSWMP Developers Resource webpage: http://www.montereysea.org/resources_developers.php.
- e. **Storm Water BMP Maintenance Agreement:** Prior to finalization of the Building Permit, the developer shall develop and submit an operations and maintenance plan for permanent, structural storm water BMPs constructed as a part of this project, and enter into a legal agreement or covenant with the City to provide verification of at least annual maintenance of any necessary post-construction storm water facilities constructed on the site. The legal agreement or covenant shall be subject to review and approval of the City Engineering and City Attorney. The provisions in the agreement shall run with the land and the document shall be recorded with the County Recorder.
- f. **During-Construction Pollution Prevention:** During construction, the developer shall employ temporary storm water best management practices (BMPs) for erosion and sediment control, prevention of non-storm water discharges, and implement good housekeeping and construction waste management practices to protect the storm drainage system and water quality as required by City Code Section 31.5-15(c), City Phase II Permit, State Water Resources Control Board (SWRCB) Construction General Permit (CGP), and MRSWMP. Plans for the implementation of during-construction storm water management and BMPs, such as a Storm Water Pollution Prevention Plan (SWPPP), shall be submitted to the City and subject to review and approval of the City Engineer and Building Official prior to issuance of a grading and/or building permit.
- g. Tree protection shall be installed prior to initiation of any site disturbance as required by Municipal Code Chapter 37.
- h. If archaeological materials or features are discovered at any time during construction, excavation shall be halted within 50 meters (150 feet) of the find until it can be evaluated by a qualified professional archaeologist (defined as one who is certified by the Society of Professional Archaeologists). If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented.

If human remains are discovered at any time during construction, work shall be halted within 50 meters (150 feet) of the find. The contractor shall call the Monterey County Coroner and await the Coroner's clearance. If the coroner determines the remains are Native American, the Coroner shall contact the Native American Heritage Commission (NAHC) within 24 hours. NAHC shall notify the most likely descendent. The Native American descendent, with permission of the land owner or representative, may inspect the site of the discovery and recommend the means for treating or disposing with appropriate dignity the human remains and any associated grave goods. The Native American descent shall complete their inspection and make their recommendation within 24 hours of their notification by the Native American Heritage Commission. The recommendation may include the removal and analysis of human remains and associate items; preservation of the Native American human remains and associated items in place; relinquishment of Native American human remains and associated items to the descendants for treatment; other culturally appropriate treatment. If the NAHC is unable to identify a descendent or the descendent identified fails to make a recommendation within 24 hours, the landowner shall reinter the human remains and items associated with the Native American burials with appropriate dignity on the property in a location not subject to further subsurface disturbance. If the landowner and Native American descendent reach agreement on the appropriate procedure, the landowner shall follow this procedure. If the landowner and Native American descent cannot reach agreement, the parties shall consult with the Native American Heritage Commission. The landowner shall consider and if agreeable follow the identified procedure. If the landowner and Native American descendant cannot reach agreement after consultation, the Native American human remains shall be reinterred on the property with appropriate dignity. All procedures described in California Government Code Section 65352 shall apply.

PASSED AND ADOPTED BY THE PLANNING COMMISSION OF THE CITY OF MONTEREY this 28th day of April, 2015, by the following vote:

AYES:	6	COMMISSIONERS:	Osorio, Davis, Garden, Stocker, Reed, Widmar
NOES:	0	COMMISSIONERS:	None.
ABSENT:	1	COMMISSIONERS:	McCrone
ABSTAIN:	0	COMMISSIONERS:	None.

APPROVED:

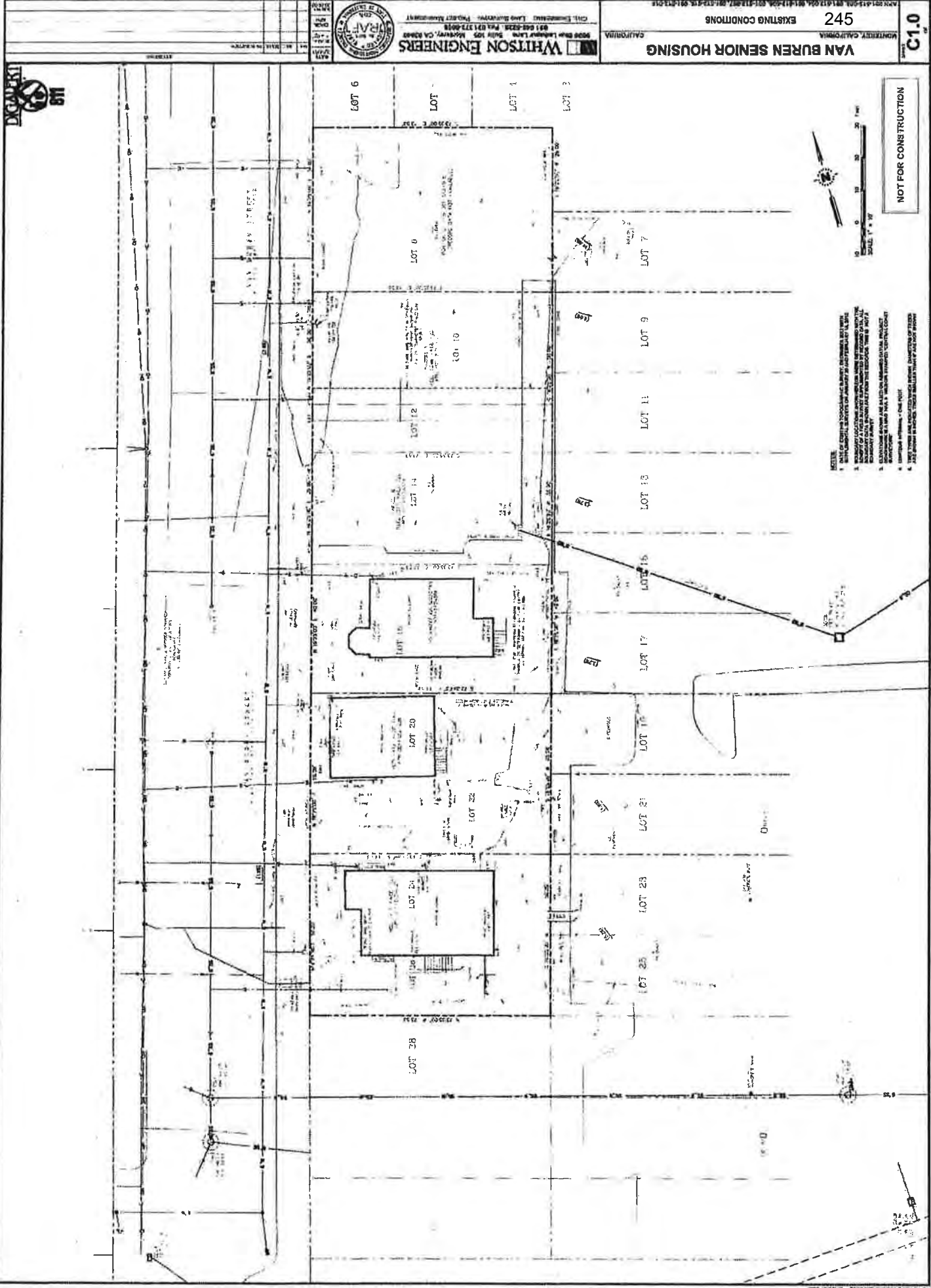
Luis A. Osorio

Planning Commission Chair

ATTEST:

Kimberly

Principal Planner



VAN BUREN SENIOR HOUSING
 EXISTING CONDITIONS
 245
 CALIFORNIA

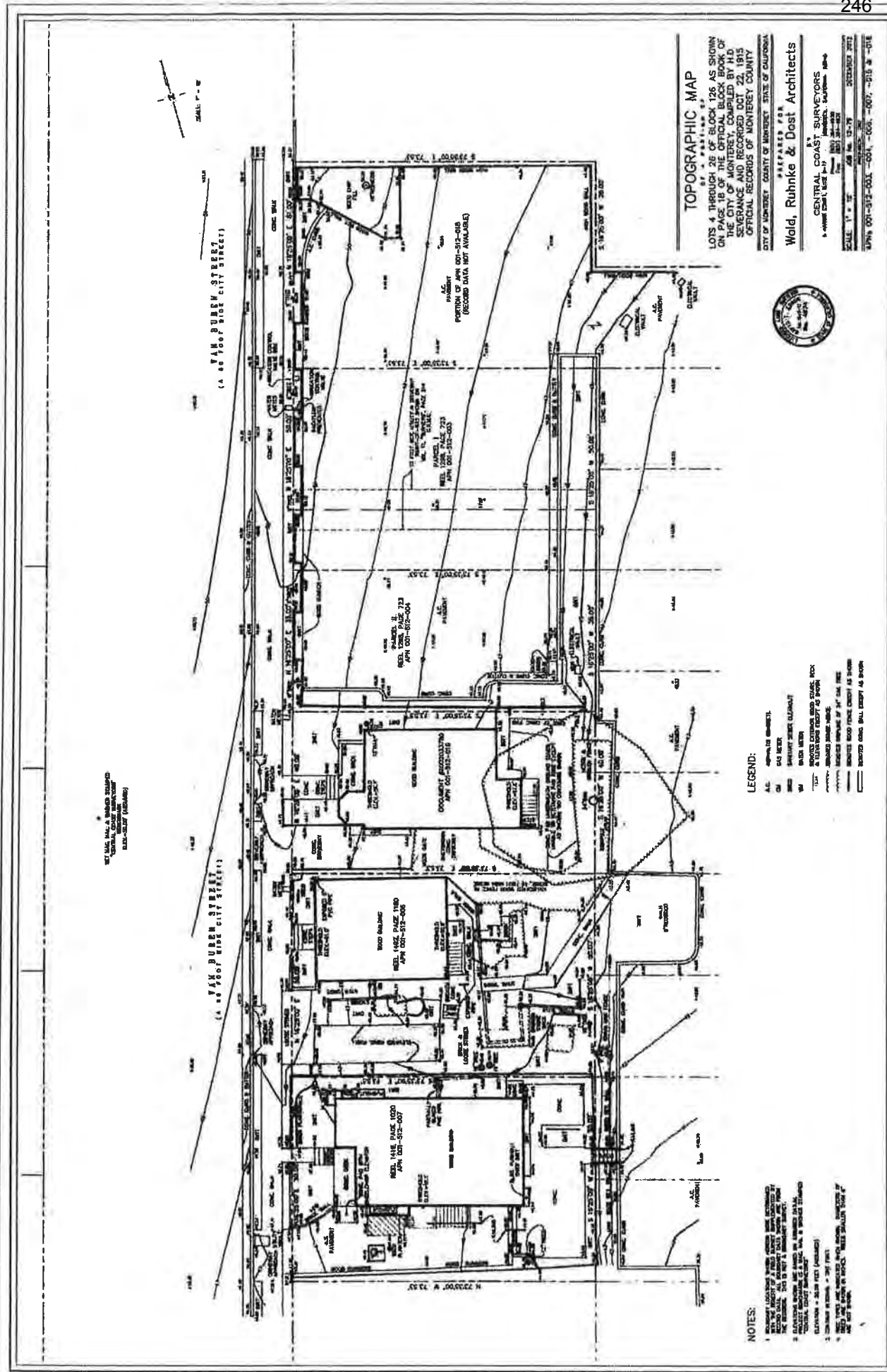
WHITSON ENGINEERS
 9000 Blue Lakes Lane, Suite 105, Monterey, CA 93940
 (408) 385-8222, Fax (408) 377-8928
 CIVIL ENGINEERING LAND SURVEYING PROJECT MANAGEMENT



NOT FOR CONSTRUCTION

- NOTES:**
1. ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE CALIFORNIA BUILDING CODES AND ALL APPLICABLE ORDINANCES.
 2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS FROM THE LOCAL JURISDICTION.
 3. ELEVATIONS SHOWN ARE BASED ON AN ASSUMED DATUM POINT. THE CONTRACTOR SHALL VERIFY THE DATUM POINT AND ELEVATIONS BEFORE CONSTRUCTION.
 4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS FROM THE LOCAL JURISDICTION.
 5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS FROM THE LOCAL JURISDICTION.

SUBMITTED BY APPLICANT



TOPOGRAPHIC MAP

LOTS 4 THROUGH 26 OF BLOCK 126 AS SHOWN ON PAGE 18 OF THE OFFICIAL BOOK OF THE CITY OF MONTEREY, COMPILED BY H.D. SEVERANCE AND RECORDED OCT. 22, 1915 OFFICIAL RECORDS OF MONTEREY COUNTY

CITY OF MONTEREY COUNTY OF MONTEREY STATE OF CALIFORNIA

PREPARED FOR
Wald, Ruhnke & Dost Architects

BY SURVEYORS
CENTRAL COAST SURVEYORS
1000 CALIF. ST. MONTEREY, CALIF. 93940

SCALE: 1" = 20'
DATE: 10/13/79
DRAWN BY: JLD
CHECKED BY: JLD

APNS 001-512-001, -002, -003, -004, -005, -006, -007, -010, -011



LEGEND:

- AL APPLICATOR'S CORNER
- CL GAS METER
- MS MEASUREMENT CORNER (UNPAVED)
- W WALKWAY
- RECORDS SECTION (SEE PLANS, BOOK & EXAMINE RECORDS OF TOWN)
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NOTES:

- 1. EXISTING LOT LINES AND CORNERS ARE SHOWN BY DASHED LINES. ALL CORNERS MUST BE MARKED BY THE APPLICANT. THIS IS NOT A WARRANTY STATEMENT.
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VAN BUREN & HOOD
 ARCHITECTS & INTERIORS
 2000 VAN BUREN STREET, SUITE 100
 VAN BUREN, CALIFORNIA 92385
 TEL: 951-261-1111
 WWW.VANBURENANDHOOD.COM

THIS PLAN IS THE PROPERTY OF VAN BUREN & HOOD ARCHITECTS & INTERIORS. IT IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. NO PART OF THIS PLAN IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF VAN BUREN & HOOD ARCHITECTS & INTERIORS.



VAN BUREN STREET SENIOR HOUSING
 VAN BUREN & HOOD ARCHITECTS
 VAN BUREN, CALIFORNIA
 A/E/C: 001-012-003, 004, 005, 006, 007, 008, 009, 010, 011, 012, 013, 014, 015, 016

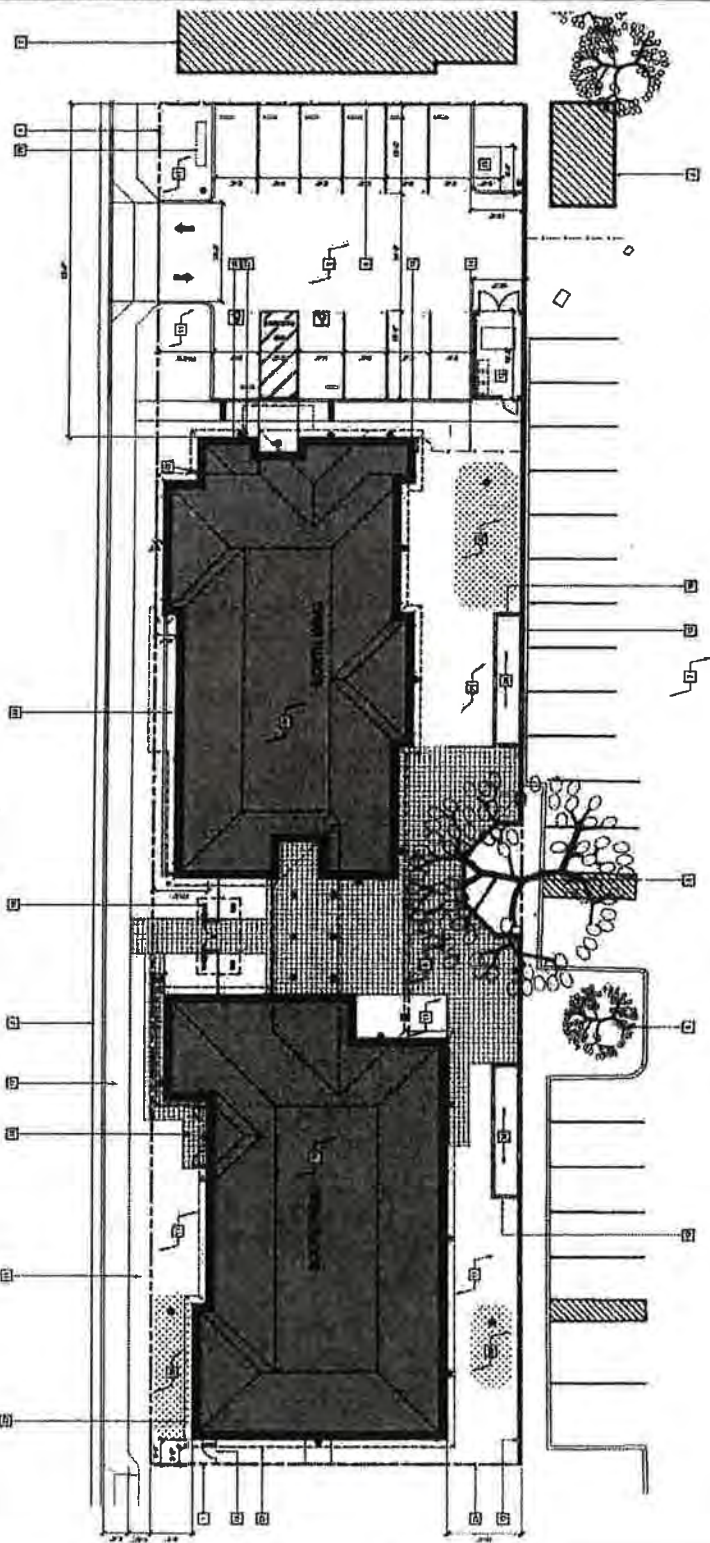
PROJECT NO: 14076
 DATE: 01/15/14
 DRAWN BY: J. HARRIS
 CHECKED BY: P. HARRIS
 ESTIMATED: 01/15/14
 PLANNING PERIOD: 01/15/14

24
 SITE PLAN
 A100

KEY NOTES

- 1. SEE ALL NOTES ON ALL SHEETS FOR THIS PROJECT AND ALL PREVIOUS SHEETS.
- 2. ALL DIMENSIONS ARE IN FEET AND INCHES UNLESS OTHERWISE NOTED.
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VAN BUREN STREET

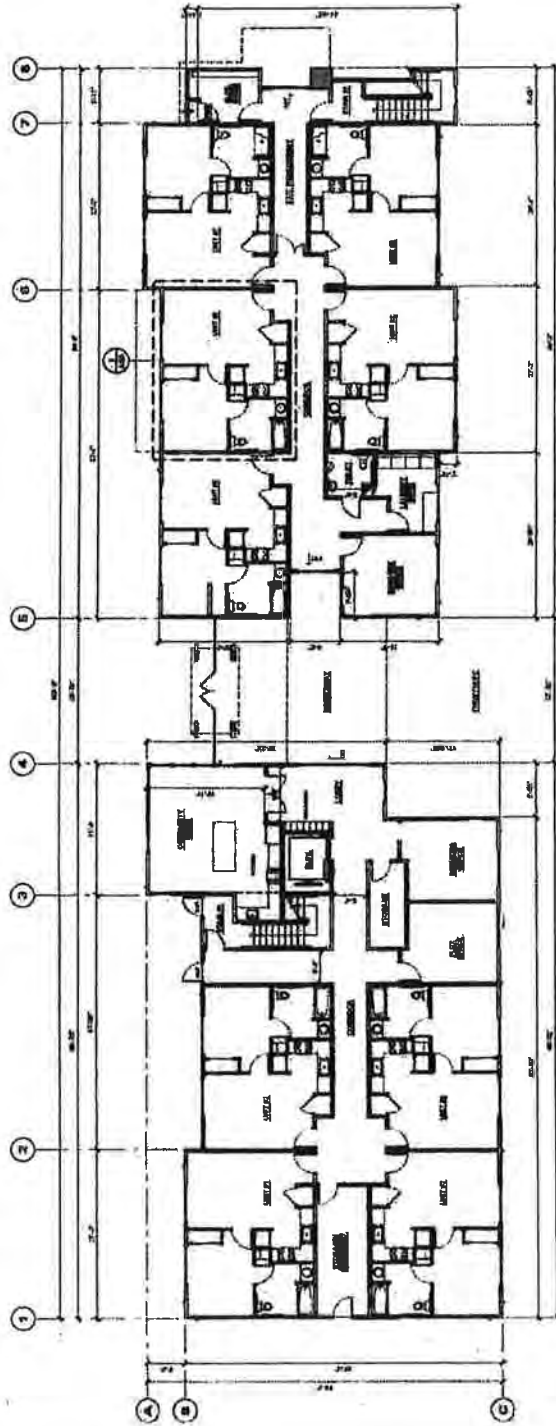


SUBMITTED BY APPLICANT

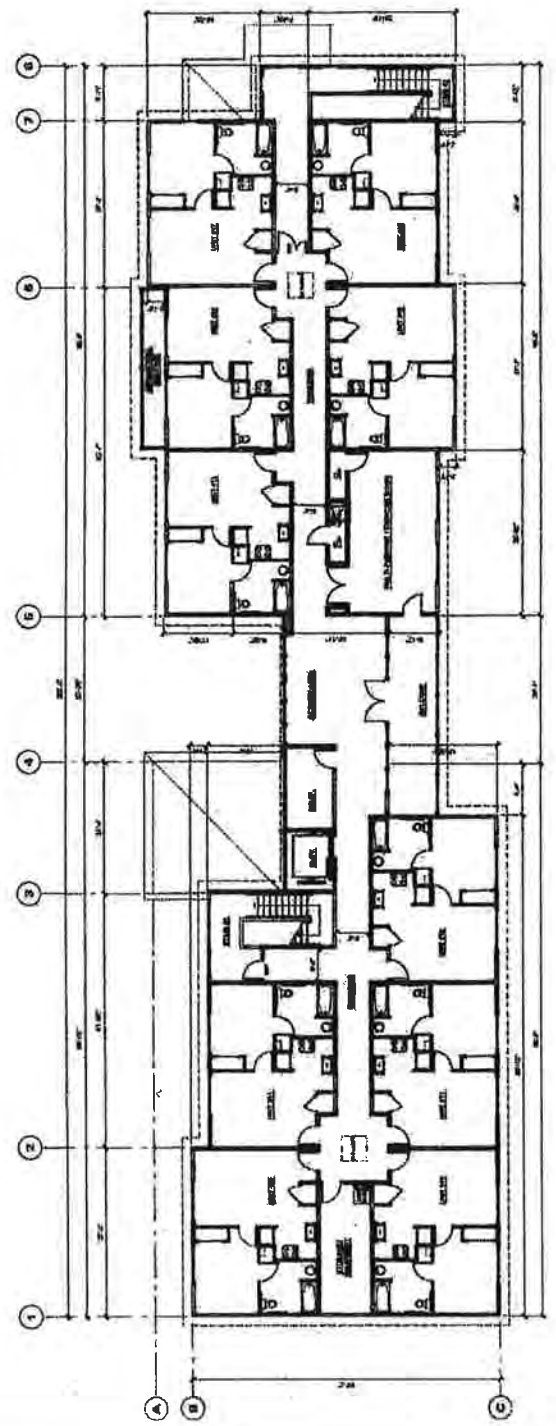
KEY NOTES

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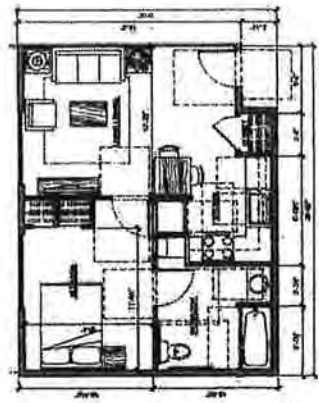
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1 **FIRST FLOOR PLAN**
SCALE: 1/8" = 1'-0"



2 **SECOND FLOOR PLAN**
SCALE: 1/8" = 1'-0"



3 **ENLARGED TYPICAL UNIT PLAN**
SCALE: 1/4" = 1'-0"

VAN BUREN STREET SENIOR HOUSING
VAN BUREN & ASSOCIATES ARCHITECTS
10000 VAN BUREN STREET, SUITE 100
VAN BUREN, CA 95710
415.431.4000 FAX 415.431.4111

PROJECT NO. 14078
PROJECT NAME: VAN BUREN STREET SENIOR HOUSING
DATE: 08/14/10
SCALE: AS SHOWN
DRAWN BY: J. B. BROWN
CHECKED BY: J. B. BROWN
DATE: 08/14/10

248
FIRST & SECOND FLOOR PLANS
A201

**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

Permit shall be maintained unsigned in the District's file.

- d. The Applicant's notarized signature is required on the Conditional Water Permit form before the General Manager's approval.
- e. A Conditional Water Permit shall be valid after the General Manager has signed the Permit.
- f. An amount of water approved for use by the Jurisdiction for the Project will be debited from the Jurisdiction's Allocation at the time the Conditional Water Permit is issued.
- g. A Conditional Water Permit does not allow the setting of any water meter or the start of any new or expanded water use until the conditions of the Permit have been met and a Water Permit has been issued pursuant to Rules 21 and 23.
- h. Each Conditional Water Permit is time limited. The Conditional Water Permit shall expire on December 31st of the year following issuance.
- i. A written request for extension of the Conditional Water Permit may be requested and shall require Board authorization for extension. Requests for extension must be received no earlier than ninety (90) days and no later than forty-five (45) days prior to expiration and must include an explanation for the request and the Jurisdiction's agreement that the Board should grant an extension.

B. MANDATORY CONDITIONS, ACTION ON APPLICATION FOR A WATER PERMIT TO CONNECT TO OR MODIFY AN EXISTING WATER DISTRIBUTION SYSTEM

1. Construction Affecting the Interior or Exterior of an Existing Structure. All construction within or to an Existing Structure shall be subject to the following conditions:
 - a. The project Site must meet all applicable water conservation requirements of Regulations XIV and XV.
 - b. Other conditions may be placed upon approval as indicated in the applicable rule governing the Water Permit process.
 - c. The Applicant shall arrange for a final inspection by the District upon Project completion. District staff shall review the Project, water fixtures, and Landscaping for compliance with the Water Permit.
 - d. Permit amendments or other actions required as a result of a final inspection shall be completed within thirty (30) days of the date of the

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 (11/18/2013); 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)

EXHIBIT 10-C

**DRAFT
FINDINGS OF APPROVAL
CONSIDER APPLICATOIN FOR VARIANCE OF SEPARATE WATER METER
REQUIREMENT FOR A 19 UNIT SENIOR AFFORDABLE HOUSING PROJECT AT
669 VAN BUREN STREET, MONTEREY (APN: 001-512-020)
JANUARY 25, 2017**

1. **FINDING:** MidPen Housing Corp., as developer of an affordable housing project for the City of Monterey, is requesting Board approval of a variance to allow the existing water Connections to provide service to 19 low-income housing units at 580 Pacific Street, Monterey, through sub-meters on each User.

EVIDENCE: Application for Variance attached as **Exhibit 10-A**.

2. **FINDING:** District Rule 23-A-1-i requires that individual Water Meters maintained by the Water Distribution System Operator be installed for each Residential and Non-Residential water User except as allowed in 23-A-1-i-(3), (4), and (5). Rule 23-A-1-i-(3), (4), and (5) allows for the use of sub-metering when the installation of separate Water Meters is not feasible due to a moratorium on the setting of Water Meters. However, it also requires that the sub-meters be replaced with Water Meters of the Water Distribution System Operator within ninety (90) days of the conclusion of a Connection moratorium.

EVIDENCE: Rule 23-A-1-i-(3), (4), and (5).

3. **FINDING:** Requiring individual Water Meters for this senior affordable housing project would cause an undue hardship by increasing the project costs and increasing the cost to the low-income tenants.

EVIDENCE: Application for Variance attached as **Exhibit 10-A**.

4. **FINDING:** Installing individual Water Meters for each unit increases the project construction costs, potentially jeopardizing the project.

EVIDENCE: Application for Variance attached as **Exhibit 10-A**.

5. **FINDING:** The project will be built with in-line meters installed to monitor water use in each apartment, providing a method for individual accountability of water use and encouraging conservation.

EVIDENCE: Application for Variance attached as **Exhibit 10-A**.

6. **FINDING:** There have been three similar circumstances where variances were granted for permanent in-line meters at affordable housing project in the MPWMD: The Pacific

Meadows senior housing project in Carmel Valley; Osio Plaza Apartments with 30 low to moderate housing units in the City of Monterey, and; Vista Point Apartments (South County Housing) with 49 low-income senior housing units in the City of Pacific Grove.

EVIDENCE: Records of variance proceedings on file in District office.

- 7. FINDING:** Exterior water use will be tracked with a separate Water Meter.

EVIDENCE: Condition of Approval.

- 8. FINDING:** Granting a variance from the separate Water Meter requirement for the proposed senior affordable housing project will not defeat the purpose of Rule 23-A, which is to encourage individual accountability for water use. Granting this variance will not compromise water conservation at the City of Monterey site.

EVIDENCE: MidPen Housing Corporation will promote individual accountability for water use at 580 Pacific Street, Monterey, by installing in-line meters to each unit. In-line meters will provide MidPen Housing with the information necessary to promote water conservation in the event of water rationing.

- 9. FINDING:** In granting the variance, the Board has approved the following Conditions of Approval:

1. In-line meters for each unit must be installed and maintained. The in-line meter data must be accessible to the building management to assist with water use tracking during times of rationing. The applicant/owner shall provide this information to the District upon request;
2. Outdoor water use at the project site will be separately metered.
3. The Board's approval is time limited to one year. Within the year, the applicant must obtain water and building permits.

EVIDENCE: Minutes of the January 25, 2017 regular Board meeting.

ITEM: PUBLIC HEARING**11. CONSIDER SECOND READING AND CONSIDERATION OF ADOPTION OF ORDINANCE NO. 176 – AMENDING RULES 11, 21, 24, 25.5, 60, 64, 141, 143 AND 144**

Meeting Date:	January 25, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Stephanie Locke	Cost Estimate:	N/A

General Counsel Review: Yes.**Committee Recommendation: The Water Demand Committee reviewed this ordinance October 3, 2016 and recommended approval.****CEQA Compliance: Categorical Exemption.**

SUMMARY: Attached as **Exhibit 11-A** is Ordinance No. 176, “2016 Rule Amendment Ordinance II.” This ordinance amends and clarifies definitions and certain actions necessary for processing and issuing Water Permits and Water Distribution System Permits. The ordinance also updates the user fee rule, adds rebates for non-residential new technology and the removal of whirlpool tubs in visitor-serving facilities, and deletes obsolete language from the Conservation Regulation.

RECOMMENDATION: This ordinance is returning for second reading after it was discovered that the wrong version of the ordinance was provided as the exhibit in the November 14, 2016, Board packet. The draft ordinance in the November packet was an early version prepared prior to first reading. **Exhibit 11-A** reflects the Board’s action on first reading.

At the direction of District Counsel, the Board should rescind the November 14, 2016, approval of Ordinance No. 176 and approve the second reading and adoption of the correct version.

EXHIBIT**11-A Draft Ordinance No. 176**

EXHIBIT 11-A**ORDINANCE NO. 176
SECOND READING****AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
AMENDING RULES 11, 21, 24, 25.5, 60, 64, 141, 142, 143, AND 143****FINDINGS**

1. The Monterey Peninsula Water Management District was created to address ground and surface water resources in the Monterey Peninsula area, which the Legislature found required integrated management, and was endowed with the powers set forth in the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977, found at West's Water Code, Appendix, Section 118-1, et seq.).
2. The Monterey Peninsula Water Management District has adopted and regularly implements water conservation and efficiency measures which, inter alia, set standards for the installation of plumbing fixtures in New Construction, and requires retrofit or replacement of existing plumbing fixtures upon Change of Ownership, Change of Use, and Expansion of Use, and for existing Non-Residential uses. The Monterey Peninsula Water Management District has general and specific power to cause and implement water conservation activities as set forth in Sections 325 and 328 of the Monterey Peninsula Water Management District Law.
3. The Monterey Peninsula Water Management District has found and determined that it is in the best interests of the Monterey Peninsula Water Management District and its inhabitants to define, implement and enforce water efficient plumbing standards and requirements for the conservation of Potable water supplies. Retrofit or replacement of existing plumbing fixtures lessens consumption of the limited water resources available on the Monterey Peninsula. Installation of water efficient plumbing fixtures reduces the burden of new, expanded or modified uses on the water resources.
4. Rule 11, Definitions, is amended to add definitions for "Accredited Institution of Higher Education Site" and "Jurisdiction Site" and to amend the definitions for "Parcel" and "Site."
5. Rule 21-B, Application for Permit to Connect to or Modify a Connection to a Water

Distribution System, is amended to clarify that an amended Water Permit is required when there are changes to the fixture count or Water Use Capacity of an active permit.

6. Rule 24, Table 2: Non-Residential Water Use Factors, is amended to require additional Water Use Capacity for the installation of multiple Showerheads in Visitor-Serving Facilities.
7. Rule 25.5, Water Use Credits and On-Site Water Credits, is amended to correct a mislabeled reference to Rule 25.5-H and to clarify that eight years of water records shall be submitted to document historic consumption. The current Rule is contradictory and contains reference to both eight years and ten years of water records.
8. Rule 25.5, Water Use Credits and On-Site Water Credits, is amended to allow recorded documentation of a Water Use Credit or Water Credit on a Parcel when new Assessor's Parcel Numbers are assigned to the Site and the previous Assessor's Parcel Number becomes inactive.
9. Rule 60-M, Refunds of Fees and Charges, is amended to specify how a refund is issued when the party who initially paid a fee is unknown.
10. Rule 64, Water Distribution System User Fees, is amended to reflect the current process based on prior ordinances.
11. Rule 141, Water Conservation Rebates, is amended to add a Rebate for removal of a whirlpool (or jetted water system) bathtub in a Visitor-Serving Facility. Removal of whirlpool bathtubs is encouraged due to the high water use associated with cleaning the whirlpool pipes of soaps and oils.
12. Rule 141, Water Conservation Rebates, is amended to establish a process for consideration of Non-Residential Rebates for water saving technology not listed in Rule 141.
13. Rule 143, Water Efficiency Standards for Existing Non-Residential Uses, is amended to set a standard for Non-Residential Clothes Washers that are unable to comply with the 5.0 Water Factor.
14. Rule 144-C, Retrofit Exemptions, is deleted as the exemption in the rule will no longer be applicable.

15. This Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") (California Public Resources Code Section 21000 et seq.). Pursuant to State CEQA Guidelines section 15307 (14 Cal. Code Regs., § 15307), this Ordinance is covered by the CEQA Categorical Exemption for actions taken to assure the maintenance, restoration, enhancement, or protection of a natural resource where the regulatory process involves procedures for protection of the environment.

NOW THEREFORE be it ordained as follows:

ORDINANCE**Section One: Short Title**

This ordinance shall be known as the 2016 Rule Amendment Ordinance II of the Monterey Peninsula Water Management District.

Section Two: Purpose

The Monterey Peninsula Water Management District enacts this ordinance to amend and clarify certain actions necessary to process and issue Water Permits and Water Distribution System Permits, and to clarify permitting and conservation requirements. This ordinance also updates the User fee rule and adds Rebates for Non-Residential new technology and the removal of whirlpool bathtubs in Visitor-Serving Facilities.

Section Three: Amendment of Rule 11, Definitions

The following definitions in Rule 11 shall be amended as shown in bold italics (*bold italics*) and strikeout (~~strike through~~). Numbering is provided for reference only.

1. ***ACCREDITED INSTITUTION OF HIGHER EDUCATION SITE - “Accredited Institution of Higher Education Site” shall mean all facilities and properties owned by a single regional, national faith-related, national career-related or programmatic accreditor that is or has been recognized by the Council for Higher Education Accreditation (CHEA) or the U.S. Department of Education (USDE) or both that is located within the MPWMD and that is supplied water by California American Water.***
2. ***JURISDICTION SITE - “Jurisdiction Site” shall mean all facilities and properties owned by a single Jurisdiction that are located within the MPWMD and that are supplied water by California American Water.***
3. PARCEL – “Parcel” shall mean any unit of land which qualifies as a Parcel ~~or lot~~ under the Subdivision Map Act, and shall include all units of land: (1) which are contiguous to any other Parcel (or are separated only by a road or easement), and (2) which have identical owners, and (3) ~~which~~ have an identical present use; ***or (4) are an Accredited Institution of Higher Education Site, a Jurisdiction Site, or a Public School District Site.*** The term “Parcel” shall be given the same meaning as the term “Site”.

4. SITE -- “Site” shall mean any unit of land which qualifies as a Parcel ~~or lot~~ under the Subdivision Map Act, and shall include all units of land: (1) which are contiguous to any other Parcel (or are separated only by a road or easement), and (2) which have identical owners, and (3) ~~which~~ have an identical present use; *or (4) are an Accredited Institution of Higher Education Site, a Jurisdiction Site, or a Public School District Site.* The term “Site” shall be given the same meaning as the term “Parcel.”

Section Four: Amendments to Rule 21-B, Application for Permit to Connect to or Modify a Connection to a Water Distribution System

Rule 21-B-1 and 21-B-2 shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~) to clarify credit assignment upon subdivision/sale.

B. APPLICATION FOR PERMIT TO CONNECT TO OR MODIFY A CONNECTION TO A WATER DISTRIBUTION SYSTEM

Each application for a Water Permit shall follow the process set forth in Rule 23. A proper Applicant for a Water Permit may be the prospective User of the proposed or existing Connection as the real party in interest, the property owner, or any agent thereof. The application for a Water Permit to Connect to or modify a water use Connection shall be deemed complete when the Applicant submits all of the following:

1. A Water Release Form pertaining to the Site on which the water use shall occur shall be signed by the authorized official of the applicable Jurisdiction. When the completed ~~P~~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 *to amend the Water Permit*. It shall be the responsibility of the Jurisdiction to complete any applicable Environmental Review on a Project prior to authorizing a Water Permit release via the Water Release Form.
2. Complete Construction Plans that reflect water use pursuant to Tables 1 or 2 of Rule 24. *The Applicant shall apply for and receive an amended Water Permit to reflect* ~~together with~~ any amendment, addition, or

modification ~~of~~ *to the water fixtures and/or Water Use Capacity* these plans which may be made prior to use or occupancy of the ~~P~~project, ~~and any plans which may be submitted to the Jurisdiction for land use or building approvals.~~

Section Five: Amendments to Rule 24, Table 2: Non-Residential Water Use Factors

- A. Rule 24, Table 2: Non-Residential Water Use Factors (Attachment 1), shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~) to add a factor for multiple Showerheads in Visitor-Serving Facilities.

Section Six: Amendments to Rule 25.5, Water Use Credits and On-Site Water Credits

- A. Rule 25.5-A shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~) to clarify credit assignment upon subdivision/sale.
- A. Except where a Water Permit has been abandoned, expired, Revoked, Suspended, or canceled under these Rules, a Person may receive a Water Use Credit for the permanent abandonment of some or all of the prior water use on that Site by one of the methods set forth in this Rule. Water Use Credits shall be documented by written correspondence between the District and the property owner, and shall remain valid unless prohibited by this Rule. Water Use Credits shall not be documented by notice on a property title, except as specified in Rule 25.5-~~GH~~. Except as allowed by Rule 28, Water Use Credits shall not be transferable to any other Site.
- B. References to submitting ten (10) years of water records to document previous consumption in Rule 25.5-F-2, 25.5-F-4-d (1) and (2) shall be changed to eight (8) years. The Rule currently is inconsistent and lists both eight and ten years.
- C. Rule 25.5-H shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~) to clarify credit assignment upon subdivision/sale.
- H. When a Water Use Credit on a Site results from demolition of a building that straddled a lot line, the property owner shall specify in writing the quantity of water credit assigned to each of the lots formerly occupied by that building. *When a Site with a valid documented Water Use Credit is assigned new Assessor's Parcel Numbers and the original Assessor's Parcel Number becomes inactive, the Site owner shall specify in writing the quantity of Water Use Credit assigned*

to each of the Parcels. ~~This~~ *Such* designation shall be recorded upon the title of each ~~of the lots~~ *Parcel*.

Section Seven: Amendments to Rule 60-M, Refunds of Fees and Charges

Rule 60-M shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~) for consistency with Rule 24-F, Capacity Fee Refunds.

M. REFUNDS OF FEES AND CHARGES

Fees and charges pursuant to Regulation VI are paid to or due the District in consideration of, and as reimbursement for, District incurred costs and expenses relating to the administration and processing of applications, Permits, variances, appeals, notices, investigations, and District enforcement activities. These include, but are not limited to, costs and expenses incurred by the District in planning for, acquiring, reserving, protecting, and maintaining Capacity in present or future water distribution facilities, water resources, and conservation activities. At the conclusion of any activity (e.g. issuance or cancellation of a Permit, conclusion of an enforcement action, or any other final action on a matter) the General Manager may refund remaining fees or charges paid by the Applicant to the extent the remainder exceeds costs or expenses incurred by the District for that matter. Requests for refunds shall be in writing, include a clear reference to the Water Permit number or otherwise identify the matter, and state clearly the reason a refund has been requested. This provision authorizes the General Manager to calculate and issue a refund to the extent that the remainder exceeds costs or expenses incurred by the District for that matter, but shall not confer a right upon any Applicant to receive a refund. Any refund shall be determined as a delegated exercise of the General Manager's discretion. Any refund shall be made solely to the party who initially paid the fee or charge *when that party's current address is known, or the refund shall be made to the current title holder of the Site*.

Section Eight: Amendment of Rule 64, Water Distribution System User Fees

Rule 64 (Ordinance No. 22) shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~). Rule 64 has been superseded by numerous ordinances.

~~Water Distribution System User fees shall be administered pursuant to this regulation.~~

A. Each Water Distribution System which possesses 50 or more Connections and derives all or a part of its Potable water supply from the Carmel River watershed, or from Carmel Valley aquifers shall be subject to a Water Distribution System user fee *as established by the Board from time to time through Ordinance or Resolution*. The Owner or Operator of each Water Distribution System shall pay the fee specified herein.

B. ~~CALCULATION OF Water Distribution System USER FEES~~

~~1. The Board of Directors shall determine annually the amount of Water Distribution System User fee to be collected pursuant to this regulation after receiving the recommendation of the Carmel River Advisory Committee (CRAC). The maximum basic fee to be collected to fund programs undertaken pursuant to Regulation XII of these Rules and Regulations shall not exceed a District wide aggregate of \$117,000 per fiscal year, provided, however that such maximum basic fee shall increase or decrease each year by the consumer price index (CPI) inflator as determined by the County of Monterey for its budget setting purposes, provided, however, that the total District wide aggregate basic User fee shall not exceed \$234,000 for any reason. In addition to the basic fee collected pursuant to this rule, the Board of Directors may establish an additional surcharge upon the basic fee to fund estimated administrative overhead and noncollectible fees which may necessarily result from the imposition of the basic fee upon District Water Distribution Systems. No User fee shall be made pursuant to this rule which will fund programs undertaken pursuant to Regulation XII of these Rules and Regulations on or after July 1, 1993.~~

~~2. The basic User fee for fiscal year 1983/1984 shall be a District wide aggregate of \$117,000, and the surcharge shall be 10% of that basic fee (\$11,700), the proportionate share of which shall be charged against each applicable Water Distribution System according to the following formula:~~

Second Reading Ordinance No. 176

~~basic fee + number of Users in the User fee chargeable to each surcharge
x Water Distribution System
= Water Distribution System
total number of Users all Water Distribution Systems subject to User fees~~

3B. Prior to setting the User fee and surcharge to be collected for *each* fiscal year ~~1984/1985, and for each subsequent year~~, the District Board shall first conduct a public hearing regarding ~~river management~~ **District** needs; ~~Water Distribution System services utility user, and Water Distribution System concerns~~ *which provide a benefit and/or service to existing water Users for which the fee shall be collected.*, and seek the advice of the Carmel River Advisory Committee. At the close of such hearing, the Board shall determine by resolution:

- a1.** ~~T~~*he amount of money needed to fund general river management District activities which provide a benefit and/or service to existing water Users for which the fee shall be collected.* pursuant to Regulation XII;
- ~~b. the estimated amount of assessments which will fund specific river management works;~~
- e2.** ~~T~~*he total amount of basic User fee rate, as a percentage, to be collected on the Water Distribution System monthly bill* collected pursuant to this Rule 64;
- ~~d. the total amount of additional surcharge to be collected pursuant to this Rule 64;~~
- ~~e. the total amount of any other User fee to be charged;~~
- ~~f. the total amount of general funds, if any, to be used to fund river management activities pursuant to Regulation XII; and~~
- ~~g. an estimate of the number of User Connections in each Water Distribution System subject to the User fee, effective July 1st of each year.~~

4C. Water Distribution System User fees established by the Board shall be collected ~~annually~~ from each applicable Water Distribution System ~~following the formula set forth above in this Rule 64.~~ Each Water Distribution System may

~~elect to~~ *shall* pay its User fee to the District in *monthly* installments during the following fiscal year. ~~Each Water Distribution System may elect to pay future User fees to the District in quarterly installments, provided that full payment is tendered during that fiscal year.~~ Water Distribution Systems are required by this Rule 64 to tender payment of User fees for fiscal years 1983/1984 ~~on or before June 30, 1985~~ *within thirty (30) days of the monthly Water Distribution System billing cycle. An alternate collection and remittance cycle may be established by agreement between the District and the Water Distribution System.*

~~5. In the event that the California Public Utilities Commission, following an application for approval submitted by a regulated utility, should fail to allow that utility to collect from its customers the User fees imposed pursuant to this Rule 64, the User fees enacted herein shall have no further force or effect.~~

Section Nine: Amendments to Rule 141, Water Conservation Rebates

Rule 141, Water Conservation Rebates, shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~).

A. Rule 141-A, Qualifying Devices, shall be amended to add:

26. Removal of whirlpool (or jetted water system) bathtub in Visitor-Serving Facility.

27. Non-Residential Rebates for technology not listed in Rule 141 shall be considered on a case-by-case basis by the Water Demand Committee. The Water Demand Committee shall make a recommendation to the Board.

B. Rule 141-B, Table XIV-1, Rebate Amounts, shall be amended to add:

Non-Residential Rebates for technology not shown on Table XIV-1 shall be considered on a case-by-case basis by the Board.

C. Rule 141-B, Table XIV-1, Rebate Amounts, shall be amended to add:

Removal of whirlpool (or jetted water system) bathtub in Visitor-Serving Facility - \$250.

Section Ten: Amendments to Rule 143-F, Water Efficiency Standards for Existing Non-Residential Uses

Rule 143-F, Water Efficiency Standards for Existing Non-Residential Uses, shall be amended as shown in bold italics (*bold italics*) and strikethrough (~~strikethrough~~).

- F. All Clothes Washers installed in Non-Residential uses within the District shall meet the definition of High Efficiency Clothes Washer rated with a Water Factor of 5.0 ~~or below by December 31, 2013.~~ *Washer/extractors that do not comply with the 5.0 Water Factor shall be programmed by a manufacturer/vendor technician to only function on the low water setting (non-user selected setting). A written statement shall be provided to MPWMD by the manufacturer/vendor's technician stating that the machines have been programmed to only use the low water setting and that there is no way to manipulate the water usage via a user setting. This statement shall be maintained by MPWMD.* There shall be an exception to this Rule when the existing appliance was purchased between December 31, 2005 and December 31, 2012, and rates a Water Factor of 5.1-6.0.

Section Eleven: Amendments to Rule 144-C, Retrofit Exemptions

Rule 144-C, Retrofit Exemptions, shall be deleted as shown in strikethrough (~~strikethrough~~) as the exemption has expired.

- C. ~~RETROFIT EXEMPTIONS When a Site has ULF toilets that were installed prior to December 31, 2012, those toilets shall be exempt from this rule until December 31, 2016. This exemption shall not apply to toilets required to be replaced with lower flush volume fixtures as a condition of a Water Permit or other District action.~~

Section Twelve: Publication and Application

The provisions of this ordinance shall cause the amendment and republication of Rules 11, 21, 24, 25.5, 60, 64, 141, 143, and 144 of the permanent Rules and Regulations of the Monterey Peninsula Water Management District.

Section Thirteen: Effective Date and Sunset

This ordinance shall take effect at 12:01 a.m. 30 days after second reading.

This Ordinance shall not have a sunset date.

Section Fourteen: Severability

If any subdivision, sentence, clause, or phrase of this ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforcement of the remaining portions of this ordinance, or of any other provisions of the Monterey Peninsula Water Management District Rules and Regulations. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

On motion of Director _____, and second by Director _____, the foregoing ordinance is adopted upon this ____ day of _____, 2016, by the following vote:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a full, true, and correct copy of an ordinance duly adopted on the ____ day of _____, 2016.

Witness my hand and seal of the Board of Directors this _____ day of _____, 2016.

David J. Stoldt, Secretary to the Board

ITEM: PUBLIC HEARING**12. CONSIDER ADOPTION OF RESOLUTION NO. 2017-01 – CHANGE TO EVEN-YEAR ELECTIONS**

Meeting Date:	January 25, 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: None.
CEQA Compliance: N/A

SUMMARY: On September 1, 2015, SB 415 was signed into law. It specifies circumstances under which a public agency must change from odd-number year Board elections to even-number year Board elections. Attached as **Exhibit 12-A** is draft Resolution 2017-01 that would codify the Board of Directors' approval of a change to the Water Management District's election schedule.

According to California Uniform District Election Law, the Water Management District's elections are conducted on the first Tuesday, after the first Monday in November in odd-number years. Accordingly, upcoming elections are set for November 2017 in Divisions 1 and 2; and November 2019 in Divisions 3, 4 and 5.

If the Board approves a change to the election cycle by March 12, 2017, elections will be conducted in 2018 in Divisions 1 and 2; and 2020 in Divisions 3, 4 and 5. This would result in an extension of each Director's current term by one year. However, if the Board decides to defer this decision, SB 415 states that the Board has until January 1, 2018 to adopt a plan to consolidate a future election with a statewide even-year election date no later than the November 8, 2022 statewide general election.

RECOMMENDATION: District staff recommends that the Board adopt Resolution No. 2017-01 that would establish a change from odd-number year Board elections to even-number year Board elections. Elections in Divisions 1 and 2 would occur in November 2018 and elections in Divisions 3, 4 and 5 would occur in 2020. This will result in an extension of each Director's current term by one year.

BACKGROUND: SB 415 (**Exhibit 12-B**) requires districts with regularly scheduled odd-number year elections which have experienced "significant decrease in voter turnout" in the last regularly scheduled election to adopt a plan to transition to even-numbered year general elections no later than January 1, 2018. Significant decrease in voter turnout is described as voter turnout at least 25% less than the average turnout for the previous four statewide general elections.

Based on Monterey County Election Department statistics, the Water Management District is required to implement a change to even-numbered year Board elections. For example, County-wide the average turnout for the previous four statewide general elections (2014, 2012, 2010, and 2008) is 66.68%; in comparison, turnout for the regularly scheduled 2015 election is 18.62%, the difference in turnout is 48.06%. Voter turnout for odd year elections in comparison to even-year elections consistently yields a difference greater than 25%. Also, consider voter turnout in the most recent November 3, 2015 Board election in Water Management District Division 3; turnout was 23.65%, which is a significant decrease from the 66.68% County-wide voter turnout.

Note that California Election Code section 1303(b) (**Exhibit 12-C**) allows the governing body of a special district to transition to even-numbered elections regardless of whether they experience decreased voter turnout.

IMPACTS TO STAFF/RESOURCES: (a) If Resolution 2017-01 is adopted prior to March 12, 2017, the cost for the 2018 election in Divisions 1 and 2 would be shared with other government entities conducting elections within the District boundaries. (b) There will be an additional cost to the District, which will be to pay the expenses of mailing notice of the change in election date by the County of Monterey (see item 4 of Resolution 2017-01). (c) If the decision to change the election dates is deferred until after March 12, 2017, the cost of the 2017 election in Divisions 1 and 2 will be higher than previously anticipated. Many public entities have plans to transition to the even-year schedule, which reduces the number of entities that will share in the November 2017 election cost.

EXHIBITS

- 12-A** Draft Resolution 2017-01 – Approving the Rescheduling of Governing Body Member Elections from Odd-Numbered Years to Even-Numbered Years
- 12-B** SB-415 Voter Participation
- 12-C** California Elections Code Section 1303(b)

**DRAFT****EXHIBIT 12-A****RESOLUTION NO. 2017-01**

BEFORE THE GOVERNING BODY OF THE
Monterey Peninsula Water Management District
COUNTY OF MONTEREY, STATE OF CALIFORNIA

A Resolution of the Governing Body of the Monterey Peninsula Water Management District Approving the Rescheduling of Governing Body Member Elections from Odd-Numbered Years to Even-Numbered Years, in Accordance with Elections Code § 1303(b) and Senate Bill 415 (2015-2016 Regular Session), and Requesting the Approval of the County of Monterey to Consolidate the Same with the Statewide General Election Pursuant to Elections Code § 10404.

WHEREAS, on September 1, 2015, Governor Brown signed Senate Bill 415 (Reg. Sess.), codified at Stats. 2015, ch. 235, enacting Elections Code §§ 14050-14057, which prohibits the holding of an election other than on a statewide election date if holding an election on a nonconcurrent date resulted in a significant decrease in voter turnout, as defined, and further authorizes voters to enforce this prohibition by filing an action in superior court; and

WHEREAS, the Monterey Peninsula Water Management District currently conducts its elections for members of the District in November of odd-numbered years (*e.g.*, November 2015) pursuant to Elections Code § 1303 subdivision (a); and

WHEREAS, voter participation in Monterey County is greater for statewide general elections than for odd-year local elections, including special district governing body member elections; and

WHEREAS, the District believes that rescheduling to even-numbered year elections may enhance voter participation and further increase the percentage of voters participating in the Special Districts elections; and

WHEREAS, it is considered the view of the District that starting with the 2018 Special Districts elections, the public interest will be better served by election of its governing body members in even-numbered year elections, held in conjunction with the statewide general elections; and

WHEREAS, the District further recognizes that there may also be a cost savings to the District resulting from aligning the District's elections with the statewide general elections; and

WHEREAS, as a result of these facts, the District desires to change the date of future governing body member elections to be consolidated with the California statewide general election in order to increase and enhance voter participation; and

WHEREAS, Elections Code § 1303(b) establishes a procedure whereby the District may change the election date for its governing body members by adopting a resolution seeking approval of the change by the Board of Supervisors of the affected county, *see* Elec. Code § 10404; and

WHEREAS, if the change in election date is approved by the Monterey County Board of Supervisors, it is requested that the new election date be moved from November of odd-numbered years to November of even-numbered years commencing in 2018 with governing body members whose terms would have expired in 2017 being extended to 2018 and governing body members whose terms would have expired in 2019 being extended to 2020 as required by Elections Code § 10404(i) (refer to Attachment A),

NOW, THEREFORE, BE IT RESOLVED that:

1. The above recitals are true and correct.
2. The undersigned, constituting at least a majority of the members of the Monterey Peninsula Water Management District Governing Body, do hereby adopt this resolution to consolidate the election date for members of the District with the state general election in November of even-numbered years, beginning in 2018 pursuant to Elections Code § 1303(b).
3. The District shall forward the original copy of this resolution to the Monterey County Elections, who will compile the district resolutions, and will explain the rationale for the resolutions and request formal approval of the change by the Monterey County Board of Supervisors at a public meeting within 60 days after submission and after the resolutions have been posted in accordance with law.
4. The District shall pay the expenses of mailing notice of approval of the change in election date by the Monterey County Board of Supervisors as required by Elections Code § 10404 subdivision (f).
5. If the consolidation of election is approved by the Board of Supervisors, the date of the District's next election will be moved to November 2018, and each subsequent governing body member election will be held two years thereafter in November of even-numbered years.
6. If the consolidation of election is approved, the terms of office of current governing body members expiring in November 2017 will be extended to November 2018 and

the terms of members expiring in November 2019 will be extended to November 2020 (see Attachment A).

- 7. In the event that the Monterey County Board of Supervisors declines to authorize consolidation in 2018 on the grounds specified in Elections Code § 10404(e), the Monterey Peninsula Water Management District Governing Body requests that the Monterey County Board of Supervisors authorize such consolidation at the soonest feasible date.
- 8. The District and/or her designee is authorized to take such actions and execute such agreements and documentation as are necessary to effect the intent of this Resolution.

The foregoing RESOLUTION was adopted this 25th day of January, 2017, at a regular meeting of the Governing Body of the Monterey Peninsula Water Management District, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Dated: _____

 President
 _____ District

CERTIFICATION

I, _____, District Secretary of the _____ District, do hereby certify that the foregoing Resolution was proposed by Governing Body Member _____, seconded by Governing Body Member _____, and was duly passed and adopted by a majority of the members of said Governing Body, at an official and public meeting thereof held on _____.

Dated: _____, Clerk

DRAFT

ATTACHMENT A

Consolidation of Elections - California Elections Code Section 10404

10404. (a) This section applies only to special districts electing members of the governing body in odd-numbered years. As used in this section, "special district" means an agency of the state formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries, except a city, county, city and county, school or community college district, or special assessment district.
- (b) Notwithstanding any other law, a governing body of a special district may, by resolution, require that its elections of governing body members be held on the same day as the statewide general election.
- (1) The resolution setting the election shall also include dates that are consistent with the primary or general election with respect to nominations, notices, canvass of votes, certification of election, and all other procedural requirements of this code pertaining to the primary or general election.
- (2) The resolution shall be submitted to the board of supervisors no later than 240 days prior to the date of the currently scheduled district election.
- (c) The board of supervisors shall notify all districts located in the county of the receipt of the resolution to consolidate and shall request input from each district on the effect of consolidation.
- (d) The elections official shall prepare and transmit to the board of supervisors an impact analysis of the proposed consolidation.
- (e) The board of supervisors, within 60 days from the date of submission, shall approve the resolution unless it finds that the ballot style, voting equipment, or computer capacity is such that additional elections or materials cannot be handled. Prior to the adoption of a resolution to either approve or deny a consolidation request, the board or boards of supervisors shall each obtain from the elections official a report on the cost-effectiveness of the proposed action.
- (f) Within 30 days after the approval of the resolution, the elections official shall notify all registered voters of the districts affected by the consolidation of the approval of the resolution by the board of supervisors. The notice shall be delivered by mail and at the expense of the district.
- (g) Public notices of the proceedings in which the resolution is to be considered for adoption shall be made pursuant to Section 25151 of the Government Code.
- (h) If a special district is located in more than one county, the special district may not consolidate an election if any county in which the special district is located denies the request for consolidation.
- (i) If, pursuant to subdivision (b), a special district election is held on the same day as the statewide general election, those governing body members whose terms of office would have, prior to the adoption of the resolution, expired prior to that election shall, instead, continue in their offices until their successors are elected and qualified, but in no event shall the term be extended beyond December 31 of the year following the year in which the request for consolidation is approved by the board of supervisors.
- (j) If a board of supervisors approves the resolution pursuant to subdivision (e), the special district election shall be conducted on the date specified by the board of supervisors, in accordance with subdivision (a), unless the approval is later rescinded by the board of supervisors.
- (k) If the date of a special district election is changed pursuant to this section, at least one election shall be held before the resolution, as approved by the board of supervisors, may be subsequently repealed or amended.



SB-415 Voter participation. (2015-2016)

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Date Published:

Senate Bill No. 415

CHAPTER 235

An act to add Chapter 1.7 (commencing with Section 14050) to Division 14 of the Elections Code, relating to elections.

[Approved by Governor September 01, 2015. Filed with Secretary of State September 01, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

SB 415, Hueso. Voter participation.

Existing law generally requires all state, county, municipal, district, and school district elections be held on an established election date. Existing law also establishes certain dates for statewide elections. Existing law requires any state, county, municipal, district, and school district election held on a statewide election date to be consolidated with a statewide election, except as provided.

This bill, commencing January 1, 2018, would prohibit a political subdivision, as defined, from holding an election other than on a statewide election date if holding an election on a nonconcurrent date has previously resulted in voter turnout for a regularly scheduled election in that political subdivision being at least 25% less than the average voter turnout within the political subdivision for the previous 4 statewide general elections, except as specified.

This bill would require a court to implement appropriate remedies upon a violation of this prohibition. The bill would authorize a voter who resides in a political subdivision where a violation is alleged to file an action in superior court to enforce this prohibition, and it would allow a prevailing plaintiff other than the state or political subdivision to collect a reasonable attorney's fee and litigation expenses, as provided.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 1.7 (commencing with Section 14050) is added to Division 14 of the Elections Code, to read:

CHAPTER 1.7. Voter Participation

14050. This chapter shall be known and may be cited as the California Voter Participation Rights Act.

14051. As used in this chapter:

(a) "Political subdivision" means a geographic area of representation created for the provision of government services, including, but not limited to, a city, a school district, a community college district, or other district organized pursuant to state law.

(b) "Significant decrease in voter turnout" means the voter turnout for a regularly scheduled election in a political subdivision is at least 25 percent less than the average voter turnout within that political subdivision for the previous four statewide general elections.

(c) "Voter turnout" means the percentage of voters who are eligible to cast ballots within a given political subdivision who voted.

14052. (a) Except as provided in subdivision (b), a political subdivision shall not hold an election other than on a statewide election date if holding an election on a nonconcurrent date has previously resulted in a significant decrease in voter turnout.

(b) A political subdivision may hold an election other than on a statewide election date if, by January 1, 2018, the political subdivision has adopted a plan to consolidate a future election with a statewide election not later than the November 8, 2022, statewide general election.

14053. Upon a finding of a violation of subdivision (a) of Section 14052, the court shall implement appropriate remedies, including the imposition of concurrent election dates for future elections and the upgrade of voting equipment or systems to do so. In imposing remedies pursuant to this section, a court may also require a county board of supervisors to approve consolidation pursuant to Section 10402.5.

14054. In an action to enforce subdivision (a) of Section 14052, the court shall allow the prevailing plaintiff other than the state or political subdivision of the state, a reasonable attorney's fee consistent with the standards established in *Serrano v. Priest* (1977) 20 Cal.3d 25, 48-49, and litigation expenses including, but not limited to, expert witness fees and expenses as part of the costs. A prevailing defendant shall not recover any costs, unless the court finds the action to be frivolous, unreasonable, or without foundation.

14055. A voter who resides in a political subdivision where a violation of subdivision (a) of Section 14052 is alleged may file an action pursuant to that section in the superior court of the county in which the political subdivision is located.

14056. This chapter does not apply to special elections.

14057. This chapter shall become operative on January 1, 2018.

EXHIBIT 12-C**California Elections Code**

1303. (a) Unless the principal act of a district provides that an election shall be held on one of the other dates specified in Chapter 1 (commencing with Section 1000) of Division 1, or except as provided in Section 1500, or except as provided in subdivision (b), a general district election to elect members of the governing board shall be held in each special district subject to Division 10 (commencing with Section 10000) on the first Tuesday following the first Monday in November of each odd-numbered year.

(b) Notwithstanding any other provision of law, a governing body of a special district may require, by resolution, that its elections of governing body members be held on the same day as the statewide general election. The resolution shall become operative upon the approval of the board of supervisors pursuant to Section 10404.

ITEM: PUBLIC HEARING**13. CONSIDER ADDENDUM TO MITIGATED NEGATIVE DECLARATION FOR SLEEPY HOLLOW STEELHEAD REARING FACILITY UPGRADE INCLUDING ADOPTION OF CEQA FINDINGS AND MITIGATION MEASURES**

Meeting Date:	January 25, 2017	Budgeted:	N/A
From:	David A. Stoldt General Manager	Program/ Line Item No.:	2-3-1-F
		Acct. No.	24-04-785812
Staff Contact:	Larry Hampson	Cost Estimate:	N/A

General Counsel Approval: Yes**Committee Recommendation: N/A****CEQA Compliance: CEQA Section 15164 Addendum to an EIR or Negative Declaration**

SUMMARY: The Board will consider an Addendum (**Exhibit 13-A**) to the Initial Study/Mitigated Negative Declaration (IS/MND) and certification for the Sleepy Hollow Steelhead Rearing Facility Raw Water Intake and Water Supply System Upgrade (the Project) in compliance with the California Environmental Quality Act (CEQA). The IS/MND and Addendum (**Exhibit 13-D**) can be viewed on the District web site and at the District office.

The Addendum is to correct the description of the affected environment in the IS/MND, which erroneously identified the Central California Coast distinct population segment (DPS) steelhead as potentially occurring at the Project site, and provided a description for that species. Central California Coast DPS steelhead would not be present at the Project site as it is not within the range of this DPS. Rather, the Project site provides habitat to South Central California Coast DPS steelhead. The correction does not affect any of the resource-specific impact determinations presented in the IS/MND.

At the Public Hearing, the Board will consider any written or oral comments received on the Addendum and proposed District responses, make findings concerning the Addendum, and determine whether to approve the Addendum.

RECOMMENDATION: Staff recommends that the Board take the following actions:

1. Address any written or oral comments received at the Public Hearing;
2. Adopt CEQA Findings (**Exhibit 13-B**) to certify the Addendum;
3. Adopt Resolution 2016-02 (**Exhibit 13-C**) to certify and approve the Addendum;
4. Direct staff to amend the Final IS/MND to incorporate the Addendum and file a Notice of Determination of approval of the Addendum.

If the Board approves the Addendum, a Notice of Determination will be filed with Monterey County Clerk and the State Clearinghouse concerning the Board's decision.

DISCUSSION: MPWMD, Cal-Am, the California Department of Fish and Wildlife (CDFW), the National Marine Fisheries Service (NMFS), and the California State Coastal Conservancy (SCC) have been cooperating to upgrade the Sleepy Hollow Steelhead Rearing Facility (facility), which is situated in unincorporated Monterey County on the west bank of the Carmel River about 1 mile downstream of the former San Clemente Dam location.

The Project includes: 1) temporarily diverting flow in the Carmel River in order to remove the existing intake and install a new intake capable of providing flow to the rearing facility under a variety of adverse conditions; 2) installing plumbing, filters, and other upgrades to allow recirculation of a portion of rearing channel flow; 3) mitigation measures to reduce potential impacts from the work to a less than significant level.

At their November 14, 2016 meeting, the Board certified the IS/MND and Mitigation and Monitoring Program for the Project. Following the certification and adoption of a CEQA document, when a project is changed or there are changes in the environmental setting, a determination must be made by the lead agency as to whether an addendum or subsequent MND should be prepared. CEQA Guidelines, Sections 15162 and 15164, sets forth criteria to assess which environmental document is appropriate. An addendum is appropriate if the following are true:

- No new significant impacts will result from the project or from new mitigation measures.
- No substantial increase in the severity of environmental impact will occur.
- No new feasible alternatives or mitigation measures that would reduce impacts previously found not to be feasible have, in fact, been found to be feasible.

The species and location description provided on page 57 of the IS/MND, including associated citations, characterized the distinct population segment (DPS) of steelhead in the Central California Coast, which stretches from Aptos Creek in Santa Cruz County to the Russian River in Sonoma County. This description should be replaced with the description provided in the Addendum, which describes the species and location of the South Central California Coast DPS. Both DPS have been listed as threatened species and are afforded similar protections under the ESA; however, there are physical differences between the DPS and the recovery plans for the species have been tailored to the DPS. The remaining text in the IS/MND, including the impact analysis, determinations, and mitigation measures, remain unaffected.

Based upon the information provided in the Addendum, the changes to the approved Project will not result in new significant impacts or substantially increase the severity of impact. Therefore, an addendum is an appropriate means for addressing this correction, and the Addendum has been prepared to demonstrate that the corrections to the environmental setting would have no effect on the environmental impact analyses presented in the IS/MND.

In compliance with CEQA Guidelines Section 15132, a revised version of the Final IS/MND will include this Addendum.

IMPACT TO DISTRICT RESOURCES: MPWMD expenses associated with this Project are being reimbursed through a grant agreement with the State Coastal Conservancy, which is disbursing project funds from a Settlement Agreement between Cal-Am, NMFS, and CDFW concerning impacts to Carmel River steelhead from Carmel River diversions.

EXHIBITS

13-A Addendum to the Initial Study/Mitigated Negative Declaration

13-B CEQA Findings

13-C Resolution 2017-02 approving the Addendum

13-D Draft Initial Study/Mitigated Negative Declaration (view online or at District office)

EXHIBIT 13-A

December 2016
Sleepy Hollow Steelhead Rearing Facility Raw Water Intake Water Supply
System Upgrade



Addendum to the Initial Study/Mitigated Negative Declaration

State Clearinghouse Number 2016091071

Prepared for
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, California 93940

Prepared by
Anchor QEA, LLC
130 Battery Street, Suite 400
San Francisco, California 94111

1 Introduction

This document comprises an addendum to the Sleepy Hollow Steelhead Rearing Facility (SHSRF) Raw Water Intake and Water Supply System Upgrade Project (Project) Initial Study/Mitigated Negative Declaration (IS/MND; State Clearinghouse No. 2016091071) adopted on November 14, 2016, by the Board of Directors of the Monterey Peninsula Water Management District (MPWMD). Since the adoption of the IS/MND, MPWMD has realized that changes to information supporting the approved Project are required, prompting preparation of this Addendum. The IS/MND erroneously identified Central California Coast distinct population segment (DPS) steelhead as potentially occurring at the Project site, and provided a description for that species. Central California Coast DPS steelhead would not be present at the Project site as it is not within the range of this DPS. Rather, the Project site provides habitat to South Central California Coast DPS steelhead.

This correction to the affected environment description in the IS/MND is described in detail in this Addendum. The correction does not affect any of the resource-specific impact determinations presented in the IS/MND. As discussed in this Addendum, an IS/MND continues to be the appropriate document for addressing environmental impacts of the approved Project pursuant to the California Environmental Quality Act (CEQA).

Pursuant to the CEQA Guidelines, Section 15164, this Addendum finds that the approved Project's effect on South Central California Coast DPS steelhead would be consistent with the findings of the November 14, 2016, IS/MND.

2 Purpose of this Addendum

Following the certification and adoption of a CEQA document, when a project is changed or there are changes in the environmental setting, a determination must be made by the lead agency as to whether an addendum or subsequent MND should be prepared. CEQA Guidelines, Sections 15162 and 15164, sets forth criteria to assess which environmental document is appropriate. An addendum is appropriate if the following are true:

- No new significant impacts will result from the project or from new mitigation measures.
- No substantial increase in the severity of environmental impact will occur.
- No new feasible alternatives or mitigation measures that would reduce impacts previously found not to be feasible have, in fact, been found to be feasible.

An addendum is not circulated for public review but can be included in or attached to the final adopted CEQA document. The decision-making body will consider the addendum with the final adopted negative declaration prior to making a decision on the project. Based upon the information provided in the following section of this document, the changes to the approved Project will not result in new significant impacts or substantially increase the severity of impact. Therefore, an

addendum is an appropriate means for addressing this correction, and this Addendum has been prepared to demonstrate that the corrections to the environmental setting would have no effect on the environmental impact analyses presented in the IS/MND.

3 Approved Project and Environmental Analysis

3.1 Background

The approved Project involves upgrading the SHSRF to improve both the reliability of the water supply intake and the quality of the intake water. The biological program for the SHSRF involves rescuing steelhead in drying portions of the river annually from May through September¹. Steelhead are reared at the facility until December or January, after which they are collected, transported downstream, and released back into the Carmel River. The timing for releasing fish back into the river is dictated by river flows; fish are released once high flows have been established for 2 to 4 weeks. February is the latest month that fish have been released back to the river. The long-term annual average number of steelhead rescued and brought to the SHSRF is 17,000; however, the number of fish brought to and reared at the facility annually is highly variable, with a high of 50,000 and a low of 2,000. More than 200,000 steelhead have been placed in the facility since the beginning of its operations.

Under existing conditions, the facility cannot achieve the water requirements for operation due to existing limitations with the intake system and conditions in the Carmel River. As a result, the facility has been unable to operate during several recent seasons.

3.2 Modifications to the Approved Project

The species description provided on page 57 of the IS/MND, including associated citations, should be replaced with the description provided in this addendum. All remaining text, including the impact analysis, determinations, and mitigation measures, remain unaffected, as demonstrated in the following section. Please note that the table included in Appendix B: Special Status Species with the Potential to Occur in the Study Area correctly identifies the South Central California Coast DPS steelhead as potentially occurring in the Project site.

Page 57 of the IS/MND describes Central California Coast DPS steelhead as potentially present and provides the following account of this species:

Central California Coast DPS Steelhead (*Oncorhynchus mykiss*). Steelhead are the anadromous, or ocean-going, form of the species *Oncorhynchus mykiss*. The life cycle of steelhead generally involves rearing in freshwater for

¹ Cal-Am and non-Cal-Am pumping for municipal use results in dewatering of up to about 8 miles of the lower river in the spring and summer in a large majority of years.

one to three years before migrating to the ocean, and spending from one to four years maturing in the marine environment before returning to spawn in freshwater (NMFS 2013). Steelhead are capable of surviving in a wide range of temperature conditions. They do best where dissolved oxygen concentration is at least 7 parts per million. In streams, deep low-velocity pools are important wintering habitats. Spawning habitat consists of gravel substrates free of excessive silt (NMFS 2015). The Central California Coast steelhead DPS comprises winter-run steelhead populations from the Russian River (Sonoma County), in stream tributaries to the San Francisco/San Pablo Bay system, and stretches south to Aptos Creek (Santa Cruz County; (NMFS 2011).

The Carmel River contains extensive and well-documented Central California Coast steelhead habitat, and the purpose of the SHSRF is to promote survivorship of steelhead individuals and the species itself.

The above text should be replaced with the text below, which identifies South Central California Coast DPS steelhead as present in the Project site and provides a species account:

South Central California Coast DPS Steelhead (*Oncorhynchus mykiss*).

Steelhead are the anadromous, or ocean-going, form of the species *Oncorhynchus mykiss*. The life cycle of steelhead generally involves rearing in freshwater for one to three years before migrating to the ocean, and spending from one to four years maturing in the marine environment before returning to spawn in freshwater (NMFS 2013). Steelhead are capable of surviving in a wide range of temperature conditions. They do best where dissolved oxygen concentration is at least 7 parts per million. In streams, deep low-velocity pools are important wintering habitats. Spawning habitat consists of gravel substrates free of excessive silt (NMFS 2015). The South Central California Coast DPS is comprised of a suite of steelhead populations that inhabit coastal stream networks from the Pajaro River south to, but not including, the Santa Maria River (NMFS 2016).

The Carmel River contains extensive and well-documented South Central California Coast DPS steelhead habitat, and the purpose of the SHSRF is to promote survivorship of steelhead individuals and the species itself.

The NMFS 2011 citation no longer applies to the Project and is replaced by the NMFS 2016 reference cited above.

3.3 Environmental Analysis

The following identifies how the correction to the environmental setting would affect the resource analyses presented in the November 14, 2016, IS/MND. As shown below, no changes to the impact analyses presented in the IS/MND for any of these resource topics are required.

- **Aesthetics; agriculture and forestry resources; air quality; geology and soils; greenhouse gas emissions; hazards and hazardous materials; hydrology and water quality; land use and planning; mineral resources; noise; population and housing; public services; recreation; transportation/traffic; and utilities and service systems:** The correction of the steelhead DPS does not affect the impact analyses presented for these resource topics in the IS/MND. The impact determinations for these resource topics would remain consistent with those presented in the IS/MND.
- **Biological resources:** The biological resources impact analysis presented in the IS/MND considered the Project's impacts on the Central California Coast DPS steelhead and identified mitigation measures necessary to reduce these impacts. The nature of Project impacts on the Central California Coast DPS steelhead described in the IS/MND would be essentially the same as those on South Central California Coast DPS steelhead. Both the South Central California Coast and Central California Coast DPSs have identical conservation status (federally threatened), and the effects of the project on steelhead would be the same. The MPWMD will implement the mitigation measures presented in the Mitigation Monitoring and Reporting Plan to ensure that the Project's impacts on South Central California Coast DPS steelhead remain below levels considered significant. As such, the impact determinations would remain consistent with those presented in the IS/MND.
- **Cultural resources:** The correction of the steelhead DPS does not affect the cultural resources impact analysis presented in the IS/MND. The MPWMD will implement the mitigation measures for cultural resources presented in the Mitigation Monitoring and Reporting Plan. As such, the impact determinations would remain consistent with those presented in the IS/MND.
- **Mandatory findings of significance:** The correction of the steelhead DPS does not affect the mandatory findings of significance impact analysis presented in the IS/MND. MPWMD will implement the mitigation measures for biological and cultural resources presented in the Mitigation Monitoring and Reporting Plan to ensure that the Project's impacts remain below levels considered significant. The impact determinations would remain consistent with those presented in the IS/MND.

4 Conclusion

Based on the information provided in the previous section, the proposed modifications to the approved Project would not result in a measurable increase in environmental impacts over what was previously analyzed in the November 14, 2016, IS/MND, and no new mitigation measures would be required.

5 References

- Anchor QEA, 2016. *Initial Study/Mitigated Negative Declaration, Sleepy Hollow Steelhead Rearing Facility Raw Water Intake and Water Supply System Upgrade*. September 2016.
- NMFS (National Marine Fisheries Service), 2011. *5-Year Review: Summary and Evaluation of Central California Coastal Steelhead DPS Northern California Steelhead DPS*. Cited: November 25, 2015. Available from: http://www.nmfs.noaa.gov/pr/pdfs/species/ccc_nc_steelhead_5yearreview.pdf.
- NMFS, 2013. *South Central California Steelhead Recovery Plan*. December 2013. Cited: November 25, 2015. Available from: http://www.westcoast.fisheries.noaa.gov/publications/recovery_planning/salmon_steelhead/domains/south_central_southern_california/2013_sccs_recoveryplan_final.pdf.
- NFMS, 2015. Steelhead Trout (*Oncorhynchus mykiss*). Updated: February 24, 2016. Cited: November 25, 2015. Available from: <http://www.fisheries.noaa.gov/pr/species/fish/steelhead-trout.html>.
- NMFS, 2016. South-Central/Southern California Coast Steelhead Recovery Planning Domain. *5-Year Review: South-Central California Coast Steelhead Distinct Population Segment*. March 24, 2016. Available from: http://www.nmfs.noaa.gov/pr/pdfs/species/sccc_steelhead_5yearreview.pdf.

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EXHIBIT 13-B

**FINDINGS OF ENVIRONMENTAL REVIEW
ADDENDUM TO SLEEPY HOLLOW STEELHEAD REARING FACILITY
RAW WATER INTAKE AND WATER SUPPLY SYSTEM UPGRADE**

- 1) **FINDING:** The Monterey Peninsula Water Management District (District) Board certified the Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation and Monitoring Program for the Sleepy Hollow Steelhead Rearing Facility (SHSRF) Raw Water Intake and Water Supply System Upgrade Project (Project) on November 14, 2016.

EVIDENCE: The IS/MND and Mitigation and Monitoring Program and related documents are on file in the District office.

- 2) **FINDING:** The District followed the California Environmental Quality Act (CEQA) Guidelines Sections 15162 and 15164 to determine that an Addendum is appropriate as no new mitigation measures would be required from proposed modifications to the analysis of potential impacts to steelhead from the Project and these modifications would not result in a measurable increase in environmental impacts over what was previously analyzed in the November 14, 2016, IS/MND.

EVIDENCE: The Addendum is on file in the District office.

- 3) **FINDING:** The Addendum was reviewed by the District Board of Directors in a Public Hearing on January 25, 2017.

EVIDENCE: The Agenda, Addendum, and supporting documents for the January 25, 2017 Board Meeting are on file in the District office.

- 4) **FINDING:** The Addendum reflects the independent judgement of the District Board and each participating Director has reviewed and considered the information contained in the Addendum and related documents prior to making the decision on the Addendum.

EVIDENCE: Each Director on the Board received a copy of the Addendum prior to the meeting as evidenced by the January 25, 2017 Board meeting packet.

- 5) **FINDING:** The District finds that the proposed modifications to the approved Project would not result in a measurable increase in environmental impacts over what was previously analyzed in the November 14, 2016, IS/MND, and no new mitigation measures would be required.

EVIDENCE: The above stated facts.



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EXHIBIT 13-C

RESOLUTION 2017-02

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
CERTIFYING AN ADDENDUM TO THE MITIGATED
NEGATIVE DECLARATION FOR THE SLEEPY
HOLLOW STEELHEAD REARING FACILITY RAW
WATER INTAKE AND WATER SUPPLY SYSTEM UPGRADE**

WHEREAS, The Monterey Peninsula Water Management District (MPWMD) is committed to mitigating the environmental impact of diversions from the Carmel River Basin; and

WHEREAS, The MPWMD certified an Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation and Monitoring Program for the Sleepy Hollow Steelhead Rearing Facility (SHSRF) Raw Water Intake and Water Supply System Upgrade Project (Project) and approved the Project on November 14, 2016; and

WHEREAS, The District has followed guidelines of the California Environmental Quality Act (CEQA) and prepared an Addendum to modify the approved Project that would not result in a measurable increase in environmental impacts over what was previously analyzed in the November 14, 2016, IS/MND; and

WHEREAS, The District held a Public Hearing on January 25, 2017 to receive comments on the Addendum to the IS/MND and directed that a the Final IS/MND be modified to incorporate the Addendum;

WHEREAS, The District has prepared Findings of Environmental Review based on the Addendum and comments received;

NOW THEREFORE, BE IT RESOLVED:

We, the Board of Directors of the Monterey Peninsula Water Management District, certify the Addendum as a true and accurate statement of the environmental impacts of the construction of the Sleepy Hollow Steelhead Rearing Facility Raw Water Intake and Water Supply System Upgrade; and

Adopt an Addendum for the Project which found that the proposed modifications to the approved Project would not result in a measurable increase in environmental impacts over what was previously analyzed in the November 14, 2016, IS/MND, and no new mitigation measures would be

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required; and

Direct staff to incorporate the Addendum into a revised Final IS/MND, and file a Notice of Determination for the Project.

On motion of Director Potter and second by Director Evans the foregoing resolution is duly adopted this 25th day of January 2017 by the following votes:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors on the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the 25th day of January 2017.

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

David J. Stoldt, Secretary to the Board

ITEM: ACTION ITEM**14. CONSIDER AUTHORIZATION FOR GENERAL MANAGER TO CONTRACT FOR LOS PADRES DAM ALTERNATIVES STUDY**

Meeting Date:	January 11, 2017	Budgeted:	Yes
From:	Dave Stoldt, General Manager	Program/ Line Item No.:	Augment Water Supply 1-1-2 Los Padres Dam Long Term Plan
Prepared By:	Larry Hampson	Cost Estimate:	\$500,000

General Counsel Review: N/A**Committee Recommendation: The Water Supply Planning Committee reviewed and recommended approval. The Administrative Committee reviewed this item on January 18, 2016 and recommended approval.**

SUMMARY: The District and Cal-Am are working cooperatively to develop a comprehensive long-term management plan for Los Padres Dam and Reservoir. In addition, the California Department of Fish and Wildlife (CDFW) and the National Marine Fisheries Service (NMFS) have a significant role in this effort by providing input and critical review of component studies. Attached as **Exhibit 14-A** and **Exhibit 14-B** are proposals received from AECOM and MWH in response to the Request for Proposals for Los Padres Dam and Reservoir Alternatives and Sediment Management Study.

The proposed work focuses on three main alternatives: 1) management of existing and future sediment accumulation in the reservoir; 2) expansion of reservoir storage; and 3) dam removal. The work is related to efforts involving watershed and steelhead habitat modeling that the District will complete in 2017 and that will be used to inform analysis of the alternatives developed in the Los Padres Dam alternatives study.

RECOMMENDATION: The Committee should review the Proposals and consider whether to make a recommendation to the full Board about selection of one of the firms to carry out the proposal. The Water Supply Planning committee concurred with staff's recommendation to contract with AECOM.

DISCUSSION:

Scope of Work: AECOM's proposal included significantly more detail on the approach to the scope. This was true in every section except for the work to locate and obtain reservoir sediment samples, where the MWH proposal was more robust. AECOM's proposal shows a clear understanding of the need to consider the water supply function of Los Padres Reservoir in a dam removal alternative and the proposal devotes a considerable amount of discussion to

analyzing the impact to steelhead from potential changes in sediment load. There are some tasks in MWH's proposal where it is not clear how the task would be accomplished.

Qualifications. AECOM's team appears stronger overall and has relevant experience for this project both from previous and present work on the Carmel River and from other projects with similar issues around the State of California.

Project Management. It is noted that the AECOM team will include a Principal-in-Charge, Noel Wong, who served as Project Manager for the initial alternative evaluations for seismic mitigation at the San Clemente Dam. Interest in this project at a high level of management could assure a top quality product.

Cost. AECOM's proposal at about \$500,000 is almost 40% lower in cost than the MWH proposal at about \$800,000.

Staff recommends selecting AECOM for this project.

EXHIBITS

14-A AECOM proposal

14-B MWH proposal

The printed proposals are available upon request. They can also be viewed on the District's web page at <http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>.

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**15. LETTERS RECEIVED****Meeting Date:** January 25, 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:** N/A

A list of letters that were submitted to the Board of Directors or General Manager and received between November 22, 2016 and January 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
Clementine Bonner Klein	MPWMD	1/10/17	MPWMD Appointments 2017 – City of Monterey Representatives
Hal Furman	David Stoldt	12/19/16	Thank you letter
David L. Hobbs	Anthony Cerasuolo/cc David Stoldt	12/9/16	Potable Water Wheeling Agreement, dated April 8, 2009
Barry A. Thom	Douglas E. Eberhardt/cc David Stoldt	12/5/16	Endangered Species Act Section 7(a)(2) Concurrence Letter and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response for the Pure Water Monterey Groundwater Replenishment Project
Michael McCarthy	David Stoldt	11/18/16	Compensation Agreement – Transfer of Former City of Monterey Redevelopment Agency Property at 300 Pacific Street, Monterey, California to the City of Monterey

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**16. COMMITTEE REPORTS**

Meeting Date: January 25, 2017 **Budgeted:** N/A

From: David J. Stoldt, **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: N/A

Attached for your review as **Exhibits 16-A through 16-D** are final minutes of the committee meetings listed below.

EXHIBIT

- 16-A** Final Minutes of December 5, 2016 Administrative Committee Meeting
- 16-B** Final Minutes of October 18, 2016 Water Supply Planning Committee Meeting
- 16-C** Final Minutes of March 29, 2016 Legislative Advocacy Committee Meeting
- 16-D** Final Minutes of March 18, 2016 Legislative Advocacy Committee Meeting



EXHIBIT 16-A

FINAL MINUTES

Monterey Peninsula Water Management District Administrative Committee December 5, 2016

Call to Order

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

Committee members present: Andrew Clarke
Brenda Lewis
David Pendergrass - Chair

Committee members absent: None

Staff present: David Stoldt, General Manager
Suresh Prasad, Administrative Services Manager/Chief Financial Officer
Cynthia Schmidlin, Human Resource Analyst
Maureen Hamilton, Water Resources Engineer
Sara Reyes, Office Services Supervisor

Oral Communications

None

Items on Board Agenda for December 12, 2016

1. **Consider Adoption of Minutes of November 7, 2016 Committee Meeting**
On a motion by Lewis and second by Clarke, the minutes of the November 7, 2016 meeting were approved on a vote of 3 to 0.
2. **Consider Retention of Federal Legislative Consultant**
General Manager Stoldt reported that three Request for Quotes (RFQ) were sent to three firms. The proposals were received last week but have not been fully reviewed. The RFQ's will be presented to the Legislative Advocacy Committee on January 12, 2017 for their review and recommendation. The recommendation will then be brought to the full Board for consideration. No action was taken by the committee.
3. **Consider Funding Additional Expenditures for Environmental Monitoring and Compliance Services for Monterey Pipeline and Hilby Pump Station Projects**
On a motion by Clarke and second by Lewis, the committee voted 3 to 0 to recommend the Board authorize the General Manager to enter into an agreement with Denise Duffy & Associates (DD&A) for an amount not-to-exceed \$80,000 of which 7/12 or about \$47,000 will be the District's responsibility.

4. **Consider Approving Agreement with Regional Government Services Authority for Management and Administrative Services**
On a motion by Lewis and second by Clarke, the committee voted 3 to 0 to recommend the Board authorize the General Manager to enter into an agreement with RGS to provide management and administrative services for an amount not-to-exceed \$35,000.
5. **Receive Pension Reporting Standards Government Accounting Standards Board Statement No. 68 Accounting Valuation Report**
On a motion by Lewis and second by Clarke, the committee voted 3 to 0 to recommend the Board receive the GASB 68 Accounting Valuation Report prepared by CalPERS.
6. **Consider Adoption of Resolution No. 2016-22 – Authorizing an Amendment to the District’s Contract with the California Public Employees’ Retirement System**
On a motion by Lewis and second by Clarke, the committee voted 3 to 0 to recommend the Board approve Resolution 2016-22, stating the District’s authorization of an amendment of its Retirement Contract with CalPers to provide Section 20516 (Employee Sharing Additional Cost) of 3% for classic local miscellaneous members.
7. **Consider Adoption of Treasurer’s Report for October 2016**
On a motion by Clarke and second by Lewis, the committee voted 3 to 0 to recommend the Board adopt the October 2016 Treasurer’s Report and financial statements, and ratification of the disbursements made during the month.

Other Business

8. **Review First Quarter Legal Services Activity Report for Fiscal Year 2016-2017**
This was presented to the committee for informational purposes only. No action was required by the committee.
9. **Review Draft December 12, 2016 Board Meeting Agenda**
The committee reviewed the agenda and made no changes.

Adjournment

The meeting was adjourned at 4:26 PM.



EXHIBIT 16-B

FINAL MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
October 18, 2016

Call to Order The meeting was called to order at 10:00 am in the Water Management District conference room.

Committee members present: Robert S. Brower, Sr. - Committee Chair
 David Pendergrass
 Jeanne Byrne

Committee members absent: None

Staff members present: David Stoldt, General Manager
 Larry Hampson, Water Resources and Engineering Manager
 Sara Reyes, Office Services Supervisor

District Counsel present: David Laredo

Comments from the Public No comments were directed the committee.

Action Items

1. **Consider Adoption of September 20, 2016 Committee Meeting Minutes**
 On a motion of Byrne and second by Pendergrass, the September 20, 2016 meeting minutes were approved unanimously on a vote of 3 – 0 by Pendergrass, Byrne and Brower. No comments from the public were directed to the committee during the public comment period on this item.

2. **Review and Consider Approval of RFP for Los Padres Dam Sediment Management Study**
 On a motion by Byrne and second by Pendergrass, the committee voted 3 to 0 to recommend the Board review the draft Request for Proposal and provide comments and direction to staff for incorporation into the final RFP. The Committee observed that the draft RFP appeared to list many positive considerations to be taken into account with a dam removal alternative, but it failed to adequately describe the negative aspects of dam removal to be considered. Director Byrne's motion included a request that additional information be provided in the RFP so that the negative impacts of dam removal will be considered.

This request was incorporated into the motion and agreed upon unanimously by the committee. No comments from the public were directed to the committee during the public comment period on this item.

Set Next Meeting Date: No date was scheduled. Staff will coordinate with the committee on a future meeting date.

Adjournment: The meeting was adjourned at 10:59 am.

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EXHIBIT 16-C

FINAL MINUTES

**Legislative Advocacy Committee of the
Monterey Peninsula Water Management District**

March 29, 2016

Call to Order

The meeting was called to order at 10:00 am in the MPWMD conference room.

Committee members present: David Potter, Chair
Robert S. Brower, Sr.
David Pendergrass (Committee Alternate)

Committee members absent: Andrew Clarke

Staff members present: David J. Stoldt, General Manager
Arlene Tavani, Executive Assistant

District Counsel present: David C. Laredo

Comments from the Public: No comments.

Action Items

1. Review Legislative History of California State Model Water Efficient Landscape Ordinance and Consider Recommending Approval by Board of District Ordinance Implementing State Requirements

Brower offered a motion that was seconded by Potter to refer this issue for a second time to the Technical Advisory Committee (TAC). Staff should prepare for the TAC a list of the existing landscaping requirements, and the new requirements mandated by the state. If the jurisdictions support the Water Management District's effort to become the regional agency that _____ the ordinance and reports to the state on compliance, then each jurisdiction should submit a letter expressing support to the Board of Directors. The motion was approved on a vote of 3 – 0 by Brower, Potter and Pendergrass.

During receipt of public comment, Jeanne Byrne addressed the committee. She described the new regulations as “onerous” due to the cost to the applicant of developing landscaping and, in some cases, grading plans. Also the cost to the Water Management District staff to process the landscape plan application. She proposed that the Water Management District analyze the landscaping plan at no charge to the applicant. Byrne stated that if the jurisdictions preferred to adopt the landscaping regulations individually, there may be support for requesting that the State modify the landscaping ordinance.

Other Items: No other items were discussed.

Set Next Meeting Date

No follow-up meeting was scheduled.

Adjournment

The meeting was adjourned at 10:55 am.

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EXHIBIT 16-D

FINAL MINUTES

Legislative Advocacy Committee of the Monterey Peninsula Water Management District

March 18, 2016

Call to Order

The meeting was called to order at 4:05 pm in the MPWMD conference room.

- Committee members present:** David Potter, Chair
Robert S. Brower, Sr.
Andrew Clarke
- Staff members present:** David J. Stoldt, General Manager
Arlene Tavani, Executive Assistant
- District Counsel present:** David C. Laredo
- Consultant present:** John Arriaga, JEA and Associates
- Comments from the Public:** No comments.

Action Items

1. **Adopt Minutes of December 14, 2015 Committee Meeting**
On a motion by Brower and second of Clarke, the minutes were approved on a vote of 3 – 0 by Brower, Clarke and Potter.
2. **Consider Retention of Federal Legislative Consultant**
On a motion by Brower and second of Clarke, the committee recommended that staff distribute a request for proposals for retention of a legislative consultant, submit the proposals received for committee review, and then refer them to the Board of Directors for a final decision. The motion was approved unanimously on a vote of 3 – 0 by Brower, Clarke and Potter. No comments were directed to the committee during the public comment period on this item.

Presentations

3. **Report on Legislative Status and Tracking from John Arriaga**
Arriaga reported that the deadline for introduction of new legislation was February 19, 2016. The Association of California Water Agencies was monitoring 220 bills. Arriaga had identified 22 bills of interest to the Water Management District, and following discussions with Stoldt, the list was reduced to 16. Arriaga and Stoldt reviewed the list of bills and responded to questions from the committee members. No comments were directed to the committee during the public comment period on this item.

Discussion Items

4. **Review Draft 2016-17 Legislative Advocacy Plan**
Stoldt distributed the draft 2016-17 Legislative Advocacy Plan that was scheduled for Board review and adoption on April 18, 2016.

5. Report on February 2016 Trip to Washington DC

Stoldt distributed letters of support for the Pure Water Monterey Project received from Senator Diane Feinstein and Congressman Sam Farr. Receipt of these letters was in response to contacts made with legislators during the February 2016 trip to Washington DC. Stoldt noted that he also has requested a letter of support from Senator Barbara Boxer.

6. Update on State Water Bond

No discussion. Reviewed under agenda item 4.

Other Items: No other items were discussed.

Set Next Meeting Date

No follow-up meeting was scheduled.

Adjournment

The meeting was adjourned at 5:00 pm.

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ITEM: INFORMATIONAL ITEM/STAFF REPORTS**17. MONTHLY ALLOCATION REPORT**

Meeting Date:	January 25, 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: N/A

SUMMARY: As of December 31, 2016, a total of **25.719** acre-feet (**7.5%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **35.561** acre-feet is available to the Jurisdictions, and **29.208** acre-feet is available as public water credits.

Exhibit 17-A shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in December 2016 (“changes”), and the quantities remaining. The Paralta Allocation had one debit in December 2016.

Exhibit 17-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 17-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 17-C**.

EXHIBITS

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

EXHIBIT 17-A
MONTHLY ALLOCATION REPORT
Reported in Acre-Feet
For the month of December 2016

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	0.000	2.485	2.718
Monterey County	87.710	0.000	10.284	13.080	0.000	0.000	7.827	0.000	1.891	12.175
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	0.111	8.638	34.438	0.000	34.438	2.693	0.000	1.144	44.220
TOTALS	342.720	0.111	25.719	101.946	0.000	35.561	90.142	0.000	29.208	90.488

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
Quail Meadows	33.000	0.000	32.277	0.723
Water West	12.760	0.073	9.274	3.556

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

EXHIBIT 17-B

**MONTHLY ALLOCATION REPORT
ENTITLEMENTS
Reported in Acre-Feet
For the month of December 2016**

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	235.250	0.030	25.994	209.256
Del Monte Forest Benefited Properties ² (Pursuant to Ord No. 109)	129.750	0.008	45.199	84.551
Macomber Estates	10.000	0.000	9.595	0.405
Griffin Trust	5.000	0.020	4.829	0.171
CAWD/PBCSD Project Totals	380.000	0.058	85.617	294.383

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	0.000	2.999	162.001
Malpaso Water Company	80.000	0.291	0.981	79.019
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 17-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.

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 **16** inspections. Of the **16** inspections certified, **12 (75%)** were in compliance. **Five** 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 November 2016, MPWMD referred **four** 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 was **one** Water Waste response 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 **62** Water Permits in December 2016. **Two** Water Permits were issued using Water Entitlements (Macomber, Pebble Beach Company, Griffin Estates, etc). No Water Permit 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 **62** Water Permits issued in December, **five** were issued under this provision.

B. Permit Compliance

District staff completed **62** Water Permit final inspections during December 2016. **Thirteen** of the final inspections failed due to unpermitted fixtures. Of the **49** properties that were in compliance, **34** passed on the first visit. In addition, **four** 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 December, the District prepared **47** deed restrictions. Of the **62** Water Permits issued in December, **29 (47%)** required deed restrictions. District staff provided Notary services for **55** 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		December-2016				2016 YTD	1997 - Present	
		Number of devices	Rebate Paid	Estimated AF	Gallons Saved	YTD Quantity	YTD Paid	YTD Est AF
I. Application Summary								
A.	Applications Received	153				2076	22,911	
B.	Applications Approved	125				1602	17,957	
C.	Single Family Applications	141				1928	20,665	
D.	Multi-Family Applications	12				101	1,148	
E.	Non-Residential Applications	0				47	299	
II. Type of Devices Rebated								
A.	High Efficiency Toilet (HET)	15	1500.00	0.626220	204,054	207	20,539.00	8.641836
B.	Ultra Low Flush to HET	48	4784.00	0.480000	156,408	443	43,765.70	4.43
C.	Ultra HET	1	150.00	0.010000	3,259	195	28,565.80	1.95
D.	Toilet Flapper	0	0.00	0.000000	0	3	24.54	0
E.	High Efficiency Dishwasher	10	1250.00	0.030000	9,776	185	23,125.00	0.555
F.	High Efficiency Clothes Washer	49	24265.86	0.788900	257,064	611	306,257.37	10.239172
G.	Instant-Access Hot Water System	3	600.00	0.000000	0	28	5,290.00	0
H.	On Demand Systems	1	100.00	0.000000	0	8	800.00	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	5	14852.50	0.000000	0	63	74,451.00	0
M.	Smart Controllers	0	0.00	0.000000	0	10	1,383.12	0
N.	Rotating Sprinkler Nozzles	89	356.00	0.000000	0	198	792.00	0
O.	Moisture Sensors	0	0.00	0.000000	0	0	0.00	0
P.	Lawn Removal & Replacement	0	0.00	0.000000	0	25	32,245.00	3.065898
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. Totals: Month; AF; Gallons; YTD		221	47858.36	1.935120	630,561	1976	537,238.53	28.881906
						2016 YTD	1997 - Present	
IV. Total Rebated: YTD; Program						537,238.53	5,431,531.59	
V. Estimated Water Savings in Acre-Feet Annually*						28.881906	513.618871	

* 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 ITEMS/STAFF REPORTS**19. CARMEL RIVER FISHERY REPORT FOR DECEMBER 2016****Meeting Date:** January 25, 2017 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/** N/A
Line Item No.:**Prepared By:** Beverly Chaney **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** N/A

AQUATIC HABITAT AND FLOW CONDITIONS: Early releases from Los Padres Reservoir and several storm events in December increased flows and pushed the river front all the way to the lagoon. Habitat conditions in the lower Carmel River that started the month poorly, quickly improved to “good” for migration and rearing for all steelhead life stages. Rearing conditions in the upper watershed were good to excellent.

Mean daily streamflow at the Sleepy Hollow Weir ranged from 18 to 172 cubic feet-per-second (cfs) (monthly mean 52.6 cfs) resulting in 3,240 acre-feet (AF) of runoff. The Highway 1 gage was rewetted on December 9 and monthly flow ranged from 0 to 131 cfs (monthly mean 35.2 cfs), resulting in 2,160 acre-feet (AF) of runoff.

December had 3.31 inches of rainfall as recorded at Cal-Am’s San Clemente gauge. The rainfall total for WY 2017 (which started on October 1, 2016) is 7.35 inches, or 108% of the long-term year-to-date average of 6.79 inches.

CARMEL RIVER LAGOON: The lagoon began filling December 9th and spilled naturally (without mechanical breeching) to the south on December 19th after reaching ~14.2 feet water surface elevation (WSE) above mean-sea-level (NAVD 1988 datum). The mouth opened and closed a number of times the remainder of the month as the inflow and tides changed (see graph below).

Water-quality profiles were conducted at five lagoon sites twice in December, on the 6th and 21st, before and after the lagoon filled and spilled. Conditions in the early part of the month were “fair” with generally low dissolved oxygen (DO) levels. After filling, the water quality conditions in the main body, north, and south arms were “good to excellent” for steelhead rearing in the upper 1-meter of the water column. Deeper areas had higher salinity and lower dissolved oxygen (DO) levels. Lagoon water temperatures were excellent ranging from 47-52 degrees Fahrenheit, DO from 1-13 mg/L, while salinity levels were between 3-28 parts per thousand (ppt).

SLEEPY HOLLOW STEELHEAD REARING FACILITY: The first rescued fish were brought to the Facility on June 13, 2016. On August 24th, District and National Marine Fisheries

Service (NMFS) staff PIT tagged (Passive Integrated Transponder) and transferred 361 fish from holding tanks to the rearing channel. PIT tagged fish are individually numbered and can be tracked as they migrate past fixed electrical arrays placed in the river. An additional 15 fish were tagged on September 19 and placed in the rearing channel September 22.

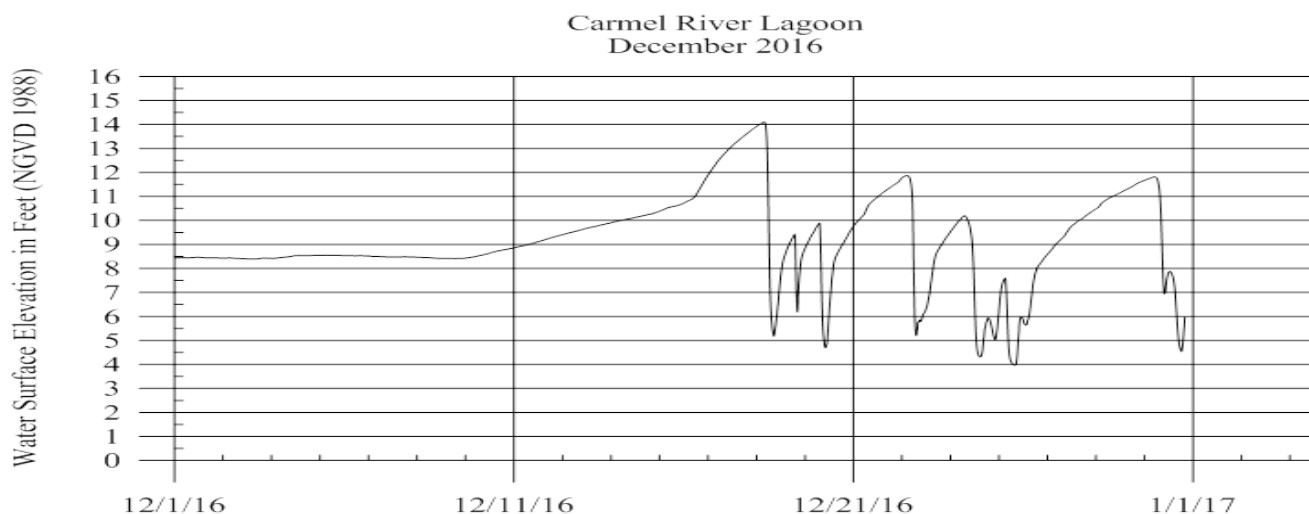
Releases of rescue-reared steelhead began November 28 and continued through December 2. All fish were in excellent condition and released below the Narrows into the lower river where they originated. This year’s excellent survival rate is attributed to a combination of factors including: low stocking density, high concentration salt bath treatments to control disease outbreaks, a krill based diet, and cooler summer water temperatures (possibly related to the removal of San Clemente Dam and reservoir).

Season Totals (preliminary results):

SHSRF Summary Table - 2016

Location	Size/Age	# Stocked	# Released	% Survival	Mortality Notes	Release Location
RC 1	Lg (1+)	45	41	91.1	jumped out during high turb. event	Below Narrows
RC 2	X-Lg (2+)	18	18	100		Below Narrows
RC 3	Lg (1+)	49	47	95.9	trapped in seine net at release	Below Narrows
RC 8/9 combo	Med (Lg YOY)	264	245	92.8	mostly post tagging morts	Below Narrows
Rearing Channel Overall		376	351	93.6		
Facility Overall Survival*		407	351	86.2%		

* Includes Quarantine tank mortalities - 31 morts (25 unaccounted for, 6 deaths)
 RC = Rearing Channel bay



ITEM: INFORMATIONAL ITEMS/STAFF REPORT**20. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT****Meeting Date:** January 25, 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:** N/A

Exhibit 20-A shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **December 1, 2016**. 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 20-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 for **December 2016** totaled **3.31 inches** and brings the cumulative rainfall total for WY 2017 to **7.35 inches**, which is **108%** of the long-term average through **December**. Estimated unimpaired runoff during **December 2016** totaled **3,841 acre-feet (AF)** and brings the cumulative runoff total for WY 2016 to **15,350 AF**, which is **221%** of the long-term average through **December**. Usable storage, which includes surface and groundwater, was **30,510** or **106%** of the long-term average at the end of **December**. This storage equates to **81%** of system capacity.

Production Compliance: Under State Water Resources Control Board (SWRCB) Cease and Desist Order No. 2016-0016, 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 **December**, Cal-Am has produced **1,230 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 **December**, Cal-Am has produced **749 AF** from the Seaside Groundwater Basin. Through **December**, **112 AF** of Carmel River Basin groundwater have been diverted for Seaside Basin injection; **305 AF** have been recovered for customer use, and **10 AF** have been diverted under Table 13 water rights. Cal-Am has produced **2,207 AF** for customer use from all sources through **December**, which corresponds to **124 AF** less than the budgeted to date for the MPWRS. A breakdown of Cal-Am's production for WY 2017 is included as **Exhibit 20-B** as well as a comparison of the 12 month rolling average production compared to the WY 2017 rationing trigger of 10,607 set by District Rule 160. **Exhibit 20-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**20-A** Water Supply Status: **January 1, 2016****20-B** Monthly Cal-Am Diversions from Carmel River and Seaside Groundwater Basins:
Water Year 2017**20-C** Monthly Cal-Am production by source: WY 2017

EXHIBIT 20-A

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

Factor	Oct – Dec 2017	Average To Date	Percent of Average	Water Year 2016
Rainfall (Inches)	7.35	6.81	141%	8.16
Runoff (Acre-Feet)	3,841	15,350	221%	1,449
Storage (Acre-Feet)	30,510	28,080	106%	27,010

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
	Carmel River Basin ²	Seaside Groundwater Basin			MPWRS Total	ASR Recovery	Table 13	Sand City ³	Water Projects and Rights Total	
		Coastal	Laguna Seca	Ajudication Compliance						
Target	1,291	800	11	811	2,102	300	24	75	399	2,501
Actual ⁴	1,230	683	66	749	1,978	305	10	36	351	2,329
Difference	61	117	-55	62	124	-5	14	39	48	172
WY 2016 Actual	1,574	520	71	592	2,165	0	0	11	11	2,177

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, 112 AF and 10 AF have been produced from the River for ASR and Table 13 respectively.
5. All values are rounded to the nearest Acre-Foot.

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	400	271	155	0	15	8	848
Nov-16	351	177	150	0	7	8	692
Dec-16	341	301	0	10	14	2	668
Jan-17							
Feb-17							
Mar-17							
Apr-17							
May-17							
Jun-17							
Jul-17							
Aug-17							
Sep-17							
Total	1,091	749	305	10	36	17	2,207
WY 2016	1,574	592	0	0	11	0	2,177

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 **9,579** **10,609** Rule 160 Production Limit

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	0	464	0	419	0	-45	283	19	100	3	-183	-16	765	522	-243	14	25	11
Jan-17																		
Feb-17																		
Mar-17																		
Apr-17																		
May-17																		
Jun-17																		
Jul-17																		
Aug-17																		
Sep-17																		
To Date	0	1,230	0	1,146	0	-84	988	66	800	11	-188	-55	2,283	1,957	-326	36	75	39

Total Production: Water Year 2017

	Actual	Anticipated	Acre-Foot Under Target
Oct-16	848	826	-22
Nov-16	692	659	-33
Dec-16	780	547	-233
Jan-17			
Feb-17			
Mar-17			
Apr-17			
May-17			
Jun-17			
Jul-17			
Aug-17			
Sep-17			
To Date	2,319	2,032	-287

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 Adjudication 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.

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**21. QUARTERLY CARMEL RIVER RIPARIAN CORRIDOR MANAGEMENT PROGRAM REPORT**

Meeting Date: January 25, 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: N/A

IRRIGATION OF RIPARIAN VEGETATION: The supplemental watering of riparian restoration plantings continued through the summer and early fall season in 2016 at seven Monterey Peninsula Water Management District (District) riparian habitat restoration sites. The following irrigation systems were in use April through October: deDampierre, Trail and Saddle Club, Begonia, Schulte, Schulte Bridge, Valley Hills, and the Dow property.

Water Use in Acre-Feet (AF)
(preliminary values subject to revision)

April - June 2016	1.58 AF
July – September 2016	4.41
October- December 2016	<u>1.02</u>
Year-to-date	7.01 AF

MONITORING OF RIPARIAN VEGETATION: During May through October 2016, staff recorded bi-monthly observations of canopy vigor on target willow and cottonwood trees to provide an indication of plant water stress and corresponding soil moisture levels. Four locations (Rancho Cañada, San Carlos, Valley Hills, and Schulte) are monitored bi-monthly for canopy ratings based on a scale from one to ten. This scale evaluates characteristics such as yellowing leaves and percentages of defoliation (see scale on **Exhibit 21-A**). A total of 12 willows and 12 cottonwoods at these locations provide a data set of established and planted sample trees that are representative of trees in the Carmel River riparian corridor. Combined with monthly readings from the District’s array of monitoring wells and pumping records for large-capacity Carmel Valley wells in the California American Water service area, the District’s monitoring provides insight into the status of soil moisture through the riparian corridor.

Monitoring results for the 2016 season show that riparian vegetation experienced some stress associated with groundwater pumping, but remained below threshold levels. Stress is exhibited

in areas showing yellowing leaves and defoliation. However, it should be noted that the District is irrigating in the vicinity of Cal-Am's major municipal production wells to help offset the impacts to riparian vegetation in the critical drawdown areas. The graph in **Exhibit 21-A** shows average canopy ratings for willows and cottonwoods in selected restoration sites in the lower Carmel Valley. The graph in **Exhibit 21-B** shows impacts to water table elevations.

The types of monitoring measurements made during May through October 2016 are as follows:

Monitoring Measurement

Canopy ratings	(See Exhibit 21-A for trends.)
Groundwater levels (monitoring wells)	(See Exhibit 21-B for trends.)
Groundwater pumping (production wells)	

OTHER TASKS PERFORMED SINCE THE OCTOBER 2016 QUARTERLY REPORT:

1. **Sleepy Hollow Steelhead Rearing Facility Upgrade:** The Board of Directors approved an Initial Study and Mitigated Negative Declaration for the proposed project in compliance with the California Environmental Quality Act. The Consultant began preparation of permit applications for the project.
2. **Proposition 1 Grant Programs:** Staff continued to work with the other Central Coast planning regions to develop a proposal for approximately \$4.4 million in project funding from the Department of Water Resources for planning and implementation projects involving Disadvantaged Communities (communities with a median household income of 80% or less of the California median household income). The Monterey Peninsula region should be eligible for up to \$466,000 of grant funds.
3. **Public Outreach:** Staff attends periodic meeting of the Carmel Valley Association's Water Committee and provides updates on District activities affecting the Carmel River.
4. **Los Padres Dam Alternatives Study:** The District received two proposals to study alternatives for Los Padres Dam and Reservoir. The study is expected to commence in the first quarter of 2017 and take approximately 18 months to complete.

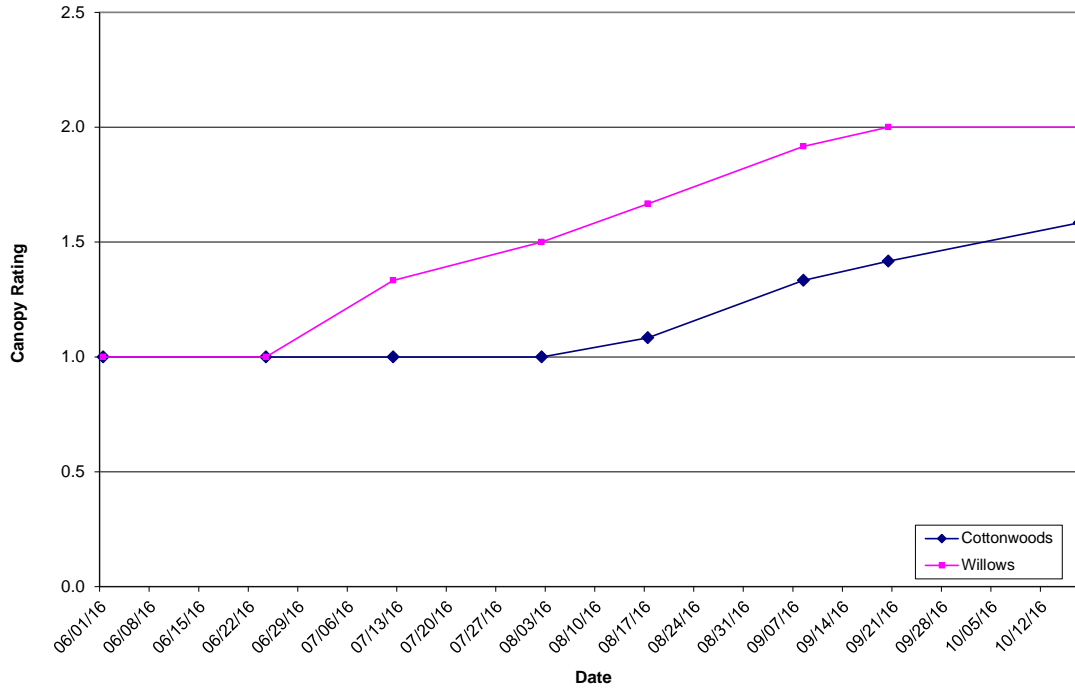
EXHIBITS

21-A Average Willow and Cottonwood Canopy Rating

21-B Depth to Groundwater

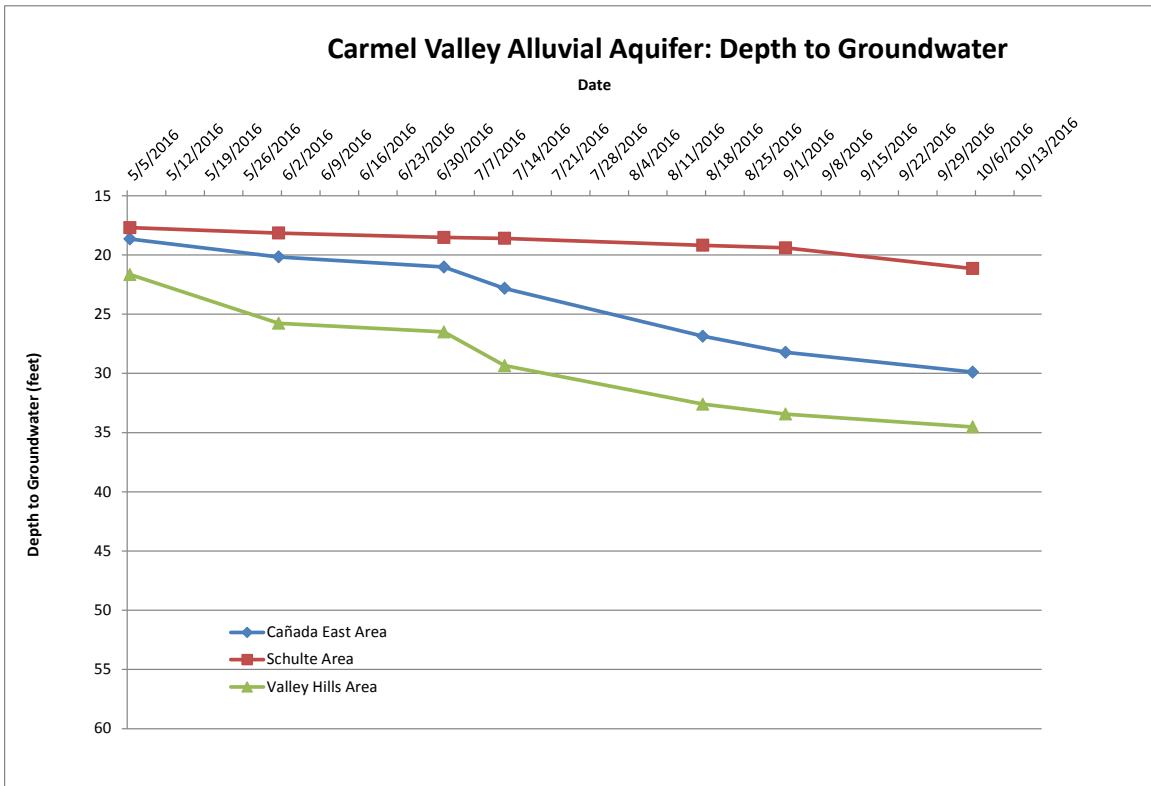
EXHIBIT 21-A

**Carmel River Riparian Vegetation:
Average Canopy Rating for Cottonwoods and Willows**



Canopy Rating Scale		Stress Level
1=	Green, obviously vigorous	none, no irrigation required
2=	Some visible yellowing	low, occasional irrigation required
3=	Leaves mostly yellowing	moderate, regular irrigation required
4=	< 10% Defoliated	moderate, regular irrigation required
5=	Defoliated 10% to 30%	moderate, regular irrigation required
6=	Defoliated 30% to 50%	moderate to high, additional measures required
7=	Defoliated 50% to 70%	high stress, risk of mortality or canopy dieback
8=	Defoliated 70% to 90%	high stress, risk of mortality or canopy dieback
9=	> 90% Defoliated	high stress, risk of mortality or canopy dieback
10=	Dead	consider replanting

EXHIBIT 21-B



ITEM: INFORMATIONAL ITESM/STAFF REPORTS**22. QUARTERLY WATER USE CREDIT TRANSFER STATUS REPORT**

Meeting Date: January 25, 2017 **Budgeted:** N/A

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

Prepared By: Gabriela Ayala **Cost Estimate:** N/A

General Counsel Review: N/A

Committee Recommendation: N/A

CEQA Compliance: N/A

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**23. SEMI-ANNUAL GROUNDWATER-QUALITY MONITORING REPORT**

Meeting Date:	January 25, 2017	Budgeted:	Yes
From:	David Stoldt, General Manager	Program/ Line Item No.:	Hydrologic Monitoring 2.6 2-6-1 G, and 2-6-2 D
Prepared By:	Jonathan Lear/ Tom Lindberg	Cost Estimate:	N/A

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

SUMMARY: Water-quality results from the Fall 2016 sampling of the Monterey Peninsula Water Management District's (District's) monitor well networks in the Carmel Valley aquifer and the coastal areas of the Seaside Groundwater Basin are presented and briefly summarized below.

BACKGROUND: The District has maintained a groundwater-quality monitoring program in the Carmel Valley Aquifer since 1981, and in the Seaside Groundwater Basin since 1990. Currently, collection of samples from the Carmel Valley monitor wells is conducted on an annual basis. The sampling schedule for Carmel Valley is staggered, with upper valley wells (i.e., upgradient of the Narrows), sampled in Spring and lower Carmel Valley wells in Fall, to coincide with the historically higher nitrate concentrations in these respective areas. Beginning in 2007, the District was retained by the Seaside Basin Watermaster to collect water-quality samples from the District's Seaside Basin coastal monitor wells on a quarterly basis. The results of that sampling are reported to the Seaside Basin Watermaster Board on an annual basis. Results of the Fall 2015 and Fall 2016 sampling of the Seaside Basin coastal monitor wells are included in this report.

DISCUSSION/ANALYSIS:

Carmel Valley Aquifer Monitor Wells - Results from the Fall 2016 sampling are provided in **Exhibit 23-A**. Six monitor wells in the lower Carmel Valley were sampled during Fall 2016, per the sampling schedule described above. Review of these water-quality results indicates that, in general, there are minor changes in overall water quality compared to samples collected in 2015 (provided here as a reference in **Exhibit 23-B**). A seventh well that is normally sampled in the Fall (16S/1E-13Md), was not sampled in Fall 2016 or Fall 2015 because it was submerged under high water in the Carmel River Lagoon wetlands during the sampling period. Another well that had been sampled during this period was destroyed by flooding in March of 2011 when the river scoured away the south end of the Carmel River State Beach parking lot. The locations of the sampling points are shown on the map in **Exhibit 23-C**. Changes in water quality for specific wells are discussed below. Staff is particularly interested in tracking indicators of potential seawater intrusion in the coastal portion of Carmel Valley. Accordingly, three clustered sets of

wells were established west of Highway 1, with each set being made up of three wells completed at different depths. Review of historical data indicated that the shallower and intermediate depth wells in the coastal area are subject to the mixing of fresh water and saline water as high tides and surf overtop the sand berm between the lagoon and the ocean. This contributes to episodic mixing within the shallower and intermediate zones of the aquifer, but is not indicative of larger-scale seawater intrusion into the aquifer. All three wells in the cluster closest to the ocean were destroyed by river erosion in 2011, and all three of the wells in the next closest cluster to the ocean were inaccessible due to high water during the sampling period, so currently, only the deeper well at one of the three coastal locations is sampled.

Well 16S/1W-13Lc is the deepest in the array of three wells located State Parks property near the Carmel Area Wastewater District treatment plant at River Mile (RM) 0.65, currently the most proximate well to the ocean in Carmel Valley that is available for sampling. There is an overall increasing trend in Specific Electrical Conductance (SEC) and Chloride from 1989 to 2016 (**Exhibit 23-D**) with some notable fluctuations. Both SEC and Chloride declined from 2006 to 2008, but have trended generally upward since then. Current Chloride levels are below peak levels observed at this location in Water Year 2011, however, SEC has slightly increased in the same period. Additional background on historical water-quality at the coastal monitor well sites can be found in District Technical Memorandum 90-04, *Summary of Carmel Valley Groundwater-quality from Coastal Monitor Wells*, which is available at the District office. Staff will continue to track future results for trends that might indicate significant changes in concentrations of these or other constituents in the coastal area of the aquifer.

Well 16S/1E-23E4, located 6.53 miles upstream from the mouth of the Carmel River, has had fluctuating water quality in the past (primarily as variably elevated iron and manganese, likely attributable to flooding along the roadside where this well is located). Results indicate no significant changes to water quality here in 2016 relative to 2015. Staff will continue to monitor the site to ensure the wellhead is secure from surface-water sources.

Well 16S/1E-23La, located 6.72 miles upstream from the river mouth, does not show a significant change in 2016 relative to 2015, but a graph of SEC and Chloride is included to track long-term trends as was described in previous Board packet reports (**Exhibit 23-E**). This graph indicates a downward trend in both SEC and Chloride at this site, most other constituents were higher in 2016 relative to 2015.

Seaside Groundwater Basin Coastal Monitor Wells - Since 1990, the District has been collecting water-quality samples from coastal monitor wells in the Seaside Groundwater Basin, for the purposes of water-quality characterization and sea-water intrusion monitoring. In 2009 District staff switched from air-lifting samples from wells in Seaside to “micro-purging”, which generally extends the well life. In Fall 2016, 11 dedicated monitor wells at six different sites were sampled. Results of water-quality sampling from 2016 and 2015 for the Seaside wells are provided in **Exhibit 23-A** and **Exhibit 23-B**, respectively. Because laboratory results for the Fall 2016 samples needed to be received and processed earlier than in years prior to 2008 in order to complete an Annual Report to the Seaside Groundwater Basin Watermaster, some of the Seaside wells were actually sampled in July and August of 2016. The locations of the Seaside monitor wells are shown on the map in **Exhibit 23-F**. Results for most constituents in most of the wells

were not significantly different in 2016 relative to 2015, with few exceptions. Concentrations of Iron were notably higher in four wells (15S/1E-15F1 and -15F2, -11Pa and 12Fc) in 2016 relative to 2015. Iron concentrations in wells 15S/1E-15F1 and -15F2. A more complete historical summary of the Seaside Basin coastal groundwater-quality data is contained in District Technical Memorandum 97-02 *Seaside Basin Coastal Monitor Wells: Ground Water-quality Monitoring Results, 1990-1996*, which is available at the District office.

EXHIBITS

- 23-A** Groundwater-quality Monitoring Results - Fall 2015
- 23-B** Groundwater-quality Monitoring Results - Fall 2014
- 23-C** Location of MPWMD Lower Carmel Valley Water-quality Monitoring Wells
- 23-D** Water-quality Results in Well 16S/1W-13Lc in Carmel Valley
- 23-E** Water-quality Results in Well 16S/1E-23La in Carmel Valley
- 23-F** Location of MPWMD Seaside Basin Water-quality Monitoring Wells

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

GROUNDWATER-QUALITY MONITORING RESULTS

Carmel Valley Aquifer Sample Collection Date: November 03 and 08, 2016
 Seaside Basin Sample Collection Dates: July 26, August 1, October 6, December 5, 2016

Units are milligrams per liter unless otherwise noted.

Water Quality Constituent	Specific Conductance (micromhos/cm)	Total Alkalinity (as CaCO ₃)	pH	Chloride	Sulfate	Ammonia Nitrogen (as N)	Nitrate Nitrogen (as NO ₃)	Total Organic Carbon	Calcium	Sodium	Magnesium	Potassium	Iron	Manganese	Orthophosphate	Total Dissolved Solids	Hardness (as CaCO ₃)	Boron	Bromide	Fluoride	
Drinking Water Standard (1)	900 1600 2200 (2)	NA	NA	250 500 600 (2)	250 500 600 (2)	NA	45	NA	NA	NA	NA	NA	0.3	0.05	NA	NA	NA	NA	NA	NA	
Sampling Location	River Mile																				
Carmel Valley Aquifer																					
16S/1W-14Jh (shal)	0.07 no longer in annual sampling network																				
16S/1W-14Jf (inter)	0.07 no longer in annual sampling network																				
16S/1W-14Jg (deep)	0.07 no longer in annual sampling network, destroyed by flooding																				
16S/1W-13Mc (shal)	0.31 no longer in annual sampling network																				
16S/1W-13Mb (inter)	0.31 no longer in annual sampling network																				
16S/1W-13Md (deep)	0.31 no access in November or December due to high water in Lagoon																				
16S/1W-13Lb (shal)	0.65 no longer in annual sampling network																				
16S/1W-13La (inter)	0.65 no longer in annual sampling network																				
16S/1W-13Lc (deep)	0.65	1016	194	7.2	101	170	0.73	<1	2.0	90	77	23	3.6	1.713	0.759	0.2	657	319	0.17	0.3	1.6
16S/1E-17J4	3.85	394e	60e	6.5	28	92	<0.05	3	1.6	38	22	15	3.2	0.366	0.015	<0.1	260	157	<0.05	<0.1	0.2
16S/1E-17R2	3.86	1200	182	6.6	109	272	0.21	<1	3.1	137	68	31	4.0	7.608	0.264	<0.1	820	470	0.05	0.2	0.2
16S/1E-23E4	6.53	1105e	255e	7.0	89	160	<0.05	<1	3.0	111	86	28	2.1	1.194	0.813	<0.1	707	392	0.11	0.2	0.5
16S/1E-23La	6.72	469e	115e	7.0	32	69	0.07	<1	1.3	39	36	15	3.4	1.113	0.240	<0.1	283	159	0.05	0.1	0.4
16S/1E-24N5	8.02	386e	70e	6.9	34	70	<0.05	5	1.6	44	30	15	2.8	<0.01	<0.01	<0.1	247	172	<0.05	0.1	0.2
Seaside Basin																					
15S/1E-15N3 (shal)	328	66	7.3	43	14	<0.05	0.1	1.0	17	31	5	2.6	<0.01	<0.01	<0.1	214	63	<0.05	0.2	0.1	
15S/1E-15N2 (deep)	982	252	7.4	147	35	<0.05	<1	0.6	73	102	16	4.6	0.034	0.054	<0.1	608	248	0.11	0.4	0.3	
15S/1E-23Ca (shal)	868	204	7.6	114	43	<0.05	1.3	0.9	64	66	14	3.7	0.106	0.087	<0.1	506	217	0.07	0.3	0.2	
15S/1E-23Cb (deep)	not sampled in 2015 due to obstruction in well																				
15S/1E-15F1 (shal)	331	71	6.6	44	10	<0.05	0.3	3.7	18	33	5	2.3	9.934	0.011	<0.1	220	66	<0.05	0.2	<0.1	
15S/1E-15F2 (deep)	1138	306	6.2	156	40	<0.05	<1	5.7	82	100	18	4.9	7.916	0.204	<0.1	691	279	0.12	0.4	0.3	
15S/1E-15K5 (shal)	304	64	7.7	51	8	<0.05	0.5	1.6	16	39	4	2.0	0.224	<0.01	<0.1	214	56	<0.05	<0.4	<0.4	
15S/1E-15K4 (deep)	587	148	7.4	82	22	<0.05	<1	0.4	38	72	8	3.4	0.017	<0.01	<0.1	368	--	0.06	<0.4	0.4	
15S/1E-11Pa (shal)	332	81	7.1	51	1	<0.05	<1	6.1	24	33	4	3.6	1.663	0.026	<0.1	225	76	<0.05	0.2	<0.1	
15S/1E-11Pb (deep)	404	70	5.8	66	1	<0.05	0.4	10.0	28	54	3.7	3.5	0.132	<0.01	0.2	420	85	0.07	0.1	<0.1	
15S/1E-12Fa (shal)	326	53	7.4	46	10	<0.05	0.5	0.3	15	37	2	2.4	0.567	0.100	<0.1	180	46	<0.05	<0.4	<0.4	
15S/1E-12Fc (deep)	319	54	7.6	46	12	<0.05	<1	0.5	17	37	2	2.0	1.420	0.026	<0.1	186	51	<0.05	<0.4	<0.4	

NOTES:

- (1) Maximum contaminant levels are from California Domestic Water Quality and Monitoring Regulations, Title 22, 1977.
- (2) The three values listed for certain constituents refer to the "recommended" level, the "upper" level, and "short-term use" level, respectively.
- (3) The "Practical Quantifiable Limit" for Orthophosphate and Bromide changed in 2012.
- (4) Well 15S/1E-15K4 is being used as a "far-field monitor" for ASR well #4, and as such was sampled for additional constituents in 2015 that are not shown on this table.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

GROUNDWATER-QUALITY MONITORING RESULTS

Carmel Valley Aquifer Sample Collection Date: November 23, 2015
 Seaside Basin Sample Collection Dates: July 23, August 4, September 23 and 24, 2015

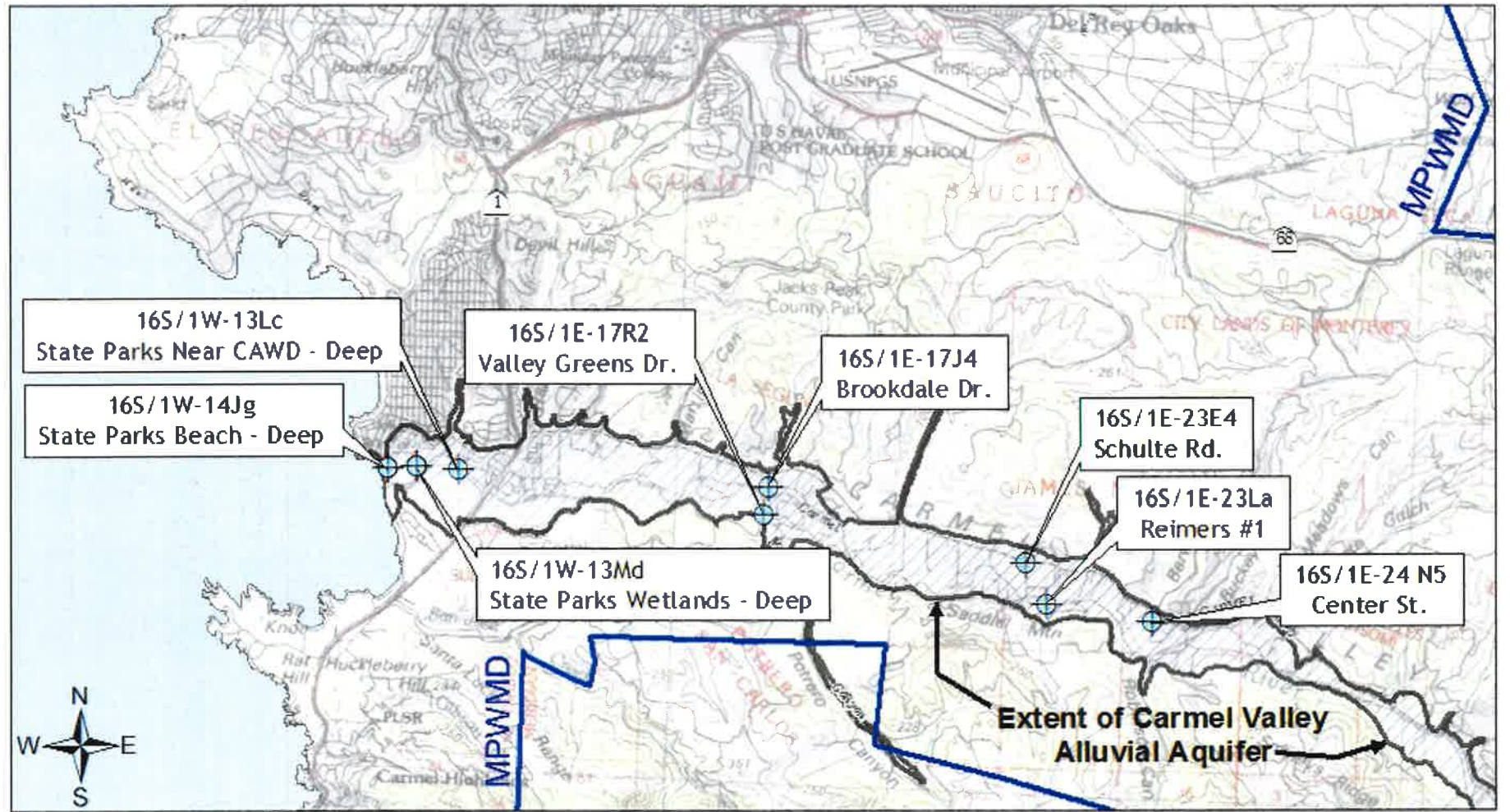
Units are milligrams per liter unless otherwise noted

Water Quality Constituent	Specific Conductance (micromhos/cm)	Total Alkalinity (as CaCO ₃)	pH	Chloride	Sulfate	Ammonia Nitrogen (as N)	Nitrate Nitrogen (as NO ₃)	Total Organic Carbon	Calcium	Sodium	Magnesium	Potassium	Iron	Manganese	Orthophosphate	Total Dissolved Solids	Hardness (as CaCO ₃)	Boron	Bromide	Fluoride	
Drinking Water Standard (1)	900 1600 2200 (2)	NA	NA	250 500 600 (2)	250 500 600 (2)	NA	45	NA	NA	NA	NA	NA	0.3	0.05	NA	NA	NA	NA	NA	NA	
Sampling Location	River Mile																				
Carmel Valley Aquifer																					
16S/1W-14Jh (shal)	0.07 no longer in annual sampling network																				
16S/1W-14Jf (inter)	0.07 no longer in annual sampling network																				
16S/1W-14Jg (deep)	0.07 no longer in annual sampling network, destroyed by flooding																				
16S/1W-13Mc (shal)	0.31 no longer in annual sampling network																				
16S/1W-13Mb (inter)	0.31 no longer in annual sampling network																				
16S/1W-13Md (deep)	0.31 no access in November or December due to high water in Lagoon																				
16S/1W-13Lb (shal)	0.65 no longer in annual sampling network																				
16S/1W-13La (inter)	0.65 no longer in annual sampling network																				
16S/1W-13Lc (deep)	0.65	990	200	7.2	100	148	0.67	<1	2.6	84	91	23	3.9	2.509	0.792	0.1	640	304	0.16	0.3	1.3
16S/1E-17J4	3.85	360	68	6.4	19	66	<0.05	1	1.9	30	21	11	3.0	0.972	0.028	<0.1	226	120	<0.05	<0.1	0.3
16S/1E-17R2	3.86	1127	191	6.6	101	240	<0.05	<1	5.2	123	79	28	3.9	6.421	0.267	<0.1	737	422	0.07	0.2	0.2
16S/1E-23E4	6.53	1100	286	7.1	89	160	<0.05	<1	3.4	110	93	27	2.0	1.643	0.817	<0.1	708	386	0.12	0.2	0.5
16S/1E-23La	6.72	408	99	7.0	21	54	0.06	<1	1.8	34	28	12	3.1	0.893	0.174	<0.1	248	134	<0.05	<0.1	0.4
16S/1E-24N5	8.02	597	136	6.7	35	99	<0.05	3	1.8	56	38	17	3.3	0.012	<0.01	<0.1	383	210	0.05	0.1	0.2
Seaside Basin																					
15S/1E-15N3 (shal)	317	66	6.1	43	13	<0.05	<1	1.2	18	35	5	3.9	<0.01	<0.01	<0.1	208	66	<0.05	0.20	0.1	
15S/1E-15N2 (deep)	1006	267	7.4	146	26	<0.05	<1	1.3	72	107	15	4.5	0.094	0.029	<0.1	600	242	0.11	0.4	0.3	
15S/1E-23Ca (shal)	831	185	7.4	112	46	<0.05	3	1.2	63	74	16	3.8	0.217	0.016	<0.1	494	223	0.07	0.4	0.2	
15S/1E-23Cb (deep)	not sampled in 2015 due to obstruction in well																				
15S/1E-15F1 (shal)	337	71	6.8	44	10	<0.05	1	4.2	20	37	5	2.4	<0.01	<0.01	<0.1	223	71	<0.05	0.2	<0.1	
15S/1E-15F2 (deep)	1148	300	6.0	168	39	<0.05	<1	6.1	86	108	18	4.9	0.048	0.160	<0.1	674	289	0.12	0.4	0.2	
15S/1E-15K5 (shal)	305	63	7.8	46	6	<0.05	2	0.7	16	39	4	2.1	0.065	<0.01	<0.1	214	56	<0.05	0.2	0.10	
15S/1E-15K4 (deep)	628	163	7.5	82	24	<0.05	<1	0.6	43	80	8	3.5	<0.01	<0.01	<0.1	394	--	0.08	0.3	0.3	
15S/1E-11Pa (shal)	360	58	6.1	66	<1	<0.05	<1	182	24	49	3	3.3	0.107	<0.01	<0.1	326	72	0.07	1.5	<0.1	
15S/1E-11Pb (deep)	341	77	6.9	51	4	<0.05	<1	1.6	25	37	4	3.9	5.772	0.051	<0.1	240	79	<0.05	0.2	0.1	
15S/1E-12Fa (shal)	269	52	7.2	44	8	<0.05	1	0.4	13	39	2	2.6	2.017	0.100	<0.1	180	41	0.06	0.2	0.1	
15S/1E-12Fc (deep)	296	57	8.0	45	13	<0.05	2	1.5	19	39	2	2.5	0.970	0.024	<0.1	200	56	0.06	0.2	0.1	

NOTES:

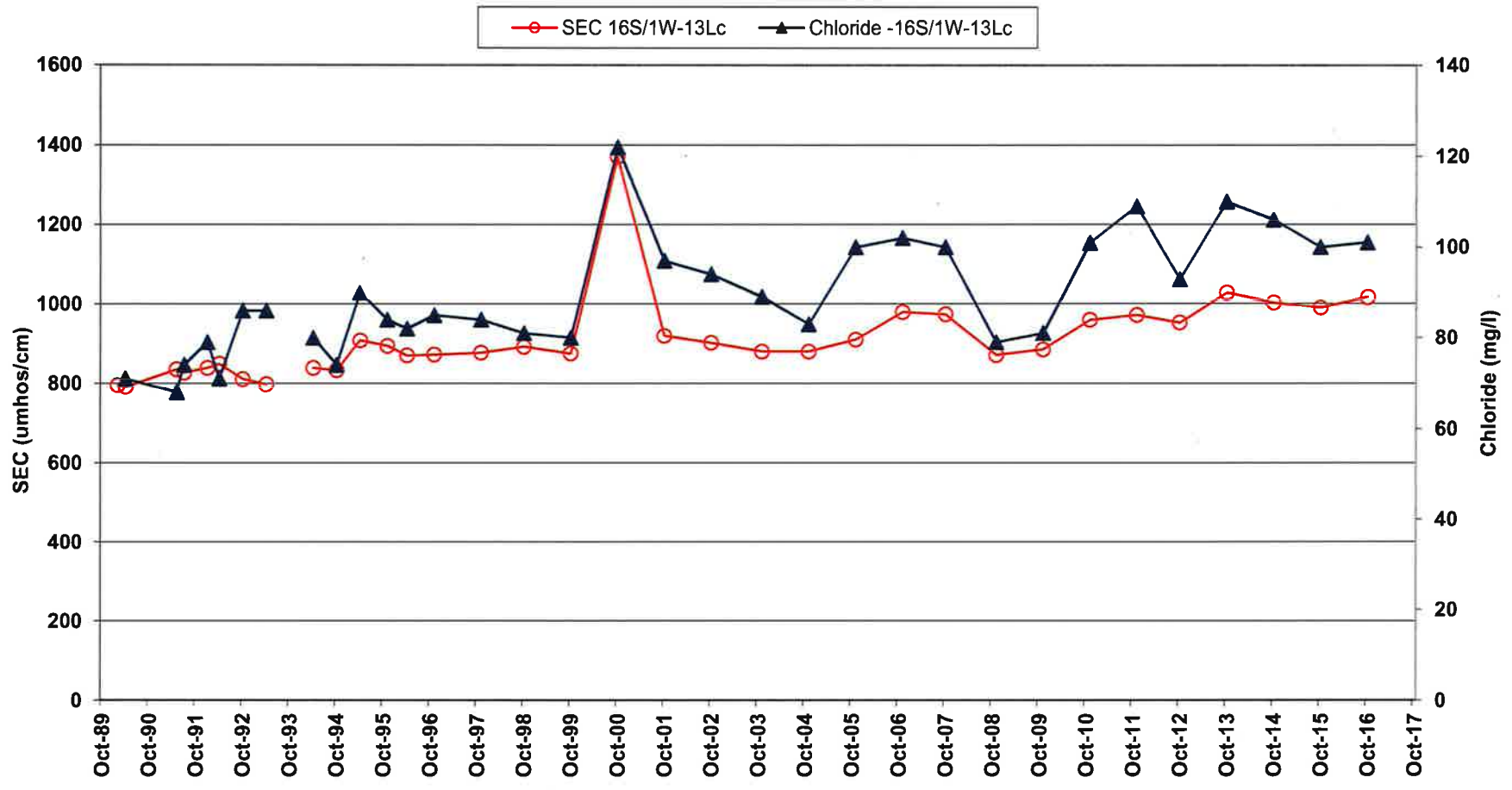
- (1) Maximum contaminant levels are from California Domestic Water Quality and Monitoring Regulations, Title 22, 1977.
- (2) The three values listed for certain constituents refer to the "recommended" level, the "upper" level, and "short-term use" level, respectively.
- (3) The "Practical Quantifiable Limit" for Orthophosphate and Bromide changed in 2012.
- (4) Well 15S/1E-15K4 is being used as a "far-field monitor" for ASR well #4, and as such was sampled for additional constituents in 2015 that are not shown on this table.

LOCATION OF MPWMD LOWER CARMEL VALLEY WATER QUALITY MONITORING WELLS (River Mile 0.0 to 9.0)

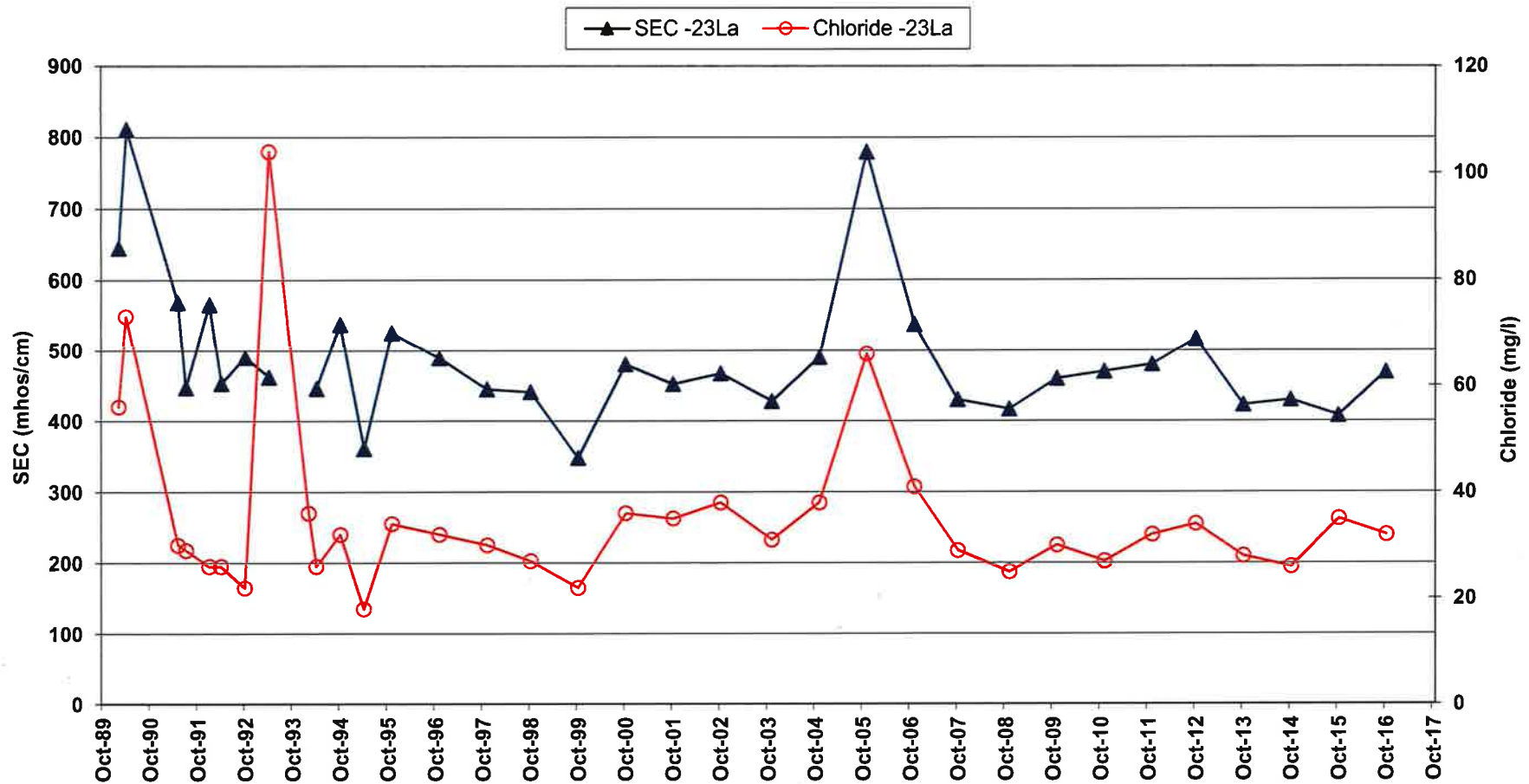


Scale

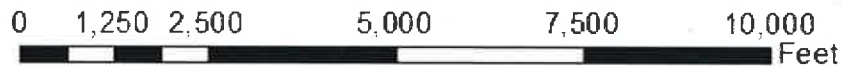
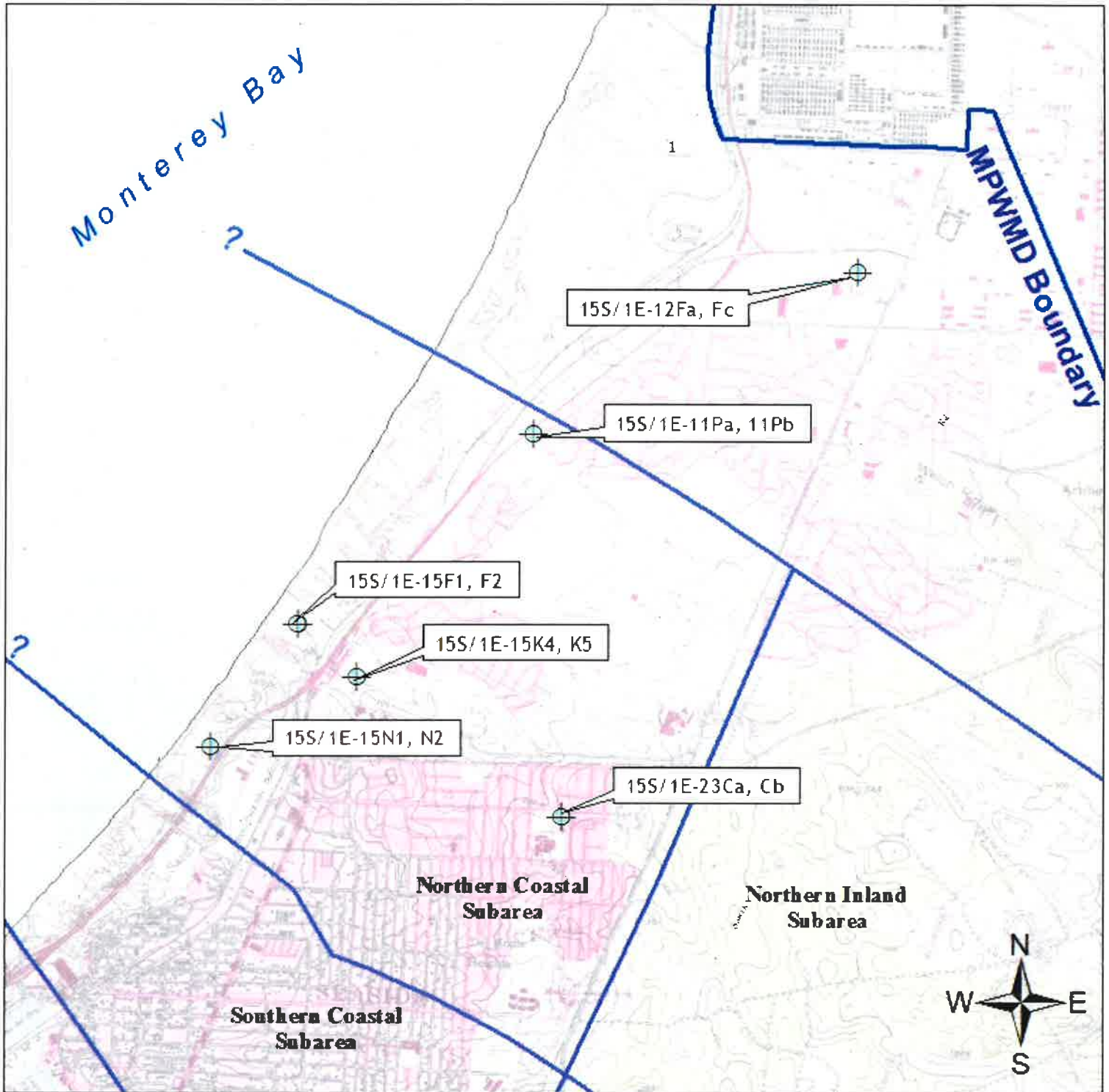
WATER-QUALITY RESULTS
State Parks Near CAWD (deep) - 16S/1W-13Lc
 River Mile 0.65



WATER-QUALITY RESULTS
Reimers #1 - 16S/1E-23La
 River Mile 6.72



SEASIDE GROUNDWATER BASIN COASTAL WATER QUALITY MONITORING WELLS



Scale





Supplement to 1/25/17 MPWMD Board Packet

Attached are copies of letters received between November 22, 2016 and January 10, 2017. These letters are listed in the January 25, 2017 Board packet under Letters Received.

Author	Addressee	Date	Topic
Clementine Bonner Klein	MPWMD	1/10/17	MPWMD Appointments 2017 – City of Monterey Representatives
Hal Furman	David Stoldt	12/19/16	Thank you letter
David L. Hobbs	Anthony Cerasuolo/cc David Stoldt	12/9/16	Potable Water Wheeling Agreement, dated April 8, 2009
Barry A. Thom	Douglas E. Eberhardt/cc David Stoldt	12/5/16	Endangered Species Act Section 7(a)(2) Concurrence Letter and Magnuson-Stevens Fishery Conservation and Management Act Essential Fish Habitat Response for the Pure Water Monterey Groundwater Replenishment Project
Michael McCarthy	David Stoldt	11/18/16	Compensation Agreement – Transfer of Former City of Monterey Redevelopment Agency Property at 300 Pacific Street, Monterey, California to the City of Monterey

U:\staff\Boardpacket\2017\20170125\Letters Received\Letters-Received.docx

RECEIVED¹

JAN 10 2017

MPWMD



January 10, 2017

Arlene Tavani
Monterey Peninsula Water Management District
5 Harris Ct.
Monterey, CA 93940
Via Email: arlene@mpwmd.net

Re: MPWMD Appointments 2017 – City of Monterey Representatives

Dear Arlene:

At their regular meeting on December 20, 2016, the Monterey City Council approved outside appointments for the Council members and staff for 2017, including the following appointments to the Monterey Peninsula Water Management District:

Mayor Clyde Roberson – Representative

roberson@monterey.org
831-375-0293
290 Via Gayuba
Monterey, CA 93940

Councilmember Dan Albert – Alternate

albert@monterey.org
831-242-0504
299 Via Paraiso
Monterey, CA 93940

These appointments will be reflected in the official Council minutes upon their approval by Council.

Sincerely,

A handwritten signature in cursive script, appearing to read "C. Klein".

Clementine Bonner Klein
Senior Assistant City Clerk

THE FURMAN GROUP

December 19, 2016

RE

DEC 27 2016

NPP/MD

Dear Dave,

I want to thank you for giving our firm the opportunity to apply to serve as the District's representative in Washington, DC. I know you have selected another firm but I am grateful for your consideration.

Please know our team is standing by to assist in the future should you wish. Happy Holidays to you and your family.

Sincerely,



Hal Furman

Mr. David J. Stoldt
General Manager
Monterey Peninsula Water Management District
5 Harris Court - Building G
Monterey, CA 93940

DEC 13 2016

GRIFFITH & MASUDA

A PROFESSIONAL LAW CORPORATION

517 E. Olive Avenue
Turlock, California 95380

Telephone: (209) 667-5501

Facsimile: (209) 667-8176

www.calwaterlaw.com

Founded 1920

MPWMDCelebrating Our
96th AnniversaryW. Coburn Cook, 1892-1953
Lin H. Griffith, 1923-2014David L. Hobbs
dhobbs@calwaterlaw.com

December 9, 2016

VIA CERTIFIED MAIL & EMAILMr. Anthony J. Cerasuolo, Vice-President, Legal
California-American Water Company
655 W. Broadway, Ste. 1410
San Diego, CA 92101
ACerasuolo@amwater.com**Re: Potable Water Wheeling Agreement, dated April 8, 2009**

Dear Mr. Cerasuolo:

As I understand the points in your letter dated December 1, 2016, it is your assertion that CAW may use the Subject Facility to transfer water, irrespective of the source. Aside from the fact this contention is contradicted by the express terms of the Wheeling Agreement, it is also belied by the fact that the CEQA reviews relied upon for the project were limited to the ASR Project and that the ASR Project's use of the pipeline is limited by the permits issued by the State Water Resources Control Board.

One of the items MCWD wished to resolve was the use of the Subject Facility for purposes of transporting GWR Project-sourced water, e.g., whether this was permissible under the Wheeling Agreement and whether additional compensation would be required by this additional use.

Further, with respect to your assertion that the Wheeling Agreement provides its own definition of "Subject Capacity," you miss the point that there are quantifiable numbers as to the unused capacity of the Subject Facility. In the recent meetings between staffs, it was determined that the Subject Capacity for which CAW has a first right was the 6000 gps referenced in my last letter.

It is my understanding that even if MCWD had no present need to use the Joint Facility, there is not enough capacity to concurrently handle ASR Project water (both in and out), GWR Project water, and CAW desalinated water.

MCWD does concur with CAW that, independent of the Wheeling Agreement, Water Code §§1810-1814 may be applicable, provided the requisite findings and fair compensation due thereunder are satisfactorily resolved.

Since we have not been able to resolve this dispute, the next dispute resolution step under the Wheeling Agreement is to refer the matter to senior management. I note there is a fifteen-day timeframe. Given that we will soon be in the middle of the holiday season, I would ask that we waive the timeframe requirement as we did at the initial stage such that we can continue to work through these issues.

If you would like to propose some available dates to meet I will coordinate with MCWD senior management.

Thank you for your attention to this matter. Should you have any question or concerns please do not hesitate to contact me.

Regards,

GRIFFITH & MASUDA



David L. Hobbs

cc: Marina Coast Water District
Western States Divisional General Counsel
David Stoldt, Monterey Peninsula Water Management District
Paul Sciuto, Monterey Regional Water Pollution Control Agency
Jim Cullem, Monterey Peninsula Regional Water Authority



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
West Coast Region
777 Sonoma Avenue, Room 325
Santa Rosa, California 95404-4731

December 5, 2016

Refer to NMFS No: WCR-2016-5540

Douglas E. Eberhardt
Manager, Infrastructure Section
United States Environmental Protection Agency
Region IX
75 Hawthorne Street
San Francisco, California 94105-3901

RECEIVED

DEC 12 2016

MPWMD

Re: Endangered Species Act Section 7(a)(2) Concurrence Letter and Magnuson-Stevens
Fishery Conservation and Management Act Essential Fish Habitat Response for the Pure
Water Monterey Groundwater Replenishment Project

Dear Mr. Eberhardt:

On November 18, 2016, NOAA's National Marine Fisheries Service (NMFS) received your request for a written concurrence with the determination made by the United States Environmental Protection Agency (U.S. EPA) that Pure Water Monterey Groundwater Replenishment Project (GWR Project) is not likely to adversely affect (NLAA) species listed as threatened or endangered or critical habitats designated under the Endangered Species Act (ESA). The GWR Project is being funded by way of the Clean Water State Revolving Fund (CWSRF), a federal-state shared fund as prescribed in 33 U.S.C. Section 1381-1386. This response to your request was prepared by NMFS pursuant to section 7(a)(2) of the ESA, implementing regulations at 50 CFR 402, and agency guidance for preparation of letters of concurrence.

NMFS also reviewed the proposed action for potential effects on essential fish habitat (EFH) designated under the Magnuson-Stevens Fishery Conservation and Management Act (MSA), including conservation measures and any determination you made regarding the potential effects of the action. This review was pursuant to section 305(b) of the MSA, implementing regulations at 50 CFR 600.920, and agency guidance for use of the ESA consultation process to complete EFH consultation. In this case, NMFS concluded the action would not adversely affect EFH and instead would result in reduced discharge of pollutants to EFH. Thus, consultation under the MSA is not required for this action.

This letter underwent pre-dissemination review using standards for utility, integrity, and objectivity in compliance with applicable guidelines issued under the Data Quality Act (section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001, Public Law 106-554). The concurrence letter will be available through NMFS' Public Consultation



Tracking System available at: <https://pcts.nmfs.noaa.gov/pcts-web/homepage.pcts>.¹ A complete record of this consultation is on file at NMFS' North-Central Coast Office in Santa Rosa, California.

Proposed Action

The U.S. EPA, through the CWSRF, will fund the modification and construction of existing and new facilities for the GWR Project. The GWR Project is being proposed by the Monterey Regional Water Pollution Control Agency (MRWPCA) in partnership with the Monterey Peninsula Water Management District (MPWMD) (the applicants) to create a new water supply source to offset existing water supply sources in areas of northern Monterey County. The purpose of the GWR Project is to: (1) create 3,500 acre-feet per year (AFY) of purified recycled water for recharge of the Seaside Groundwater Basin, which would provide a replacement water supply for the California American Water Company (Cal-AM) and allow them to reduce diversions of equal amount from the Carmel River Groundwater Basin; and (2) provide additional recycled water for agricultural irrigation in the northern Salinas Valley, which could reduce pumping from the Salinas Groundwater Basin.

The GWR Project will include facilities located within unincorporated areas of the northern Salinas Valley as well as the cities of Salinas, Marina, and Seaside. Raw waters will be collected from a variety of sources, including: (1) agricultural wash water from the City of Salinas agricultural wash water system, (2) urban stormwater runoff from the southern part of the City of Salinas, and (3) surface waters from the Reclamation Ditch and Blanco Drain (see Figure 1 and the *Action Area* section for a description of these waterbodies). Collectively, these waters will be combined with the existing raw wastewater inflows to MRWPCA's Regional Wastewater Treatment Plant (RTP). Some of the secondary treated effluent that is not further treated to tertiary levels and delivered to areas for agricultural irrigation will be conveyed to a new Advanced Water Treatment Facility (AWTF). The highly-treated recycled water produced at the AWTF will be used for replenishment of the Seaside Groundwater Basin through the injection of the water into a series of shallow and deep injection wells located in the City of Seaside. Once injected, the purified water is mixed with other groundwater in the basin and would then be available for future extraction by Cal-Am for delivery to its customers.

The modification and construction of existing and new facilities for the GWR Project include a new AWTF at the RTP site, modifications at the existing Salinas Valley Reclamation Plant, construction of a new pipeline, pump station and appurtenant facilities, new wells, and new in-channel diversion facilities. The new in-channel diversion facilities are proposed within the Blanco Drain and the Reclamation Ditch. The Monterey County Water Resources Agency (MCWRA) will be the water rights holder for these two proposed diversions. The new source waters (Reclamation Ditch, Blanco Drain, Salinas Agricultural Wash Water, and Stormwater Runoff), diversion facilities, and operations are described below.

Reclamation Ditch Diversion Facilities: A new diversion structure would be constructed in the Reclamation Ditch at the Davis Road crossing, which is located at river mile (RM) 6.5 in the

¹ Once on the PCTS homepage, use the following PCTS tracking number within the Quick Search column: WCR-2016-5540.

City of Salinas. The facility would divert flows, when available, into an existing adjacent sanitary sewer gravity main, which conveys wastewater to the MRWPCA Salinas Pump Station.

The diversion facility would consist of a new intake structure that sits in a 12-inch deep depression created within a constructed alcove along the toe of channel's left bank. The intake structure would be fitted with a self-cleaning cone screen to prevent fish and small debris from being entrained into the pump station. The fish screen is designed to meet NMFS criteria (NMFS 2011) for slot size and velocities. In addition, the intake structure will be fitted with a trash rack to prevent debris from damaging or clogging the intake structure. The trash rack will be cleaned weekly, or more frequently as needed, to ensure proper function and to minimize changes in velocities at the intake. The volume of stream bypass flows and diverted waters will be controlled by an adjustable slide weir gate between the cone screen and the pump wet well. When bypass flow criteria are satisfied, diverted waters will be pumped from the wet well by two submersible pumps into two new force mains that are approximately 50 feet long. The force mains will discharge into the existing sanitary sewer gravity main. Two underground vaults would be installed along the force main, one to hold the check and isolation valves, and one for a flow meter.

The channel bed and banks surrounding the diversion facility will be lined with open cell, articulated concrete block mats. The open cells will be filled with angular gravel and interstitial voids are expected to eventually fill with fine depositional sediments. The open cells will also allow vegetation to volitionally re-colonize the area. The purpose of the mats are to ensure the channel bed and banks do not erode and risk damage to the diversion intake facility or change the elevation of the bed which would affect water surface elevation and yield. The channel cross section will be modified in order to angle the channel bottom slightly towards the intake on the left bank.

The 12-inch depression is anticipated to also fill with deposited sediments, which will require maintenance using one of two potential methods. Option 1 is to use a sewer vacuum cleaning truck and suction out the accumulated sediments. Option 2 is to manually shovel out accumulated sediment by sending an operator down the ladder with a shovel and a bucket. Both methods would be implemented primarily during summer at low-flow water conditions, or as needed to ensure sediment accumulation does not inhibit fish passage.

Reclamation Ditch Diversion Facility Site Construction: Construction of the Reclamation Ditch diversion would include minor grading, installation of a wet well/diversion structure, modification of an existing sanitary sewer manhole, and a short pipeline from the existing manhole to the new pump station. This work would disturb approximately 0.15 acres of land, including approximately 0.05 acres of the Reclamation Ditch banks and channel bottom.

Construction will occur from May 1 through October 31, 2017. At this location, streamflow is perennial, so a temporary diversion system will be required. Construction requiring a temporary streamflow diversion system would be limited to July 1 through September 30. Temporary cofferdams would be installed to isolate the work area. These would consist of waterproof tarps or plastic membranes wrapped around gravel fill material, which would be removed when the work is completed. Streamflow will be moved past the work area with a small diversion pump.

Open excavation will be required to install the new intake structure, new wet well, and new pipeline to connect the existing sanitary sewer main. The new pump station will be constructed approximately 60 feet from the receiving sanitary sewer manhole.

Reclamation Ditch Diversion Facility Operation: The applicants will abide by the following terms and commitments in regards to the Reclamation Ditch Diversion (NMFS 2016a):

- (a) MCWRA² will cause MRWPCA to commit to divert no more than 6 cubic feet per second (cfs) under the Reclamation Ditch diversion water right and those diversions would be subject to the following minimum bypass flows:
 - i. Bypass a minimum of 2.0 cfs, as available, from December 1 through May 31 (in- and out-migration period) except as allowed by item iii, below.
 - ii. Bypass a minimum of 1.0 cfs, as available, from June 1 through June 30 (transitional period).
 - iii. Bypass a minimum of 0.7 cfs, as available, from July 1 through November 30 (non-migration period). Note: This minimum bypass applies through the end of February of the following year, if no storm event has occurred that results in a flow of 30 cfs or more at the San Jon Road USGS stream gage.
- (b) To ensure adequate flows for both adult upstream and smolt/kelt downstream migration in the Reclamation Ditch below Davis Road, the MCWRA will cause MRWPCA to commit to cease diverting when flows measured at San Jon Road gage are above 30 cfs. Diversion may resume when streamflow recedes below 20 cfs at the San Jon Road gage.
- (c) Operational decisions will be based on provisional mean daily and real-time USGS streamflow data (*i.e.*, San Jon Road gage).
- (d) The right holder (MCWRA) shall provide, on a quarterly basis, graphs comparing the daily mean diversion from the Reclamation Ditch and the daily mean flow recorded at the San Jon gage downstream of the diversion.

As a result of these operational and bypass flow requirements, the estimated average-year diversion yield from the Reclamation Ditch would be approximately 1,014 AFY. The proposed diversion facilities would be equipped with supervisory control and data acquisition (SCADA) equipment which allows the diversions to be turned off remotely.

Blanco Drain Diversion Facilities: The Blanco Drain is the only raw water source not located near an existing wastewater collection facility that could be used to convey flows to the RTP. Development of this source would require not only a new pump station, but also a two-mile force main, or pipeline, that would cross under the Salinas River. The proposed Blanco Drain Diversion Pump Station (BDDPS) would be located adjacent to an existing seasonal pump station within the Blanco Drain and would include a new intake structure on the channel bottom

² As the water right holder for the proposed Blanco Drain and Reclamation Ditch diversions, MCWRA is responsible for adhering to and tracking the compliance of the terms and operation criteria set forth in the approved water rights.

that would connect to a new wet well on the channel bank via a new gravity pipeline. The new BDDPS would use three submersible pumps to convey the diverted water through a new force main approximately 9,000 feet in length to a connection in an interceptor that connects to the RTP. A 600-foot long segment of the new pipeline crosses beneath the Salinas River. The force main is 16-inch diameter polyvinyl chloride pressure pipe, except for the segment beneath the river, which will consist of an 18-inch diameter high density polyethylene pipe.

Pumped flow will be measured by a magnetic flow meter located at the BDDPS. All three pumps are furnished with variable speed drives in order to maximize and control diversion from the Blanco Drain under conditions of varying flow. Maximum pumping capacity with three pumps operating at full speed is 6 cfs. The facility also includes a flow measurement flume on the discharge from the Blanco Drain, to be continuously monitored and recorded. A principal purpose of this flow measurement flume is to confirm compliance with requirements for downstream bypass (see below).

Blanco Drain Diversion Facility Site Construction: Construction of the new diversion facility would include grading and excavation to install the new intake structure, new wet well, and new pipeline. Construction of the force main crossing under the Salinas River would be performed using the horizontal directional drilling method in order to avoid any contact with the riparian habitat area along the river, and to achieve sufficient depth below the riverbed to provide a margin of safety to minimize the risk of frac-out³. Temporary receiving pits will be constructed on either side of the river which will be approximately 40 feet by 60 feet in size. The channel banks and invert near the Blanco Drain diversion pump station intake would be lined with concrete to prevent scouring. Construction is anticipated to occur from April 1 through November 30, 2017.

Blanco Drain Diversion Facility Operation: Diversions from Blanco Drain would typically occur between April and September (March through September during drought year scenarios). The monthly average diversion rate would range between 0.1 and 6.0 cfs, and annual yield would range from 1,400 to over 2,600 AFY. Flow diverted from the Blanco Drain would not exceed a maximum diversion rate of 6 cfs. The applicants will abide by the following terms and commitments in regards to the Reclamation Ditch Diversion:

- (a) Between April 1 and October 31 of years when MCWRA has not operated the Salinas River Diversion Facility (SRDF) due to dry or drought conditions, and when the Salinas River Lagoon is closed to the ocean, MCWRA shall:
 - i. Monitor and provide the State Water Resources Control Board (SWRCB) Division of Water Rights, CDFW, and NMFS monthly reports on the average daily water levels in the Salinas River Lagoon and the operational characteristics of the slide gate between the lagoon and the Old Salinas River (OSR) channel. Monthly reports shall include the following:
 - Water elevation in the lagoon (daily mean, referenced to NGVD29).
 - Dates of when the slide gate to the OSR was closed versus opened.

³ Frac-out is the unintentional return of drilling fluids to the surface or waters during horizontal direction drilling.

- Size of slide opening (inches) and estimated flows released to OSR when flow is required (daily mean, cfs).
- ii. Maintain Salinas River Lagoon water surface elevation and provide flows to the OSR channel by adhering to the following two conditions:
- a. If the water level in the Salinas Lagoon drops below 3.0 feet NGVD29 (or the then current lagoon water surface elevation management requirement) for seven (7) consecutive days, then cause MRWPCA to limit Blanco Drain diversions to flows above 2.0 cfs (or to provide an alternative source of 2 cfs to the lagoon that does not currently exist, if not prohibited by other regulations) until the lagoon water surface elevation increases to a minimum of 3.2 feet NGVD29 or until October 31 whichever occurs first.
 - b. If the slide gate between the Salinas Lagoon and the OSR channel has been closed for more than seven (7) consecutive days, adjust the slide gate to allow 0.5 to 1.0 cfs of Salinas Lagoon water to flow into the OSR Channel and cause MRWPCA to limit Blanco Drain diversions to flows above 2.0 cfs (or to provide an alternative source of 2.0 cfs that does not currently exist, if not prohibited by other regulations) until the lagoon water surface elevation reaches 3.2 feet NGVD29 or until October 31 whichever occurs first.
- (b) MCWRA will cause MRWPCA to commit to monitoring water quality of diverted water as required by the SWRCB and Regional Water Quality Control Board for construction activities and during operations.
- (c) MCWRA will cause MRWPCA to commit to including a flow meter and totalizer (*i.e.*, a flow meter that reports total flows) on the Blanco Drain diversion.

Salinas Agricultural Wash Water: The GWR Project proposes to divert and recycle waters used at the City of Salinas industrial wastewater collection and treatment system, which serves approximately 25 agricultural processing and related businesses located east of Sanborn Road and south of U.S. Highway 101. Over 80 percent of the wastewater flows in this system are from fresh vegetable packing facilities. The remaining flows originate from businesses associated with seafood processing, refrigerated warehousing, manufactured ice, preserves (frozen fruits, jams and jellies) and corrugated paper boxes. Wastewater is conveyed in a pipeline that traverses near the Salinas Pump Station to the Salinas Industrial Wastewater Treatment Facility (Salinas Treatment Facility) located adjacent to the Salinas River, downstream of the Davis Road crossing. The Salinas Treatment Facility consists of an influent pump station, an aeration lagoon, percolation ponds, and evaporation/infiltration beds to treat, percolate, and evaporate the industrial wastewater.

The Salinas Treatment Facility operates year-round, with a peak monthly inflow during summer months of approximately 3.5 to 4.0 million gallons per day (mgd), with an annual average of approximately 3 mgd. For the GWR Project, agricultural wash water would only be diverted to the RTP during the peak irrigation demand months (typically April through October). From November through March, agricultural wash waters would continue to be sent to the Salinas Treatment Facility for treatment and stored in the existing percolation and evaporation ponds,

which can hold approximately 1,250 acre-feet. The net yield of the agricultural wash water source for the GWR Project would be approximately 2,710 AFY.

Stormwater Runoff Diversions: In addition to the City's agricultural wash waters, the GWR Project would also include diversion and recycling of urban runoff from the southwestern part of the City of Salinas using pipes that cross near the Salinas Pump Station site southeast of the intersection of Blanco and Davis roads. Urban runoff from an area of about 2.5 square miles of the City of Salinas is currently discharged into the Salinas River near Davis Road via a 66-inch, outfall line. Under the GWR Project, this urban runoff would be diverted to the RTP rather than discharged to the Salinas River. This source is estimated to yield an average supply of 225 AFY.

Minimization Measures: In addition to the water rights permits, the applicants have proposed several avoidance and minimization measures (*i.e.*, erosion control, seasonal work windows, bypass flows and operating criteria, *etc.*) related to the construction and operation of the GWR Project, which are listed in Table 3-10 in Snider *et al.* (2016).

There are no interrelated or interdependent actions associated with the proposed action.

Action Area

The action area for the GWR Project will include portions of various waterbodies, as well as upland areas extending from the City of Salinas south to the cities of Marina and Seaside (Figure 1). Specific segments of waterbodies within the action area include: (1) Salinas River from the Salinas Treatment Facility near Davis Road (RM 11.2) downstream through the Salinas River lagoon, (2) Blanco Drain from the proposed point of diversion to its confluence with the Salinas River (approximately 750 feet of channel), and (3) the Reclamation Ditch from Davis Road (RM 6.5) downstream through Tembladero Slough, and the Old Salinas River channel to the Potrero Road tide gates.

The lower Salinas River channel is a confined and entrenched single-thread channel largely bordered by a mature willow-cottonwood riparian forest. Within the channel, emergent vegetation is present in areas and channel substrate consists of primarily sand and fine sediments. Surface flow in the river is typically present year-round due to the operation of the Salinas Valley Water Project (SVWP) as well as agricultural return flows (including the Blanco Drain), discharge of urban runoff, and seepage from the Salinas Treatment Facility percolation ponds. During periods when the sandbar at the river mouth is closed (which is most of the year and sometimes all year), water surface elevation in the lagoon is managed by a slide gate weir located in the northwest corner of the lagoon that connects to the Old Salinas River channel. The Old Salinas River channel flows north behind the coastal sand dunes where it is joined by Tembladero Slough and then discharges to Moss Landing Harbor and hence Elkhorn Slough.

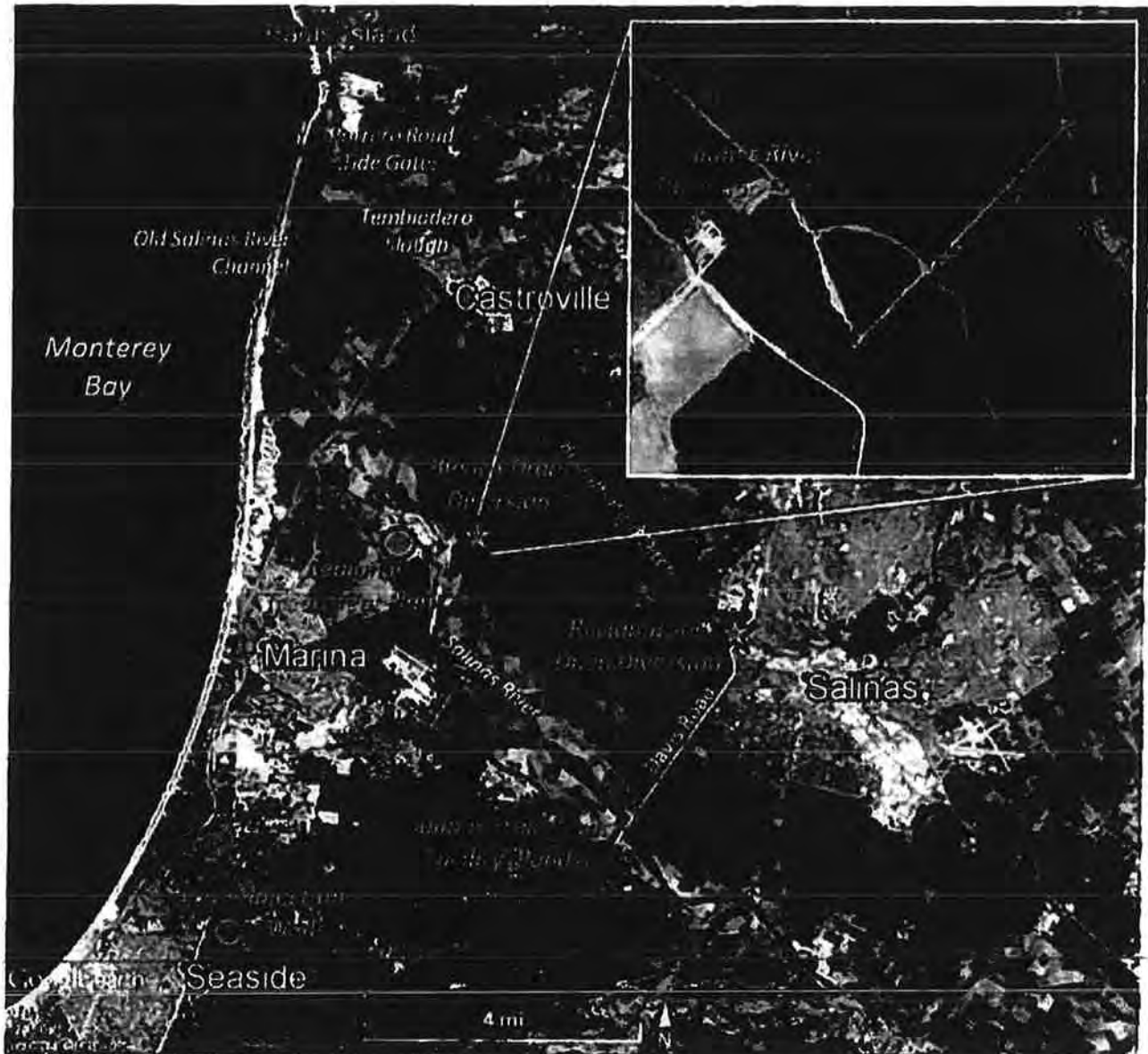


Figure 1. The action area vicinity for the GWR Project including the locations of affected water bodies, existing and proposed infrastructure, and nearby cities. Inset map shows the Blanco Drain diversion facility and its proximity to the Salinas River and the SRDF.

The Blanco Drain receives runoff from approximately 6,400 acres of primarily row crop agricultural lands. The drain enters the Salinas River just upstream of the SRDF, which is located at RM 4.8 near the head of the lagoon. The Blanco Drain is separated from the Salinas River by a flap gate, which prevents Salinas River water from entering the Blanco Drain under high water conditions. The small section of the Blanco Drain affected by the project consists of a highly entrenched and artificial channel with substrate consisting of fine sediments (Figure 2). Streamflow is present throughout the year due to agricultural return flows from tile drains and surface runoff during winter and irrigation events. Average monthly flow rates range from 2.2 to 4.6 cfs, however daily flows rates over 6 cfs have been recorded in recent years. During drought

years, flow from the Blanco Drain is the primary source of freshwater to the lower-most reach of the Salinas River and the lagoon, particularly during summer.

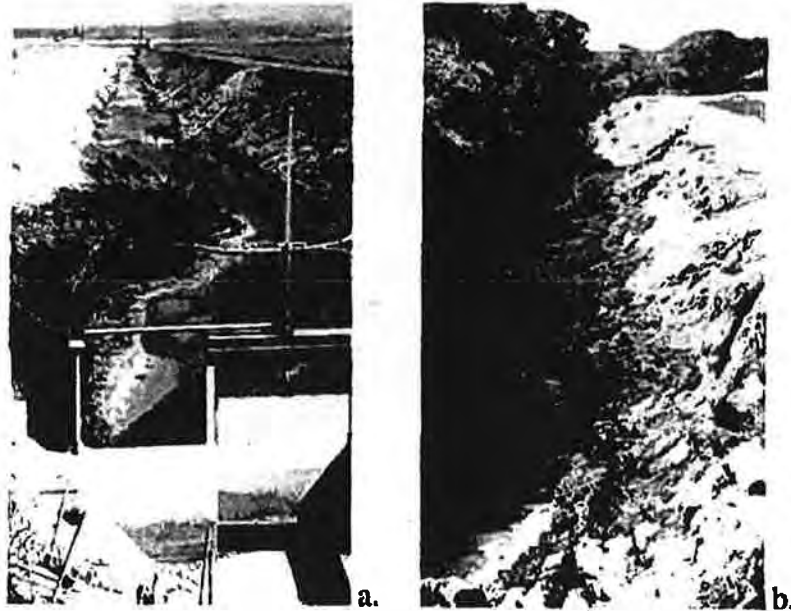


Figure 2. The Blanco Drain looking upstream from the proposed diversion site (a) and looking downstream (b) from the same location. September 22, 2016.

The Reclamation Ditch is natural water course that was engineered (straightened and deepened) between 1917 and 1920 to serve as a major drainage canal for expanding agricultural and urban developments (Casagrande and Watson 2006). The ditch now serves as the primary conduit for urban runoff from nearly all of the City of Salinas. The new diversion facility will be constructed within the bed and banks of the Reclamation Ditch at Davis Road (Figure 3). From this location and downstream, the Reclamation Ditch is an entrenched, trapezoidal channel with substrate consisting of fine sediments (clays and silts). Vegetation, particularly native riparian species, is extremely scarce. Streamflow is perennial due to a combination of natural runoff from the upper watershed (intermittent contributions during winter and spring) as well as agricultural return flows, tile drainage, and urban runoff throughout the year. Stream flow volume in the Reclamation Ditch varies from less than 1 cfs to more than 400 cfs, and flow response times are very flashy due to the heavy influence from impervious surfaces.

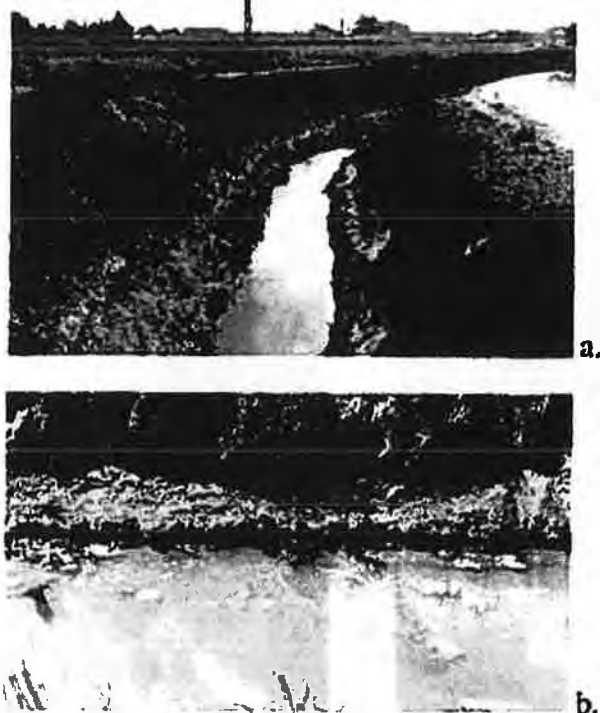


Figure 3. A view of the Reclamation Ditch from approximately the proposed diversion site (a), and a close-up view of typical water quality conditions near the proposed diversion site during the low flow period (b). September 22, 2016.

Downstream of the State Highway 183 crossing, the Reclamation Ditch is joined with the Merritt Lake drainage and becomes Tembladero Slough. The Tembladero Slough channel is lower gradient and more sinuous but is also surrounded by intensive row-crop agriculture. The channel is tidally influenced with perennial streamflow provided by the Reclamation Ditch, surrounding agricultural return flows, and tile drains. Tembladero Slough discharges into the Old Salinas River channel approximately 1.3 miles upstream of the Potrero Road tide gates. The Old Salinas River channel (historic course of the Salinas River) is also a tidally influenced slough that receives flows from the Salinas River lagoon and the Tembladero Slough-Reclamation Ditch drainage, as well as adjacent agricultural return flows. The tidal influence is the result of leakage through the Potrero Road tide gates, which results in both longitudinal and vertical salinity gradients within the Tembladero Slough and the Old Salinas River channel (Casagrande and Watson 2006; Snider *et al.* 2016).

Water quality in each waterbody is highly degraded, with all listed for number of impairments, or pollutants, on the Clean Water Act Section 303d list of water quality limited segments⁴. These impairments include, but are not limited to, nutrients, pesticides, copper, sediment toxicity, turbidity, fecal coliform, *E. coli*, and low dissolved oxygen. Sources contributing to these impairments include, but are not limited to, agriculture, grazing, and runoff from urban and industrial land uses.

⁴ http://www.waterboards.ca.gov/water_issues/programs/tmdl/2010state_ir_reports/category5_report.shtml

A more thorough description of the action area is provided in the Biological Assessment for the GWR Project (Snider *et al.* 2016).

Action Agency's Effects Determination

The U.S. EPA has determined that the proposed project may affect, but is not likely to adversely affect the South-Central California Coast (S-CCC) steelhead (*Oncorhynchus mykiss*) Distinct Population Segment (DPS), or its designated critical habitat. This determination was based on the species life history, the existing condition of habitats within the action area, the small footprint of the project construction areas, as well as the proposed minimization measures and potential benefits of the project to the Carmel River steelhead population (also within the S-CCC DPS), and a reduction in pollutant loads to receiving water bodies.

Available information indicates the following listed species may be affected by the proposed project:

South-Central California Coast steelhead DPS
Threatened (71 FR 834; January 5, 2006)
Critical habitat (70 FR 52488; September 2, 2005)

The life history of steelhead is summarized in Shapovalov and Taft (1954) and Busby *et al.* (1996). In streams along the California coast, including the Salinas River and the Reclamation Ditch drainage, adult steelhead typically migrate between December and April (Shapovalov and Taft 1954; Casagrande and Watson 2006; Cuthbert *et al.* 2013a). Steelhead smolts and kelts typically emigrate between February and June, with peak migrations typically occurring March through May (Shapovalov and Taft 1954; Cuthbert *et al.* 2013b).

In the Salinas River watershed, a long history of anthropogenic impacts has resulted in a progressive and substantial decline in steelhead abundance. The population has declined from an estimated 3,600 fish in 1946 (Deitman 1988), to less than 50 individuals by the end of the 20th Century (EDAW 2001). Between 2010 and 2014, the highest annual total of adult steelhead detected at MCWRA's video counting station on the lower Salinas River was 43 individuals (63 passage events; 53 upstream and 10 downstream) during the winter of 2012-13 (Cuthbert *et al.* 2013a). In the Reclamation Ditch basin, there has been only one confirmed observation of an adult steelhead, which was found in Gabilan Creek⁵ in March 2004 (Casagrande and Watson 2006). Juvenile *O. mykiss* (life history strategy unknown) have been observed on multiple occasions in the upper reaches of Gabilan Creek (Casagrande and Watson 2006; Casagrande 2010). In their current conditions, the Reclamation Ditch, Tembladero Slough, and the Old Salinas River channel are not suitable dry-season rearing habitat for juvenile steelhead.

⁵ Gabilan Creek is considered a primary tributary to the Reclamation Ditch. Historically, the lower half of the Reclamation Ditch, from Carr Lake in the center of Salinas downstream to Tembladero Slough, was considered as part of Gabilan Creek. See Casagrande and Watson (2006) for a more comprehensive description of the Reclamation Ditch watershed, its hydrology, and change in land uses.

Observations of juvenile steelhead in the Salinas River lagoon are very limited. Annually since 2002, the lagoon has been sampled seasonally at multiple sites, which has resulted in a total of four steelhead captured. These included one steelhead during each of three sampling events in 2011 (spring, summer, and fall), and one steelhead captured in the fall of 2013 (Hagar 2014). NMFS is unaware of any comprehensive fisheries assessment conducted in the Old Salinas River channel, and therefore its use by steelhead is currently unknown. However, in addition to functioning as a potential migration corridor, the muted tidal conditions in Old Salinas River channel and Tembladero Slough may function as seasonal, estuarine rearing habitat and as a saltwater acclimation zone for emigrating steelhead smolts in spring and early summer. The Blanco Drain is not accessible to steelhead.

Consultation History

NMFS participated in early coordination and technical assistance with the GWR Project applicants during the development of the Environmental Impact Report (EIR) between April and December 2014. On June 3, 2015, NMFS provided the project applicants comments on the Draft EIR (NMFS 2015) pertaining to the assessment of S-CCC steelhead habitat and anticipated project effects. On August 11, 2015, MCWRA submitted applications for three new water rights for surface water diversions on Blanco Drain (Application 32263A), Reclamation Ditch (Application 32263B), and Tembladero Slough (Application 32263C). The intended uses outlined in the applications were consistent with those of the GWR Project.

On September 25 and September 28, 2015, the applicant provided NMFS with a notice of availability for the Final EIR. Between September 28, 2015 and February 11, 2016, NMFS staff met or conducted conference calls with the applicants and their consultants to discuss project components, minimization measures (*i.e.*, bypass flows), potential species and habitat impacts, and project alternatives.

On February 16, 2016, NMFS filed protests with the SWRCB on the three water rights applications submitted by MCWRA (NMFS 2016b, c, d). Between February 16 and June 20, 2016, staff from NMFS, the applicants, their consultants, as well as the SWRCB and the California Department of Fish and Wildlife (CDFW) held several meetings or conference calls to review and discuss the protests, MCWRA's written response to the protests (MCWRA 2016), and to develop minimization measures (terms) that would result in NMFS dismissing their protests. Final dismissal terms were tentatively agreed upon by the applicants and NMFS on June 20, 2016, and on August 23, 2016, NMFS submitted its final protest dismissal letter for two of the three water rights applications (Blanco Drain and Reclamation Ditch) to the SWRCB (NMFS 2016a). NMFS' protest on the new Tembladero Slough diversion has not been resolved; however MCWRA and the GWR Project applicants agreed not to pursue the diversion as part of the GWR Project.

Between August and September 2016, NMFS participated on multiple conference calls with the applicants, their consultants, and the SWRCB staff regarding the fish screens proposed for the Reclamation Ditch diversion facility. On September 22, 2016, the applicants hosted a meeting and site visit with NMFS and the SWRCB to discuss the project status, anticipated timeline to

complete the necessary consultations and permits, and to visit the proposed diversion sites for the purpose of engineering review.

On October 20, 2016, NMFS received the biological assessment (Snider *et al.* 2016) for the GWR Project from the SWRCB. NMFS submitted its final engineer review comments to the applicants on November 3, 2016. NMFS received an email response from the applicants on November 20, 2016, which included an agreement to incorporate all recommendations by NMFS engineers regarding the maintenance and inspection of the fish screen at the Reclamation Ditch diversion into the compliance plan related to the water right permit #32263B.

NMFS received a letter requesting informal consultation from the U.S. EPA on November 18, 2016, at which time NMFS determined the project's information was complete and initiated consultation.

Effects of the Action

Under the ESA, "effects of the action" means the direct and indirect effects of an action on the listed species or critical habitat, together with the effects of other activities that are interrelated or interdependent with that action (50 CFR 402.02). The applicable standard to find that a proposed action is not likely to adversely affect listed species or critical habitat is that all of the effects of the action are expected to be discountable, insignificant, or completely beneficial. Beneficial effects are contemporaneous positive effects without any adverse effects to the species or critical habitat. Insignificant effects relate to the size of the impact and should never reach the scale where take occurs. Discountable effects are those extremely unlikely to occur.

Portions of the action area, including the Salinas River, its lagoon, Reclamation Ditch, Tembladero Slough, and the Old Salinas River channel have been designated as critical habitat for the S-CCC steelhead DPS (70 FR 52488). The designation of critical habitat for S-CCC steelhead uses the term primary constituent elements (PCEs). The new critical habitat regulations (81 FR 7414) replace this term with physical or biological features (PBFs). This shift in terminology does not change the approach used in conducting our analysis, whether the original designation identified primary constituent elements, physical or biological features, or essential features. In this letter of concurrence, we use the term PBF to mean PCE. PBFs include sites essential to support one or more life stages of the species. These sites in turn contain physical and biological features that are essential to the conservation of the species. The PBFs of designated critical habitat for S-CCC steelhead include freshwater migration corridors free of obstruction and excessive predation, with water quantity and quality conditions and natural cover such as submerged and overhanging large wood, aquatic vegetation, large rocks and boulders, side channels, and undercut banks supporting juvenile and adult mobility and survival.

The proposed action is likely to result in localized impacts to surface flows from the operations of the diversions, water quality from construction of the diversion facilities, as well as permanent impacts to the bed and banks of the Reclamation Ditch, regional groundwater recharge, and water quality improvements within downstream waters.

Snider *et al.* (2016) indicates the diversion of the agricultural wash water would result in the loss of seepage into the Salinas River of between 0 and 3 cfs, with the greater amounts occurring during summer and fall when steelhead are not migrating. Demand for wash waters during winter and spring, when steelhead migration occurs, is much lower and therefore diversion of these source waters would be reduced or non-existent during these periods.

Regarding diversions from the Blanco Drain, per the biological opinion for the SVWP, MCWRA must bypass a minimum of 2 cfs of freshwater to the lagoon (bypass rates vary by season and water year type) when operating the SVWP. Per the water right protest settlement terms for the proposed Blanco Drain diversion (described above), the GWR Project can divert up to 6 cfs from the Blanco Drain during years when the SVWP is operating. During dry years (such as 2014-2016), the Blanco Drain supplies a majority of the freshwater surface flows to the lagoon during the dry season. When the SVWP is not operating and flow in the Salinas River is not connected, the protest settlement terms for this water right require a minimum bypass of 2 cfs from the Blanco Drain into the Salinas River/Lagoon to maintain minimum lagoon elevations (rearing space) and flows to the Old Salinas River channel.

With the incorporation of the bypass flows and operating criteria, the combined diversions of all three proposed source waters in the Salinas River watershed (Salinas stormwater runoff, agricultural wash water, and Blanco Drain) would result in reduced flows in the Salinas River near the Blanco Drain by less than 1 percent of the total flow on an annual average basis. Based on the above, NMFS believes the impact of these diversions on migration windows for steelhead and on the PBFs of critical habitat in the lower river, lagoon, and the Old Salinas River channel would be insignificant.

As with the Blanco Drain and agricultural wash waters, the demand for waters from the Reclamation Ditch will be highest during the peak irrigation season. As described above, summer flows in the Reclamation Ditch are the result of agricultural return flows and tile drainage. Because water quality (*e.g.*, water temperature) is unsuitable for steelhead rearing, steelhead are not expected to be present in the Reclamation Ditch during the peak irrigation season and NMFS expects impacts to the PBFs of critical habitat as a result of diversions during the dry season will be insignificant.

For the winter and spring periods, bypass flows and operating criteria were developed for the Reclamation Ditch diversion to protect steelhead migration opportunities. Based on fish passage analyses, a minimum of 75 cfs is required for adult steelhead to successfully pass upstream through the Reclamation Ditch. Per the operating terms, diversions will cease once flows exceed 30 cfs and would not resume until flows decline to less than 20 cfs. Based on the above, and considering the life history of steelhead, the proposed location for the new diversion, NMFS anticipates the impact of diverting a maximum of 6 cfs from the Reclamation Ditch during winter and spring on steelhead migration success to be insignificant.

By restricting in-channel construction work activities in the Reclamation Ditch to the period between July 1 and September 30, the construction schedule avoids the primary migration periods of adult and juvenile steelhead in the Reclamation Ditch. Temporary de-watering of the Salinas River is not necessary for the construction of the Blanco Drain diversion facility and

related pipelines. Similarly, NMFS expects any minor temporary increases in turbidity resulting from the construction of the diversion facility, the stream flow bypass system, or during periodic sediment removal from the 12-inch depression to settle within a short distance in the slow moving water and not affect the condition of critical habitat in the Reclamation Ditch. As shown in Figure 3, the banks of the Reclamation Ditch lack vegetation, which exposes them to erosion. Any minor and temporary increases in turbidity during the first storm following construction would be similar to ambient conditions during storm events in the Reclamation Ditch (Casagrande and Watson 2006) and would therefore be discountable.

The Reclamation Ditch diversion facility will be equipped with a NMFS-approved, self-cleaning cone screen that is designed to meet NMFS criteria for slot size and velocities for steelhead fry. Steelhead are extremely rare in the Reclamation Ditch (and the Gabilan Creek watershed) and the proposed diversion will be located in an area used only as a migratory corridor for adult and smolt life stages. Also, the modified channel design will increase the depth near the intake and ensure fish have enough depth to swim away from the intake. As a result, NMFS believes direct impacts to migrating steelhead related to impingement or entrainment are discountable. The applicants agreed to allow NMFS engineers to periodically access and inspect the screen to ensure adequate performance. The Blanco Drain diversion facility is not located within anadromous waters, and therefore construction of this new diversion facility would not result in direct impacts to steelhead.

The addition of an open-cell concrete mat surrounding the new diversion within the Reclamation Ditch will result in a small area of channel armoring. However, the use of the open cell design would reduce the roughness of the armoring and will allow fine sediments to settle and fill the interstitial voids between the placed gravel. In turn, this would allow vegetation to recolonize the area. Based on the small area to be affected by the mats, and considering the Reclamation Ditch is used as migratory habitat for steelhead, NMFS believes the impacts to critical habitat PBFs from the addition of the mat would be insignificant.

The GWR Project will likely result in benefits to the S-CCC steelhead DPS, as well as EFH utilized by several Federally managed fisheries (*e.g.*, estuarine habitats in the Salinas River, Old Salinas River channel, Moss Landing Harbor, *etc.*). As described above, one of the primary objectives of this project is to provide up to 3,500 AFY of recycled water for injection into the Seaside Groundwater Basin, which would allow Cal-AM to reduce its diversions from the Carmel River Groundwater Basin by equal amount (Snider *et al.* 2016). NMFS has identified the Carmel River steelhead population as a Core 1 population for the recovery in its recovery plan for the S-CCC steelhead DPS (NMFS 2013). In the recovery plan, groundwater extraction was identified as a threat to the recovery of the Carmel River population. Furthermore, additional product waters will be delivered to agricultural users in Castroville area for direct irrigation. This will further reduce groundwater pumping in the northern-most reaches of the Salinas Groundwater Basin, which would help reduce the rate of seawater intrusion into the 180- and 400-foot aquifers.

As described above, the primary sources of the raw waters for the GWR Project are agricultural return flows (including tile drainage), urban runoff, and industrial wash waters. These waters have a long history of pollution and are currently discharged into designated critical habitat, the

Elkhorn Slough State Marine Reserve, and the Monterey Bay National Marine Sanctuary. The removal, treatment, and reuse of these waters will substantially reduce pollutant loads to these sensitive habitats that support S-CCC steelhead, several federally managed fisheries, and protected marine mammals.

Construction and operation of the following GWR Project components would not be located adjacent to water bodies and therefore would not affect S-CCC steelhead or their designated critical habitat: the AWTF, product water conveyance pipelines and booster stations, and injection well facilities.

Conclusion


Based on this analysis, NMFS concurs with the U.S. EPA that the proposed action is not likely to adversely affect S-CCC steelhead or its designated critical habitat.

Reinitiation of Consultation

Reinitiation of consultation is required and shall be requested by U.S. EPA or by NMFS, where discretionary Federal involvement or control over the action has been retained or is authorized by law and (1) new information reveals effects of the action that may affect listed species or critical habitat in a manner or to an extent not previously considered; (2) the identified action is subsequently modified in a manner that causes an effect to the listed species or critical habitat that was not considered in this concurrence letter; or if (3) a new species is listed or critical habitat designated that may be affected by the identified action (50 CFR 402.16). This concludes the ESA portion of this consultation.

Please direct questions regarding this letter to Joel Casagrande at (707) 575-6016 or by email at joel.casagrande@noaa.gov.

Sincerely,

for 
Barry A. Thom
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Copy to Chron File

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RECEIVED

NOV 22 2016

MPWMD

November 18, 2016

Att: David Stoldt, General Manager
 Monterey Peninsula Water Management District (MPWMD)
 5 Harris Ct., Bldg G,
 Monterey, CA 93940

Subject: Compensation Agreement - Transfer of Former City of Monterey Redevelopment Agency Property at 300 Pacific Street, Monterey, California to the City of Monterey

Dear Mr. Stoldt,

This letter introduces a request that Monterey Peninsula Water Management District (MPWMD) review and approve a compensation agreement regarding the proposed transfer of property at 300 Pacific Street from the Successor Agency of the City of Monterey Redevelopment Agency (Successor Agency) to the City of Monterey (City). As contemplated in the long range property management plan approved by the Department of Finance the Successor Agency will transfer the property at no cost to the City for future development. The compensation agreement acknowledges the transfer will generate no proceeds and there will be no distribution as property tax to local taxing entities, because all proceeds generated from the property at 300 Pacific Street are restricted for use under contracts and laws that pre-date the dissolution of redevelopment agencies in the State of California, and can only be used by the City for specific purposes and cannot be distributed to other taxing entities.

Restrictions on proceeds generated from the property limit their use to activities that meet one of U.S. Department of Housing and Urban Development (HUD) national objectives, which require not less than 70 percent of the funds to be used for activities that benefit low- and moderate-income persons and are eligible Community Development Block Grant (CDBG) expenditures. Examples of activities that are supported by Hotel Pacific proceeds include: rental assistance to low-income households, development of low-income rental housing, counseling and street outreach to individuals experiencing homelessness, supplemental food assistance programs, legal services for seniors, motel vouchers for emergency shelter, and housing rehabilitation grants and loans to low-income homeowners who would otherwise be unable to maintain their homes in a safe manner.

I am reaching out to all affected taxing entities to introduce the Successor Agency's request for approval of the compensation agreement. This exercise to negotiate and gain Monterey Peninsula Water Management District's (MPWMD) approval of the compensation agreement is being conducted solely to fulfill the requirements of the State of California Department of

Finance (Department of Finance) which conditioned the transfer of 300 Pacific Street upon execution of a compensation agreement between the Successor Agency and all of the affected taxing entities. City staff is ready and willing to meet with appropriate agency staff to answer questions and provide whatever additional details are needed for a full understanding of this property transfer and of the terms of the compensation agreement.

Background

The Redevelopment Dissolution Act (AB 1x 26 and AB 1484) and ensuing court actions, eliminated all redevelopment agencies in the state on January 31, 2012 and established procedures for disposing agency assets. Disposition of redevelopment agency real property is one of the requirements. In many cases the Successor Agency is required to distribute resultant proceeds from the disposition of property as property tax to local taxing entities. In cases where the Successor Agency proposes to transfer property to the city that created the redevelopment agency to further redevelopment that is consistent with the city's redevelopment plan the successor agency is required to negotiate and obtain a compensation agreement with all of the affected taxing entities.

The Successor Agency's approved long range property management plan authorizes the transfer of 300 Pacific Street to the City for the purpose of further redevelopment consistent with the City's Custom House Redevelopment Plan. The Department of Finance approved transfer of the property on December 22, 2015 subject to execution of a compensation agreement.

Property Summary

The property at 300 Pacific Street was assembled by the City of Monterey Urban Renewal Agency using U.S. Department of Housing and Urban Development (HUD) Urban Renewal Funds and developed pursuant to a ground lease as a hotel. The lease terminates December 31, 2058. The hotel is the Hotel Pacific. It was completed in 1986. In accordance with HUD requirements all current and future proceeds generated from the property shall be treated as Community Development Block Grant (CDBG) program income and solely used to support CDBG eligible activities. Consistent with this requirement all rent revenue earned under the lease is applied to the City's CDBG programs. In Fiscal Year 2015-2016 the Hotel Pacific lease generated over \$300,000 in ground rent.

The December 22, 2015 Department of Finance approval of the Successor Agency's property disposition plan for 300 Pacific Street authorizes assignment of the ground lease and transfer of the property to the City. The disposition plan allows the City to use the funds according to the restrictions and continue to fulfill the contractual obligations of the City's former Redevelopment Agency related to the property. This transfer also conforms to Redevelopment Agency Dissolution Act statutes, ABx1 26 and AB 1484, as a transfer of property to be retained for future development.

Under the approved long range property management plan, the assignment of the ground lease does not require execution of the compensation agreement. The assignment is authorized pursuant to Ground Lease Condition 1.C and it is already in process. Ground Lease Condition 1.C states:

"Succession by City of Monterey. The Agency may assign all right, title and interest in this lease to the City of Monterey. In said event, or in the event the Agency is terminated by Action of law, the City shall automatically succeed to all right, title and obligation under this lease, and this lease shall be deemed amended by substituting the word

"City" wherever the word "Agency" appears."

Transferring the fee title to the property to the City is the final disposition step and one of the last tasks of the Successor Agency.

Compensation Agreement

It is the Successor Agency's intent to transfer the fee title to the property to the City to ensure all proceeds from the property continue to be used to fulfill the obligations of the City's former Redevelopment Agency to use the funds consistent with CDBG restrictions. Consequently, any and all revenue generated from lease or proceeds generated through disposition of the property are only to be distributed the City to fund CDBG eligible programs and activities. There is no authority to distribute any proceeds from the transfer of the lease and property to local taxing entities.

The determination that this transfer should take place without compensation is based on the following findings:

1. The property is subject to a Lease and assignment of the Lease to the City is an enforceable obligation. The Lease is dated October 29, 1984, as amended several times, with the last amendment dated January 1, 2004, The Lease terminates December 31, 2058. Paragraph I.C. of the Lease states, "...or in the event the Agency is terminated by action of law, the City shall automatically succeed to all right, title and obligation under the lease...".
2. Pursuant to Lease Paragraph I.C upon termination of the Redevelopment Agency the City shall automatically succeed to all right, title and obligation under the Lease. This transfer is an enforceable obligation specified in the lease.
3. The property was acquired by Urban Renewal Agency through use of Federal HUD loan and grant, (Loan and Grant Contract No. Calif. R-34 for Urban Renewal Project). There is no documentation to suggest that tax increment funding was used to assist in the assembly of the property that has been developed into the Hotel Pacific. Resolution No. 12,858 indicates that prior to completing the Urban Renewal Project "The Council authorizes the use of local fund, including CDBG funds to construct the public improvements required by the Plan which have not commenced at the time of settlement."
4. Property grant deeds are in the name of the to Urban Renewal Agency, not to the City of Monterey Redevelopment Agency.
5. The HUD Agreement states: "The proceeds from the disposition of any property listed above (note Custom House Redevelopment Plan Parcels H-2, H-4 and I-1 are listed) after the financial settlement shall be treated as program income of the City under provisions of 24 CFR 570.206."* These are CDBG eligible activities and all current rental proceeds earned under the lease are applied to the City of Monterey CDBG programs. Upon completion of the transfer the City of Monterey is required to continue to treat all proceeds generated from the property as CDBG program income as required under the HUD Agreement.
6. Directing continued use of the property as a hotel use and continued use of ground lease rental proceeds as program income is consistent with requirements in the

Redevelopment Plan and HUD Agreement. Transfer to the City of Monterey to retain for these purposes is consistent with HSC Sections 34191.5(c)(2) as property used to fulfill an enforceable obligation and, as required by the DOF under HSC Section 34191.5(c)(2)(A) as property retained for future development.

7. Pursuant to the HUD Agreement proceeds from the disposition of the 300 Pacific Street property must be treated as program income of the City under provisions of 24 CFR 570.206¹. Program income is required to be used for activities that meet one of the CDBG national objectives, which require not less than 70 percent of the aggregate amount of CDBG funds to be used for activities that benefit low and moderate income persons. HUD has indicated that any sale proceeds generated from the sale of the property must be used in accordance with all CDBG requirements and never loses its CDBG affiliation.
8. The City of Monterey currently administers a robust CDBG program providing services and projects to benefit low and moderate income persons. Because of this existing program the City of Monterey is the appropriate public jurisdiction to receive the property transfer. The City of Monterey is required as the unit of the general local government to use the disposition proceeds in a manner that is compliant with the HUD Agreement. The HUD Agreement and the CDBG regulations prohibit transferring the proceeds generated from the property to the taxing entities for any disbursement provided in the Redevelopment Dissolution Statutes, ABx1 26, as amended by AB 1484.
9. Transfer to the City of Monterey to fulfill an enforceable obligation under the Ground Lease and to retain for future development is consistent with HSC Section 34191.5(c)(2)(A) because the City is also the appropriate public jurisdiction pursuant to the existing lease agreement, HUD Agreement, the Housing Act of 1949, as amended and CDBG regulations.
10. Transfer to the City of Monterey without compensation is warranted because the Lease states, "...or in the event the Agency is terminated by action of law, the City shall automatically succeed to all right, title and obligation under the lease..."; and the HUD Agreement states: "The proceeds from the disposition of any property ...after the financial settlement shall be treated as program income of the City under provisions of 24 CFR 570.206." These agreements, together with the applicable federal statutes and regulations require that all program income be used to fund CDBG eligible programs conforming to 24 CFR 570.504 and supports the Successor Agency's intent to execute compensation agreements with local taxing entities that will expressly: (a) restrict the distribution and use of program income generated under the Lease or from the sale or disposition of the property and any subsequent transfer; and (b) state that such revenues will not be available for distribution to the local taxing entities.
11. The Urban Renewal Program was a federal program authorized by HUD to provide economic development to local government. It was a government program, federal funded with covenants that restricted any future uses contrary to the purpose of the program. The property and Lease for the hotel project serves a national objective of the CDBG program conforming to 24 CFR 570.504 as required by HUD under the Housing Act of 1949, as amended.

¹ 24 CFR 570.504 is the correct citation

Conclusion

The compensation agreement that is proposed by the Successor Agency constitutes the Successor Agency's good-faith efforts to transfer 300 Pacific Street to the City of Monterey in a manner that complies with the requirements of the Redevelopment Agency Dissolution Act statutes, the Department of Finance and the HUD. I am hopeful your agency will support a recommendation to your Board of Directors to approve the attached compensation agreement as proposed and return an executed copy of the compensation agreement no later than February 29, 2017.

Any questions or request for a meeting to discuss the compensation agreement may be directed to Richard S. Marvin, City of Monterey Housing and Property Manager at (831) 646-3995 or marvin@monterey.org

Sincerely,


Michael McCarthy
City Manager

Attachment: Compensation Agreement

c: Mayor and City Council
Oversight Board Chair and Members
Successor Agency Long Range Property Management Plan File

**COMPENSATION AGREEMENT
(Pacific Hotel)**

This Agreement, dated for reference purposes as of _____, 20__ is entered into by and among the Monterey Successor Agency (the "Successor Agency"), successor in interest to the dissolved Redevelopment Agency of the City of Monterey (the "Former Agency"), the City of Monterey, the Monterey County, the Monterey County Water Resources Agency (MCWRA Zone 11), the Monterey Peninsula Water District, the Monterey Regional Park District, the Monterey County Office of Education, the Monterey Peninsula Unified School District, and Monterey Peninsula College, on the basis of the following facts, understandings, and intentions of the Parties:

RECITALS

A. These Recitals refer to and utilize certain capitalized terms which are defined in Section 1 of this Agreement. The Parties intend to refer to those definitions in connection with the use thereof in this Agreement.

B. Pursuant to the Redevelopment Dissolution Statutes, the Former Agency was dissolved as of February 1, 2012, and the Successor Agency became responsible for paying the enforceable obligations, disposing of the properties and other assets, and unwinding the affairs of the Former Agency.

C. Accordingly, ownership of the Former Agency's properties that had been acquired to implement the Redevelopment Plan transferred to the Successor Agency for disposition in accordance with the Redevelopment Dissolution Statutes.

D. The City of Monterey received an Urban Renewal Grant, from the United States Department of Housing and Urban Development ("HUD"), under Loan and Grant Contract No. Calif. R-34 (LG), which the City used the HUD grant funds to acquire property commonly referred to as the Hotel Pacific Property located at 300 Pacific Street, City of Monterey, County of Monterey, California, as further described in the attached Exhibit A, incorporated herein by this reference (the "Property").

E. The Property was acquired in the name of the "Urban Renewal Agency of the City of Monterey" which was later renamed "Redevelopment Agency of the City of Monterey." Though title to the Property remained in the name of the Urban Renewal Agency, the Former Agency owned the Property until it was dissolved pursuant to the California Dissolution Statutes.

F. The Property is subject to a long-term lease which facilitated the construction of a hotel on the Property (the "Lease"), a copy of the Lease is attached hereto as Exhibit B and incorporated herein by this reference.

G. Paragraph 1.C of the Lease provides, that the Former Agency "may assign all right, title and interest in this lease to the CITY OF MONTEREY. In said event, or in the event the [Former] Agency is terminated by action of law, the City shall automatically succeed to all

right, title and obligation under the lease, and this lease shall be deemed amended by substituting the word "City" wherever the word Agency appears. [emphasis added]"

H. Upon completion of the project, HUD approved that certain project, Urban Renewal Agency-City of Monterey Closeout Agreement (the "Closeout Agreement"), by and between HUD, the Urban Renewal Agency and the City which specifically requires that all lease revenues generated at the Property and all proceeds from the disposition of the Property be used by the City as program income under 24 C.F.R. §570.801, and used solely to further the CDBG national objectives under the provisions of 24 C.F.R. §570.506. The Closeout Agreement is a valid and binding obligation that continues to restrict the use of revenues and property disposition proceeds generated at the Property.

I. The Successor Agency received a "Finding of Completion" from the DOF on September 10, 2013, confirming that the Successor Agency had made specified required payments under the Redevelopment Dissolution Statutes, and entitling the Successor Agency to prepare and submit a Long-Range Property Management Plan (the "LRPMP", as further defined in Section 1) to the Oversight Board and the DOF for approval.

J. The Successor Agency initially prepared and obtained Oversight Board approval of its LRPMP on February 26, 2014, calling for the Former Agency's Property to be transferred by the Successor Agency to the City for governmental use and to fulfill an enforceable obligation. Under the initial LRPMP, the Successor Agency proposed to transfer the Property to the City for public use and to fulfill the terms of the Lease, an enforceable obligation as defined in Health and Safety Code 34171(d). The intent being that the City would continue to own the Property and continue to use the lease revenue to further the national objectives consistent with the CDBG regulations.

K. The DOF directed that, in order to obtain DOF approval, the initial LRPMP needed to be amended to provide for: (1) an assignment of the Former Agency's interest in the Lease to the City; and (2) transfer of the fee title to the Property to the City subject to the preparation and execution of a compensation agreement among the City and the Taxing Entities pursuant to Health and Safety Code Section 34180(f).

L. To comply with this DOF directive, the Successor Agency revised the LRPMP through an amendment approved by the Oversight Board and submitted to the DOF on October 28, 2015. The DOF approved the Revised LRPMP by determination letter issued on December 22, 2015. Under the revised LRPMP, transfer of the Property to the City is intended to allow the City to fulfill the duties and obligations of the Former Agency under the Lease and the Closeout Agreement.

M. In fulfillment of the Paragraph 1.C of the Lease and the LRPMP, the Successor Agency and the City executed that certain Assignment and Assumption of Ground Lease Agreement, dated as of February __, 2016, under which the Successor Agency assigned on behalf of itself and the Former Agency, all of the Former Agency's right, title, and interest in and obligations under the Lease to the City.

N. As designated in the LRPMP, the Successor Agency now desires to transfer the fee interest in the Property to the City for retention by the City for future development for a project in approved redevelopment plan as allowed under Health and Safety Code Section 34191.5(c)(2).

O. The Parties desire to enter into this Agreement to comply with the DOF directives and the terms of the Revised LRPMP. The Parties acknowledge that the restrictions of the Closeout Agreement and the Lease, result in none of the lease revenue funds or the property disposition funds being distributed to any other entity or used for anything other than as program income of the City under the provisions of 24 CFR 570.506.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Definitions. The following definitions shall apply in this Agreement:

(a) "Agreement" means this Compensation Agreement, as this Agreement may be amended from time to time.

(b) "Applicable Shares" has the meaning given in Section 6(a).

(c) "Auditor-Controller" means the Monterey County Auditor-Controller.

(d) "City" means the City of Monterey, a California charter city.

(e) "County" means the County of Monterey, a political subdivision of the State of California.

(f) "Restricted Proceeds" means, with respect to the Property, any and all of the lease and other revenue funds or the property disposition funds generated at the Property, all of which are deemed to be restricted as program income under 24 CFR 570.801 for use by the City to meet the CDBG national objectives under 24 CFR 570.506.

(g) "DOF" means the California Department of Finance.

(h) "Effective Date" has the meaning given in Section 2.

(i) "ERAF" means the Educational Revenue Augmentation Fund maintained by the Auditor-Controller.

(j) "Former Agency" means the dissolved Redevelopment Agency of the City of Monterey.

(k) "LRPMP" means the Revised Long-Range Property Management Plan of the Successor Agency as it exists from time to time. As of the date of this Agreement, the LRPMP consists of the revised Long-Range Property Management Plan dated December 7, 2015, as approved by the Oversight Board on December 7, 2015. The DOF approved the LRPMP in the determination letter dated December 22, 2015.

(l) "Oversight Board" means the Successor Agency's oversight board established and acting in accordance with the Redevelopment Dissolution Statutes.

(m) "Parties" means all of the parties to this Agreement as set forth in the opening paragraph of this Agreement. "Party" means one of the Parties individually.

(n) "Property" has the meaning set forth in Recital D.

(o) "Redevelopment Dissolution Statutes" means collectively ABx1 26 enacted in June 2011, AB 1484 enacted in June 2012, and SB 107, enacted September 2015, and any future amendments that may apply.

(p) "Redevelopment Plan" means the Redevelopment Plan for the Custom House Redevelopment Project Area, adopted by Ordinance No. 1255 C.S. on July 5, 1061 and amended by the following ordinances:

Ordinance No. 1449 C.S. on July 6, 1065

Ordinance No. 1571 C.S. on July 5, 1967

Ordinance No. 1737 C.S. on July 7, 1970

Ordinance No. 1867 C.S. on November 21, 1972

(q) "Successor Agency" means the Successor Agency of the dissolved Redevelopment Agency of the City of Monterey.

(r) "Taxing Entities" means, collectively, the following entities that comprise affected taxing entities for purposes of the Redevelopment Dissolution Statutes: the City of Monterey, the Monterey County, the Monterey County Water Resources Agency (MCWRA Zone 11), the Monterey Peninsula Water District, the Monterey Regional Park District, the Monterey County Office of Education, the Monterey Peninsula Unified School District, and Monterey Peninsula College. "Taxing Entities" shall also mean and include ERAF if and to the extent the Auditor-Controller determines that ERAF is entitled to a distribution of compensation pursuant to Section 6 and the provisions of Health and Safety Code Section 34188. Notwithstanding anything to the contrary herein, ERAF is only considered a Taxing Entity for purposes of distributing funds and for no other purpose, and no additional approval or signature will be required on behalf of ERAF.

Section 2. Effectiveness of Agreement.

(a) This Agreement shall become effective only upon satisfaction of the following conditions:

(1) Approval of this Agreement by the Taxing Entities' governing boards and direction for the Taxing Entities to execute this Agreement; and

(2) Approval of this Agreement by the Successor Agency's governing board and direction for the Successor Agency to execute and implement this Agreement pursuant to Health and Safety Code Section 34180(f)

(b) Promptly following the effectiveness of this Agreement, the City and the Successor Agency shall transmit notice to all the other Parties that the Agreement is effective and specifying the date the Agreement became effective (the "Effective Date").

Section 3. Signatories With Respect To Certain Funds.

(a) Flood Control District Funds. The Monterey County Water Resources Agency (the "Water Resource Agency") administers the following special funds, and, in addition to entering into this Agreement for the Water Resource Agency itself, is authorized to, and has entered into and executed this Agreement on behalf of the following:

- (1) Monterey County Water Resource Agency; and
- (2) Monterey County Water Resource Agency Zone 11.

(b) Office of Education Funds. The Monterey County Office of Education (the "County Office of Education") administers funds for the following special funds, and, in addition to entering into this Agreement for the County Office of Education itself, is authorized to, and has entered into this Agreement on behalf of the following:

- (1) County Office of Education Instruction Pupils Fund;
- (2) Juvenile Hall Education Fund;
- (3) Services Fund;
- (4) Capital Fund;
- (5) Development Center Fund; and
- (6) Audio Visual Capacity Fund. [Note: There is a need to confirm

separate funds.]

(c) ERAF. ERAF may be entitled to a distribution pursuant to Section 6 of a portion of the Applicable Share. Pursuant to instruction and direction from the DOF and the Auditor-Controller, there is no need for a separate signatory to execute this Agreement on behalf of ERAF because the ultimate beneficiaries of any distribution of Applicable Shares to ERAF are themselves Taxing Entities that are signatories to this Agreement.

Section 4. Conveyance of Property to City. Promptly following the execution of this Agreement, the Successor Agency shall convey, and the City shall accept, all of the Former Agency's fee interest in and to the Property. The Successor Agency shall convey the Property by quitclaim deed in form reasonably acceptable to the Successor Agency and the City. In accordance with Health and Safety Code Sections 34179(h)(1)(D) and (E), and Section 34191.5(f), no further approval of the Oversight Board or the DOF will be necessary to effectuate the transfers contemplated herein.

Section 5. Retention of Property by City.

(a) Upon the transfer of the Property to the City, pursuant to Section 4 above, the City shall retain the Property to fulfill the terms of the Lease and the Closeout Agreement.

(b) Notwithstanding anything to the contrary, as designated in the LRPMP, the City shall also retain the Property for future development for a project in approved redevelopment plan as allowed under Health and Safety Code Section 34191.5(c)(2).

Section 6. Compensation To Taxing Entities Related To Property Transfers.

(a) Distribution of Restricted Proceeds. The City shall retain any and all Restricted Proceeds generated by the Property, for use by the City as program income under the provisions of 24 C.F.R. §570.801 to further the CDBG national objectives 24 C.F.R. §570.506. Because all funds generated at the Property are deemed Restricted Proceeds, the City will not be required to distribute any funds to the Auditor-Controller for future distribution among the Taxing Entities in proportion to their shares of the base property tax (the "Applicable Shares"), as determined by the Auditor-Controller pursuant to Health and Safety Code Section 34188. The attached Exhibit B shows the distribution of Restricted Proceeds and Applicable Shares of the Taxing Entities that would have applied to a distribution under this Section 6 had the distribution been made on January 1, 2016, as provided by the Auditor-Controller.

Section 7. Term of Agreement; Early Termination.

(a) Term. The term of this Agreement shall commence on the Effective Date and terminate upon the transfer of the Property to the City pursuant to Section 4, above ("Termination"). Within five (5) business days of transfer of the Property from the Successor Agency to the City, the City shall send a notice of termination of this Agreement to all the Taxing Entities (the "Termination Notice").

(b) Termination. Upon Termination of this Agreement and transmittal of the Termination Notice, no Party shall have any further rights or obligations under this Agreement, and the City may continue to collect and retain the Restricted Proceeds from the Property, including any and all Restricted Proceeds that the City has not yet received as of the effective date of the Termination, the rights of the City to collect any and all Restricted Proceeds shall survive termination of this Agreement.

Section 8. Miscellaneous Provisions.

(a) Notices. All notices, statements, or other communications made pursuant to this Agreement to another Party or Parties shall be in writing, and shall be sufficiently given and served upon the Party if sent by: (1) United States certified mail, return receipt requested, postage prepaid; or (2) nationally recognized overnight courier, with charges prepaid or charged to sender's account, and addressed to the applicable Party in the manner specified in the attached Exhibit A. Any Party may change its address for notice purposes by written notice to the other Parties prepared and delivered in accordance with the provisions of this Section 9(a).

(b) No Third Party Beneficiaries. No person or entity other than the Parties and their permitted successors and assigns, shall have any right of action under this Agreement.

(c) Litigation Regarding Agreement. In the event litigation is initiated attacking the validity of this Agreement, each Party shall in good faith defend and seek to uphold the Agreement; provided, however, that the costs of such litigation shall be borne solely by the City and/or the Successor Agency.

(d) State Law; Venue. This Agreement, and the rights and obligations of the Parties hereto, shall be construed and enforced in accordance with the laws of the State of California. Any action to enforce or interpret this Agreement shall be filed and heard in the Superior Court of Monterey County, California or in the Federal District Court for the Northern District of California.

(e) Attorneys' Fees. In any action which a Party brings to enforce its rights hereunder, the unsuccessful Party or Parties shall pay all costs incurred by the prevailing party, including reasonable attorneys' fees.

(f) Entire Agreement; Amendment. This Agreement constitutes the entire and integrated agreement of the Parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be modified only in writing and only if signed by all of the Parties.

(g) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon, provided such signature page is attached to any other counterpart identical thereto having additional signature pages executed by the other Parties. Any executed counterpart of this Agreement may be delivered to the other Parties by facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

(h) Non-Waiver. No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement will be effective unless it is in writing and signed by the waiving Parties.

(i) No Partnership. Nothing contained in this Agreement shall be construed to constitute any Party as a partner, employee, joint venturer, or agent of any other Party.

(j) Ambiguities. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

(k) Exhibits. The following exhibits are incorporated in this Agreement by reference:

Exhibit A: List of Addresses for Notice Purposes

Exhibit B: Illustrative Distribution of Restricted Proceeds and Applicable Shares

(l) Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

(m) Action or Approval. Whenever action and/or approval by the City is required under this Agreement, the City Manager or the City Manager's designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in the City Manager's discretion that such action or approval requires referral to the City Council for consideration. Whenever action and/or approval by the Successor Agency is required under this Agreement, the Successor Agency Executive Director or the Successor Agency Executive Director's designee may act on and/or approve such matter unless specifically provided otherwise, or unless the Successor Agency Executive Director determines in the Successor Agency Executive Director's discretion that such action or approval requires referral to the Successor Agency Board for consideration.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth in the opening paragraph of this Agreement.

MONTEREY SUCCESSOR AGENCY, a
separate legal entity pursuant to Health & Safety
Code §34173

By: _____
Clyde Roberson, Chair

Dated: _____

APPROVED AS TO FORM OF LEGALITY:

Dianne J. McLean, Esq.
Goldfarb & Lipman LLP
City Special Counsel

ATTEST:

City Clerk

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

CITY OF MONTEREY, a California charter city

By: _____
Clyde Roberson, Mayor

Dated: _____

APPROVED AS TO FORM:

City Attorney

ATTEST:

City Clerk

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

COUNTY OF MONTEREY, a political subdivision of the State of California

By: _____

Name: _____

Its: _____

Dated: _____

APPROVED AS TO FORM:

County Counsel

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

MONTEREY PENNINSULA WATER DISTRICT

By: _____

Name: _____

Its: _____

Dated: _____

APPROVED AS TO FORM:

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

MONTEREY REGIONAL PARK DISTRICT

By: _____

Name: _____

Its: _____

Dated: _____

APPROVED AS TO FORM:

The Monterey County Water Resources Agency administers the following authorized special funds, and in addition to executing this Agreement for the Water Resources Agency itself, is authorized to, and has executed this Agreement on behalf of each of the following entities and funds:

Monterey County Water Resources Agency; and
Monterey County Water Resources Agency Zone 11.

**MONTEREY COUNTY WATER
RESOURCES AGENCY**

By: _____

Name: _____

Its: _____

Dated: _____

APPROVED AS TO FORM:

The Monterey County Office of Education administers the following authorized special funds, and in addition to executing this Agreement for the Office of Education itself, is authorized to, and has entered into and executed this Agreement on behalf of the following entities and funds:

- Monterey County office of Education;
- County Office of Education Instruction Pupils Fund;
- Juvenile Hall Education Fund;
- Services Fund;
- Capital Fund;
- Development Center Fund; and
- Audio Visual Capacity Fund. [Note: Confirm fund names]

MONTEREY COUNTY OFFICE OF EDUCATION

By: _____

Name: _____

Its: _____

Dated: _____

APPROVED AS TO FORM:

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

MONTEREY PENNINSULA UNIFIED SCHOOL DISTRICT

By: _____

Name: _____

Its: _____

Dated: _____

APPROVED AS TO FORM:

Whereas this Agreement has been entered into by the undersigned as of the date first written above.

MONTEREY PENNINSULA COLLEGE

By: _____

Name: _____

Its: _____

Dated: _____

APPROVED AS TO FORM:

EXHIBIT A

LIST OF ADDRESSES FOR NOTICE PURPOSES

Monterey Successor Agency 580 Pacific Street Monterey, CA 93940 Attn: Executive Director	City of Monterey 580 Pacific Street Monterey, CA 93940 Attn: City Manager
County of Monterey 1221 Oak Street, Suite 555 Monterey, CA 94612 Attn: _____	Monterey Peninsula Unified School District Attn: _____
Monterey County Water Resources Agency Attn: _____	Monterey County Office of Education Attn: _____
Monterey Peninsula Water District Attn: _____	Monterey Peninsula College Attn: _____
Monterey Regional Park District Attn: _____	

EXHIBIT B**ILLUSTRATIVE DISTRIBUTION OF RESTRICTED PROCEEDS AND
APPLICABLE SHARES**

Below is an illustrative distribution of Restricted Proceeds and Applicable Shares of the Taxing Entities that would have applied to a distributions under Section 6 of the Compensation Agreement, had such distribution been made on January 1, 2016. Parties acknowledge that the restrictions of the Closeout Agreement and the Lease, result in none of the lease revenue funds or the property disposition funds being distributed to any other entity or used for anything other than as program income of the City under the provisions of 24 CFR 570.506.

<u>Taxing Entity/Fund</u>	<u>Restricted Funds Share</u>	<u>Property Tax Share</u>
City of Monterey	100%	17.29%
Monterey County	0%	13.81%
Monterey County Water Resources Agency	0%	0.10%
Monterey County Water Resources Agency Zone 11	0%	0.02%
Monterey Regional Park District	0%	1.02%
Monterey County Office of Education	0%	2.79%
Monterey Peninsula Unified School District	0%	45.90%
Monterey Peninsula College	0%	4.96%
ERAF	0%	13.59%
Monterey Peninsula Water District	0%	0.51%
TOTAL	100%	99.99%

ITEM: ACTION ITEM (Revised on January 24, 2017)

14. CONSIDER AUTHORIZATION FOR GENERAL MANAGER TO CONTRACT FOR LOS PADRES DAM ALTERNATIVES STUDY

Meeting Date:	January 25, 2017	Budgeted:	Yes
From:	Dave Stoldt, General Manager	Program/ Line Item No.:	Augment Water Supply 1-1-2 Los Padres Dam Long Term Plan
Prepared By:	Larry Hampson	Cost Estimate:	\$500,000 (reimbursable)

General Counsel Review: N/A

Committee Recommendation: The Water Supply Planning Committee reviewed this item on January 11, 2017 and recommended approval. The Administrative Committee reviewed this item on January 18, 2016 and recommended approval.

SUMMARY: The District and Cal-Am are working cooperatively to develop a comprehensive long-term management plan for Los Padres Dam and Reservoir. In addition, the California Department of Fish and Wildlife (CDFW) and the National Marine Fisheries Service (NMFS) have a significant role in this effort by providing input and critical review of component studies. Attached as **Exhibit 14-A** and **Exhibit 14-B** are proposals received from AECOM and MWH in response to the Request for Proposals for Los Padres Dam and Reservoir Alternatives and Sediment Management Study.

The proposed work focuses on three main alternatives: 1) management of existing and future sediment accumulation in the reservoir; 2) expansion of reservoir storage; and 3) dam removal. The work is related to efforts involving watershed and steelhead habitat modeling that the District will complete in 2017 and that will be used to inform analysis of the alternatives developed in the Los Padres Dam alternatives study.

RECOMMENDATION: The Board should accept the AECOM proposal and authorize the General Manager to enter into a contract with AECOM for a not-to-exceed amount of \$500,000.

DISCUSSION:

Scope of Work: AECOM's proposal included significantly more detail on the approach to the scope. This was true in every section except for the work to locate and obtain reservoir sediment samples, where the MWH proposal was more robust. AECOM's proposal shows a clear understanding of the need to consider the water supply function of Los Padres Reservoir in a dam removal alternative and the proposal devotes a considerable amount of discussion to analyzing the impact to steelhead from potential changes in sediment load. There are some tasks in MWH's proposal where it is not clear how the task would be accomplished.

Qualifications. AECOM's team appears stronger overall and has relevant experience for this project both from previous and present work on the Carmel River and from other projects with similar issues around the State of California.

Project Management. It is noted that the AECOM team will include a Principal-in-Charge, Noel Wong, who served as Project Manager for the initial alternative evaluations for seismic mitigation at the San Clemente Dam. Interest in this project at a high level of management could assure a top quality product.

Cost. AECOM's proposal at about \$500,000 is almost 40% lower in cost than the MWH proposal at about \$800,000. Expenses for this study are reimbursable under an agreement with Cal-Am and funding was approved by the California Public Utilities Commission as part of the 2015-2017 General Rate Case.

The Water Supply Planning Committee and the Administrative Committee concurred with staff's recommendation to contract with AECOM. The Technical Review Committee for this study, which is comprised of staff from the District, Cal-Am, the National Marine Fisheries Service, the State Coastal Conservancy, and the California Department of Fish and Wildlife, also recommended selection of the AECOM proposal.

EXHIBITS

14-A AECOM proposal

14-B MWH proposal

The printed proposals are available upon request. They can also be viewed on the District's web page at www.mpwmd.net/wp-content/uploads/Jan-18-2017-Pktv2.pdf under Item 3 in the Administrative Committee packet.