

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



AGENDA

**Special Meeting and Closed Session
Board of Directors
Monterey Peninsula Water Management District**

Wednesday, January 27, 2016

3:30 pm – Special Meeting/Tour of Pure Water Monterey Demonstration Facility
14811 Del Monte Blvd. Marina, CA 93933

4:30 pm - Closed Session and 5:30 pm Continued Special Meeting
Conference Room, Monterey Peninsula Water Management District
5 Harris Court, Building G, Monterey, CA

Staff notes will be available on the District web site at

<http://www.mpwmd.net/asd/board/boardpacket/2016> by 5 PM on Friday, January 22, 2016.

The 5:30 PM Meeting will be televised on Comcast Channels 25 & 28. Refer to broadcast schedule on page 3.

3:30 PM SPECIAL MEETING Convene at Pure Water Monterey Demonstration Facility
14811 Del Monte Blvd., Marina, CA 93933

CALL TO ORDER/ROLL CALL

TOUR OF PURE WATER MONTEREY DEMONSTRATION FACILITY

ADJOURN TO 5:30 PM CONTINUED SPECIAL MEETING

4:30 PM CLOSED SESSION Convene at MPWMD Office
5 Harris Court, Bldg. G, Monterey CA 93940

As permitted by Government Code Section 54956 et seq., the Board may adjourn to closed or executive session to consider specific matters dealing with pending or threatened litigation, certain personnel matters, or certain property acquisition matters.

PUBLIC COMMENT – Members of the public may address the Board on the item listed on the Closed Session agenda.

ADJOURN TO CLOSED SESSION

1. Conference with Legal Counsel – Existing Litigation (Gov. Code 54956.9 (a))
 - A. MPWMD v CPUC (Cal-Am); CA Supreme Court Case No. S208838
 - B. Application of Cal-Am to CPUC (No. 12-04-019) - Mon. Pen. Water Supply Project

Board of Directors
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 Representative

General Manager
David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G Monterey on Friday, January 22, 2016. Staff reports regarding these agenda items will be available for public review on 1/22/2016, 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 <http://www.mpwmd.net/asd/board/boardpacket/2016>. 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 17, 2016 at 7 pm.

2. Conference with Labor Negotiators (Gov. Code 54957.6)
Agency Designated Representatives: David Stoldt, Suresh Prasad and Cynthia Schmidlin
Employee Organization: General Staff and Management Bargaining Units Represented by United Public Employees of California/LIUNA, Local 792
Unrepresented Employees: Confidential Unit

ADJOURN TO 5:30 PM CONTINUED SPECIAL MEETING

**5:30 PM CONTINUED
SPECIAL MEETING**

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

ADMINISTER OATH OF OFFICE TO MOLLY EVANS, DIRECTOR DIVISION 3

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 Minutes of the December 14, 2015 Regular Board Meeting
2. Ratify Board Committee Assignments for Calendar Year 2016
3. Ratify Appointments to Ordinance No. 152 Oversight Panel
4. Ratify Amendment to General Manager's Employment Contract
5. Consider Approval of Annual Update on Investment Policy
6. Semi-Annual Financial Report on the CAWD/PBCSD Wastewater Reclamation Project
7. Consider Adoption of Treasurer's Report for November 2015

GENERAL MANAGER'S REPORT

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

ATTORNEY'S REPORT

11. Report from District Counsel on 4:30 pm Closed Session of the Board

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

12. 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.

13. **Consider Second Reading and Adoption of Ordinance No. 168 - Amending Rules 11, and Adding Rule 23.9 to Establish a Water Entitlement for the City of Pacific Grove**
Action: The Board will receive public comment and consider second reading and adoption of Ordinance No. 168.

14. **Consider First Reading of Ordinance No. 169 – An Ordinance of the Board of Directors of the Monterey Peninsula Water Management District Repealing Regulation XV, the Expanded Water Conservation and Standby Rationing Plan, and Replacing it with Regulation XV, the Monterey Peninsula Water Conservation and Rationing Plan**
Action: The Board will receive public comment and will consider first reading of Ordinance No. 169.

15. **Consider First Reading of Ordinance No. 171 – Setting Compensation for Board Members**
Action: The Board will consider first reading of Ordinance No. 171 that would increase compensation for Directors’ attendance at meetings. The last increase was in 2006.

16. **Adopt Resolution 2016-01 to Initiate the Proposed Basin Boundary Modification Request for Recognition of the Adjudicated Seaside Groundwater Basin with the California Department of Water Resources under the Sustainable Groundwater Management Act**
Action: The Board will consider adopting Resolution No. 2016-01, and authorizing the General Manager to Notify the Department of Water Resources regarding the basin boundary modification request.

ACTION ITEMS – No Action Items are presented to the Board for consideration.

17. **Consider Expenditure for Preparation of Agency Classification/Compensation Study**
Action: The Board will consider authorizing funding for preparation of an agency classification/compensation study.

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.

18. Letters Received Supplemental Letter Packet
19. Committee Reports
20. Monthly Allocation Report
21. Water Conservation Program Report
22. Quarterly Water Use Credit Transfer Status Report
23. Monthly Water Supply and California American Water Production Report
24. Carmel River Fishery Report for December 2015
25. Quarterly Carmel River Riparian Corridor Management Program Report
26. Semi-Annual Groundwater Quality Monitoring Report

ADJOURNMENT

Board Meeting Broadcast Schedule – Comcast Channels 25 & 28	
View Live Webcast at Ampmedia.org	
Ch. 25, Sundays, 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			
Wed. February 17, 2016	Regular Board Meeting	7:00 pm	District conference room
Mon. March 21, 2016	Regular Board Meeting	7:00 pm	District conference room
Mon. April 18, 2016	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 Monday, January 25, 2016. 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.

U:\staff\Boardpacket\2016\20160127\Jan-27-Meeting-Agenda.docx

ITEM: CONSENT CALENDAR**1. CONSIDER ADOPTION OF MINUTES OF THE DECEMBER 14, 2015 REGULAR BOARD MEETING AND JANUARY 14, 2016 SPECIAL MEETING****Meeting Date: January 27, 2016** **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** and **Exhibit 1-B**, respectively, are draft minutes of the December 14, 2015 Regular Board meeting, and the January 14, 2016 Special Joint meeting of the MPWMD and Monterey Regional Water Pollution Control Agency boards of directors.

RECOMMENDATION: District staff recommends approval of the minutes with adoption of the Consent Calendar.

EXHIBIT**1-A** Draft Minutes of the December 14 , 2015 Regular Board Meeting**1-B** Draft Minutes of the January 14, 2015 Special Joint Meeting of the MPWMD and Monterey Regional Water Pollution Control Agency boards of directors



EXHIBIT 1-A

DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
December 14, 2015

The meeting was called to order at 7:05 p.m. in the Water Management District conference room.

CALL TO ORDER/ROLL CALL

Directors Present:

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

Directors Absent: Molly Evans – Division 3

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

The oath of office was administered to Andrew Clarke, Jeanne Byrne and Robert S. Brower, Sr.

**ADMINISTER OATH OF OFFICE TO
 ANDREW CLARKE, DIVISION 2;
 MOLLY EVANS, DIVISION 3;
 JEANNE BYRNE, DIVISION 4; AND
 ROBERT S. BROWER, SR., DIVISION
 5**

Tom Rowley suggested that an effort should be made to inform the public about changes to rebate amounts and conservation requirements to be considered under agenda items 8 and 18.

ORAL COMMUNICATIONS

Stoldt advised the Board that staff had submitted that evening a revised version of Attachment 1 to Resolution No. 2015-22, presented for approval under agenda item 3. He reviewed the changes highlighted in the revised document. Potter suggested that in the future, any corrections to the agenda be called out at the beginning of the meeting so the Board could vote on the modifications.

CONSENT CALENDAR

Pendergrass offered a motion that was seconded by Potter to approve the Consent Calendar, including Item 3 and the amended version of Attachment 1 to Resolution No. 2015-22. The motion was approved unanimously on a vote of 6 – 0 by

Pendergrass, Potter, Brower, Byrne, Clarke and Lewis. Evans was absent.

Approved.

1. **Consider Adoption of Minutes of the November 16, 2015 Regular Board Meeting**

Approved.

2. **Adopt Board Meeting Schedule for 2016**

Approved with revised version of Attachment 1 to Resolution No. 2015-22.

3. **Implementation of GASB Statement No. 54 and Resolution No. 2015-22 Adopting Fund Balance Policy**

Approved.

4. **Authorize a Change to the Organization Chart Replacing the Water Resources Engineer Position with a Senior Water Resources Engineer**

Approved expenditure of \$66,000.

5. **Consider Approval of Expenditure for Purchase of Ford F350 4X4 Auto Crane/Dump Truck**

Approved.

6. **Consider Adoption of Resolution 2015-24 In Support of Filing an Application to the California Department of Fish and Wildlife, Steelhead Report and Restoration Card Program**

Approved rebate of \$56,642.

7. **Approve Lawn Removal Rebate Request from Monterey Peninsula Unified School District**

Approved.

8. **Consider Adoption of Resolution No. 2015-25 – Amending Table XIV-1, Rebate Amounts (Rule 141.B)**

Approved.

9. **Consider Adoption of Treasurer's Report for October 2015**

PRESENTATIONS

General Manager Stoldt presented Michael Boles with a gift from the Board of Directors. Stephanie Locke stated that the Water Demand Division and the public would miss Mr. Boles' cheerful disposition. Vice Chair Byrne congratulated Mr. Boles on his retirement and stated that it had been a pleasure to see him working with the public in the office and at community events.

10. **Presentation to Michael Boles upon his retirement after 11 Years of Service to the MPWMD**

Stoldt reported that through the end of November 2015, water production within the Monterey Peninsula Water Resources system was 446 AF below the monthly target. He stated that rainfall in November was at 140% of the long-term average, and that unimpaired Carmel River flow was at 14% of the long-term average.

No report.

A summary of General Manager Stoldt's report is on file at the District office and on the agency website. He reported that November water use in the California American Water Distribution System was 17.7 percent below the 2013 target year use. Also, November water use in the Seaside Municipal Water Distribution System was 27% below the 2013 target year use.

A summary of Suresh Prasad's report is on file at the District office and on the agency website.

District Counsel Laredo reported that the Board met in closed session to consider agenda item 1. The Board met alone first and then asked the General Manager to participate. No action was taken and no further report was required.

No reports.

On a motion by Potter and second of Brower, the Board adopted Ordinance No. 166 on second reading by a unanimous roll-call vote of 6 – 0. Directors Potter, Brower, Byrne, Clarke, Lewis and Pendergrass voted in favor of the motion. Evans was absent. No public comment was directed to the Board during the public comment period on this item. Report of exparte communications – Pendergrass reported that he spoke with the applicant.

On a motion by Brower and second of Clarke, the Board adopted Urgency Ordinance No. 167 on a unanimous roll-call vote of 6 – 0. Directors Brower, Clarke, Byrne, Lewis, Pendergrass and Potter voted in favor of the motion. Evans was absent. No public comment was directed to the Board during the public comment period on this item.

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**
- 12. Update on Development of Water Supply Projects**
- 13. Report on Drought Response**
- 14. Receive Report on GASB 68 Reporting Requirements**

ATTORNEY'S REPORT

- 15. Report from District Counsel on 6:15 PM Closed Session of the Board**
 - 1. Public Employee Performance Evaluation (Gov. Code 54957) – General Manager**

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

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

PUBLIC HEARINGS

- 17. Consider Second Reading and Adoption of Ordinance No. 166 Amending Rule 11 and Adding Rule 23.8 to Establish a Water Entitlement for D.B.O. Development No. 30, A California Limited Liability Company**
- 18. Consider Urgency Ordinance No. 167 – An Ordinance Amending Rule 141, Water Conservation Rebates; Rule 142, Water Efficiency Standards; and Rule 143, Water Efficiency Standards for Existing Non-Residential Uses**

On a motion by Brower and second of Pendergrass, the Board approved the first reading of Ordinance No. 168 on a unanimous roll-call vote of 6 – 0. Directors Brower, Pendergrass, Byrne, Clarke, Lewis and Potter voted in favor of the motion. Evans was absent.

Public Comment: **(1) Bill Kampe**, Mayor, City of Pacific Grove, stated that when the water project is operational, production from the Carmel River will be reduced immediately by 88 acre-feet. He noted that the project is not growth inducing, as the City's residential population has been reduced by 1,000 over the last 25 years. The number of hotel/motel rooms has also decreased. The project will allow for future planning of business sustainability. In response to questions from the Board, he stated the following. The City believed it was the best course of action to agree to conditions imposed by the State Water Resources Control Board (SWRCB) in order to receive state revolving funds at a 1% borrowing rate. When the future of a new water project for the Monterey Peninsula is determined, there will be opportunity for follow-up discussions with the SWRCB on use of water from the Pacific Grove project. **(2) Brian LeNeve**, Carmel River Steelhead Association, expressed opposition to the ordinance. **(3) Lou Coletti** requested that the Board direct staff to present an ordinance that reflects the SWRCB direction and specific conditions for the project. Mr. Coletti submitted a printout of his statement. It is on file at the District office and on the agency website. **(4) Tom Frutchy** responded to comments made by previous speakers, and stated that the ordinance allows the City to utilize the water entitlement only. The SWRCB may authorize the use of additional water in the future when specific conditions are met.

At the beginning of the public hearing on this item, District Counsel Laredo explained that he also served as Counsel to the City of Pacific Grove. He advised that the Water Management District and the City of Pacific Grove had executed a conflict waiver so that he could sit with the Board of Directors to provide advice on this item. He stated that the interests of the City of Pacific Grove and the Water Management District were not opposed on this matter. The City of Pacific Grove sought approval from the Water Management District and intended to abide by any decision made by the Board of Directors.

Potter offered a motion that was seconded by Brower, to adopt the January through March 2016 Quarterly Water Supply Strategy and Budget. The motion was approved on a unanimous vote of 6 – 0 by Potter, Brower, Byrne, Clarke, Lewis and Pendergrass. Evans was absent. No comments were directed to the Board during the public hearing on this item.

Brower offered a motion that was seconded by Pendergrass, to approve the form of ground lease presented as Exhibit 1-A and authorize the General Manager to execute the lease on behalf of the Board, provided there are no additional substantive changes. The motion was approved on a vote of 5 – 1 by Brower.

19. Consider First Reading of Ordinance No. 168 - Amending Rule 11, and Adding Rule 23.9 to Establish a Water Entitlement for the City of Pacific Grove

20. Consider Adoption of January through March 2016 Quarterly Water Supply Strategy and Budget

ACTION ITEMS

21. Consider Approval of Ground Lease with City of Seaside for Santa Margarita ASR Site Expansion

Pendergrass, Byrne, Clarke and Potter. Lewis was opposed and Evans was absent. No comments were directed to the Board during the public comment period on this item.

Director Lewis exited the meeting following Board consideration of Action Item 21.

On a motion by Clarke and second of Potter, Resolution No. 2015-23 was approved on a unanimous vote of 5 – 0 by Clarke, Potter, Byrne, Brower and Pendergrass. Evans and Lewis were absent. No comments were directed to the Board during the public comment period on this item.

Brower moved to appoint Christine Monteith (Monterey County Association of Realtors) and Paul Bruno (Monterey Peninsula Taxpayers Association) to the Ordinance No. 152 Oversight Panel. The motion was seconded by Pendergrass and approved on a unanimous vote of 5 – 0 by Brower, Pendergrass, Byrne, Clarke and Potter. Evans and Lewis were absent. No comments were directed to the Board during the public comment period on this item.

On a motion by Brower and second of Clarke, the Board received the Fiscal Year 2014-2015 Financial Statements and Independent Audit Report on a unanimous vote of 5 – 0. Directors Brower, Clarke, Byrne, Pendergrass and Potter cast affirmative votes. Directors Evans and Lewis were absent.

Rae Gularte, CPA, Senior Manager with Hayashi and Wayland provided a detailed review of the Financial Statements and Independent Audit Report to the Board.

Tom Rowley, representing the Monterey Peninsula Taxpayers Association, addressed the Board during the public comment period on this item. He suggested that the powers and limitations outlined in the Water Management District's enabling legislation should be included in the Audit Report because it could determine how projects are funded. *Stoldt responded that the courts have upheld the Water Management District's determination that projects which benefit the District as a whole do not require a vote.*

Potter offered a motion that was seconded by Clarke, to elect the Chair and Vice Chair according to the rotation schedule outlined in MPWMD Meeting Rule 2.5, which would establish Division 4 Director Byrne as Chair, and Division 5 Director Brower as Vice Chair for 2016. In addition David Stoldt should serve as Secretary to the Board and Suresh Prasad as Treasurer. The motion was approved unanimously on a vote of 5 – 0 by Potter, Clarke, Byrne, Brower and Pendergrass. Evans and Lewis were absent. No comments were directed to the Board during the public comment period on this item.

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

22. Consider Adoption of Resolution No. 2015-23 Authorizing an Exception to the CalPERS 180-Day Wait Period for Hiring a Retiree

23. Select Appointees to Ordinance No. 152 Oversight Panel

24. Receive Fiscal Year 2014-2015 Financial Statements and Independent Audit Report

25. Conduct Election of Board Officers for 2016

INFORMATIONAL ITEMS/STAFF REPORTS

26. Letters Received

- 27. Committee Report**
- 28. Monthly Allocation Report**
- 29. Water Conservation Program Report**
- 30. Quarterly Water Use Credit Transfer Status Report**
- 31. Carmel River Fishery Report**
- 32. Monthly Water Supply and California American Water Production Report for December 2015**

The meeting was adjourned at 8:45 pm.

ADJOURNMENT

U:\staff\Boardpacket\2016\20160127\ConsentClndr\01\Item-1-Exh-A.docx

Arlene M. Tavani, Deputy District Secretary



EXHIBIT 1-B

DRAFT MINUTES
**Special Joint Meeting of the
 Monterey Peninsula Water Management District and
 Monterey Regional Water Pollution Control Agency
 Board of Directors
 January 14, 2016**

The Special Joint Meeting of the Board of Directors of the Monterey Peninsula Water Management District and Monterey Regional Water Pollution Control Agency and was called to order by MRWPCA Chair De La Rosa at 1:01 pm, on Monday, January 14, 2016 in the Board Room at 5 Harris Court, Building D, Monterey, California

1. Call to Order

Following the roll call, Chair De La Rosa called for a minute of silence in memory of Rich Smith who passed away on December 27, 2015. Chair De La Rosa described Mr. Smith as a man who left a great legacy for our valley.

2. Roll Call

MPWMD Board Members 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

MPWMD Directors Absent:

David Potter – Monterey County Board of Supervisors Representative

General Manager present: David J. Stoldt

District Counsel present: David Laredo

MRWPCA Board Members Present

Gloria De La Rosa, Chair – Salinas
 Rudy Fischer, Vice Chair – Pacific Grove
 Linda Grier – Boronda County Sanitation District
 Ron Stefani – Castroville Community Services District
 Dennis Allion – Del Rey Oaks
 Thomas P. Moore – Marina Coast Water District
 Libby Downey – Monterey
 Tom Razzeca – Moss Landing County Sanitation District
 Dave Pendergrass – Sand City
 Ralph Rubio – Seaside
 Vacant – Ex-Officio – United States Army

MRWPCA Board Members Absent:

John M. Phillips – County of Monterey

MRWPCA Staff Present

Paul Sciuto – General Manager
Stephen Hogg – Assistant General Manager
Tori Hannah – Chief Financial Officer
Bob Holden – Principal Engineer
Rob Wellington – Legal Counsel
Mike McCullough – Gov. Affairs Administrator
Chayito Ibarra – Executive Assistant

Others Present

Keith Vandermaaten, Marina Coast Water District
Rebecca Lee – Public Member

No public comments were received.

Chair De La Rosa recessed the Open Session at 1:05 pm, and commenced Closed Session at 1:06 pm

Chair De La Rosa adjourned the Closed Session at 2:52 pm, and reconvened Open Session at 2:53 pm

MPWMD Counsel Laredo reported that in the Closed Session the MRWPCA and MPWMD Board of Directors, pursuant to an executed joint defense agreement, on the listed agenda item of 4-A (Application of California American Water to CPUC (No. 12-04-019) Monterey Peninsula Water Supply Project), the Boards received information about matters related to the CPUC proceeding, gave general direction to staff and legal counsel, and no reportable action was taken.

Chair De La Rosa led the Pledge of Allegiance.

Chair De La Rosa called for public comments.

Rebecca Lee, spoke in favor of the increased use of pervious surface paving materials. She suggested that a new rebate program be funded for every city in the Monterey Peninsula that will cover the cost difference between impervious and pervious surface materials in normal repairs and replacements.

MPWMD General Manager Stoldt stated that the Water Purchase agreement was presented to the Boards for approval, subject to the following two edits. (1) Section 7. Obligation to Pay Design and Construction Costs, sentence 2, should be

3. Public Comment on Closed Session Items

4. Adjourn to Closed Session

- A. Conference with Legal Counsel – Existing Litigation
Pursuant to Government Code 54956.9 (a)
1. Application of California American Water to CPUC (No.12-04-019) – Monterey Peninsula Water Supply Project

5. 2:00 P.M. Reconvene Open Session

6. Announcements from Closed Session

7. Pledge of Allegiance

8. Public Comments

9. Action Items

- A. Provide Direction to Staff on Pure Water Monterey Purchase Agreement and Cost Issues

edited as shown in bold, italicized text: “Title to the structures, improvements, fixtures, machinery, equipment, ~~and~~ materials, ***and pipeline capacity rights***....” (2) Exhibit B, Description of Project, the section titled Product Water Facilities, should be amended as shown in the bold, italicized text: “new pipelines, ***pipeline capacity rights***, booster pump station(s) appurtenant facilities.....”

Chair De La Rosa asked for questions from the Board, hearing none she asked for public comments. There were no public comments received.

Mr. Rubio made a motion to approve the staff recommendation, including the amendments to Section 7 and Exhibit B.

ACTION TAKEN: It was moved by Member Rubio, seconded by Member Downey, to approve form of the Water Purchase Agreement for Pure Water Monterey project, subject to amendments to Section 7 and Exhibit B, and direct submittal to the California Public Utilities Commission and carried by the following roll call vote:

Ayes: De La Rosa, Fischer, Grier, Stefani, Allion, Downey, Pendergrass, Rubio

Noes: None

Absent: Moore, Phillips

ACTION TAKEN: It was moved by Director Byrne and seconded by Director Brower to approve form of the Water Purchase Agreement for Pure Water Monterey Project, subject to amendments to Section 7 and Exhibit B, and direct submittal to the California Public Utilities Commission and carried by the following roll call vote:

Ayes: Byrne, Brower, Clarke, Evans, Lewis and Pendergrass

Noes: None

Absent: Potter

No Board Comments/Reports

At 3:00 p.m. with no further business, Chair De La Rosa adjourned the meeting to the next regularly scheduled MRWPCA Board Meeting to be held in the Board Room at 5 Harris Court, Building D, in Monterey, California on Monday, January 25, 2016 at 6:00 p.m.

10. Board Member Comments/Reports

11. Adjournment

ITEM: CONSENT CALENDAR**2. RATIFY BOARD COMMITTEE ASSIGNMENTS FOR CALENDAR YEAR 2016****Meeting Date: January 27, 2016** **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 2016 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 2016

EXHIBIT 2-A**PROPOSED
BOARD COMMITTEE ASSIGNMENTS FOR 2016**

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

U:\staff\Boardpacket\2016\20160127\ConsentClndr\02\Item-2-Exh-A.docx

ITEM: CONSENT CALENDAR**3. RATIFY APPOINTMENTS TO ORDINANCE NO. 152 OVERSIGHT PANEL****Meeting Date:** January 27, 2016 **Budgeted:** N/A**From:** David Stoldt,
General Manager **Program/
Line Item No.:** N/A**Prepared By:** Arlene Tavani **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** N/A

SUMMARY: Ordinance No. 152 created a nine member “Ordinance 152 Citizen’s Oversight Panel” as an advisory group to the Board of Directors on expenditures from the Connection Charge adopted in June 2012. On December 14, 2015, the Board of Directors ratified the appointment of Christine Monteith, representing the Monterey County Association of Realtors, and Paul Bruno, representing the Monterey Peninsula Taxpayers Association. Shown below is a list of six additional appointees, each one selected by a member of the Board of Directors. When Director Lewis selects an appointee, the name will be submitted for ratification.

RECOMMENDATION: Ratify the appointment of members to the Ordinance No. 152 Oversight Panel for a two-year term ending January 1, 2018, or the date the appointing Director vacates office as a member of the MPWMD Board of Directors, whichever shall occur first.

Directors’ Appointees to Ordinance No. 152 Oversight Panel Presented for Confirmation on 1/27/16	
Panel Member	Appointed by
John Bottomley	Jeanne Byrne
Jason Campbell	Andrew Clarke
Jody Hanson	David Potter
Todd Kruper	David Pendergrass
George Riley	Molly Evans
John Tilley	Robert S. Brower, Sr.
Vacant	Brenda Lewis

ITEM: CONSENT CALENDAR**4. RATIFY AMENDMENT TO GENERAL MANAGER'S CONTRACT**

Meeting Date:	January 27, 2016	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item:	N/A
Prepared By:	David J. Stoldt	Cost Estimate:	None

General Counsel Review: N/A**Committee Recommendation: The Administrative Committee reviewed this item on January 19, 2016 and recommended approval.****CEQA Compliance: N/A**

SUMMARY: On December 14, 2015 the Board met and discussed the General Manager's annual performance appraisal. The Board was very satisfied with the General Manager's performance and noted that the General Manager continues to perform at a high level advancing the Board's goals and direction. Specific highlights included development of 3-year and 1-year strategic goals, advancement of the Pure Water Monterey groundwater replenishment project, work on extending the Cease and Desist Order, a revised Conservation and Rationing Plan, and continuing to improve the District's public perception among community groups, businesses, elected officials, and individuals. As a result, the Board recommended an increase in the General Manager's annual compensation of 5.13 percent (5.13%), of which 2 percent will be used to offset contributions to PERS previously paid directly by the District. As a condition of this increase, Mr. Stoldt has agreed to enter a new long-term contract with the District beginning July 1, 2016, the terms of which are to be negotiated by the Chair and brought to the Board for approval.

RECOMMENDATION: Amend section III.A of the "Agreement for Employment of General Manager" to reflect the revised annual compensation, effective September 1, 2015.

EXHIBIT

None

ITEM: CONSENT CALENDAR**5. CONSIDER APPROVAL OF ANNUAL UPDATE OF INVESTMENT POLICY****Meeting Date: January 27, 2016 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 19, 2016 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 5-A**, was adopted by the Board on September 20, 1997 and no changes have been made to the policy since that date. The policy provides guidance for the District Treasurer, who acts on behalf of the Board in all investment matters. The policy was last reviewed by the Board on January 28, 2015. 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.

EXHIBIT**5-A Monterey Peninsula Water Management District Investment Policy**

EXHIBIT 5-A**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT****INVESTMENT POLICY**

(Adopted September 20, 1997)

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.

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.

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.

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.

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.

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.

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.

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.

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.

Policy Review

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

ATTACHMENT I

ELIGIBLE SECURITIES

- * Securities of the U.S. Government and its agencies
- * Obligations of the State of California and/or its political subdivisions
- * Certificates of Deposit (or Time Deposits) placed with commercial banks, savings banks,
and/or savings and loan companies
- * Negotiable certificates of deposit
- * Credit Union Certificates of Deposit
- * Certificates of Deposit of domestic branches of foreign banks
- * Bankers Acceptances
- * Commercial Paper
- * Medium Term Corporate Notes
- * Mortgage backed securities
- * Mutual Funds
- * Local Agency Investment Fund
- * Monterey County Investment Program
- * Repurchase Agreements
- * Reverse Repurchase Agreements
- * Financial futures and options
- * Other investment instruments that become eligible for investment as approved by the State
of California

ITEM: CONSENT CALENDAR**6. SEMI-ANNUAL FINANCIAL REPORT ON THE CAWD/PBCSD WASTEWATER RECLAMATION PROJECT****Meeting Date: January 27, 2016 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 19, 2016 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, 2015 through December 31, 2015. 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, 2015:

<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	\$795,189.47	0.037%	Daily

Operation and Maintenance Disbursements:

MPWMD transferred advances in the amount of \$2,565,000 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 \$1,800,000 was made by the Pebble Beach Company during this reporting period. The outstanding balance on the Certificates is currently \$15,800,000.

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 0.03% and 0.06%.

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.

EXHIBIT

None

ITEM: CONSENT CALENDAR**7. CONSIDER APPROVAL OF TREASURER'S REPORT FOR NOVEMBER 2015****Meeting Date: January 27, 2016 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 19, 2016 and recommended approval.****CEQA Compliance: N/A**

SUMMARY: Exhibit 7-A comprises the Treasurer's Report for November 2015. Exhibit 7-B, Exhibit 7-C and Exhibit 7-D are listings of check disbursements for the period November 1-30, 2015. Check Nos. 23672 through 24034, the direct deposits of employee's paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$484,459.85. That amount included \$86,044.24 for conservation rebates. Exhibit 7-E reflects the unaudited version of the financial statements for the month ending November 30, 2015.

RECOMMENDATION: District staff recommends adoption of the November 2015 Treasurer's Report and financial statements, and ratification of the disbursements made during the month. The Administrative Committee reviewed this item at its January 19, 2016 meeting and voted 2 to 0 to recommend approval.

EXHIBITS

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

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
TREASURER'S REPORT FOR NOVEMBER 2015**

<u>Description</u>	<u>Checking</u>	<u>MPWMD Money Market</u>	<u>L.A.I.F.</u>	<u>Wells Fargo Investments</u>	<u>MPWMD Total</u>	<u>PB Reclamation Money Market</u>
Beginning Balance	\$89,177.69	\$51,034.66	\$396,424.91	\$2,271,345.82	2,807,983.08	\$10,376.21
Transfer to/from LAIF					0.00	
Fee Deposits		471,225.11			471,225.11	584,555.74
Interest		2.69		150.86	153.55	6.20
Transfer-Money Market to Checking	440,000.00	(440,000.00)			0.00	
Transfer-Money Market to W/Fargo					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	(303,000.00)
Voided Cks					0.00	
Bank Corrections/Reversals/Errors					0.00	
Bank Charges /Rtn'd Deposits/Other	(267.33)	(19.80)			(287.13)	(30.00)
Payroll Tax Deposits	(27,627.76)				(27,627.76)	
Payroll Checks/Direct Deposits	(131,121.50)				(131,121.50)	
General Checks	(325,443.26)				(325,443.26)	
Prepaid Exp-Automatic Bank Pymt					0.00	
Ending Balance	\$44,717.84	\$82,242.66	\$396,424.91	\$2,271,496.68	\$2,794,882.09	\$291,908.15

Check Report

By Check Number

Date Range: 11/01/2015 - 11/30/2015



Monterey Peninsula Water Mgmt District

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK	-Bank of America Checking					
00254	MoCo Recorder	11/10/2015	Regular	0.00	-32.00	23119
00228	Ryan Ranch Printers	11/10/2015	Regular	0.00	-409.06	23617
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23672
00254	MoCo Recorder	11/05/2015	Regular	0.00	61.00	23673
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23674
00254	MoCo Recorder	11/05/2015	Regular	0.00	32.00	23675
00254	MoCo Recorder	11/05/2015	Regular	0.00	73.00	23676
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23677
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23678
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23679
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23680
00254	MoCo Recorder	11/05/2015	Regular	0.00	61.00	23681
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23682
00254	MoCo Recorder	11/05/2015	Regular	0.00	29.00	23683
00767	AFLAC	11/05/2015	Regular	0.00	1,477.76	23684
04039	American Water Works Association	11/05/2015	Regular	0.00	6.00	23685
00253	AT&T	11/05/2015	Regular	0.00	376.85	23686
00253	AT&T	11/05/2015	Regular	0.00	604.40	23687
00253	AT&T	11/05/2015	Regular	0.00	408.28	23688
09127	Ben Meadows	11/05/2015	Regular	0.00	329.74	23689
00036	Bill Parham	11/05/2015	Regular	0.00	650.00	23690
00237	Chevron	11/05/2015	Regular	0.00	631.83	23691
01352	Dave Stoldt	11/05/2015	Regular	0.00	446.85	23692
00277	Home Depot Credit Services	11/05/2015	Regular	0.00	651.41	23693
04367	Jeanne Byrne	11/05/2015	Regular	0.00	49.97	23694
00222	M.J. Murphy	11/05/2015	Regular	0.00	55.91	23695
00225	Palace Office Supply	11/05/2015	Regular	0.00	113.65	23696
00282	PG&E	11/05/2015	Regular	0.00	442.23	23697
00282	PG&E	11/05/2015	Regular	0.00	2,261.41	23698
00752	Professional Liability Insurance Service	11/05/2015	Regular	0.00	41.89	23699
07627	Purchase Power	11/05/2015	Regular	0.00	500.00	23700
00262	Pure H2O	11/05/2015	Regular	0.00	64.49	23701
00286	Stephanie L. Locke	11/05/2015	Regular	0.00	428.25	23702
00258	Thomas Brand Consulting, LLC	11/05/2015	Regular	0.00	22,064.22	23703
00203	ThyssenKrup Elevator	11/05/2015	Regular	0.00	563.92	23704
00207	Universal Staffing Inc.	11/05/2015	Regular	0.00	811.20	23705
00221	Verizon Wireless	11/05/2015	Regular	0.00	488.64	23706
04364	Western City	11/05/2015	Regular	0.00	39.00	23707
08105	Yolanda Munoz	11/05/2015	Regular	0.00	540.00	23708
06009	yourservicesolution.com	11/05/2015	Regular	0.00	1,427.00	23709
00254	MoCo Recorder	11/10/2015	Regular	0.00	29.00	23840
00254	MoCo Recorder	11/10/2015	Regular	0.00	29.00	23841
00254	MoCo Recorder	11/10/2015	Regular	0.00	96.00	23842
00254	MoCo Recorder	11/10/2015	Regular	0.00	29.00	23843
00254	MoCo Recorder	11/10/2015	Regular	0.00	50.00	23844
00254	MoCo Recorder	11/10/2015	Regular	0.00	61.00	23845
00254	MoCo Recorder	11/10/2015	Regular	0.00	44.00	23846
00254	MoCo Recorder	11/10/2015	Regular	0.00	29.00	23847
00010	Access Monterey Peninsula	11/13/2015	Regular	0.00	120.00	23916
01188	Alhambra	11/13/2015	Regular	0.00	212.25	23917
00263	Arlene Tavani	11/13/2015	Regular	0.00	265.62	23918
00983	Beverly Chaney	11/13/2015	Regular	0.00	504.75	23919
00252	Cal-Am Water	11/13/2015	Regular	0.00	95.19	23920
00252	Cal-Am Water	11/13/2015	Regular	0.00	86.88	23921

EXHIBIT 7-B

Check Report

Date Range: 11/01/2015 - 11/30/2015

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
04726	California Chamber of Commerce	11/13/2015	Regular	0.00	189.86	23922
02840	California Conservation Corps	11/13/2015	Regular	0.00	5,631.00	23923
00243	CalPers Long Term Care Program	11/13/2015	Regular	0.00	40.56	23924
01001	CDW Government	11/13/2015	Regular	0.00	2,065.64	23925
04041	Cynthia Schmidlin	11/13/2015	Regular	0.00	50.00	23926
00267	Employment Development Dept.	11/13/2015	Regular	0.00	4,139.85	23927
09927	Hach Company	11/13/2015	Regular	0.00	64.59	23928
00768	ICMA	11/13/2015	Regular	0.00	6,030.41	23929
04717	Inder Osahan	11/13/2015	Regular	0.00	1,083.00	23930
03965	Irrigation Association	11/13/2015	Regular	0.00	100.00	23931
00769	Laborers Trust Fund of Northern CA	11/13/2015	Regular	0.00	28,184.00	23932
00117	Marina Backflow Company	11/13/2015	Regular	0.00	60.00	23933
00259	Marina Coast Water District	11/13/2015	Regular	0.00	52.06	23934
00259	Marina Coast Water District	11/13/2015	Regular	0.00	213.23	23935
00118	Monterey Bay Carpet & Janitorial Svc	11/13/2015	Regular	0.00	1,000.00	23936
01002	Monterey County Clerk	11/13/2015	Regular	0.00	50.00	23937
04361	OneSource Office Systems	11/13/2015	Regular	0.00	788.44	23938
00241	PC People	11/13/2015	Regular	0.00	2,426.68	23939
00154	Peninsula Messenger Service	11/13/2015	Regular	0.00	613.00	23940
00256	PERS Retirement	11/13/2015	Regular	0.00	14,822.08	23941
00159	Pueblo Water Resources, Inc.	11/13/2015	Regular	0.00	5,367.50	23942
07627	Purchase Power	11/13/2015	Regular	0.00	500.00	23943
00272	Red Shift Internet Services	11/13/2015	Regular	0.00	604.95	23944
04709	Sherron Forsgren	11/13/2015	Regular	0.00	653.20	23945
00766	Standard Insurance Company	11/13/2015	Regular	0.00	1,679.39	23946
04341	State Board of Equalization	11/13/2015	Regular	0.00	332.07	23947
04341	State Board of Equalization	11/13/2015	Regular	0.00	302.21	23948
09351	Tetra Tech, Inc.	11/13/2015	Regular	0.00	10,325.87	23949
00258	Thomas Brand Consulting, LLC	11/13/2015	Regular	0.00	307.00	23950
00207	Universal Staffing Inc.	11/13/2015	Regular	0.00	811.20	23951
00754	Zone24x7	11/13/2015	Regular	0.00	7,166.00	23952
10227	Aramark Sports & Entertainment, LLC	11/13/2015	Regular	0.00	2,000.00	23953
00254	MoCo Recorder	11/19/2015	Regular	0.00	29.00	23954
00254	MoCo Recorder	11/19/2015	Regular	0.00	61.00	23955
00254	MoCo Recorder	11/19/2015	Regular	0.00	32.00	23956
00254	MoCo Recorder	11/19/2015	Regular	0.00	14.00	23957
00254	MoCo Recorder	11/19/2015	Regular	0.00	26.00	23958
00254	MoCo Recorder	11/19/2015	Regular	0.00	67.00	23959
00254	MoCo Recorder	11/19/2015	Regular	0.00	35.00	23960
00254	MoCo Recorder	11/19/2015	Regular	0.00	61.00	23961
00254	MoCo Recorder	11/19/2015	Regular	0.00	35.00	23962
00254	MoCo Recorder	11/19/2015	Regular	0.00	14.00	23963
00254	MoCo Recorder	11/19/2015	Regular	0.00	61.00	23964
00254	MoCo Recorder	11/19/2015	Regular	0.00	50.00	23965
00254	MoCo Recorder	11/19/2015	Regular	0.00	14.00	23966
00254	MoCo Recorder	11/19/2015	Regular	0.00	29.00	23967
00252	Cal-Am Water	11/20/2015	Regular	0.00	456.69	23968
06001	Cypress Coast Ford	11/20/2015	Regular	0.00	3,607.92	23969
00829	Daniel K. Finklea	11/20/2015	Regular	0.00	900.00	23970
10223	DMV Renewal	11/20/2015	Regular	0.00	25.00	23971
00192	Extra Space Storage	11/20/2015	Regular	0.00	680.00	23972
00094	John Arriaga	11/20/2015	Regular	0.00	2,500.00	23973
00282	PG&E	11/20/2015	Regular	0.00	4,136.30	23974
00234	Rapid Printers	11/20/2015	Regular	0.00	168.37	23975
10226	Ronald & Susan Glaze	11/20/2015	Regular	0.00	411.46	23976
00283	SHELL	11/20/2015	Regular	0.00	762.20	23977
00286	Stephanie L. Locke	11/20/2015	Regular	0.00	267.20	23978
04719	Telit Wireless Solutions	11/20/2015	Regular	0.00	126.12	23979
00254	MoCo Recorder	11/23/2015	Regular	0.00	29.00	23982
00254	MoCo Recorder	11/23/2015	Regular	0.00	53.00	23983
00254	MoCo Recorder	11/23/2015	Regular	0.00	29.00	23984

EXHIBIT 7-B

Check Report

Date Range: 11/01/2015 - 11/30/2015

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
00254	MoCo Recorder	11/23/2015	Regular	0.00	29.00	23985
00254	MoCo Recorder	11/23/2015	Regular	0.00	35.00	23986
00254	MoCo Recorder	11/23/2015	Regular	0.00	61.00	23987
00249	A.G. Davi, LTD	11/25/2015	Regular	0.00	395.00	23994
03966	ACWA (Memberships/Conferences/Publications)	11/25/2015	Regular	0.00	8,325.00	23995
00763	ACWA-JPIA	11/25/2015	Regular	0.00	535.92	23996
00767	AFLAC	11/25/2015	Regular	0.00	1,477.76	23997
00263	Arlene Tavani	11/25/2015	Regular	0.00	78.40	23998
00253	AT&T	11/25/2015	Regular	0.00	709.94	23999
00253	AT&T	11/25/2015	Regular	0.00	47.32	24000
00253	AT&T	11/25/2015	Regular	0.00	98.96	24001
00253	AT&T	11/25/2015	Regular	0.00	90.91	24002
00236	AT&T Long Distance	11/25/2015	Regular	0.00	10.79	24003
00252	Cal-Am Water	11/25/2015	Regular	0.00	5.00	24004
04045	California Society of Municipal Finance Officers	11/25/2015	Regular	0.00	110.00	24005
10228	California Water Association	11/25/2015	Regular	0.00	100.00	24006
00243	CalPers Long Term Care Program	11/25/2015	Regular	0.00	40.56	24007
00024	Central Coast Exterminator	11/25/2015	Regular	0.00	104.00	24008
00028	Colantuono, Highsmith, & Whatley, PC	11/25/2015	Regular	0.00	10,858.86	24009
06268	Comcast	11/25/2015	Regular	0.00	199.55	24010
08109	David Olson, Inc.	11/25/2015	Regular	0.00	729.52	24011
00761	Delores Cofer	11/25/2015	Regular	0.00	397.00	24012
00267	Employment Development Dept.	11/25/2015	Regular	0.00	4,120.28	24013
00072	Goodin,MacBride,Squeri,Day,Lamprey	11/25/2015	Regular	0.00	26,730.69	24014
00993	Harris Court Business Park	11/25/2015	Regular	0.00	721.26	24015
00277	Home Depot Credit Services	11/25/2015	Regular	0.00	548.95	24016
00768	ICMA	11/25/2015	Regular	0.00	6,030.41	24017
09990	Joseph Suwada	11/25/2015	Regular	0.00	119.88	24018
00222	M.J. Murphy	11/25/2015	Regular	0.00	17.17	24019
00755	Peninsula Welding Supply, Inc.	11/25/2015	Regular	0.00	54.00	24020
00282	PG&E	11/25/2015	Regular	0.00	50.77	24021
00282	PG&E	11/25/2015	Regular	0.00	15.41	24022
00282	PG&E	11/25/2015	Regular	0.00	20.27	24023
00282	PG&E	11/25/2015	Regular	0.00	13,750.69	24024
00251	Rick Dickhaut	11/25/2015	Regular	0.00	1,031.00	24025
00176	Sentry Alarm Systems	11/25/2015	Regular	0.00	215.50	24026
04341	State Board of Equalization	11/25/2015	Regular	0.00	1,640.83	24027
04341	State Board of Equalization	11/25/2015	Regular	0.00	1,000.00	24028
10118	Thomas & Valerie Hillesheim	11/25/2015	Regular	0.00	2,398.00	24029
10118	Thomas & Valerie Hillesheim	11/30/2015	Regular	0.00	-2,398.00	24029
00269	U.S. Bank	11/25/2015	Regular	0.00	7,211.14	24030
	Void	11/25/2015	Regular	0.00	0.00	24031
00207	Universal Staffing Inc.	11/25/2015	Regular	0.00	648.96	24032
00271	UPEC, Local 792	11/25/2015	Regular	0.00	1,013.74	24033
08105	Yolanda Munoz	11/25/2015	Regular	0.00	540.00	24034

Payment Type	Bank Code APBNK		Summary	
	Payable Count	Payment Count	Discount	Payment
Regular Checks	193	156	0.00	242,238.08
Manual Checks	0	0	0.00	0.00
Voided Checks	0	4	0.00	-2,839.06
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	193	160	0.00	239,399.02

EXHIBIT 7-B

36

Check Report

Date Range: 11/01/2015 - 11/30/2015

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: REBATES-02-Rebates: Use Only For Rebates						
09830	STEPHAN GEORIS	11/12/2015	Regular	0.00	-1,406.00	23243
10082	A. G. Davi Property Management	11/05/2015	Regular	0.00	100.00	23710
09998	ALI RODGERS	11/05/2015	Regular	0.00	200.00	23711
09996	ALVARO BONILLA	11/05/2015	Regular	0.00	100.00	23712
10102	Andrew Rose	11/05/2015	Regular	0.00	500.00	23713
09992	ANDREW SMITH	11/05/2015	Regular	0.00	500.00	23714
10086	Ann M Lowe	11/05/2015	Regular	0.00	450.00	23715
10113	Ashley South	11/05/2015	Regular	0.00	500.00	23716
10089	BILL & MARJORIE HERBERT	11/05/2015	Regular	0.00	300.00	23717
10009	BONNIE ANN HILL	11/05/2015	Regular	0.00	125.00	23718
10048	BRADLEY CONGER	11/05/2015	Regular	0.00	100.00	23719
10084	Carmel Valley Lodge	11/05/2015	Regular	0.00	2,000.00	23720
10018	CATHERINE COLWELL	11/05/2015	Regular	0.00	500.00	23721
10006	Cheri D. Collins	11/05/2015	Regular	0.00	625.00	23722
10019	DANIEL BLAKELY	11/05/2015	Regular	0.00	500.00	23723
10097	DANIEL SCHRIMSHER	11/05/2015	Regular	0.00	500.00	23724
10075	Daniel Serpico	11/05/2015	Regular	0.00	500.00	23725
10045	DAVENE MYERS	11/05/2015	Regular	0.00	100.00	23726
10116	DAVID C & PATRICIA C ROBERTS TR	11/05/2015	Regular	0.00	1,335.00	23727
10022	DAVID EPEL	11/05/2015	Regular	0.00	500.00	23728
10030	Demaris L. Olson	11/05/2015	Regular	0.00	500.00	23729
10005	Diane Peccianti	11/05/2015	Regular	0.00	100.00	23730
10035	Dianne P. Driessen	11/05/2015	Regular	0.00	928.00	23731
10111	Don Vermeil	11/05/2015	Regular	0.00	2,500.00	23732
10003	DONALD AUSTIN	11/05/2015	Regular	0.00	100.00	23733
10046	DONALD CHIN	11/05/2015	Regular	0.00	100.00	23734
10043	DOROTHY CABRAL	11/05/2015	Regular	0.00	98.00	23735
10002	DOROTHY STANLEY	11/05/2015	Regular	0.00	100.00	23736
10040	DOUGLAS FOSTER	11/05/2015	Regular	0.00	490.49	23737
09999	ED & LYNNE JOHNSON	11/05/2015	Regular	0.00	100.00	23738
10067	ELAINA HERNANDEZ	11/05/2015	Regular	0.00	500.00	23739
10013	ELIZABETH MESSMAN	11/05/2015	Regular	0.00	700.00	23740
10063	ERIC PAULSON	11/05/2015	Regular	0.00	500.00	23741
10112	ERIC REY	11/05/2015	Regular	0.00	1,225.00	23742
10023	Erin Harley	11/05/2015	Regular	0.00	500.00	23743
10080	FELIX COLELLO	11/05/2015	Regular	0.00	100.00	23744
10028	FRED NASH & NANCIE PARKER	11/05/2015	Regular	0.00	500.00	23745
10064	GISELE FREEDMAN-ALTWIES	11/05/2015	Regular	0.00	500.00	23746
10031	GLEN WILD	11/05/2015	Regular	0.00	200.00	23747
10011	GORDON GENSEL	11/05/2015	Regular	0.00	500.00	23748
10078	HAROLD W SR & SERAFINA K FRYE	11/05/2015	Regular	0.00	200.00	23749
10071	HATTIE F MESSINGER	11/05/2015	Regular	0.00	500.00	23750
09742	Helaine Tregenza	11/05/2015	Regular	0.00	130.00	23751
10024	HILDA VEITENHEIMER	11/05/2015	Regular	0.00	500.00	23752
10012	JAIME BARAJAS	11/05/2015	Regular	0.00	500.00	23753
10051	JAMES VAN LOBEN SELS	11/05/2015	Regular	0.00	125.00	23754
09993	JAMES A & MARTA R COULTER TRS	11/05/2015	Regular	0.00	500.00	23755
10076	JAMES D SHELDON	11/05/2015	Regular	0.00	500.00	23756
10072	JAMES HARRINGTON	11/05/2015	Regular	0.00	500.00	23757
10077	JAMES LEAMEY	11/05/2015	Regular	0.00	500.00	23758
10061	JAMES VAN LOBEN SELS	11/05/2015	Regular	0.00	500.00	23759
10008	JANET R. UTZ	11/05/2015	Regular	0.00	125.00	23760
10103	JEANIE BECK	11/05/2015	Regular	0.00	500.00	23761
10091	JEFF TAROLA	11/05/2015	Regular	0.00	125.00	23762
10062	JEFFREY R NEWMAN	11/05/2015	Regular	0.00	500.00	23763
10058	JEREMIAH D WILSON	11/05/2015	Regular	0.00	125.00	23764
10070	JOEL SARTORIS	11/05/2015	Regular	0.00	500.00	23765
10044	JOHN & VALERIE SCHATZ	11/05/2015	Regular	0.00	300.00	23766
10029	JOHN LUBBEN	11/05/2015	Regular	0.00	500.00	23767
10053	JOHN POWERS	11/05/2015	Regular	0.00	125.00	23768

EXHIBIT 7-B

37

Check Report

Date Range: 11/01/2015 - 11/30/2015

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
10081	JOHN ROBERTS	11/05/2015	Regular	0.00	100.00	23769
10004	JOHN SHIELDS	11/05/2015	Regular	0.00	100.00	23770
10068	JON & JENICE SCHULTHEIS	11/05/2015	Regular	0.00	500.00	23771
10059	JOSEPH SILVA	11/05/2015	Regular	0.00	125.00	23772
10083	Joseph Wichser	11/05/2015	Regular	0.00	500.00	23773
10060	JOSH BONIFAS	11/05/2015	Regular	0.00	125.00	23774
10047	JOYCE LOGAN	11/05/2015	Regular	0.00	196.00	23775
10108	JULIE VEITCH	11/05/2015	Regular	0.00	2,338.75	23776
10090	KARL & LORI ANDERSON	11/05/2015	Regular	0.00	125.00	23777
10079	KATHLEEN WOJTKOWSKI	11/05/2015	Regular	0.00	200.00	23778
10114	Kesri Gullap	11/05/2015	Regular	0.00	500.00	23779
10101	KIM E GILL	11/05/2015	Regular	0.00	500.00	23780
10105	KRISTIN COOPER	11/05/2015	Regular	0.00	500.00	23781
10049	LEW KING	11/05/2015	Regular	0.00	88.00	23782
10033	LINDA L ABBEY	11/05/2015	Regular	0.00	132.00	23783
10039	LISA DILL	11/05/2015	Regular	0.00	500.00	23784
10036	MALLERY THOMAS	11/05/2015	Regular	0.00	724.00	23785
10107	MARGARET MORDAUNT	11/05/2015	Regular	0.00	240.00	23786
10095	Maria Del Rocio Perez	11/05/2015	Regular	0.00	500.00	23787
10026	MARIA FITZGERALD	11/05/2015	Regular	0.00	500.00	23788
10085	MARIA ISABEL HERNANDEZ	11/05/2015	Regular	0.00	100.00	23789
10065	MARILYN WILLETT	11/05/2015	Regular	0.00	500.00	23790
10027	MARION FITZGERALD	11/05/2015	Regular	0.00	500.00	23791
10093	MARK TERRELL	11/05/2015	Regular	0.00	500.00	23792
10106	MARTHA MAGNUS	11/05/2015	Regular	0.00	500.00	23793
09994	MARTIN MARDEROSIAN	11/05/2015	Regular	0.00	100.00	23794
10087	MARY ALDINGER	11/05/2015	Regular	0.00	200.00	23795
10010	Matthew Kelly	11/05/2015	Regular	0.00	500.00	23796
10057	MATTHEW WEED & NEDRA BATTISTELLA	11/05/2015	Regular	0.00	125.00	23797
09997	MAX BELL	11/05/2015	Regular	0.00	100.00	23798
10021	Michelle Santin	11/05/2015	Regular	0.00	500.00	23799
10115	MONTEREY PENINSULA CHURCH OF RELIGIOUS SC	11/05/2015	Regular	0.00	200.00	23800
10025	NANCY NAKAJIMA	11/05/2015	Regular	0.00	500.00	23801
10034	NINA KILLEN	11/05/2015	Regular	0.00	200.00	23802
10020	NORIS ORSI	11/05/2015	Regular	0.00	500.00	23803
10000	NORMA LEE MEYER	11/05/2015	Regular	0.00	700.00	23804
10052	PATRICIA CAMPBELL	11/05/2015	Regular	0.00	125.00	23805
10050	PAUL & MICHELE REPS	11/05/2015	Regular	0.00	200.00	23806
10001	PEGGY A RAKER	11/05/2015	Regular	0.00	325.00	23807
10054	PETER PASSANISI	11/05/2015	Regular	0.00	125.00	23808
09995	RAY WORRELL	11/05/2015	Regular	0.00	100.00	23809
10104	RHONDA WILLIAMS	11/05/2015	Regular	0.00	500.00	23810
10109	RICHARD CARR & BARBARA E SCHILLING	11/05/2015	Regular	0.00	1,375.00	23811
10110	RICHARD W CARR & BARBARA E SCHILLING	11/05/2015	Regular	0.00	1,375.00	23812
10037	Robert and Karen Rigg	11/05/2015	Regular	0.00	2,500.00	23813
10073	ROBERT BETTENCOURT	11/05/2015	Regular	0.00	500.00	23814
10042	ROBERT SHAFFER	11/05/2015	Regular	0.00	200.00	23815
10099	ROBERT WEINER	11/05/2015	Regular	0.00	500.00	23816
10098	ROY SAKAI	11/05/2015	Regular	0.00	500.00	23817
10041	RUSS PIERIK	11/05/2015	Regular	0.00	100.00	23818
10092	RYAN HULL	11/05/2015	Regular	0.00	500.00	23819
10014	Sarah & Jon-Christopher Myers	11/05/2015	Regular	0.00	500.00	23820
10016	SHARON PETITT	11/05/2015	Regular	0.00	500.00	23821
10088	STANFORD WHITE	11/05/2015	Regular	0.00	100.00	23822
10017	Susan Benjamin	11/05/2015	Regular	0.00	500.00	23823
10032	THOMAS HUGHES	11/05/2015	Regular	0.00	831.25	23824
10056	THORNE PARKER PROPERTIES	11/05/2015	Regular	0.00	125.00	23825
10066	TIM STEELE	11/05/2015	Regular	0.00	500.00	23826
10074	TODD & LISA DWELLE	11/05/2015	Regular	0.00	500.00	23827
10094	VAHID TEHRANIPOOR	11/05/2015	Regular	0.00	500.00	23828
10038	VERA COOPER	11/05/2015	Regular	0.00	500.00	23829

EXHIBIT 7-B

38

Check Report

Date Range: 11/01/2015 - 11/30/2015

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
10007	VICTOR KRIMSLEY	11/05/2015	Regular	0.00	125.00	23830
10015	Virginia Fogg	11/05/2015	Regular	0.00	500.00	23831
10096	WILLIAM GALLAGHER	11/05/2015	Regular	0.00	500.00	23832
10069	WILLIAM LAUSTER	11/05/2015	Regular	0.00	500.00	23833
10100	William Long	11/05/2015	Regular	0.00	500.00	23834
10055	YARA DIPAOLO	11/05/2015	Regular	0.00	125.00	23835
10199	ALFRED LEANDRO	11/13/2015	Regular	0.00	100.00	23848
10168	ALLISON MENDEZ	11/13/2015	Regular	0.00	625.00	23849
10182	Andrew Melentiev	11/13/2015	Regular	0.00	500.00	23850
10163	ANGELA CORAH	11/13/2015	Regular	0.00	100.00	23851
10194	ANITA FREEL	11/13/2015	Regular	0.00	100.00	23852
10206	BARRY M & NICOLE M KILZER	11/13/2015	Regular	0.00	625.00	23853
10196	BETSY DAVIS	11/13/2015	Regular	0.00	100.00	23854
10162	BETTIGENE TUBMAN	11/13/2015	Regular	0.00	100.00	23855
10183	BRENDAN & REGINA DOYLE	11/13/2015	Regular	0.00	500.00	23856
10169	BROOKE KNIGHT	11/13/2015	Regular	0.00	125.00	23857
10161	CARMELA CANTISANI	11/13/2015	Regular	0.00	100.00	23858
10208	CINDY LACKEY	11/13/2015	Regular	0.00	500.00	23859
10186	CRAIG & LYNN CHRISTIAN	11/13/2015	Regular	0.00	500.00	23860
10211	DAVID SIMONSEN	11/13/2015	Regular	0.00	500.00	23861
10188	DAVID WISHERD	11/13/2015	Regular	0.00	500.00	23862
10173	DIANA GALBRAITH	11/13/2015	Regular	0.00	125.00	23863
10174	DON & LIN TOBIN	11/13/2015	Regular	0.00	125.00	23864
10205	DONALD A DALY	11/13/2015	Regular	0.00	125.00	23865
10202	Donna Singmaster	11/13/2015	Regular	0.00	100.00	23866
10217	ED & JEANNIE YOUNG	11/13/2015	Regular	0.00	2,625.00	23867
10214	EDWARD G HASKIN	11/13/2015	Regular	0.00	500.00	23868
10175	ELMA BARNES	11/13/2015	Regular	0.00	125.00	23869
10184	FIROK SHIELD	11/13/2015	Regular	0.00	500.00	23870
10221	FIRST PRESBYTERIAN CHURCH OF MONTEREY	11/13/2015	Regular	0.00	2,500.00	23871
10198	FRANK OLSON	11/13/2015	Regular	0.00	200.00	23872
10191	GARRY TARNOWSKI	11/13/2015	Regular	0.00	825.00	23873
10216	Irwin Speizer	11/13/2015	Regular	0.00	1,115.00	23874
10176	J RITCHIE DUNN	11/13/2015	Regular	0.00	500.00	23875
10193	JANETTE FORD	11/13/2015	Regular	0.00	125.00	23876
10215	JIM VANDERZWAAN	11/13/2015	Regular	0.00	500.00	23877
10220	JOHN C & PAMELA S HARP	11/13/2015	Regular	0.00	793.00	23878
10158	JORGE PARTIDA	11/13/2015	Regular	0.00	196.00	23879
10187	JUDY BROWN LANDRETH	11/13/2015	Regular	0.00	500.00	23880
10207	KELLEY CALVERT	11/13/2015	Regular	0.00	125.00	23881
10213	KELLY L CLARK	11/13/2015	Regular	0.00	500.00	23882
10189	KIRK STEWART	11/13/2015	Regular	0.00	500.00	23883
10222	LAWTON J DODD	11/13/2015	Regular	0.00	1,920.00	23884
10166	LEONARD WEST	11/13/2015	Regular	0.00	125.00	23885
10178	LISA CHIANTELLI	11/13/2015	Regular	0.00	500.00	23886
10167	LYNN BOMBERGER	11/13/2015	Regular	0.00	125.00	23887
10170	MANUEL ALBA	11/13/2015	Regular	0.00	625.00	23888
10159	MARGERY ADAMS	11/13/2015	Regular	0.00	100.00	23889
10179	MARIA- IGLESIAS Bishop	11/13/2015	Regular	0.00	500.00	23890
10177	MARIANNE METCALF BENSCH	11/13/2015	Regular	0.00	500.00	23891
10172	MARIE CARAMAZZA	11/13/2015	Regular	0.00	125.00	23892
10156	MARK GERSONDE	11/13/2015	Regular	0.00	300.00	23893
10209	Matthew Metzger	11/13/2015	Regular	0.00	500.00	23894
10164	MICHAEL KIRCH & MICHELLE GONSALVES	11/13/2015	Regular	0.00	100.00	23895
10185	MIGUEL TIRADO	11/13/2015	Regular	0.00	500.00	23896
10200	NED & ELEANOR VAN ROEKEL	11/13/2015	Regular	0.00	100.00	23897
10171	NORA JENSEN	11/13/2015	Regular	0.00	125.00	23898
10192	NORAH SAFFOLD	11/13/2015	Regular	0.00	500.00	23899
10190	PATRICIA NEW	11/13/2015	Regular	0.00	557.50	23900
10181	PETER J BRUNO	11/13/2015	Regular	0.00	500.00	23901
10219	Philip Lin	11/13/2015	Regular	0.00	706.25	23902

EXHIBIT 7-B

Check Report

Date Range: 11/01/2015 - 11/30/2015

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
10180	RI CHARD MOORE	11/13/2015	Regular	0.00	500.00	23903
10195	Robert J. Young	11/13/2015	Regular	0.00	300.00	23904
10218	Roger Peterson	11/13/2015	Regular	0.00	500.00	23905
10197	SANDRA QUINN LA DUE	11/13/2015	Regular	0.00	200.00	23906
10203	STEFANO CACACE	11/13/2015	Regular	0.00	125.00	23907
09830	STEPHAN GEORIS	11/13/2015	Regular	0.00	1,406.00	23908
10212	STEVEN A BENSON	11/13/2015	Regular	0.00	500.00	23909
10210	STEVEN RIVER GURTIN	11/13/2015	Regular	0.00	500.00	23910
10160	SULLIVAN TIRES INC.	11/13/2015	Regular	0.00	100.00	23911
10201	SUZANNE WALTON	11/13/2015	Regular	0.00	100.00	23912
10165	THEODORE & ANN LEWIS	11/13/2015	Regular	0.00	125.00	23913
10157	VARSENIK JORDAN	11/13/2015	Regular	0.00	100.00	23914
10204	WENDY MATTHEWS	11/13/2015	Regular	0.00	125.00	23915

Bank Code REBATES-02 Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	194	194	0.00	87,450.24
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	-1,406.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	194	195	0.00	86,044.24

Fund Summary

Fund	Name	Period	Amount
99	POOL CASH FUND	11/2015	325,443.26
			<hr/>
			325,443.26

Payroll Bank Transaction Report - MPWMD



Monterey Peninsula Water Mgmt District

By Payment Number

Date: 11/1/2015 - 11/30/2015

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
1865	11/13/2015	Regular	1024	Stoldt, David J	0.00	6,164.05	6,164.05
1866	11/13/2015	Regular	1025	Tavani, Arlene M	0.00	1,881.23	1,881.23
1867	11/13/2015	Regular	1006	Dudley, Mark A	0.00	2,876.11	2,876.11
1868	11/13/2015	Regular	1039	Flores, Elizabeth	0.00	1,999.65	1,999.65
1869	11/13/2015	Regular	1018	Prasad, Suresh	0.00	3,586.27	3,586.27
1870	11/13/2015	Regular	1019	Reyes, Sara C	0.00	1,845.21	1,845.21
1871	11/13/2015	Regular	1020	Sandoval, Eric J	0.00	1,933.25	1,933.25
1872	11/13/2015	Regular	1021	Schmidlin, Cynthia L	0.00	1,789.20	1,789.20
1873	11/13/2015	Regular	1022	Soto, Paula	0.00	1,441.61	1,441.61
1874	11/13/2015	Regular	1002	Bekker, Mark	0.00	1,626.52	1,626.52
1875	11/13/2015	Regular	1005	Christensen, Thomas T	0.00	2,547.85	2,547.85
1876	11/13/2015	Regular	1008	Hampson, Larry M	0.00	3,204.52	3,204.52
1877	11/13/2015	Regular	1013	Lyons, Matthew J	0.00	1,640.80	1,640.80
1878	11/13/2015	Regular	1023	Stern, Henrietta L	0.00	2,146.08	2,146.08
1879	11/13/2015	Regular	6028	Atkins, Daniel N	0.00	580.75	580.75
1880	11/13/2015	Regular	1004	Chaney, Beverly M	0.00	2,127.73	2,127.73
1881	11/13/2015	Regular	1007	Hamilton, Cory R	0.00	2,026.50	2,026.50
1882	11/13/2015	Regular	1009	James, Gregory W	0.00	2,929.72	2,929.72
1883	11/13/2015	Regular	1011	Lear, Jonathan P	0.00	2,727.57	2,727.57
1884	11/13/2015	Regular	1012	Lindberg, Thomas L	0.00	2,156.46	2,156.46
1885	11/13/2015	Regular	1016	Oliver, Joseph W	0.00	2,612.53	2,612.53
1886	11/13/2015	Regular	1026	Urquhart, Kevan A	0.00	1,865.34	1,865.34
1887	11/13/2015	Regular	1001	Ayala, Gabriela D	0.00	1,652.92	1,652.92
1888	11/13/2015	Regular	1003	Boles, Michael T	0.00	1,768.93	1,768.93
1889	11/13/2015	Regular	1041	Gonnerman, Maryan C	0.00	1,460.42	1,460.42
1890	11/13/2015	Regular	1010	Kister, Stephanie L	0.00	1,766.80	1,766.80
1891	11/13/2015	Regular	1017	Locke, Stephanie L	0.00	2,682.65	2,682.65
1892	11/13/2015	Regular	1014	Martin, Debra S	0.00	1,894.98	1,894.98
1893	11/25/2015	Regular	1024	Stoldt, David J	0.00	5,665.15	5,665.15
1894	11/25/2015	Regular	1025	Tavani, Arlene M	0.00	1,881.24	1,881.24
1895	11/25/2015	Regular	1006	Dudley, Mark A	0.00	2,876.11	2,876.11
1896	11/25/2015	Regular	1039	Flores, Elizabeth	0.00	1,999.65	1,999.65
1897	11/25/2015	Regular	1018	Prasad, Suresh	0.00	3,586.27	3,586.27
1898	11/25/2015	Regular	1019	Reyes, Sara C	0.00	1,845.21	1,845.21
1899	11/25/2015	Regular	1020	Sandoval, Eric J	0.00	1,933.25	1,933.25
1900	11/25/2015	Regular	1021	Schmidlin, Cynthia L	0.00	1,789.20	1,789.20
1901	11/25/2015	Regular	1022	Soto, Paula	0.00	1,441.61	1,441.61
1902	11/25/2015	Regular	1002	Bekker, Mark	0.00	1,626.52	1,626.52
1903	11/25/2015	Regular	1005	Christensen, Thomas T	0.00	2,547.85	2,547.85
1904	11/25/2015	Regular	1008	Hampson, Larry M	0.00	3,204.52	3,204.52
1905	11/25/2015	Regular	1013	Lyons, Matthew J	0.00	1,640.80	1,640.80
1906	11/25/2015	Regular	1023	Stern, Henrietta L	0.00	2,146.07	2,146.07
1907	11/25/2015	Regular	6028	Atkins, Daniel N	0.00	602.93	602.93
1908	11/25/2015	Regular	1004	Chaney, Beverly M	0.00	2,127.73	2,127.73
1909	11/25/2015	Regular	1007	Hamilton, Cory R	0.00	2,026.50	2,026.50
1910	11/25/2015	Regular	1009	James, Gregory W	0.00	2,929.71	2,929.71
1911	11/25/2015	Regular	1011	Lear, Jonathan P	0.00	2,727.57	2,727.57
1912	11/25/2015	Regular	1012	Lindberg, Thomas L	0.00	2,156.46	2,156.46
1913	11/25/2015	Regular	1016	Oliver, Joseph W	0.00	2,612.53	2,612.53
1914	11/25/2015	Regular	1026	Urquhart, Kevan A	0.00	1,865.34	1,865.34
1915	11/25/2015	Regular	1001	Ayala, Gabriela D	0.00	1,652.92	1,652.92
1916	11/25/2015	Regular	1003	Boles, Michael T	0.00	1,768.93	1,768.93
1917	11/25/2015	Regular	1041	Gonnerman, Maryan C	0.00	1,460.42	1,460.42
1918	11/25/2015	Regular	1010	Kister, Stephanie L	0.00	1,843.07	1,843.07
1919	11/25/2015	Regular	1017	Locke, Stephanie L	0.00	2,682.65	2,682.65
1920	11/25/2015	Regular	1014	Martin, Debra S	0.00	1,894.98	1,894.98
1921	11/25/2015	Regular	7005	Markey, Kristina A	0.00	304.75	304.75

EXHIBIT 7-C

Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	42 Total Payment
23838	11/13/2015	Regular	6033	Suwada, Joseph	626.84	0.00	626.84
23839	11/13/2015	Regular	1040	Smith, Kyle	1,417.38	0.00	1,417.38
23980	11/25/2015	Regular	6033	Suwada, Joseph	563.72	0.00	563.72
23981	11/25/2015	Regular	1040	Smith, Kyle	1,417.38	0.00	1,417.38
23988	11/25/2015	Regular	7006	Brower, Sr., Robert S	203.17	0.00	203.17
23989	11/25/2015	Regular	7007	Byrne, Jeannie	406.34	0.00	406.34
23990	11/25/2015	Regular	7013	Clarke, Andrew	203.17	0.00	203.17
23991	11/25/2015	Regular	7003	Lewis, Brenda	101.58	0.00	101.58
23992	11/25/2015	Regular	7001	Pendergrass, David K	304.75	0.00	304.75
23993	11/25/2015	Regular	7004	Potter, David L	101.58	0.00	101.58
Totals:					5,345.91	125,775.59	131,121.50



Monterey Peninsula Water Mgmt District

Bank Transaction Report

Transaction Detail

Issued Date Range: 11/01/2015 - 11/30/2015

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Bank Account: 111 - Bank of America Checking - 0000 8170 8210							
11/13/2015	11/30/2015	DFT0000653	I.R.S.	Accounts Payable	Cleared	Bank Draft	-11,212.84
11/13/2015	11/30/2015	DFT0000654	I.R.S.	Accounts Payable	Cleared	Bank Draft	-2,310.78
11/13/2015	11/30/2015	DFT0000655	I.R.S.	Accounts Payable	Cleared	Bank Draft	-182.26
11/16/2015	11/30/2015	SVC0000065	To post bank service charge	General Ledger	Cleared	Service Charge	-267.33
11/25/2015	11/30/2015	DFT0000657	I.R.S.	Accounts Payable	Cleared	Bank Draft	-11,150.77
11/25/2015	11/30/2015	DFT0000658	I.R.S.	Accounts Payable	Cleared	Bank Draft	-2,326.29
11/25/2015	11/30/2015	DFT0000659	I.R.S.	Accounts Payable	Cleared	Bank Draft	-175.50
11/25/2015	11/30/2015	DFT0000661	I.R.S.	Accounts Payable	Cleared	Bank Draft	-51.08
11/25/2015	11/30/2015	DFT0000662	I.R.S.	Accounts Payable	Cleared	Bank Draft	-218.24
Bank Account 111 Total: (9)							-27,895.09
Report Total: (9)							-27,895.09

EXHIBIT 7-D

Bank Transaction Report

Summary

Bank Account	Count	Amount
111 Bank of America Checking - 0000 8170 8210	9	-27,895.09
Report Total:	9	-27,895.09

Cash Account	Count	Amount
99 99-10-100100 Pool Cash Account	9	-27,895.09
Report Total:	9	-27,895.09

Transaction Type	Count	Amount
Bank Draft	8	-27,627.76
Service Charge	1	-267.33
Report Total:	9	-27,895.09



Monterey Peninsula Water Mgmt District

Statement of Revenue Over Expense - No Decimals
Group Summary

For Fiscal: 2015-2016 Period Ending: 11/30/2015

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 %	-1,528	3,400,000	-3,401,528	0.04 %
R110 - Mitigation Revenue	197,268	200,920	-3,651	-98.18 %	197,268	2,412,000	-2,214,732	-8.18 %
R120 - Property Taxes Revenues	0	130,781	-130,781	0.00 %	0	1,570,000	-1,570,000	0.00 %
R130 - User Fees	3,925	6,248	-2,323	-62.82 %	20,759	75,000	-54,241	-27.68 %
R140 - Connection Charges	45,381	14,578	30,804	-311.31 %	109,527	175,000	-65,473	-62.59 %
R150 - Permit Processing Fee	9,349	14,578	-5,229	-64.13 %	63,148	175,000	-111,852	-36.08 %
R160 - Well Registration Fee	175	167	8	-105.04 %	525	2,000	-1,475	-26.25 %
R180 - River Work Permit Application	25	0	25	0.00 %	75	0	75	0.00 %
R190 - WDS Permits Rule 21	1,426	4,665	-3,239	-30.57 %	33,362	56,000	-22,638	-59.58 %
R200 - Recording Fees	538	666	-128	-80.73 %	5,042	8,000	-2,958	-63.03 %
R210 - Legal Fees	171	1,250	-1,079	-13.69 %	1,140	15,000	-13,860	-7.60 %
R220 - Copy Fee	9	0	9	0.00 %	44	0	44	0.00 %
R230 - Miscellaneous - Other	15	1,250	-1,235	-1.19 %	6,579	15,000	-8,421	-43.86 %
R240 - Insurance Refunds	0	0	0	0.00 %	1,352	0	1,352	0.00 %
R250 - Interest Income	154	1,250	-1,096	-12.29 %	6,469	15,000	-8,531	-43.12 %
R260 - CAW - ASR	0	23,566	-23,566	0.00 %	0	282,900	-282,900	0.00 %
R265 - CAW - Los Padres Reimbursement	0	49,980	-49,980	0.00 %	0	600,000	-600,000	0.00 %
R270 - CAW - Rebates	40,886	58,310	-17,424	-70.12 %	253,770	700,000	-446,230	-36.25 %
R280 - CAW - Conservation	0	19,326	-19,326	0.00 %	0	232,000	-232,000	0.00 %
R290 - CAW - Miscellaneous	0	583	-583	0.00 %	0	7,000	-7,000	0.00 %
R300 - Watermaster	0	5,848	-5,848	0.00 %	0	70,200	-70,200	0.00 %
R305 - City of Seaside - Rebates	0	1,666	-1,666	0.00 %	0	20,000	-20,000	0.00 %
R310 - Other Reimbursements	0	5,415	-5,415	0.00 %	0	65,000	-65,000	0.00 %
R320 - Grants	38,817	22,908	15,909	-169.45 %	148,788	275,000	-126,212	-54.10 %
R510 - Operating Reserve	0	270,009	-270,009	0.00 %	0	3,241,400	-3,241,400	0.00 %
Total Revenue:	338,138	1,117,178	-779,040	-30.27 %	846,319	13,411,500	-12,565,181	-6.31 %

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

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	186,536	197,838	11,302	94.29 %	933,193	2,375,000	1,441,807	39.29 %
1110 - Manager's Auto Allowance	462	500	38	92.34 %	2,538	6,000	3,462	42.31 %
1120 - Manager's Deferred Comp	600	650	50	92.34 %	3,300	7,800	4,500	42.31 %
1130 - Unemployment Compensation	0	250	250	0.00 %	670	3,000	2,330	22.34 %
1140 - Insurance Opt-Out Supplemental	1,365	1,583	217	86.27 %	7,432	19,000	11,568	39.12 %
1150 - Temporary Personnel	3,083	5,914	2,832	52.12 %	27,467	71,000	43,533	38.69 %
1160 - PERS Retirement	19,026	33,811	14,785	56.27 %	269,993	405,900	135,907	66.52 %
1170 - Medical Insurance	26,858	25,865	-993	103.84 %	128,111	310,500	182,389	41.26 %
1180 - Medical Insurance - Retirees	3,704	4,798	1,094	77.20 %	22,053	57,600	35,547	38.29 %
1190 - Workers Compensation	3,260	3,524	263	92.53 %	17,970	42,300	24,330	42.48 %
1200 - Life Insurance	465	458	-7	101.51 %	2,271	5,500	3,229	41.30 %
1210 - Long Term Disability Insurance	1,202	1,166	-36	103.08 %	5,285	14,000	8,715	37.75 %
1220 - Short Term Disability Insurance	239	250	11	95.50 %	1,033	3,000	1,967	34.45 %
1260 - Employee Assistance Program	71	100	29	70.88 %	339	1,200	861	28.25 %
1270 - FICA Tax Expense	288	400	112	72.03 %	1,784	4,800	3,016	37.17 %
1280 - Medicare Tax Expense	2,337	2,907	570	80.40 %	12,524	34,900	22,376	35.89 %
1290 - Staff Development & Training	522	2,716	2,193	19.24 %	4,656	32,600	27,944	14.28 %
1300 - Conference Registration	200	267	67	75.03 %	1,770	3,200	1,430	55.31 %
1310 - Professional Dues	695	225	-470	309.01 %	1,225	2,700	1,475	45.37 %
1320 - Personnel Recruitment	295	417	122	70.83 %	3,521	5,000	1,479	70.41 %
Total Level1: 100 - Personnel Costs:	251,209	283,636	32,428	88.57 %	1,447,137	3,405,000	1,957,863	42.50 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	1,760	3,082	1,322	57.10 %	8,910	37,000	28,090	24.08 %
2020 - Board Expenses	0	333	333	0.00 %	30	4,000	3,970	0.75 %
2040 - Rent	1,075	1,966	891	54.68 %	7,580	23,600	16,020	32.12 %
2060 - Utilities	2,623	3,199	576	81.99 %	15,612	38,400	22,788	40.66 %
2120 - Insurance Expense	3,517	3,749	231	93.83 %	17,586	45,000	27,414	39.08 %
2130 - Membership Dues	9,105	2,291	-6,814	397.47 %	17,203	27,500	10,297	62.56 %
2140 - Bank Charges	404	292	-112	138.43 %	2,148	3,500	1,352	61.37 %
2150 - Office Supplies	418	1,358	940	30.79 %	5,299	16,300	11,001	32.51 %
2160 - Courier Expense	487	666	179	73.08 %	3,220	8,000	4,780	40.25 %
2170 - Printing/Photocopy	0	750	750	0.00 %	182	9,000	8,818	2.02 %
2180 - Postage & Shipping	222	333	111	66.70 %	3,315	4,000	685	82.87 %
2190 - IT Supplies/Services	-912	8,780	9,692	-10.39 %	42,584	105,400	62,816	40.40 %
2200 - Professional Fees	19,665	11,246	-8,419	174.87 %	115,474	135,000	19,526	85.54 %
2220 - Equipment Repairs & Maintenance	0	583	583	0.00 %	3,012	7,000	3,988	43.03 %
2235 - Equipment Lease	946	1,250	303	75.72 %	5,550	15,000	9,450	37.00 %
2240 - Telephone	3,411	3,615	204	94.34 %	14,855	43,400	28,545	34.23 %
2260 - Facility Maintenance	3,208	2,899	-309	110.65 %	14,159	34,800	20,641	40.69 %
2270 - Travel Expenses	3,533	2,682	-851	131.71 %	13,790	32,200	18,410	42.83 %

EXHIBIT 7-E**Statement of Revenue Over Expense - No Decimals**

For Fiscal: 2015-2016 Period Ending: 11/30/2015

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	1,492	1,883	390	79.28 %	13,209	22,600	9,391	58.45 %
2300 - Legal Services	98,126	33,320	-64,806	294.50 %	202,781	400,000	197,219	50.70 %
2380 - Meeting Expenses	512	600	88	85.36 %	1,550	7,200	5,650	21.52 %
2420 - Legal Notices	0	358	358	0.00 %	580	4,300	3,720	13.48 %
2460 - Public Outreach	0	417	417	0.00 %	1,143	5,000	3,857	22.86 %
2480 - Miscellaneous	0	417	417	0.00 %	1,023	5,000	3,977	20.46 %
2500 - Tax Administration Fee	0	1,666	1,666	0.00 %	0	20,000	20,000	0.00 %
2900 - Operating Supplies	206	1,741	1,535	11.83 %	12,332	20,900	8,568	59.01 %
Total Level1: 200 - Supplies and Services:	149,796	89,473	-60,324	167.42 %	523,124	1,074,100	550,976	48.70 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	560,919	658,095	97,176	85.23 %	1,432,478	7,900,300	6,467,822	18.13 %
4000 - Fixed Asset Purchases	0	12,037	12,037	0.00 %	7,280	144,500	137,220	5.04 %
5000 - Debt Service	70,070	19,159	-50,911	365.73 %	70,070	230,000	159,930	30.47 %
5500 - Election Expenses	0	18,992	18,992	0.00 %	0	228,000	228,000	0.00 %
6000 - Contingencies	0	6,248	6,248	0.00 %	0	75,000	75,000	0.00 %
6500 - Reserves	0	29,538	29,538	0.00 %	0	354,600	354,600	0.00 %
Total Level1: 300 - Other Expenses:	630,989	744,069	113,080	84.80 %	1,509,827	8,932,400	7,422,573	16.90 %
Total Expense:	1,031,994	1,117,178	85,184	92.38 %	3,480,089	13,411,500	9,931,411	25.95 %
Report Total:	-693,856	0	-693,856		-2,633,770	0	-2,633,770	

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

Fund Summary

Fund	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	33,404	0	33,404		-562,414	0	-562,414	
26 - CONSERVATION FUND	-137,372	0	-137,372		-440,212	0	-440,212	
35 - WATER SUPPLY FUND	-589,888	0	-589,888		-1,631,144	0	-1,631,144	
Report Total:	-693,856	0.08	-693,856		-2,633,770	0	-2,633,770	



Monterey Peninsula Water Mgmt District

Statement of Revenue Over Expense - No Decimals
Group Summary

For Fiscal: 2015-2016 Period Ending: 11/30/2015

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	197,268	200,920	-3,651	-98.18 %	197,268	2,412,000	-2,214,732	-8.18 %
R130 - User Fees	3,313	6,248	-2,934	-53.03 %	17,525	75,000	-57,475	-23.37 %
R160 - Well Registration Fee	175	167	8	-105.04 %	525	2,000	-1,475	-26.25 %
R180 - River Work Permit Application	25	0	25	0.00 %	75	0	75	0.00 %
R190 - WDS Permits Rule 21	1,426	4,665	-3,239	-30.57 %	33,362	56,000	-22,638	-59.58 %
R230 - Miscellaneous - Other	0	1,250	-1,250	0.00 %	443	15,000	-14,557	-2.95 %
R250 - Interest Income	149	541	-392	-27.56 %	745	6,500	-5,755	-11.46 %
R290 - CAW - Miscellaneous	0	583	-583	0.00 %	0	7,000	-7,000	0.00 %
R310 - Other Reimbursements	0	4,582	-4,582	0.00 %	0	55,000	-55,000	0.00 %
R320 - Grants	38,817	22,908	15,909	-169.45 %	148,788	275,000	-126,212	-54.10 %
R510 - Operating Reserve	0	10,579	-10,579	0.00 %	0	127,000	-127,000	0.00 %
Total Revenue:	241,173	252,441	-11,267	-95.54 %	398,731	3,030,500	-2,631,769	-13.16 %

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

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	76,575	83,308	6,733	91.92 %	392,279	1,000,100	607,821	39.22 %
1110 - Manager's Auto Allowance	92	100	8	92.34 %	508	1,200	692	42.30 %
1120 - Manager's Deferred Comp	120	133	13	90.04 %	660	1,600	940	41.25 %
1130 - Unemployment Compensation	0	108	108	0.00 %	288	1,300	1,012	22.16 %
1140 - Insurance Opt-Out Supplemental	358	421	63	85.07 %	1,943	5,050	3,107	38.47 %
1150 - Temporary Personnel	0	42	42	0.00 %	4,695	500	-4,195	938.95 %
1160 - PERS Retirement	7,831	14,461	6,630	54.15 %	116,180	173,600	57,420	66.92 %
1170 - Medical Insurance	11,092	11,262	170	98.49 %	55,121	135,200	80,079	40.77 %
1180 - Medical Insurance - Retirees	1,593	2,066	473	77.10 %	9,483	24,800	15,317	38.24 %
1190 - Workers Compensation	1,974	2,107	134	93.64 %	10,993	25,300	14,307	43.45 %
1200 - Life Insurance	194	196	1	99.29 %	964	2,350	1,386	41.04 %
1210 - Long Term Disability Insurance	508	516	9	98.27 %	2,281	6,200	3,919	36.79 %
1220 - Short Term Disability Insurance	101	108	8	93.06 %	445	1,300	855	34.22 %
1260 - Employee Assistance Program	29	42	13	68.76 %	142	500	358	28.48 %
1270 - FICA Tax Expense	226	192	-34	117.86 %	1,470	2,300	830	63.89 %
1280 - Medicare Tax Expense	1,002	1,241	239	80.76 %	5,533	14,900	9,367	37.14 %
1290 - Staff Development & Training	161	841	680	19.17 %	1,234	10,100	8,866	12.22 %
1300 - Conference Registration	0	117	117	0.00 %	441	1,400	959	31.48 %
1310 - Professional Dues	283	83	-200	340.04 %	359	1,000	642	35.85 %
1320 - Personnel Recruitment	148	175	27	84.32 %	1,100	2,100	1,000	52.36 %
Total Level1: 100 - Personnel Costs:	102,286	117,520	15,233	87.04 %	606,118	1,410,800	804,682	42.96 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	757	1,324	568	57.14 %	3,831	15,900	12,069	24.10 %
2020 - Board Expenses	0	142	142	0.00 %	13	1,700	1,687	0.76 %
2040 - Rent	490	908	418	53.96 %	3,552	10,900	7,348	32.59 %
2060 - Utilities	1,139	1,383	243	82.39 %	6,784	16,600	9,816	40.87 %
2120 - Insurance Expense	1,512	1,608	95	94.07 %	7,562	19,300	11,738	39.18 %
2130 - Membership Dues	3,915	833	-3,082	470.01 %	7,231	10,000	2,769	72.31 %
2140 - Bank Charges	115	125	10	92.00 %	656	1,500	844	43.71 %
2150 - Office Supplies	305	583	278	52.33 %	2,248	7,000	4,752	32.12 %
2160 - Courier Expense	209	283	74	73.94 %	1,379	3,400	2,021	40.56 %
2170 - Printing/Photocopy	0	233	233	0.00 %	78	2,800	2,722	2.80 %
2180 - Postage & Shipping	97	142	45	68.32 %	1,455	1,700	245	85.61 %
2190 - IT Supplies/Services	-392	3,790	4,182	-10.35 %	18,311	45,500	27,189	40.24 %
2200 - Professional Fees	8,428	4,831	-3,597	174.44 %	48,577	58,000	9,423	83.75 %
2220 - Equipment Repairs & Maintenance	0	250	250	0.00 %	1,295	3,000	1,705	43.17 %
2235 - Equipment Lease	407	533	126	76.31 %	2,386	6,400	4,014	37.29 %
2240 - Telephone	1,348	1,558	210	86.54 %	6,372	18,700	12,328	34.08 %
2260 - Facility Maintenance	1,379	1,258	-121	109.66 %	6,089	15,100	9,012	40.32 %
2270 - Travel Expenses	742	900	158	82.44 %	2,327	10,800	8,473	21.55 %

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	862	733	-129	117.54 %	7,545	8,800	1,255	85.74 %
2300 - Legal Services	50,410	7,497	-42,913	672.40 %	62,217	90,000	27,783	69.13 %
2380 - Meeting Expenses	220	225	5	97.88 %	671	2,700	2,029	24.86 %
2420 - Legal Notices	0	150	150	0.00 %	0	1,800	1,800	0.00 %
2460 - Public Outreach	0	175	175	0.00 %	468	2,100	1,632	22.29 %
2480 - Miscellaneous	0	183	183	0.00 %	440	2,200	1,760	19.99 %
2900 - Operating Supplies	89	283	195	31.26 %	481	3,400	2,919	14.16 %
Total Level1: 200 - Supplies and Services:	72,032	29,930	-42,102	240.67 %	191,969	359,300	167,331	53.43 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	33,451	59,043	25,592	56.66 %	159,927	708,800	548,873	22.56 %
4000 - Fixed Asset Purchases	0	5,581	5,581	0.00 %	3,130	67,000	63,870	4.67 %
5500 - Election Expenses	0	8,163	8,163	0.00 %	0	98,000	98,000	0.00 %
6000 - Contingencies	0	2,666	2,666	0.00 %	0	32,000	32,000	0.00 %
6500 - Reserves	0	29,538	29,538	0.00 %	0	354,600	354,600	0.00 %
Total Level1: 300 - Other Expenses:	33,451	104,991	71,540	31.86 %	163,058	1,260,400	1,097,342	12.94 %
Total Expense:	207,769	252,441	44,671	82.30 %	961,145	3,030,500	2,069,355	31.72 %
Total Revenues	241,173	252,441	-11,267	-95.54 %	398,731	3,030,500	-2,631,769	-13.16 %
Total Fund: 24 - MITIGATION FUND:	33,404	0	33,404		-562,414	0	-562,414	

EXHIBIT 7-E**Statement of Revenue Over Expense - No Decimals**

For Fiscal: 2015-2016 Period Ending: 11/30/2015

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
Fund: 26 - CONSERVATION FUND								
Revenue								
R120 - Property Taxes Revenues	0	90,131	-90,131	0.00 %	0	1,082,000	-1,082,000	0.00 %
R130 - User Fees	611	0	611	0.00 %	3,234	0	3,234	0.00 %
R150 - Permit Processing Fee	9,349	14,578	-5,229	-64.13 %	63,148	175,000	-111,852	-36.08 %
R200 - Recording Fees	538	666	-128	-80.73 %	5,042	8,000	-2,958	-63.03 %
R210 - Legal Fees	171	1,250	-1,079	-13.69 %	1,140	15,000	-13,860	-7.60 %
R230 - Miscellaneous - Other	0	0	0	0.00 %	217	0	217	0.00 %
R250 - Interest Income	1	333	-332	-0.41 %	1,448	4,000	-2,552	-36.21 %
R270 - CAW - Rebates	40,886	58,310	-17,424	-70.12 %	253,770	700,000	-446,230	-36.25 %
R280 - CAW - Conservation	0	19,326	-19,326	0.00 %	0	232,000	-232,000	0.00 %
R305 - City of Seaside - Rebates	0	1,666	-1,666	0.00 %	0	20,000	-20,000	0.00 %
R310 - Other Reimbursements	0	833	-833	0.00 %	0	10,000	-10,000	0.00 %
R510 - Operating Reserve	0	2,666	-2,666	0.00 %	0	32,000	-32,000	0.00 %
Total Revenue:	51,557	189,757	-138,201	-27.17 %	327,999	2,278,000	-1,950,001	-14.40 %

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

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	48,111	44,749	-3,363	107.51 %	232,404	537,200	304,796	43.26 %
1110 - Manager's Auto Allowance	92	100	8	92.34 %	508	1,200	692	42.30 %
1120 - Manager's Deferred Comp	120	133	13	90.04 %	660	1,600	940	41.25 %
1130 - Unemployment Compensation	0	58	58	0.00 %	161	700	539	22.97 %
1140 - Insurance Opt-Out Supplemental	358	421	63	85.07 %	1,943	5,050	3,107	38.47 %
1150 - Temporary Personnel	3,083	5,848	2,765	52.71 %	19,169	70,200	51,031	27.31 %
1160 - PERS Retirement	4,625	7,755	3,130	59.64 %	64,279	93,100	28,821	69.04 %
1170 - Medical Insurance	8,291	6,656	-1,636	124.57 %	35,967	79,900	43,933	45.02 %
1180 - Medical Insurance - Retirees	889	1,150	261	77.34 %	5,293	13,800	8,507	38.35 %
1190 - Workers Compensation	185	175	-10	105.65 %	927	2,100	1,173	44.14 %
1200 - Life Insurance	132	133	2	98.81 %	620	1,600	980	38.77 %
1210 - Long Term Disability Insurance	323	262	-60	123.02 %	1,334	3,150	1,816	42.36 %
1220 - Short Term Disability Insurance	64	58	-6	109.93 %	264	700	436	37.70 %
1260 - Employee Assistance Program	22	25	3	86.79 %	95	300	205	31.64 %
1270 - FICA Tax Expense	26	42	15	62.88 %	133	500	367	26.51 %
1280 - Medicare Tax Expense	674	650	-24	103.72 %	3,401	7,800	4,399	43.60 %
1290 - Staff Development & Training	225	1,200	975	18.76 %	2,501	14,400	11,899	17.37 %
1300 - Conference Registration	100	50	-50	200.08 %	891	600	-291	148.50 %
1310 - Professional Dues	321	50	-271	642.26 %	718	600	-118	119.67 %
1320 - Personnel Recruitment	0	100	100	0.00 %	1,300	1,200	-100	108.33 %
Total Level1: 100 - Personnel Costs:	67,640	69,614	1,973	97.17 %	372,567	835,700	463,133	44.58 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	422	741	319	56.98 %	2,138	8,900	6,762	24.03 %
2020 - Board Expenses	0	83	83	0.00 %	7	1,000	993	0.72 %
2040 - Rent	163	258	95	63.20 %	816	3,100	2,284	26.32 %
2060 - Utilities	625	758	133	82.40 %	3,704	9,100	5,396	40.71 %
2120 - Insurance Expense	844	900	56	93.83 %	4,221	10,800	6,579	39.08 %
2130 - Membership Dues	2,185	808	-1,377	270.44 %	4,422	9,700	5,278	45.59 %
2140 - Bank Charges	64	67	2	96.28 %	368	800	432	46.02 %
2150 - Office Supplies	-126	325	451	-38.89 %	1,353	3,900	2,547	34.70 %
2160 - Courier Expense	117	167	50	70.16 %	783	2,000	1,217	39.13 %
2170 - Printing/Photocopy	0	342	342	0.00 %	44	4,100	4,056	1.07 %
2180 - Postage & Shipping	54	83	29	64.83 %	776	1,000	224	77.64 %
2190 - IT Supplies/Services	-219	2,058	2,276	-10.64 %	10,044	24,700	14,656	40.67 %
2200 - Professional Fees	4,704	2,699	-2,005	174.29 %	27,113	32,400	5,287	83.68 %
2220 - Equipment Repairs & Maintenance	0	142	142	0.00 %	723	1,700	977	42.52 %
2235 - Equipment Lease	227	300	73	75.72 %	1,355	3,600	2,245	37.64 %
2240 - Telephone	974	800	-174	121.80 %	3,542	9,600	6,058	36.90 %
2260 - Facility Maintenance	770	641	-128	120.02 %	3,398	7,700	4,302	44.13 %
2270 - Travel Expenses	1,639	1,033	-606	158.68 %	8,324	12,400	4,076	67.13 %

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	142	417	275	34.08 %	4,720	5,000	280	94.40 %
2300 - Legal Services	11,375	4,998	-6,377	227.60 %	20,983	60,000	39,017	34.97 %
2380 - Meeting Expenses	123	200	77	61.46 %	370	2,400	2,030	15.41 %
2420 - Legal Notices	0	92	92	0.00 %	0	1,100	1,100	0.00 %
2460 - Public Outreach	0	100	100	0.00 %	269	1,200	931	22.39 %
2480 - Miscellaneous	0	100	100	0.00 %	245	1,200	955	20.46 %
2500 - Tax Administration Fee	0	658	658	0.00 %	0	7,900	7,900	0.00 %
2900 - Operating Supplies	49	1,216	1,167	4.06 %	11,653	14,600	2,947	79.82 %
Total Level1: 200 - Supplies and Services:	24,133	19,984	-4,149	120.76 %	111,374	239,900	128,526	46.43 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	97,156	92,588	-4,568	104.93 %	282,378	1,111,500	829,122	25.41 %
4000 - Fixed Asset Purchases	0	1,491	1,491	0.00 %	1,893	17,900	16,007	10.57 %
5500 - Election Expenses	0	4,582	4,582	0.00 %	0	55,000	55,000	0.00 %
6000 - Contingencies	0	1,499	1,499	0.00 %	0	18,000	18,000	0.00 %
Total Level1: 300 - Other Expenses:	97,156	100,160	3,004	97.00 %	284,271	1,202,400	918,129	23.64 %
Total Expense:	188,929	189,757	829	99.56 %	768,211	2,278,000	1,509,789	33.72 %
Total Revenues	51,557	189,757	-138,201	-27.17 %	327,999	2,278,000	-1,950,001	-14.40 %
Total Fund: 26 - CONSERVATION FUND:	-137,372	0	-137,372		-440,212	0	-440,212	

EXHIBIT 7-E

55

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

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 %	-1,528	3,400,000	-3,401,528	0.04 %
R120 - Property Taxes Revenues	0	40,650	-40,650	0.00 %	0	488,000	-488,000	0.00 %
R140 - Connection Charges	45,381	14,578	30,804	-311.31 %	109,527	175,000	-65,473	-62.59 %
R220 - Copy Fee	9	0	9	0.00 %	44	0	44	0.00 %
R230 - Miscellaneous - Other	15	0	15	0.00 %	5,919	0	5,919	0.00 %
R240 - Insurance Refunds	0	0	0	0.00 %	1,352	0	1,352	0.00 %
R250 - Interest Income	3	375	-372	-0.79 %	4,275	4,500	-225	-95.01 %
R260 - CAW - ASR	0	23,566	-23,566	0.00 %	0	282,900	-282,900	0.00 %
R265 - CAW - Los Padres Reimbursement	0	49,980	-49,980	0.00 %	0	600,000	-600,000	0.00 %
R300 - Watermaster	0	5,848	-5,848	0.00 %	0	70,200	-70,200	0.00 %
R510 - Operating Reserve	0	256,764	-256,764	0.00 %	0	3,082,400	-3,082,400	0.00 %
Total Revenue:	45,408	674,980	-629,572	-6.73 %	119,589	8,103,000	-7,983,411	-1.48 %

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

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	61,850	69,780	7,931	88.63 %	308,510	837,700	529,190	36.83 %
1110 - Manager's Auto Allowance	277	300	23	92.34 %	1,523	3,600	2,077	42.31 %
1120 - Manager's Deferred Comp	360	383	23	93.95 %	1,980	4,600	2,620	43.04 %
1130 - Unemployment Compensation	0	83	83	0.00 %	221	1,000	779	22.11 %
1140 - Insurance Opt-Out Supplemental	650	741	92	87.62 %	3,547	8,900	5,353	39.85 %
1150 - Temporary Personnel	0	25	25	0.00 %	3,603	300	-3,303	1,200.98 %
1160 - PERS Retirement	6,570	11,595	5,025	56.66 %	89,534	139,200	49,666	64.32 %
1170 - Medical Insurance	7,475	7,947	472	94.06 %	37,022	95,400	58,378	38.81 %
1180 - Medical Insurance - Retirees	1,222	1,583	360	77.23 %	7,278	19,000	11,722	38.30 %
1190 - Workers Compensation	1,102	1,241	139	88.80 %	6,050	14,900	8,850	40.60 %
1200 - Life Insurance	139	129	-10	107.68 %	687	1,550	863	44.31 %
1210 - Long Term Disability Insurance	372	387	16	95.98 %	1,670	4,650	2,980	35.92 %
1220 - Short Term Disability Insurance	74	83	10	88.58 %	325	1,000	675	32.47 %
1260 - Employee Assistance Program	21	33	13	61.60 %	102	400	298	25.43 %
1270 - FICA Tax Expense	36	167	131	21.61 %	182	2,000	1,818	9.11 %
1280 - Medicare Tax Expense	661	1,016	355	65.05 %	3,591	12,200	8,609	29.43 %
1290 - Staff Development & Training	136	675	539	20.19 %	921	8,100	7,179	11.37 %
1300 - Conference Registration	100	100	0	100.04 %	438	1,200	762	36.52 %
1310 - Professional Dues	91	92	1	99.04 %	149	1,100	952	13.50 %
1320 - Personnel Recruitment	148	142	-6	104.16 %	1,121	1,700	579	65.94 %
Total Level1: 100 - Personnel Costs:	81,282	96,503	15,221	84.23 %	468,453	1,158,500	690,047	40.44 %
Level1: 200 - Supplies and Services								
2000 - Board Member Compensation	581	1,016	435	57.15 %	2,940	12,200	9,260	24.10 %
2020 - Board Expenses	0	108	108	0.00 %	10	1,300	1,290	0.76 %
2040 - Rent	422	800	378	52.76 %	3,212	9,600	6,388	33.46 %
2060 - Utilities	859	1,058	199	81.18 %	5,123	12,700	7,577	40.34 %
2120 - Insurance Expense	1,161	1,241	81	93.51 %	5,803	14,900	9,097	38.95 %
2130 - Membership Dues	3,005	650	-2,355	462.44 %	5,550	7,800	2,250	71.15 %
2140 - Bank Charges	224	100	-125	224.58 %	1,124	1,200	76	93.67 %
2150 - Office Supplies	239	450	211	53.19 %	1,697	5,400	3,703	31.43 %
2160 - Courier Expense	161	217	56	74.20 %	1,058	2,600	1,542	40.70 %
2170 - Printing/Photocopy	0	175	175	0.00 %	60	2,100	2,040	2.86 %
2180 - Postage & Shipping	72	108	37	66.04 %	1,083	1,300	217	83.31 %
2190 - IT Supplies/Services	-301	2,932	3,233	-10.27 %	14,228	35,200	20,972	40.42 %
2200 - Professional Fees	6,533	3,715	-2,817	175.83 %	39,784	44,600	4,816	89.20 %
2220 - Equipment Repairs & Maintenance	0	192	192	0.00 %	994	2,300	1,306	43.22 %
2235 - Equipment Lease	312	417	104	74.96 %	1,808	5,000	3,192	36.16 %
2240 - Telephone	1,089	1,258	169	86.56 %	4,940	15,100	10,160	32.72 %
2260 - Facility Maintenance	1,059	1,000	-59	105.90 %	4,673	12,000	7,327	38.94 %
2270 - Travel Expenses	1,152	750	-402	153.68 %	3,138	9,000	5,862	34.87 %

EXHIBIT 7-E

57

Statement of Revenue Over Expense - No Decimals**For Fiscal: 2015-2016 Period Ending: 11/30/2015**

Level...	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
2280 - Transportation	489	733	244	66.69 %	944	8,800	7,856	10.73 %
2300 - Legal Services	36,340	20,825	-15,515	174.50 %	119,581	250,000	130,419	47.83 %
2380 - Meeting Expenses	169	175	6	96.58 %	509	2,100	1,591	24.21 %
2420 - Legal Notices	0	117	117	0.00 %	580	1,400	820	41.41 %
2460 - Public Outreach	0	142	142	0.00 %	406	1,700	1,294	23.89 %
2480 - Miscellaneous	0	133	133	0.00 %	338	1,600	1,262	21.10 %
2500 - Tax Administration Fee	0	1,008	1,008	0.00 %	0	12,100	12,100	0.00 %
2900 - Operating Supplies	68	242	174	28.12 %	198	2,900	2,702	6.81 %
Total Level1: 200 - Supplies and Services:	53,632	39,559	-14,073	135.57 %	219,781	474,900	255,119	46.28 %
Level1: 300 - Other Expenses								
3000 - Project Expenses	430,312	506,464	76,152	84.96 %	990,172	6,080,000	5,089,828	16.29 %
4000 - Fixed Asset Purchases	0	4,965	4,965	0.00 %	2,257	59,600	57,343	3.79 %
5000 - Debt Service	70,070	19,159	-50,911	365.73 %	70,070	230,000	159,930	30.47 %
5500 - Election Expenses	0	6,248	6,248	0.00 %	0	75,000	75,000	0.00 %
6000 - Contingencies	0	2,083	2,083	0.00 %	0	25,000	25,000	0.00 %
Total Level1: 300 - Other Expenses:	500,382	538,918	38,536	92.85 %	1,062,499	6,469,600	5,407,101	16.42 %
Total Expense:	635,296	674,980	39,684	94.12 %	1,750,733	8,103,000	6,352,267	21.61 %
Total Revenues	45,408	674,980	-629,572	-6.73 %	119,589	8,103,000	-7,983,411	-1.48 %
Total Fund: 35 - WATER SUPPLY FUND:	-589,888	0	-589,888		-1,631,144	0	-1,631,144	
Report Total:	-693,856	0	-693,856		-2,633,770	0	-2,633,770	

EXHIBIT 7-E

Statement of Revenue Over Expense - No Decimals

For Fiscal: 2015-2016 Period Ending: 11/30/2015

Fund Summary

Fund	November Activity	November Budget	Variance Favorable (Unfavorable)	Percent Used	YTD Activity	Total Budget	Variance Favorable (Unfavorable)	Percent Used
24 - MITIGATION FUND	33,404	0	33,404		-562,414	0	-562,414	
26 - CONSERVATION FUND	-137,372	0	-137,372		-440,212	0	-440,212	
35 - WATER SUPPLY FUND	-589,888	0	-589,888		-1,631,144	0	-1,631,144	
Report Total:	-693,856	0.08	-693,856		-2,633,770	0	-2,633,770	

ITEM: PUBLIC HEARING**13. CONSIDER SECOND READING AND ADOPTION OF ORDINANCE NO. 168 -- AMENDING RULE 11, AND ADDING RULE 23.9 TO ESTABLISH A WATER ENTITLEMENT FOR THE CITY OF PACIFIC GROVE****Meeting Date: January 27, 2016 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:****CEQA Compliance: District is a Responsible Agency relying on an EIR and Supplemental EIR certified by the City of Pacific Grove**

SUMMARY: Ordinance No. 168 (**Exhibit 13-A**) establishes a Water Entitlement for the City of Pacific Grove (the City) of 66 Acre-Feet Annually (AFA) to be used for new and expanded water uses at properties located within the California American Water service area.

A Water Entitlement is a discrete quantity of water designated by a District ordinance to a specified Water Entitlement Holder for new or Intensified Water Use. Water Entitlement Holders established by previous MPWMD ordinances include the Pebble Beach Company and the other fiscal sponsors of the CAWD/PBCSD Wastewater Reclamation Project, the City of Sand City, Cypress Pacific Investors LLC, Malpasco Water LLC, and DBO Development No. 30. For the City of Pacific Grove Water Entitlement, the Water Entitlement Holder assigns water to its subscribers via Assignment Documents that the subscribers then use to obtain Water Use Permits from the District. The Water Use Permit can then be used to permit new water use up to the amount specified.

The development of existing legal lots of record in California American Water's service area is currently constrained by a lack of available MPWMD Allocations and Water Credits, and State Water Board Order WR 2009-0060, which prohibits California American Water from diverting water from the Carmel River for new service Connections or increased uses of water at existing service addresses resulting from changes in zoning or use. The City's project (Project) is intended to create non-potable recycled water supply of up to 125 acre-feet annually (AFA) to meet irrigation needs on the City-owned Pacific Grove Golf Links and El Carmelo Cemetery and will thereby reduce potable water metered demand on the California American Water Company (Cal-Am) water system. The Project includes a new Satellite Reclaimed Water Treatment Plant facility with a design flow capacity of 0.25 million gallons per day, and will recycle a portion of the City's municipal wastewater at the Point Pinos Wastewater Treatment Plant. Potable water freed by reason of Project operations shall be available for re-use. The Ordinance establishes 66 AFA for the Entitlement, 9 AFA (10%) reserved by the District for its exclusive use for

allocation to other jurisdictions, and a 13 AFA remainder (15%) will be conserved and permanently suspended from use for the benefit of the Carmel River system.

Because the Entitlement is derived from conserved water, under District rules the conserved water would normally be made available for new uses immediately, because such use would not be an increase in existing demand at the time of the creation of the Entitlement. However, in the funding of a low-cost State Revolving Fund loan for the Project, the State Water Resources Control Board has added a condition to the loan which states:

“The City shall apply recycled water produced by the Project to service of existing uses and shall use the ensuing demand reductions to offset deliveries from Cal-Am until such time as the City receives consent from the State Water Board’s Executive Director to apply the Project’s recycled water to new service connections to increased uses at existing service addresses resulting from a change in zoning or use”

The City will have to address this condition in its subscription process.

CEQA: The MPWMD is a responsible agency under the California Environmental Quality Act (CEQA). As a CEQA responsible agency, the MPWMD may rely on the City’s CEQA compliance for the Ordinance.

The City certified a Supplemental Environmental Impact Report (EIR) for the Project on November 19, 2014, in accord with the California Environmental Quality Act (CEQA). In certifying this EIR, the City made specific findings which, by this reference, are made an integral part of this ordinance, as if set forth in full. The City thereafter prepared and certified a Supplemental EIR (SEIR) on modification to the PG Local Water Project (SCH# 2014021058) which examined impacts that might result from implementation of this ordinance. The Project will not have a significant effect on the environment, based on information contained in the SEIR. Mitigation measures are not made as conditions of approval by MPWMD for this action.

The District Board action must comply with CEQA as well as MPWMD regulations. In the review of this ordinance, MPWMD has followed those guidelines adopted by the State of California and published in the California Administrative Code, Title 14, Sections 15000, et seq. Specifically, the MPWMD, as a Responsible Agency under CEQA for this action, has complied with Guidelines section 15096. The MPWMD has considered the applicable EIR and SEIR sections prepared by Brezack & Associates Planning that relate to hydrology, water quality and water supply. A package of these excerpts was provided to each Board member via email.

Copies of the full EIR and SEIR associated with the Pacific Grove Local Water Project are available for public review at the District office in hard copy or CD. The EIR and related documents can be found at

<http://www.cityofpacificgrove.org/living/public-works/local-water-project>.

RECOMMENDATION:

1. As a CEQA Responsible Agency, the Board should find that the City of Pacific Grove’s certified Environmental Impact Report (EIR) and Supplemental Environmental Impact Report (SEIR) sufficiently analyzed the impacts related to water and hydrology and that the evaluation

was adequate to rely upon for establishment of the City of Pacific Grove Water Entitlement. Staff should file a Notice of Determination with the Monterey County Clerk.

2. The Board should approve the second reading and adopt Ordinance No. 168, establishing a Water Entitlement for the City of Pacific Grove.

EXHIBIT

13-A Draft Ordinance No. 168

EXHIBIT 13-A

ORDINANCE NO. 168
AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
AMENDING RULE 11 AND ADDING RULE 23.9
TO ESTABLISH A WATER ENTITLEMENT FOR
THE CITY OF PACIFIC GROVE

FINDINGS

1. The Monterey Peninsula Water Management District (MPWMD or District) is charged under the Monterey Peninsula Water Management District Law with the integrated management of all ground and surface water resources in the Monterey Peninsula area.
2. The Monterey Peninsula Water Management District Law grants MPWMD general and specific powers to cause sufficient water to be available for present and future beneficial use or uses of lands or inhabitants within the District. MPWMD Rule 30 requires the District to establish a specific Allocation for each Jurisdiction and provides that the District also may establish Water Entitlements as necessary to manage water supplies throughout the District.
3. The City of Pacific Grove (City) committed to construct the Pacific Grove Local Water Project (Project) within the City. The Project is intended to create non-potable recycled water supply of 125 acre-feet annually (AFA) to meet irrigation needs on the City-owned Pacific Grove Golf Links and El Carmelo Cemetery and will thereby reduce potable water metered demand on the California American Water Company (Cal-Am) water system. The Project includes a new Satellite Reclaimed Water Treatment Plant facility with a design flow capacity of 0.25 million gallons per day, and will recycle a portion of the City's municipal wastewater at the Point Piños Wastewater Treatment Plant. Potable water freed by reason of Project operations shall be available for re-use; a remainder will be conserved and permanently suspended from use for the benefit of the Carmel River system.
4. The City certified an Environmental Impact Report (EIR) for the Project on November 19, 2014, in accord with the California Environmental Quality Act (CEQA). In certifying this EIR, the City made specific findings which, by this reference, are made an integral part of this ordinance, as if set forth in full. The City thereafter prepared and certified a Supplemental EIR (SEIR) on modification to the PG Local Water Project (SCH#

2014021058) which examined impacts that might result from implementation of this ordinance.

5. A key purpose for the Project is to assist the City, the District, and Cal-Am to meet requirements of State Water Resources Control Board (SWRCB) Order WR 95-10, whereby the SWRCB concluded Cal-Am was diverting approximately 10,730 acre-feet per year of water from the Carmel River system without a valid basis of right. Order WR 95-10 directed Cal-Am to terminate unlawful diversions from the Carmel River system. The Project reduces metered demand and Cal-Am production requirements from the Carmel River system. The Project is scheduled to be fully on line and delivering up to 125 afy on or before December 31, 2016.
6. This ordinance suspends use of a portion of the potable water previously diverted by Cal-Am and used by the City to irrigate its Golf Links and El Carmelo Cemetery, during that period before Cal-Am is able to cease diverting water from the Carmel River system without a valid basis of right.
7. This ordinance establishes a Water Entitlement for the City by which Cal-Am may convey water through its distribution system to City subscribers based upon a Water Use Permit, and adds water to Jurisdictional Allocations under Rule 33. This ordinance also establishes procedures under which City subscribers may apply to the District for Water Use Permits receive and use water diverted by Cal-Am.
8. This ordinance amends Rule 11 (Definitions) and adds Rule 23.9 (City of Pacific Grove Water Entitlement) to the Rules and Regulations of the Monterey Peninsula Water Management District.
9. Significant portions of the water made available by the Project shall assist Cal-Am's efforts to comply with SWRCB Order WR 95-10, and Cease & Desist Order 2009-060.
10. The MPWMD is a responsible agency under CEQA. As a CEQA responsible agency, the MPWMD may rely on the City's CEQA compliance for this ordinance. Pursuant to CEQA Sections 15091 and 15092, the MPWMD Board finds that the Project will not have a significant effect on the environment, based on information contained in the SEIR. Mitigation measures are not made as conditions of approval by MPWMD for this action.

NOW THEREFORE, be it ordained as follows:

ORDINANCE

Section One: Short Title

This ordinance shall be known as the Pacific Grove Recycled Water Supply Entitlement Ordinance of the Monterey Peninsula Water Management District.

Section Two: Purpose

The purpose of this ordinance create a process to confirm and quantify replacement of existing Potable water use with Recycled Water by reason of the Pacific Grove Local Water Project, to quantify the portion of replaced water supply retired from use during the period before California American Water is able to cease diverting water from the Carmel River system without a valid basis of right, and to confirm how the remainder portion of water may be re-used by the City of Pacific Grove and the District via deliveries from California American Water from its various sources, including water from the Carmel River system.

Section Three: Amendment of Rule 11, Definitions

The following definition in Rule 11 shall be amended as shown in bold italics (*bold italics*) and strikeout (~~strikethrough~~).

WATER ENTITLEMENT HOLDER – “Water Entitlement Holder” shall refer to one of the following entities: The Pebble Beach Company (Ordinance Nos. 39 and 109), Hester Hyde Griffin Trust (Ordinance No. 39), Lohr Properties Inc. (Ordinance No. 39), the City of Sand City (Ordinance Nos. 132), Cypress Pacific Investors LLC (Water Distribution System Permit approved September 15, 2014), ~~and~~ Malpaso Water Company LLC (Ordinance No. 165), ~~and~~ D.B.O. Development No. 30, a California Limited Liability Company (Ordinance No. 166), *and the City of Pacific Grove (Ordinance No. 168).*

Section Four: Addition of Rule 23.9, City of Pacific Grove Water Entitlement

The following text shall be added as Rule 23.9 –City of Pacific Grove Water Entitlement:

RULE 23.9 – CITY OF PACIFIC GROVE WATER ENTITLEMENT**A. CITY OF PACIFIC GROVE WATER ENTITLEMENT**

1. The City of Pacific Grove Water Entitlement confers on the City of Pacific Grove, a vested property right to release up to 66 AFA of water for consumption from the California American Water Company Water Distribution System.
2. 13 AFA of metered water demand previously used by the City of Pacific Grove to irrigate its Golf Links and El Carmelo Cemetery shall be permanently suspended from use in order to provide lasting benefits to the Carmel River system.
3. Benefited Properties of the City of Pacific Grove Water Entitlement shall mean all properties that are located within the City of Pacific Grove.
4. City of Pacific Grove is authorized to separately sell, transfer and convey to owners of Benefited Properties for such consideration and upon such terms and conditions as City of Pacific Grove in its discretion may determine, such portions of the City of Pacific Grove Water Entitlement as it may choose. Any portion of the City of Pacific Grove Water Entitlement conveyed to the owner of a Benefited Property by an Assignment Document shall vest in the owner of the Benefited Property, and become appurtenant to title to the particular Benefited Property, at the time the Water Use Permit is issued as evidence of such conveyance.
5. The City of Pacific Grove Water Entitlement shall be separate and distinct from any other Allocations provided in Rule 30.
6. For purposes of collecting Capacity Fees and tracking the use of a Water Entitlement, the projected increase in Water Use Capacity of a Benefited Property shall be calculated in the manner set forth in Rule 24, as it may be amended from time to time.
7. Each Water Use Permit issued pursuant to this Rule shall represent a vested property interest upon issuance and shall not be subject to Revocation or cancellation except as expressly set forth in subparagraph B below.

8. The portion of the City of Pacific Grove Water Entitlement granted by each Water Use Permit shall not be subject to reallocation pursuant to MPWMD Rule 30.

B. REVOCATION, TERMINATION, OR MODIFICATION OF WATER USE PERMITS

1. Each Water Use Permit which, on or after January 1, 2075, embodies an annual Water Entitlement in excess of requirements for planned land uses on the Benefited Property, or which purports to authorize usage in excess of the constitutional limitation (California Constitution, article 10, section 2) to reasonable and beneficial use, shall be subject to modification, Revocation, or termination in the sole discretion of MPWMD, such that the water usage authorized thereby shall not exceed such requirements and limitations.
2. Prior to any modification, termination or Revocation pursuant to this subparagraph E, the holder of the Water Use Permit shall be entitled to notice and a hearing, and any termination, Revocation, or modification shall be subject to appeal to the Board pursuant to Rule 70 of the MPWMD Rules and Regulations.

Section Five: Designation of 9 Acre-Feet of Water Savings to MPWMD

Simultaneous with the creation of the Pacific Grove Water Entitlement pursuant to Rule 23.9, the District shall reserve 9 AFA of conserved water for its exclusive use for future Jurisdictional Allocation pursuant to Rule 30 or to be held in reserve.

Section Six: Effective Date and Sunset

This ordinance shall take effect upon completion of the Pacific Grove Local Water Project and verification of disconnection from the California American Water Water Distribution System of all irrigation and irrigation Connections to the Pacific Grove Municipal Golf Links and the El Carmelo Cemetery.

This Ordinance shall not have a sunset date.

Section Seven: Severability

If any subdivision, paragraph, 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 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 by 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**14. CONSIDER FIRST READING OF ORDINANCE NO. 169, AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT REPEALING REGULATION XV, THE EXPANDED WATER CONSERVATION AND STANDBY RATIONING PLAN, AND REPLACING IT WITH REGULATION XV, THE MONTEREY PENINSULA WATER CONSERVATION AND RATIONING PLAN****Meeting Date:** January 27, 2016 **Budgeted:** N/A**From:** Dave 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 the draft ordinance on January 24, 2016.**CEQA Compliance:** This ordinance is exempt from the California Environmental Quality Act (CEQA) under Water Code §10652. This ordinance is also exempt from the requirements of CEQA under the provisions of CEQA Guideline 15269 (c) and 15282 (w).

SUMMARY: Ordinance No. 169 (**Exhibit 14-A**) repeals the existing Regulation XV and replaces it with a streamlined conservation and rationing plan. The Monterey Peninsula Water Conservation and Rationing Plan (Plan) consists of four stages, the first stage always being in effect with a focus on water waste and conservation. The second stage is a “call for action” or voluntary rationing whereby a target percentage reduction is determined and the community is asked to do their share to reduce use to meet the target. The third stage implements “conservation rates” in the California American Water Company (Cal-Am) system. The conservation rates are two-level increases in the rates for all users other than Tier 1 residential users. The first level increases rates by 25 percent; the second level increases them by 40 percent. Finally, Stage 4 implements mandatory restrictions on non-essential water use and rations households as the first water rationing measure (residential use is approximately 70 percent of total consumption). If household rationing does not work, non-residential rationing would be implemented along with additional restrictions on non-essential uses. There are variances available for hardship situations and for large households.

The Plan is part of an application currently being considered by the California Public Utilities Commission (CPUC) in application A.15-07-019. MPWMD, as a regulatory agency over California American Water, will direct the company to adopt the District’s plan as their conservation and rationing plan (Rule 14.1.1). The Plan was the subject of two MPWMD public workshops on December 1, 2015 and was a component of the recent Cal-Am workshop on its rate proposal held in Monterey on January 14, 2016. CPUC Public Participation Hearings on Cal-Am’s application are scheduled for January 27, 2015, at Oldemeyer Center in Seaside.

Ordinance No. 169 has been reviewed by the Water Demand Committee.

RECOMMENDATION: Staff recommends the Board approve the first reading of Ordinance No. 169.

EXHIBITS

14-A Draft Ordinance No. 169

Revised Ordinance Presented at the 1/27/2016 Board Meeting.

U:\staff\Boardpacket\2016\20160127\PublicHrngs\14\Item-14.docx

Link to Revised Ordinance Presented at the 1/27/2016 Board Meeting.**EXHIBIT 14-A****ORDINANCE NO. 169****AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT REPEALING
REGULATION XV, THE EXPANDED WATER CONSERVATION
AND STANDBY RATIONING PLAN,
AND REPLACING IT WITH REGULATION XV, THE 2016 MONTEREY PENINSULA
WATER CONSERVATION AND RATIONING PLAN****FINDINGS**

1. The Water Management District is charged under the Monterey Peninsula Water Management District Law with the integrated management of the ground and surface water resources in the Monterey Peninsula area.
2. The 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. This ordinance is enacted to respond to present and threatened water emergencies, as provided by Section 332 of the District Law. Water emergencies addressed by this ordinance are created by physical, regulatory, and legal circumstances which constrain the amount of water that is available to serve water users in the Monterey Peninsula area.
4. On July 6, 1995, the State Water Resources Control Board (SWRCB), in response to four complaints, issued Order No. WR 95-10 that found that the groundwater in the aquifer underlying and closely paralleling the Carmel River is water flowing in a subterranean stream and subject to the jurisdiction of the SWRCB.
5. SWRCB Order No. WR 95-10 also found that California American Water wells were drawing water from the subterranean stream associated with the Carmel River and had diverted an average of 10,730 acre-feet per year without a valid basis of right.
6. SWRCB Order No. WR 95-10 directed California American Water to reduce its average historical diversions from the Carmel River by 15% in Water Year 1996 and 20% in each subsequent water year until its unlawful diversions were terminated.
7. In Water Year 1997, California American Water's diversions from the Carmel River exceeded the limit specified in SWRCB Order No. WR 95-10 and the SWRCB issued an

Administrative Civil Liability Complaint against California American Water.

8. On January 28, 1999, to enable compliance with SWRCB Order No. WR 95-10, the Water Management District adopted Ordinance No. 92 that established an Expanded Water Conservation and Standby Rationing Plan.
9. Since establishment of the Expanded Water Conservation and Standby Rationing Plan in 1999, California American Water has complied with the diversion limits specified in SWRCB Order No. WR 95-10 every year.
10. This ordinance repeals the original Regulation XV. Regulation XV was adopted with Ordinance No. 92 (1/29/99) and amended by Ordinance No. 119 (3/21/2005); Ordinance No. 125 (9/18/2006); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); Ordinance No. 142 (1/28/2010); Ordinance No. 147 (2/24/2011); Ordinance No. 151 (11/19/2012); Ordinance No. 159 (4/21/2014); and Ordinance No. 163 (3/16/2015). Also repealed are Table XV-1 adopted and amended by Resolution 2007-05 (5/21/2007); Ordinance No. 134 (8/18/2008); Ordinance No. 135 (9/22/2008); Ordinance No. 137 (12/8/2008); Resolution 2009-08 (6/15/2009); Resolution 2009-17 (12/14/2009); Resolution 2010-06 (5/17/2010); Resolution 2011-01 (1/27/2011); Resolution 2011-12 (9/19/2011); Resolution 2012-13 (9/17/2012); Resolution 2013-15 (9/16/2013); Resolution 2014-15 (9/15/2014); Resolution 2015-18 (9/21/2015); Table XV-2 added by Ordinance No. 135 (9/22/2008); amended by Ordinance No. 137 (12/8/2008); Resolution 2009-08 (6/15/2009); Resolution No. 2009-17 (12/14/2009); Resolution 2010-06 (5/17/2010); Resolution 2011-01 (1/27/2011); Resolution 2011-12 (9/19/2011); Resolution 2012-13 (9/17/2012); Resolution 2013-15 (9/16/2013); Resolution 2014-15 (9/15/2014); Resolution 2015-18 (9/21/2015); Table XV-3 added by Resolution 2014-15 (9/15/2014); amended by Resolution 2015-18 (9/21/2015); Table XV-4 added by Resolution 2014-07 (5/19/2014); amended by Resolution 2014-15 (9/15/2014); Resolution 2015-08 (5/18/2015).
11. This ordinance is exempt from the California Environmental Quality Act (CEQA) under Water Code §10652. This ordinance is also exempt from the requirements of CEQA under the provisions of CEQA Guideline 15269 (c) and 15282 (w).

NOW THEREFORE be it ordained as follows:

ORDINANCE

Section One: Short Title

This ordinance shall be known as “The 2016 Monterey Peninsula Water Conservation and Rationing Plan.”

Section Two: Purpose

This ordinance repeals the existing Regulation XV and replaces it with a streamlined conservation and rationing plan.

Section Three: Repeal of Regulation XV, The Expanded Water Conservation and Standby Rationing Plan

Regulation XV, The Expanded Water Conservation and Standby Rationing Plan of the Monterey Peninsula Water Management District, shall be repealed upon adoption of this ordinance and shall be replaced with the Rules adopted in this ordinance.

Section Four: Amendment of Rule 11, Definitions

Rule 11, Definitions, shall be amended as follows, with added language shown in *bold italic* type face and deleted language shown in ~~strikeout~~ type face.

1. ~~BASE USE~~ – ~~“Base Use” shall mean a reasonable amount of water anticipated to be used by a California American Water User during Stages 1 through 3 Water Conservation. Base Use correlates to the base block rate established by California American Water for the individual customer.~~
2. ***CAWD/PBCSD WASTEWATER RECLAMATION PROJECT RECYCLED WATER USERS*** – ***“CAWD/PBCSD Wastewater Reclamation Project Water Users” shall mean those Users of the wastewater reclamation project undertaken by the Carmel Area Wastewater District and the Pebble Beach Community Services District that supplies Recycled Water to the Golf Courses and certain open space areas within Pebble Beach.***
3. ~~CCF~~– ***“CCF” (or one-hundred cubic feet) is equivalent to 748 gallons.***
4. ***CONSERVATION RATES*** – ***“Conservation Rates” shall mean the increase in the water rates for all customers at levels of either 25 percent (Level 1 Conservation Rates) or 40 percent (Level 2 Conservation Rates). Conservation Rates do not apply to Residential Tier 1 water use.***

5. **CONVEYOR CAR WASH** – *“Conveyor Car Wash” shall mean a commercial car wash where the vehicle moves on a conveyor belt during the wash and the driver of the vehicle can remain in, or wait outside of, the vehicle.*
6. ~~EMERGENCY RATES~~ — ~~“Emergency Rates” shall mean a higher block water rate used by California American Water during Stage 3 Water Conservation as a mechanism to discourage excessive water use.~~
7. ~~EQUIVALENT CONSUMPTION UNIT~~ — ~~“Equivalent Consumption Unit” or “ECU” shall mean a base water use multiplication factor assigned to every California American Water customer to provide a fair weighting of all customers as compared to the lowest level of water use by any customer. Each customer’s ECU factor shall be assigned by California American Water~~
8. ~~EVEN NUMBERED PROPERTY~~ — ~~“Even Numbered Property” shall mean all property with an official address ending in an even number. This definition shall also apply to properties located on the North or East side of the street in cities or other areas where no numbered street address is available. Landscaped areas associated with a building will use the number of that building as the address. Only one address shall be used for a Landscaped area associated with one building or activity, even if the Landscaped area is broken into many separate subareas.~~
9. **HOUSEHOLD** – *“Household” shall mean a all the people who occupy a housing unit. A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room occupied (or if vacant, intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other people in the building and that have direct access from the outside of the building or through a common hall.*
10. **IN-BAY CAR WASH** – *“In-Bay Car Wash” shall mean a commercial car wash where the driver pulls into a bay, parks the car, and the vehicle remains stationary while either a machine moves over the vehicle to clean it or one or more employees of the car wash clean the vehicle, instead of the vehicle moving through a tunnel.*
11. **INTERRUPTION** – *“Interruption” shall mean an interruption for longer than 12 hours in the supply of Recycled Water to a Recycled Water Irrigation Area.*
12. ~~LARGE RESIDENTIAL WATER USER~~ — ~~“Large Residential Water User” shall mean any Residential Water User consuming at least 384 units (287,232 gallons) in the previous Water Year (or an average of 32 units per month).~~

13. **MEASURABLE PRECIPITATION** – *“Measureable Precipitation” shall mean rainfall of 0.1 inch or more.*
14. **MONTEREY PENINSULA WATER MANAGEMENT DISTRICT (DISTRICT)** – *“Monterey Peninsula Water Management District is a public agency formed by the California State Legislature on June 6, 1978. The enabling legislation is found at West's California Water Code, Appendix Chapters 118-1 to 118-901.*
15. **MULTI-FAMILY HOUSEHOLD** – *“Multi-Family Household” shall mean the Ration for two or more Dwelling Units receiving water from a Master Meter.*
16. **NON-ESSENTIAL WATER USE** - *“Non-Essential Water Use” shall mean uses of water that are acceptable during times of normal water availability, as long as proper procedures to maximize efficiency are followed. However, when water is in short supply, Non-Essential Water Uses must be curtailed to preserve limited water resources for essential uses. Non-Essential Water Uses do not have health or safety impacts, are not required by regulation, and are not required to meet the core functions of a Non-Residential use. the indiscriminate or excessive dissipation of water which is unproductive, or does not reasonably sustain life or economic benefits. Non-Essential Water Use includes but is not limited to the following:*
1. ~~Serving drinking water to any customer unless expressly requested, by a restaurant, hotel, café, cafeteria or other public place where food is sold, served or offered for sale.~~
 2. ~~Operation of fountains, ponds, lakes or other ornamental use of Potable water without recycling.~~
 3. ~~Unreasonable or excessive use of Potable water for dust control or earth compaction without prior written approval of the General Manager where nonpotable water or other alternatives are available or satisfactory.~~
 4. ~~Use of unmetered fire hydrant water by individuals other than for fire suppression or utility system maintenance purposes, except upon prior approval of the General Manager.~~
 5. ~~Failure to meet MPWMD Regulation XIV retrofit requirements for an existing business after having been given a reasonable amount of time to comply.~~

- ~~6. Draining and refilling of swimming pools or spas except (a) to prevent or correct structural damage or to comply with public health regulations, or (b) upon prior approval of the General Manager.~~
- ~~7. Charity car washes.~~
17. ~~NON-REVENUE WATER METERED AND UNMETERED USE~~ – “Non-Revenue ~~Water Metered and Unmetered Use~~” shall *those components of system input volume that are not billed and produce no revenue; equal to unbilled authorized consumption, plus apparent losses, plus real losses.* ~~include water used for Water Distribution System-owned and leased facilities, flushing when necessary for health or safety purposes, use for production including filter back washing at two filter plants, rights of way, riverbank irrigation, and California American Water Well property irrigation. This definition shall also apply to estimated beneficial water use by fire departments and other municipal uses not prohibited under the definition of Water Waste or Non-Essential Water Use.~~
18. ~~PERMANENT RESIDENT~~ – “Permanent Resident” shall mean a Person who resides continuously in a Dwelling Unit for more than 30 days or a resident that can submit such other evidence to clearly and convincingly demonstrate Permanent Residency. ~~Parttime residents (those individuals who periodically reside in a Dwelling Unit on a regular basis) shall be counted as a fractional Permanent Resident.~~
19. ~~PRIMARY RESIDENCE~~ – “Primary Residence” shall mean the main or principal Dwelling Unit inhabited by one or more Persons.
20. ~~RECYCLED WATER IRRIGATION AREAS~~ – “*Recycled Water Irrigation Areas*” shall mean the golf courses and other vegetated areas located within the Del Monte Forest that are being irrigated with Recycled Water.
21. ~~RESIDENCY AFFIDAVIT~~ – “Residency Affidavit” shall mean a document attesting to the number of Permanent Residents in a Household.
22. ~~RESPONSIBLE PARTY~~ – “Responsible Party” shall mean the Person or Persons who assume through the District Permit process legal responsibility for the proper performance of the requirements of a Permit holder as defined in the Rules and Regulations and/or in conditions attached to a Permit. “Responsible Party,” when used in the context of the ~~Expanded 2016 Monterey Peninsula~~ Water Conservation and ~~Standby~~ Rationing Plan, shall mean the Person who is responsible for paying the water bill. When a property is served by a private Well or a small Water Distribution System, the “Responsible Party” shall be the Water Users of the Well and the small distribution system Operator.

23. **SINGLE RESIDENTIAL HOUSEHOLD** – *“Single Residential Household” shall mean a Household that receives its water supply through a Water Meter that is not shared with other Households.*
24. ~~STAGE 1 WATER CONSERVATION~~—~~“Stage 1 Water Conservation” shall mean the first stage in the District’s Expanded Water Conservation and Standby Rationing Plan that takes action to maintain California American Water water use in the MPWRS below regulatory constraints by increasing conservation activities and preparing for further stages of conservation and rationing.~~
25. ~~STAGE 2 WATER CONSERVATION~~—~~“Stage 2 Water Conservation” shall mean the second stage in the District’s Expanded Water Conservation and Standby Rationing Plan that takes action to maintain California American Water water use in the MPWRS below regulatory constraints by requiring Landscape Water Budgets for large irrigators of over three acres, Large Residential Water Users and Users with Dedicated Irrigation Meters.~~
26. ~~STAGE 3 WATER CONSERVATION~~—~~“Stage 3 Water Conservation” shall mean the third stage in the District’s Expanded Water Conservation and Standby Rationing Plan that takes action to maintain California American Water water use in the MPWRS below regulatory constraints and to respond to potential drought or emergencies by imposing higher water charges for excessive water use.~~
27. ~~STAGE 4 WATER RATIONING~~—~~“Stage 4 Water Rationing” is defined as the fourth stage in the District’s Expanded Water Conservation and Standby Rationing Plan that responds to a drought situation or emergency water supply shortage with a 15 percent reduction goal from system production limits for non California American Water Water Users. Reductions are achieved by voluntary water use cutbacks in addition to Excessive Use Rates imposed during Stage 3 Water Conservation.~~
28. ~~STAGE 5 WATER RATIONING~~—~~“Stage 5 Water Rationing” shall mean the fifth stage in the District’s Expanded Water Conservation and Standby Rationing Plan that responds to a drought situation with a 20 percent mandatory reduction achieved by requiring water use cutbacks by User Category and by per capita water rations and by enacting a moratorium on Water Permits that Intensify Water Use.~~
29. ~~STAGE 6 WATER RATIONING~~—~~“Stage 6 Water Rationing” shall mean the sixth stage in the District’s Expanded Water Conservation and Standby Rationing Plan that responds to a severe drought situation with a 35 percent mandatory reduction achieved by requiring water use cutbacks by User Category and by per capita water rations and by~~

~~enacting a moratorium on Water Permits that utilize public or private Water Use Credits and by restricting outdoor water use.~~

30. ~~STAGE 7 WATER RATIONING~~—“~~Stage 7 Water Rationing~~” shall mean the seventh stage in the District’s ~~Expanded Water Conservation and Standby Rationing Plan~~ that responds to a critical drought situation with a 50 percent mandatory reduction achieved by requiring water use cutbacks by User Category and by per capita water rations and by prohibiting all nonessential outdoor water use.
31. **TOTAL STORAGE AVAILABLE** – *“Total Storage Available” shall mean usable water as measured by the District on May 1 in any year that is contained in the Carmel Valley Alluvial Aquifer plus usable water in the Seaside Groundwater Basin and the usable water in the Los Padres Reservoir.*
32. **TOTAL STORAGE REQUIRED** – *“Total Storage Required” shall mean the combination of demand remaining from May 1 to the end of the current Water Year and carryover storage for the next Water Year that is required to meet the following Water Year production limit for California American Water from Carmel River sources set by State Water Resources Control Board Order WR 2009-0060, plus the production limit for California American Water from the Seaside Groundwater Basin set by the Court in its March 27, 2006 Seaside Basin Adjudication Decision plus the production limit specified for non-California American Water Users from the Monterey Peninsula Water Resource System set in the District’s Water Allocation Program (Ordinance No. 87).*
33. ~~VISITOR~~—“~~Visitor~~” shall mean an occasional occupant who resides in a Dwelling Unit for less than 30 days, but who is not a part-time resident according to the “Permanent Resident” definition.
34. ~~WATER BANK~~—“~~Water Bank~~” shall mean an account managed by the District or its agent that tracks the difference in the amount of water used and the amount of each User’s Water Ration during a Rationing Year.
35. ~~WATER RATIONING CONTINGENCY~~—“~~Water Rationing Contingency~~” shall mean a percentage of water production not allocated for rations.
36. **WATER SUPPLY EMERGENCY** – *“Water Supply Emergency” shall mean a declaration pursuant to Regulation XV, Expanded **The 2016 Monterey Peninsula** Water Conservation and Standby Rationing Plan, that a water shortage emergency condition prevails within the area **one or more Water Distribution Systems**.*

37. WATER WASTE - "Water Waste" shall mean the indiscriminate, unreasonable, or excessive running or dissipation of water *as defined in Rule 162*. ~~Water Waste shall include, but not be limited, to the following:~~

- ~~1. Waste caused by correctable leaks, breaks or malfunctions. This loss of Potable water may be cited as Water Waste after a reasonable period of time has passed in which the leak or malfunction could have been corrected. Exceptions may be granted by the General Manager for corrections, which are not feasible or practical.~~
- ~~2. Indiscriminate or excessive water use which allows excess to run to waste.~~
- ~~3. Use of Potable water for washing driveways, patios, parking lots, tennis courts, or other hard surfaced areas, except in cases where health or safety are at risk and the surface is cleaned with a Water Broom or other water efficient device or method. Water should be used only when traditional brooms are not able to clean the surface in a satisfactory manner.~~
- ~~4. Use of Potable water for pressure/power washing buildings and structures, except when preparing surfaces for paint or other necessary treatments.~~
- ~~5. Hand watering without quick acting Positive Action Shut Off Nozzles.~~
- ~~6. Irrigation between 9 a.m. and 5 p.m. on any day, and irrigation on any day other than Saturdays and Wednesdays, except for irrigation overseen by a professional gardener or landscaper who is available on Site and that is not exceeding a maximum two watering days per week, or that is water efficient non-sprinkler irrigation managed by an operational Smart Controller.~~
- ~~7. Failure to arrange for a Landscape Water Audit within 60 days of notification of a requirement to obtain an audit.~~
- ~~8. Failure to complete a Landscape Water Audit within 60 days of a significant modification to an audited Landscape.~~
- ~~9. Failure to maintain water use within a mandatory Landscape Water Budget.~~
- ~~10. Use of water for more than minimal Landscaping, as defined in the Landscaping regulations of the Jurisdiction or as described in Article 10.8 of the California Government Code.~~

- ~~11. Operation of fountains, ponds, lakes or other ornamental use of Potable water without recycling.~~
- ~~12. Draining and refilling of swimming pools or spas except (a) to prevent or correct structural damage or to comply with public health regulations, or (b) upon prior approval of the General Manager.~~
- ~~13. Individual private washing of cars with a hose except with the use of a Positive Action Shut Off Nozzle.~~
- ~~14. Use of water for washing commercial aircraft, cars, buses, boats, trailers or other commercial vehicles at any time, except at commercial or fleet vehicle or boat washing facilities operated at a fixed location where equipment using water is properly maintained to avoid wasteful use.~~
- ~~15. Operation of a commercial full service car wash without recycling at least 50 percent of the Potable water used per cycle.~~
- ~~16. Charity car washes.~~
- ~~17. Use of Potable water for street cleaning.~~
- ~~18. Failure to meet MPWMD Regulation XIV retrofit requirements for an existing business after having been given a reasonable amount of time to comply.~~
- ~~19. Serving drinking water to any customer unless expressly requested, by a restaurant, hotel, café, cafeteria or other public place where food is sold, served or offered for sale.~~
- ~~20. Washing of livestock with a hose except with the use of a Positive Action Shut Off Nozzle.~~
- ~~21. Transportation of water from the Monterey Peninsula Water Resource System without prior written authorization from the MPWMD.~~
- ~~22. Unreasonable or excessive use of Potable water for dust control or earth compaction without prior written approval of the General Manager where non-Potable water or other alternatives are available or satisfactory.~~
- ~~23. Use of unmetered fire hydrant water by individuals other than for fire suppression or utility system maintenance purposes, except upon prior approval of the General Manager.~~

~~24. Misrepresentation of the number of Persons permanently residing on a property where water is supplied by a Water Distribution System or by a private Well.~~

~~25. Water use in excess of a Water Ration.~~

~~The following activities shall not be cited as Water Waste:~~

- ~~1. Flow resulting from firefighting or essential inspection of fire hydrants;~~
- ~~2. Water applied to abate spills of flammable or otherwise hazardous materials, where water application is the appropriate methodology;~~
- ~~3. Water applied to prevent or abate health, safety, or accident hazards when alternate methods are not available;~~
- ~~4. Storm run off;~~
- ~~5. Flow from fire training activities during Stage 1 Water Conservation through Stage 3 Water Conservation;~~
- ~~6. Reasonable quantities of water applied as dust control as required by the Monterey Bay Unified Air Pollution Control District, except when prohibited by Regulation XV.~~

Section Five: **Rule 160 – Regulatory Production Targets And Physical Storage Target**

The monthly distribution of water production from sources within the Monterey Peninsula Water Resource System (MPWRS), as shown in Tables XV-1, XV-2, and XV-3 shall be approved by the Board of Directors as part of the Quarterly Water Supply Strategy and Budget process. The Board shall hold public hearings during the Board’s regular meetings in September, December, March, and June, at which time the Board may modify Tables XV-1, XV-2, and XV-3 by Resolution.

The Physical Storage Target, as shown in Table XV-4 shall be approved as of May 1 each year by the Board of Directors. The Board shall hold a public hearing during the Board’s regular meeting in May, at which time the Board may modify Table XV-4 by Resolution.

EXAMPLE OF Table XV-1
Regulatory Water Production Targets
for All California American Water Systems from Sources
Within the Monterey Peninsula Water Resource System

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	1,097	1,097
November	922	2,019
December	812	2,831
January	813	3,644
February	763	4,407
March	867	5,274
April	933	6,207
May	1,135	7,342
June	1,180	8,522
July	1,284	9,806
August	1,264	11,070
September	1,174	12,244
TOTAL	12,244	--

Notes:

Monthly and year-to date at month-end production targets are based on the annual Production Limit specified for the California American Water (Cal-Am) systems for Water Year (WY) 2015 from Carmel River sources per State Water Resources Control Board Order WR 2009-0060 (9,945 Acre-Feet) and adjusted annual production limits specified for the Cal-Am satellite systems from its Coastal Subarea sources (2,251 Acre-Feet) and Laguna Seca Subarea sources (48 Acre-Feet) of the Seaside Groundwater Basin per the Seaside Basin Adjudication Decision. These values do not include consideration of any carryover credit in the Seaside Basin for WY 2015. This combined total (12,244 Acre-Feet) was distributed monthly based on Cal-Am's reported monthly average production for its main and satellite systems during the WY 2006 through 2013 period.

EXAMPLE OF Table XV-2
Regulatory Water Production Targets
for California American Water Satellite Systems from Sources
Within the Monterey Peninsula Water Resource System

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	5	5
November	3	8
December	3	11
January	3	14
February	2	16
March	3	19
April	3	22
May	5	27
June	5	32
July	6	38
August	5	43
September	5	48
TOTAL	48	--

Notes:
Monthly and year-to-date at month-end production targets are based on the adjusted annual production limit specified for the California American Water (Cal-Am) satellite systems for Water Year 2015 from its sources in the Laguna Seca Subarea of the Seaside Groundwater Basin per the Seaside Basin Adjudication Decision. This Laguna Seca Subarea total (48 Acre-Feet) was distributed monthly based on Cal-Am's reported monthly average production for its satellite systems during the 2006 through 2013 period.

EXAMPLE OF Table XV-3
Regulatory Water Production Targets
for California American Water Systems from Carmel River Sources
Within the Monterey Peninsula Water Resource System

(All Values in Acre-Feet)

Month	Monthly Target	Year-to-Date at Month-End Target
October	891	891
November	749	1,639
December	660	2,300
January	661	2,961
February	620	3,581
March	704	4,285
April	758	5,043
May	922	5,965
June	958	6,923
July	1,043	7,965
August	1,027	8,992
September	<u>953</u>	9,945
TOTAL	9,945	---
<p>Notes: Monthly and year-to-date at month-end production targets are based on the annual production limit specified for California American Water (Cal-Am) for Water Year (WY) 2015 from its Carmel River system sources per State Water Resources Control Board Order WR 2009-0060 (9,945 Acre-Feet). This amount was distributed monthly based on Cal-Am's reported monthly average production for its Main California American Water System sources during the WY 2006 through 2013 period. These values incorporate consideration of the triennial reductions specified for the Cal-Am systems in the Seaside Basin Adjudication Decision, in setting the monthly maximum production targets from each source as part of the MPWMD Quarterly Water Supply Budget Strategy.</p>		

EXAMPLE OF Table XV – 4
Physical Storage Target
for the Monterey Peninsula Water Resource System
for the Remainder of WY 2015 and all WY 2016

PRODUCER	MAY-SEPTEMBER DEMAND	CARRYOVER STORAGE NEEDS FOR NEXT YEAR DEMAND	TOTAL STORAGE REQUIRED ON MAY 1
Cal-Am	7,071	12,123	19,194
<u>Non Cal-Am</u>	<u>1,946</u>	<u>3,046</u>	<u>4,992</u>
Total	9,017	15,169	24,186
			TOTAL STORAGE AVAILABLE ON MAY 1
			30,990⁵

Notes:

1. The May-September period refers to the remainder of the current Water Year.
2. Carryover storage refers to the volume of usable surface and Groundwater that is in storage at the end of the current Water Year and is projected to be available for use at the beginning of the following Water Year.
3. Total storage required refers to the combination of demand remaining from May 1 to the end of the current Water Year and carryover storage for the next Water Year that is required to avoid imposing various levels of water Rationing. The values in **bold type** represent the storage triggers that would be used for the system in Water Year 2015. The values are based on the production limits for California American Water (Cal-Am) from Carmel River sources (9,945 Acre-Feet in WY 2015 and 9,824 Acre-Feet in WY 2016) set by State Water Resources Control Board Order WR 2009-0060, the production limit for Cal-Am from the Seaside Groundwater Basin (2,299 Acre-Feet in WY 2015 and in WY 2016) set by the Court in its March 27, 2006 Seaside Basin Adjudication Decision, and the production limit specified for non-Cal-Am Users from the Monterey Peninsula Water Resource System set in the District's Water Allocation Program (Ordinance No. 87).
4. The Rationing triggers are based on physical water availability and do not account for legal or environmental constraints on diversions from the Carmel River system
5. May 1, 2015 System Storage = 30,990 Acre-Feet (26,220 Acre-Feet Carmel Valley Alluvial Aquifer; 3,100 Acre-Feet Seaside Groundwater Basin; 1,670 Acre-Feet Los Padres Reservoir); this is 97 percent of average and 82 percent of System Capacity (37,505 AF).

Section Six: **Rule 161 – General Provisions**

- A. All Water Users within the Monterey Peninsula Water Management District shall comply with the District's Water Waste Prohibitions of Rule 162 and with the requirements of MPWMD Regulation XIV, Water Conservation.
- B. California American Water shall amend its Urban Water Management Plan and its Rule 14.1.1 (Standard Practice U-40-W), Water Shortage Contingency Plan Monterey County, to conform to this Regulation. A copy of Rule 14.1.1 shall be filed with the California Public Utilities Commission (CPUC) and the District within thirty (30) days of the effective date of this Regulation and any amendment.
- C. Water Distribution Systems regulated by the CPUC shall amend their Rule 14.1 to conform to this Regulation. A copy of Rule 14.1 shall be filed with the California Public Utilities Commission (CPUC) and the District within thirty (30) days of the effective date of this Regulation and any amendment.
- D. At least ten (10) days prior to a first reading by the Board of amendments to Regulation XV, a copy of the proposed changes shall be provided to the CPUC Office of Ratepayer Advocates (ORA).
- E. California American Water shall provide the District with monthly consumption reports by customer classification and jurisdiction in a format approved by the District. A Water Year summary report shall be provided by December 1 of the next Water Year. Monthly reports shall be provided within fifteen (15) days of the close of the preceding month.
- F. Each Water Distribution System Operator shall provide individual consumption data pertaining to any Water User of that Water Distribution System upon written request of the General Manager. Data shall be in the form and manner specified by the General Manager. Each failure to respond in full to such written request by the date specified therein shall result in a penalty to the Water Distribution System of five-hundred dollars (\$500) per day for each day or portion thereof that the response is delayed.
- G. The General Manager shall retain and use any data received under this provision for the sole purposes of testing, administering, evaluating or enforcing water Rationing, Water Waste, or other provisions of the Rules and Regulations.
- H. California American Water shall maintain Non-Revenue Water in its Water District Systems at or below seven (7) percent. Average losses of more than seven (7) percent during the most recent twelve-month period shall be considered Water Waste.

- I. Each Water Distribution System Operator shall provide written notice of any adjustment to a Water Conservation or Rationing Stage to every customer via first class mail at least thirty (30) days before any change in Stage is imposed.
- J. At all times during Stages 2 through 4 each affected Water Distribution System shall send monthly conservation reminders.
- K. During a Water Supply Emergency, or at the direction of the Board, each Owner or Operator or Extractor of a private water Well, Water Distribution System, or other Water-Gathering Facility shall comply with the provisions of this Regulation, as they relate to such Well, Water Distribution System, or other Water-Gathering Facility.

Section Seven: Rule 162 -- Stage 1 Water Conservation: Prohibition on Water Waste

- A. Trigger. Stage 1 shall remain in effect at all times and shall apply to all Water Users.
- B. Water Waste Prohibitions. Water Waste shall mean the indiscriminate, unreasonable, or excessive running or dissipation of water. Water Waste shall include, but not be limited, to the following:
 - 1. Waste caused by correctable leaks, breaks or malfunctions. All leaks, breaks, or other malfunctions in a Water User's plumbing or distribution system must be repaired within 72 hours of notification that a leak exists. Exceptions may be granted by the General Manager for corrections, which are not feasible or practical.
 - 2. Indiscriminate or excessive water use which allows excess to run to waste.
 - 3. Washing driveways, patios, parking lots, tennis courts, or other hard surfaced areas with Potable water, except in cases where health or safety are at risk and the surface is cleaned with a Water Broom or other water efficient device or method. Water should be used only when traditional brooms are not able to clean the surface in a satisfactory manner.
 - 4. Power or pressure washing buildings and structures with Potable water, except when preparing surfaces for paint or other necessary treatments or when abating a health or safety hazard.

5. Irrigation between 9 a.m. and 5 p.m. on any day, and irrigation on any day other than Saturdays and Wednesdays, except for irrigation overseen by a professional gardener or landscaper who is available on Site and that is not exceeding a maximum two watering days per week. This prohibition applies to hand watering with a hose, and irrigation systems whether spray, drip, or managed by a Smart Controller. Limited hand watering of plants or bushes with a small container or a bucket is permitted on any day at any time. Subsurface Greywater Irrigation Systems may also be operated at any time. An exemption may be given to a Non-Residential establishment whose business requires water in the course of its business practice (e.g. golf courses, nurseries, recreational space, among others) with notification by the business owner to the District General Manager, and subject to the approval of the General Manager.
6. Hand watering by a hose, during permitted hours, without a quick acting Positive Action Shut-Off Nozzle.
7. Irrigating during rainfall and for 48 hours after Measurable Precipitation.
8. Use of water for irrigation or outdoor purposes in a manner inconsistent with California's Model Water Efficient Landscape Ordinance (Code of Regulations, Title 23, Water, Division 2, Department of Water Resources, Chapter 2.7) where applicable, or in a manner inconsistent with local regulations.
9. Operation of fountains, ponds, lakes or other ornamental use of Potable water without recycling, and except to the extent needed to sustain aquatic life, provided such animals are of significant value and have been actively managed.
10. Individual private washing of cars with a hose except with the use of a Positive Action Shut-Off Nozzle.
11. Washing commercial aircraft, cars, buses, boats, trailers or other commercial vehicles with Potable water, except at water efficient commercial or fleet vehicle or boat washing facilities where equipment is properly maintained to avoid wasteful use.
12. In-Bay or Conveyor Car Washes permitted and constructed prior to January 1, 2014, that do not recycle and reuse at least 50 percent of the wash and rinse water. In-Bay or Conveyor Car Washes that were permitted and constructed after January 1, 2014, that do not either (1) use and maintain a water recycling system that recycles and reuses at least 60 percent of the wash and rinse water; or (2) use

recycled water provided by a water supplier for at least 60 percent of its wash and rinse water.

13. Charity car washes.
14. Use of Potable water for street cleaning.
15. Failure to meet MPWMD Regulation XIV water efficiency standards for an existing Non-Residential User after having been given a reasonable amount of time to comply.
16. Serving drinking water to any customer unless expressly requested, by a restaurant, hotel, café, cafeteria or other public place where food is sold, served or offered for sale.
17. Visitor-Serving Facilities that fail to adopt and promote towel and linen reuse programs and provide written notice in the rooms, whereby towels and linens are changed every three days or as requested by action of the guest.
18. Washing of livestock with a hose except with the use of a Positive Action Shut-Off Nozzle.
19. Transportation of water from the Monterey Peninsula Water Resource System without prior written authorization from the MPWMD.
20. Delivery, receipt, and/or use of water from an unpermitted Mobile Water Distribution System.
21. Unreasonable or excessive use of Potable water for dust control or earth compaction without prior written approval of the General Manager where Sub-potable water or other alternatives are available or satisfactory.
22. Use of unmetered fire hydrant water by individuals other than for fire suppression or utility system maintenance purposes, except upon prior approval of the General Manager.
23. Water use in excess of a Water Ration.
24. Non-compliance with Regulations XIV and XV.

- C. The following activities shall not be cited as Water Waste:
1. Flow resulting from firefighting or essential inspection of fire hydrants;
 2. Water applied to abate spills of flammable or otherwise hazardous materials, where water application is the appropriate methodology;
 3. Water applied to prevent or abate health, safety, or accident hazards when alternate methods are not available;
 4. Storm run-off;
 5. Flow from fire training activities during Stage 1 Water Conservation through Stage 3 Water Conservation;
 6. Reasonable quantities of water applied as dust control as required by the Monterey Bay Unified Air Pollution Control District, except when prohibited.
 7. When a Mobile Water Distribution System Permit is not obtained by a State licensed Potable water handler by reason of an emergency or health related situation, authorization for the Mobile Water Distribution System Permit shall be sought from the District by submittal of a complete application compliant with Rule 21, within five working days following commencement of the emergency or health related event.
- D. Prohibitions against Water Waste and Non-Essential Water Use shall be enforced by the District and its designated agents, unless indicated otherwise. All notices and assessments of Water Waste and/or excess water use charges made by a Water Distribution System Operator shall be reported to the District within thirty (30) days.
- E. Each occurrence of Water Waste or Non-Essential Water Use that continues after the Water User has had reasonable notice to cease and desist that type of water use shall constitute a Flagrant Violation.
- F. Repeated occurrences of Water Waste or Non-Essential Water Use, which continue or occur after the Water User has had a reasonable notice to cease and desist that type of water use, or which continues or occurs after the Water User has had a reasonable opportunity to cure any defect causing that type of water use, shall provide cause for the placement of a Flow Restrictor with a maximum flow rate of six (6) CCF/month within the water line or Water Meter. Exemptions to the installation of a Flow Restrictor as a

means to enforce the Water Ration shall occur when there are provable risks to the health, safety and/or welfare of the Water User. An exemption shall be made for Master Meters serving three or more Multi-Family Households or Master Meters serving both Residential and Non-Residential Users by substituting an excess water use charge equivalent to the appropriate Water Meter size, Rationing stage, and 4th offense amount times the number of Dwelling Units located on the Water Meter during each month in which a violation of the Water Ration occurs. The Responsible Party shall be liable for payment of all excess water use charges.

- G. Water Waste Fines shall be assessed as shown in Table XV-5. Table XV-5 may be amended by Resolution of the Board. Amendments to this table shall be concurrently made to the Fees and Charges Table found in Rule 60.

TABLE XV-5 Water Waste Fines	
First offense	No fee: Written notice and opportunity to correct the situation
Fine for first Flagrant Violation	\$100*
Fine for second Flagrant Violation within two (2) months	\$250*
Fine for third and subsequent Flagrant Violations within twelve (12) months	\$500*
Fine for Administrative Compliance Order or Cease & Desist Order	Up to \$2,500 per day* for each ongoing violation, except that the total administrative penalty shall not exceed one hundred thousand dollars (\$100,000.00) exclusive of administrative costs, interest and restitution for compliance re-inspections, for any related series of violations
Late payment charges	Half of one percent of the amount owed per month
*Fines triple for customers using over 500,000 gallons/year	

- H. In addition to Water Waste fines and fees described in this Rule 162, enforcement of all District Rules and Regulations is subject to District Regulation XI and may include an

Administrative Compliance Order, a Cease & Desist Order, or other remedy available to the District under its Regulation XI.

Section Eight: Rule 163 -- Stage 2 Water Conservation: Voluntary Reduction in Use

A. Trigger.

1. Physical Shortage Trigger (California American Water Company Distribution Systems): Stage 2 shall take effect for all California American Water Company Water Distribution Systems that rely, in whole or in part, on production or production offsets from the Carmel River System or the Seaside Coastal Subareas, on June 1 or such earlier date as may be set by the Board following the District's May board meeting if Total Storage Available in Table XV-4 is below the Total Storage Required, but at least 95 percent of Total Storage Required. The amount of voluntary reduction shall equal the percentage shortfall in Total Storage Required.
2. Physical Shortage Trigger (Non-California American Water Company Distribution Systems): Stage 2 shall take effect for any Water Distribution System, other than California American Water Company's Water Distribution Systems, that relies in whole or in part on production or production offsets from the Carmel River System or the Seaside Coastal Subareas on June 1 or such earlier date as may be set by the Board following the District's May board meeting if Total Storage Available in Table XV-4 is below the Total Storage Required. The amount of voluntary reduction shall equal the percentage shortfall in Total Storage Required.
3. Regulatory Trigger – Production Targets: Stage 2 shall take effect on the California American Water Company Water Distribution System when the most recent 12 month California American Water production from the MPWRS is greater than the then-current annual production target as determined in Table XV-1 but no greater than 105 percent of the annual production target. The amount of voluntary reduction shall equal the percentage overage of the annual production.
4. Regulatory Trigger – Regulatory Order: Stage 2 shall take effect in any Water Distribution System when that system is directed to reduce use by a governmental or regulatory agency. The amount of voluntary reduction shall equal the percentage directed by that governmental or regulatory agency relative to a base year determined by the governmental or regulatory agency.

5. Emergency Trigger: Stage 2 shall take effect for any Water Distribution System, private Well, or Water User when the Board finds that a Water Supply Emergency exists for a Water Distribution System. Stage 2 shall take effect upon adoption of a Resolution of the District Board of Directors, or a declaration of a Water Supply Emergency by the Water Distribution System Operator or a State or County entity, due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production and shall name the Water Distribution System(s) affected. The amount of voluntary reduction shall be determined by the Board, the Water Distribution System Operator, or the State or County entity.
- B. The Water Distribution System Owner or Operator shall provide notice of the amount of voluntary reduction requested to affected Water Users pursuant to Rule 161. Additional noticing and public outreach may be provided by the District at the direction of its Board of Directors.
 - C. The District and its agents shall increase enforcement activities related to Water Waste prohibitions.
 - D. Stage 1 shall remain in effect.
 - E. Sunset.
 1. Without further action of the Board of Directors, Stage 2, when implemented pursuant to Rule 163-A-1 and Rule 163-A-2 shall sunset and water use restrictions shall revert to Stage 1 when remaining Total Storage Available computed consistent with Table XV-4 is greater than remaining Total Storage Required for two (2) consecutive months.
 2. Without further action of the Board of Directors Stage 2, when implemented pursuant to Rule 163-A-3, shall sunset for the California American Water Company and water use restrictions shall revert to Stage 1 when that Water Distribution System's 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
 3. Without further action of the Board of Directors Stage 2, when implemented pursuant to Rule 163-A-4, shall sunset for that Water Distribution System(s) and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request and conditions 163-E-1 and 163-E-2 have been met.

4. Stage 2, when implemented pursuant to Rule 163-A-5, shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists.

Section Nine: **Rule 164 -- Stage 3 Water Conservation: Conservation Rates**

A. Trigger.

1. Stage 2 Deemed Unsuccessful: Stage 3 shall take effect for all California American Water Company Water Distribution Systems if Stage 2 has been implemented pursuant to Rule 162-A-1 or Rule 162-A-3 and has failed to sunset after a period of six (6) months.
2. Physical Shortage Trigger: Stage 3 shall take effect for all California American Water Company Water Distribution Systems, on June 1 or such earlier date as may be set by the Board following the District's May Board meeting if Total Storage Available in Table XV-4 is below 95% of Total Storage Required.
3. Regulatory Trigger – Production Targets: Stage 3 shall take effect for all California American Water Company Water Distribution Systems when the most recent 12 month California American Water production from the MPWRS is greater than 105 percent of the then-current annual production target as determined in Table XV-1 and Stage 2 has not been implemented.
4. Regulatory Trigger – Regulatory Order: Stage 3 shall take effect for all California American Water Company Water Distribution Systems when directed by a governmental or regulatory agency to implement Stage 3.
5. Emergency Trigger: Stage 3 shall take affect for all California American Water Company Water Distribution Systems when the Board finds that a Water Supply Emergency exists and upon adoption of a Resolution of the Board of Directors, or a declaration of a Water Supply Emergency by California American Water, or by a State or County entity due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production through the imposition of Stage 3 Conservation Rates.

B. Stages 1 and 2 shall remain in effect.

C. If Stage 2 has not already been implemented, Stage 2 shall be triggered simultaneously with Stage 3.

D. Thirty days prior to implementation of Stage 3, California American Water shall file to implement Level 1 Conservation Rates within its Main California American Water Company Water Distribution System, the Bishop Water Distribution System, Hidden Hills System, and Ryan Ranch Water Distribution System and shall provide notification to its customers that such rates shall be implemented after thirty (30) days. Prior to an increase to Level 2 Conservation Rates, California American Water shall provide notification to its customers that such rates shall be implemented after thirty (30) days.

1. Level 1 Conservation Rates comprised of a 25 percent surcharge shall be implemented on the then existing rates for a minimum of three (3) months. The surcharge shall not apply to Tier 1 Residential customers.
2. Level 2 Conservation Rates comprised of a 40 percent surcharge shall be implemented on the then existing rates (without the 25 percent Level 1 surcharge) if after the imposition of Level 1 Conservation Rates for three (3) months the monthly production in the California American Water System exceeds the monthly production target for the previous two (2) consecutive months. The surcharge shall not apply to Tier 1 Residential customers.

E. Sunset.

1. Without further action of the Board of Directors Stage 3, when implemented pursuant to Rule 164-A-2, shall sunset and water use restrictions shall revert to Stage 1 when remaining Total Storage Available computed consistent with Table XV-4 is greater than remaining Total Storage Required for two (2) consecutive months.
2. Without further action of the Board of Directors Stage 3, when implemented pursuant to Rule 164-A-3 shall sunset and water use restrictions shall revert to Stage 1 when the 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
3. Without further action of the Board of Directors Stage 3, when implemented pursuant to Rule 164-A-4 shall sunset and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request and Rules 164-A-2 and 164-A-3 do not apply.

4. Stage 3, when implemented pursuant to Rule 164-A-5, shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists and Rules 164-A-2 and 164-A-3 do not apply.

Section Ten: **Rule 165 -- Stage 4: Water Rationing**

A. Trigger.

1. Stage 3 Deemed Unsuccessful (California American Water Company Distribution Systems): Stage 4 shall take effect for all California American Water Company Water Distribution Systems if Stage 3 has been implemented and has failed to sunset after a period of 8 months.
2. Physical Shortage Trigger. Stage 3 Deemed Unsuccessful for California American Water Company Distribution Systems and Stage 2 Deemed Unsuccessful for Non-California American Water Systems: Stage 4 shall take effect for any Water Distribution System that relies, in whole or in part, on production or production offsets from the Carmel River System or the Seaside Coastal Subareas if Stage 2 (Non-California American Water Company Water Distribution Systems, private Wells, or Water Users) and Stage 3 (California American Water Company Distribution Systems) have been implemented and have failed to sunset after a period of eight (8) months.
3. Regulatory Trigger: Stage 4 shall take effect in any Water Distribution System when that system is directed by a governmental or regulatory agency to enact Stage 4.
4. Emergency Trigger: Stage 4 shall take effect for any Water Distribution System, private Well, or Water User when the Board finds that a Water Supply Emergency exists and upon adoption of a Resolution of the Board of Directors, or a declaration of a Water Supply Emergency by the Company, or a State or County entity, due to a catastrophic event. In that Resolution or declaration, there shall be a finding of an immediate need to reduce production through the imposition of Stage 4 Water Rationing.
5. Stage 4 shall not be triggered if the General Manager determines upon credible evidence that the production targets associated with a final Cease and Desist Order are likely to be met by adhering to the requirements of a lesser Stage. The General Manager shall record this determination and any amendment thereto, by memorandum which may be appealed to the Board in accord with Regulation VII,

Appeals.

6. Delay of Stage Implementation. The Board may delay implementation of Stage 4 Water Rationing for any Water Distribution System to ensure adequate operation of the program. Delays authorized by the Board shall not exceed sixty (60) days.

B. Amount of Reduction.

1. The amount of mandatory reduction shall equal the shortfall in Total Storage Available as compared to the Total Storage Required; or
2. The amount of mandatory reduction shall equal the overage of the last 12 months actual production as compared to the then-current annual production target; or
3. The amount of mandatory reduction shall equal some other amount as reflected in a governmental or regulatory order.

C. Stages 1, 2, and 3 (if applicable) shall remain in effect.

D. Additional Prohibitions.

1. The Board shall consider prohibiting all or specific Non-Essential Water Uses. The Board may enact such prohibitions by Resolution.
2. California American Water shall maintain Non-Revenue Water at or below seven (7) percent.
3. Moratorium. Upon implementation of Stage 4, the Board shall declare a moratorium on accepting Water Permit applications within the affected Water Distribution System other than those applications that rely upon a Water Credit, Water Use Credit, or Water Use Permit. The Board may amend the moratorium to include the use of Water Credits and/or Water Use Credits if warranted. All pending Water Permits not issued within 120 days of declaration shall be suspended. Water Use Permits shall be exempt from any moratorium on Water Permits.
4. No New Potable Water Service: Upon declaration of Stage 4 Water Rationing, no new Potable water service will be provided, no new temporary Water Meters or permanent Water Meters will be provided, and no statements of immediate ability to serve or provide Potable water service (e.g. will-serve letters, certificates, or

letters of availability) will be issued by the Water Distribution System Operator, except under the following circumstances:

- a. The project is necessary to protect the public health, safety, or welfare;
 - b. The setting of meters in the California American Water Company Water Distribution System shall not be terminated or diminished by reason of any water emergency, water moratorium or other curtailment on the setting of meters for holders of Water Use Permits.
 - c. This provision does not preclude the resetting or turn-on of Water Meters to provide continuation of water service or the restoration of service that has been interrupted for a period of one year or less.
5. **No New Annexations:** Upon the declaration of a Stage 4, California American Water Company will suspend annexations to its Service Area. This subsection does not apply to boundary corrections and annexations that will not result in any increased use of water.
 6. Customers utilizing portable Water Meters or hydrant Water Meters or using hydrants to fill water tanks without the use of a Water Meter, shall be required to cease use of the water, except upon prior approval of the General Manager. Portable Water Meters shall be returned to the Water Distribution System at least thirty (30) days before the implementation of Stage 4.
 7. **Draining and refilling of swimming pools or spas** except (a) to prevent or correct structural damage or to comply with public health regulations, or (b) upon prior approval of the General Manager.
 8. **Restriction on Watering or Irrigating:** Watering or irrigating of Lawn, landscape or other vegetated area with Potable water will be subject to restriction at the direction of the District. This restriction does not apply to the following categories of use, or where the District has determined that recycled Sub-potable water is available and may be applied to the use:
 - a. Businesses dependent on watering or irrigating in the course of business such as agriculture, nursery, and similar uses;
 - b. Maintenance of existing Landscaping necessary for fire protection;

- c. Maintenance of existing Landscaping for soil erosion control;
- d. Maintenance of plant materials identified to be rare or essential to the well-being of protected species;
- e. Maintenance of Landscaping within active Public parks and playing fields, day care centers and school grounds, provided that such irrigation does not exceed one (1) day per week;
- f. Actively irrigated environmental mitigation projects.

E. Residential Rations.

1. Upon adoption of a Resolution by the Board for a specific reduction in Residential water use, daily Household water Rations shall be set at a level to achieve the necessary reduction. In no case shall daily Residential water Rations fall below 90 gallons per Residential Household.

Residents where two or more Households are served by a Master Meter shall be responsible for dividing the Rationed water among the Water Users.

2. Additional Rations for Large Households:

Where four or more Permanent Residents occupy a single Household served by one Water Meter, the maximum daily Ration may be increased by the amounts listed below:

	Residential Household Gallons per Day
Fourth Permanent Resident	30
Fifth Permanent Resident	25
Sixth Permanent Resident	20
Seven or More Permanent Residents (Per Additional Resident)	15

3. Procedure for Obtaining Additional Rations for Large Households:
 - a. The Applicant shall complete a Residency Affidavit (obtained from the District) that requests the name, age and verification of full-time

Permanent Residents for each resident in the Household for which the additional Ration is requested. The information on the application shall be presented under penalty of perjury. The additional Ration request shall be submitted to the General Manager of the District, who will approve or disapprove the request within 10 business days of submission of a completed application.

- b. If the application is disapproved, the General Manager will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the General Manager, the Applicant may appeal the General Manager's decision to the District's Board of Directors.
4. Procedure for Obtaining Additional Rations Where Two or More Households are Served by a Master Meter:
 - a. The Applicant must fill out the required form that lists the number of Residences served by the Master Meter and submit a use permit issued by the Jurisdiction for the Multi-Residential Dwelling Units served by the Master Meter. MPWMD shall retain the right to require Residency Affidavits to determine the appropriate Rations. The additional Ration request shall be submitted to the General Manager, who will approve or disapprove the request within 10 business days of submission of a completed application. The Application shall be submitted under penalty of perjury.
 - b. If the application is disapproved, the General Manager will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the General Manager, the Applicant may appeal the General Manager's decision to the District's Board of Directors.
5. Additional Ration for Special Needs. Where more water than allowed in Sections 3 or 4 above is necessary to preserve the health or safety of a full-time Resident or his/her Household, the General Manager may increase the Ration to the Residence during the period of need according to the needs of the Applicant.
 - a. The Applicant or his or her representative may file a request for an additional Ration and shall state to the General Manager: (1) the amount of the requested additional Ration, and (2) a general statement in support of the need. Where appropriate, Applicant shall provide a letter from a medical doctor stating the need for additional water usage and projected

duration of that need, if possible, or other appropriate justification for the special need.

- b. Additional Rations shall require the replacement of inefficient water fixtures to comply with Rule 142-E, Residential and Non-Residential Change of Ownership, Change of Use, and Expansion of Use Water Efficiency Standards.
 - c. Additional Rations shall require the Connection have a working Pressure Regulating Valve that maintains water pressure at a maximum of 60 psi.
 - d. If the General Manager does not approve an additional Ration, the Applicant may appeal to the Board. An appeal from the General Manager's decision must contain all of the following: (a) a copy of the original application; (b) a copy of the written explanation of the General Manager's decision; and (c) a written explanation of why the Applicant believes the decision should be changed.
6. Misrepresentation. Any Water User intentionally over-reporting the number of Permanent Residents in a Household may be charged with a misdemeanor punishable as an infraction as provided by Section 256 of the Monterey Peninsula Water Management District Law, Statutes of 1981, Chapter 986, as well as fines and penalties set forth in this Regulation. During this Stage 4, whenever there is a change in the number of Permanent Residents, the Water User shall notify the District.
- F. Non-Residential Rations.
1. If Residential Rationing does not achieve measurable results as expected after a period of six (6) months, upon adoption of a Resolution by the Board for a specific reduction in Non-Residential water use, Non-Residential Rations shall be implemented at a level to achieve the necessary reduction in use.
 2. Non-Residential Rations shall be determined by selection by the District of a previous year for which Stages 2, 3, or 4 Conservation or Rationing was not in place and then reducing each month's water use by a percentage determined by the District to achieve the Non-Residential reduction in use. Where a previous year history is deemed to be unavailable or inappropriate by the District, a Non-Residential Ration shall be established by the District based on type of Non-Residential water use, building design, and water fixtures.

3. Exemptions: In the Resolution to implement a level of Non-Residential Rationing, the Board shall include an exemption for compliance with District Rule 143 and an exemption for a Non-Residential establishment whose business requires water in the course of its business practice (e.g. laundromats, nurseries, among others.)
 4. An Applicant or his or her representative may file a request for an additional Ration. The Applicant shall state in a letter to the Board: (1) the amount of the requested additional Ration, and (2) a general statement in support of the need.
 5. Additional Rations shall require the Connection have a working Pressure Regulating Valve that maintains water pressure at a maximum of 60 psi.
 6. If the request for additional Ration is disapproved, the Board will explain in writing the reason for the disapproval, and if the Applicant is not satisfied with the decision of the Board, the Applicant may appeal to the District's Board of Directors for a hearing.
- G. Irrigation required by the Mitigation Program adopted when the Water Allocation Program Environmental Impact Report was adopted in 1990, and as required by SWRCB Order No. WR 95-10, shall not be subject to reductions in use. Required irrigation of the Riparian Corridor shall be identified and reported by California American Water separately from other non-revenue water.
- H. CAWD/PBCSD Wastewater Reclamation Project Recycled Water Users. Recycled Water Irrigation Areas receiving water from the CAWD/PBCSD Wastewater Reclamation Project shall be subject to Stage 4 for Potable water used during an Interruption or emergency, in accordance with contractual Agreements between the District and the respective Owners of the Recycled Water Irrigation Areas.
1. The Owners of the Recycled Water Irrigation Areas shall have the respective irrigation requirements thereof satisfied to the same degree as any non-Project Golf Course or open space which derives its Source of Supply from the California American Water system. The irrigation requirements of the Recycled Water Irrigation Areas will be determined based on the most-recent non-Rationed four-year average irrigation water demand, including both Recycled Water and Potable water, for each respective Recycled Water Irrigation Area.
 2. Each Recycled Water Irrigation Area shall be entitled to receive the average irrigation requirement determined above, reduced by the percentage reduction

required by the current stage of Rationing. If the quantity of Recycled Water that is available is less than the quantity of water that the Recycled Water Irrigation Area is entitled to, Potable water shall be provided to make up the difference and satisfy the irrigation requirements of the Recycled Water Irrigation Areas to the same degree that the irrigation requirements of non-Project Golf Course and open space Users are being satisfied. The preceding sentence shall not apply to the extent that the irrigation requirements of any Recycled Water Irrigation Area are met with water legally available to Buyer from any source other than the Carmel River System or the Seaside Groundwater Basin, including percolating Groundwater underlying Buyer's Property, to make up any such difference.

3. When Recycled Water (as defined in Rule 23.5) is available in sufficient quantities to satisfy the irrigation requirements of the Recycled Water Irrigation Areas, such irrigation shall not be subject to Stage 4, and neither Potable water nor any water described in the preceding sentence (whether or not it is Potable) shall be used for irrigation of the Recycled Water Irrigation Areas except to the extent allowed in the circumstances described in the next two sentences.
4. If there is an Interruption in Recycled Water deliveries to any Recycled Water Irrigation Area (as the capitalized terms are defined in Rule 23.5), the temporary use of Potable water for irrigating each such Recycled Water Irrigation Area is authorized in the manner described in Rule 23.5, Subsection F.
5. If MPWMD has adopted an ordinance in response to any emergency caused by drought, or other threatened or existing water shortage pursuant to section 332 of the Monterey Peninsula Water Management Law, said ordinance shall prevail over contrary provisions of this Rule. Notwithstanding the preceding sentence, Potable water shall be made available for irrigating tees and greens of the Recycled Water Irrigation Areas in sufficient quantities to maintain them in good health and condition during an Interruption, without any limitation on the duration.
6. The District shall have no obligation to furnish Potable water for irrigation of the Recycled Water Irrigation Areas except in the circumstances set forth above.
7. If (1) an emergency or major disaster is declared by the President of the United States, or (2) a "state of war emergency," "state of emergency," or "local emergency," as those terms are respectively defined in Government Code section 8558, has been duly proclaimed pursuant to the California Emergency Services Act, with respect to all or any portion of the territory of MPWMD, the provisions of section shall yield as necessary to respond to the conditions giving rise to the

declaration or proclamation.

I. Sunset.

1. Without further action of the Board of Directors, Stage 4, when implemented due to non-compliance with regulatory targets, shall sunset for all California American Water Company Water Distribution Systems and water use restrictions shall revert to Stage 1 when the 12 month total production has been less than or equal to its then-current annual production target for two (2) consecutive months.
2. Physical Shortage Trigger: Without further action of the Board of Directors, Stage 4 shall sunset and water use restrictions shall revert to Stage 1 when remaining Total Storage Available computed consistent with Table XV-4 is greater than remaining Total Storage Required for two (2) consecutive months.
3. Regulatory Trigger: Without further action of the Board of Directors, Stage 4 shall sunset for that Water Distribution System(s) and water use restrictions shall revert to Stage 1 when the governmental or regulatory agency rescinds the request.
4. Emergency Trigger: Stage 4 shall sunset and water use restrictions shall revert to Stage 1 when the Board finds that a Water Supply Emergency no longer exists.
5. Restoration of Lower Stage. A Resolution causing the sunset of one or more provisions of Stage 4 may also activate any lower Stage as may be warranted for good cause by circumstances affecting a particular Water Distribution System, private Well, or Water User.

Section Eleven: **Rule 166 – Water Rationing Exemptions and Variances**

- A. Special Needs Exemptions. The following needs shall be given additional Rations:
1. Medical and/or sanitation needs certified by a doctor;
 2. Hospital and/or health care facilities that have achieved all BMPs for those uses;
 3. Riparian irrigation using water efficient irrigation technology when required as a condition of a River Works Permit issued by the District;

4. Non-Residential Users that can demonstrate compliance with all District regulations appropriate for the type of use and where there is minimal exterior water use on the Water Meter or water supply serving the use.
- B. Hardship Variances. The following shall be given consideration of additional Rations to meet extraordinary needs:
1. Health and safety situations on a case-by-case basis;
 2. Drinking water for large livestock;
 3. Commercial laundromats with signs advising full loads only;
 4. Business in a home on a case-by-case basis;
 5. Emergency, extreme, or unusual situations on a case-by-case basis.
- C. No Exemption or Variance. The following categories of water use shall not qualify for an additional Ration:
1. Short-Term Residential Housing as defined in Rule 11 (Definitions).
 2. Guests and short-term visitors.
 3. Irrigation, other than variances allowed for required riparian irrigation or safety.
 4. Filling spas, ponds, fountains, etc.
 5. Leaks that are not repaired within 72 hours of notice.
- D. Mandatory Conditions of Approval. Prior to approving any variance, the Site must be in compliance with all applicable District Rules and Regulations and the water conservation standards. Verification by District inspection may be conducted prior to granting a variance.

Section Twelve: Rule 167 – Definitions Used in Regulation XV

Acre-Foot – “Acre-Foot” shall mean an amount of water equal to 325,851 gallons.

Administrative Compliance Order – “Administrative Compliance Order” shall mean a written order issued by the General Manager directing any Person responsible for serious, continuing or recurring violations to take affirmative action to remedy consequences of those violations. Administrative Compliance Orders are in addition to all other legal remedies, criminal or civil, which may be pursued by the Water Management District. An Administrative Compliance Order may be issued in conjunction with a Cease & Desist Order.

Applicant – “Applicant” shall mean the Person or Persons responsible for completing the requirements of an application.

Best Management Practices (BMPs) – “Best Management Practices” shall mean a conservation measure or series of measures that is useful, proven, cost-effective, and generally accepted among conservation experts to reduce water consumption and protect water quality.

Bishop Water Distribution System – “Bishop Water Distribution System” or “Bishop” shall mean the California American Water subsystem as described in the purchase agreement between Bishop Water Company and California American Water dated September 1, 1996.

California American Water Company Water Distribution System – “California American Water Company Water Distribution System” shall mean all California American Water Company Water Distribution Systems that rely, in whole or in part, on production or production offsets from the Carmel River System or the Seaside Coastal Subareas.

Carmel River System – “Carmel River System” shall mean water from the Carmel River and underlying alluvial aquifer.

CAWD/PBCSD Wastewater Reclamation Project Recycled Water Users – “CAWD/PBCSD Wastewater Reclamation Project Water Users” shall mean those Users of the wastewater reclamation project undertaken by the Carmel Area Wastewater District and the Pebble Beach Community Services District that supplies Reclaimed Water to the Golf Courses and certain open space areas within Pebble Beach.

Cease & Desist Order – “Cease & Desist Order” shall mean an order issued by the General Manager prohibiting a Person from continuing a particular course of conduct. Cease & Desist Orders are in addition to all other legal remedies, criminal or civil, which may be pursued by the Water Management District. A Cease & Desist Order may be issued in conjunction with an Administrative Compliance Order.

CCF– “CCF” (or one-hundred cubic feet) is equivalent to 748 gallons.

Conservation Rates – “Conservation Rates” shall mean the increase in the water rates for California American Water customers at levels of either 25 percent (Level 1 Conservation Rates) or 40 percent (Level 2 Conservation Rates). Conservation Rates do not apply to Residential Tier 1 water use.

Conveyor Car Wash – “Conveyor Car Wash” shall mean a commercial car wash where the vehicle moves on a conveyor belt during the wash and the driver of the vehicle can remain in, or wait outside of, the vehicle.

District – See Monterey Peninsula Water Management District.

Dwelling Unit – “Dwelling Unit” shall mean single or multiple residences suitable for single household occupancy but shall not refer to non-permanent student or transient housing, the occupancy of which is projected to average 24 months or less.

Extractor – “Extractor” shall mean a user, or consumer of water delivered by a water Well or Water-Gathering Facility, which is not a part of any Water Distribution System.

Flagrant Violation – “Flagrant Violation” shall mean any willful or wanton disregard of the Rules and Regulations of the District which results in unreasonable waste, contamination, or pollution of District waters by any Extractor, User, or by the Owner or Operator of a Well, Water-Gathering Facility or Water Distribution System.

Flow Restrictor – “Flow Restrictor” shall mean a device placed into the Water Distribution System by the distribution system Operator, or put into the output of a private Well, that restricts the volume of flow to the User.

Graywater Irrigation System – “Graywater Irrigation System” shall mean an onsite wastewater treatment system designed to collect Graywater and transport it out of the structure for distribution in an Irrigation System.

Hidden Hills System – “Hidden Hills System” shall mean the California American Water subsystem as described in the purchase agreement between Carmel Valley Mutual Water Company and California American Water recorded July 8, 1994, Document #49389, Reel 3125, Page 696.

Household – “Household” shall mean all the people who occupy a housing unit. A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room occupied (or if vacant, intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other people in the building and that have direct access from the outside of the building or through a common hall.

In-Bay Car Wash – “In-Bay Car Wash” shall mean a commercial car wash where the driver pulls into bay, parks the car, and the vehicle remains stationary while either a machine moves over the vehicle to clean it or one or more employees of the car wash clean the vehicle, instead of the vehicle moving through a tunnel.

Interruption – “Interruption” shall mean an interruption for longer than 12 hours in the supply of Recycled Water to a Recycled Water Irrigation Area.

Laguna Seca Subarea – “Laguna Seca Subarea” shall mean one of the subdivisions of the Southern Seaside Subbasin. Its boundary is shown on a map maintained at the offices of the Water Management District, as that map may be amended from time to time.

Landscaping – “Landscaping” shall mean the arrangement of plants and other materials that may result in outdoor water use.

Lawn – “Lawn” shall mean an area of land planted with live, healthy grass which is regularly maintained, irrigated and groomed at a low, even height.

Main California American Water System – “Main California American Water System” shall mean the California American Water’s Water Distribution System that derives its Source of Supply from the Carmel River System and the Seaside Coastal Subareas of the Seaside Groundwater Basin.

Master Meter – “Master Meter” shall mean a single Water Meter that supplies water to more than one Water User.

Measurable Precipitation – “Measureable Precipitation” shall mean rainfall of 0.1 inch or more.

Mobile Water Distribution System – “Mobile Water Distribution System” means any Potable or Sub-potable Water delivery that originates at a location apart from the Site of use and that is delivered via a truck or other movable container. This definition includes, but is not limited to, trucked water. This definition shall not apply to deliveries of water by commercial companies in volumes less than or equal to 55 gallons per container.

Model Water Efficient Landscape Ordinance – “Model Water Efficient Landscape Ordinance” shall refer to the California Code of Regulations, Title 23. Waters, Division 2. Department of Water Resources, Chapter 2.7. Model Water Efficient Landscape Ordinance.

Monterey Peninsula Water Management District (District or MPWMD) – The Monterey Peninsula Water Management District is a public agency formed by the California State Legislature on June 6, 1978. The enabling legislation is found at West's California Water Code, Appendix Chapters 118-1 to 118-901.

Monterey Peninsula Water Resource System – “Monterey Peninsula Water Resource System” (“MPWRS”) shall mean the surface water in the Carmel River and its tributaries, Groundwater in the Carmel Valley Alluvial Aquifer which underlies the Carmel River, and Groundwater in the Seaside Groundwater Basin.

MPWMD– See Monterey Peninsula Water Management District.

Multi-Family Household – “Multi-Family Household” shall mean a Household where two or more Dwelling Units receive water from a Master Meter.

Non-Essential Water Use – “Non-Essential Water Use” shall mean uses of water that are acceptable during times of normal water availability, as long as proper procedures to maximize efficiency are followed. However, when water is in short supply, Non-Essential Water Uses must be curtailed to preserve limited water resources for essential uses. Non-Essential Water Uses do not have health or safety impacts, are not required by regulation, and are not required to meet the core functions of a Non-Residential use.

Non-Residential – “Non-Residential” shall mean water uses not associated with Residential use. These uses include Commercial, Industrial, Public Authority, Golf Course, Other Use, Non-Revenue Metered Use, and Reclaimed Water.

Non-Revenue Water – “Non-Revenue Water” shall include water used for Water Distribution System-owned and leased facilities, flushing when necessary for health or safety purposes, use for production including filter back-washing at two filter plants, rights-of-way, riverbank irrigation, and California American Water Well property irrigation. This definition shall also apply to estimated beneficial water use by fire departments and other municipal uses not prohibited under the definition of Water Waste or Non-Essential Water Use.

Open Space – “Open Space” shall mean public land area left in an un-built state as defined in the California Government Code, Section 65560. Open Space includes plazas, parks, and cemeteries.

Owner or Operator – “Owner or Operator” means the Person to whom a Water Gathering Facility is assessed by the County Assessor, or, if not separately assessed, the Person who owns the land upon which a Water-Gathering Facility is located.

Permanent Resident – “Permanent Resident” shall mean a Person who resides continuously in a Dwelling Unit for more than 30 days or a resident that can submit such other evidence to clearly and convincingly demonstrate permanent residency.

Positive Action Shut-Off Nozzle – “Positive Action Shut-Off Nozzle” shall mean a device that completely shuts off the flow of water from a hose when released.

Potable – “Potable” shall mean water that is suitable for drinking.

Pressure Regulating Valve – “Pressure Regulating Valve” shall mean a water pressure reducing valve installed in the water line after the water meter that automatically reduces the pressure from the water supply main to a lower, more sensible pressure.

Production Limit – “Production Limit” shall refer to the maximum production permitted for a Water Distribution System.

Reclaimed Water – “Reclaimed Water” shall mean wastewater that has been treated to the tertiary level, including disinfection. Reclaimed Water is a form of Recycled Water.

Recycled Water – “Recycled Water” shall mean water that originates from a Sub-potable Source of Supply such as wastewater treated to the tertiary level.

Recycled Water Irrigation Areas – “Recycled Water Irrigation Areas” shall mean the golf courses and other vegetated areas located within the Del Monte Forest that are being irrigated with Recycled Water.

Residency Affidavit – “Residency Affidavit” shall mean a document attesting to the number of Permanent Residents in a Household.

Residential – “Residential” shall mean water used for household purposes, including water used on the premises for irrigating lawns, gardens and shrubbery, washing vehicles, and other similar and customary purposes pertaining to Single-Family and Multi-Family Dwellings.

Responsible Party – “Responsible Party” means the Person or Persons who assume through the District Permit process legal responsibility for the proper performance of the requirements of a Permit holder as defined in the Rules and Regulations and/or in conditions attached to a Permit. “Responsible Party,” when used in the context of the Monterey Peninsula Water Conservation and Rationing Plan, shall mean the Person who is responsible for paying the water bill. When a property is served by a private Well or a small Water Distribution System, the “Responsible Party” shall be the Water Users of the Well and the small distribution system Operator.

Riparian Corridor – “Riparian Corridor” shall mean: All that area which comprises the Riverbed and riverbanks of the Carmel River which lies within the boundaries of the Carmel River Management Zone (Zone No. 3), and All those areas which lie within 25 lineal feet of the Riverbank Assessment Line, excepting however, all lands which lie outside of the Zone No. 3 boundary, and exempting lawns, Landscaping and cultivated areas as shown on the spring 1983 aerial photographs taken by California- American Water pursuant to the agreement with the District in accord with MPWMD Rule 123 A.

Ryan Ranch Water Distribution System – “Ryan Ranch Water Distribution System” or “Ryan Ranch” shall mean the California American Water subsystem as described in the purchase agreement between Neuville Co. N.V. (a Delaware Corporation) and California American Water dated April 30, 1990.

Seaside Basin Adjudication Decision – “Seaside Basin Adjudication Decision” or “Seaside Decision” shall mean the March 27, 2006 court adjudication, as amended, determining water rights in the Seaside Groundwater Basin that restrict California American Water production from the Coastal Subareas and Laguna Seca Subarea of the basin.

Seaside Groundwater Basin – “Seaside Groundwater Basin” means the set of geologic formations that stores, transmits, and yields water in the Seaside area, comprising of the Northern Seaside Subbasin and the Southern Seaside Subbasin. The Seaside Groundwater Basin also includes those areas known as the Northern Coastal Subarea, the Northern Inland Subarea, the Southern Coastal Subarea and the Laguna Seca Subarea.

Short-Term Residential Housing – “Short Term Residential Housing” shall mean one or more Residential Dwelling Units on a property that are occupied by visitors, are operated as a business and for which a fee is charged to occupy the premises.

Single Residential Household – “Single Residential Household” shall mean a Household that receives its water supply through a Water Meter that is not shared with other Households.

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. The term “Site” shall be given the same meaning as the term “Parcel”.

Smart Controller – “Smart Controller” shall mean a weather-based device (typically a “timer”) that automatically controls an outdoor Irrigation System. Smart Controllers use weather, site or soil moisture data as a basis for determining an appropriate watering schedule. Smart Controllers (commonly referred to as ET controllers, weather-based irrigation controllers, smart sprinkler controllers, and water smart controllers) are a new generation of irrigation controllers that utilize prevailing weather conditions, current and historic Evapotranspiration, soil moisture levels, and other relevant factors to adapt water applications to meet the actual needs of the plants.

Source of Supply – “Source of Supply” means the Groundwater, surface water, Reclaimed Water sources, or any other water resource where a Person, Owner or Operator gains access by a Water-Gathering Facility.

Sub-potable Water – “Sub-potable Water” shall mean water which is not fit for human consumption without treatment and shall include Reclaimed Water as that term is used in the Water Reclamation Law, and particularly in Section 13550 of the Water Code.

Total Storage Available – Calculated as of May 1, in any year Total Storage Available equals usable water as measured by the District contained in the Carmel Valley Alluvial Aquifer; plus usable water in the Seaside Groundwater Basin; and the usable water in the Los Padres Reservoir.

Total Storage Required – Total Storage Required refers to the combination of demand remaining from May 1 to the end of the current Water Year and carryover storage for the next water year that is required to meet the following water year production limit for California American Water (Cal-Am) from Carmel River sources set by State Water Resources Control Board Order WR 2009-0060, plus the production limit for Cal-Am from the Seaside Groundwater Basin set by the Court in its March 27, 2006 Seaside Basin Adjudication Decision, and plus the production limit specified for non-Cal-Am Users from the Monterey Peninsula Water Resource System set in the District’s Water Allocation Program (Ordinance No. 87).

User – “User” means a customer or consumer of water delivered by a Water Distribution System. User does not include any Owner or Operator of a Water Distribution System.

Each residence, commercial enterprise, or industrial enterprise shall be deemed a separate and distinct User.

Visitor-Serving Facility – “Visitor-Serving Facility” shall include all hotels, motels, restaurants, convention/meeting facilities, and service stations within the Monterey Peninsula Water Management District. Other facilities may be designated as a Visitor- Serving Facility by the General Manager upon finding that such facility exists primarily for the use of tourists and the traveling public. Short term rentals of private property are not included under this definition.

Water Broom – “Water Broom” shall mean a water efficient broom-like cleaning device that uses a combination of water and air to clean hard surfaces with no runoff.

Water Credit – “Water Credit” shall mean a record allowing reuse of a specific quantity of water upon a specific Site. A Water Credit differs from a Water Use Credit in that it is not characterized by a Permanent Abandonment of Use, but may be the result of a temporary cessation of use.

Water Distribution System – “Water Distribution System” means all works within the District used for the collection, storage, transmission or distribution of water from the Source of Supply to the Connection of a system providing water service to any Connection including all Water-Gathering Facilities and Water-Measuring Devices. 11-55 Monterey Peninsula Water Management District In systems where there is a water meter at the point of Connection, the term “Water Distribution System” shall not refer to the User’s piping; in systems where there is no water meter at the point of Connection, the term “Water Distribution System” shall refer to the User’s piping.

Water Distribution System Operator – “Water Distribution System Operator” shall mean the Person or Persons who assume through the District Permit process legal responsibility for the proper performance of the requirements of a Water Distribution System Permit holder as defined in the Rules and Regulations and/or in conditions attached to a Permit.

Water-Gathering Facility – “Water-Gathering Facility” means any device or method, mechanical or otherwise, for the production of water from dams, Groundwater, surface water, water courses, Reclaimed Water sources, or any other Source of Supply within the Monterey Peninsula Water Management District or a zone thereof. Water-Gathering Facilities shall include any water-production facility as defined in the Monterey Peninsula Water Management District Law. This definition shall not apply to On- Site Cisterns that serve existing single-Connection, Residential situations where rainwater is captured for On-Site Landscape irrigation use.

Water Ration – “Water Ration” shall mean a specific amount of water available to each Water User during Stage 4 Water Rationing.

Water Supply Emergency – “Water Supply Emergency” shall mean a declaration pursuant to Regulation XV, The Monterey Peninsula Water Conservation and Rationing Plan, that a water shortage emergency condition prevails within one or more Water Distribution Systems.

Water Use Credit – “Water Use Credit” shall mean a limited entitlement by a Person to use a specific quantity of water upon a specific Site. Water Use Credits shall be limited by time, and by other conditions as set forth in the District’s Rules and Regulations.

Water User – “Water User” shall mean Users of water for domestic or other uses from any Water Distribution System or private Well.

Water Waste – “Water Waste” shall mean the indiscriminate, unreasonable, or excessive running or dissipation of water as defined in Rule 162.

Water Year – “Water Year” shall mean the period from October 1 of one year to September 30 of the succeeding year.

Well – “Well” means any device or method, mechanical or otherwise, for the production of water from Groundwater supplies within the District excluding seepage pits and natural springs.

Water Meter – “Water Meter” means any measuring device intended to measure water usage. The term “Water Meter” shall have the same meaning as the term “Water Measuring Device.”

Section Thirteen: Publication and Application

The provisions of this ordinance shall cause the republication and amendment of the permanent Rules and Regulations of the Monterey Peninsula Water Management District.

Section Fourteen: Effective Date and Sunset

This ordinance shall take effect at 12:01 a.m. on the 30th day after it has been enacted on second reading.

This Ordinance shall not have a sunset date.

Section Fifteen: Severability

If any subdivision, paragraph, 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 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 by Director _____, and second by Director _____, the foregoing ordinance is adopted upon this _____ day of _____, 2016, by the following vote:

AYES:

NAYS:

ABSENT:

I, _____, 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



EXHIBIT 15-A

Adopted by the Board on _____ – Effective Date _____

DRAFT ORDINANCE NO. 171

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
SETTING COMPENSATION FOR BOARD MEMBERS**

FINDINGS

1. The Water Management District is charged under the Monterey Peninsula Water Management District Law with the integrated management of the ground and surface water resources in the Monterey Peninsula area. The Board of Directors for the District consists of seven members; five are elected by the qualified voters of the District, one is a member of the Monterey County Board of Supervisors, and one is a city council official appointed by the City Selection Committee.
2. The Water Management District Board Members are presently compensated for meeting attendance, pursuant to Water Code §§ 20200 through 20207, and MPWMD Ordinance No. 126, at the rate of one hundred dollars (\$110) dollars per meeting, to a maximum of 10 (10) meetings per month. This level of compensation took effect in October, 2006.
3. Water Code Section § 20202 allows the Water Management District to set compensation of attendance of board members for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, not to exceed ten (10) days in any calendar month. This section also authorizes the rate of compensation to be increased by up to five (5%) percent each calendar year following the operative date of the last compensation adjustment.
4. This ordinance would set the rate of compensation for attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, to one hundred thirty five dollars (\$135) dollars per meeting. This increase is based on the 23% escalation of the CPI since the operative date of the last compensation adjustment, and is less than the (5%) percent per calendar year increase authorized by Water Code Section § 20202.

NOW THEREFORE be it ordained as follows:

ORDINANCE

Section One: Short Title

This ordinance shall be known as the Board Member Compensation Ordinance of 2016 for the Monterey Peninsula Water Management District.

Section Two: Purpose

This ordinance sets Board Member compensation in accord with the provisions of Water Code § 20200, et seq.

Section Three: Board Member Compensation

Each Board Member of the Monterey Peninsula Water Management District shall receive compensation at the rate of one hundred thirty five dollars (\$135) per day for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board by request of the Board. Such a request shall include Board Member attendance at committee meetings, or attendance at other meetings at the direction of the Board or Board Chair.

Section Four: Notice and Publication

Notice of the public hearing on this ordinance shall be published in a newspaper of general circulation pursuant to section 6066 of the Government Code¹.

Section Six: Effective Date and Sunset

This ordinance shall take effect at 12:01 a.m. on the 61st day after it has been enacted on second reading, in accord with Water Code § 20204.

Section Seven: Severability

If any subdivision, paragraph, 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 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

¹ Government Code § 6066 provides: "Publication of notice pursuant to this section shall be once a week for two successive weeks. Two publications in a newspaper published once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day, including therein the first day." [This footnote is provided for convenience, but shall not be construed to be a part of the Ordinance as enacted.]

the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

On motion by 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 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

U:\staff\Boardpacket\2016\20160127\PublicHrngs\15\Item-15-ExhA.docx

ITEM: PUBLIC HEARING**16. ADOPT RESOLUTION 2016-01 TO INITIATE THE PROPOSED BASIN BOUNDARY MODIFICATION REQUEST FOR RECOGNITION OF THE ADJUDICATED SEASIDE GROUNDWATER BASIN WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT****Meeting Date: January 27, 2016 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Joe Oliver Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: Updates provided to Water Supply Planning Committee on 12/11/2015. On 1/20/2016 the Committee recommended approval by the Board.****CEQA Compliance: MPWMD has determined that a Statutory Exemption applies as defined in CEQA Guidelines Section 15268 (Ministerial Projects), based on previous environmental determinations by the Courts.**

SUMMARY: The Sustainable Groundwater Management Act (SGMA) was signed into law on September 16, 2014 and provides for local or regional management of groundwater basins with oversight from the California Department of Water Resources (DWR). More recently, on November 16, 2015, the DWR implemented new regulations regarding basin boundary modification requests in order to correct or update basin depictions in DWR's Bulletin 118, "California's Groundwater", last updated in 2003. The Bulletin 118 description and map in the area of the Seaside Groundwater Basin is outdated and does not recognize the adjudicated Seaside Basin boundary per the adjudication decision in 2006. The Seaside Basin will be exempt from certain Groundwater Sustainability Plan (GSP) requirements under SGMA, and it is therefore important to establish this correction in DWR's planned Bulletin 118 update.

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

RECOMMENDATION: Staff recommends that the Board adopt Resolution 2016-01, and direct the General Manager to proceed with filing an Initial Notification to DWR regarding the basin boundary modification request to recognize the adjudicated Seaside Basin in the DWR's

Bulletin 118. Staff should be directed to file a Notice of Exemption with the County Clerk. On January 20, 2016, the Water Supply Planning Committee considered this item and recommended Board approval.

BACKGROUND: Under Section 10722.2 of the Water Code, MPWMD is an eligible local agency that may request the DWR revise the boundaries of a basin. Accordingly, MPWMD has agreed to make this filing on behalf of the interested stakeholders in the adjudicated Seaside Basin. The DWR basin boundary modification regulations (§344.2) also require that a resolution adopted by the requesting agency formally initiating the boundary modification request be submitted to DWR with the request. Accordingly, Resolution 2016-01 has been prepared for this purpose (**Exhibit 16-A**) and will be submitted to DWR with the formal modification request, which must be filed no later than March 31, 2016.

EXHIBIT

16-A Draft Resolution 2016-01

U:\staff\Boardpacket\2016\20160127\PublicHrings\16\Item-16.docx

EXHIBIT 16-A**RESOLUTION NO. 2016-01****A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT TO FORMALLY INITIATE THE PROPOSED BASIN BOUNDARY MODIFICATION REQUEST TO RECOGNIZE THE ADJUDICATED SEASIDE GROUNDWATER BASIN WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT**

WHEREAS, on September 16, 2014 the Sustainable Groundwater Management Act (SGMA) was signed into law and adopted into the California Water Code, commencing with Section 10720; and

WHEREAS, on November 16, 2015, the Department of Water Resources (DWR) implemented new basin boundary modification regulations (CA Code of Regulations, Title 23, Division 2, Chapter 1.5, Subchapter 1); and

WHEREAS, DWR Bulletin 118 was last updated in 2003 and the map (**Attachment 1**) in the area of the Seaside Groundwater Basin is outdated, and does not recognize the adjudicated Seaside Basin boundary per the Adjudication Decision (“Decision”) in 2006 (Monterey County Superior Court Case No. M66343); and

WHEREAS, per the DWR basin boundary modification regulations (§ 343.2), the Monterey Peninsula Water Management District (MPWMD or District) is an eligible local agency whose jurisdictional area lies within or borders the existing or proposed basin or subbasin for which boundary modification is sought; and

WHEREAS, the proposed boundary modification is to recognize the adjudicated Seaside Groundwater Basin as a distinct basin boundary, per the Decision; and

WHEREAS, the adjudicated Seaside Groundwater Basin boundary as defined in the Decision and shown on the map in **Attachment 2** more accurately reflects the understanding of hydrogeologic conditions in the basin than that depicted in DWR Bulletin 118 and the Decision sets forth the physical solution needed for the basin’s sustainable groundwater management; and

WHEREAS, under Water Code Section 10723(c)(2), MPWMD will elect to opt out of being the exclusive groundwater management agency for that area north of the adjudicated Seaside Groundwater Basin that is within the MPWMD statutory boundaries; and

WHEREAS, MPWMD has determined that a Statutory Exemption applies to the proposed basin boundary modification request as defined in CEQA Guidelines Section 15268 (Ministerial Projects), based on previous environmental determinations by the Courts, which limits CEQA review of water-related issues to areas other than the adjudicated Seaside Groundwater Basin; and

WHEREAS, notices of this public hearing on adoption of a resolution to initiate the basin boundary modification request were published on January 14, 2016 and January 21, 2016; and

WHEREAS, on January 27, 2016 this District held a public hearing regarding the adoption of a resolution to initiate the basin boundary modification request;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Monterey Peninsula Water Management District:

1. Hereby establishes the rationale for the District to initiate the boundary modification request to recognize the adjudicated Seaside Groundwater Basin in DWR's Bulletin 118; and
2. Hereby authorizes the General Manager or his designee to initiate the process to request a basin boundary modification to recognize the adjudicated Seaside Groundwater Basin boundary with DWR and provide a copy of this resolution to DWR as part of the formal request submittal to comply with the requirements of the DWR's basin boundary modification regulations (§ 344.2); and
3. All the recitals in this Resolution are true and correct and the District so finds, determines, and represents.

On motion of Director _____, and second by Director _____, the foregoing resolution is duly adopted this ___ day of January, 2016 by the following votes:

AYES:

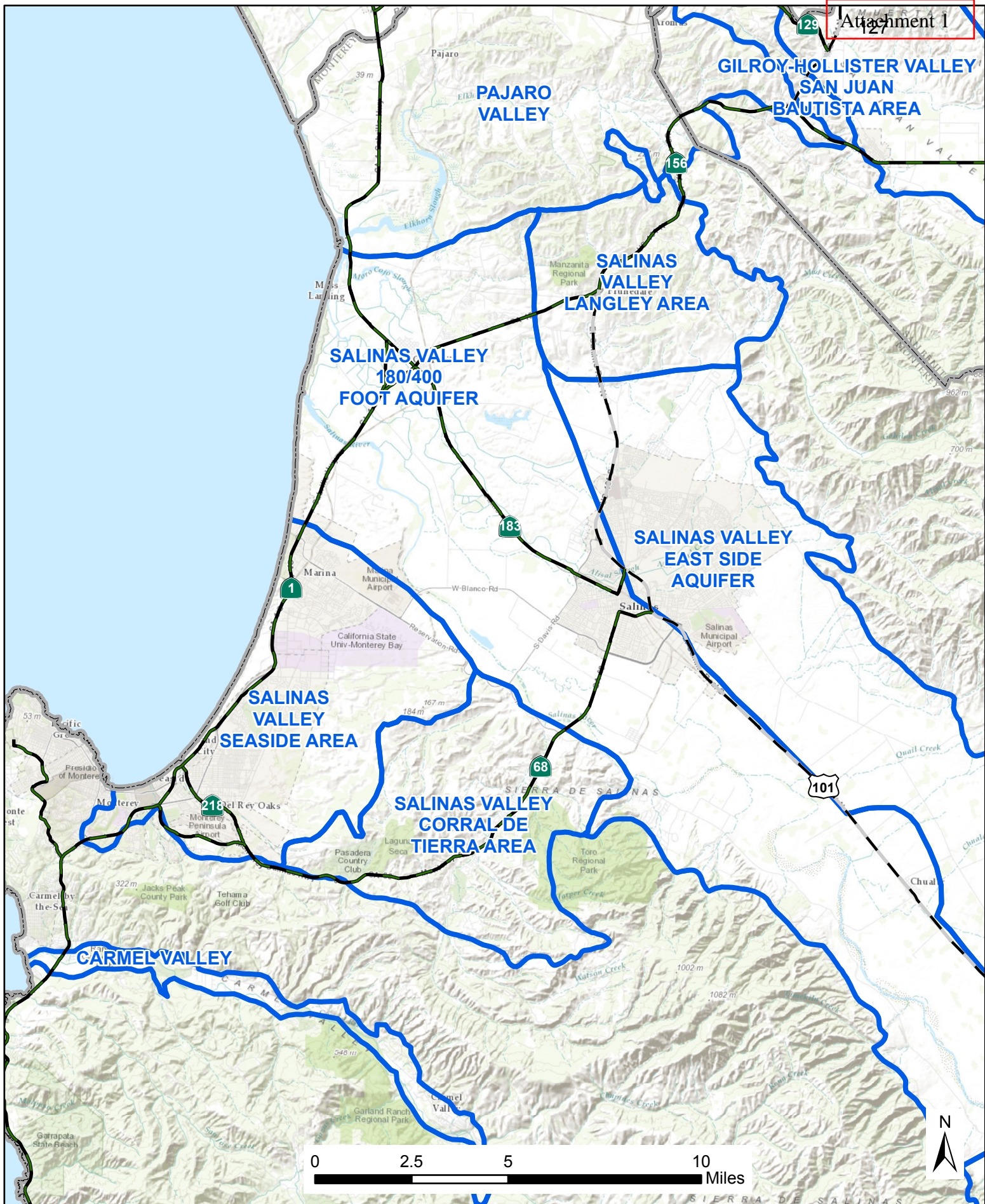
NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the ___ day of January, 2016.

Witness my hand and seal of the Board of Directors this ___ day of January, 2016.

David J. Stoldt
Secretary to the Board






Seaside Area Sub Basin
and Adjacent Salinas Valley Groundwater Basins

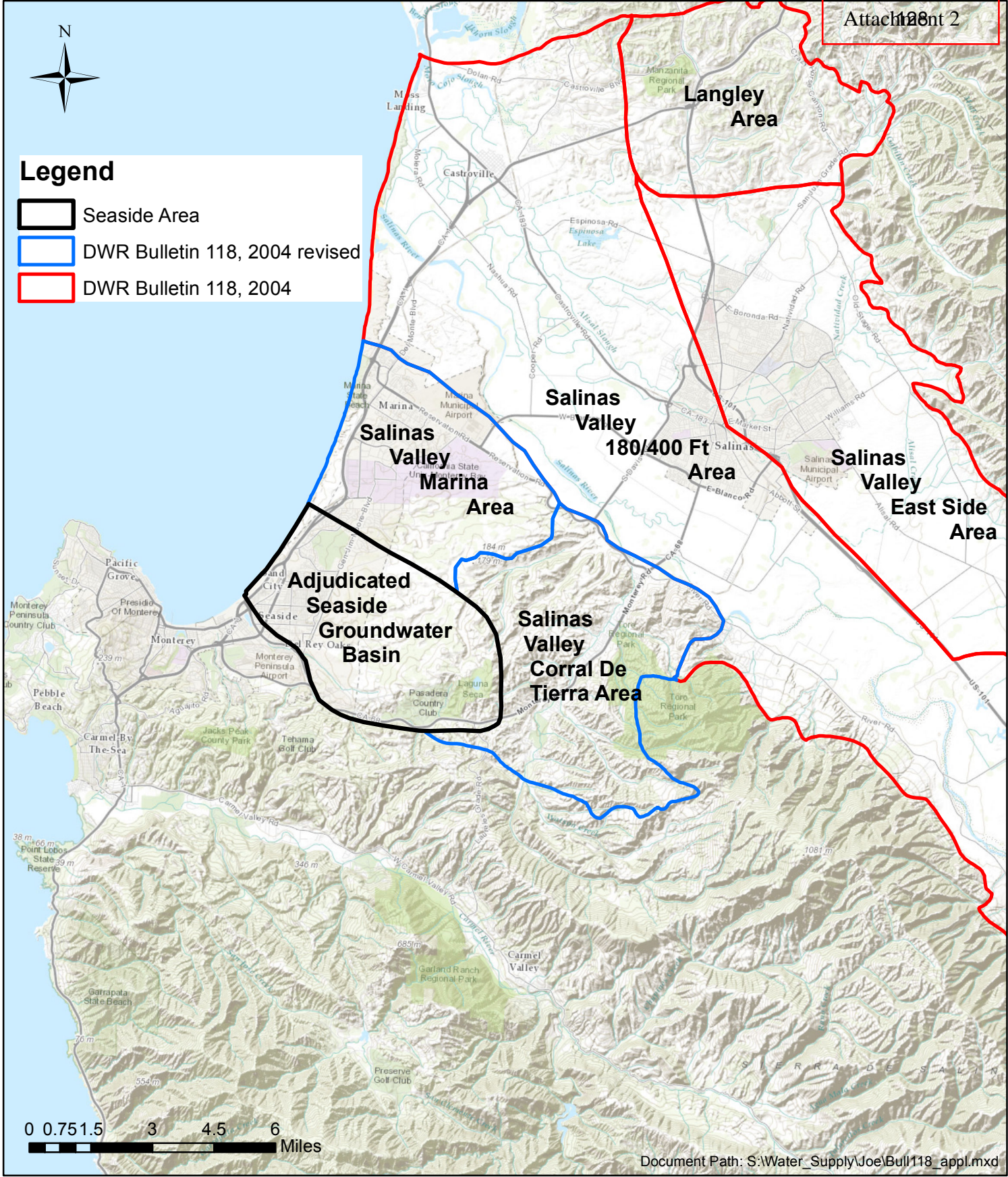
Source: DWR Bulletin 118, 2004





Legend

-  Seaside Area
-  DWR Bulletin 118, 2004 revised
-  DWR Bulletin 118, 2004



Document Path: S:\Water_Supply\Joe\Bull118_appl.mxd

Plate 1: Regional Map showing location of Seaside Groundwater Basin Boundary



ITEM: ACTION ITEM**17. CONSIDER EXPENDITURE FOR PREPARATION OF AGENCY CLASSIFICATION/COMPENSATION STUDY****Meeting Date: January 27, 2016 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**

If action is to be taken on this item, a staff report will be presented at the Board meeting.

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**18. LETTERS RECEIVED****Meeting Date: January 27, 2016 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**

A list of letters that were submitted to the Board of Directors or General Manager and received between December 9, 2015 and January 20, 2016 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
Laurens H. Silver	David Stoldt	12/14/15	First Reading of Ord. No. 168 to Establish a Water Entitlement for the City of Pacific Grove
Luke Coletti	MPWMD Board1	12/14/15	First Reading of Ord. No. 168 to Establish a Water Entitlement for the City of Pacific Grove
Luke Coletti	MPWMD Board	12/13/15	First Reading of Ord. No. 168 to Establish a Water Entitlement for the City of Pacific Grove
Eric Petersen	David Stoldt	12/10/15	MPWMD Permit No. 34275
Alecia Van Atta	David Stoldt	11/30/15	Development of Groundwater Sustainability Plan for Carmel Valley Groundwater Basin

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**19. COMMITTEE REPORTS****Meeting Date:** January 27, 2016 **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

Attached for your review as **Exhibit 19-A through Exhibit 19-D** are final minutes of the committee meetings listed below.

EXHIBITS**19-A** Final Minutes of December 7, 2015 Administrative Committee Meeting**19-B** Final Minutes of December 1, 2015 Monterey Peninsula Water Supply Project
Governance Committee**19-C** Final Minutes of November 2, 2015 Water Supply Planning Committee Meeting**19-D** Final Minutes of April 8, 2015 Legislative Advocacy Committee Meeting



EXHIBIT 19-A

FINAL MINUTES
Monterey Peninsula Water Management District
Administrative Committee
December 7, 2015

Call to Order

The meeting was called to order at 3:32 PM in the District Conference Room.

Committee members present: Andrew Clarke
 David Pendergrass
 Brenda Lewis

Staff present: Suresh Prasad, Administrative Services Manager/Chief Financial Officer
 Cynthia Schmidlin, Human Resources Analyst
 Larry Hampson, District Engineer
 Kevan Urquhart, Sr. Fisheries Biologist
 Stephanie Kister, Water Conservation Representative II
 Sara Reyes, Office Services Supervisor

Oral Communications

None

1. **Approve Minutes of November 9, 2015 Committee Meeting**
 On a motion by Pendergrass and second by Clarke, the minutes of the November 9, 2015 meeting were approved on a vote of 3 to 0.

Items on Board Agenda for December 14, 2015

2. **Consider Lawn Removal Rebate Request from Monterey Peninsula Unified School District**
 On a motion by Pendergrass and second by Clarke, the committee voted 3 to 0 to recommend the Board approve the rebate.
3. **Consider Approval of Expenditure for Purchase of Ford F350 4x4 Auto Crane/Dump Truck**
 On a motion by Pendergrass and second by Clarke, the committee voted 3 to 0 to recommend the Board authorize expenditure of funds to purchase a Ford350 Auto Crane/Dump truck from Cypress Coast Ford at a not-to-exceed price of \$66,000.
4. **Implementation of GASB Statement No. 54 and Resolution No. 2015-22 Adopting Fund Balance Policy**
 On a motion by Clarke and second by Pendergrass, the committee voted 3 to 0 to recommend the

Board adopt Resolution No. 2015-22 approving the Fund Balance Policy implementing GASB Statement No. 54.

5. Authorize a Change to the Organization Chart Replacing the Water Resources Engineer Position with a Senior Water Resources Engineer

On a motion by Pendergrass and second by Clarke, the committee voted 3 to 0 to recommend the Board authorize a change from the current District Organization Chart to the proposed Organization Chart, replacing the Water Resources Engineer position with a Senior Water Resources Engineer position.

6. Consider Adoption of Resolution No. 2015-23 Authorizing an Exception to the CalPERS 180-Day Wait Period for Hiring a Retiree

On a motion by Pendergrass and second by Clarke, the committee voted 3 to 0 to recommend the Board adopt Resolution No. 2015-23, authorizing an exception to the CalPERS 180-day wait period to hire Henrietta Stern as a part-time, limited-term employee.

7. Consider Adoption of Resolution No. 2015-24 in Support of Filing an Application to the California Department of Fish and Wildlife, Steelhead Report and Restoration Card Program

On a motion by Clarke and second by Pendergrass, the committee voted 3 to 0 to recommend the Board adopt Resolution No. 2015-24 in support of applying for grant funding from the California Department of Fish and Wildlife, Steelhead Report and Restoration Card Program and authorize the General Manager to enter into a contract with the California Department of Fish and Wildlife to receive grant funds.

8. Consider Approval of October 2015 Treasurer's Report

On a motion by Clarke and second by Pendergrass, the committee voted 3 to 0 to recommend the Board adopt the October 2015 Treasurer's Report and financial statements, and ratify the disbursements made during the month.

Other Business

9. Review Draft December 14, 2015 Board Meeting Agenda

The committee made no changes to the agenda.

Adjournment

The meeting was adjourned at 4:16 PM.

**GOVERNANCE COMMITTEE
FOR THE
MONTEREY PENINSULA WATER SUPPLY PROJECT**

California American Water • Monterey County Board of Supervisors
Monterey Peninsula Regional Water Authority • Monterey Peninsula Water Management District

**FINAL MINUTES
Regular Meeting
Governance Committee
for the
Monterey Peninsula Water Supply Project
December 1, 2015**

- Call to Order:** The meeting was called to order at 10:05 pm in the conference room of the Monterey Peninsula Water Management District offices.
- Members Present:** Jason Burnett, representative for Monterey Peninsula Regional Water Authority
Jeanne Byrne, representative for Monterey Peninsula Water Management District (alternate to Robert S. Brower, Sr.)
Robert MacLean, representative for California-American Water
- Members Absent:** David Potter, Monterey County Board of Supervisors
Robert S. Brower, Sr., Monterey Peninsula Water Management District
- Pledge of Allegiance:** The assembly recited the Pledge of Allegiance.
- Public Comments:** Michael Warburton, representing the Public Trust Alliance (PTA), stated that this is the wrong project, in the wrong place, at the wrong time. The only reason it has the remotest chance of looking like it might be the right project is by not looking at the most obvious things shaping the Monterey Peninsula community. Less than 1% of the agricultural use of the Salinas River can solve the urban water problem. The committee is looking at concentrating half a billion dollars of public infrastructure in an increasingly vulnerable coastal zone. At the same time the Monterey Peninsula will be repairing and replacing its transportation infrastructure, this project will require that it replace its drinking water infrastructure. The scale of business interruption that will happen on the Peninsula to bury the pipeline is unnecessary and it's time to begin speaking about some of these things. *Burnett advised Warburton that the EIR on the Pure Water Monterey Project has been certified. The project would bring water from Salinas to the Monterey Peninsula.* Warburton responded that none of that water can be used in the wealthy parts of the community based on the distribution points.

Presentations

1. **Progress Report from California-American Water on the Monterey Peninsula Water Supply Project Including Updates on Production from Test Slant Well; Desalination Project Design; and Design and Procurement of Conveyance Facilities**

Ian Crooks reported that the slant test well is operational and performing better than expected. Salinity is approaching 90%. In April when pumping began the salinity was 70%. At the next committee meeting Crooks will present a trend line. When production wells are installed and operating at full production, the salinity levels should increase beyond 90%. He stated that the amount of water pumped from the inland areas is minimal – most of the water produced is coming from the ocean side of the well. The percentage of water that comes from the inland areas must be returned to the basin.

Public Comment: **(a) George Riley** expressed a concern that the test well would have been operated less than 18 months when the California Public Utilities Commission (CPUC) and California Coastal Commission (CCC) consider permits for this project. He stated that long-term effects of pumping cannot be confirmed because the test period was interrupted. He asked how the EIR/EIS could be completed, and how water rights issues could be settled without an uninterrupted pumping database. **(b) Michael Warburton**, PTA, asked if there was any update on how the location for the test well was determined. If desal will be done anywhere in California it might make sense to locate the investigation and test somewhere where the project is necessary. Every agency and group seems to be trying not to look at the obvious solution for the water problems in the community. There are three rivers flowing in and known technology which could be fortified against the weather problems. It seems crazy to sink a well in a marine sanctuary that is of principal economic significance in the area. There are a lot of environmental impacts that are not addressed. It would be good if the scientists or engineers could give an assurance that this is a good location for the test well.

Svindland reported that the working group met and all test well data from start-up of the well in April through June has been used to recalibrate the model. The data will be incorporated into the new draft EIR. Cal-Am expects that the recalibrated model will result in more realistic assumptions. The test well should be operational until permits are issued and it may be used as a production well for the desalination project. **MacLean** noted that all test well data is on the desal project website and is available to the public. **Burnett** stated that it is important to collect as much data as possible to inform decision makers, but there can be no delay in moving forward, especially since there is more data than expected and the data shows higher production with greater salinity than was anticipated. The settling parties supported the test well, and a decision must be made on awarding the RFP.

Action Items

2. **Review and Develop Recommendation on California American Water Notification #10 – Execution of Construction Contract for the Monterey Peninsula Water Supply Project Source Water Slant Wells**

Crooks provided information on Notification #10. His presentation can be viewed on the Governance Committee website.

Public Comment: **(a) George Riley** stated that he signed the settlement agreement, but later withdrew his support for the slant well portion due to the time period for collection of test well data. He expressed concern about the possibility of stranded costs that must be paid by the local rate payers, such as occurred with the failed Regional Water Supply Project. State agencies that support subsurface intakes require a feasibility analysis. The Huntington Beach project feasibility study was far more robust regarding the test well, than the data anticipated for the local project. There are still unresolved feasibility questions, and the settlement agreement states that Cal-Am makes the determination regarding feasibility. Riley opined that Cal-Am's desal project is on the fast track, is over budget, and that not enough attention has been paid to the quality of the feasibility criteria. **(b) Michael Warburton**, PTA, stated that as the project moves forward and decision making frameworks are discussed, there is talk of risk. One risk that has not been discussed is that alternative projects are not being evaluated, particularly non-desal projects. It looks like the responsible agencies and public officials are avoiding looking at certain things. They are actually paying costs to avoid looking at them. This involves legal expenses. It is becoming more and more expensive to avoid looking at the real risks and conditions. There is time – circumstances have changed since the settlement agreement was signed. They have changed so significantly that I totally changed my position. Five years ago I said that a publicly operated and financed desalination project might be the most reasonable answer, and this is not. I have learned a lot while looking at climate science and experiences of local governments. It is an expensive proposition to maintain this Rube Goldberg scheme. **(c) Jim Cullem**, Executive Director, Monterey Peninsula Regional Water Authority, stated that one of the project criteria was to address concerns of coastal locations such as the occurrence of a tsunami. The project was set-back from the coastline to account for possible beach erosion. He requested that Cal-Am identify how quickly the wellhead equipment could be removed in the event of a tsunami or other event. He suggested that the design group could be prepared to address this issue.

Committee comments: **Burnett:** If the Certificate of Public Convenience and Necessity is issued within 12 months, there would be twelve months of data available. The Salinas Valley interests need test well data. If the well should continue after project construction in order to provide sufficient data, I would support that. The stranded costs for the source water slant wells has been limited to a quarter-million dollars. He requested that Cal-Am report back to the Governance Committee with regular updates on the project progress. **MacLean:** In his experience, twelve months of pilot well operation is required, and twelve months is the goal. The question is, will the test well results show any seasonal variability. Subsurface intake has the advantage of screening intake water from ocean variability. To require two years of pumping data would forestall commencement of project construction. The test well permit allows for two years of operation, and Cal-Am has not decided when to shut off the well after construction begins. The time is now to move ahead on this project, as Cal-Am must comply with the Cease and Desist Order. It is critical for Cal-Am to contract with a driller so that construction could begin immediately upon project approval. If the test well continues to operate, and there is a change in circumstances that would cause Cal-Am to not want to continue project construction, he hoped that decision would be made with the Governance Committee. If Cal-Am issued a notice to proceed with construction, and other parties disagreed, legal counsel would review the Governance agreement to determine how to proceed.

On a motion by Burnett and second of Byrne, the committee recommended that California American Water (Cal-Am) enter into a contract with Boart Longyear Company (Boart). In addition, the committee recommended that Cal-Am provide periodic updates on project progress and allow the committee to comment: (1) prior to authorizing expenditures by Boart for planning and permitting activity; (2) prior to authorizing expenditures by Boart for pre-mobilization activity including preparation of the drilling rig; and (3) prior to issuance of a notice-to-proceed to Boart for commencement of construction activities. The committee recognizes that Cal-Am has authority over the construction schedule; therefore, if the committee or any member of the public disagrees with Cal-Am's actions, the issue could be brought before the California Public Utilities Commission. The motion was approved on a vote of 2 – 0 by Burnett and Byrne. Potter was absent.

3. Adopt Minutes of September 16, 2015 Governance Committee Meeting

On a motion by Byrne and second of Burnett, the minutes were adopted unanimously on a vote of 2 – 0 by Byrne and Burnett. Potter was absent. No public comment was presented to the committee on this item

Discussion Items

5. Suggest Items to be Placed on Future Agendas

Contract for Conveyance Facilities

Report from Cal-Am on potential risks to the test well due to weather patterns

Public Comment: **(a) George Riley** asked if Cal-Am had adopted project costs to be submitted in the application to the State on December 15, 2015. **(b) Michael Warburton**, PTA, stated that changed circumstances are not just to be considered in the social context, but also the physical context. In terms of changed circumstances, some updated costs are being provided on December 15, 2015. However, the entire economics of the cost of public infrastructure changed with the arrival of superstorm Sandy. What is happening is that you will obtain test well data for an El Nino year. There is a responsibility involved in what changed circumstances mean. I'm appearing before this Board saying that the physical world and the government have changed profoundly, and for you to maintain that nothing has changed is an increasingly expensive argument to make.

Adjournment: The meeting was adjourned at approximately 11 am.


Arlene M. Tavani,
Clerk to the MPWSP Governance Committee



EXHIBIT 19-C

FINAL MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
November 2, 2015

Call to Order The meeting was called to order at 10 am in the MPWMD conference room.

Committee members present: Robert S. Brower, Sr. - Committee Chair
 Jeanne Byrne
 David Pendergrass

Committee members absent: None

Staff members present: David Stoldt, General Manager
 Larry Hampson, Planning & Engineering Division Manager
 Joe Oliver, Water Resources Division Manager
 Arlene Tavani, Executive Assistant

District Counsel present Alex Lorca, DeLay & Laredo

Comments from the Public: No comments.

Action Items

1. Consider Adoption of September 8 and October 8, 2015 Committee Meeting Minutes

On a motion by Pendergrass and second of Byrne, the September 8 and October 8, 2015 Committee meeting minutes were approved on a unanimous vote of 3 – 0 by Brower, Byrne and Pendergrass.

2. Consider Development of Recommendation to the Board re City of Monterey Application for Local Project Grant Funding

On a motion by Pendergrass and second of Byrne, the committee recommended that the Board of Directors approve a grant of \$85,000 to the City of Monterey and that the grant be funded through a mid-year budget increase. Funds should be shifted from Task D to Task E. The motion was approved unanimously on a vote of Pendergrass, Byrne and Brower.

Luke Coletti addressed the Board during the public comment period on this item. He stated that the project EIR described cooperation between the cities of Pacific Grove and Monterey on ASBS stormwater capture.

Discussion Items

3. Update on Monterey Peninsula Airport District Local Project Funding Grant

Oliver reported that the initial phase of the project analyzed the existing remediation well system for use as a subpotable water supply. The second phase is development of an options analysis to assess the marketability of the water source. Two years ago the Board approved a \$30,000 grant, and \$15,000 was spent on the first phase. The District did not carry-over the remaining \$15,000 in grant funds. However, the District will fund the second phase in an amount up to \$15,000.

4. Discussion of District Activities Related to Sustainable Groundwater Management Act

Stoldt reported that a letter of intent to establish the Water Management District as a Groundwater Management Agency and to adopt a Groundwater Sustainability Plan (GSP) for the Carmel River Basin has been submitted to the State Department of Water Resources. There is no notice provision for the list of interested parties attached to the letter. If the District does begin development of a GSP, these interested parties would be notified. The District is aware that the State Water Resources Control Board (SWRCB) considers the Carmel River Basin to be surface water flowing in a known and definite channel – so it is not “groundwater.” However, the State has also determined that the Carmel River Basin is a high priority basin for preparation of a GSP. Therefore, the District has filed its notice of intent to the State, with the goal of working to correct the Department of Water Resource’s understanding of the Carmel River Basin. Regarding the Seaside Groundwater Basin, staff is organizing a meeting to discuss the basin boundaries with the Watermaster, Marina Coast Water District, Monterey County Water Resources Agency, and California American Water (Cal-Am). A recommendation should be developed for submission to the State for its consideration in establishment of new basin boundaries.

5. Update on Pure Water Monterey Project

Stoldt reported that in order to apply for 1% State Revolving Funds, there are two items still to be resolved: (1) A letter from Cal-Am stating that it will adhere to the Water Purchase Agreement although it is not complete; and (2) City of Salinas notice of the change petition for agricultural wash water. If the application is not submitted by December 2, 2015, State Revolving Funds will be available, but at a rate of 1.6%. The committee reviewed sections 12, 13, 14, 16, 19 and 26 of the draft water purchase agreement. Pendergrass requested that a summary of the agreement be presented to the Board when it considers approval of the final agreement.

Luke Coletti addressed the committee during the public comment period on this item. He asked how a State Revolving Loan is secured, and what the annual payment would be. Stoldt responded that there is no estimate of the annual payment; the loan could be between \$80 and \$113 million. The MRWPCA will secure the loan with revenues to be paid according to the water purchase agreement. If Cal-Am fails to pay, the Water Management District will cover the costs, possibly by the Proposition 218 funding mechanism.

Director Byrne left the meeting at 11:10 am at the conclusion of the discussion on item 5.

6. Update on California American Water Desalination Plant

Stoldt reported that Cal-Am's test slant well is operational. A date for release of the EIR/EIS on the project has not been set. The groundwater replenishment portion of the EIR/EIS should be available January through July 2016. If the CEQA review is completed by July 2016, and other criteria are met, construction of the project could proceed.

During the public comment period on this item, Luke Coletti expressed concern about brine discharge issues that may not have been resolved.

7. Update on Alternative Desalination Project

No report.

8. Update on Status of Los Padres Dam

Hampson stated that Cal-Am has not yet executed the agreement for funding of studies related to long-term development of Los Padres Dam. After the agreement is signed, Hampson will provide for review a scope of work for a feasibility study on fish passage. Preparation of a sediment management study will follow.

9. Update on SWRCB Hearing re Pacific Grove Water Project

Stoldt reported that the SWRCB will review the Pacific Grove Ocean View Boulevard project on November 17, 2015. If it is approved, an ordinance regarding use of water from this project may be brought to the Board of Directors on December 14, 2015. Stoldt stated that the Water Management District maintains that the project does not create a new potable water supply, so water available from the project is not subject to the Cease and Desist Order.

Public Comment: A member of the Carmel River Steelhead Association stated that the Association would oppose the proposed ordinance.

Suggestions from the Public on Water Supply Project Alternatives: No Discussion

Set Next Meeting Date

Stoldt noted that the Pacific Grove ordinance mentioned under item 9, would propose an allocation of 88 acre-feet of water. The Board could specify that a specific amount of the water be permanently set aside for the Carmel River. The committee should review this at its next meeting. There was consensus by the committee members that the amount of water that may be permanently set aside for the Carmel River should be consistent with requirements set for other projects.

Public Comment: Luke Coletti stated that the median golf course use over a ten-year period is 79 acre-feet, and the Pacific Grove entitlement should be set at the median.

The next meeting was set for December 9, 2015 at 10 am.

Adjournment: The meeting was adjourned at 11:25 a.m.



EXHIBIT 19-D

FINAL MINUTES

**Legislative Advocacy Committee of the
Monterey Peninsula Water Management District**

April 8, 2015

Call to Order

The meeting was called to order at 11:30 am 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 January 26 and August 20, 2014 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.

Discussion Items

2. **Report on Legislative Status and Tracking from John Arriaga**
Arriaga submitted for review a list of Assembly and Senate bills that are under consideration. He reported that several bills have been submitted related to wastewater recycling and water desalination. Stoldt noted that amendments to the California Ocean Plan have been submitted that would regulate intake and discharge. It is proposed that for development of a desalination project, a study of intake wells must take first priority before open intake. Also, the time-line for study of intake wells would be reduced from 3 years to 1 year. Stoldt advised the committee that the Water Management District will attend the April 9, 2015, workshop conducted by the Association of California Water Agencies to discuss development of drought emergency guidelines as required by the Governor Brown's drought emergency proclamation. The Water Management District will meet with legislative staff developing the guidelines and suggest that mandatory water use reductions should be modified for areas of the state that have a sufficient water supply, and are not subject to snowmelt or state/federal water project deliveries. Possibly the state could set a goal, and not a required cutback for areas that are not dependent on the snowpack. Water Management District representatives should meet with Senator Monning or Assemblymember Stone to promote our area's interests in regard to the drought emergency regulations. Arriaga said that he would check on AB1390 and SB228 as concerns were expressed that these would require adjudication of local groundwater basins.

3. Update on State Water Bond

The process for development of guidelines for submitting applications for utilization of water bond funds may not be completed until July 2015. Secretary Laird’s goal is to conduct a transparent hearing process for development of the guidelines. The State Water Resources Control Board will be developing guidelines related to the Safe Portable Drinking Water section of the water bond. The Department of Water Resources will develop guidelines related to the Integrated Regional Water Management section of the water bond.

4. Plan of Action for Meetings with State Representatives on the Cease and Desist Order

The committee discussed scheduling meetings with State Water Resources Control Board (SWRCB) representatives regarding modification to the Cease and Desist Order. There was consensus that Water Management District representatives would be David Stoldt, Bob Brower, David Potter, and Director Jeanne Byrne or Kristi Markey. They should schedule meetings with SWRCB members Dorene D’Adamo, Felicia Marcos and Tam Doduc. There was consensus that the message to the SWRCB will be. (a) The Water Management District has represented the Peninsula since 1978. (b) The Water Management District is developing a new water rationing plan. (c) In addition to the CDO cutbacks, the Peninsula is also subject to the Governors drought emergency reductions. (d) Explain that roadblocks that have hindered development of water project such as lawsuits and the Coastal Commission process. It is important to convince the SWRCB staff to move ahead on scheduling a hearing on a counter proposal to the CDO, this can’t wait until the 2016 deadline.

Other Items: No other items were discussed.

Set Next Meeting Date

No follow-up meeting was scheduled.

Adjournment

The meeting was adjourned at 3:30 pm.

U:\staff\Boardpacket\2016\20160127\InfoItems\19\Item-19-Exh-D.docx

ITEM: INFORMATIONAL ITEM/STAFF REPORTS**20. MONTHLY ALLOCATION REPORT****Meeting Date:** January 27, 2016 **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, 2015, a total of **25.830** acre-feet (**7.5%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **35.861** acre-feet is available to the Jurisdictions, and **30.479** acre-feet is available as public water credits.

Exhibit 20-A shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in December 2015 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in December 2015.

Exhibit 20-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 20-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 20-C**.

EXHIBITS**20-A** Monthly Allocation Report**20-B** Monthly Entitlement Report**20-C** District’s Water Allocation Program Ordinances

EXHIBIT 20-A

MONTHLY ALLOCATION REPORT
Reported in Acre-Feet
For the month of December 2015

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	3.661	3.894
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	0.312	15.874	0.000	0.228	0.540
Sand City	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.373	23.373
Seaside	65.450	0.000	8.749	34.438	0.000	34.438	2.693	0.000	1.144	44.331
TOTALS	342.720	0.000	25.830	101.946	0.000	35.861	90.142	0.000	30.479	92.170

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
Quail Meadows	33.000	0.000	32.237	0.763
Water West	12.760	0.276	8.671	4.089

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

EXHIBIT 20-B

**MONTHLY ALLOCATION REPORT
ENTITLEMENTS
Reported in Acre-Feet
For the month of December 2015**

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	240.110	0.000	11.736	228.374
Del Monte Forest Benefited Properties ² (Pursuant to Ord No. 109)	124.890	0.212	40.972	83.918
Macomber Estates	10.000	0.000	9.595	0.405
Griffin Trust	5.000	0.000	4.809	0.191
CAWD/PBCSD Project Totals	380.000	0.212	67.112	312.888

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
City of Sand City	165.00	0.000	3.572	161.428

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

EXHIBIT 20-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.

ITEM: INFORMATIONAL ITEM/STAFF REPORTS**21. WATER CONSERVATION PROGRAM REPORT**

Meeting Date:	January 27, 2016	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Kyle Smith	Cost Estimate:	N/A

Committee Recommendation: N/A**CEQA Compliance: N/A**

I. MANDATORY WATER CONSERVATION RETROFIT PROGRAM

District Regulation XIV requires the retrofit of water fixtures upon Change of Ownership or Use with High Efficiency Toilets (HET) (1.28 gallons-per-flush), 2.0 gallons-per-minute (gpm) Showerheads, 2.2 gpm faucet aerators, and Rain Sensors on all automatic Irrigation Systems. Property owners must certify the Site meets the District's water efficiency standards by submitting a Water Conservation Certification Form (WCC), and a Site inspection is often conducted to verify compliance.

A. Changes of Ownership

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information is entered into the database and compared against the properties that have submitted WCCs. Details on **121** property transfers that occurred in December 2015 were entered into the database.

B. Certification

The District received **30** WCCs between December 1, 2015, and December 23, 2015. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

C. Verification

In December, **97** properties were certified to verify compliance with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **97** inspections certified, **68 (70%)** were in compliance. **None** of the properties that passed inspection involved more than one visit to verify compliance with all water efficiency standards.

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

Savings Estimate

Water savings from HET retrofits triggered by Rule 144 verified in December 2015 are estimated at **0.290** acre-feet annually (AFA). Water savings from retrofits that exceeded requirements (i.e., HETs to Ultra High Efficiency Toilets) is estimated at **0.360** AFA (36 toilets). Year-to-date estimated savings occurring as a result of toilet retrofits is **11.157** AFA.

D. CII Water Efficiencies

Effective January 1, 2014, all Non-Residential properties are required to meet Water Efficiency Requirements. To assist the community in meeting Commercial, Industrial and Institutional (CII) requirements, property owners and businesses are sent notification of the requirements and a date that inspectors will be on Site to verify compliance. District inspectors performed **62** inspections. For the month of December 2015, **35** inspections were in compliance and **27** were in non-compliance. Non-compliant properties receive follow-up letters and inspections to confirm total compliance.

E. Water Waste Enforcement

In response to the State's drought emergency conservation regulation effective October 1, 2014, the District has increased its Water Waste enforcement. The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waster occurrences at www.mpwmd.net or www.montereywaterinfo.org. There were **six** Water Waste responses during the past month. There were **no** repeated incidents that resulted in a fine.

II. WATER DEMAND MANAGEMENT

A. Permit Processing

District Rule 23 requires a Water Permit application for all properties that propose to expand or modify water use on a Site, including New Construction and Remodels. District staff processed and issued **46** Water Permits in December 2015. **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 **46** Water Permits issued in December, **none** were issued under this provision.

B. Permit Compliance

District staff completed **99** Water Permit final inspections during December 2015. **Fourteen** of the final inspections failed due to unpermitted fixtures. Of the **68** properties that were in compliance, **68** passed on the first visit. In addition, **11** 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 **27** deed restrictions. Of the **46** Water Permits issued in December, **21 (45%)** required deed restrictions. District staff provided Notary services for **46** Water Permits with deed restrictions.

III. JOINT MPWMD/CAW REBATE PROGRAM

The Water Conservation Rebate Program is available for purchase of Qualifying Devices.





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

REBATE PROGRAM SUMMARY		December-2015				2015 YTD	1997 - Present	
I. Application Summary								
A.	Applications Received	167				2090	20835	
B.	Applications Approved	123				1644	16355	
C.	Single Family Applications	118				1902	18737	
D.	Multi-Family Applications	4				105	1047	
E.	Non-Residential Applications	1				39	252	
II. Type of Devices Rebated		Number of devices	Rebate Paid	Estimated AF	Gallons Saved	YTD Quantity	YTD Paid	YTD Est AF
A.	High Efficiency Toilet (HET)	5	500.00	0.208740	68,018	252	33695.90	10.520496
B.	Ultra Low Flush to HET	27	2650.00	0.270000	87,980	537	37050.20	5.37
C.	Ultra HET	2	299.00	0.020000	6,517	84	11445.42	0.84
D.	Toilet Flapper	0	0.00	0.000000	0	3	31.95	0
E.	High Efficiency Dishwasher	28	3375.00	0.084000	27,371	224	27750.00	0.672
F.	High Efficiency Clothes Washer	42	20956.26	0.676200	220,340	623	310934.60	10.0303
G.	Instant-Access Hot Water System	4	800.00	0.000000	0	26	5137.09	0
H.	On Demand Systems	0	0.00	0.000000	0	9	900.00	0
I.	Zero Use Urinals	0	0.00	0.000000	0	1	300.00	0.02
J.	High Efficiency Urinals	0	0.00	0.000000	0	0	0.00	0
K.	Pint Urinals	0	0.00	0.000000	0	2	492.12	0.04
L.	Cisterns	12	7567.14	0.000000	0	70	39367.89	0
M.	Smart Controllers	2	280.00	0.000000	0	14	1960.00	0
N.	Rotating Sprinkler Nozzles	106	424.00	0.000000	0	194	776.00	0
O.	Moisture Sensors	0	0.00	0.000000	0	0	0.00	0
P.	Lawn Removal & Replacement	1	1770.00	0.145100	47,281	38	52247.00	4.584376
Q.	Graywater	0	0.00	0.000000	0	3	300.00	0
R.	Ice Machines	0	0.00	0.000000	0	0	0.00	0
III. Totals: Month; AF; Gallons; YTD		229	38621.40	1.404040	457,508	2080	522,388.17	32.077172
						2015 YTD	1997 - Present	
IV. Total Rebated: YTD; Program						522,388.17	4,932,914.46	
V. Estimated Water Savings in Acre-Feet Annually*						32.077172	486.141005	

* 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; 0.116618 AF/commercial washer; 0.0082 AF/100 square feet of lawn removal.

EXHIBIT 23-A

Monterey Peninsula Water Management District
Water Supply Status
January 1, 2016

	Factor	Water Year 2016 Oct - Dec	Average To Date	Percent of Average	Water Year 2015 Oct - Dec
	Rainfall (Inches)	8.16	6.79	120%	10.03
	Runoff (Acre-Feet)	263	7,005	14%	9,088
	Storage (Acre-Feet)	25,440	28,950	88%	31,450
	Steelhead (Adults) (Juveniles)	0	7 ---	0% ---	2 --

Notes:

1. Rainfall and runoff estimates are based on measurements at San Clemente Dam. Annual rainfall and runoff at San Clemente Dam average 21.1 inches and 67,440 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 San Clemente Dam site are based on records for the 1922-2015 and 1902-2015 periods, respectively.
2. The rainfall and runoff totals are based on measurements through **December 2015**.
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 1989-2015 period. The storage estimates are end-of-month values for **December 2015**.
4. The maximum usable storage capacity for the MPWRS at this time, with the flashboard in at Los Padres Dam and no capacity at San Clemente Dam, is 37,639 acre-feet.
5. The adult steelhead count refers to the number of sea-run adults (> 15 inches) that have migrated up the fish ladder at San Clemente Dam in Water Year 2016. The juvenile count refers to the number of juveniles that were rescued by District staff from drying reaches of the Carmel River and its tributaries in Water Year 2016. The adult count average is based on records for the 1994-2015 period.

California American Water Production Distributed by Associated Water Rights: Water Year 2016
(All Values in Acre-Feet)

	Carmel River Water Diverted by Cal-Am for Customer Service Under 95-10 Rights ¹	Seaside Groundwater Diverted by Cal-Am from Coastal Subareas for Customer Service Under Adjudicated Rights ⁴	Seaside Groundwater Diverted by Cal-Am from Laguna Seca Subarea for Customer Service Under Adjudicated Rights ⁴	Total Seaside Basin Adjudicated Diversions for Customer Service ⁴	Total Production Under 95-10 Rights and Seaside Basin Adjudicated Rights ^{1,3}	Carmel River Water Diverted by Cal-Am for ASR Injection Under 20808A and C Rights ²	Carmel River Water Diverted by Cal-Am under Table 13 Rights	Seaside Groundwater Recovered by Cal-Am for Customer Service Under ASR Rights ⁴	Desalinated Water from Sand City Plant
	Limit: 9,692 acre-feet ²	Limit: 2,251 acre-feet	Limit: 48 acre-feet	Limit: 2,299 acre-feet	Limit: 11,991 acre-feet	Limit: 5,326 acre-feet	Limit: acre-feet	Target: 215 acre-feet	Target: 300 acre-feet
Oct-15	568	258	31	288	856	0	0	0	11
Nov-15	479	166	21	187	665	0	0	0	0
Dec-15	527	97	20	117	644	0	0	0	0
Jan-16									
Feb-16									
Mar-16									
Apr-16									
May-16									
Jun-16									
Jul-16									
Aug-16									
Sep-16									
Total	1,574	520	71	592	2,165	0	0	0	11

California American Water Limit Adjustments to Comply with Associated Water Rights : Water Year 2016

(All Values in Acre-Feet)

	Carmel River Water Diverted by Cal-Am for Customer Service Under 95-10 Rights ¹	Carmel River Water Diverted by Cal-Am for ASR Injection Under 20808 Rights ³	Carmel River Water Consumed in Basin according to Table 13 Rights	Total Water Diverted from Carmel River for Customer Service and Injection	Seaside Groundwater Recovered by Cal-Am for Customer Service Under ASR Rights ⁵	Desalinated Water from Sand City Plant ²	Total Adjustment to 95-10 Water Right	95-10 Water Right Adjusted Monthly	Total Production for Customer Service from MPWRS and Sand City Desal
	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet
Oct-15	568	0	0	568	0	11	11	9,692	867
Nov-15	479	0	0	479	0	0	0	9,692	666
Dec-15	527	0	0	527	0	0	0	9,692	644
Jan-16									
Feb-16									
Mar-16									
Apr-16									
May-16									
Jun-16									
Jul-16									
Aug-16									
Sep-16									
Total	1,574	0	0	1,574	0	11	11	9,692	2,177

Notes:

- "95-10 Rights" refer to water rights that were recognized by the State Water Resources Control Board (SWRCB) in Order No. WR95-10 in July 1995 and assigned to California American Water. The rights total 3,376 acre-feet annually (AFA).
- "20808A Rights" refer to water rights that are held jointly by MPWMD and Cal-Am for the Phase 1 ASR project. "ASR" refers to Aquifer Storage and Recovery. "20808A" refers to Water Right Permit 20808A that was issued by the SWRCB in November 2007, for a maximum annual diversion of 2,426 AF. "20808C" refers to water rights permit 20808C, issued in November 2011 for a maximum annual diversion of 2,900AF.
- "Adjudicated Rights" refer to groundwater rights determined by the Superior Court of Monterey County in March 2006 and amended in February 2007. These limits are subject to change by action of the Seaside Basin Watermaster

Quarterly Water Budget Targets vs. Rule 162: Water Year 2016

(All Values in Acre Feet)

Quarterly Budget											Rule 162		
95-10 Monthly Budget	ASR Diversion for Injection	Table 13 Diversion and consumption	Total Carmel River Diversions for Customer Service ASR Injection and Table 13	Seaside Adjudication Monthly Budget (Coastal)	Seaside Adjudication Monthly Budget (Laguna Seca)	Seaside Adjudication Monthly Budget Combined	ASR Recovery Budget	Sand City Desal Budget	Monthly Production for Customer Use Target ⁵	End of Month Production Adopted	End of Month Cumulative to date		
acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet		
1st	Oct-15	646	0	0	646	400	5	405	0	25	1,076	1,076	1,076
Qtr	Nov-15	575	0	0	575	300	3	303	0	25	903	903	1,980
	Dec-15	644	145	24	789	100	3	103	0	25	772	796	2,776
2nd	Jan-16												3,572
Qtr	Feb-16												4,320
	Mar-16												5,170
3rd	Apr-16												6,084
Qtr	May-16												7,196
	Jun-16												8,353
4th	Jul-16												9,611
Qtr	Aug-16												10,850
	Sep-16												12,001

Budget To Date	1,865	145	24	2,010	800	11	811	0	75	2,775	2,775
-----------------------	--------------	------------	-----------	--------------	------------	-----------	------------	----------	-----------	--------------	--------------

California American Water Production vs. Water Budget and Water Right Limits: Water Year 2016

(All Values in Acre Feet)

Cal-Am Production vs. Quarterly Water Budget Targets											Cal-Am Production vs. EOM Totals			
95 - 10 Production for Customer Use vs. Monthly Targets		Seaside Coastal		Laguna Seca		Seaside Combined		Sand City Desal		Cal-Am Production vs. Rule 162				
Monthly Comparison		Monthly Comparison		Monthly Comparison		Monthly Comparison		Monthly Comparison		Year to Date				
acre-feet under	% Under	acre-feet under	% under	acre-feet under	% under	acre-feet under	% under	acre-feet under	% under	acre-feet under	% under			
1st	Oct-15	78	12.1%	142	55.3%	-26	-512.4%	117	28.8%	14	56.2%	209	19.4%	
Qtr	Nov-15	96	16.7%	134	81.0%	-18	-599.0%	116	38.4%	25	98.8%	237	26.3%	
	Dec-15	117	18.2%	3	2.9%	-17	-556.7%	-14	-13.4%	25	99.1%	152	19.1%	
2nd	Jan-16													
Qtr	Feb-16													
	Mar-16													
3rd	Apr-16													
Qtr	May-16													
	Jun-16													
4th	Jul-16													
Qtr	Aug-16													
	Sep-16													
Annual Statistics	AF Remaining	% Remaining	AF Remaining	% Remaining	AF Remaining	% Remaining	AF Remaining	% Remaining	AF Remaining	% Remaining	AF Remaining	% Remaining	598	21.6%
	8,118	83.8%	1,731	76.9%	-23	-48.5%	1,707	74.3%	289	96.2%				

4. "Target" refers to the maximum amount of water that Cal-Am will try to recover each year for customer service as part of the Phase 1 and 2 ASR Project. The actual amount of water that is recovered will depend on the amount injected during a particular water year and previous water years.
5. Monthly Budget Target numbers from Quarterly Budget Meetings.
6. Budget Target vs. Rule 162 used for the purpose of tracking compliance with MPWMD water rationing rules.
7. Water Production vs. Water Budget and Water Rights Limits are tracked for compliance with Order 2009-0060 and Seaside Adjudication.
8. Production from ASR and Sand City Desalination plant reduce 95-10 water right.

California American Water Production by Source: Water Year 2016

	Carmel Valley Wells ¹						Seaside Wells ²						Total Wells			Sand City Desal		
	Actual		Anticipated ³		Under Target		Actual		Anticipated		Under Target		Actual	Anticipated	Acre-Feet 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-15	0	568	0	646	0	78	258	31	400	5	142	-26	856	1,051	195	11	25	14
Nov-15	0	479	0	575	0	96	166	21	300	3	134	-18	665	878	213	0	25	25
Dec-15	0	527	35	609	35	82	97	20	100	3	3	-17	644	747	103	0	25	25
Jan-16																		
Feb-16																		
Mar-16																		
Apr-16																		
May-16																		
Jun-16																		
Jul-16																		
Aug-16																		
Sep-16																		
To Date	0	1574	35	1830	35	256	520	71	800	11	280	-60	2165	2676	511	11	75	64

Total Production: Water Year 2016

	Actual	Anticipated	Acre-Feet Under Target
Oct-15	867	1,076	209
Nov-15	666	903	237
Dec-15	644	772	128
Jan-16			
Feb-16			
Mar-16			
Apr-16			
May-16			
Jun-16			
Jul-16			
Aug-16			
Sep-16			
To Date	2,177	2,751	574

1. Carmel Valley Wells include upper and lower valley wells. Anticipate production from this source includes monthly production volumes associated with SBO 2009-60, 20808A, and 20808C water rights. Under these water rights, water produced from the Carmel Valley wells is delivered to customers or injected into the Seaside Groundwater Basin for storage.
2. Seaside wells anticipated production is associated with pumping native Seaside Groundwater (which is regulated by the Seaside Groundwater Basin Ajudication Decision) and recovery of stored ASR water (which is prescribed in a MOA between MPWMD, Cal-Am, California Department of Fish and Game, National Marine Fisheries Service, and as regulated by 20808C water right).
3. Current "anticipated" water budget reflects "Normal" Carmel River inflow conditions and monthly distribution of production based on long-term averages for the Cal-Am system.

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**24. CARMEL RIVER FISHERY REPORT FOR DECEMBER 2015****Meeting Date: January 27, 2016** **Budgeted: N/A****From: David J. Stoldt,** **Program/ N/A**
General Manager **Line Item No.:****Prepared By: Beverly Chaney** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: N/A**

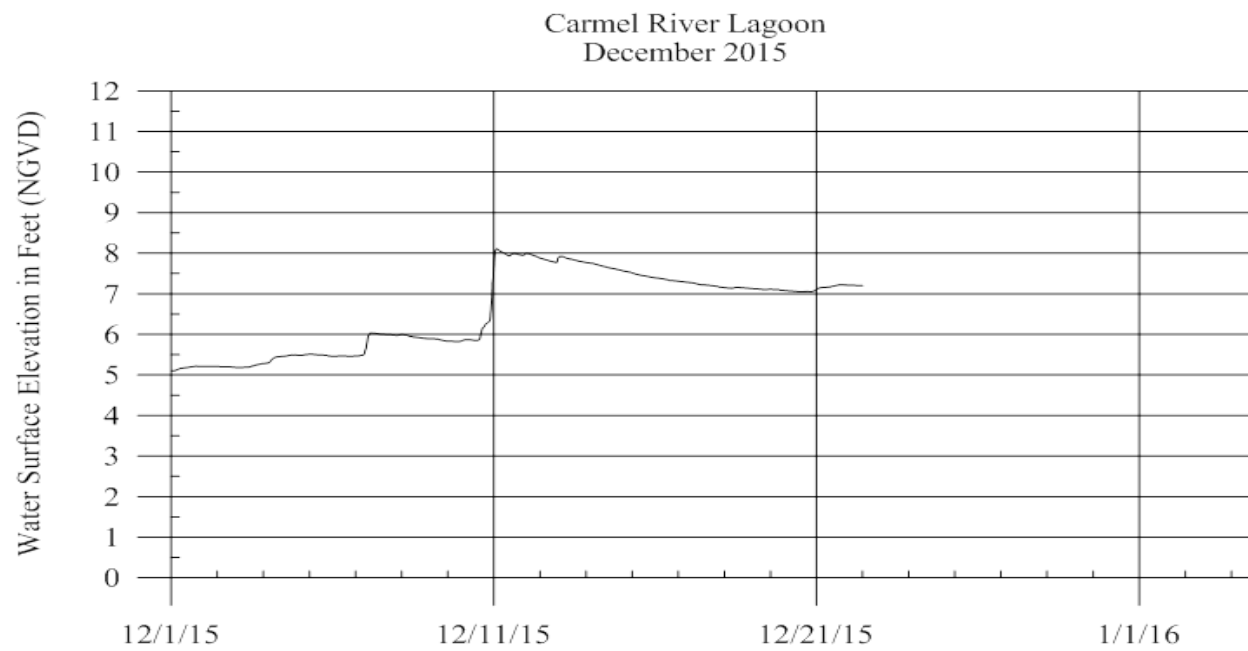
AQUATIC HABITAT AND FLOW CONDITIONS: During December 2015, flow conditions in the lower Carmel River were inadequate for migration of all steelhead life stages. Mean daily streamflow at the Sleepy Hollow Weir ranged from 3 to 41 cubic feet-per-second (cfs) (mean 10 cfs) resulting in 595 acre-feet (AF) of runoff, while the river remained dry at the Highway 1 gage.

By the end of December, the lower Carmel River had advanced a mile and a half to the Schulte Road Bridge reach at river mile (RM) 6.7, and was continuous through the DeDampierre Park to the Boronda Road Bridge reach (RM 12.7). All major tributaries below the former San Clemente Dam (SCD) remained dry at their confluences with the Carmel River.

During December, 4.17 inches of rainfall were recorded at Cal-Am's SCD gage. The rainfall total to date for WY 2016 (which started on October 1, 2015) is 8.16 inches, or 120% of the long-term year-to-date average of 6.79 inches.

CARMEL RIVER LAGOON: On December 12, 2014, the lagoon filled and opened to the sea for the first time since May 24, 2013. After a final breaching in late March 2015, the beach berm built up and the lagoon started slowly filling. The lagoon's water-surface elevation (WSE) in December 2015 increased from 5 to 8 feet above mean sea level due primarily to waves overtopping the beach berm (see graph below).

Water-quality profiles were conducted in mid-December (after the wave overtopping event) at five lagoon sites. Overall, conditions were variable and "marginal" for steelhead rearing with water temperatures ranging from 45 - 60 degrees Fahrenheit, dissolved oxygen (DO) ranging from 1 - 15 mg/L, and salinity levels ranging from 12 - 32 parts per thousand (ppt).



U:\staff\Boardpacket\2016\20160127\InfoItems\24\Item-24.docx

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**25. QUARTERLY CARMEL RIVER RIPARIAN CORRIDOR MANAGEMENT PROGRAM REPORT**

Meeting Date: January 27, 2016 **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 2015 at nine 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, Cal-Am's Schulte Well, Valley Hills, San Carlos, and the Dow property.

Water Use in Acre-Feet (AF)
(preliminary values subject to revision)

January - March 2015	0.21 AF
April - June 2015	1.31
July - September 2015	4.42
October - December 2015	<u>1.09</u>
Year-to-date	7.03 AF

MONITORING OF RIPARIAN VEGETATION: During May through October 2015, 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 25-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 2015 season show that riparian vegetation experienced increased stress levels associated with groundwater pumping and the drought. Stress is exhibited in areas showing yellowing leaves and defoliation. It is anticipated that many trees will sprout back next spring with some dieback on their outer most branches. 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 25-A** shows average canopy ratings for willows and cottonwoods in selected restoration sites in the lower Carmel Valley. The graph in **Exhibit 25-B** shows impacts to water table elevations.

The types of monitoring measurements made during May through October 2015 are as follows:

Monitoring Measurement

Canopy ratings	(See Exhibit 25-A for trends.)
Groundwater levels (monitoring wells)	(See Exhibit 25-B for trends.)
Groundwater pumping (production wells)	

OTHER TASKS PERFORMED SINCE THE OCTOBER 2015 QUARTERLY REPORT:

1 Public Outreach: District staff presented information on the District's Vegetation Management Program at two public meetings this fall in preparation for the 2015 to 2016 El Niño season. The District presented before and after pictures of recent vegetation management work and explained the regulatory process for work in the Carmel River. District staff also attended a public meeting held by Monterey County concerning winter preparations along the Carmel River. More than 150 people attended and staff answered many questions about the District's vegetation management along the river.

2. Sleepy Hollow Steelhead Rearing Facility Upgrade: Staff reviewed a Basis of Design report with TetraTech, Inc., the consultant for the project, the Coastal Conservancy, and the National Marine Fisheries Service. The preliminary estimate for construction is approximately \$1.7 million, which is about \$0.4 million more than the Coastal Conservancy budgeted for the project. This additional cost is equal to the cost of adding a recirculating aquaculture system that would allow the facility to operate at a larger range of flows than it currently does. The consultant has agreed to present an estimate with optional elements in order to prioritize elements of the reconstruction. The design portion of the project is nearly on schedule and at budget, currently.

3. Proposition 1 Grant Programs: Staff worked with the City of Monterey and the Monterey Regional Water Pollution Control Agency on a proposal to submit a planning grant application to the State Water Resources Control Board for a \$250,000 grant to develop a Stormwater Resource Plan for the Monterey Peninsula. The focus of the plan is to identify opportunities to recycle stormwater for water supply.

Staff also worked with the other five Central Coast Integrated Regional Water Management groups to develop a funding area agreement to share IRWM implementation grant funds. If successful, the Monterey Peninsula could be eligible for up to about \$4 million Prop. 1 in implementation grant funds from the Department of Water Resources.

4. Los Padres Dam and Reservoir Long-Term Plan: Staff circulated a draft scope of work to Cal-Am and regulatory agents for a study of the feasibility of installing volitional steelhead upstream passage at Los Padres Dam. The effort will be co-funded and co-managed with Cal-Am. A final scope of work may be ready in the first quarter of the year to solicit proposals from consultants.

5. Carmel River Thalweg Profile: Staff contracted with Whitson Engineers, Inc. to gather additional elevation data along the Carmel River channel bottom upstream of Schulte Bridge. The data will be compared with previous similar profiles to monitor long-term changes to the channel profile.

6. North Monterey County Drought Contingency Plan and Carmel River Basin Study: Staff worked with consultants and representatives of the Bureau of Reclamation (the federal agency that is contributing grant funds) to integrate the detailed work plans for the two projects, which are estimated to cost more than \$2 million with Reclamation contributing \$1.2 million in grant funds. The projects will take up to three years to complete.

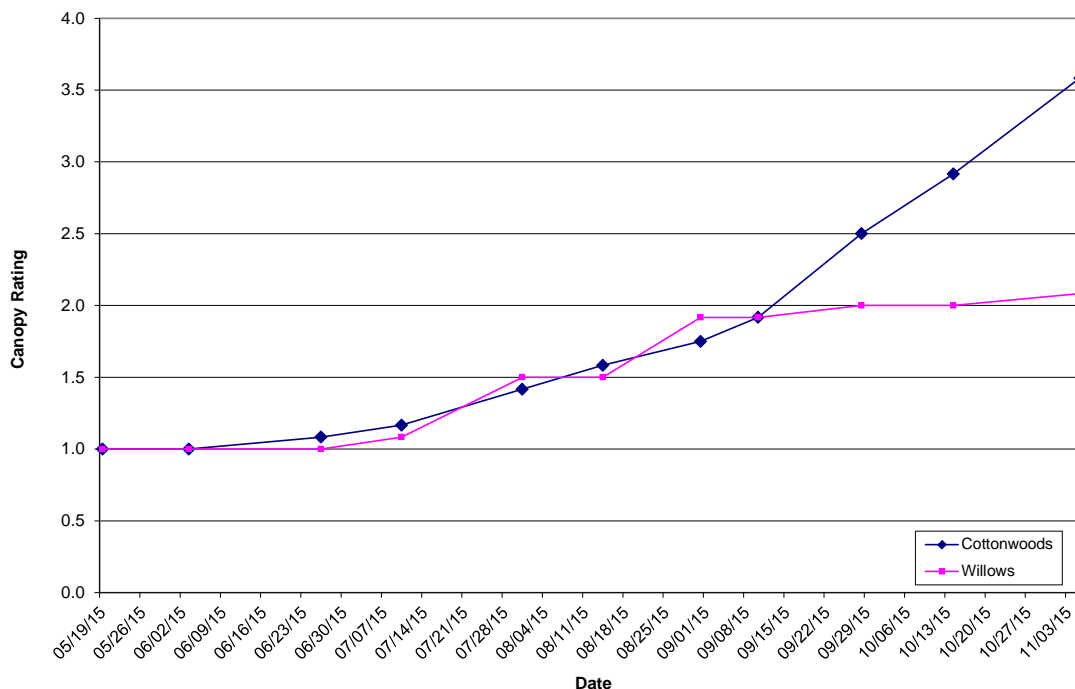
EXHIBITS

25-A Average Willow and Cottonwood Canopy Rating

25-B Depth to Groundwater

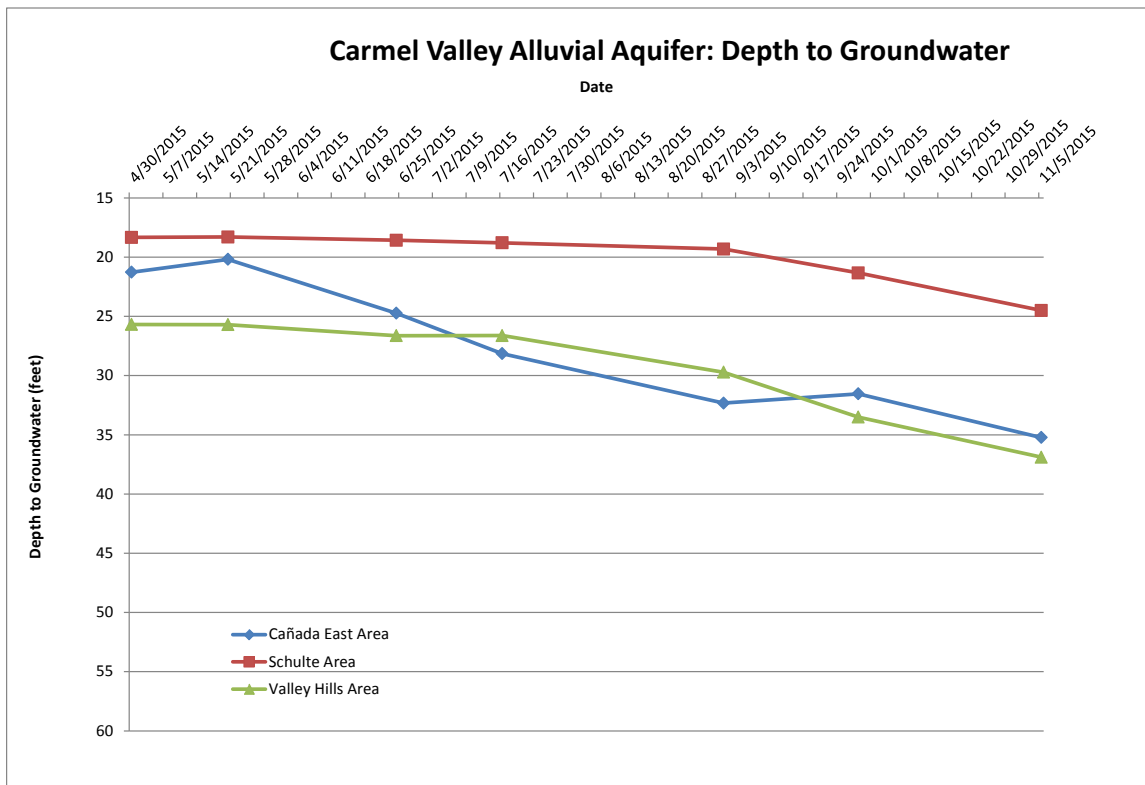
EXHIBIT 25-A

**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 25-B



ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**26. SEMI-ANNUAL GROUNDWATER-QUALITY MONITORING REPORT**

Meeting Date:	January 27, 2016	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:	Joe Oliver/ 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 2015 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 a semi-annual basis. Results of the Fall 2014 and Fall 2015 sampling of the Seaside Basin coastal monitor wells are included in this report.

DISCUSSION/ANALYSIS:

Carmel Valley Aquifer Monitor Wells - Results from the Fall 2015 sampling are provided in **Exhibit 26-A**. Six monitor wells in the lower Carmel Valley were sampled during Fall 2015, 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 2014 (provided here as a reference in **Exhibit 26-B**). A seventh well that is normally sampled in the Fall (16S/1E-13Md), was not sampled in Fall 2015 or Fall 2014 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 26-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 a slight increasing trend in Specific Electrical Conductance (SEC) and Chloride from 2008 to 2015, after a noticeable decline from 2006 to 2008 (**Exhibit 26-D**). Current levels are below peak levels observed at this location in Water Year 2011, however, and there was a decline from 2014 to 2015. 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 shown 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. Attempts have been made to improve results through air-lifting and more extensive and rigorous pumping, but due to the relatively small amount of available saturation above the screen bottom at this well, these efforts have not been successful. Results indicate slightly improved water quality here in 2015 relative to 2014, but 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 2014 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 26-E**).

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 is generally therefore extends the well life. In Fall 2015, 11 dedicated monitor wells at six different sites were sampled. Results of water-quality sampling from 2015 and 2014 for the Seaside wells are provided in **Exhibit 26-A** and **Exhibit 26-B**, respectively. Because laboratory results for the Fall 2015 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 2015. The locations of the Seaside monitor wells are shown on the map in **Exhibit 26-F**. These results indicate little

change from previous results over the period of record for the existing wells, and that there is no indication of sea-water intrusion in these wells that are completed in the two principal aquifer units -- the Paso Robles Formation (i.e., shallower unit) and Santa Margarita Sandstone (i.e., deeper unit) -- in this area of the Seaside Groundwater Basin at the present time. Results for most constituents in most of the wells were not significantly different in 2015 relative to 2014, with few exceptions. 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

- 26-A** Groundwater-quality Monitoring Results - Fall 2015
- 26-B** Groundwater-quality Monitoring Results - Fall 2014
- 26-C** Location of MPWMD Lower Carmel Valley Water-quality Monitoring Wells
- 26-D** Water-quality Results in Well 16S/1W-13Lc in Carmel Valley
- 26-E** Water-quality Results in Well 16S/1E-23La in Carmel Valley
- 26-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 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	248 800 800 (2)	200 500 500 (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.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

GROUNDWATER-QUALITY MONITORING RESULTS

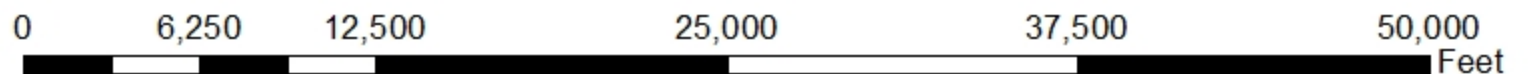
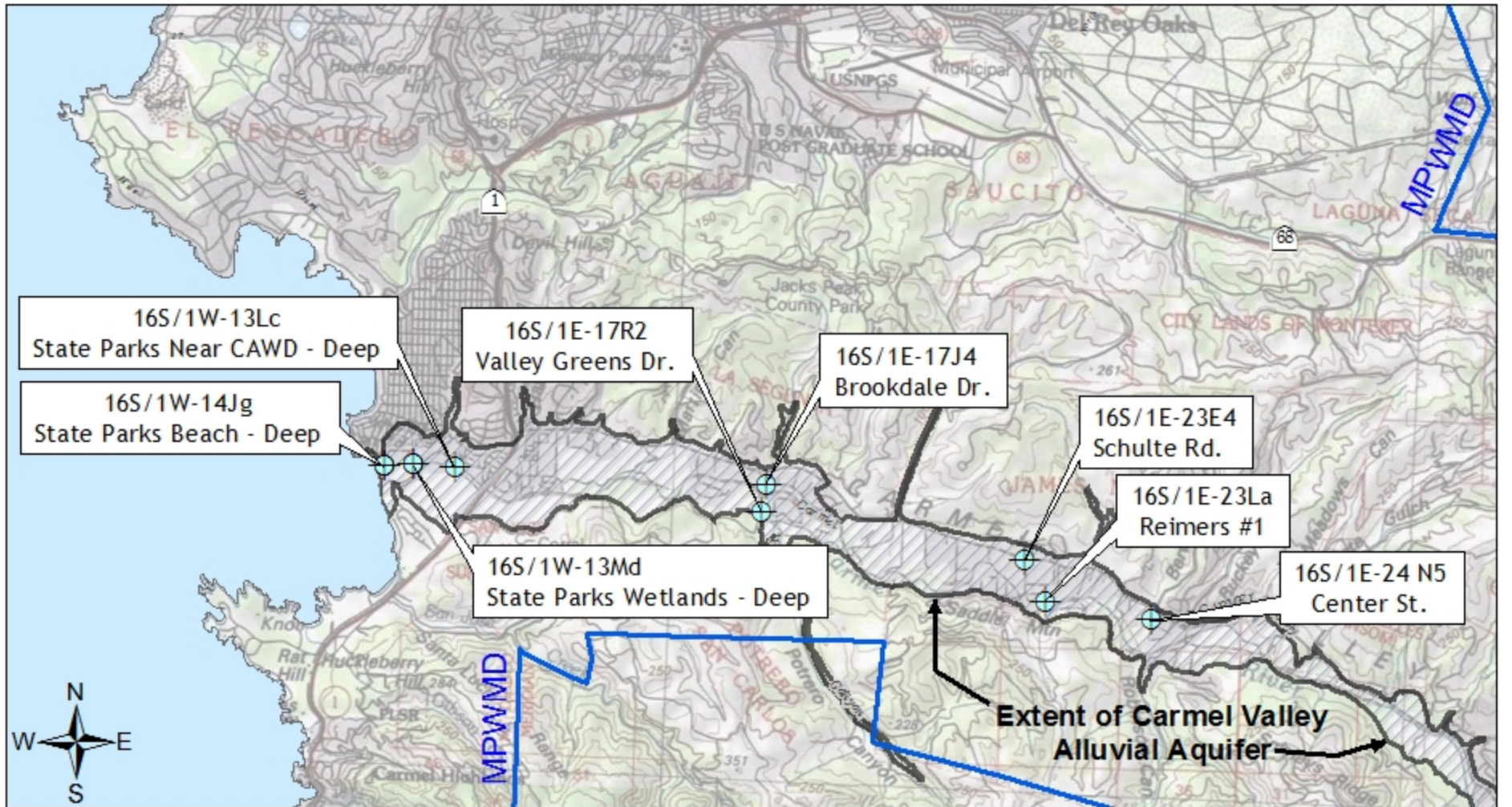
Carmel Valley Aquifer Sample Collection Date: November 14 and 26, 2014
 Seaside Basin Sample Collection Dates: July 23 and 31, August 19, September 11 and 26, 2014

Units are milligrams per liter unless otherwise noted

Water Quality Constituent	Specific Conductance (micromhos/cm)	Total Alkalinity (as CaCO3)	pH	Chloride	Sulfate	Ammonia Nitrogen (as N)	Nitrate Nitrogen (as NO3)	Total Organic Carbon	Calcium	Sodium	Magnesium	Potassium	Iron	Manganese	Orthophosphate	Total Dissolved Solids	Hardness (as CaCO3)	Boron	Bromide	Fluoride	
Drinking Water Standard (1)	900-800,220: GU	NA	NA	---	---	NA	45	NA	NA	NA	NA	NA	2.3			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	1002	204	7.1	106	168	0.53	<1	2.1	80	82	22	3.7	2.475	0.715	0.1	606	290	0.13	0.2	1.2 hi iron, mang
16S/1E-17J4	3.85	415	53	6.3	22	111	0.08	<1	1.3	33	24	12	3.3	4.493	0.062	<0.1	277	132	<0.05	<0.1	0.3 hi iron, mang
16S/1E-17R2	3.86	1092	171	6.7	98	255	0.07	<1	5.0	120	73	25	3.1	6.229	0.308	<0.1	728	403	0.06	0.1	0.2 hi iron
16S/1E-23E4	6.53	1125	280	7.0	100	173	0.08	<1	2.2	110	93	27	1.9	1.125	0.622	<0.1	720	386	<0.05	0.1	0.5 hi iron, mang
16S/1E-23La	6.72	430	115	6.9	26	61	0.72	<1	1.2	37	27	13	3.1	0.865	0.140	<0.1	243	146	<0.05	<0.1	0.4 hi iron, mang
16S/1E-24N6	8.02	595	143	6.9	41	96	0.22	1	2.7	53	31	19	5.6	15.919	0.073	<0.1	397	211	<0.05	<0.1	0.3 hi iron, mang
Seaside Basin																					
15S/1E-15N3 (shal)	308	68	6.8	48	14	<0.05	<1	0.4	19	34	5	2.8	<0.01	<0.01	<0.1	206	68	<0.05	<0.1	<0.1	
15S/1E-15N2 (deep)	1013	266	7.2	172	40	<0.05	<1	1.2	80	114	17	4.8	0.082	0.125	<0.1	580	270	0.11	0.1	0.2 hi iron and Mn, but lower than before	
15S/1E-23Ca (shal)	778	199	7.4	103	35	<0.05	6	1.3	62	79	15	4.1	0.067	0.114	<0.1	440	217	0.07	0.3	0.1 hi mang	
15S/1E-23Cb (deep)	not sampled in 2014 due to obstruction in well																				
15S/1E-15F1 (shal)	319	76	6.7	49	10	<0.05	1	0.4	20	34	5	2.2	0.184	0.013	<0.1	214	71	<0.05	<0.1	<0.1 mostly lower	
15S/1E-15F2 (deep)	1145	267	6.2	215	45	<0.05	<1	2.1	90	118	21	5.3	0.057	0.180	<0.1	694	311	0.13	<0.1	0.2 mostly higher	
15S/1E-15K5 (shal)	298	63	7.8	47	7	<0.05	2	0.4	16	39	4	2.1	<0.01	<0.01	<0.1	186	56	<0.05	0.1	<0.1	
15S/1E-15K4 (deep)	822	161	7.6	80	24	<0.05	<1	0.5	35	65	7	3.2	<0.01	0.011	<0.1	372	116	0.07	0.2	0.3	
15S/1E-11Pa (shal)	338	82	7.0	80	5	<0.05	<1	0.5	27	34	5	3.6	4.358	0.029	<0.1	206	88	<0.05	<0.1	<0.1 high iron	
15S/1E-11Pb (deep)	411	98	6.6	77	<1	<0.05	<1	11.80	23	53	4	3.6	0.506	<0.01	<0.1	268	0	<0.05	0.2	0.5 high TOC, hi iron	
15S/1E-12Fa (shal)	245	45	7.3	41	6	<0.05	<1	2.2	9	36	2	2.4	0.636	0.090	<0.1	137	31	<0.05	0.1	<0.1 hi iron, but lower than before	
15S/1E-12Fc (deep)	316	60	8.2	47	15	<0.05	<1	1.6	20	38	3	3.3	0.830	0.014	<0.1	180	62	0.06	0.1	<0.1 hi iron	

- 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 2014 that are not shown on this table

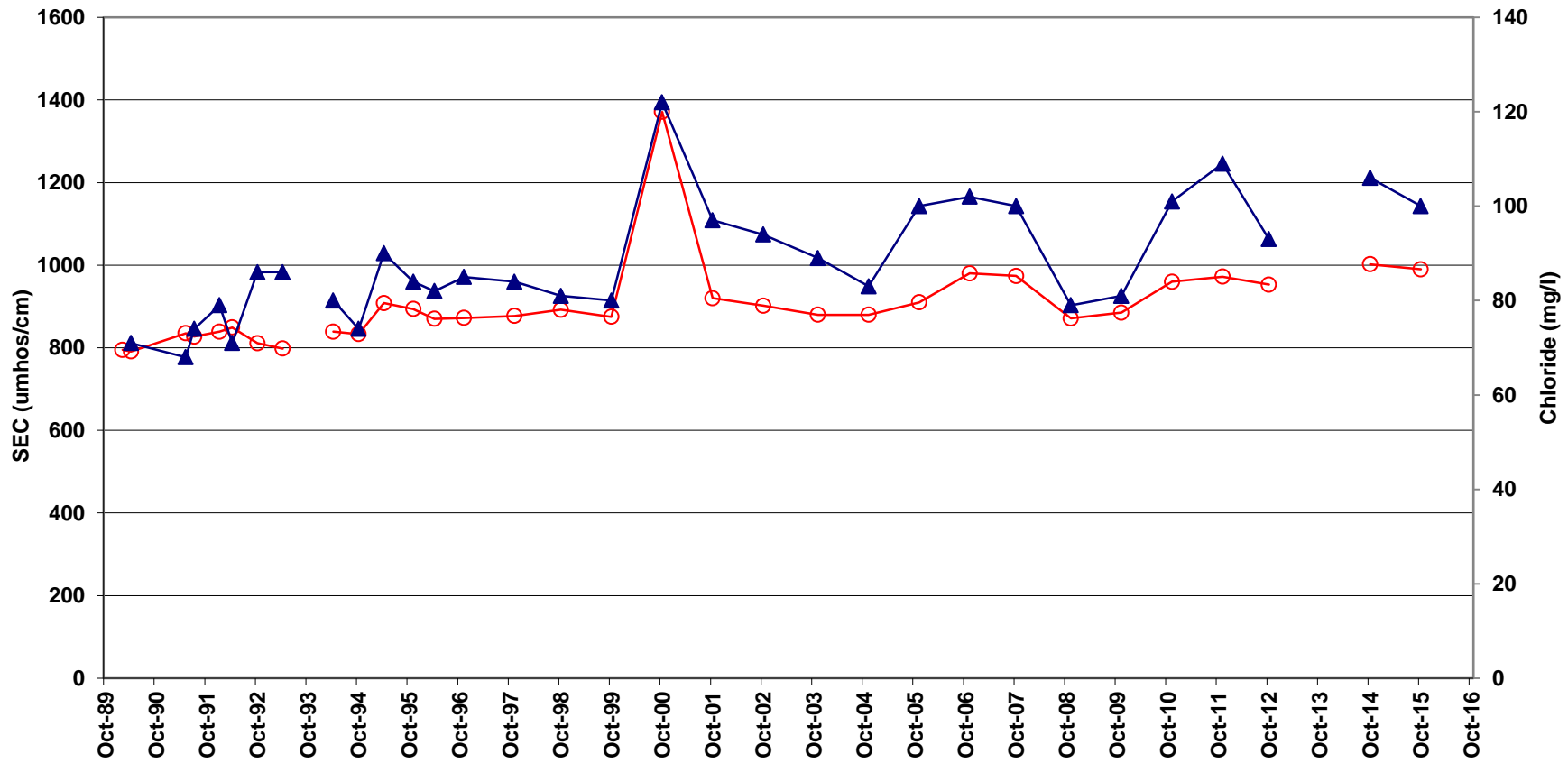
LOCATION OF MPWMD LOWER CARMEL VALLEY WATER QUALITY MONITORING WELLS (River Mile 0.0 to 9.0)



Scale

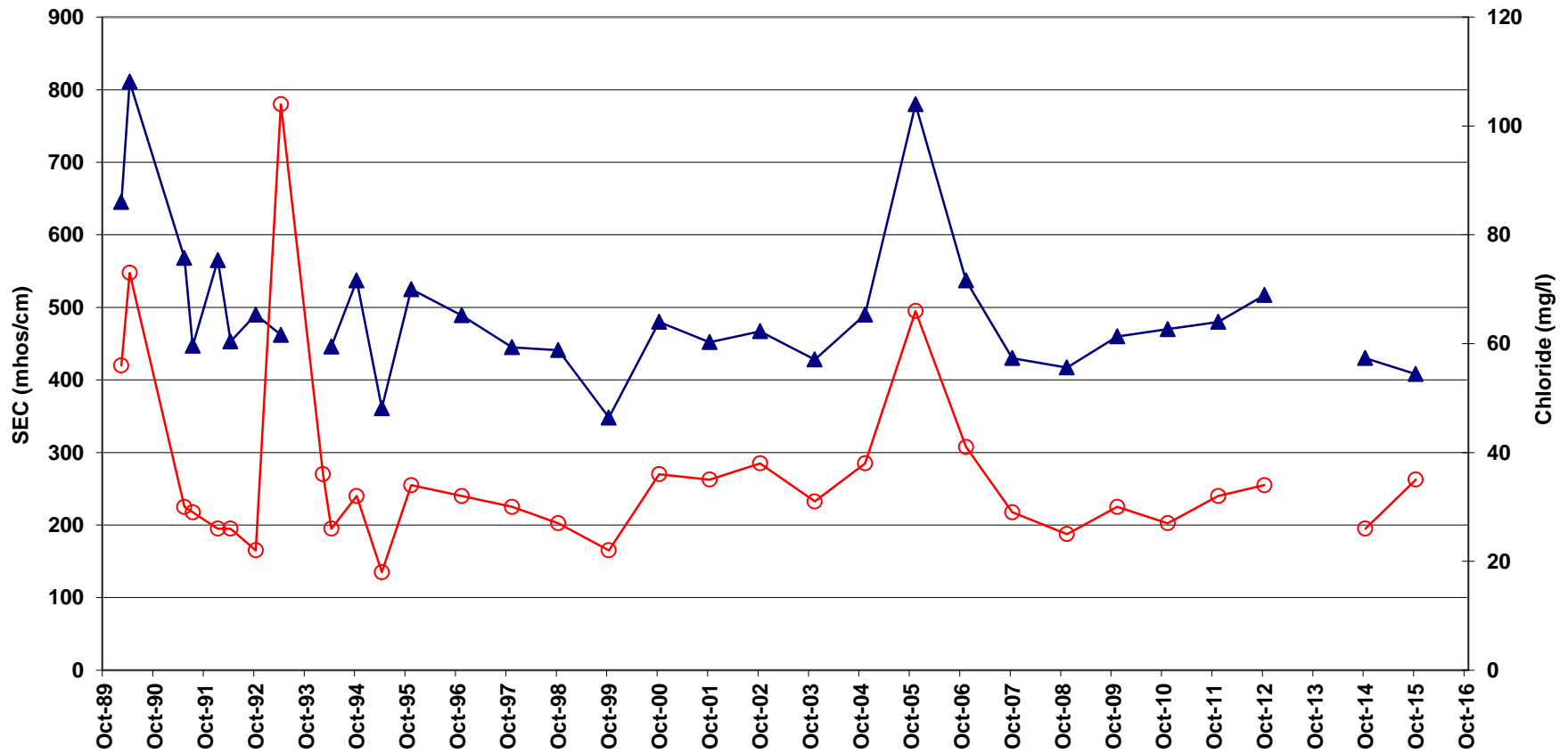
WATER-QUALITY RESULTS
State Parks Near CAWD (deep) - 16S/1W-13Lc
 River Mile 0.65

○ SEC 16S/1W-13Lc ▲ Chloride -16S/1W-13Lc

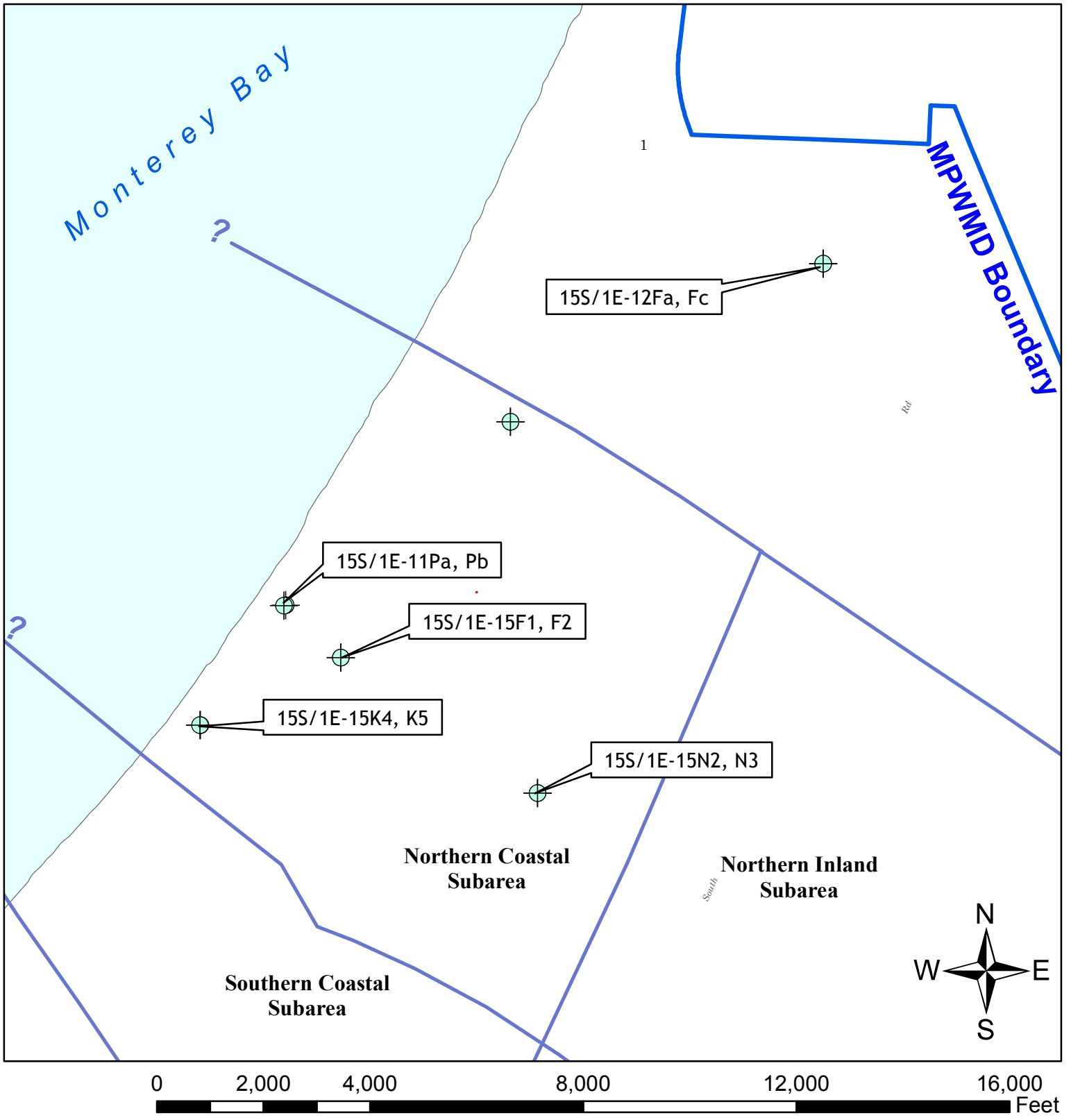


WATER-QUALITY RESULTS
Reimers #1 - 16S/1E-23La
River Mile 6.72

▲ SEC -23La ○ Chloride -23La



SEASIDE GROUNDWATER BASIN COASTAL WATER QUALITY MONITORING WELLS





Supplement to 1/27/16 MPWMD Board Packet

Attached are copies of letters received between December 8, 2015 and January 20, 2016. These letters are listed in the January 27, 2016 Board packet under Letters Received.

Author	Addressee	Date	Topic
Laurens H. Silver	David Stoldt	12/14/15	First Reading of Ord. No. 168 to Establish a Water Entitlement for the City of Pacific Grove
Luke Coletti	MPWMD Board	12/14/15	First Reading of Ord. No. 168 to Establish a Water Entitlement for the City of Pacific Grove
Luke Coletti	MPWMD Board	12/13/15	First Reading of Ord. No. 168 to Establish a Water Entitlement for the City of Pacific Grove
Eric Petersen	David Stoldt	12/10/15	MPWMD Permit No. 34275
Alecia Van Atta	David Stoldt	11/30/15	Development of Groundwater Sustainability Plan for Carmel Valley Groundwater Basin

U:\sta\Boardpacket\2016\20160127\Letter-Packet.docx

CALIFORNIA ENVIRONMENTAL LAW PROJECT

A Non-Profit Legal Corporation

Of CounselLaurens H. Silver, Esq.
P. O. Box 667
Mill Valley, CA 94942
Phone 415 515-5688
Facsimile: 510 237-6598

December 14, 2015

VIA E-Mail dstoldt@mpwmd.dst.ca.usDavid J. Stoldt
General Manager
MPWMD
5 Harris Court, Building 6
P. O. Box 85
Monterey, CA 93942-0085Arlene@mpwmd.dst.ca.usRe: First Reading of Ordinance No. 168 to Establish a Water Entitlement for the
City of Pacific Grove

Dear Dave:

Sierra Club hereby submits comments on this Agenda Item. Because the District has not complied with CEQA in connection with the conferral of a water entitlement to the City of Pacific Grove and a reallocation of water to the City, Sierra Club asks that the Proposed Ordinance be withdrawn until appropriate environmental documentation is performed consistent with CEQA.

David J. Stoldt
 December 14, 2015
 Page 2 of 7

I. The Vesting of an Entitlement in the City Is a Project that Requires Independent Environmental Documentation By MPWMD Pursuant to CEQA.

In *Save Our Carmel River, et al. v. MPWMD, et al.*, 141 Cal.App.4th 677, 46 Cal.Rptr.3d 387 (2006) the Court held:

Although the Guidelines define an action as ‘the whole of an action’ (Guidelines §15378(a)), an agency action qualifies as a project if it is ‘necessary to the carrying out of some private project involving a physical change in environment.’ (*Simi Valley Recreation and Park Dist. v. Local Agency Formation Com.* (1975)). 46 Cal.Rptr.3d at 400).

Here, the District’s decision to confer vested water to the City of Pacific Grove is a necessary step in the eventual development of new projects in Pacific Grove, including a new hotel on Cannery Row. See <http://www.montereyherald.com/20150825/american-tin-cannery-to-become-leading-luxury-hotel> and <http://www.montereyherald.com/business/20150826/pacific-grove-luxury-hotel-project-faces-hurdles-questions>.

The decision to reallocate water to the City of Monterey and confer an entitlement on the City, will have an environmental impact just as the water credit transfers discussed in the *Save Our Carmel River* case will have environmental impact, warranting appropriate environmental documentation by the MPWMD with respect to the environmental effects arising from the vesting of a water entitlement, and the reallocation of water previously allocated pursuant to the 1991 EIR. See *Save Our Peninsula Committee v. Monterey County Bd of Supervisors*, 87 Cal.App. 4th 99, at 129-131 (2001). The reallocation of water for “use” by the City of Pacific Grove and the creation of a water entitlement to be held in major part for future growth in the City “results in an increment of water that will be used rather than conserved.” 46 Cal.Rptr. 3d at 400. The District’s proposed ordinance enactment conferring a vested water entitlement on the City and significantly amending the 1991 MPWMD water allocation plan and the 1991 EIR water allocation “project” can be seen as “causing a ‘reasonably’ foreseeable indirect physical change in the environment.” *Id.* At 400-401. As a result, the District must prepare environmental documentation setting forth the environmental impacts of conferring a water entitlement on the City and augmenting the City’s allocation of water in a manner that will result in growth.

As proposed for a first reading, Ordinance No. 168 makes it clear that the

David J. Stoldt
December 14, 2015
Page 3 of 7

water entitlement is vested, unalterable, fully transferable, and not subject to reallocation:

Section 4A of the Ordinance provides:

A. CITY OF PACIFIC GROVE WATER ENTITLEMENT

1. The City of Pacific Grove Water Entitlement confers on the City of Pacific Grove, a vested property right to release up to 66 AFA of water for consumption from the California American Water Company Water Distribution System.
2. 13 AFA of metered water demand previously used by the City of Pacific Grove to irrigate its Golf Links and El Carmelo Cemetery shall be permanently suspended from use in order to provide lasting benefits to the Carmel River system.
3. Benefited Properties of the City of Pacific Grove Water Entitlement shall mean all properties that are located within the City of Pacific Grove.
4. City of Pacific Grove is authorized to separately sell, transfer and convey to owners of Benefited Properties for such consideration and upon such terms and conditions as City of Pacific Grove in its discretion may determine, such portions of the City of Pacific Grove Water Entitlement as it may choose. Any portion of the City of Pacific Grove Water Entitlement conveyed to the owner of a Benefited Property by an Assignment Document shall vest in the owner of the Benefited Property, and become appurtenant to title to the particular Benefited Property, at the time the Water Use Permit is issued as evidence of such conveyance.
5. The City of Pacific Grove Water Entitlement shall be separate and distinct from any other Allocations provided in Rule 30.
6. For purposes of collecting Capacity Fees and tracking the use of a Water Entitlement, the projected increase in Water Use Capacity of a Benefited Property shall be calculated in the manner set forth in Rule 24, as it may be amended from time to time.
7. Each Water Use Permit issued pursuant to this Rule shall

David J. Stoldt
 December 14, 2015
 Page 4 of 7

represent a vested property interest upon issuance and shall not be subject to Revocation or cancellation except as expressly set forth in subparagraph B below.

8. The portion of the City of Pacific Grove Water Entitlement granted by each Water Use Permit shall not be subject to reallocation pursuant to MPWMD Rule 30.

II. The District Is Not A Responsible Agency With Respect to the City's Recycling Project But Is a Lead Agency For The Approval Of The City's Water Entitlement And Augmentation of Its Water Allocation.

CEQA Guideline §15096 charges a Responsible Agency with "reaching its own conclusions on whether and how to approve the project involved." The City's Project is described in the DEIR as involving:

The proposed Project is the Pacific Grove Local Water Project (PGLWP). The Lead Agency is the City of Pacific Grove. The primary purpose of the Project is to produce and distribute high quality recycled water to replace potable water used for non-potable water demands such as landscaping. The Project service area is consistent with the water franchise agreement between the City and the California American Water Company (CAW).

Project Goals. In conjunction with the primary goal of replacing potable water high quality recycled water, additional key goals are:

1. To preserve available potable water supplies for domestic uses and to maximize the recycling and reuse of non-potable recycled municipal wastewater in a cost effective manner;
2. To substitute the City's use of CAW potable water with recycled water for non-potable water demands;
3. To reduce discharges to Monterey Bay and the Pacific Grove Area of Special Biological Significance (ASBS); and
4. To maximize the use of existing wastewater collection, treatment, recycling and recycled water distribution infrastructure for the development of irrigation water and other non-potable demands.

There are six primary benefits of the PGLWP:

1. The PGLWP conserves potable water for uses requiring potable water only, thereby helping to meet State requirements to conserve water and regional compliance for CAW's reduction of the use of water from the Carmel River;

David J. Stoldt
 December 14, 2015
 Page 5 of 7

2. It avoids all costs of producing an equivalent volume of potable water;
3. It requires less energy per unit of water produced, creates a smaller carbon footprint, and is otherwise resource-efficient;
4. It would provide a new supply of irrigation water, thereby reducing operational demands on Cal-Am's desalination plant and other system components;
5. By using sewage, stormwater, and dry weather flows as its sources of water, it helps achieve other State and local goals related to keeping the Pacific Grove Area of Special Biological Significance (ASBS) in particular and Monterey Bay in general, free of pollution; and
6. The LWP would be the first of four primary Projects designed to prevent illegal diversions from the Carmel River and excessive pumping from the Seaside Aquifer to come on line. It is the only project that is scheduled to be operational prior to January 1, 2017, the State's designated date for imposing the full Cease and Desist Order (CDO). As such, it would reduce illegal diversions and create other significant environmental benefits in advance of the ability of any of the other projects to do so.

The PGLWP consists of the construction and operation of a new satellite recycled water treatment plant (SRWTP) to recycle a portion of Pacific Grove's municipal wastewater, 8-inch pipeline and related appurtenances. Recycled water produced at the SRWTP, located at the retired Point Pinos Wastewater Treatment Plant (WWTP), during the first phase, would be used primarily for landscape irrigation at the Pacific Grove Golf Links and El Carmelo Cemetery, owned by the City of Pacific Grove and located adjacent to SRWTP. The initial Project consists of installing 2,800 linear feet (LF) of recycled water pipeline that would convey recycled water from the SRWTP to the Pacific Grove Golf Links and El Carmelo Cemetery's existing irrigation systems.

The proposed Project is intended to serve approximately 125-acre feet per year (AFY) of recycled water, primarily to the City of Pacific Grove Golf Links and El Carmelo Cemetery (Demand Group 1). The predominant use of recycled water would be for landscape irrigation.

(Draft EIR at S-1-S-2).

Section 15381 of the Guidelines defines a "responsible agency" as a public agency which proposes to carry out or approve a project for which a lead agency...has prepared an EIR...." The District is not carrying out or approving the Pacific Grove water recycling project. It is carrying out a water entitlement and reallocation project vesting rights in the City of Pacific Grove

David J. Stoldt
 December 14, 2015
 Page 6 of 7

The Project approved by the City is a water recycling project. The availability of water for growth as a result of the reduced use of potable water for irrigation is not a project component. This is illustrated by the absence anywhere in the DEIR, FEIR, or Supplemental FEIR of any discussion concerning the (cumulative) environmental impacts of the potable water being saved, being allocated for use for future new development projects. The DEIR section on "Growth Inducing Impacts" states only that "The proposed Project does not propose construction of any new residences and would therefore not directly induce substantial population growth." DEIR at 18-40.

Guideline 15096(d) provides also that a "responsible agency should review and comment on draft EIRs...for projects which the responsible agency would later be asked to approve." The MPWMD does not have before it a proposal to "approve" the City's recycling project. Rather, it has before it a proposal to adopt an Ordinance conferring a water entitlement on the City of Pacific Grove and amending the water allocation for the City previously approved in connection with the 1991 water allocation EIR.

Thus, for the purpose of its consideration of proposed Ordinance 168, MPWMD is not a responsible agency, but a Lead Agency, that must, in compliance with CEQA, prepare environmental documentation before approval of the Ordinance on the environmental effects of providing a water entitlement to the City of Pacific Grove that will result in substantial growth in the City arising from new or more dense development. It is not consistent with the CEQA Guidelines for the District to rely on the City's EIR and Supplemental EIR as a surrogate for environmental documentation required in connection with conferring a vested water right on the City of Pacific Grove and augmenting its water allocation by 66 afy.

III. There Are Changed Circumstances and New Information Related to the Allocation of Water To the City of Pacific Grove Under the 1991 Allocation EIR That Requires Supplemental Environmental Documentation.

The City of Pacific Grove has less than one acre foot of water remaining from the allocation made to it in the MPWMD 1991 EIR. The proposed Ordinance reallocates to the City 66 acre feet of water. This constitutes a significant increment over what remains, and constitutes a significant increment over what was allocated to the City in the 1991 EIR. This reallocation of water supply to augment the the one afy that remains to the City constitutes changed circumstances or new information requiring supplemental environmental documentation pertaining to the District's Water Allocation Planning Program, which was the subject of the 1991 Water Allocation EIR. See Public Resources Code 21166; CEQA Guidelines §15162, §15163. In effect, the allocations previously made have been significantly changed with respect to the City's allocation. The District must treat the previously approved Water Allocation for Pacific Grove, and build out under that program (with less than one acre foot remaining) as the "baseline" for determining whether the augmented water allocation to the City will cause

David J. Stoldt
December 14, 2015
Page 7 of 7

environmental impacts attributable to new development. See *Black Property Owners Association v. City of Berkeley*, 22 Cal.App.4th 974 (1994). (By Ordinance 62 the District ceased granting any permit which would authorize new or intensified water use if the to the extent the amount would exceed 21.43 afy for the City of Pacific Grove). The conferring of an entitlement now to use an additional 66 afy for new or intensified water use is a considerable increment over the one af remaining for growth or intensified use in the City.

Sierra Club respectfully requests this matter be removed from the calendar, and that the Ordinance not proceed to a second reading.

Sincerely,

CALIFORNIA ENVIRONMENTAL LAW
PROJECT

A handwritten signature in cursive script that reads "Laurens H. Silver".

Laurens H. Silver on behalf of the Sierra Club,
Ventana Chapter

COLETTI COMMENTS FOR AGENDA ITEM 19 - MPWMD MEETING 12-14-15

1) In Finding 3 staff claims that: "Potable water freed by reason of Project operations shall be available for re-use". Actually, this is not true. As I mentioned in my e-mail, the State Water Board affirmed Section 19.2 of the Cal-Am CDO when they placed a condition on the funding of the PGLWP. This condition states that all water freed up by reason of project operations shall return to the river until such time as directed otherwise.

So, my first question: why is there absolutely no mention of this State Water Board condition in the ordinance and why is the district so defiant about not recognizing it or complying with it?

2) In Section Five it's mentioned: "the district shall reserve 9 acre-feet per year of conserved water for its exclusive use".

My second question: does staff somehow believe the State Water Board's condition does not apply to the District? And further, is it staff's intention to re-use any of this water without consent from the State Water Board? Please be specific.

3) In Section Six it's mentioned: "This ordinance shall take effect upon completion of the Pacific Grove Local Water Project and verification of disconnection from the California American Water Distribution System."

Again, staff is willfully ignoring the Water Board funding condition that effects when and how ALL (not just some) of the saved potable water from this project can be re-used.

Willfully ignoring the Water Board over a 9 acre-feet entitlement for the District is a very bad idea. The district just signed a letter asking the Water Board to extend the Cease and Desist Order. Yet less than a month later you are proposing a water entitlement that is in direct conflict with the no growth policy of the CDO and specific Water Board direction for this project. This gives all the appearance of defying the State Water Board and their direction.

Therefore, I urge you to direct staff to bring back an ordinance that fully reflects the State Water Board's direction and specific conditions for this project. The current Ordinance before you this evening does not do this and should be redone.

Arlene Tavani

From: Luke Coletti <ljc@groknet.net>
Sent: Sunday, December 13, 2015 4:12 PM
To: Lewis4water@gmail.com; wthayer@thayerconstruction.com; kristimarkey@gmail.com; jcbarchfaia@att.net; sandcitymyr@aol.com; district5@co.monterey.ca.us
Cc: Dave Stoldt; David Laredo; Arlene Tavani; robert.maclean@amwater.com; Eric.Sabolsice@amwater.com; Richard.Svindland@amwater.com; O'Hagan, John@Waterboards; Marianna.Aue@waterboards.ca.gov; Barbara.Evoy@waterboards.ca.gov; Darrin.Polhemus@waterboards.ca.gov; Tam.Doduc@waterboards.ca.gov; O'Neill, Brian@Coastal
Subject: Dec 14, 2015 MPWMD Board Meeting, Item 19 - CONSIDER FIRST READING OF ORDINANCE NO. 168 -- AMENDING RULE 11, AND ADDING RULE 23.9 TO ESTABLISH A WATER ENTITLEMENT FOR THE CITY OF PACIFIC GROVE
Attachments: DRAFT_SWRCB_FUNDING_CONDITIONS_FOR_PGLWP.PDF

MPWMD Board Members,

At their Nov 17, 2015 meeting the SWRCB implemented a condition to the funding of the Pacific Grove Local Water project (see initial draft - attached PDF) that affirms Section 19.2 of the Cal-Am Cease and Desist Order (WRO 2009-0060). Section 19.2 of the CDO states the following:

19.2: Any Monterey Peninsula Community that Wishes to Develop Water from a New Source for Growth Must First Apply Water from the New Source to Reduce its Share of the Water Being Illegally Diverted by Cal-Am; Only after its Share of Illegal Diversions from the River is Ended may Water from the New Source be Used for Growth.

The SWRCB unanimously and enthusiastically implemented this condition (affirming Section 19.2) as it relates to the PGLWP and you can view this portion of the Nov 17 SWRCB meeting here (link below):

<https://www.youtube.com/watch?v=m5Eg4DJaiYs>

However, it appears that MPWMD staff doesn't believe this condition applies to the district. Instead, as part of item 19 on your Dec 14 agenda (link below) you are being asked to "thumb your nose" at the SWRCB and grant the MPWMD an entitlement of 9 afy that can be allocated/used without complying with SWRCB desires, detailed in this funding condition.

<http://www.mpwmd.dst.ca.us/asd/board/boardpacket/2015/20151214/19/Item19.htm>

At this point I'd ask you to consider the possible consequences of not acting in good-faith with this SWRCB funding condition:

- 1) Your own \$113M low-interest loan with the SWRCB for GWR could be jeopardized.
- 2) The recent proposal for an extension to the Cal-Am CDO could be jeopardized.

If you believe 9 afy is worth this kind of risk (not to mention being viewed as a bad actor in general) then you might decide it's wise to defy the SWRCB. However, I seriously doubt it would be. Cooperation with the SWRCB seems like a much better approach to solving our regional water problems, which you are responsible for doing.

Thank you for your consideration,

Luke Coletti
Pacific Grove

Merrill Gardens at Monterey, LLC

111 N. Post St., Ste 200
Spokane, WA 99201
509-455-5477
509-838-0933 Fax

206

13

December 10, 2015

Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93942

ATTN: David Stoldt, General Manager

Re: MPWMD Permit No. 34275 (Merrill Gardens at Monterey, LLC)
APN No. 001-761-037

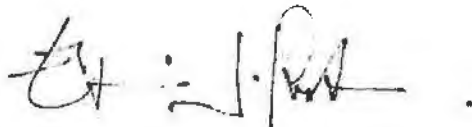
Dear Mr. Stoldt:

We recently received an invoice for fees related to the issuance of MPWMD Water Permit No. 34275, which includes an extremely high charge of \$45,226.55 labeled as a "capacity fee". The Monterey Peninsula Water Management District rules defines a "Capacity Fee" as "a fee retained by the District in consideration of, and as reimbursement for the costs and expenses incurred by the District in planning for, acquiring, reserving, and maintaining capacity in the water distribution facilities existing or to be constructed within the District.

Given the purpose of this capacity fee, it appears that the capacity fee that you have charged for our permit is overly excessive or possibly not applicable to our project. As you are aware, the water supply for this small senior facility at Merrill Gardens will be from on site private wells. The general calculation used to determine the capacity fee for our small project results in a disproportionate charge that bears no relation to the costs and expenses that may be incurred by the District related to our private water system. We simply cannot understand how any such costs or expenses related to our system would amount to \$45,226.55. The special circumstances of this disproportionate fee we believe warrant a fee adjustment or waived all together. We respectfully request that the District reexamine this capacity fee and make an adjustment that is consistent with the purpose of this fee to reimburse the District for its costs and expenses.

We appreciate your time and consideration in this matter. Please feel free to contact me if you have any questions.

Sincerely,



Eric Petersen
Project Manager
Merrill Gardens at Monterey, LLC.
(509) 944-4606

Cc: File

RECEIVED

DEC 10 2015

MPWMD



Eric Peterson, CSBA / Project Manager
6295 919 4567 eric@srmddevelopment.com

111 N. Post, Ste 200, Spokane, WA 99201
720 6th Street South, Suite 110, Kirkland, WA 98033
T 509 944 4606 F 509 838 0933 srmddevelopment.com



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

November 30, 2015

David J. Stoldt
 General Manager
 Monterey Peninsula Water Management District
 P.O. Box 85
 Monterey, California 93942-0085

RECEIVED

DEC 1 2015

MPWMD

Dear Mr. Stoldt:

NOAA's National Marine Fisheries Service (NMFS) is writing to express our interest in participating as an interested party in the Monterey Peninsula Water Management District's (MPWMD) development of a Groundwater Sustainability Plan (GSP) for the Carmel Valley Groundwater Basin. On October 19, 2015, the MPWMD notified the California Department of Water Resources (DWR) of their intention to assume responsibility as the Groundwater Sustainability Agency (GSA) for the Carmel Valley Groundwater Basin, in response to the recently signed Sustainable Groundwater Management Act (Act). As part of their notification accepting the responsibility of being a GSA under the Act, the MPWMD was required to supply DWR with a list of "...interested parties developed pursuant to Section 10723.2 and an explanation of how their interests will be considered in the development and operation of the groundwater sustainability agency and the development and implementation of the agency's sustainability plan (Section 10723.8 of the Act)." The list failed to include NMFS, or any other state or federal resource agency with specific expertise in the field of aquatic biology and the biotic needs of imperiled stream-dwelling organisms. This letter formally requests that NMFS be recognized as an interested party during development of the Carmel Valley Groundwater Basin GSP.

The main goal of the Act is to ensure the sustainable management of groundwater basins throughout the state, where sustainable groundwater management is defined as..."the management and use of groundwater in a manner that can be maintained during the planning and implementation horizon without causing undesirable results" (Section 10721 of the Act). Of the six "undesirable results" listed within the Act, the one of most concerns to NMFS is "...depletions of interconnected surface water that have significant and unreasonable adverse impacts on beneficial uses of the surface water" (Section 10721 of the Act). The Carmel River channel overlies much of the Carmel Valley Groundwater Basin, and excessively pumping groundwater that is hydrologically connected to surface flow can both decrease river depth and impair water quality. In fact, the Central Coast Regional Water Quality Control Board (CCRWQCB) has listed cold freshwater habitat; fish spawning, reproduction and/or early



development; migration of aquatic organisms; and rare, threatened or endangered species as beneficial uses under their Central Coast Basin Plan (CCRWQCB 2011). NMFS is responsible for implementing the federal Endangered Species Act for anadromous species, including threatened South-Central California Coast (SCCC) steelhead (*Oncorhynchus mykiss*) that inhabit the Carmel River watershed. The SCCC Steelhead Recovery Plan (NMFS 2013) identified both surface water and groundwater extraction as a very high threat to the long-term survival of Carmel River steelhead:

*"...the underlying threat sources that determined the poor to very poor conditions of approximately one-third of those indicators repeatedly pointed to a limited number of anthropogenic causes, including: passage barriers caused by excessive surface and groundwater diversions; passage impediments caused by dams; loss or degradation of spawning substrates below both Los Padres and San Clemente Dams as a result of sediment trapped behind the dams and water management practices, including substantial groundwater use for golf course irrigation; agriculture, urban development."*¹ (NMFS 2013)

Furthermore, the Recovery Plan includes the following critical recovery action:

"Develop and implement operating criteria to ensure the pattern and magnitude of groundwater extractions and water releases, including releases from San Clemente and Los Padres Dams, provide the essential habitat functions to support the life history and habitat requirements of adult and juvenile steelhead."
(NMFS 2013)

Ensuring adequate instream flows within the Carmel River is critical to the future recovery of the SCCC steelhead Distinct Population Segment. NMFS looks forward to working with MPWMD and other interested stakeholders in crafting a GSP that protects SCCC steelhead while minimizing impacts to groundwater users and the local economy. Should you have any questions or comments regarding this letter, please contact Mr. Rick Rogers at 707-578-8552 or rick.rogers@noaa.gov.

Sincerely,



Alecia Van Atta
Assistant Regional Administrator
California Coastal Office

Cc: Mark Nordberg, DWR, Sacramento
Mark Capelli, NMFS, Santa Barbara
Gail Seymour, CDFW, Napa

¹ Work to remove San Clemente Dam began during 2014, with complete removal expected in 2015.

Literature Cited

Central Coast Regional Water Quality Control Board. 2011. Water Quality Control Plan for the Central Coastal Basin. June 2011. 223 pp.

National Marine Fisheries Service. 2013. South-Central California Coast Steelhead Recovery Plan. West Coast Region, California Coastal Area Office, Long Beach, California.