

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



AGENDA

Regular Meeting

Board of Directors

Monterey Peninsula Water Management District

Monday, October 16, 2017, 7:30 pm

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

Note 7:30 pm Start Time

Staff notes will be available on the District web site at

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

by 5 PM on Friday, October 13, 2017.

The 7:30 PM Meeting will be televised on Comcast Channels 25 & 28. Refer to broadcast schedule on page 2.

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

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

ORAL COMMUNICATIONS - Anyone wishing to address the Board on Consent Calendar, Information Items, Closed Session items, or matters not listed on the agenda may do so only during Oral Communications. Please limit your comment to three (3) minutes. The public may comment on all other items at the time they are presented to the Board.

CONSENT CALENDAR: The Consent Calendar consists of routine items for which staff has prepared a recommendation. Approval of the Consent Calendar ratifies the staff recommendation. Consent Calendar items may be pulled for separate consideration at the request of a member of the public, or a member of the Board. Following adoption of the remaining Consent Calendar items, staff will give a brief presentation on the pulled item. Members of the public are requested to limit individual comment on pulled Consent Items to three (3) minutes.

1. Consider Adoption of Minutes of September 18, 2017 Regular Meeting of the Board
2. Consider Approval of Board Committee Assignments
3. Consider Expenditure for Assistance with the Instream Flow Model for the Carmel River

GENERAL MANAGER'S REPORT

4. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision

Board of Directors

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

General Manager

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G Monterey on Wednesday, October 11, 2017. Staff reports regarding these agenda items will be available for public review on 10/12/2017, at the District office and at the Carmel, Carmel Valley, Monterey, Pacific Grove and Seaside libraries. After staff reports have been distributed, if additional documents are produced by the District and provided to a majority of the Board regarding any item on the agenda, they will be available at the District office during normal business hours, and posted on the District website at www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/. Documents distributed at the meeting will be made available in the same manner. The next regular meeting of the Board of Directors is scheduled for November 13, 2017 at 7 pm.

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

- 5. 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.

- 6. **Consider First Reading of Ordinance No. 178, Adding Water Efficiency Requirements for Multi-Family Residential Sites and Common Interest Properties and Allowing Sub-Metering of Accessory Dwelling Units** (*Ordinance No. 178 is categorically exempt from California Environmental Quality Act (CEQA) under Section 15301, Class 1, Existing Facilities (Multi-Family Residential Site retrofit requirements) and Section 15303, Class 3, New Construction or Conversion of Small Structures.*)
Action: The Board of Directors will conduct a public hearing on the first reading of Ordinance No. 178. If approved, the ordinance could be brought forward for second reading and adoption on November 13, 2017.

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

- 7. **Consider Expenditure of Funds for Water Saving Devices and Water Conservation Materials**
Action: The Board will consider an expenditure for the purchase of equipment and materials that are routinely provided to the public at events and workshops.

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.

- 8. Receive Notice of Appointment to Carmel River Advisory Committee
- 9. Letters Received Supplemental Letter Packet
- 10. Committee Reports
- 11. Monthly Allocation Report
- 12. Water Conservation Program Report
- 13. Quarterly Water Use Credit Transfer Status Report
- 14. Carmel River Fishery Report for September 2017
- 15. Quarterly Carmel River Riparian Corridor Management Program Report
- 16. Monthly Water Supply and California American Water Production Report

ADJOURNMENT

Board Meeting Broadcast Schedule – Comcast Channels 25 & 28	
View Live Webcast at Ampmedia.org	
Ch. 25, Mondays, 7 PM	Monterey, Del Rey Oaks, Pacific Grove, Sand City, Seaside
Ch. 25, Mondays, 7 PM	Carmel, Carmel Valley, Del Rey Oaks, Monterey, Pacific Grove, Pebble Beach, Sand City, Seaside
Ch. 28, Mondays, 7 PM	Carmel, Carmel Valley, Del Rey Oaks, Monterey, Pacific Grove, Pebble Beach, Sand City, Seaside
Ch. 28, Fridays, 9 AM	Carmel, Carmel Valley, Del Rey Oaks, Monterey, Pacific Grove, Pebble Beach, Sand City, Seaside

Upcoming Board Meetings			
Monday, November 13, 2017	Regular Board Meeting	7:00 pm	District conference room
Monday, December 11, 2017	Regular Board Meeting	7:00 pm	District conference room
Wednesday, Jan. 24, 2018	Regular Board Meeting	7:00 pm	District conference room

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service by 5:00 PM on Friday, October 13, 2017. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey, CA, 93942. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600.

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ITEM: CONSENT CALENDAR**1. CONSIDER ADOPTION OF MINUTES OF THE SEPTEMBER 18, 2017
REGULAR BOARD MEETING****Meeting Date: October 16, 2017** **Budgeted: N/A****From: David J. Stoldt,
General Manager** **Program/
Line Item No.: N/A****Prepared By: Arlene Tavani** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California
Environmental Quality Act Guidelines Section 15378.**

SUMMARY: Attached as **Exhibit 1-A** are draft minutes of the September 18, 2017 Regular meeting of the Board of Directors.**RECOMMENDATION:** District staff recommends approval of the minutes with adoption of the Consent Calendar.**EXHIBIT****1-A** Draft Minutes of the September 18, 2017 Regular Meeting of the Board of Directors



EXHIBIT 1-A

DRAFT MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
September 18, 2017

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

CALL TO ORDER/ROLL CALL

Directors Present:

Andrew Clarke – Vice Chair, Division 2
 Brenda Lewis – Division 1
 Molly Evans – Division 3
 Jeanne Byrne – Division 4
 Ralph Rubio – Mayoral Representative
 Mary Adams – Monterey County Board of Supervisors

Directors Absent: Robert S. Brower, Sr. – Chair, Division 5

General Manager present: David J. Stoldt

District Counsel present: David Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No changes.

ADDITIONS AND CORRECTIONS TO AGENDA

The following comments were directed to the Board during Oral Communications. **(a) Susan Schiavone** stated she was disappointed that the Board had not responded to her previous request that new committee assignments be considered that evening. She referenced a 13-year summary of committee membership she had developed and submitted to the Board on August 21, 2017. She asked that approval of new committee assignments be considered at the next meeting of the Board. *General Manager Stoldt noted that the chart of historic committee assignments the speaker referenced was incomplete because the Water Demand, Rules and Regulations Review and Administrative committees had been omitted.* **(b) Dan Turner**, a resident of Monterey, opined that the State Water Resources Control Board would support a public ownership of the California American Water Distribution System. He alleged that hospitality industry representatives are opposed to public ownership because the low water rates they now enjoy would be increased if an elected Board operated the water system. *General Manager Stoldt stated that Residential Tiers 1 through 3 have consistently been lower than the first three divisions of commercial rates. Economic incentives are in place to encourage water conservation in Residential Tiers 1*

ORAL COMMUNICATIONS

and 2. Whereas rates for commercial users in Divisions 1 through 3 are based on compliance with best management practices and investment in conservation to achieve water savings. Similarly, Residential Tiers 4 and 5, and Commercial Division 4 rates are not comparable. (c) **Vicky Williams**, a resident of Monterey, expressed support for preparation of a feasibility study on public ownership of the California American Water Distribution System. (d) **Pat Benza** requested that the Board of Directors authorize preparation of a feasibility study soon, as a voter initiative requesting preparation will be approved so there is no need to delay action on the issue. (e) **George Riley** urged the Board to begin preparation of a feasibility study, and not wait until a petition is presented that would require Board action.

On a motion from Rubio and second by Byrne, the Consent Calendar was approved except for items 7 and 8 that were pulled for separate consideration. The motion was approved on a vote of 6 – 0 by Rubio, Byrne, Adams, Clarke, Evans and Lewis. Brower was absent. No comments were directed to the Board during the public comment period on this item.

Adopted.

Approved.

Approved an expenditure of \$15,300.

Approved an expenditure of \$35,000.

Approved an expenditure of \$30,000.

Approved expenditure of \$50,000.

On a motion by Byrne and second of Rubio, Amendment 2 to

CONSENT CALENDAR

1. **Consider Adoption of Minutes of August 21, 2017 Regular Meeting of the Board**
2. **Consider Approval of Appointment to Water Supply Planning Committee**
3. **Consider Extension of Cooperative Agreement with the United States Geological Survey for Streamflow Gaging in Water Year 2018**
4. **Consider Approval of an Interagency Contract for MPWMD to Provide Temporary Field Staff for a Cooperative Research and Monitoring Project with the NMFS for 2017-2019**
5. **Consider Approval of Contract with Scardina Builders, Inc. for the Repair of the Sleepy Hollow Steelhead Rearing Facility Rearing Channel's Bird Netting and Planks**
6. **Consider Expenditure for Pure Water Monterey Expansion Feasibility Study As Required by California Public Utilities Commission Application No. 12-04-019**
7. **Consider Approval of Amendment 2**

the Cost Sharing Agreement was approved with the following changes: (a) Renumber W through Z, (b) Section W.b. – add the dollar amount – specify that reimbursement will not exceed a specific amount for MPWMD and MRWPCA; (c) Section W.c – specify the percentage of Development Costs that will be incurred by each party; (d) Section X – costs will be paid on a proration basis and also add a reimbursement clause; and (e) Section 14 – under Term specify that if the loan is refinanced, ensure the agreement will follow the new term. The motion was approved unanimously on a vote of 6 - 0 by Byrne, Rubio, Adams, Clarke, Evans and Lewis. Brower was absent. No comments were directed to the Board during the public comment period on this item.

Byrne offered a motion that was seconded by Rubio to approve an expenditure of \$2,000. The motion was approved on a vote of 5 – 1 by Byrne, Rubio, Adams, Clark and Evans. Lewis was opposed. Brower was absent.

Adopted.

General Manager Stoldt reported that as of September 1, 2017, water production from all sources was 440 acre-feet below the target of 9,657 acre-feet. He reported the following long-term averages as of September 1, 2017: (a) rainfall 153%; (b) long-term flow 292%; and (c) storage 105%.

Stoldt reviewed the schedule for completion of the Monterey Peninsula Water Supply Project that was prepared by California American Water. He noted that if no lawsuits are filed during the 30-day period following certification of the EIR, project construction could proceed.

Evans reported that the Office of the Inspector General conducted a review of the Environmental Protection Agency's Water Sense Program and determined that since its inception in 2006, consumers have saved 1.5 trillion gallons of water through the use of water saving appliances. In addition, it is estimated that consumers saved \$1,100 for every \$100 of federal dollars spent on program administration. Stoldt noted that the Water Management District submitted three letters in support of extending the Water Sense Program. Director Byrne requested that the Water Management District advocate for mandatory installation of shower valves that include both a flow and temperature regulator, as a means to conserve water.

to the Cost Sharing Agreement with the Monterey Regional Water Pollution Control Agency for the Pure Water Monterey Project

8. Consider Expenditure for Travel to Washington DC

9. Consider Adoption of Treasurer's Report for June 2017

GENERAL MANAGER'S REPORT

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

11. Update on Development of Water Supply Projects

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

On a motion from Byrne and second by Evans, the second reading of Ordinance No. 177 was adopted as presented on a roll-call vote of 6 – 0 by Byrne, Evans, Adams, Clarke, Rubio and Lewis. Brower was absent. No comments were directed to the Board during the public hearing on this item.

On a motion from Rubio and second by Lewis, Resolution No. 2017-15 was adopted unanimously on a vote of 6 – 0 by Rubio, Lewis, Adams, Byrne, Clarke and Evans. Brower was absent. No comments were directed to the Board during the public hearing on this item.

On a motion from Byrne and second by Rubio, the October through December 2017 Quarterly Water Supply Strategy and Budget was adopted unanimously on a vote of 6 – 0 by Byrne, Rubio, Adams, Clarke, Evans and Lewis. No comments were directed to the Board during the public hearing on this item.

No action items were presented for Board consideration.

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

The meeting was adjourned at 8:15 pm.

13. **Consider Second Reading and Adoption of Ordinance No. 177 - Amending Rules 11, 23, 23.5, 24, 25.5, 141, 142, 143, 144, and 154 (CEQA Section 15063 Initial Study; Negative Declaration will be presented at second reading pursuant to CEQA Section 15070.)**
14. **Consider Adoption of Resolution No. 2017-15 Modifying Rule 160 – Regulatory Water Production Targets for California American Water System (Exempt from environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources.)**
15. **Consider Adoption of October through December 2017 Quarterly Water Supply Strategy and Budget (Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1))**

ACTION ITEMS

INFORMATIONAL ITEMS/STAFF REPORTS

16. **Letters Received**
17. **Committee Report**
18. **Monthly Allocation Report**
19. **Water Conservation Program Report**
20. **Carmel River Fishery Report**
21. **Monthly Water Supply and California American Water Production Report**

ADJOURNMENT

ITEM: CONSENT CALENDAR**2. CONSIDER APPROVAL OF BOARD COMMITTEE ASSIGNMENTS****Meeting Date: October 16, 2017** **Budgeted: N/A****From: David J. Stoldt,
General Manager** **Program/
Line Item No.: N/A****Prepared By: Arlene Tavani** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

SUMMARY: Vacancies were created on Board committees in May 2017 following David Pendergrass' resignation from the Board of Directors. Since then, committee alternates have temporarily filled those vacancies. On September 18, 2017, the committee assignments were updated to fill an opening on the Water Supply Planning Committee. Attached as **Exhibit 2-A**, is a list of Board committees that includes the names of Directors selected by Chair Brower to fill the remaining openings. The committee assignments are subject to change on January 24, 2018, following the election of a new Board Chair at the December 11, 2017 Board meeting.

RECOMMENDATION: The Board should approve the revised list of committee assignments submitted as **Exhibit 2-A**.

EXHIBIT**2-A 2017 Board Committee Assignments**



DRAFT
BOARD COMMITTEE ASSIGNMENTS FOR 2017

Proposed for Adoption on October 16, 2017

Highlighted Names Indicate Appointment to Fill Vacancy

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

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ITEM: CONSENT CALENDAR**3. CONSIDER EXPENDITURE FOR ASSISTANCE WITH THE INSTREAM FLOW MODEL FOR THE CARMEL RIVER**

Meeting Date:	October 16, 2017	Budgeted:	Yes
From:	David J. Stoldt General Manager	Program/ Line Item No.:	Augment Water Supply 1-8-1-A
		Account No.	35-03-7860.19
Prepared By:	Larry Hampson	Cost Estimate:	\$15,000

General Counsel Review: N/A**Committee Recommendation: No Administrative Committee recommendation due to cancellation of the October 9, 2017 meeting.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

SUMMARY: Staff proposes an amendment to an existing agreement for services with Normandeau Environmental Consultants (Normandeau) for assistance with additional analysis for the Instream Flow Incremental Methodology (IFIM) study for the Carmel River. Normandeau would provide assistance to assess whether channel changes in the Carmel River as a result of high winter flows in 2017 significantly affect the results of the study completed in 2016. Normandeau would also provide time series analysis of habitat conditions under several water supply scenarios to be modeled in conjunction with the Los Padres Dam Alternatives Study.

RECOMMENDATION: Staff recommends approval of the expenditure of up to \$15,000 for additional assistance with IFIM analysis of steelhead habitat in the Carmel River. If this item is adopted with the Consent Calendar, the General Manager would be authorized to amend an agreement for services with Normandeau Environmental Services and increase that agreement from a not-to-exceed (NTE) amount of \$246,000 to a NTE of up to \$261,000.

IMPACTS TO STAFF/RESOURCES: Funds for additional work for this project were identified in the FY 2017-18 Budget, Program Line Item 1-8-1-A, Other Water Supply Projects – IFIM feasibility studies.

DISCUSSION: IFIM is an accepted scientific approach to quantifying the effects to aquatic habitat from water diversions at various levels of instream flows. Results from this work will provide the basis for evaluating water supply options from the Carmel River and revising existing instream flow requirements necessary to protect steelhead and their habitat in the Carmel River. The District, NMFS, CDFW, and California American Water (Cal-Am) are interested in updating these instream flow requirements in order to best manage steelhead populations in the Carmel River.

The Board has previously approved expenditures of up to \$246,000 for IFIM assistance since the project began in 2013. Below is a table showing estimated costs for the IFIM study.

Table 1 – Estimated Costs for the Carmel River IFIM Study

Table 1 – Estimated Costs to Complete the Carmel River IFIM Study (Revised May 16, 2016)

Previous Approvals	FY 2013-14	FY 2014-15	FY 2015-16				
Project Scope	\$ 50,000						
1-D data and modeling				\$ 32,500			
Habitat Suitability Criteria		\$ 50,000					
2-D data and modeling							
	Fiscal Year (\$)						
	2013-14	2014-15	2015-16	2016-17	Sub-Total	2017-18	Total
Project Scope	50,000				50,000		50,000
1-D data and modeling			32,500	35,000	67,500	10,800	78,300
Habitat Suitability Criteria		50,000		49,600	99,600	4,200	103,800
2-D data and modeling			11,000	17,900	28,900		28,900
Total	\$50,000	\$50,000	\$ 43,500	\$ 102,500	\$ 246,000	\$15,000	\$ 261,000

EXHIBIT

None

ITEM: PUBLIC HEARING**6. CONSIDER FIRST READING OF ORDINANCE NO. 178, ADDING WATER EFFICIENCY REQUIREMENTS FOR MULTI-FAMILY RESIDENTIAL SITES AND COMMON INTEREST PROPERTIES AND ALLOWING SUB-METERING OF ACCESSORY DWELLING UNITS**

Meeting Date:	October 16, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A N/A
Prepared By:	Stephanie Locke	Cost Estimate:	N/A

General Counsel Review: Yes.

Committee Recommendation: The Water Demand Committee considered this item on September 28, 2017, and recommended approval.

CEQA Compliance: Ordinance No. 178 is categorically exempt from California Environmental Quality Act (CEQA) under Section 15301, Class 1, Existing Facilities (Multi-Family Residential Site retrofit requirements) and Section 15303, Class 3, New Construction or Conversion of Small Structures.

SUMMARY: At its July and September 2017 meetings, the Water Demand Committee discussed adopting water efficiency requirements for existing Multi-Family Dwellings to incentivize retrofits prior to January 1, 2019, when Senate Bill 407 (Padilla) requires certain water saving retrofits. The Committee also discussed requiring replacement of older Clothes Washers with Water Efficient Clothes Washers in Common Laundry Rooms. A draft ordinance was reviewed in September with a recommendation of approval to the Board.

Ordinance No. 178 (**Exhibit 6-A**) adds retrofit requirements for Multi-Family Residential Sites and Common Interest Developments (CID) to Rule 142. CID is a type of development with commonly-owned areas that may contain water fixtures, appliances and irrigation. CID projects (commonly known as condominiums and co-ops) have common areas that do not change ownership and therefore do not trigger the conservation requirements of MPWMD Rule 142. Separate interest condominium/co-op units are subject to Rule 142, but the plumbing fixtures located in common area locker rooms, meeting/party rooms, offices, pool dressing rooms, etc. have not been. The multi-family water efficiency requirements apply to Multi-Family Residential Sites and CID with four or more Dwelling Units. There is an exception for 1.6 gallon-per-flush toilets that were installed before 2014.

By adding water efficiency requirements for Multi-Family Residential Sites now, property owners/managers and Associations will be encouraged to take advantage of the Rebate Program to achieve compliance before it is mandated. MPWMD and California American Water staff have been sponsoring workshops educating owners/managers about potential water savings in these developments. The incentive to use the Rebate Program before the deadline (when rebates will no longer be available) should result in significant water savings occurring sooner. Staff estimates

that water use in an apartment with older plumbing can be reduced by 60 percent through this program.

Finally, Ordinance No. 178 adds a Water Meter exception to allow permanent sub-metering of Accessory Dwelling Units (ADUs). ADUs would otherwise be required to have dedicated California American Water Meters installed when the Cease and Desist Order (CDO) moratorium is lifted. Sub-metering ADUs was discussed at the September 13, 2017, Technical Advisory Committee (TAC) meeting. To qualify for this exemption, the Jurisdiction must confirm there is no potential that the sub-metered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site. Conditions of approval are recorded on the Site.

RECOMMENDATION: The Board should consider and approve the first reading of Ordinance No. 178.

BACKGROUND:

Multi-Family Retrofit Requirement

Senate Bill 407 (Padilla) approved by the Governor on October 11, 2009, requires owners of Multi-Family Residential and commercial real property built prior to January 1, 1994, to replace older water fixtures with new water efficient fixtures by January 1, 2019. The plumbing fixtures required to be replaced include toilets, urinals, showerheads, and faucets. Between 2014 and 2019, noncompliant plumbing fixtures must be replaced in certain circumstances, such as:

1. For building additions that increase floor area by more than ten percent;
2. Improvements or improvements that are greater than \$150,000
3. Remodels/improvements that occur in a bathroom that has noncompliant fixtures;

MPWMD adopted regulations in 2009 to require earlier and more stringent water efficiency requirements for Non-Residential Users (Rule 143). Compliance with the Non-Residential requirements is being enforced by the District through Site verifications. Ordinance No. 178 requires similar retrofits and certification of compliance by January 1, 2019.

Common Laundry Rooms

In addition to the retrofits required by SB 407, Ordinance No. 178 requires replacement of non-efficient Clothes Washers in Common Laundry Rooms by January 1, 2019. Common Laundry Rooms were excluded from the District's 2014 requirement that all Non-Residential Clothes Washers be replaced with High Efficiency Clothes Washers.

Coin-operated Clothes Washers (sometimes free washers) are often found in common areas in multi-family buildings, apartment complexes and CIDs. Common Laundry Rooms provide excellent opportunities for water conservation because the frequency of use for each Clothes Washer is much greater than in-home machines. While an in-home machine averages only 4 to 6 loads per week, common area machines often wash 20 to 50 loads per week per Clothes Washer.

Most coin-operated washers have a Water Factor rating of 12 to 14 (top loaders); using 35 to 45 gallons per load. Newer water efficient models have a Water Factor rating of 4 to 8; using as little as 12 gallons per load. Water savings projections require frequency of use estimates, and this is

difficult data to obtain unless the building owner regularly records accurate “coin counts”. Property owners seldom own the Clothes Washers located in the Common Laundry Rooms. These machines are most often owned by vendors known as ‘route operators’; where the property owner receives a portion of the machines’ gross revenues. Any effort to replace the machines with more efficient models requires the cooperation of both the property owner and the route operator that owns the machines.

During the implementation of Rule 143, High Efficiency Clothes Washers were required to replace older Clothes Washers in Non-Residential uses. Staff contacted many of the vendors to address the new regulations. Staff will continue working with laundry machine vendors as Ordinance No. 178 is implemented.

Accessory Dwelling Units

The District requires separate Water Meters maintained by the Water Distribution System Operator for every User. A “User” is defined as a residence (i.e., Dwelling Unit), commercial enterprise, or industrial enterprise. Separate meters have been required for new Users since 1981. Separate meters promote conservation by giving each user accountability for the water use and it facilitates enforcement of water rationing. Tiered rates are specifically designed to send price signals to the individual water User.

The District’s separate metering requirement applies to new Single Family Dwellings and any self-sustainable secondary Dwelling Units (i.e., secondary units with a Bathroom and Kitchen). In response to current increases in the number of Auxiliary Dwelling Units (ADUs) resulting from recently adopted legislation (and uncertainty at the Jurisdiction level about how the District’s Rules apply) staff requested legal counsel to review the matter and provide direction.

Counsel concluded that the District does not fall within the definition of “local agency” as contemplated by the Wieckowski legislation. Even if a broader reading were applied, the restricted nature of the local water supply provides adequate justification to seek exclusion from the requirements. This interpretation means that ADUs must meet the requirements of the District, including the requirement for dedicated Water Meters.

EXHIBIT

6-A Draft Ordinance No. 178

EXHIBIT 6-A**DRAFT
ORDINANCE NO. 178****AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
ADDING WATER EFFICIENCY REQUIREMENTS FOR MULTI-FAMILY RESIDENTIAL
SITES AND COMMON INTEREST PROPERTIES AND
ALLOWING SUB-METERING OF ACCESSORY DWELLING UNITS****FINDINGS**

1. The Monterey Peninsula Water Management District was created to address ground and surface water resources in the Monterey Peninsula area, which the Legislature found required integrated management, and was endowed with the powers set forth in the Monterey Peninsula Water Management District Law (Chapter 527 of the Statutes of 1977, found at West's Water Code, Appendix, Section 118-1, et seq.).
2. The Monterey Peninsula Water Management District has adopted and regularly implements water conservation and efficiency measures which, inter alia, set standards for the installation of plumbing fixtures in New Construction, and requires retrofit or replacement of existing plumbing fixtures upon Change of Ownership, Change of Use, and Expansion of Use, and for existing Non-Residential uses. The Monterey Peninsula Water Management District has general and specific power to cause and implement water conservation activities as set forth in Sections 325 and 328 of the Monterey Peninsula Water Management District Law.
3. The Monterey Peninsula Water Management District has found and determined that it is in the best interests of the Monterey Peninsula Water Management District and its inhabitants to define, implement and enforce water efficient plumbing standards and requirements for the conservation of Potable water supplies. Retrofit or replacement of existing plumbing fixtures lessens consumption of the limited water resources available on the Monterey Peninsula. Installation of water efficient plumbing fixtures reduces the burden of new, expanded or modified uses on the water resources.
4. Senate Bill 407 (Padilla) approved by the Governor on October 11, 2009, requires owners of Multi-Family Residential and commercial real property built prior to January 1, 1994,

- to replace older water fixtures with new water efficient fixtures by January 1, 2019.
5. Ordinance No. 178 incentivizes retrofits completed prior to January 1, 2019, when Senate Bill 407 (Padilla) requires certain retrofits. Property owners/managers can use the Rebate Program to facilitate conversion of older toilets to High Efficiency or Ultra High Efficiency Toilets and replacement of older Clothes Washers with High Efficiency Clothes Washers.
 6. Water savings from Multi-Family Residential retrofits is estimated to save up to 60 percent of the pre-retrofit water use.
 7. Common Interest Development (CID) is real property developments where property owners share a common set of financial obligations, property and easement rights established in a set of recorded restrictions. CID is a type of development with common areas that may contain water fixtures, appliances and irrigation. CID do not change full ownership and therefore are not subject to MPWMD Rule 142.
 8. It is in the interest of the District to bring about water conservation retrofits that affect all water Users to reduce present use and future demand.
 9. Common Laundry Rooms provide excellent opportunities for water conservation because the frequency of use for each Clothes Washer is much greater than in-home machines. While an in-home machine averages only 4 to 6 loads per week, common area machines often wash 20 to 50 loads per week per Clothes Washer.
 10. Most coin-operated Clothes Washers have a Water Factor rating of 12 to 14 (top loaders); using 35 to 45 gallons per load. Newer water efficient models have a Water Factor rating of 4 to 8; using as little as 12 gallons per load.
 11. Senate Bill No. 1069 (Wieckowski) has increased interest in development of Accessory Dwelling Units (ADU) as a way for Jurisdictions to meet their General Plan Housing Elements. Senate Bill No. 1069 amended certain sections of the Government Code and became effective January 1, 2017. The amendments encourage additional rental housing stock in single-family or multifamily residential zones by “prohibiting a local agency from requiring an applicant for this permit to install a new or separate utility connection directly between the unit and the utility or imposing a related connection fee or capacity charge.”
 12. SB 1069 applies to “a city, county, or city and county, whether general law or chartered.” The Water Management District is not subject to the requirements of SB 1069.

13. The District requires separate Water Meters maintained by the Water Distribution System Operator for every User. A “User” is defined as a residence (i.e., Dwelling Unit), commercial enterprise, or industrial enterprise. Separate meters have been required for new Users since 1981. Separate meters promote conservation by giving each User accountability for their water use and it facilitates enforcement of water rationing. Tiered rates are specifically designed to send price signals to the individual water User.
14. At the request of the District’s Technical Advisory Committee and supported by the District’s Water Demand Committee, Ordinance No. 178 creates a new class of User that is exempt from the requirement to install a separate Water Meter maintained by the Water Distribution System Operator. One ADU per Site will be exempt from the requirement, and the ADU will be required to have water use measured through a permanent in-line Water Meter. This approach is less costly than requiring a separate Water Meter from the ADU to the utility, but allows for accurate counting of water use within the structure. ADU approval will be subject to water availability and payment of Capacity Fees.
15. Ordinance No. 178 is categorically exempt from California Environmental Quality Act (CEQA) under Section 15301, Class 1, Existing Facilities (Multi-Family Residential Site retrofit requirements) and Section 15303, Class 3, New Construction or Conversion of Small Structures.

NOW THEREFORE be it ordained as follows:

ORDINANCE**Section One: Short Title**

This ordinance shall be known as the 2017 Multi-Family Water Conservation Retrofit Requirement and Accessory Dwelling Unit Metering Ordinance of the Monterey Peninsula Water Management District.

Section Two: Purpose

The Monterey Peninsula Water Management District enacts this ordinance to bring about water efficiency on Multi-Family Residential Sites and to allow sub-metering for Accessory Dwelling Units.

Section Three: Amendments to Rule 11 – Definitions

The definition of Accessory Dwelling Unit shall be added to Rule 11 as shown in bold italics (***bold italics***). The definition of Common Laundry Room shall be amended as shown in ~~strikeout~~ (~~strikeout~~).

ACCESSORY DWELLING UNIT -- Accessory Dwelling Unit (“ADU”) shall mean a secondary Dwelling Unit that is not intended for sale separate from the primary residence. An Accessory Dwelling Unit is a habitable Dwelling Unit added to, created within, or detached from a primary Single-Family Dwelling and contained within the same lot.

COMMON INTEREST DEVELOPMENTS - “Common Interest Developments” shall mean community apartment projects, condominium projects, planned developments, and stock cooperatives per Civil Code ~~Section 1354~~ ***Article 2. Definitions [4075 - 4190] (Article 2 added by Stats. 2012, Ch. 180, Sec. 2.)***

COMMON LAUNDRY ROOM – “Common Laundry Room” shall mean a room where one or more Clothes Washers are located and available for use by all occupants of a Multi-Family Residential Site *or Common Interest Development.*

Section Four: Amendments to Rule 23 – Action on Application for a Water Permit to Connect to or Modify a Connection to an Existing Water Distribution System

Rule 23-A-1-(i)-(6) shall be added as shown in bold italics (*bold italics*). This provision shall be retroactive to allow amendment of Water Permits for Accessory Dwelling Units issued after January 1, 2017. Rule 23-A-1-(i) shall be amended to add (6) to the list of exceptions.

- (6) *The General Manager shall allow permanent sub-metering of all water use into one Accessory Dwelling Unit, including hot and cold water supply. The application for sub-metering an Accessory Dwelling Unit will be considered by the General Manager when the Jurisdiction confirms there is no potential that the sub-metered User could be located on a separate Site through subdivision or transfer of ownership of a portion of the Site.*

Section Five: Addition of Rule 142-F – Water Efficiency Standards for Multi-Family Residential Sites and Common Interest Developments

The following text shall be added to as Rule 142-F, as shown in bold italics (*bold italics*):

- F. Water Efficiency Standards for Multi-Family Residential Sites and Common Interest Developments*
- 1. Multi-Family Residential Sites and Common Interest Developments with four or more Dwelling Units, shall meet or exceed the following water efficiency standards before January 1, 2019¹:*
- a. High Efficiency or Ultra High Efficiency Toilets shall be installed. Multi-Family Residential Sites and Common Interest Developments with Ultra Low Flush Toilets installed prior to January 1, 2014, shall be exempt from this toilet retrofit requirement.;*
- b. Urinals shall be at a minimum High Efficiency Urinals (if installed prior to January 1, 2016). Newly installed Urinals shall be Pint Urinals or Zero Water Consumption Urinals;*
- c. Showerheads, Rain Bars, or Body Spray Nozzles must be designed and manufactured to emit a maximum of 2.0 gallons per minute of water at 60 psi;*

¹ *Individually owned condominiums and cooperatives that are subject to Rule 142-E shall be exempt from this requirement.*

- d. *Washbasin faucets shall emit a maximum of 1.2 gallons of water per minute at 60 psi;*
 - e. *Kitchen Sink, Utility Sink, and Bar Sink faucets shall emit a maximum of 1.8 gallons of water per minute at 60 psi. Faucets may have the capability to temporarily increase flow to 2.2 gallons per minute for filling pots and pans, but must default back to a maximum Flow Rate of 1.8 gallons per minute measured at 60 psi;*
 - f. *Common Laundry Rooms. By January 1, 2019 all Clothes Washers installed in Common Laundry Rooms within the District shall meet the definition of High Efficiency Clothes Washer rated with a Water Factor of 5.0. Washer/extractors that do not comply with the 5.0 Water Factor shall be programmed by a manufacturer/vendor technician to only function on the low water setting (non-user selected setting). A written statement shall be provided to MPWMD by the manufacturer/vendor's technician stating that the machines have been programmed to only use the low water setting and that there is no way to manipulate the water usage via a user setting. This statement shall be maintained by MPWMD.*
 - g. *Clothes Washers located inside Dwelling Units should be encouraged to replace Clothes Washers with High Efficiency Clothes Washers;*
 - h. *Water Pressure Regulating Devices shall be installed and maintained to maintain water pressure between 50 and 65 psi.*
 - i. *Automatic Irrigation Controllers properly adjusted to adhere to the District's Stage 1 Water Conservation Requirements (Rule 162) shall be installed, used, and maintained.*
2. *The owner (or his authorized agent) of a Multi-Family Residential Site or Common Interest Development manager shall certify compliance with this regulation by one of the following methods:*
- a. *Provide the District with a District-certified inspection report that provides all Site information required by the District and that*

verifies installation of Low Water Use Plumbing Fixtures throughout the Site, as required by Regulation XIV and Regulation XV; or

- b. Provide documentation to the District from a District-certified city or county building official that provides all Site information required by the District and that certifies installation of Low Water Use Plumbing Fixtures throughout the Site, as required by Regulation XIV and Regulation XV; or*
- c. Provide owner/association certification that plumbing fixtures throughout the Site have been retrofitted in compliance with Regulation XIV and Regulation XV. The owner, his authorized agent, or CID manager shall forward a copy of this certification, together with a dated copy of the purchase receipt for each Low Water Use Plumbing Fixture and a dated copy of the labor contract or a statement of self-installation which evidences complete installation to the District. The District may verify certification by an onsite inspection.*

Section Six: Publication and Application

The provisions of this ordinance shall cause the amendment and republication of Rules 11, 23, and 142 of the permanent Rules and Regulations of the Monterey Peninsula Water Management District.

Section Seven: Effective Date and Sunset

This ordinance shall take effect at 12:01 a.m. 30 days after second reading.

This Ordinance shall not have a sunset date.

Section Eight: Severability

If any subdivision, sentence, clause, or phrase of this ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforcement of the remaining portions of this ordinance, or of any other provisions of the Monterey Peninsula Water Management District Rules and Regulations. It is the

District’s express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

On motion of Director _____, and second by Director _____, the foregoing ordinance is adopted upon this ____ day of _____, 2017, 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 _____, 2017.

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

David J. Stoldt, Secretary to the Board

ITEM: ACTION ITEM**7. CONSIDER EXPENDITURE OF FUNDS FOR WATER SAVING DEVICES AND WATER CONSERVATION MATERIALS**

Meeting Date:	October 16, 2017	Budgeted:	Yes
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	Conservation Devices- Non-Reimbursable 4-2-2
Prepared By:	Stephanie Locke	Cost Estimate:	\$65,000

General Counsel Approval: N/A**Committee Recommendation: No Administrative Committee recommendation due to cancellation of the October 9, 2017 meeting.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

SUMMARY: The District currently provides water conservation equipment to the public upon request and makes equipment available at various public events and workshops. This equipment includes 1.5 gallons per minute (gpm) showerheads, multi-position shut off hose nozzles, faucet aerators, and other water efficient equipment and devices, including conservation signage for non-residential users.

In the upcoming months, the District will be focusing on its local workshops and events that will emphasize reducing and reusing water indoors and out. The District routinely provides participants with devices to assist them in achieving reductions in use and to help locate leaks. Planned workshops this Fall focus on multi-residential housing and ways to achieve water use savings and on outdoor water use.

Funding for this expense is budgeted in the District's portion of the Conservation Program budget.

RECOMMENDATION: Staff recommends an expenditure of up to \$65,000 to renew the District's stock of water conservation equipment.

IMPACT TO STAFF/RESOURCES: Funds for this expenditure are available in items 4-2-2 D in the Fiscal Year 2017-2018 budget.

EXHIBIT

None

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**8. RECEIVE NOTICE OF APPOINTMENTS TO CARMEL RIVER ADVISORY COMMITTEE**

Meeting Date: October 16, 2017 **Budgeted:** N/A

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

Prepared By: Larry Hampson **Cost Estimate:** N/A

General Counsel Review: N/A

Committee Recommendation: N/A

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

A list of the Carmel River Advisory Committee (Committee) members, their term ending dates, and the corresponding appointing Board members is provided in **Exhibit 8-A**. Committee members are appointed for terms expiring on June 30, or on the date the appointing Director is replaced, whichever occurs first. The following Committee members have been appointed by their respective Board members:

Committee Member

Appointing Board Member

Margaret Robbins

Jeanne Byrne (Division 4)

Thomas House

Ralph Rubio (Mayoral Representative)

The adoption of the Consent Calendar will document the appointment of these Committee members for a term as shown on **Exhibit 8-A**.

EXHIBITS

8-A Carmel River Advisory Committee Member Appointments as of October 16, 2017



EXHIBIT 8-A

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

CARMEL RIVER ADVISORY COMMITTEE

Appointments as of October 16, 2017

<u>Committee Member</u>	<u>Term Ends</u>	<u>Appointed By</u>
Marjorie Ingram Viales	June 30, 2019	Brenda Lewis (Div. 1)
Lorin Letendre	June 30, 2019	Andrew Clarke (Div. 2)
Keely Clifford	June 30, 2018	Molly Evans (Div. 3)
Margaret Robbins	June 30, 2019	Jeanne Byrne (Div. 4)
Vincent Frumkin	June 30, 2018	Bob Brower (Div. 5)
Thomas House	June 30, 2018	Ralph Rubio (Mayoral Representative)
Unfilled	June 30, 2018	Mary Adams (Monterey County Board of Supervisors)

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ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**9. LETTERS RECEIVED****Meeting Date:** October 16, 2017 **Budgeted:** N/A**From:** David J. Stoldt,
General Manager **Program/** N/A
Line Item No.:**Prepared By:** Arlene Tavani **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.

A list of letters that were submitted to the Board of Directors or General Manager and received between September 8, 2017 and October 6, 2017 is shown below. The purpose of including a list of these letters in the Board packet is to inform the Board and interested citizens. Copies of the letters are available for public review at the District office. If a member of the public would like to receive a copy of any letter listed, please contact the District office. Reproduction costs will be charged. The letters can also be downloaded from the District's web site at www.mpwmd.net.

Author	Addressee	Date	Topic
Keith Van Der Maaten	David Stoldt	9/27/17	Proposals to Sell Water to the MPWMD for use on the Peninsula
Gary Cursio, John Turner, Bonnie Adams	David Stoldt	9/19/17	Thank you for participation as sponsor for 27 th Annual Nick Lombardo Memorial Golf Tournament
Jean Bracy	Robert S. Brower, Sr.	9/19/17	No Paid Property/Liability Claims in 2016-17
Julie Vance	Felicia Marcus CC: David Stoldt	9/18/17	CDFG Response to 8/26/17 Letter from Dr. Roy Thomas Re: CAW Compliance with SWRCB Resolution 2016-0040
Dolly Trout	MPWMD	9/11/17	Broken Water Meter Covers

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**10. COMMITTEE REPORTS**

Meeting Date:	October 16, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Arlene Tavani	Cost Estimate:	N/A

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

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

Attached for your review as **Exhibits 10-A through 10-D**, are minutes of the committee meetings listed below.

EXHIBIT

- 10-A** Final Minutes of September 11, 2017 Administrative Committee Meeting
- 10-B** Final Minutes of August 8, 2017 Water Supply Planning Committee Meeting
- 10-C** Final Minutes of July 31, 2017 Water Demand Committee Meeting
- 10-D** Final Minutes of April 21, 2016 Technical Advisory Committee Meeting



EXHIBIT 10-A

FINAL MINUTES

**Monterey Peninsula Water Management District
Administrative Committee
September 11, 2017**

Call to Order

The meeting was called to order at 3:34 PM in the District Conference Room.

Committee members present: Brenda Lewis - Chair
Andrew Clarke
Molly Evans

Staff present: David Stoldt, General Manager
Suresh Prasad, Administrative Services Manager/Chief Financial Officer
Kevan Urquhart, Sr. Fisheries Biologist

Oral Communications

None

Items on Board Agenda for September 18, 2017

1. Consider Adoption of Minutes of August 14, 2017 Committee Meeting

On a motion by Clarke and second by Evans, the minutes of the August 14, 2017 meeting were approved on a vote of 3 – 0 by Clarke, Evans and Lewis.

2. Consider Approval of an Interagency Contract for MPWMD to Provide Temporary Field Staff for a Cooperative Research and Monitoring Project with the NMFS for 2017-2019

On a motion by Evans and second by Clarke, the committee recommended that the Board approve the interagency contract and hiring of temporary field staff for cooperative research and monitoring projects with the NOAA/NMFS for FY 2017-2018 at cost not-to-exceed \$35,000. The motion was approved on a vote of 3 – 0 by Evans, Clarke and Lewis.

3. Consider Approval of Contract with Scardina Builders, Inc. for the Repair of the Sleepy Hollow Steelhead Rearing Facility Rearing Channel's Bird Netting and Planks

On a motion by Clarke and second by Evans, the committee recommended that the Board authorize the General Manager to enter into an agreement with Scardina Builders, Inc. to provide rearing channel repair work for a not-to-exceed amount of \$25,500. Due to the unknown nature of the frame repair work, an additional \$4,500 was requested as a contingency in the case of unexpected expenses, for a project total of up to \$30,000. The motion was approved on a vote of 3 – 0 by Clarke, Evans and Lewis.

4. Consider Extension of Cooperative Agreement with the United States Geological Survey for Streamflow Gaging in Water Year 2018

On a motion by Evans and second by Clarke, the committee recommended that the Board authorize the General Manager to execute the agreement with the USGS providing cooperative investigation of the water resources within the District for Water Year (WY) 2018 for an amount not-to-exceed \$15,300. The motion was approved on a vote of 3 – 0 by Evans, Clarke and Lewis.

5. Consider Expenditure for Travel to Washington DC

On a motion by Clarke and second by Evans, the committee recommended that the Board approve expenses for Director Brower’s travel, including lodging and meals, that may exceed the IRS reimbursable rates. The motion was approved on a vote of 2 – 1 by Clarke and Evans. Director Lewis voted against the motion.

6. Consider Adoption of Treasurer’s Report for June 2017

On a motion by Evans and second by Clarke, the committee recommended the Board adopt the June 2017 Treasurer’s Report and financial statements, and ratification fo the disbursements made during the month. The motion was approved on a vote of 3 – 0 by Evans, Clarke and Lewis.

7. Consider Expenditure of Funds for Pure Water Monterey Expansion Feasibility Study as Required by California Public Utilities Commission Application No. 12-04-019

On a motion by Clarke and second by Evans the committee recommended the Board authorize the expenditure in the amount of \$50,000 for the Expansion Feasibility Study of the Pure Water Monterey Project. The motion was approved on a vote of 3 – 0 by Clarke, Evans and Lewis.

8. Consider Approval of Amendment 2 to the Cost Sharing Agreement with the Monterey Regional Water Pollution Control Agency for the Pure Water Monterey Project

On a motion by Clarke and second by Evans, the committee recommended the Board approve Amendment 2 to the Cost Sharing Agreement with MRWPCA for the Pure Water Monterey Project. The motion was approved on a vote of 3 – 0 by Clarke, Evans and Lewis.

Other Business

9. Review Draft September 18, 2017 Board Meeting Agenda

A revised agenda was distributed to the committee for review. The committee made no changes.

Adjournment

The meeting was adjourned at 4:34 PM.



EXHIBIT 10-B

FINAL MINUTES

**Water Supply Planning Committee of the
Monterey Peninsula Water Management District
August 8, 2017**

Call to Order The meeting was called to order at 9:20 am in the MPWMD conference room.

Committee members present: Robert S. Brower, Sr. - Committee Chair participated by telephone
Jeanne Byrne
Andrew Clarke

Committee members absent: None

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

District Counsel present David Laredo

Comments from the Public: No comments were directed to the Board.

Action Items

1. **Consider Adoption of Committee Meeting Minutes of March 13, 2017**
On a motion by Brower and second of Clarke, minutes of the March 13, 2017 meeting were adopted on a unanimous vote of 3 – 0 by Brower, Clarke and Byrne.

2. **Consider Approval of Budget for Groundwater Models for Seaside Groundwater Basin**
Clarke offered a motion that was seconded by Brower, to recommend that the Administrative Committee approve a not-to-exceed expenditure of \$30,000 for the District's share of geochemical modeling and an amount not to exceed \$20,000 for the District's share of recalibration and updating the basin model. The motion was approved unanimously on a vote of 3 – 0 by Clarke, Brower and Byrne.

The following comments were received during the public comment period on this item. **(1) David Chardavoyne**, General Manager of the Monterey County Water Resources Agency, explained that recalibration of the groundwater basin model will provide a means to determine how closely the model predicts actual measurements from monitoring and production wells. The geochemical modeling is important to ensure that when water is pumped out of the ground, it can be treated so that it is chemically identical to the existing supply that it will be added to. **(2) Luke Coletti** asked what the cost to treat the water would be. Stoldt responded that the estimated cost per acre-foot of the water is \$1,700, and that water treatment is an operation and maintenance component of that estimate.

Discussion Items

3. Update on Water Supply Projects

- a. Pure Water Monterey – Hamilton reported that the deep monitoring well was completed in June and the shallow monitoring well was completed in July 2017. Delivery of the 24 inch conductor casing for the first large injection well was delayed. When installed, it should extend 830 feet. Regarding Phase 2 design, the 60 percent review was complete. The 90 percent design was underway and should be complete by the end of 2017. Solicitation for construction bids should begin in early 2018.

Stoldt reported on the status of the water conveyance pipeline to be constructed by Marina Coast Water District (MCWD). The successful construction bid was for \$22.6 million. Amendments to the agreement between the project partners; MCWD, Monterey One Water and the Water Management District, are under development. The firm of Anderson Pacific will construct the pipeline needed to bring source waters to the advanced water treatment facility, and the firm has already begun construction of the advanced water treatment facility. Projected date for delivery of project water to California American Water (Cal Am) is May 2019.

- b. California American Water Desalination Project – Stoldt advised the committee that representatives from MCWD, City of Marina, Monterey Peninsula Regional Water Authority, and recently California American Water (Cal-Am) met together with Water Management District staff to assess the possibility that a CEQA based lawsuit might be filed that would delay the project, and discuss how to address issues in order to avoid a lawsuit. The California Public Utilities Commission (CPUC) scheduled a pre-hearing conference for August 18, 2017 on Cal-Am's application 12-04-019, to address CEQA and other issues raised in response to comments on the project draft EIR. The Water Management District's Board of Directors will meet in closed session on August 21, 2017 to discuss the policy issues. Testimony will be due in September and hearings are likely to be conducted in October 2017.

Stoldt advised the committee that results of aerial electromagnetic resistivity tomography conducted by MCWD indicate that fresh water sources are present in the Marina Sand Dunes area. Those findings coincide with existing well monitoring data. There is a possibility that MCWD could utilize this data as the basis for a CEQA lawsuit alleging harm to its water supply. Stoldt noted that the lack of consensus among hydrogeologists as to the effect that operation of Cal-Am's proposed slant wells could have on MCWD wells, may result in a CEQA lawsuit.

Stoldt stated that completion of the project EIR has been delayed to March 2018. The next project milestone to be met by September 30, 2018 is issuance of the Certificate of Public Convenience and Necessity. The CPUC could certify the EIR and at the same time issue the CPCN. Or, issuance of the CPCN could be delayed 30 days to determine if objections to certification of the EIR will be filed. If the September 30, 2018 milestone was not met, an argument could be made that the delay was the fault of the CPUC, not the local community.

- c. DeepWater Desal – The project proponents have signed an agreement with a Spanish firm that would design, build, finance and operate the desalination project. The agreement would be effective in October or November 2017.
- d. Local Water Projects – **City of Monterey** - In November 2015, the Board of Directors approved distribution of an \$85,000 grant to the City of Monterey towards development of

the Monterey Regional Stormwater Management Program. The City should begin drawing from the grant funds soon. **Monterey Peninsula Airport District**- no progress has been made on utilizing subpotable water from MPAD wells that were funded from a grant approved in 2013. **City of Pacific Grove** – In February 2015, the Board of Directors approved distribution of a \$100,000 grant to the City of Pacific Grove for its Stormwater Dry Weather Flow Reuse Project. The project should be on line by the Fall of 2017. Stoldt stated that he had not yet solicited grant applications for 2017. The committee members suggested that if a jurisdiction indicates interest, the grant application could be distributed.

Public comment: **(a) Luke Coletti** asked if the Del Monte Golf Course well generates 37 acre-feet of water. Stoldt responded that it does not because storage has not been developed. Coletti also stated that an RFP was distributed for the City of Pacific Grove project and based on the successful bid, the operation and maintenance costs of the project should be known soon. **(b) David Chardavoyne** asked if DeepWater Desal had released the name of the Spanish firm it had contracted with. Stoldt responded that the name of the firm had not been made public.

4. Update on Los Padres Dam Studies

Hampson reported on workshops conducted to review progress fish passage and dam alternatives studies under review by two Technical Advisory Committees which consist of representatives from the Department of Fish and Wildlife, National Marine Fisheries Service, Cal-Am, Water Management District, and consultants AECOM, HDR and FISHBIO .

Fish Passage: The initial alternatives identified for fish passage are: (a) traditional fish ladder for adult migration with step pools at the side of the existing spillway at a cost of \$30 to \$61 million; (b) a similar ladder that would also pass juvenile fish at a cost of \$47 to \$88 million; (c) a fish ladder that would be designed to operate only when the reservoir is spilling, which reduces the cost by \$4 to \$11 million; and (d) the Whooshh transport system - in which fish enter a tube at the bottom of the spillway and slide through into the reservoir, at a cost of \$8 to \$10 million.

To address predation by brown trout in the reservoir, one solution would be to install a large floating surface collector to catch downstream migrants as they come into the reservoir and then transport the fish to the dam where they would enter an existing facility that allows the fish to go through the dam and into the plunge pool. Another proposal is to place a trap further upstream and collect the fish as they come into the reservoir, and then transport them to the spillway. The TAC will meet in September to narrow down the alternatives.

Dredging: One concept discussed was to place all dredged materials at locations below the dam. Another concept is to build a tunnel under the dam to pass sediment through the reservoir. In some years, the reservoir could be drawn down and sediment coming through the reservoir would flow through the tunnel. Hampson noted that the sediment transport model should be completed in September 2017, and up to 100 hydrologic and sediment transport scenarios could be analyzed.

Los Padres Dam Alternatives: One alternative is to construct a new dam downstream at the height of the existing Los Padres Dam. This alternative will be analyzed, even though NMFS does not currently support the expansion of a main stem dam on the Carmel River. Hampson stated that the estimated volume would be about 8,700 acre-feet.

Another alternative under consideration is to raise the existing dam 12.5 feet either through a permanent raise or with rubber gates. However, dam modification would likely trigger improvements to the dam and spillway that would significantly raise the cost of obtaining an

additional 600 to 700 acre-feet of storage. In response to a request from the committee, Hampson will distribute a summary of the workshop discussions to the Water Supply Committee members.

During the public comment period on this item, **Luke Coletti** asked when water rights being used for the Aquifer Storage and Recovery project will expire. Stoldt responded that those water rights would not expire, but there are 18,675 acre-feet of water rights that could expire if they are not utilized. Coletti asked if staff conducts water quality testing, and if so did they test for hydrogen sulfide. Hampson responded that water quality testing of reservoir water is conducted. He did not know if hydrogen sulfide was measured. [Subsequently, it was determined that MPWMD staff do take periodic measurements of hydrogen sulfide.]

5. Update on CDO Condition No. 2 Discussions

Stoldt referred to the July 17, 2017, letter to the SWRCB that was presented in the committee packet. He stated that the Water Management District would like this issue settled because Cal-Am and the SWRCB have inconsistently applied Condition No. 2. The Water Management District disagrees with the SWRCB assertion that baseline water use for a project should be based on previous water use at the site.

Luke Coletti addressed the committee on this topic. He expressed agreement with the SWRCB's position on baseline water use, and noted that his opinion is documented in letters to the SWRCB.

Set Next Meeting Date: No meeting date was set.

Adjournment: The meeting was adjourned at 10:50 am.



EXHIBIT 10-C

FINAL MINUTES
Water Demand Committee of the
Monterey Peninsula Water Management District
July 31, 2017

Call to Order

The meeting was called to order at 3:30 pm in the MPWMD conference room.

Committee members present: Molly Evans, Chair
 Jeanne Byrne
 Andy Clarke

Committee members absent: None

Staff members present: David Stoldt, General Manager
 Stephanie Locke, Water Demand Division Manager
 Stephanie Kister, Conservation Analyst
 Arlene Tavani, Executive Assistant

Comments from the Public: No comments.

Action Items

1. **Consider Adoption of April 25, 2017 Committee Meeting Minutes**
On a motion by Byrne and second of Clarke, minutes of the April 25, 2017 committee meeting were adopted unanimously on a vote of 3 – 0 by Byrne, Clarke and Evans.

2. **Consider Funding for Community Water Conservation Demonstration Project at Martin Luther King Jr. Elementary School, 1713 Broadway Ave., Seaside**
Byrne offered a motion to recommend that the Board of Directors approve funding not to exceed \$30,000 for the Community Water Conservation Demonstration Project. The motion was seconded by Clarke and approved on a unanimous vote of 3 – 0 by Byrne, Clarke and Evans.

During the public comment period on this item, David Chandler, Coordinator of Renewable Energy and Conservation for Monterey Peninsula Unified School District, addressed the committee. He stated that Return of the Natives has agreed to donate two gardens for the project. He noted that the school was designated as a 100 percent reduced and free lunch program site, and also received a Federal grant to develop an art focused curriculum.

3. Consider Lawn Removal Rebate Request from Monterey Peninsula Unified School District for Martin Luther King Jr. School

Clarke offered a motion to recommend that the Board of Directors approve issuance of a turf rebate in the amount of \$10,508. The motion was seconded by Byrne and approved unanimously on a vote of 3 – 0 by Clarke, Byrne and Evans.

During the public comment period on this item, David Chandler informed the committee that a demonstration garden is planned for an area in front of the library and cafeteria at the school site. The turf will be replaced with mulch, wood chips and some planted areas.

Discussion Items

4. Discuss Water Conservation Offset Program

Stoldt explained that the Alliance for Water Efficiency has designated as Net Blue Communities, areas that meet certain criteria including establishment of water off-set policies. This item will be placed on a future committee agenda for further discussion.

5. Discuss Retrofit Requirements for Multi-family Residential

The committee discussed the proposal as outlined in the staff report, and expressed support for development of an ordinance that would add the California State regulations regarding retrofit of multi-family residential units to the Water Management District Rules and Regulations. The committee also expressed support for the addition of language that would require retrofit of non-efficient clothes washers in common laundry rooms.

Set Next Meeting Date: The next meeting was scheduled for Thursday, September 28, 2017 at 4 pm in the conference room of the Water Management District offices. It was suggested that at the next meeting, the committee discuss modification of irrigation regulations for non-California American well owners located outside of the Monterey Peninsula Water Resource System.

Adjournment

The meeting was adjourned at 4 pm.

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EXHIBIT 10-D

FINAL MINUTES

**Technical Advisory Committee of the
Monterey Peninsula Water Management District**

April 21, 2016

Call to Order

The meeting was called to order at 10:00 am in the Conference room at the offices of the Monterey Peninsula Water Management District.

Committee members present:

City of Carmel-by-the-Sea	Catherine Tarone
City of Monterey	Todd Bennett, Chair
City of Pacific Grove	Anastazia Aziz
City of Sand City	Todd Bodem, Vice Chair (arrived at 10:06 am)
City of Seaside	Tim O'Halloran
Monterey Peninsula Airport District	Shelley Glennon

Committee members absent:

City of Del Rey Oaks	Daniel Dawson
County of Monterey	Rob Johnson

Staff members present:

David J. Stoldt, General Manager
Stephanie Locke, Water Demand Division Manager
Arlene Tavani, Executive Assistant

Comments from the Public: No comments.

Action Items

- 1. Consider Adoption of March 17, 2016 Committee Meeting Minutes**
On a motion by Aziz and second of Bennett, minutes of the March 17, 2016 committee meeting were approved on a unanimous vote of 5 – 0 by Aziz, Bennett, Tarone, Halloran and Glennon. Bodem, Dawson and Johnson were absent for the vote. No comments were directed to the committee during the public comment period on this item.

Discussion Items

- 2. Discuss Development of an Ordinance to Incorporate California State Model Water Efficient Landscape Ordinances into the District's Rules and Regulations**
Locke presented the document titled MPWMD Landscape Requirements (WELO) and advised the committee that the Water Management District's proposed ordinance will include the California State Model Water Efficient Landscape Ordinance. Jurisdictions could utilize the Water Management District's ordinance – it will not be necessary for jurisdictions to adopt their own ordinance or check other sources for the state mandated rules. The ordinance should be considered by the Board of Directors in June 2016. If the ordinance is adopted, the regulations will be posted to the District's website along with links to any additional rules established by the jurisdictions. The Water Management District will also provide printed materials to the jurisdictions for distribution to the public that will explain the WELO requirements. In response

to questions from the committee, staff stated the following. (a) The Water Management District plans to schedule a workshop on the State's WELO for local landscapers and residents. (b) If a project requires a grading plan, the District will refer processing of that plan to the jurisdiction. (c) Landscaped areas that consist of edible plants are not subject to the ordinance. (c) It is important that the jurisdictions' planning and building departments understand the regulations so they know when to refer applicants to the Water Management District.

3. Discuss Jurisdiction Assistance with Notification of MPWMD Requirements

Stoldt asked that each jurisdiction send a letter to the Water Management District requesting that the District adopt the regional ordinance, undertake the Landscape Documentation review, and perform the required annual reporting to the state. Stoldt distributed a sample letter that each jurisdiction could use as a template for its formal request.

Questions from Committee Members to MPWMD Staff : None

Adjournment – The meeting was adjourned at 10:26 am.

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ITEM: INFORMATIONAL ITEM/STAFF REPORTS**11. MONTHLY ALLOCATION REPORT**

Meeting Date:	October 16, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program:	N/A
		Line Item No.:	
Prepared By:	Gabriela Ayala	Cost Estimate:	N/A

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

SUMMARY: As of September 30, 2017, a total of **25.408** acre-feet (**7.4%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **35.923** acre-feet is available to the Jurisdictions, and **29.048** acre-feet is available as public water credits.

Exhibit 11-A shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in September 2017 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in September 2017.

Exhibit 11-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 11-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 11-C**.

EXHIBITS**11-A** Monthly Allocation Report**11-B** Monthly Entitlement Report**11-C** District’s Water Allocation Program Ordinances

EXHIBIT 11-A
MONTHLY ALLOCATION REPORT
Reported in Acre-Feet
For the month of September 2017

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Credits	Changes	Remaining	Public Credits	Changes	Remaining	Total Available
Airport District	8.100	0.000	5.197	0.000	0.000	0.000	0.000	0.000	0.000	5.197
Carmel-by-the-Sea	19.410	0.000	1.397	1.081	0.000	1.081	0.910	0.000	0.182	2.660
Del Rey Oaks	8.100	0.000	0.000	0.440	0.000	0.000	0.000	0.000	0.000	0.000
Monterey	76.320	0.000	0.263	50.659	0.000	0.030	38.121	0.000	2.325	2.618
Monterey County	87.710	0.000	10.717	13.080	0.000	0.352	7.827	0.000	1.891	12.960
Pacific Grove	25.770	0.000	0.000	1.410	0.000	0.022	15.874	0.000	0.133	0.155
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	7.834	34.438	0.000	34.438	2.693	0.000	1.144	43.416
TOTALS	342.720	0.000	25.408	101.946	0.000	35.923	90.142	0.000	29.048	90.379

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
Quail Meadows	33.000	0.000	32.320	0.680
Water West	12.760	0.028	9.235	3.525

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

EXHIBIT 11-B
MONTHLY ALLOCATION REPORT
ENTITLEMENTS
Reported in Acre-Feet
For the month of September 2017

Recycled Water Project Entitlements

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
Pebble Beach Co. ¹	233.060	0.380	27.042	206.018
Del Monte Forest Benefited Properties ² (Pursuant to Ord No. 109)	131.940	0.127	48.420	83.520
Macomber Estates	10.000	0.000	9.595	0.405
Griffin Trust	5.000	0.000	4.829	0.171
CAWD/PBCSD Project Totals	380.000	0.507	89.886	290.114

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
City of Sand City	165.000	0.000	4.232	160.768
Malpaso Water Company	80.000	0.643	5.330	74.670
D.B.O. Development No. 30	13.950	0.000	1.088	12.862
City of Pacific Grove	66.000	0.000	0.000	66.000
Cypress Pacific	3.170	0.000	3.170	0.000

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

EXHIBIT 11-C

District's Water Allocation Program Ordinances

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ITEM: INFORMATIONAL ITEM/STAFF REPORTS**12. WATER CONSERVATION PROGRAM REPORT**

Meeting Date:	October 16, 2017	Budgeted:	N/A
From:	David J. Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Kyle Smith	Cost Estimate:	N/A

Committee Recommendation: N/A

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

I. MANDATORY WATER CONSERVATION RETROFIT PROGRAM

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

A. Changes of Ownership

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information compared against the properties that have submitted WCCs. Details on **148** property transfers that occurred in September 2017 were added to the database.

B. Certification

The District received **35** WCCs between September 1, 2017, and September 30, 2017. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

C. Verification

In September, **59** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **59** verifications, **39** properties verified compliance by submitting certification forms and/or receipts. District staff completed **34** Site inspections. Of the **34** properties inspected, **20 (58%)** passed inspection. **None** of the properties that passed inspection involved more than one visit to verify compliance with all water efficiency standards.

Savings Estimate

Water savings from HET retrofits triggered by Rule 144 verified in September 2017 are estimated at **0.410** Acre-Feet Annually (AFA). Water savings from retrofits that exceeded the requirement (i.e., HETs to Ultra High Efficiency Toilets) is estimated at **0.480** AFA (48 toilets). Year-to-date estimated savings from toilet retrofits is **12.450** AFA.

D. CII Compliance with Water Efficiency Standards

Effective January 1, 2014, all Non-Residential properties were required to meet Rule 143, Water Efficiency Standards for Existing Non-Residential Uses. To verify compliance with these requirements, property owners and businesses are being sent notification of the requirements and a date that inspectors will be on Site to check the property. This month, District inspectors performed **15** inspections. Of the **15** inspections certified, **11 (73%)** were in compliance. **Two** of the properties that passed inspection involved more than one visit to verify compliance with all water efficiency standards; the remainder complied without a reinspection.

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

E. Water Waste Enforcement

In response to the State's drought emergency conservation regulation effective June 1, 2016, the District has increased its Water Waste enforcement. The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waster occurrences at www.mpwmd.net or www.montereywaterinfo.org. There were **three** Water Waste responses during the past month. There was **one** 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 **97** Water Permits in September 2017. **Thirteen** Water Permits were issued using Water Entitlements (Pebble Beach Company, Malpasos Water, etc.). **No** Water Permits involved a debit to a Public Water Credit Account.

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

District Rule 24-3-A allows the addition of a second Bathroom in an existing Single-Family Dwelling on a Single-Family Residential Site. Of the **97** Water Permits issued in September, **four** were issued under this provision.

B. Permit Compliance

District staff completed **98** Water Permit final inspections during September 2017. **Twenty** of the final inspections failed due to unpermitted fixtures. Of the **59** passing properties, **39** passed inspection on the first visit. In addition, **six** 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 September, the District prepared **64** deed restrictions. Of the **97** Water Permits issued in September, **42 (43%)** required deed restrictions. District staff provided Notary services for **83** Water Permits with deed restrictions.

III. JOINT MPWMD/CAW REBATE PROGRAM

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

REBATE PROGRAM SUMMARY		September-2017				2017 YTD	1997 - Present	
I. <u>Application Summary</u>								
A.	Applications Received	134				1245	24,156	
B.	Applications Approved	105				954	18,911	
C.	Single Family Applications	119				1169	21,834	
D.	Multi-Family Applications	13				58	1,206	
E.	Non-Residential Applications	2				18	317	
II. <u>Type of Devices Rebated</u>		Number of devices	Rebate Paid	Estimated AF	Gallons Saved	YTD Quantity	YTD Paid	YTD Est AF
A.	High Efficiency Toilet (HET)	21	2074.00	0.876708	285,676	162	16,057.66	6.763176
B.	Ultra Low Flush to HET	21	2073.00	0.210000	68,429	335	33,027.42	3.35
C.	Ultra HET	3	447.00	0.030000	9,776	20	2,946.59	0.2
D.	Toilet Flapper	0	0.00	0.000000	0	2	30.00	0
E.	High Efficiency Dishwasher	14	1750.00	0.042000	13,686	145	18,125.00	0.435
F.	High Efficiency Clothes Washer	49	24424.66	0.788900	257,064	386	192,219.02	6.2146
G.	Instant-Access Hot Water System	2	400.00	0.000000	0	7	1,400.00	0
H.	On Demand Systems	1	100.00	0.000000	0	4	400.00	0
I.	Zero Use Urinals	0	0.00	0.000000	0	0	0.00	0
J.	High Efficiency Urinals	0	0.00	0.000000	0	0	0.00	0
K.	Pint Urinals	0	0.00	0.000000	0	0	0.00	0
L.	Cisterns	0	0.00	0.000000	0	18	20,853.75	0
M.	Smart Controllers	0	0.00	0.000000	0	3	340.00	0
N.	Rotating Sprinkler Nozzles	0	0.00	0.000000	0	0	0.00	0
O.	Moisture Sensors	0	0.00	0.000000	0	0	0.00	0
P.	Lawn Removal & Replacement	0	0.00	0.000000	0	6	64,332.00	5.439224
Q.	Graywater	0	0.00	0.000000	0	1	20,000.00	0
R.	Ice Machines	0	0.00	0.000000	0	0	0.00	0
III. <u>Totals: Month; AF; Gallons; YTD</u>		111	31268.66	1.947608	634,630	1089	369,731.44	22.402
							2017 YTD	1997 - Present
IV. <u>Total Rebated: YTD; Program</u>							369,731.44	5,801,263.03
V. <u>Estimated Water Savings in Acre-Feet Annually*</u>							22.402000	536.02087

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

ITEM: INFORMATIONAL ITESM/STAFF REPORTS**13. QUARTERLY WATER USE CREDIT TRANSFER STATUS REPORT****Meeting Date: October 16, 2017 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Gabriela Ayala Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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

ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**14. CARMEL RIVER FISHERY REPORT FOR SEPTEMBER 2017****Meeting Date: October 16, 2017** **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: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

AQUATIC HABITAT AND FLOW CONDITIONS: Carmel River flows held steady in September with conditions for juvenile steelhead migration fair to poor and rearing conditions good to fair for young-of-the-year. Los Padres Dam (LPD) stopped spilling on August 2nd and releases from Los Padres Reservoir have been held at 14-15 cfs since August 3.

Mean daily streamflow at the Sleepy Hollow Weir ranged from 18 to 16 cfs (monthly mean 17.3 cfs) resulting in 994 acre-feet (AF) of runoff (195,600 total AF in Water Year [WY] 2017). Mean daily streamflow at Highway 1 gage ranged from 5.5 to 4.0 cfs (monthly mean 4.7 cfs), resulting in 270 AF of runoff (201,300 total AF in WY 2017).

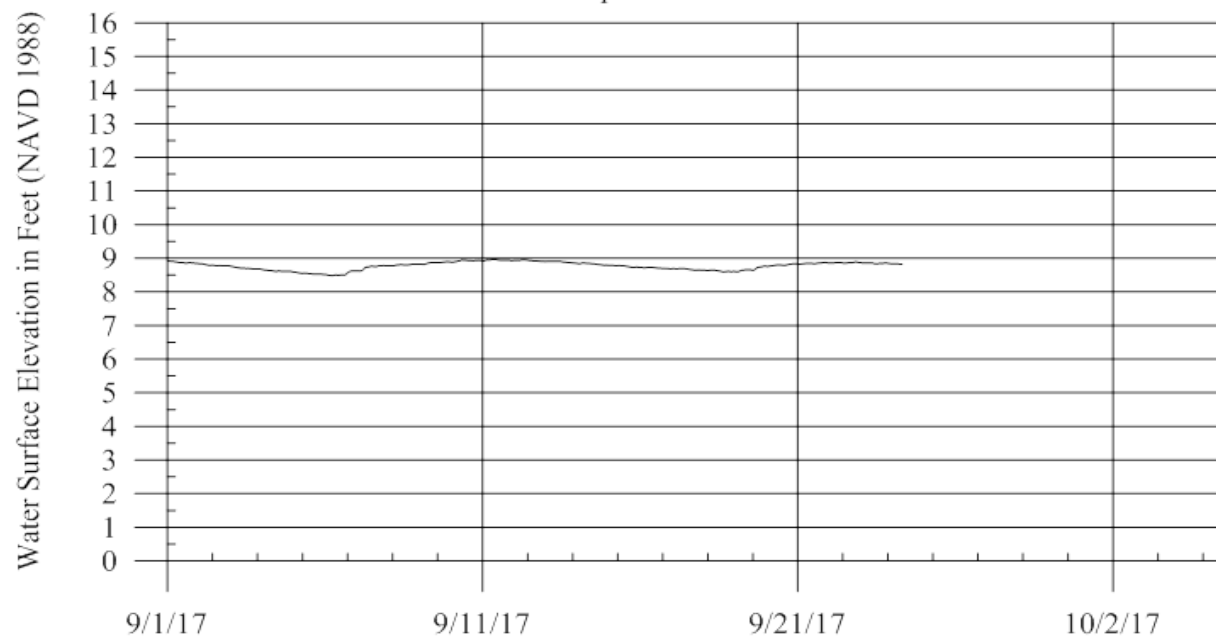
There were 0.00 inches of rainfall in September as recorded at Cal-Am's San Clemente gauge. The rainfall total for WY 2017 (which started on October 1, 2016) is 32.22 inches, or 152% of the long-term year-to-date average of 21.14 inches.

CARMEL RIVER LAGOON: During September the lagoon mouth remained closed and the water surface elevation (WSE) held steady at approximately 8.75 feet above mean-sea-level (see graph below).

Water-quality profiles were conducted at five lagoon sites on September 19th and 29th when the mouth was closed. Conditions for steelhead improved slightly since August and were generally "fair to good" above two meters with salinity <1.0 ppt, dissolved oxygen (DO) levels 5 - 8 mg/l, and water temperatures ranging from 62 - 66 degrees Fahrenheit.

FALL FISH SURVEYS: Staff completed the annual juvenile steelhead population surveys on Oct 2. MPWMD staff is also working closely with National Marine Fisheries Service (NMFS) staff this year to collect data from additional river sites (up to 30 total) as well as conducting fish tagging activities.

Carmel River Lagoon September 2017



ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**15. QUARTERLY CARMEL RIVER RIPARIAN CORRIDOR MANAGEMENT PROGRAM REPORT**

Meeting Date:	October 16, 2017	Budgeted:	N/A
From:	Dave Stoldt, General Manager	Program/ Line Item No.:	N/A
Prepared By:	Thomas Christensen and Larry Hampson	Cost Estimate:	N/A

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

IRRIGATION OF RIPARIAN VEGETATION: The supplemental watering of riparian restoration plantings resumed for the summer season in 2017 at six Monterey Peninsula Water Management District (District) riparian habitat restoration sites. The following irrigation systems were in use May through September: deDampierre, Trail and Saddle Club, Begonia, Schulte, Dow, and Schulte Bridge.

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

January - March 2017	0.0 AF
April - June 2017	1.39
July - September 2017	<u>5.19</u>
Year-to-date	6.58 AF

MONITORING OF RIPARIAN VEGETATION: Starting in June 2017, staff recorded 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 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 15-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.

Current monitoring results for the 2017 monitoring season to date show that riparian vegetation is below threshold moisture stress levels. At present, the Carmel River is still flowing to the Lagoon

and providing plenty of water for established plants along the riparian corridor. The graph in **Exhibit 15-A** shows average canopy ratings for willows and cottonwoods in selected restoration sites in lower Carmel Valley. The graph in **Exhibit 15-B** shows impacts to water table elevations.

The types of monitoring measurements made during June - September 2017 are as follows:

Monitoring Measurement

Canopy ratings	(See Exhibit 15-A for trends.)
Groundwater levels (monitoring wells)	(See Exhibit 15-B for trends.)
Groundwater pumping (production wells)	

OTHER TASKS PERFORMED SINCE THE JULY 2017 QUARTERLY REPORT:

1. **Carmel River Vegetation Management:** During the month of September, District staff have been carrying out Vegetation Management along the Carmel River at 15 sites where downed trees or standing vegetation has created a blockage in the active channel. This work is carried out with permits from the U.S. Army Corps of Engineers, NOAA Fisheries, U.S. Fish and Wildlife Service, California Department of Fish and Wildlife (CDFW), and the Regional Water Quality Control Board. The goal of the vegetation management activities is to reduce the risk of streambank erosion along riverfront properties where vegetation encroachment could potentially divert river flows into streambanks during high flow periods.
2. **Instream Flow Incremental Method Study:** MPWMD fisheries staff collected additional data from the river channel about fish presence and effects of winter storms, which filled many of the deep pools with sand. The District's Consultant (Normandeau Inc.) will test whether these changes significantly affect steelhead habitat. A final IFIM report and memo on changes in channel conditions should be available in the 4th quarter of 2017.
3. **Los Padres Dam Long-Term Plan:** The first Technical Review Committee (TRC) meeting was held on August 3, 2017. For a dredging operation, the Consultant team recommended against using steep canyon areas upstream of the reservoir for placing dredged material and instead determined that all material presently within the reservoir could be placed on Cal-Am property downstream of the existing dam. It was estimated that an average of 16,000 to 34,000 cubic yards of material per year accumulates in the reservoir (about 32,000 to 68,000 tons).

For a reservoir expansion alternative, options include installing a temporary rubber dam or permanent dam raise, a new dam downstream or a combination. For a dam removal alternative, phased (multi-year) removal by elevation was deemed not feasible because an operating spillway would be required after each removal. Partial or full removal of the embankment is feasible if the reservoir is to be abandoned.

The Consultant will refine alternatives before convening the second TRC meeting in January, which will focus on evaluating alternatives.

4. **Los Padres Dam Fish Passage Study:** The Consultant team presented a preliminary ranking of passage alternatives showing a retrofit or replacement of the existing trap and truck operation as the highest ranked alternative for upstream passage. The highest ranked alternatives for downstream passage were a floating surface collector placed at the head or reservoir or at about mid-reservoir to capture downstream migrating fish and transport them to the dam. The Technical Review Committee was asked to comment on evaluation criteria and rankings.

5. **Stormwater Resource Plan (SRP):** Staff participated in the first Technical Advisory Committee meeting to develop the Stormwater Resource Plan and provided requested information to the consultant team developing the plan. The focus of the SRP is to identify sources of stormwater throughout the Monterey Peninsula that can be recycled as new water supply.

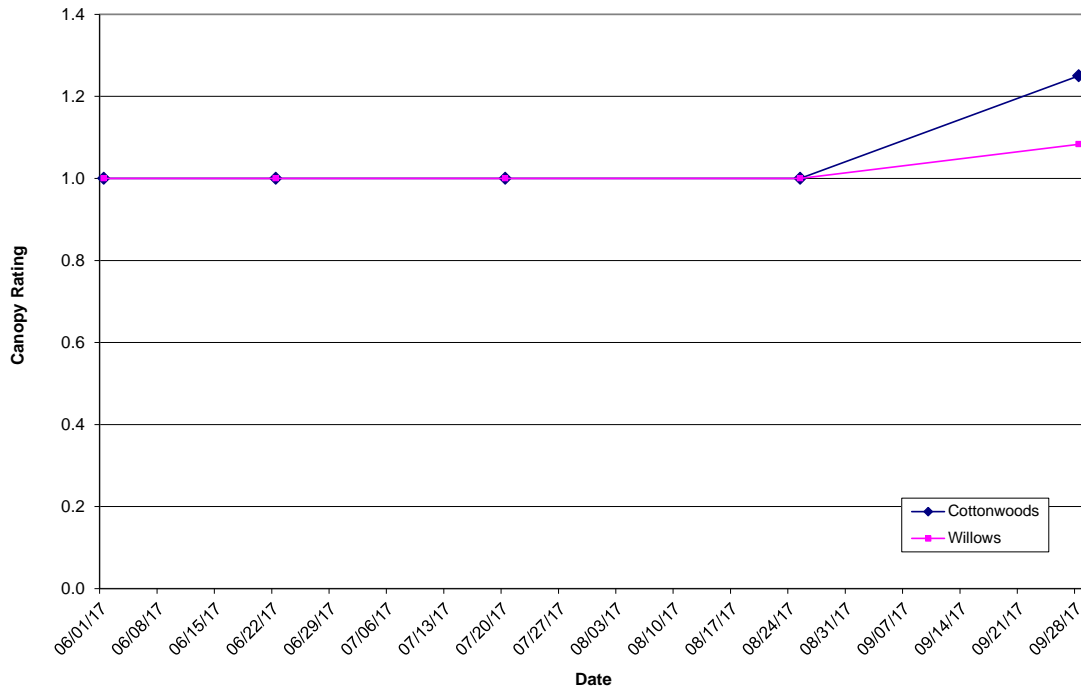
EXHIBITS

15-A Average Willow and Cottonwood Canopy Rating

15-B Depth to Groundwater

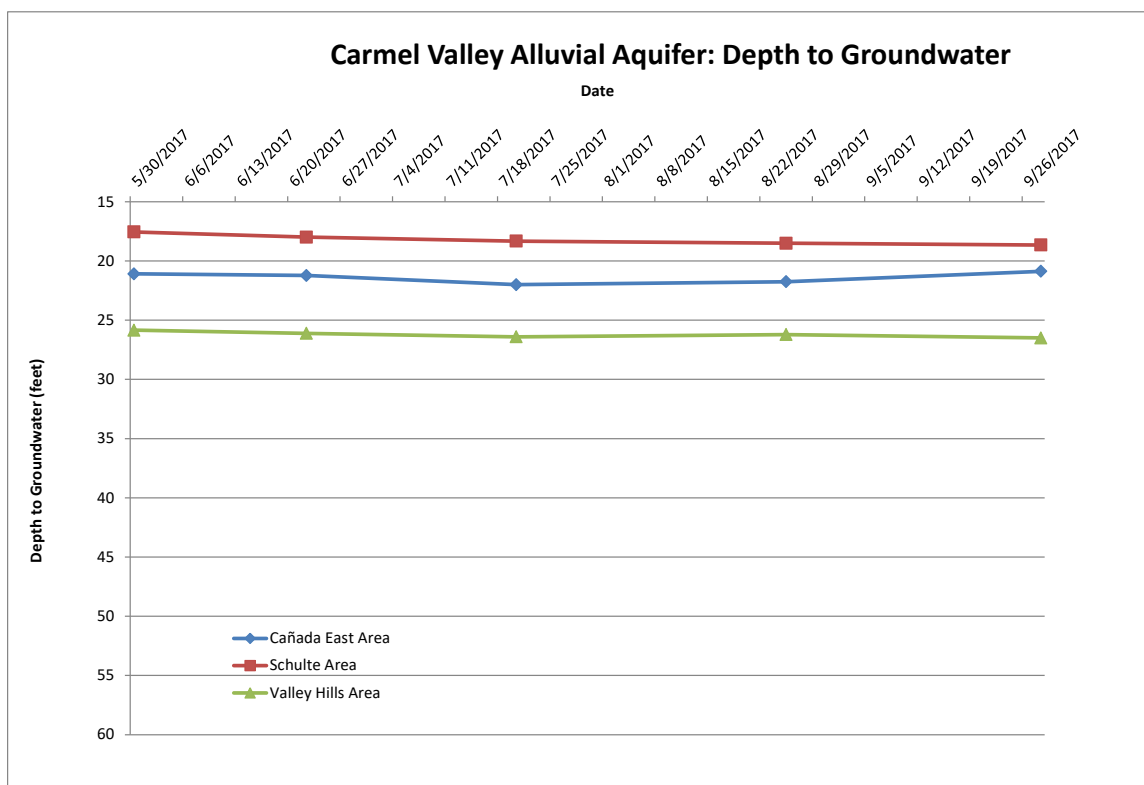
EXHIBIT 15-A

**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 15-B



ITEM: INFORMATIONAL ITEMS/STAFF REPORTS**16. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT****Meeting Date: October 16, 2017** **Budgeted: N/A****From: David J. Stoldt,** **Program/ N/A**
General Manager **Line Item No.:****Prepared By: Arlene Tavani** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: Exempt from environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources.**

The information needed to produce this report was not submitted in time for the staff note to be prepared prior to distribution of the Board packet. If staff receives the data with enough lead time to prepare the report, it will be submitted at the October 16, 2017 meeting. If the data is not received in a timely manner, the report will be submitted with the November 13, 2017 Board packet.



Supplement to 10/16/17 MPWMD Board Packet

Attached are copies of letters received between September 8 and October 6, 2017. These letters are listed in the October 16, 2017 Board packet under Letters Received.

Author	Addressee	Date	Topic
Keith Van Der Maaten	David Stoldt	9/27/17	Proposals to Sell Water to the MPWMD for use on the Peninsula
Gary Cursio, John Turner, Bonnie Adams	David Stoldt	9/19/17	Thank you for participation as sponsor for 27 th Annual Nick Lombardo Memorial Golf Tournament
Jean Bracy	Robert S. Brower, Sr.	9/19/17	No Paid Property/Liability Claims in 2016-17
Julie Vance	Felicia Marcus CC: David Stoldt	9/18/17	CDFG Response to 8/26/17 Letter from Dr. Roy Thomas Re: CAW Compliance with SWRCB Resolution 2016-0040
Dolly Trout	MPWMD	9/11/17	Broken Water Meter Covers

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MARINA COAST WATER DISTRICT

11 RESERVATION ROAD, MARINA, CA 93933-2099

Home Page: www.mcwd.org

TEL: (831) 384-6131 FAX: (831) 883-5995

DIRECTORS

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HERBERT CORTEZ

September 27, 2017

RECEIVED

OCT 02 2017

MPWMD

Mr. David Stoldt, General Manager
Monterey Peninsula Water Management District
PO Box 85
Monterey, CA 93942-0085

Re: Proposals to Sell Water to the MPWMD for use on the Peninsula

Dear Mr. Stoldt:

Nothing in these proposals or any other agreement between the Marina Coast Water District (MCWD) and the Monterey Peninsula Water Management District (MPWMD): (a) commits either Party to any particular decision regarding the proposed water sale; (b) confers any vested rights on either Party; or (c) restricts MCWD's or the MPWMD's discretion with respect to any activity or project developed in accordance with this offer, including MCWD's consideration of any alternatives and mitigation measures for such activities or projects. In addition, MCWD intends that CEQA, and all other applicable environmental compliance laws, will be fully complied with prior to any binding decisions with respect to the water sale. (See *Save Tara v. City of Los Angeles* (2008) 45 Cal. 4th 116.)

MPWMD's issue (No. 56), included in the Joint Statement of Issues for Further Evidentiary Hearing in the MPWSP proceedings at the CPUC, stated in part the following:

IF it is determined:

- (i) Cal-Am consumer demand does not justify current project sizing or may allow an alternate project to meet the newly determined demand, OR if
- (ii) modular increments to the desalination plant are deemed feasible, but fixed costs warrant examination of other supply alternatives due to economic ratepayer impacts, OR if
- (iii) concerns exist related to delay or abandonment of the desalination project due to legal or technological concerns.

THEN and in response to any or all of these issues, MPWMD shall present testimony on whether any of the following alternatives can meet all or a portion of the supply needs based on consumer demand, cost to ratepayer, and/or reasonable timeline:

- Expansion of the Pure Water Monterey project.

* * *

Mr. David Stoldt
 September 27, 2017
 Page 2

- Salinas River water rights, via either (a) negotiation for a portion of the existing WR 11043, or (b) application for a new winter-only water right, to provide feed water for an advanced water treatment facility in North Marina in conjunction with Pure Water Monterey or to provide feed water to the MPWSP desalination plant, with storage to occur in the Seaside Groundwater Basin or another location.

On August 7, 2017, the Assigned Commissioner and the Administrative Law Judge's Ruling (AC/ALJ Ruling) identified issues for further hearings. Among the listed issues is the following:

2. Supply: updated estimates and analysis of supply including but not limited to:
 - 2.1. Plans for expansion of the Pure Water Monterey (PWM) project, if any; and
 - 2.2. Can expansion of the PWM project provide water to applicant in excess of 3,500 acre-feet per year, the amount provided in the Water Purchase Agreement approved in the Phase 1 D.16-09-021.

MCWD had proposed water supply alternatives similar to those listed in MPWMD's Issue No. 56 in MCWD's March 29, 2017 MPWSP DEIR/EIS comments to the CPUC. MCWD has now gone the next step and refined those comments into the following proposals and provide detail for MPWMD's above conceptual alternatives of utilizing more Pure Water Monterey Project water and utilizing excess Salinas River water.

MCWD's Excess Pure Water Monterey (PWM) Project Water – PWM Phase 1 and Phase 2

While the AC/ALJ Ruling's Issue 2 talks about a possible but currently unplanned expansion of the PWM Project, which we will call here PWM "Phase 3." The CPUC has not recognized that the PWM Project already has two planned phases – Phases 1 and 2 – and that possibly for a significant period of time, additional advanced treated water (ATW) could be available for sale for use in the Monterey Peninsula.

MCWD is already entitled to 600 AFY of PWM Phase 1 ATW and an additional 827 AFY under PWM Phase 2 for a total of 1,427 AFY for use within MCWD's Ord Community service area. The Fort Ord Reuse Authority (FORA) pursuant to its Resolution No. 07-10 has allocated the 1,427 AFY to its land use member agencies. MCWD has reached out to those agencies to get commitments to buy and use the 600 AFY of Phase 1 ATW, but there does not appear to be a large existing or projected demand for that ATW within the near term. MCWD currently projects that approximately 500 AFY of its Phase 1 entitlement and an additional 500 AFY of its Phase 2 entitlement could be available for an interim transfer to MPWMD. MCWD with FORA's assistance will determine the amount of recycled water available for sale to MPWMD and the period of time when the ATW would actually be needed within the Ord Community.

Terms of PWM Phase 1 Water Sale:

1. Based upon the current demand information, MCWD proposes to sell to MPWMD 500 AFY of MCWD's PWM Phase 1 ATW for use on the Peninsula when the ATW becomes available from MRWPCA, which is currently estimated to be in 2019. As with MRWPCA's PWM water to be sold to MPWMD, the ATW sold would be injected into the Seaside Basin via MRWPCA's injection facilities and later recovered for delivery to the Peninsula.

MCWD reserves 100 AFY of PWM Phase 1 ATW for used by MCWD's own Ord Community customers during the months of May, June, July, August, and September.

2. The sales price would \$2,200 per AF. The price per AF shall be adjusted annually based upon the percentage increase in MCWD's price to its Ord Community users, but in no event shall the price per AF be less than \$2,200 per AF.

3. The initial term of this sale is estimated to be ten (10) years from the date PWM Phase 1 ATW is available for delivery.

Terms of PWM Phase 2 Water Sale:

1. MCWD is entitled to an additional 827 AFY under PWM Phase 2. MCWD would sell to MPWMD as much of MCWD's PWM Phase 2 ATW not needed to serve projected demands for recycled water within the Ord Community, which is currently estimated to be an additional 500 AFY of ATW. As with MRWPCA's PWM water to be sold to MPWMD, the ATW sold would be injected into the Seaside Basin via MRWPCA's injection facilities and later recovered for delivery to the Peninsula.

2. The sales price would the same per AF price for PWM Phase 1 water then in effect when the PWM Phase 2 water becomes available for delivery to MPWMD. The price per AF shall be adjusted annually based upon the percentage increase in MCWD's price to its Ord Community users, but in no event shall the price per-AF be less than \$2,200 per AF.

3. Timing of Implementation of Proposal. MRWPCA General Manager Paul Sciuto estimates that a 2½-year lead time would be needed to obtain all necessary approvals and construction of Phase 2. Assuming that acceptable pre-project planning, feasibility, environmental, and permitting work can possibly be accomplished by mid-2019, a projected commercial operation date for Phase 2 could be approximately 2022.

4. The initial term of this sale is estimated to be ten (10) years from the date PWM Phase 2 ATW is available for delivery to MPWMD.

Benefits to MPWMD of Phase 1 and 2 Water Sales:

First, these sales could help prevent the SWRCB from reducing CalAm's authorized Carmel river diversion limit because of missed CDO milestone deadlines. This sale would need the approval of the CPUC. A preliminary and then final filing once approved by the CPUC would need to be

made with the SWRCB by CalAm pursuant to Footnote 17, page 20, of SWRCB Order WR 2016-0016 (July 19, 2016), which states:

If at any point prior to completion of the facilities listed in these Milestones the CPUC authorizes Cal-Am to acquire more than 1,000 afa of water from an alternative source, then the following shall occur. Cal-Am shall submit to the [SWRCB] Executive Director within 60 days a revised set of milestones taking this water supply source into account. If the proponents of the alternative project are unable to reach concurrence with Cal-Am on revised milestones to propose, the proponents may also submit revised milestones within that time period. The Executive Director shall determine whether to bring forward a recommendation to the State Water Board regarding amendment of the milestones.

For example, the SWRCB's Cease and Desist Order (CDO) Milestone Deadline for the issuance of a Certificate of Public Convenience and Necessity to Construct the MPWMD by the CPUC is September 30, 2018. Implementation of MCWD's Phase 1 and Phase 2 Proposals could possibly delay that milestone and the corresponding reductions in CalAm's authorized Carmel River diversion limit based on a missed CDO milestone deadline.

Second, these sales would be at a significantly lower price per AF than the per AF price of desalinated water from the proposed 6.4 MGD MPWSP, which the Seaside Groundwater Basin Watermaster (based upon information from the CPUC and MPWMD) has estimated to be \$6,147 per AF.

MCWD's Armstrong Ranch Project (Southern Component) Water

EKI Technical Memorandum: The January 16, 2017 Technical Memorandum (copy enclosed), entitled "Preliminary Feasibility Assessment – Potential to Conduct Augmented Groundwater Recharge at the Armstrong Ranch Property," by Erler & Kalinowski, Inc. (EKI) shows that its Option 2A is feasible. Option 2A is to construct a 1.5 MGD Surface Water Treatment Plant (SWTP) on the Armstrong Ranch Property to treat high Salinas River flows for direct use. Flows higher than the treatment capacity would be infiltrated via on-site infiltration ponds into the Dune Sand Aquifer. During those periods when flows were not available for diversions, such as during summer months, the stored water could be extracted from the Dune Sand Aquifer for treatment at the SWTP for direct use. Further investigation and data collection are needed, but the project yield is estimated to be 1,500 AFY with an estimated cost of \$2,400 per AF. See especially the EKI summary and conceptual map of Option 2A.

Salinas River Water Rights: The Armstrong Ranch Project would need to obtain a long-term lease of water or water transfer from MCWRA utilizing MCWRA's existing water rights licenses and permits, including Permit No. 11043. The Project may also need to utilize MCWRA's rubber dam. Alternatively, MCWD could apply to the SWRCB for a water rights permit to divert water not being diverted by MCWRA.

SGMA Groundwater Recharge Benefits: While the Southern Component of the project would benefit the Monterey Subbasin, the project is located within the 180/400 Foot Aquifer Subbasin,

which is classified by the State as a Critically Overdrafted Basin, so in the groundwater sustainability plans for both subbasin, this project should be characterized as a groundwater recharge project benefiting both subbasins.

Need for a Northern Component: Any Armstrong Ranch Project should include a Northern Component consisting of groundwater recharge projects in the Castroville and Northwest Salinas area, without necessarily a water treatment component, for the benefit of and to be paid for by others.

Terms of Armstrong Ranch Water Sale:

1. MCWD would own the project and be responsible for the design, acquisition of water rights or contract rights to water, construction, and operation of the project. MPWMD would have a take-or-pay obligation for 50% of the feasibility, engineering and design, environmental, capital, capital replacement, and annual O&M costs for the right to take delivery of 40% of the annual water available from the project. The 10% balance of MPWMD's share would remain in the ground as recharge¹.

2. Anticipated Project Yield and Delivery. Further study is needed to determine the availability of Salinas River storm flows (e.g., frequency, volume, and quality). EKI's estimated project yield is in the range of 1,500 AFY. Using that estimated project yield, the water allocation would be as follows:

MCWD's share for MCWD's direct use	40%	600 AFY
MCWD's share for recharge of 180/400 Foot Aquifer and Monterey Subbasins	10%	150 AFY
MPWMD's share for MPWMD's direct use	40%	600 AFY
MPWMD's share for recharge of 180/400 Foot Aquifer and Monterey Subbasins	10%	150 AFY
Total	100%	1,500 AFY

3. Term of Sale. 30-year term commencing with the date of commercial operation of the project.

Please don't hesitate to contact me if you have any questions or need any additional information.

Very truly yours,



Keith Van Der Maaten
General Manager

Enclosure – EKI Technical Memorandum (Note: to review the enclosure, please contact the MPWMD office - 831-658-5610)

cc: Board of Directors, Marina Coast Water District

¹ The Kern Water Bank, which is probably the largest water bank in California, only allows a participant to withdraw 90% of the water put into the water bank. For a pilot water banking project in northeastern San Joaquin County, East Bay Municipal Utility District has agreed to only recover 50% of the EBMUD water used for in-lieu recharge on agricultural lands within the North San Joaquin Water Conservation District.



Monterey County Hospitality Association
"The Voice of Your Hospitality Community"

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SEP 03 2017

MPWMD

September 19, 2017

Mr. Dave Stoldt
Monterey Peninsula Water Mgmt. District
5 Harris Court
Monterey, CA 93940

Dear Mr. Stoldt: *Dave*

On behalf of the Monterey County Hospitality Association Board of Directors and Golf Committee, we want to thank you for your participation as a valued Sponsor for the 27th Annual Nick Lombardo Memorial Golf Tournament at Quail Lodge & Golf Club on August 28th.

The purpose of MCHA is to act as the advocate for its members and the Monterey County hospitality industry in general. We foster, protect and educate our members on matters affecting the viability of the industry. MCHA represents the hospitality industry throughout Monterey County which is the second largest industry generating more than \$2,000,000,000 in direct visitor spending while employing more than 25,000 people.

Because of your generous support, we are able to fund programs such as the valuable work of our government affairs committee that has been working diligently on your behalf on water issues, transportation, storm water issues and minimum wage, among many other concerns. We also offer quality educational seminars as well as recognition programs that are key to employee development.

The Nick Lombardo Memorial Golf Tournament is one of two fundraisers for MCHA. Support from industry leaders is a key element in the success of this event and the ongoing activities of our association. Thank you for helping us to surpass our goals.

We appreciate your support and look forward to a great year!

Best Regards,

Gary Cursio
Gary Cursio
Golf Co-Chair

Best Regards,

John Turner
John Turner
Golf Co-Chair

Best Regards,

Bonnie Adams
Bonnie Adams
Executive Director



1112 I Street, Suite 300
 Sacramento, California 95814-2865
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September 19, 2017

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SEP 21 2017

MPWMD

Mr. Robert S. Brower Snr.
 Board President
 Monterey Peninsula Water Management District
 Post Office Box 85
 Monterey, California 93942

Re: No Paid Property/Liability Claims in 2016-17

Dear Mr. Brower Snr.:

This letter is to formally acknowledge the dedicated efforts of the Monterey Peninsula Water Management District's Governing Body, management and staff towards proactive risk management and loss prevention training. Your agency's efforts have resulted in no "paid" property/liability claims for program year 2016-17. A "paid" claim for the purposes of this recognition represents the first **payment** on an open claim during the prior program year and excludes property claims. This is a great accomplishment!

It is through the efforts of members such as Monterey Peninsula Water Management District that SDRMA has been able to continue providing affordable property/liability coverage to over 500 public agencies throughout California. In fact, 408 members or 81% in the property/liability program had no "paid" claims in program year 2016-17.

In addition to this annual recognition, members with no "paid" claims during 2016-17 earned 2 credit incentive points (CIPs) thereby reducing their annual contribution amount. Also, members with no "paid" claims for at least 3 consecutive program years may receive a lower "risk factor" which also reduces their annual contribution amount.

As SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing property/liability losses. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any comments or suggestions to Dennis Timoney, SDRMA Chief Risk Officer at dtimoney@sdрма.org.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate the Governing Body, management and staff of 2017-18 for their commitment to proactive risk management and loss prevention training.

Sincerely,
 Special District Risk Management Authority


 Jean Bracy, President
 Board of Directors



State of California – Natural Resources Agency
 DEPARTMENT OF FISH AND WILDLIFE
 Central Region
 1234 East Shaw Avenue
 Fresno, CA 93710
www.wildlife.ca.gov

EDMUND G. BROWN JR., Governor
 CHARLTON H. BONHAM, Director



RECEIVED

SEP 22 2017

MPWMD

September 18, 2017

Ms. Felicia Marcus, Chair
 State Water Resources Control Board
 1001 I Street
 Sacramento, CA 95814

Subject: California Department of Fish and Wildlife (Department) Response to August 26, 2017 Letter From Dr. Roy Thomas Re: Cal-Am Water Company Compliance with State Water Board (Board) Resolution 2016-0040

Dear Ms. Marcus,

On September 8, 2017 Mr. Dean Marston, Fishery Program Manager for the Department's Central Region, was contacted by Mr. Brian Coats (Board Engineer). Mr. Coats requested a response from the Department regarding a letter the Board had recently received from Dr. Roy Thomas. Dr. Roy Thomas' letter (dated August 28, 2017) i) expresses concern regarding the present status of Carmel River Steelhead Rainbow Trout (*Oncorhynchus mykiss*), ii) questions whether or not a report filed by Cal-Am Water Company complies with Board Resolution No. 2016-0040 (Resolution), and iii) expresses concern regarding Monterey Peninsula Water Management District's (District) Steelhead mitigation efforts.

Mr. Coats asked the Department to answer three questions:

- i) Does the National Oceanic and Atmospheric Administration's (NOAA) Southwest Fisheries Science Center (Science Center) Report entitled "Status of the Carmel River Steelhead Population: Retrospective Analysis for Years 1996 to 2014", which was filed by Cal-Am Water Company (Cal-Am) on June 30, 2017, comply with Board Resolution 2016-0040 Stipulation No. 10 which requires Cal-Am to submit an annual report evaluating the status of Carmel River steelhead;
- ii) What is the quality of the Science Center's Report; and
- iii) What is the Department's opinion of the District's current fishery mitigation operations.

The Department respectfully provides the following answers to these questions.

Felicia Marcus, Chair
State Water Resources Control Board
September 18, 2017
Page 2

By way of introduction the Department acknowledges that Carmel River Steelhead are not doing well by virtue of the fact that only seven adult steelhead were captured at Los Padres Dam (LPD) fish trap in the winter/spring of 2017. It is worth noting that two fishery improvement projects have recently occurred, removal of San Clemente Dam (SCD) and improvement of spawning habitat in the reach of the Carmel River downstream of LPD, which may have influenced the number of adult steelhead that would have otherwise migrated to LPD (i.e. steelhead chose to spawn in the reach of the Carmel River between SCD and LPD rather than continue to migrate upstream to the LPD etc.). This said, if the adult steelhead population in the Carmel were healthy (i.e. in good condition) then many more than seven steelhead would have migrated to LPD given the amount of suitable steelhead spawning and rearing habitat that exists upstream of LPD.

It is also worth noting the context of Cal-Am's reporting requirement to the State Board. Board Order 95-10 and/or subsequent cease and desist orders provided that:

- i) Cal-Am is responsible for approximately 85 percent of the total water diversions from the Carmel River and its associated subterranean flow;
- ii) Cal-Am's combined diversions from the Carmel River constitute the largest single impact to instream beneficial uses of the river;
- iii) Cal-Am was annually illegally diverting, on average, 7,602 afa of water without a basis of right;
- iv) Fish and wildlife were being adversely affected by Cal-Am's legal and illegal diversions;
- v) Based in part upon the aforementioned, the Board requires Cal-Am to take appropriate actions to terminate all unlawful diversions from the Carmel River by December 31, 2016;
- vi) The Board recognized that Cal-Am would not meet the Board's December 31, 2016 deadline to cease all illegal diversion and therefore met with Cal-Am, and other stakeholders, to work out the details for a time extension; and
- vii) Cal-Am, as a condition of being granted a time extension to cease and desist all illegal water diversions from the Carmel River, is required to prepare an annual report that evaluates the status of the threatened South-Central California Coast Steelhead Distinct Population Segment in the Carmel River.

Does NOAA's Science Center Meet the Board's Annual Reporting Requirement?

Per the Board's requirement stipulated in Resolution 2016-0040, Cal-Am is required to submit an annual report that evaluates the status of Carmel River steelhead. The report that Cal-Am provided (i.e. Science Center Report) does not meet this requirement due to i) the Science Center Report does not state that this is the purpose for the report nor

Felicia Marcus, Chair
State Water Resources Control Board
September 18, 2017
Page 3

does it give acknowledgement to Cal-Am for having funded the work identified in the report, and ii) it is not an annual report regarding the current status of steelhead in the Carmel River but rather a retrospective analysis of the steelhead population in the Carmel River for the years 1996 to 2014.

What is the Quality of NOAA's Report?

NOAA's Science Center's report is well written and the Department has no objection to the data used, methods applied, analysis conducted, and recommendations identified given that the report consistently uses words that indicate there is a lot of uncertainty in any of the recommendations reached. The Department does provide, below, additional information for the Board to consider regarding juvenile fish rescues, and presence of striped bass, in the lower Carmel River.

What is the Department's opinion of the District's current fishery mitigation operations?

The Department has no objection to the District's current fishery mitigation efforts. It is worth noting that the District rescues fish during river dry back conditions and transfers them to Sleepy Hollow Fish Rearing Facility when conditions allow (i.e. such as when adjacent flow in the Carmel River is of sufficient volume to operate the facility). Carmel River flow in the lower river in the summer of 2017 has been greatly improved over recent years resulting in no river dry backs occurring and consequently no need to rescue fish in the mainstem Carmel River.

Juvenile Rainbow Trout Fish Rescues

Rescuing juvenile rainbow trout in the lower Carmel River is an effort that abounds with uncertainty even though the action appeals to human emotion when people see fish become stranded when river flow recedes. When juvenile fish are rescued, and transported to another area with sufficient river flow (i.e. either upstream or downstream) the rescue location), it is unknown what the eventual success of the fish rescue actually is. For example, when juvenile rainbow trout are rescued and transported upstream it is unknown if the carrying capacity of the habitat into which the rescued fish are placed is being exceeded resulting in the death of not only the rescued fish but also the juvenile trout that resided there prior to the rescued fish being translocated. Additionally, rescuing juvenile rainbow trout and rearing them in a juvenile rearing facility enables the rescued fish to be subject to fish handling impacts such as improved survival (i.e. greater than those of wild fish still in the river, etc.) which results in potential genetic advantage to a subset of fish that wind up being found in a specific reach of the lower Carmel River. Conducting tagging studies to evaluate the survival of rescued fish, as well as non-rescued fish, would be invaluable to inform efficacy of conducting future fish rescues. Additionally, conducting genetic studies to determine whether or not rescued fish genetics is swamping (i.e. bottleneaking) the Carmel River steelhead population would be prudent as well.

Felicia Marcus, Chair
State Water Resources Control Board
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Page 4

Striped Bass in the Carmel River

It is true that striped bass (*Marone saxatilis*) occur in both in the lower Carmel River and the lower Lagoon. What is not known is what the overall predation effect these non-native fish are having upon native fish such as steelhead. What we do know, from evaluation of stomach contents from over 500 striped bass of varying size collected from the lower river Lagoon for the last several years, is that striped bass are having near zero predation impact upon juvenile rainbow trout. For example, out of ~500 striped bass collected from the lagoon only three striped bass (i.e. less than 1%) had rainbow trout in their stomachs. Rather than eating juvenile steelhead, we found that striped bass are eating primarily ocean shrimp that are washing into the lagoon during flood tides. For striped bass residing in the lower Carmel River upstream of the lagoon, it is unknown what the primary food item(s) these striped bass are preying upon. It may be that juvenile rainbow trout comprise the primary food source for these fish or, it may be that a non-juvenile rainbow trout prey item (i.e. say sculpin) are the primary food source. Research, conducted over a variety of locations and environmental conditions, must occur before a definitive conclusion can be reached. Assumptions that striped bass are having a substantial impact upon rainbow trout in the lower Carmel River and/or lagoon must be documented and evidence based before management actions are undertaken to remove them. Also the Department views striped bass as a second order (i.e. lower) production factor and that lack of sufficient river flow caused by excessive diversion is having primary (i.e. first) order production impacts upon the Carmel River steelhead population (i.e. lack of flows reduces habitat quantity/quality as well as growth rates all of which impact juvenile, and eventual adult, production). Therefore, the Department believes it is a distraction to focus on striped bass when insufficient river flow is the primary factor controlling juvenile rainbow trout production. Getting Cal-Am to cease its illegal diversions should continue to draw the greatest level of restoration attention and subsequent effort.

Comments Regarding Additional Content of Dr. Roy Thomas' Letter to the Board

It should be noted there are mis-statements and mis-characterizations of conditions and events in Dr. Thomas's letter regarding the level of steelhead mitigation and the number of fish in the river over the last few years, among other contentions. For context of Carmel River conditions, since the Winter of 2011/12, the Central Coast experienced an 'Exceptional' drought which resulted in severe and significant impacts in all streams in the area. For example, in the Winter of 2013/14 the Carmel River lagoon sandbar remained closed all year due to lack of sufficient flow, thereby blocking all steelhead immigration and emigration that year. In subsequent winters (2014/15 and 2015/16), the sandbar only opened briefly a few times after some storm events, significantly limiting adult steelhead immigration and juvenile steelhead emigration. Overall the drought impacts resulted in reduced stream habitat, extremely low flows, no or limited immigration and emigration opportunities, longer than normal stream dryback conditions,

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and much reduced environmental water releases from Los Padres Reservoir. Not only did this have a direct impact on the steelhead population, but it also limited the mitigation actions Monterey Peninsula Water Management typically conducts. As the most severe drought recorded in the last century, steelhead populations were impacted in all Central Coast streams, not only the Carmel River. Another circumstance which resulted in blocked or interrupted migration for steelhead occurred in the upper watershed in 2013-2015, the San Clemente Dam Removal which not only removed the fish ladder providing upstream passage, but reduced flows downstream of the project.

For additional information please contact Mr. Dean Marston by phone at 559-243-4005 ext. 122 and/or by email at dean.marston@wildlife.ca.gov.

Sincerely,



Julie Vance
Regional Manager
Central Region

Cc: See Page 6

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SEP 19 2017

MPWMD

September 11, 2017

To Whom It May Concern,

I am a frequent visitor to Seaside and always appreciate the city's efforts to recycle and repurpose. A great example for other cities to follow!

My concern is in regards to the water meter covers on the sidewalks. Some are an accident waiting to happen. On my daily walks I see many children going to and from schools. Their little feet are just small enough to get caught in the holes from broken covers. The ones I pass frequently are at the following locations in Seaside:

In front of the store on the corner of Noche Buena and San Pablo.

In front of the address 1214 San Pablo.

Please have someone address these (and others) before someone gets injured.

Gratefully,



Dolly Trout
2643 Finchwood Ave.
Clovis CA 93611