



EXHIBIT 22-B

**FINAL MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
May 24, 2016**

Call to Order The meeting was called to order at 10:00 am in the MPWMD conference room.

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

Committee members absent: None

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

District Counsel present David Laredo

Comments from the Public: No comments.

Action Items

- 1. Consider Adoption of Committee Meeting Minutes of December 11, 2015, and also January 20, March 3 and April 8, 2016**
On a motion by Pendergrass and second of Bryne, minutes of the committee meetings presented were approved on a unanimous vote of 3 – 0 by Pendergrass, Byrne and Brower. No comments were directed to the committee during the public comment period on this item.

Discussion Items

- 2. Discuss Monterey County General Plan Requirements for Carmel Valley Alluvial Aquifer**
Following the discussion on this item, staff was directed to present a recommendation at the next committee meeting.

Summary of Discussion: Hampson reviewed information provided in the committee packet. The 2010 Monterey County General Plan states that discretionary permits issued for new subdivision projects must prove they can be served by a long-term sustainable water supply. The County has not yet adopted an ordinance that defines “sustainable.” However, the General Plan outlines several factors to consider when

making a determination of a sustainable water supply, including Policy PS-3.2 sections e and f to determine sustainability. The General Manager of the Monterey County Water Resources Agency (MCWRA) is charged with determining whether a supply is sustainable and in meetings between MCWRA staff and MPWMD staff, it was pointed out to MPWMD staff that: 1) the Carmel Valley Alluvial Aquifer (CVAA) is subject to seasonal overdraft; 2) the SWRCB has issued a Cease-and-Desist Order to significantly reduce Carmel River diversions in order to protect the resources of the river; and 3) there is no formal analysis or plan that describes how to reverse these trends that would allow MCWRA to make a determination of “long term sustainability” for supplies from the CVAA.

The Carmel River experiences drawdown due to summer diversions; however, flows typically exceed diversions in the winter months when the aquifer fills. The District’s policy for approving wells in the CVAA requires that water use for a project cannot exceed the 10-year average use on the site; therefore, water use does not increase over the long-term as a result of this policy. However, the policy does not reduce or reverse ongoing impacts during certain dry periods to aquatic species from diversion based on existing water rights.

During discussion of this item, comments were received from John Ford, Senior Planner at the Monterey County Planning Department, and Howard Franklin, Senior Hydrologist at Monterey County Water Resources Agency. **(a) Ford** - Suggested the Water Management District develop a management plan for the CVAA so that the County’s findings could state that a project is in compliance with that plan. **(b) Franklin** – The management plan must address all factors outlined in the general plan policy re a sustainable water supply. To simply reference the Water Management District CVAA well policy would not meet the general plan criteria. **(c) Ford** – The General Plan limits the number of new subdivision units that can be developed in Carmel Valley to 190. An alternative to preparation of a CVAA management plan would be for the Water Management District to acknowledge that its policy of permitting projects based on previous use differs from the County’s sustainability requirement. **(d) Franklin** – The County will develop its own requirement for proving sustainability in the CVAA if the Water Management District does not develop a policy that complies with the General Plan. **(e) Franklin** – Mitigation measures required by the Water Management District could possibly be utilized to meet the sustainability requirement, but they must be codified by policy. If the Water Management District’s goal is to reach a balanced or sustainable basin, the measures to be taken must be defined.

Comments by committee members and staff. **(a)** The CVAA is sustainable over the long-term because the aquifer recharges regularly. **(b)** Sustainability could be proven because: the long-term production trend is showing a reduction; the Water Management District could require that a percentage of historical production be retired for the benefit of the river; when the GS flow model is completed a determination could be made on the amount of reduction in production that each user must achieve; and a policy must be developed that sets a baseline in order to comply with Policy PS-3.2 sections e and f. **(c)** The County has land use authority in Carmel Valley and can promulgate regulations that are in addition to the Water Management District’s policies. **(d)** It is not yet known how the CVAA will be affected when California American Water reduces diversions to

meet its legitimate water right. (e) The Water Management District's policy disallows any increase in water production; therefore, it aligns with Policy PS-3.2.f. (f) MPWMD has historically required at least a 15% reduction in water use for discretionary permits. The requirement that a portion of historical production (or demand) be set aside for a drought reserve or to benefit the river meets the need to show a reverse in the trend of basin overdraft, so modeling may not be necessary. (g) A set aside should apply to all developments in the CVAA. (h) Suggest that any ordinance developed by the Water Management District to address the long-term sustainability issue include a sunset clause triggered by lifting of the CDO.

During the public comment period on this item, **Luke Coletti** addressed the committee. He suggested that when developing estimates of a project's historical annual water use, staff should use the median.

3. Discuss Possible District Water Entitlement Ordinance

Stoldt discussed with the committee the concept of a water entitlement ordinance. The issue was deferred to a future meeting. During the public comment period on this item, **Luke Coletti** asked if the Water Allocation Program will be abandoned after the CDO is lifted. *Stoldt responded that the Water Management District will make a decision at that time about development of an EIR and establishment of a new allocation plan, or making the water available on a first-come-first-served basis.*

4. Update on Aquifer Storage and Recovery Project Activities

Stoldt reported that diversions have ceased for the year for Aquifer Storage and Recovery (ASR), and the total amount of water produced for the year was 699 acre-feet. At the June 20, 2016 Board meeting, the directors will consider certification of an addendum to the EIR on the Pure Water Monterey Project and also the EIR on the ASR Project. This is needed in order to move ahead on approval of a pipeline for the Hilby Pump Station. The 36-inch pipeline is needed for: delivery of desalinated water; to transmit water around the hydraulic trough; to ensure maximization of water deliveries throughout the District; and to ensure maximization of ASR water deliveries throughout the District. One pipeline will run from the Carmel River to the pump station; another from GWR to the Seaside basin; and another from the proposed desalination plant to the Seaside Basin.

(a) **Brian LeNeve** addressed the Board during the public comment period on this item. He asked how much water could have been delivered through the ASR program if the pipe were larger. *Stoldt - No estimate at this time.* (b) **Luke Coletti** asked for an estimate of the cost to build the two source-water pipelines. *Stoldt noted that two pipelines are needed because guidelines for indirect potable reuse state the purified, recycled water is not reusable until it has been in the ground for six months; therefore, two pipelines, separately trenched, are needed. The conveyance pipelines will be paid for by Cal-Am; the costs will ultimately be passed on to the rate payers.*

5. Update on Pure Water Monterey Project

Hampson reported that the National Marine Fisheries Service (NMFS) and the California Department of Fish and Wildlife (CDFW) have filed protests to the application for the project. The local agencies have been working with NMFS and

CDFW to resolve those protests, which is a high priority for the State Water Resources Control Board. If the protests cannot be resolved at the staff level by June 2016, the issue may need to go to hearing. During the public comment period on this item, **Brian LeNeve** addressed the committee. He asked what percentage of Pure Water Monterey water would be sourced from the Blanco Drain. *Hampson responded that the amount has not been determined as many variables are involved.*

6. Update on California American Water Desalination Project

No report.

7. Update on Alternative Desalination Project

No report.

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

Set Next Meeting Date: The meeting was scheduled for June 14, 2016, at 2 pm.

Adjournment: The meeting was adjourned at 11:30 am.