



EXHIBIT 1-B

**DRAFT MINUTES
Special Meeting – Board of Directors
Monterey Peninsula Water Management District
December 23, 2020**

The meeting was called to order at 9:04 am by Chair Edwards. Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33-20, the meeting was conducted with virtual participation via WebEx.

CALL TO ORDER/ROLL CALL

Directors Present via WebEx:

Alvin Edwards, – Chair, Division 1
Karen Paull – Vice Chair, Division 4
George Riley, Division 2
Amy Anderson – Division 5 (Joined the meeting at 9:09 am)
Mary Adams – Monterey County Board of Supervisors Rep.
David Potter – Mayoral Representative

Directors Absent: Division 3 - Vacant

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 THE AGENDA

Michael Baer addressed the Board. He suggested that runoff from runways at the Monterey Peninsula Airport would be a good source of stormwater for reclamation.

ORAL COMMUNICATIONS

District Counsel Laredo reported that the Board discussed California-American Water (Cal-Am) vs MPWMD Case No. 20CV003201. The Board provided direction regarding defense of the matter. Refer to agenda item 1 on the 12/23/20 Board meeting agenda regarding engagement of special counsel.

REPORT FROM DISTRICT COUNSEL ON DECEMBER 14, 2020 CLOSED SESSION OF THE BOARD

Riley offered a motion that was seconded by Potter to approve the engagement letter with Shute, Mihaly Weinberger LLP. The motion was adopted on a unanimous roll-call vote of 6 – 0 by Riley, Potter, Adams, Anderson, Edwards and Paull.

ACTION ITEM

- 1. Consider Approval of Engagement Letter with Shute, Mihaly & Weinberger LLP for Representing the District in Cal-Am v. MPWMD; Monterey Superior Court Case No. 20CV003201**

During the public comment period on this item Michael Baer addressed the Board. He described the complaint as largely frivolous. He expressed concern about continuous

lawsuits that could be brought against the District at no risk to Cal-Am as the ratepayers would be responsible for the cost. He encouraged the Board to be aggressive in handling the lawsuit.

Riley offered a motion to approve the response letter and authorize the General Manager to edit as necessary and transmit the letter to the SWRCB. The motion was seconded by Adams who requested that the motion be amended to add that the General Manager approach the Pebble Beach Company, the City of Pacific Grove and other cities that were previously represented on the Monterey Peninsula Water Authority to determine their support for the content of the letter. Riley accepted the amendment.

Potter offered an additional amendment to the motion, that the Legislative Advocacy Committee be authorized to advocate for the District's position directly with the State Water Resources Control Board. Riley and Adams accepted the amendment. The amended motion was approved on a unanimous roll-call vote of 6 – 0 by Riley, Adams, Anderson, Edwards, Paull and Riley. No comments were directed to the Board during the public comment period on this item.

The meeting was adjourned at 9:35 am.

2. **Consider Response to State Water Resources Control Board regarding Reduction in Effective Diversion Limit under the Cease and Desist Order**

ADJOURNMENT