



EXHIBIT 1-B

DRAFT MEETING MINUTES
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
Monday, July 19, 2021

The meeting was called to order at 6:01 pm. Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33-20, the meeting was conducted with virtual participation via Zoom.

CALL TO ORDER/ROLL CALL

Directors Present via Zoom:

Alvin Edwards, Chair – Division 1
Karen Paull, Vice Chair – Division 4
George Riley – Division 2
Safwat Malek – Division 3
Amy Anderson – Division 5
Mary L. Adams – Monterey County Supervisorial Representative

Directors Absent: Clyde Roberson – Mayoral Representative.

General Manager present: David J. Stoldt

District Counsel present: David Laredo, Esq. with De Lay and Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

General Manager Stoldt noted the following additions and corrections to the Board Agenda:

ADDITIONS AND CORRECTIONS TO AGENDA

Directed attention to and corrected the spelling of Announcements.

Under the Consent Calendar, Item No. 1 – Revised Title inserting “Regular Board Meeting” and was into the record as:

Consider Adoption of Minutes from the Monday, June 21, 2021 Regular Board Meeting

Under Action Items, Item No. 11 – Revised Recommended Action inserting “Assistant” and was read into the record as:

The Board will consider authorizing the General Manager to convert the Hydrology Technician Position to an Assistant Hydrologist Position at Range 30 on the MPWMD Salary Schedule.

A motion was made by Director Riley and second by Director Adams to approve the additions and corrections. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams), 0-Noes and 1-Absent (Roberson).

General Manager Stoldt recognized Heidi Quinn’s 15 years of contributions to the district serving as legal counsel.

Chair Edwards thanked Heidi for her services with the district.

Director Roberson joined the meeting at approximately 6:15 PM. All Directors present.

The following comments were directed to the board during Oral Communications:

- (a) Anna Thompson: Expressed disappointment in the LAFCO of Monterey County’s decision to not grant conditional approval of the district’s latent powers.
- (b) Michael Baer: Asked the board to clarify and confirm that there will be another opportunity to make public comment on the LAFCO Item.

Chair Edwards responded and confirmed that the Board will consider additional public comment on the LAFCO matter.

No further comments were received during oral communication.

Chair Edwards acknowledged Vice-Chair Paull’s request to pull Item No. 1 from the Consent Calendar. No further requests were received by Chair Edwards to pull matters off the Consent Calendar from board members and members of the public.

A motion was made by Director Malek and second by Director Anderson to approve the Consent Calendar Items No. 2 through 6. The motion passed unanimously on a roll-call vote of 6-Ayes (Edwards, Paull, Malek, Anderson, Adams and Roberson), 0-Noes and 1-Absent (Riley).

Director Paull proposed corrections to Item No. 1, Exhibit 1-A include:

On Page 5 of 8, Item No. 27: Striking out the word “July” and inserting June.

On Page 7 of 8, Item No. 32: Striking out the word “Lair” and inserting Laird.

The Board, via Consensus approved Item No. 1 with suggested corrections to Item No. 1, Exhibit 1-A on a roll-call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

ANNOUNCEMENTS- Recognition of Heidi Quinn’s contributions to the District.

ORAL COMMUNICATIONS

CONSENT CALENDAR

Approved.

Authorized the General Manager to enter into an agreement with Telemetrix, Inc. for consultant services in an amount not-to-exceed \$17,940.

Adopted the May 2021 Treasurer’s Report and financial statements, and ratification of the disbursements made during the month.

Authorized the General Manager to enter into a contract with Ecological Concerns Incorporated in the amount of \$19,120 with a 15% contingency for a total not-to-exceed amount of \$21,988.

Approved the expenditure of budgeted funds to renew supplies of conservation items for outreach events in amount not exceed \$7,005.66

Approved and direct the General Manager to sign the 2021 Annual Memorandum of Agreement with California American Water and the California Department of Fish and Wildlife.

David J. Stoldt, General Manager (GM) presented via MS PowerPoint entitled Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Decision as of July 1, 2021. *A copy of the presentation is on file at the District office and can be viewed on the district website.*

GM Stoldt provided an overview of the slide-deck, and the following points were made: (1) The Monterey Peninsula Water Resources System (Carmel River & Seaside Groundwater Basin) still remains below target and Pure Water Monterey has continued to produce; (2) The total year to date for Monthly Deliveries/Production for Customer Service is ahead by 21 Acre Feet (AF) from the prior year. (3) Reported that the San Clemente Rain Gage did not have precipitation during the past 2 and a half months; (5) Displayed a historical graph on the San Clemente Dam noting that it is in the statistically critically dry group for WY2021 and the Streamflow at Sleepy Hollow WEIR noting that it is in the dry category.

GM Stoldt stated that the District is negotiations with California American Water on the Pure Water Monterey Expansion – Water Purchasing Agreement. He noted on the base project, Deep Injection Well (DIW) 3 is slated to come

1. **Consider Adoption of Minutes from the Monday, June 21, 2021 Regular Board Meeting**
2. **Consider Expenditure of Funds for Consultant Services for Sleepy Hollow Steelhead Rearing Facility Monitoring and Control Systems**
3. **Consider Adoption of Treasurer's Report for May 2021**
4. **Consider Authorizing a Contract for Landscape Design Services at the Santa Margarita Facility**
5. **Consider Expenditure of Budgeted Funds for Water Conservation Outreach Supplies**
6. **Consider Approval of 2021 Annual Memorandum of Agreement for Releases from Los Padres Reservoir Among California American Water, California Department of Fish and Wildlife, and Monterey Peninsula Water Management District**

GENERAL MANAGER’S REPORT

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

8. **Update on Development of Water Supply Projects**

online in mid-December, 2021 and DIW4 towards the end of December, 2021. Stoldt informed the board that Cal-Am’s Desalinization application is still on file with the CA Coastal Commission and has not yet been put on Calendar to be considered by the commission. Stoldt responded to Director Riley’s question, noting that a further update on Fort Ord Well No. 09S will be provided to the Water Supply Planning Committee at its August, 2021 meeting. Stoldt responded to Chair Edwards and explained further information on the Rationing Plan will be brought before the Water Demand Committee with a further update to the full board at a later date.

Stoldt covered the Summary of Status of 2021 District Strategic Goals report noting that most of the goals are underway except for the Sustainability Plan. He noted that Dr. Richard Garcia with RJS Management Services will be tapped to perform a performance evaluation on the General Manager.

District Counsel Laredo responded to Vice-Chair Paull on Goal No. 2(b). He advised the board that a hearing of public necessity can occur prior to a decision made by the LAFCo of Monterey County on the district’s application. He further noted, due to the uncertainty of the decision coming from the commission it may be necessary to hold two public hearings of necessity.

District Counsel Laredo reported out from the Closed Session meeting on Friday, July 16, 2021. A status report on each of the matters was provided to the board, the board provided general direction and no reportable action was taken during closed session.

Director Anderson reported out on an ACWA Zoom Webinar entitled, “How Well Managed Water Supplies Went Dry” she had attended.

Director Riley informed the board that the Seaside Groundwater Basin Watermaster continues to cancel their meetings.

Director Edwards thanked the Monterey One Water Board of Directors for approving the Pure Water Monterey Expansion Projects.

Jonathan Lear, Water Resources Manager and Suresh Prasad, Administrative Services Manager/CFO provided background information and summarized the staff report.

No public comment was received for Item No. 11.

9. Report on Progress on Strategic Goals Adopted April 19, 2021

REPORT FROM DISTRICT COUNSEL

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

10. Oral Reports on Activities of County, Cities, Other Agencies/ Committees/Associations

ACTION ITEMS

11. Consider Converting the Hydrology Technician to an Assistant Hydrologist Position at Step 30

A motion was made by Director Roberson and second by Director Adams authorizing the General Manager to convert the Hydrology Technician Position to a Assistant Hydrologist Position at Range 30 on the MPWMD Salary Schedule. The motion passes unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

GM Stoldt provided background information and summarized the staff report on protective water levels in the Seaside Basin.

The following comments were directed to the Board:

- (a) Michael Baer: Inquired if the draft letter to the CA Coastal Commission addressed a vernal ponds, a threatened habitat for birds.
- (b) Susan Schiavone: Thanked the district for updating the draft letter to the CA Coastal Commission and echoed Director Riley’s sentiments on the Watermaster cancelling its meetings.
- (c) Eric Tynan, General Manager with the Castroville Community Services District: Noted that the valley does not seem to get much benefit from the PWM Expansion and wished the district considered desal.
- (d) John Tilley: Stated the board should look at the facts and numbers on Aquifer Storage and Recovery Unit and is glad to hear discussions on alternative water sources for long range planning.
- (e) Melodie Chrislock: Responded to Mr. Tynan’s comments. She noted that 40% of the water came from the Monterey Peninsula and a lot of which has gone to the Castroville area.

A motion was made by Director Riley and second by Director Malek to consider approving the draft letter to the California Coastal Commission with modifications to the third paragraph to clarify the Cal-Am numbers and the CC list shall include the same parties found in the CC list in the Seaside Groundwater Basin Watermaster’s letter dated on or around May 2021 to the CA Coastal Commission. The motion passed unanimously on a roll-call vote of 7-Ayes (Edwards, Paull, Riley, Malek, Anderson, Adams and Roberson), 0-Noes and 0-Absent.

GM Stoldt summarized his staff note, answered questions from the board and presented via slide-deck entitled Consider Approval of Additional Measure J Cost. *A copy of the presentation is on file at the district office and can be found on the district website.*

The following comments were directed to the Board:

- (a) Tom Rowley, Vice President of the Monterey Peninsula Taxpayers Association: Mentioned that an independent analysis could be of benefit to the district.

12. Consider Approval of a Draft Letter to the California Coastal Commission Regarding Protective Water Levels in the Seaside Basin.

12.1 Consider Approval of Additional Measure J Cost

- (b) Michael Baer: Stated that the board should not approved additional revenues for a third-party independent analysis.
- (c) Melodie Chrislock: Stated that the board should approve staff recommendation for a third-party independent analysis and expressed concern over LAFCO commissioners' connection with Cal-Am.
- (d) Susan Schiavone: Stated that the board should approve staff's recommendation. She expressed disappointment in the LAFCo Commissioner's in going against their own staffs expertise on the matter and their inability to analyze the material presented before them.
- (e) Anna Thompson: Recommends the board to approve staff's recommendation.
- (f) Margaret Ann Coppernoll: Concurred with the previous speakers on approving staff recommendation and is concerned about potential conflict of interests some of the LAFCo commissioners have with Cal-Am.
- (g) Eric Tynan, General Manager to the Castroville Community Services District: Supports a second evaluation and an independent analysis to be conducted.
- (h) Marli Melton: Recommends approval of staff's recommendation and would like the district to convey to the commissioners the excellent work the district has submitted on the matter.

A motion was made by Director Riley and second by Director Paull to authorize staff to spend \$70,000 (\$50,000 plus \$20,000 in contingencies) in support of LAFCO's third-party review. The motion passed unanimously on a roll-call vote of 4-Ayes (Riley, Adams, Anderson and Paull), 3-Noes (Malek, Roberson and Edwards) and 0-Absent.

GM Stoldt summarized his staff note, answered questions from the board and presented via slide-deck entitled Redistricting for Census 2020. *A copy of the presentation is on file at the district office and can be found on the district website.*

The following comments were directed to the Board on Item No. 13:

(a) Tom Rowley: Informed the board that he served on an advisory committee as it relates to the District's redistricting process in 1990 and 2000 and mentioned that it helps to have an individual serving on an advisory committee that has no ties to the water management district.

GM Stoldt provided an update to the board on reopening on the District Meeting Format and Work Environment and responded to board member questions/comments. He mentioned that the customer service desk has been open since July 6, 2021, a self-certification on vaccination status is underway and noted that Board/Committee meetings will

DISCUSSION ITEMS

13. Receive a Report on the Redistricting Process; Contract with Lapkoff and Gobalet Demographic Research (Verbal Report)

14. Provide an Update and Discuss Effect of Post-COVID-19 Reopening on District Meeting Format and Work Environment (Verbal Report)

continue to be held virtually.

Item Removed.

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

The meeting was adjourned at 8:43 pm.

15. **Item Removed.**

INFORMATIONAL ITEMS/STAFF REPORTS

16. **Status Report on Measure J / Rule 19.8 Phase II Spending**
17. **Report on Activity / Progress on Contracts Over \$25,000**
18. **Letters Received**
19. **Committee Reports**
20. **Monthly Allocation Report**
21. **Water Conservation Program Report**
22. **Carmel River Fishery Report for June, 2021**
23. **Monthly Water Supply and California American Water Production Report**
24. **Legislation Advocacy Committee's State and Federal Bill Tracking**
25. **Quarterly Water Use Credit Transfer Status Report**
26. **Quarterly Carmel River Riparian Corridor Management Program Report**
27. **Semi-Annual Financial Report on the CAWD/PBCSD Wastewater Reclamation Project**
28. **Draft Water Year 2020 Aquifer Storage and Recovery Project Summary of Operations Report**

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary