



EXHIBIT 1-A

**Draft Minutes
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
February 24, 2022**

The meeting was called to order at 6:02 p.m. by Chair Paull. Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.

CALL TO ORDER

Directors Present via Zoom:
Karen Paull, Chair – Division 4
Mary L. Adams, Vice Chair – Monterey County Board of Supervisors Representative
Alvin Edwards – Division 1
George Riley – Division 2
Amy Anderson – Division 5
Clyde Roberson – Mayoral Representative

ROLL CALL

Directors Absent: Safwat Malek – Division 3

General Manager present: David J. Stoldt

District Counsel present: Dave Laredo with De Lay and Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

No additions and corrections.

ADDITIONS AND CORRECTIONS TO THE AGENDA

Public Comment Period Opened. The following comments were directed to the board:

ORAL COMMUNICATIONS

- (a) *John Tilley:* Requested Item No. 29 a report on the Monthly Water Supply and California American Water Production Report be pulled and discussed further with the Board.
- (b) *Anna Thompson:* Expressed support of the District Staff and its Board of Directors. Thompson called recent written communications from Cal-Am and addressed to their customers on their activities and continued efforts to address water shortages as being misleading. Thompson emphasized it is the Districts successful water supply projects that have provided for the Peninsula and noted her dissatisfaction of California American Water over their proposed Desalinization project, high water costs and profit driven motives.

No further oral or written communications were received.

Chair Paull introduced Mike McCullough, Director of External Affairs with Monterey One Water.

McCullough provided congratulatory remarks and presented the Engineering Excellence Honor Award by the American Council of Engineering Companies for the Pure Water Monterey Advance Water Purification Facility to David J. Stoldt, General Manager.

No requests were received by Chair Paull to pull matters off the Consent Calendar from board members and members of the public.

In response to Director Riley, Joel G. Pablo, Board Clerk read out modifications made to Consent Calendar Item No. 1 and 7 and as listed on the revised agenda.

Written Public Comment Received

- (a) Karin Locke | E-mail regarding Consent Item No. 10 on the Internet License for Water Wise Gardening in Monterey Matter. *A copy of the letter is on file at the District office and can be viewed on the district website*

No further comments were received.

A motion was made by Director Riley with a second by Director Adams to approve the Consent Calendar Items No. 1 through 10. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Adams, Riley and Roberson), 0-Noes and 1-Absent (Malek).

Approved the Meeting Minutes of the MPWMD Board of Director’s from its Special Board Meeting on January 21, 2022 and Regular Board Meeting on January 27, 2022.

Adopted Resolution No. 2022-04 authorizing remote teleconference meetings of all District legislative bodies for the following 30 days in accord with the Ralph M. Brown Act and AB 361 (Rivas).

Received and Filed.

Ratified Appointments as presented.

AWARD AND PRESENTATION

Pure Water Monterey Advanced Water Purification Facility | Engineering Excellence Honor Award by the American Council of Engineering Companies presented by Mike McCullough, Director of External Affairs with Monterey One Water

CONSENT CALENDAR

- 1. Consider Adoption of the Minutes from the January 21, 2022 Special Board Meeting and January 27, 2022 Regular Board Meeting**
- 2. Consider Adopting Draft Resolution No. 2022-04 Authorizing Remote Teleconferencing Meetings of all District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas)**
- 3. Receive and File Second Quarter Financial Activity Report for Fiscal Year 2021-2022**
- 4. Ratify Board Committee Assignments for Calendar Year 2022 (Revised)**

Approved the Second Quarter Fiscal Year 2021-2022 Investment Report

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

Reviewed and Received the Annual Disclosure Statement of Employee/Board Reimbursements for Fiscal Year 2020-21.

Received Pension Reporting Standards Government Accounting Standards Board Statement No. 68 Accounting Valuation Report prepared by CalPERS

Received the GASB 75 OPEB Valuation Report prepared by Precision Actuarial, Inc.

Approved the expenditure of \$5,000 to renew the internet license with GardenSoft for the Monterey County Water Wise Landscaping software.

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 February 2022,” answered Board questions and noted that the presentation provided responds to Tilley’s request for further discussion on Information Item No. 29. *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:

- A. Under Actual Versus Target Production for Water Year 2022 (October 2021 thru January 2022).
 - 1. The Monterey Peninsula Water Resources System (Carmel River & Seaside Groundwater Basin) is below target.
 - 2. Water Projects and Rights: ASR 0 Acre Feet (AF) Recovery; 71 AF injected into ASR and less than 1300 AF stored in the ground.
- B. Monthly Production from all Sources for Customer Service from October 2021 thru January 2022.
 - 1. Actual is below target by 180 AF.
- C. Provided an Overview of Monthly and Daily Recorded Rainfall at San Clemente Rain Gage and Estimated Unimpaired River Flow at the Sleepy Hollow Weird and noted it is at 86% of the long-

5. Consider Approval of Second Quarter Fiscal Year 2021-2022 Investment Report

6. Adoption of Treasurer's Report for December 2021

7. Review Annual Disclosure Statement of Employee/Board Reimbursements for Fiscal Year 2020-21

8. Receive Pension Reporting Standards Government Accounting Standards Board Statement No. 68 Accounting Valuation Report

9. Receive Government Accounting Standards Board (GASB) Statement No. 75 Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions

10. Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey

GENERAL MANAGER’S REPORT

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

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David J. Stoldt, GM provided a verbal status report on the Development of Water Supply Projects pertaining CalAms Desalination Project, Pure Water Monterey and the CPUC Application on the Water Purchasing Agreement. Stoldt mentioned a response was filed by CalAm to the CA Coastal Commission on their notice of incompleteness relating to their desalination project. The CA Coastal Commission responded on February 8 to CalAm and noted the project was incomplete on several fronts. On Pure Water Monterey: Deep Injection Well (DIW) 3 will have water injected soon and DIW 4 will follow shortly thereafter. On the Water Purchasing Agreement, (a) On February 9, a scoping memo was released; (b) On March 11, testimony from the District will occur; and (c) a proposed decision is anticipated in late-September or mid-October of 2022.

David J. Stoldt, GM provided a Report on Fish Rescues for 2021, answered board questions and presented via MS PowerPoint. *A copy of the presentation is on file at the District office and be viewed on the District website.*

Stoldt provided a verbal report on the District's Environmental Mitigation Program and noted the district has taken on the process since the early 1980s up to the present with the Mitigation Program annually renewed with the budget. Stoldt covered the following during his presentation: (a) a complaint filed by the CRSA, Residents Water Committee, Sierra Club and CA Department of Parks and Recreation that led to CA State Water Resources Control Order No. WR 95-10 (b) the Four Components of the Mitigation Program that includes Fish Rescues, Release Vegetation Management, Lagoon Water Quality and Hydrologic Monitoring; (c) provided overviews of the Berwick Erosion, Schulte Road Project, Large Woody Debris at De Dampierre Park, Spawning Gravel Augmentation; (d) covered other regulatory requirements; (e) reviewed an excerpt on a 2016 Supreme Court decision on the District's mitigation work; and (f) Fish Rescues in 2020, 2021, the last 20 years and since 1989.

Director Adams mentioned that County of Monterey, Board of Supervisors will host several forums to discuss regional water issues and to provide an overview of the current efforts pertaining to water management and sustainability county-wide. Adams noted the first of such forums will occur on March 15, 2022. It will be the first forum in a three part series to address regional water issues and future forums are scheduled in the Summer and Fall of 2022.

12. Update on Development of Water Supply Projects

13. Report to the Board on Fish Rescues for 2021

14. Informational Item | Monterey County Board of Supervisors Meeting on Tuesday, March 15, 2022 | Workshop to Review Regional Water Issues and Potential Solutions

David Laredo, District Counsel stated there was no reportable action taken by the Board of Directors from the Closed Session meeting had on Thursday, January 27, 2022 relating to the wages and benefits of the General Manager David J. Stoldt, *an unrepresented employee*.

David Laredo, District Counsel presented via MS PowerPoint entitled, “Update on Status of Cal-Am Application to Approve Amended & Restated Water Purchase Agreement CPUC Application 21-11-024” and answered board questions. *A copy of the presentation is on file with the District and can be viewed on the District website.*

The following comments were directed to the Board:

- (a) Michael Baer: Inquired about CalAms cost recovery for the by-pass pipeline and other costs the company is attempting to recover.

In response to Baer, Stoldt and Laredo noted that the information can be found in testimony to the CA CPUC and can be provided to him separately – offline.

No further comments were directed to the Board.

Director Riley- Stated the Watermaster has created a Public Awareness Committee and its committee membership includes himself, Ian Oglesby with the City of Seaside, John Gaglioti with the City of Del Rey Oaks.

Director Edwards- Thanked Director Paul for making comments at the Monterey One Water Board meeting on January 2022. Edwards noted he attended the District’s Redistricting Advisory Commission and inquired with staff to obtain enlarge maps of the proposed draft map plans for each of the Commission meetings.

Director Paul: Thanked the Redistricting Advisory Commissioners for their efforts in assisting the District in its redistricting efforts.

Stephanie Locke, Water Demand Manager summarized the staff note, answered board questions and recommended adoption of Resolution No. 2022-05 declaring the week of March 14 – 20, 2022, to be Fix a Leak Week.

REPORT FROM DISTRICT COUNSEL

- 15. Read out by District Counsel on the MPWMD Regular Board of Director’s – Closed Session meeting on Thursday, January 27, 2022**

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

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

ACTION ITEMS

- 17. Consider Adoption of Resolution No. 2022-05 Declaring the Week of March 14 – 20, 2022, to be Fix a Leak Week**

Public Comment Period Opened. The following comments were directed to the board:

- (a) Eric Tynan, General Manager with the Castroville Community Services District: Encouraged District Staff to re-direct calls to the Castroville Community Services District if there is an issue affecting his District.

No further comments were directed to the Board.

A motion was made by Director Roberson with a second by Director Anderson to adopt Resolution 2022-05 declaring the Week of March 14 through March 20th to be Fix a Leak Week. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Adams, Riley and Roberson), 0-Noes and 1-Absent (Malek)

David J. Stoldt, GM and Chair Paull provided a brief overview of District Strategic Goals and Objectives for 2022 and recommended adoption of Strategic Goals and Objectives for 2022.

Director Adams suggested a change to Goal 3, Objective E to strike-out Salinas Valley GSA and insert other water management agencies.

Public Comment Period Opened. The following comments were directed to the board:

- a. Marli Melton: Recommended and suggested changes to Goal No. 5.
- b. John Tilley: Commented and objects to Melton’s changes to Goal No. 5.

No further comments were directed to the Board.

A motion was made by Director Adams with a second by Director Riley to consider adoption of District Strategic Goals and Objectives for 2022 with modifications to Exhibit 18-A to include: (a) striking-out Salinas Valley GSA and inserting other water management agencies; and (b) striking out surplus and inserting available. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Adams, Riley and Roberson), 0-Noes and 1-Absent (Malek)

David J. Stoldt, GM provided an overview of his staff note, answered board questions and recommended adoption of Draft Resolution No. 2022-06 in Support of Activation of Latent District Powers with one modification to include striking-out the last whereas clause found in the resolution.

18. Consider Adoption of District Strategic Goals and Objectives for 2022

19. Consider Adoption of Draft Resolution No. 2022-06 In Support of Activation of Latent District Powers

Public Comment Period Opened. The following comments were directed to the board:

- (a) Susan Schiavone: Concurred with comments made by Director Riley that the District has been cooperative and has provide more than enough information to LAFCo of Monterey County and its Commissioners. Schiavone is in support of Draft Resolution No. 2022-06
- (b) Margaret-Ann Coppernoll: Thanked staff for bringing the matter forward and expressed support of Draft Resolution No. 2022-06.
- (c) Michael Baer: Thanked the General Manager for his ongoing efforts on the matter, suggested one edit to the draft resolution, made reference to LAFCo staff’s recommendation to deny the District’s application for reconsideration and noted the likelihood of the Commissioners reversing course on their January 5, 2022 decision is slim.
- (d) Marli Melton: Thanked District Staff and the Board on their contributions on the matter, suggested a few edits to the draft resolution and concurred with Baer’s comments.
- (e) John Tilley: Mentioned District efforts on Measure J is taking away from addressing and tackling the water supply and demands of the community.

Written Public Comment Received

Michael Baer | E-mail dated February 22, 2022 on Item No. 19. *A copy of the letter is on file at the District Office and can be viewed on the District website.*

No further comments were made to the Board.

A motion was made by Director Riley with a second by Director Edwards to adopt Resolution No. 2022-06 to include striking out the last whereas clause. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Adams, Riley and Roberson), 0-Noes and 1-Absent (Malek).

Suresh Prasad, Administrative Services Manager/CFO provided an overview of his staff note, answered board questions and recommended expenditure of funds to purchase and install security surveillance camera system.

Public Comment Period Opened. No comments were directed to the Board.

A motion was made by Director Anderson with a second by Director Edwards to approve expenditures not-to-exceed \$50,000 to acquire and install surveillance system. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Adams, Riley and Roberson), 0-Noes and 1-Absent (Malek).

20. Expenditure of Funds to Purchase and Install Security Surveillance Camera System

Suresh Prasad, Administrative Services Manager/CFO provided an overview of his staff note, answered board questions and recommended adoption of the Mid-Year Fiscal Year 2021-22 Budget Adjustment. Prasad presented via MS PowerPoint entitled, “Consider Adoption of Mid-Year Fiscal Year 2021-2022 Budget Adjustment.” *A copy of the presentation is on file with District and can be viewed on the District website.*

Public Comment Period Opened. The following comments were directed to the board:

- (a) John Tilley: Thanked Suresh Prasad for his presentation on the Mid-Year Fiscal Year 2021-22 Budget Adjustment.

No further comments were directed to the Board.

A motion was made by Director Edwards with a second by Director Adams to adopt the proposed mid-year budget adjustment for FY2021-2022. The motion passed on a roll-call vote of 6-Ayes (Edwards, Paull, Anderson, Adams, Riley and Roberson), 0-Noes and 1-Absent (Malek).

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

Chair Paull closed out the open session of the agenda and proceeded to matters on the Closed Session Agenda.

The following comments were directed to the Board:

- (a) Michael Baer: Recommended the Board to grant the General Manager a pay raise.

No further comments were directed to the board.

District Counsel Laredo read the Board into Closed

21. Consider Adoption of Mid-Year Fiscal Year 2021-22 Budget Adjustment

INFORMATIONAL ITEMS/STAFF REPORTS

- 22. Report on Activity/Progress on Contracts Over \$25,000
- 23. Status Report on Measure J/Rule 19.8 Phase II Spending
- 24. Letters Received
- 25. Committee Reports
- 26. Monthly Allocation Report
- 27. Water Conservation Program Report
- 28. Carmel River Fishery Report for January 2022
- 29. Monthly Water Supply and California American Water Production Report
- 30. Semi-Annual Financial Report on the CAWD/PBCSD Wastewater Reclamation Project

CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION AGENDA ITEMS

CONVENE TO CLOSED SESSION

Session.

An action report of the Closed Session meeting will occur on Monday, March 21, 2022 and provided by District Counsel.

The Board convened to Closed Session at 8:30 p.m.

CS 1 Conference with Legal Counsel – the board will review Significant Exposure to Threatened or Potential Litigation (§ 54956.9). MPWMD v. LAFCO of Monterey County – Case No.: Not Yet Assigned

CS 1.1 Conference with Legal Counsel- the board will confer with District Counsel to review pending litigation pursuant to Government Code § 54956.9:

a. Conference with Legal Counsel- (§ 54956.9 (a)) MPTA v. MPWMD: Case No. 21CV003066

CS 2 Conference with Labor Negotiators (Gov. Code §54957.6) – Agency Designated Representatives: the MPWMD Board of Directors Unrepresented Employee: General Manager

CS 3 Conference with Labor Negotiators (Gov. Code §54957.6) – Agency Designated Representatives: the MPWMD Board of Directors Unrepresented Employee: District Counsel

District Counsel will a report out at the Monday, March 21, 2022 Regularly Scheduled Meeting on matters listed on the Closed Session Agenda.

DISTRICT COUNSEL REPORT FROM CLOSED SESSION-

There being no further business, the Board adjourned from Closed Session at 9:45 p.m.

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on Monday, March XX, 2022