



EXHIBIT 1-A

**Draft Minutes
Special and Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
February 12, 2024 at 5:00 P.M.**

Meeting Location: District Office, Main Conference Room
5 Harris Court, Building G, Monterey, CA 93940 AND
By Teleconferencing Means - *Zoom*

CLOSED SESSION AT 5:00 P.M.

CALL TO ORDER:

Chair Anderson called the meeting to order at 5:01 PM.

ROLL CALL:

Board members present: Amy Anderson, Chair
George Riley, Vice Chair
Marc Eisenhart
Karen Paull
Ian Oglesby
Alvin Edwards
Mary Adams

Board members absent: None

District staff members present: David Stoldt, General Manager
Sara Reyes, Executive Assistant/Board Clerk

District staff members absent: None

District Counsel present: David Laredo with De Lay & Laredo
Michael Laredo with De Lay & Laredo

ADDITIONS AND CORRECTIONS TO THE AGENDA:

None

PUBLIC COMMENT ON THE CLOSED SESSION AGENDA:

Chair Anderson opened Oral Communications; *the following comments were directed to the Board:*

- (1) Michael Baer, commented on the letter sent by the Local Agency Formation Commission (LAFCO) stating they plan to appeal the decision by Judge Wills and asked for an update as to what the District will be doing in response to that.

- (2) Margaret Anne Coppernoll, stated she agreed with Mr. Baer’s comments and asked the Board to investigate the legality of the appeal by LAFCO.

CLOSED SESSION:

District Counsel Laredo led the Board into Closed Session.

- CS 1. Conference with Labor Negotiators (Gov Code §54957.8)
Agency Designated Representatives: David Stoldt
Employee Organization: General Staff and Management Bargaining Units Represented by United Public Employees of California/LIUNA, Local 792
Unrepresented Employees: Confidential Unit
- CS 2. Conference with Legal Counsel -- Existing Litigation (§54956.9(d)(1)), Monterey Peninsula Taxpayers Assoc. v. Monterey Peninsula Water Management District – Case No.: 21CV003066
- CS 3. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), MPWMD v. LAFCO – Case No. 22 CV 000925
- CS 4. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), MPWMD v. Cal-Am – Case No. 23 CV 004102
- CS 5. Public Employee Performance Evaluation, (Gov Code §54957) - Title: General Counsel, David Laredo

RECESS TO CLOSED SESSION:

The Board recessed the Closed Session at 5:10 p.m.

REGULAR SESSION AT 6:00 P.M.

CALL TO ORDER:

Chair Anderson called the meeting to order at 6:05 p.m.

ROLL CALL:

- Board members present: Amy Anderson, Chair
George Riley, Vice Chair
Marc Eisenhart
Karen Paull
Ian Oglesby
Alvin Edwards
Mary Adams
- Board members absent: None
- District staff members present: David Stoldt, General Manager
Nishil Bali, Administrative Services Manager/Chief Financial Officer
Jonathan Lear, Water Resources Manager
Maureen Hamilton, District Engineer
Stephanie Locke, Water Demand Manager
Thomas Christensen, Environmental Resources Manager
Sara Reyes, Executive Assistant/Board Clerk
- District staff members absent: None
- District Counsel present: David Laredo with De Lay & Laredo
Fran Farina with De Lay & Laredo

Michael Laredo with De Lay & Laredo

PLEDGE OF ALLEGIANCE:

The assembly recited the Pledge of Allegiance.

ADDITIONS AND CORRECTIONS TO THE AGENDA:

General Manager Stoldt stated that there is a clarification that he will address when the Board reaches Item 13.

ORAL COMMUNICATIONS:

Chair Anderson opened Oral Communications; *the following comments were directed to the Board:*

- (1) Margaret Anne Coppernoll expressed her concerns about LAFCO's appeal and the potential outcome. Ms. Coppernoll also stated that the State Lands Commission should be concerned about constructing a Desal pipeline beneath an aquifer.
- (2) Michael Baer, expressed the same sentiments as Ms. Coppernoll and hopes the District will respond to the State Lands Commission with the environmental concerns of the public.
- (3) Susan Schiavone, expressed the same sentiments as Ms. Coppernoll and Mr. Baer and expressed thanks to General Manager Stoldt and Monterey One Water for their testimony at the CPUC regarding supply and demand.

CONSENT CALENDAR:

Chair Anderson introduced the matter.

Director Eisenhart requested to pull Item 3 for comment. Stephanie Locke, Water Demand Manager answered questions from the Board on Item 3.

There being no further discussion, a motion was offered by Director Adams with a second by Director Eisenhart to approve the Consent Calendar. The motion passed by a voice vote of 7-Ayes (Adams, Oglesby, Eisenhart, Anderson, Paull, Edwards and Riley), and 0-Noes.

The following agenda items were accepted as part of the Consent Calendar:

1. **Consider Adoption of Minutes of the Special and Regular Board Meeting on January 22, 2024**
2. **Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey County**
3. **Consider Expenditure of Budgeted Funds for Water Conservation Equipment**
4. **Receive and File Second Quarter Financial Activity Report for Fiscal Year 2023-2024**
5. **Consider Approval of Second Quarter Fiscal Year 2023-2024 Investment Report**
6. **Consider Adoption of Treasurer's Report for December 2023**

GENERAL MANAGER'S REPORT:

Chair Anderson introduced the matter.

7. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision**
 - General Manager Stoldt presented a photo featuring Stephanie Locke celebrating 15 Years of membership with the Monterey Peninsula Chamber of Commerce. Mr. Stoldt stated that the District is also a member of the Pacific Grove, Carmel, and Salinas Chamber of Commerce.
 - General Manager Stoldt provided information on the status of this agenda item via slide-deck presentation titled "Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Basin Decision as of February 1, 2024". Board discussion ensued. *A copy of the presentation is available at the District office and can be found on the District website.*

REPORT FROM DISTRICT COUNSEL:

Chair Anderson introduced the matter.

8. Report From District Counsel

District Counsel stated that there were five items on the Closed Session agenda, with one item not being considered due to time constraints, and will be discussed after the February 12, 2024 regular session.

- The District’s Eminent Domain lawsuit against California American Water Company: Cal-Am has challenged the decision of Judge Wills to be assigned to this case. The Superior Court is now set to decide who will be the judge that presides over that matter.
- The District’s lawsuit against LAFCO and Cal-Am: Cal-Am filed a notice of appeal on February 8, 2024, and LAFCO filed its notice of appeal on February 9th. The District is now in a position to decide whether or not it will maintain a cross-appeal because not all matters that were in the judgement in that case were in favor of the District and the Board did resolve to authorize a cross-appeal against LAFCO and CalAm on a motion by Director Paull and second by Director Edwards with a vote of 7-0 in favor.

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

Chair Anderson introduced the matter.

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

Director Riley reported that he attended the Seaside Basin Watermaster meeting on February 7, 2024, and stated that there was discussion on options for the watermaster to raise funds to support its ideas regarding maintaining the basin. Future meetings will now be held in person at City Hall in the City of Sand City.

Director Edwards reported that he also attended the Seaside Basin Watermaster meeting and would like a report on the health of the Seaside Basin be presented to the Board.

Chair Anderson opened the public comment for Item Nos. 7-9; no comments were directed to the Board.

PUBLIC HEARING:

Chair Anderson introduced the matter.

10. Consider Second Reading and Adoption of Ordinance No. 194 Amending Rule 11 and Adding Rule 23.10 to Establish a Water Entitlement for the City of Seaside

Stephanie Locke, Water Demand Manager, provided an overview of her staff report, answered questions, and presented via slide-deck presentation titled “Consider Second Reading and Adoption of Ordinance No 194, Amending Rule 11 and Adding Rule 23.10 to Establish a Water Entitlement for the City of Seaside”. Board discussion ensued. *A copy of the presentation is available at the District office and can be found on the District website.*

Chair Anderson opened the public comment; *the following comments were directed to the Board:*

- (1) Sheri Damon, the City Attorney for the City of Seaside, stated that the City is in favor of the minor changes to the ordinance and expressed gratitude to District staff for their work and assistance with the City's project and hopes for continued support.
- (2) Susan Schiavone congratulated all involved in this project; it will greatly enhance the City of Seaside and its housing needs.

A motion was offered by Director Edwards with a second by Director Riley to approve the second reading and adopt Ordinance No. 194, Amending Rule 11 and Adding Rule 23.10 to Establish a Water Entitlement for the City of Seaside. The motion passed by roll-call vote of 7-Ayes (Oglesby, Adams, Eisenhart, Paull, Edwards, Riley and Anderson). 0-Noes.

ACTION ITEMS:

Chair Anderson introduced the matter.

11. Consider Adoption of Resolution No. 2024-02 Declaring the Week of March 18-24, 2024 to be Fix a Leak Week

Stephanie Locke, Water Demand Manager, provided an overview of her staff report, answered questions, and presented via slide-deck presentation titled “Fix A Leak Week March 18-24, 2024”. Board discussion ensued. *A copy of the presentation is available at the District office and can be found on the District website.*

Chair Anderson opened the public comment; no comments were directed to the Board.

A motion was offered by Director Eisenhart with a second by Director Paull to adopt Resolution 2024-02, declaring the week of March 18th through March 24th to be Fix a Leak Week. The motion passed by a voice vote of 7-Ayes (Oglesby, Eisenhart, Adams, Anderson, Riley, Paull and Edwards), and 0-Noes.

12. Receive Fiscal Year 2022-2023 Annual Comprehensive Financial Report

Nishil Bali, Chief Financial Officer/Administrative Services Manager, provided an overview of his staff report, answered questions, and presented via slide-deck presentation titled “Receive Fiscal Year 2022-2023 Annual Comprehensive Financial Report (ACFR). Mr. Bali reported that Rae Gularte and Mike Briley with CliftonLarsonAllen LLP, were in attendance and would be presenting information to the Board. Ms. Gularte presented via slide-deck presentation titled "Audit Results for June 30, 2023". Board discussion ensued. *Copies of both presentations are available at the District office and can be found on the District website.*

Chair Anderson opened the public comment; no comments were directed to the Board.

The Board received the Annual Comprehensive Financial Report for the year commencing June 30, 2023.

13. Consider Approval of an Addendum to the Pure Water Monterey Supplemental Environmental Impact Report for the District’s Water Allocation Program

General Manager Stoldt clarified that the CEQA Compliance language in the staff report may have appeared confusing and assured the Board that it is acting on a project under CEQA. Mr. Stoldt also reported this item is being presented to the Board to consider and approve an addendum to the Pure Water Monterey Supplemental EIR. Upon approval, the District will file a Notice of Determination with the State Clearing House. Board discussion ensued.

Chair Anderson opened the public comment; *the following comments were directed to the Board:*

- (1) Sheri Damon, City Attorney with the City of Seaside, stated that since the District is considering an allocation to the city of Seaside, she requested that her office be kept informed so that the city staff can manage the allocation process.

A motion was offered by Director Riley and second by Director Edwards to approve the Addendum, in conjunction with the 2021 SEIR, and find that there is substantial evidence that there will be no new significant impacts and none of the conditions described in Section 15162 of the CEQA Guidelines calling for preparation of a subsequent EIR have occurred. The motion passed by a voice vote of 7-Ayes (Oglesby, Eisenhart, Adams, Anderson, Riley, Paull and Edwards), 0-Noes.

14. Consider Approval of a District Legislative Advocacy Plan for 2024

General Manager Stoldt provided an overview of his report and answered questions from the Board. Board discussion ensued.

Chair Anderson opened the public comment; no comments were directed to the Board.

A motion was offered by Director Paull and second by Director Eisenhart to adopt the proposed 2024 Legislative Advocacy Plan. The motion passed by a voice vote of 7-Ayes (Oglesby, Eisenhart, Adams, Anderson, Riley, Paull and Edwards), 0-Noes.

DISCUSSION ITEM:

Chair Anderson introduced the matter.

15. Discuss the Preferred Approach to the Development of District Goals and Objectives for 2024

General Manager Stoldt provided an overview of his staff report and answered questions from the Board. Following discussion, the Board agreed to conduct a Strategic Planning Session, facilitated by the General Manager.

INFORMATIONAL ITEMS/STAFF REPORTS:

- 16. Report on Activity/Progress on Contracts Over \$25,000**
- 17. Status Report on Measure J/Rule 19.8 Phase II Spending**
- 18. Letters Received**
- 19. Committee Reports**
- 20. Monthly Allocation Report**
- 21. Water Conservation Program Report**
- 22. Carmel River Fishery Report for January 2024**
- 23. Monthly Water Supply and California American Water Production Report**

These items were informational only and no action was taken. Copies of these reports are available at the District office and can be found on the District website.

ADJOURNMENT:

1. Chair Anderson adjourned the Regular Session at 8:05 PM.
2. Recessed the Board into continued Closed Session at 8:10 PM.
3. The Board departed from Closed Session after 8:10 PM (Legal Counsel and staff were not present).

Sara Reyes, Deputy District Secretary

Minutes Approved by the MPWMD Board of Directors on Monday, _____, 2024

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