MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

<u>EXHIBIT 2-A</u>

Draft Minutes
Special and Regular Meeting
Board of Directors
Monterey Peninsula Water Management District
September 15, 2025 at 5:00 p.m.

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

<u>CLOSED SESSION - 5:00 P.M.</u>

CALL TO ORDER
Chair George Riley called the meeting to order at 5:01 p.m.

ROLL CALL

Board Members Present:
George Riley, Chair
Ian Oglesby, Vice-Chair
Kate Daniels
Alvin Edwards
Rebecca Lindor
Karen Paull (Via Zoom)

Board Members Absent:
Amy Anderson (resigned effective September 15, 2025)

District Staff Members Present:
David Stoldt, General Manager
Mike McCullough, Assistant General Manager
Sara Reyes, Clerk of the Board / Executive Assistant

District Staff Members Absent:
None

District Counsel Present:
Michael Laredo, De Lay & Laredo
David Laredo, De Lay & Laredo
Fran Farina, De Lay & Laredo

ADDITIONS AND CORRECTIONS TO THE CLOSED SESSION AGENDA
None

PUBLIC COMMENT ON THE CLOSED SESSION AGENDA
Chair Riley opened the Public Comment period; however, no comments were received.

CLOSED SESSION
District Counsel Michael and David Laredo led the Board into Closed Session.

Conference with Legal Counsel – Pending Litigation (Gov. Code §54956.9 (Three Cases):

- ***MPWMD v. SWRCB*** - Case No. 1-10-CV-163328 (Santa Clara County Superior Court)
- ***MPWMD v. Cal-Am*** - 23CV004102 (Monterey County Superior Court)
- **CPUC A.21-11-024** - Cal-Am Phase 2 Supply and Demand Proceeding; CA Public Utilities Commission

RECESS TO CLOSED SESSION
At 5:03 p.m., the Board recessed to Closed Session.

A motion was made by Director Edwards, seconded by Director Oglesby, to direct De Lay & Laredo to defend against the motion in **MPWMD v. SWRCB** - Case No. 1-10-CV-163328 (Santa Clara County Superior Court). The motion passed unanimously 6-0, with a vacancy in Division 5.

A motion was made by Director Edwards, seconded by Director Lindor, to authorize filing an application for rehearing with the CPUC and a joint motion to stay with Marina in **CPUC A.21-11-024** - Cal-Am Phase 2 Supply and Demand Proceeding: CA Public Utilities Commission. The motion passed unanimously 6-0, with a vacancy in Division 5.

REGULAR SESSION - 6:00 P.M.

CALL TO ORDER
Chair Riley called the regular session to order at 6:01 p.m.

ROLL CALL

Board Members Present:
George Riley, Chair
Ian Oglesby, Vice-Chair
Kate Daniels
Alvin Edwards
Rebecca Lindor
Karen Paull (via Zoom)

Board Members Absent:
Amy Anderson (resigned effective September 15, 2025)

District Staff Members Present:
David Stoldt, General Manager
Mike McCullough, Assistant General Manager
Nishil Bali, Chief Financial Officer/Administrative Services Manager
Stephanie Locke, Water Demand Manager
Jonathan Lear, Water Resources Manager
Maureen Hamilton, District Engineer
Thomas Christensen, Environmental Resources Manager
Sara Reyes, Clerk of the Board / Executive Assistant

District Staff Members Absent:
None

District Counsel Present:
Michael Laredo, De Lay & Laredo
David Laredo, De Lay & Laredo

PLEDGE OF ALLEGIANCE
The assembly recited the Pledge of Allegiance.

ADDITIONS AND CORRECTIONS TO THE AGENDA
None

ORAL COMMUNICATIONS
Chair Riley opened the Oral Communications period, and the following comments were made to the Board:

1) Nina Beety, raised concerns about water safety and transparency, citing potential contamination from the Fort Ord Superfund site. She questioned the adequacy of current testing and urged the District to pause development plans and reassess water quality risks.

2) Margaret-Anne Coppernoll, expressed concern over CalAm's plan to begin construction on its desalination plant by year-end. She cited unresolved legal and regulatory issues, environmental justice concerns, and questioned the company's water rights. She urged the District to take action to halt the project.

CONSENT CALENDAR
Chair Riley introduced the item.

Director Oglesby offered a motion, seconded by Director Daniels, to approve the Consent Calendar. The motion passed by a roll call vote of 6 Ayes (Daniels, Edwards, Lindor, Paull, Oglesby, and Riley) and 0 Noes.

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

1. **Consider Adoption of the Board Minutes from the August 15, 2025 Regular Board Meeting**
2. **Consider Adoption of Treasurer's Report for July 2025**

GENERAL MANAGER'S REPORT
Chair Riley introduced the item.

3. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision**
   General Manager Dave Stoldt presented this item using a slide-deck titled "General Manager's Report Items 3 and 4, which included the following slides:
   1. Production for Customer Service for Cal-Am: Water Year 2025
   2. PWM Expansion Schedule

4. **Update on Water Supply Projects**
   This item was discussed under the slide titled PWM Expansion Schedule

   Following the presentation, the Board engaged in discussion. A copy of the presentation is available on the District's website.

REPORT FROM DISTRICT COUNSEL
Chair Riley introduced the item.

5. **Closed Session Report from September 15, 2025, and General Report of Pending Litigation**
   District Counsel Michael Laredo reported that the Board met in Closed Session to discuss three matters and summarized the actions taken during that meeting.

   District Counsel David Laredo referenced the litigation report on page 19 of the meeting packet and provided a summary of ongoing legal matters.

DIRECTORS' REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)
Chair Riley introduced the item.

6. **Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations**
   - Director Edwards reported attending the Watermaster meeting earlier in the month, where the Seaside Basin Seawater Intrusion Plan was discussed. He noted that several Board members and staff participated, either in person or via Zoom.

   - Director Paull shared key takeaways from the California Special Districts Association (CSDA) Annual Conference in late August, highlighting sessions on board best practices, general manager evaluations, and combating disinformation.

- Director Riley also attended the CSDA Conference and suggested switching the District's website to a .gov domain to improve search engine visibility and recommended occasional study sessions for Board members to explore complex topics.

- Director Daniels informed the Board that the Monterey County Board of Supervisors, acting as the Water Resources Agency, will receive a presentation on the audit findings of the Castroville Seawater Intrusion Project (CSIP) at its upcoming meeting. She shared the item in the spirit of regional collaboration, and encouraged Board members to attend via Zoom or in person.

Chair Riley opened the Public Comment period, during which the following comment was made to the Board:

1) Melodie Chrislock noted that a recent CalAm conservation message on Nextdoor (a neighborhood-level platform for sharing local updates), generated significant public response, with no follow-up from CalAm. She suggested MPWMD use similar platforms to share accurate information and counter disinformation. She also expressed concern about CalAm potentially moving forward with a desalination plant without a confirmed water source.

PUBLIC HEARING
Chair Riley introduced the item.

7. Consider Adoption of October through December 2025 Quarterly Water Supply Strategy and Budget
Jonathan Lear, Water Resources Manager, provided information on this item through a slide-deck presentation titled "Consider Adoption of Oct-Dec 2025 Quarterly Water Supply Strategy and Budget for California American Water".

Following the presentation, the Board engaged in discussion. A copy of the presentation is available on the District's website.

Chair Riley opened the public comment period, during which the following comments were made to the Board:

1) Tom Rowley noted that despite recent dry years, Aquifer Storage and Recovery (ASR) was successful this past year. He expressed concern about rising water demand due to increasing tourism and several major development projects, including hotels and housing on Garden Road. He cautioned against assuming water use is declining.

   General Manager Stoldt clarified that while water demand has declined in recent years, future growth and development projects—such as hotels and housing—have already been factored into water supply planning. Allocations have been made to jurisdictions, and projects like the Kimpton Hotel and Garden Road developments have secured water permits. The District continues to monitor near-term and long-term demand, ensuring sufficient supply through Pure Water Monterey and future expansion. Staff emphasized that current planning accounts for expected growth and is based on long-term data and coordination with local agencies.

2) Melodie Chrislock emphasized that current water supplies are sufficient for the existing population and suggested CalAm expedite the activation of extraction wells to support new development.

3) Marli Melton expressed appreciation for the Board's positive tone and work and emphasized the importance of maintaining respectful public comment. She encouraged enforcement of a policy prohibiting personal attacks on commenters, volunteers, staff, or Board members.

<u>A motion was made by Director Daniels, seconded by Director Lindor, to recommend that the Board adopt the proposed October through December 2025 Quarterly Water Supply Strategy and Budget. The motion passed by a roll call vote with 6 Ayes (Daniels, Edwards, Lindor, Paull, Oglesby, and Riley) and 0 Noes.</u>

8. Consider Adoption of Resolution No. 2025-07 Modifying Rule 160 – Regulatory Water Production Target for California American Water Systems

Jonathan Lear, Water Resources Manager, provided information on this item through a slide-deck presentation titled "Consider Adoption of Resolution Modifying Rule 160 – Regulatory Water Production Targets for California American Water Systems".

Following the presentation, the Board engaged in discussion. A copy of the presentation is available on the District's website.

Chair Riley opened the public comment period; however, no comments were received.

A motion was made by Director Daniels, seconded by Director Oglesby, to recommend that the Board adopt Resolution No. 2025-07 modifying Rule 160. The motion passed by a roll call vote with 6 Ayes (Daniels, Edwards, Lindor, Paull, Oglesby, and Riley) and 0 Noes.

9. Consider Adoption of Resolution No. 2025-08 – Revise Map Zones of Controlled Drinking Water for Pure Water Monterey – Rule 20E Under Ordinance No. 183 (Categorical exemption from CEQA review per section 14 Cal. Code Regs. §15307)

Jonathan Lear, Water Resources Manager, provided information on this item through a slide-deck presentation titled "Consider Adoption of Resolution Modifying Rule 20E – Establishing Zones of Control for Pure Water Monterey".

Following the presentation, the Board engaged in discussion.

Chair Riley opened the public comment period, and the following comment was made to the Board:

1) Josh Stratton, CalAm, asked whether updated modeling tools and data could impact well operation, referencing past discrepancies with ASR 1 travel time projections.

   General Manager Stoldt responded that the same issues had already been addressed and would not negatively affect future operations.

A motion was made by Director Edwards, seconded by Director Daniels, to recommend that the Board adopt Resolution No. 2025-08 – Updating the Map showing the Zones of Controlled Drinking Water in Ordinance No. 183 and Rule 20E. The motion passed by a roll call vote with 6 Ayes (Daniels, Edwards, Lindor, Paull, Oglesby, and Riley) and 0 Noes.

INFORMATIONAL ITEMS/STAFF REPORTS:

10. Report on Activity/Progress on Contracts Over $25,000
11. Status Report on Spending – Public's Ownership of Monterey Water System
12. Letters Received and Sent
13. Committee Reports
14. Monthly Allocation Report
15. Water Efficiency Program Report
16. Carmel River Fishery Report for August 2025
17. 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
There being no further business, Chair Riley adjourned the meeting at 7:54 p.m.

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Sara Reyes, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on ___________, 2025.

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