



**EXHIBIT 1-A**

**DRAFT MINUTES  
Technical Advisory Committee of the  
Monterey Peninsula Water Management District  
June 18, 2013**

**Call to Order**

The meeting was called to order at 9:35 a.m. in the District Conference room.

**Committee Members Present**

City of Monterey	Todd Bennett, Vice Chair
City of Pacific Grove	Sarah Hardgrave, Chair
City of Sand City	Steve Matarazzo
City of Seaside	Rick Riedl
Monterey Peninsula Airport District	Desmond Johnston (arrived at 9:40 am)

**Committee Members Absent:**

City of Carmel-by-Sea	Marc Wiener
City of Del Rey Oaks	Daniel Dawson
County of Monterey	Rob Johnson

**District Staff Members Present:**

David J. Stoldt, General Manager  
Stephanie Pintar, Water Demand Manager  
Arlene Tavani, Executive Assistant

**District Counsel Present:**

David Laredo

**Comments from the Public:**

No comments.

**Action Items**

**1. Consider Adoption of Minutes of the January 17, 2013 Committee Meeting**

Bennett made a motion that the minutes be adopted with a correction to page 1, Item 1: the reference to Johnson should be changed to Johnston, and the reference to Johnston should be changed to Johnson. Matarazzo seconded the motion and it was approved unanimously on a vote of 5 – 0 by Bennett, Hardgrave, Matarazzo, Riedl and Johnston. Wiener, Dawson and Johnson were absent.

**Discussion Items**

**2. Environmental Review Process for Future Update to Water Allocation Program EIR**

Stoldt explained it is estimated that 1,200 acre-feet of water will be available for legal lots of record from the Monterey Peninsula Water Supply Project. The issues to be decided are how that water will be allocated, either on a first-come-first-served basis or by allocating a specific amount of water to each jurisdiction; and if an EIR must be developed for distribution of that water.

Laredo noted that A mitigated negative declaration on use of the 1,200 acre-feet of water could be challenged. Also, jurisdictions may want to use that water for uses other than lots-of-record. The impact of utilizing water for “tourism bounce back” also needs to be defined. It may be preferable to prepare an EIR to address environmental impacts of the new water supply and address allocation issues in that document.

The committee discussed these issues and their comments are listed here. (A) Unused water credits should be returned for redistribution to the jurisdictions. (B) The Monterey Peninsula Water Supply Project EIR likely will not address water allocation issues. (C) Will a water permit process be needed when water is available from the water supply project? (D) The water credit issues such as transfers from jurisdiction to jurisdiction and property to property should be resolved before the water supply project is completed. (E) Eric Zigas should review with the TAC the growth inducement and environmental impacts sections of the EIR. (F) At a future meeting, the TAC could review assumptions that were used to develop the legal-lots-of-record estimate, and consider how a first-come-first-served plan would differ from a proportional allocation program. (G) Each jurisdiction follows a unique planning process and there could be competition between jurisdictions that approve projects more quickly than others. (H) These issues should come back to the committee before December 2013.

### Status Reports

#### 3. Update on California Public Utilities Commission Proceedings on Water Supply Project

Laredo reported that the draft EIR will be published in February 2014, and the final is scheduled for release on June 17, 2014. The Administrative Law Judge (ALJ) should issue a decision in July 2014 that would include a recommendation regarding approval of the EIR. The EIR could be certified by August 2014. A proposed settlement agreement must be filed June 28, 2014. Those parties that agree to the settlement must sign-on to all settlement terms. There may be two separate settlements. Parties that do not participate in the settlement(s) will have an opportunity to file comments for ALJ review. The ALJ can then decide if the settlements should be approved or rejected.

#### 4. Update on Status of State Water Resources Control Board Cease and Desist Order WR 2009-60

Stoldt reported that the Water Management District is working with the SWRCB on four issues. (1) **Petition for Change** -- The petition to change the Cease and Desist Order will be processed by the SWRCB because it is clear a water supply project will not be developed by the 2017 deadline. SWRCB staff has said that the community needs to show progress on water supply development and at that time a change to the order will be considered. The Water Management District will request further clarification from the SWRCB. (2) **Water Rationing** – The Water Management District has advised the SWRCB that water rationing will not be effective. The 35 gallon per-person, per-day allotment equals 6,000 acre-feet, which exceeds the legal supply limit of 5,200 acre-feet. (3) **Local Water Projects** – The Water Management District has advised the SWRCB that there is no incentive for jurisdictions/private parties to develop new small water projects because all new water must be allocated to unlawful diversions. A solution must be developed to address this issue. (4) **Mixed Use Projects** – California American Water has interpreted the Cease and Desist Order to prohibit setting new meters for any change of use. This policy has prevented reconstruction of commercial buildings that plan to use water credits for mixed use projects such as commercial/residential that would result in lower water consumption than was previously used at the site. Consequently, downtown properties destroyed by fire or otherwise abandoned cannot be redeveloped. The Water Management District has been working with the SWRCB on this issue and has made some progress on updating the policy.

The committee requested that staff contact Eric Zigas and ask him to attend a future meeting to discuss the Monterey Peninsula Water Supply Project EIR. Hardgrave asked staff to provide information on the 1990 Allocation Program EIR, mitigation program requirements.

**Adjourn**

The meeting was adjourned at 10:55 am.

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