



FINAL MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
June 25, 2012

1. Call to Order

The meeting was called to order at 8:00 am in the MPWMD conference room.

Committee members present: Bob Brower, Chair
 Jeanne Byrne
 David Pendergrass

Staff members present: David Stoldt, General Manager
 Rachel Martinez, Community Relations Liaison
 Arlene Tavani, Executive Assistant

District Council present: David Laredo

Roundtable Participants Sue McCloud Meeting Facilitator
 Jeff Davi Republican Party County Central
 Committee
 Kevin Stone Monterey County Association of
 Realtors
 Maureen Mason Monterey County Association of
 Realtors
 Chuck Della Sala Monterey Peninsula Regional Water
 Authority
 Jason Burnett Monterey Peninsula Regional Water
 Authority
 Rick Heuer Monterey Peninsula Taxpayers
 Association
 Paul Bruno Monterey Peninsula Taxpayers
 Association
 Mike Zimmerman Coalition for Peninsula Businesses
 George Riley Citizens for Public Water
 Roger Dolan Carmel Valley Association
 Todd Norgaard Carmel Valley Association
 Jodi Hanson Monterey Peninsula Chamber of
 Commerce

2. Introductions

The committee members and roundtable participants introduced themselves.

3. Discuss Concessions/Compromises that Might Forestall Litigation

Rick Heuer submitted for discussion a list titled Option 1 Terms that is provided as Attachment 1.

The result of the discussion was development of five conditions (see Attachment 2) that would be presented to the MPWMD Board of Directors at their June 27, 2012 meeting. The Board would consider incorporation of the conditions into proposed Ordinance No. 152.

4. Other/Next Steps
No discussion.

5. Comments from Public
No comments.

6. Adjournment
The meeting was adjourned at 10:30 am.

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Submitted by Rick Neuen
MPWA Rep at 6/25/2012
Committee Meeting

OPTION 1 TERMS

These are the components that should be a part of any new fee: IT MUST

- a. Include a date certain sunset. (A sunset is defined as a date certain of when the fee would end)
- b. Guaranty that the funds will be clearly EARMARKED FOR SPECIFIC PROJECT(S) ONLY in this case, the established "ASR" and "GWR" projects. State clearly that these funds cannot be diverted to any other uses or projects such as administration, mitigation, or other.
- c. Contain and establish a Citizen's Advisory Panel (group) appointed to oversee the funding, and to ensure that the funding is properly allocated and spent as set forth in the assessment.
- d. Include stipulation that if the designated projects are cancelled, eliminated, terminated, or for some reason unable to continue, the collection of the fee ceases. Perhaps there are two "Sunset dates" - one for entire project and then one for failed project(s).
- e. Consider, once the projects are up and running to put the costs back onto the utility bill in lieu of continuing the fee so that those using the water ultimately pay for the water.
- f. Limit that no more than 8% of the funding may be applied to or used for Administration costs of the MPWMD
- g. This would be a 218 benefit Assessment affirmative vote of the property owners based on (for example) size of meters to determine weighted vote with an agreement about historical use associated with meter sizes, or some other mutually agreeable mechanism that is allowable.

The result of this will:

- Require that the MPWMD to meet its budgetary challenges in FY 2012/13 without these funds being used, except as specifically called for in the budget for the agreed projects. (This means the MPWMD will have to address the issue of staff and costs that they cannot currently meet in their budget with reduction in staff and expenses).
- May force the district to modify its signed MOU, such that it can obtain some bridge funding for the ASR and GWR projects until such time as this fee as proposed can be approved and implemented.

Attachment 2

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
WATER SUPPLY PLANNING COMMITTEE
SUGGESTIONS FROM 6/25/12 DISCUSSION

- a. Include a date certain for sunset:
 - a. 5 – year overall sunset from effective date of the ordinance if no District project is identified and underway.
 - b. Sunset portion related to a debt-financed project at the end of bonding term, or earlier if security for bonds unaffected.
 - c. Sunset at date that funding for a project is transferred to CAW bill for portion attributable to that project.
- b. Funds will be earmarked for water supply projects such as ASR, GWR, and Desal.
- c. A citizen's advisory panel will be established that would meet quarterly to review expenditures of funds and provide reporting to the District Board. The panel cannot mandate expenditures, bind the District Board, or set policy without Board approval. The panel will include representatives appointed by the District directors, and established by separate by-law or resolution. Panel will include one member each from MCAR and MTPA and representatives of other community groups, as determined by the Board.
- d. Funds available for non-project costs (administrative overhead) will be limited to 15% of project funding.
- e. The Ordinance shall only be amended in the future in conjunction with a Proposition 218 hearing process.