



EXHIBIT 1-A

DRAFT MINUTES
Water Supply Planning Committee of the
Monterey Peninsula Water Management District
October 14, 2014

Call to Order The meeting was called order at 2:03 pm in the Water Management District conference room.

Committee members present: Robert S. Brower, Sr. - Committee Chair
 David Pendergrass
 Jeanne Byrne

Committee members absent: None

Staff members present: David Stoldt, General Manager
 Larry Hampson, Planning & Engineering Division Manager
 Arlene Tavani, Executive Assistant

District Counsel present: David Laredo

Comments from the Public No comments were directed the committee.

Action Items

1. Consider Adoption of September 18, 2014 Committee Meeting Minutes
On a motion of Byrne and second by Pendergrass the September 18, 2014 meeting minutes were approved unanimously on a vote of 3 – 0 by Byrne, Pendergrass and Brower. No comments from the public were directed to the committee during the public comment period on this item.

2. Consider Distribution of Funds from Local Project Grant Funding Program
Brower offered a motion that was seconded by Pendergrass to recommend that the Board approve the application from the Monterey County Fairgrounds for up to \$75,000 in Local Project Grant funds. The request from the City of Pacific Grove would be considered in a separate motion. The motion was approved on a vote of 2 – 0 by Brower and Pendergrass. Byrne abstained due to a conflict of interest, as she is a member of the Monterey County Fairgrounds Board of Directors.

On a motion by Byrne and second of Brower, the committee voted to deny the request for \$100,000 from Local Project Grant funds by the City of Pacific Grove, due to concerns that approval could jeopardize completion of the MOU on Source Waters and Water Recycling, and development of any future agreements with Salinas Valley growers related to the Pure Water Monterey Project. The motion was adopted on a vote

of 2 – 1. Directors Byrne and Brower voted in favor of the motion, Director Pendergrass was opposed.

Pendergrass offered a motion to approve the request from the City of Pacific Grove for \$100,000 from the Local Project Grant Fund, with the condition that the project shall utilize all water sources, except for effluent which will be negotiated in the future. There was no second to the motion.

Committee discussion re the City of Pacific Grove application: (a) This project could signal to other cities that they could process their own wastewater, which would override the importance of regional wastewater treatment. (b) Concern that growers will see this as reducing the amount of wastewater available from the Peninsula cities for expansion of the Castroville Seawater Intrusion Project. Commitments have been made to the growers related to source water for the Pure Water Monterey Project and this could interfere with negotiations. (c) This request should be approved, the project would not use all sewage from Pacific Grove. (d) The growers are aware of this project. They are concerned because there is no control over the amount of flow from the jurisdictions to the Monterey Regional Water Pollution Control Agency (MRWPCA) treatment facilities. (e) Could the Pacific Grove project set a limit on the amount of its wastewater would be used for the project?

Public Comment: (a) **Keith Israel**, General Manager, MRWPCA, stated that Bill Kampe of the City of Pacific Grove told him that 100 acre-feet of wastewater would be processed, and that the remainder of the water would be from other sources. Israel said that all jurisdictions associated with the MRWPCA could process their wastewater but it would not be economical. Pacific Grove is unique because it has an abandoned treatment plant that could be utilized. The City proposes that it would process the wastewater, and the residual waste material would be sent to the MRWPCA. The concern is that the residual waste material could not be conveyed through the transmission lines. The MRWPCA may need to place limits on the amount of residual waste material that can be conveyed to its plant. (b) **Mike McCullough**, MRWPCA, stated that the City of Pacific Grove estimates that reuse of the wastewater will allow the city to receive 80 or 90 acre-feet of water credits to be reinvested within the city limits. The addition of sinks, toilets, etc. will result in wastewater flows.

Discussion Items

3. Discuss Progress on Obtaining Approval for MOU on Pure Water Monterey Project

See discussion under item 4.

4. Discuss Pure Water Monterey Budget Revision and Expectations for Current Fiscal Year

Stoldt reviewed the status of discussions with MRWPCA re budgeting for continued progress on the project. The Water Management District has budgeted \$1,405,000 through the mid-year budget adjustment that should occur in February 2015. Expenses for public outreach have been reduced. In order to contain project costs, it is hoped that grant funds will be received from the November 4, 2014, Proposition 1 Water Bond.

5. Discuss Pure Water Monterey Schedule and Task List

Stoldt reviewed the schedule that was presented in the committee packet.

6. Discuss IRWM Drought Round Grant Application

Hampson distributed a document titled IRWM Grant Funds Summary that listed the six Central Coast Regions that would be eligible to receive funds from the Proposition 84 Implementation Grant drought round. That Pajaro Valley Water Management Region is proposed to be awarded 12.26 million. Santa Barbara is proposed to be awarded \$2.5 million. No other grant funds are available to the Central Coast Region from Prop 84. The Central Coast Region is one of the smallest in the state, and that may be why funds have not been granted to this region. There will be \$700 million available in grant funds to IRWM programs if Proposition 1 passes. The Central Coast Region could receive up to \$43 million. Stoldt is scheduled to meet with the Executive Director of the Department of Water Resources to promote the needs of this area and find out why the central coast has not been considered for grant funding. It would be advisable for the Salinas Valley and Monterey Peninsula to join together in an application for grant funds for the Pure Water Monterey Project.

Suggestions from the Public on Water Supply Project Alternatives

No comments.

Set Next Meeting Date

The meeting was scheduled for November 10, 2014 at 2 pm.

Adjournment

The meeting was adjourned at 3:20 pm.

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