



## **EXHIBIT 1-A**

### **DRAFT MINUTES Water Supply Planning Committee of the Monterey Peninsula Water Management District *June 14, 2016***

**Call to Order**        The meeting was called to order at 2 pm in the MPWMD conference room.

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

**Committee members absent:**     None

**Staff members present:**           David Stoldt, General Manager  
   Larry Hampson, Planning & Engineering Division Manager  
   Joseph Oliver, Water Resources Division Manager  
   Arlene Tavani, Executive Assistant

**District Counsel present**         David Laredo

**Comments from the Public:**     No comments.

#### **Action Items**

1.        **Consider Adoption of Committee Meeting Minutes of May 24, 2016**  
          On a motion by Pendergrass and second of Byrne, minutes of the May 24, 2016 committee meeting were approved on a unanimous vote of 3 – 0 by Pendergrass, Byrne and Brower. No public comment was directed to the committee on this item.
  
2.        **Consider Adoption of Policy that will Address Monterey County General Plan Requirements for Carmel Valley Alluvial Aquifer**  
          On a motion by Byrne and second of Pendergrass, the committee requested that this item be deferred to the next meeting. The motion was adopted on a vote of 3 – 0 by Byrne, Pendergrass and Brower. The committee requested that at the next meeting, staff should present an update on discussions with the Monterey County Planning Department and the Monterey County Water Resources Agency regarding proposed concepts for modifying the Water Management District's permitting regulations to conform with General Plan Policy PS-3.2 which requires that projects utilizing water from the Carmel Valley Alluvial Aquifer must be supplied by a "sustainable" water source. The three concepts are described as follows. Concept 1 - Project proponents must provide an analysis of existing consumptive use that would set a historical baseline. A minimum reduction of 15% from that baseline could be returned to the river. This would also include a requirement that non-California American (Cal Am)

pumpers install water efficient fixtures, just as Cal Am customers must do. Also, pumpers must agree to reduce water production during critically-dry years in order to facilitate irrigation of streamside vegetation. Concept 2 - Calculate the baseline use taking into account the change in use, such as converting from septic to a sewer system connection, and then reduce the baseline amount by 15 percent. Concept 3 - A percentage of the baseline use could be set aside for the Water Management District as a reserve allocation.

The following comments were made by the committee and staff during the discussion of this item. (a) The annual well production reports could be reviewed to determine if water production from the well was within the amounts specified in the water distribution system permit. (b) Fines could be lodged against any well owner that exceeded the pumping limit. (b) The Water Management District would need to establish a procedure for levying fines. (c) The Water Management District should not use “police powers” to force property owners to retrofit whenever a new water saving appliance is required in the Cal Am system. (d) Do Monterey County water policies take precedent over MPWMD regulations? The response was that the District could continue with its current policies; however, the County could reject a project that our regulations would allow. (e) We want the permitting process to be as simple as possible for applicants so a project is not delayed due to conflicting policies.

Public Comment: (a) **George Riley** stated that there must be a way to balance the current situation in which Cal Am rate payers will fund a water supply solution, but non-Cal-Am pumpers will not pay even though they will receive the benefit of system improvements. He expressed agreement with the proposed 15% reduction in pumping. (b) **Luke Coletti** stated that the City of Pacific Grove is also developing a sustainability policy similar to that of Monterey County. He asked if reducing the Rancho East water use would reduce pumping by 382 acre-feet. Staff responded that the reduction will be approximately 180 acre feet for the East area; and of that amount, 60 acre feet is proposed to be returned to the river as a balancing amount; and 120 acre feet will be held aside (60 for the Villages project, and 60 to market as with the Malpasos project).

### **Discussion Items**

#### **3. Discuss Possible District Water Entitlement Ordinance**

Stoldt discussed with the committee the concept of a water entitlement ordinance. The issue was deferred to a future meeting. During the public comment period on this item, Luke Coletti stated that the Water Management District could issue a water permit, but Cal Am will decide if a meter can be set based on its interpretation of the Cease and Desist Order.

#### **4. Update on Aquifer Storage and Recovery Project Activities**

Stoldt stated that an update would be provided at the June 20, 2016 Board meeting.

#### **5. Update on Pure Water Monterey Project**

Stoldt stated that he would report at the June 20, 2016 Board meeting. During the public comment period on this item, George Riley stated there is a rumor that The Otter Project will file a lawsuit related to Pure Water Monterey.

**6. Update on California American Water Desalination Project**

Stoldt stated that he would provide an update at the June 20, 2016 Board meeting, when settlement agreements related to the project will be considered by the Board of Directors. During the public comment period on this item, George Riley stated that a premium price may be paid for treatment of the return water; but that is an unavoidable cost of the water supply project.

**7. Update on Alternative Desalination Project**

Stoldt stated that there was nothing new to report. During the public comment period on this item, Luke Coletti reported that the California Public Utilities Commission has scheduled public participation hearings on September 1, 2016 on the Monterey Peninsula regarding the Monterey Peninsula Water Supply Project.

**Suggestions from the Public on Water Supply Project Alternatives:** No Discussion

**Set Next Meeting Date:** The meeting was scheduled for July 12, 2016 at 2 pm

**Adjournment:** The meeting was adjourned at 3:20 pm