



**EXHIBIT 1-A**

**DRAFT MINUTES  
Water Supply Planning Committee of the  
Monterey Peninsula Water Management District  
September 19, 2017**

**Call to Order**           The meeting was called to order at 8:10 am in the MPWMD conference room.

**Committee members present:**       Robert S. Brower, Sr. - Committee Chair (by telephone)  
  Jeanne Byrne  
  Ralph Rubio

**Committee members absent:**       None

**Staff members present:**           David Stoldt, General Manager  
  Larry Hampson, Planning & Engineering Division Manager  
  Maureen Hamilton, Water Resources Engineer  
  Jonathan Lear, Senior Hydrologist  
  Arlene Tavani, Executive Assistant

**District Counsel present**           David Laredo

**Comments from the Public:** George Riley stated that the California Public Utilities Commission (CPUC) will be biased towards the Monterey Peninsula Water Supply Project, because the commission is in a unique position as lead agency for preparation of the EIR. He expressed concern that the close relationship between the CPUC and California American Water could mean that the CPUC will not be responsive to other interests.

**Action Items**

**1. Consider Adoption of Committee Meeting Minutes of August 8, 2017**

On a motion by Brower and second of Byrne, minutes of the August 8, 2017 committee meeting were approved on a vote of 2 – 1 by Byrne and Brower. Rubio abstained as he was not present at the August 8, 2017 meeting.

**2. Provide Direction re Testimony for Hearings before the California Public Utilities Commission re Application of California American Water to CPUC (No. 12-04-019) – Monterey Peninsula Water Supply Project**

General Manager Stoldt reviewed issues that would be considered at upcoming hearings before the CPUC: Demand, Supply, Costs, Project Financing, Downsizing, Settlement Agreements, and Community Values. He asked for comments from the committee on some of those issues. Direction provided by the committee is listed below.

Brower made a motion that the testimony should express support for construction of a 6.4 mgd desalination plan. The motion was seconded by Rubio and approved on a vote of 3 – 0 by Brower, Rubio and Byrne.

The committee expressed support for the following assertions: (a) water consumption has been reduced over time; (b) Cal-Am should operate a 6.4 mgd desalination plant at 80% capacity to ensure that 20% is available for health and safety needs of the community – this reflects an operational safety factor, not a growth factor; (c) must plan for legal lots-of-record or there is a risk that lot owners could claim a “taking” of property rights; (d) the Pebble Beach Company has an entitlement of 320 acre-feet of water which must be provided for; (e) support expansion of Pure Water Monterey if progress on the desalination project is stalled; (f) reductions in water production due to the Seaside Basin Adjudication contribute to the need for the 6.4 mgd desalination plant; and (g) the Monterey Peninsula suffers from “water poverty.”

The following comments were presented to the committee during discussion of this item. (1) **David Chardavoyne**, General Manager of the Monterey County Water Resources Agency, stated that Cal-Am proposes to operate the 6.4 mgd desalination plant at 95%. The standard is for a utility to operate at 80% so that 20% is available if there is a breakdown in the system. (2) **George Riley** stated that local ratepayers recognize that desalination can provide much needed additional water supply. However, they are opposed to the high cost of the project. He noted that there is no opposition to importing water from outside the District such as from Moss Landing.

### **Discussion Items**

#### **3. Update on Water Supply Projects**

- a. Pure Water Monterey – No report
- b. California American Water Desalination Project – No report
- c. DeepWater Desal – There had been no public announcement about a rumored partnership with a Spanish investment firm. The draft EIR for the project should be completed in early 2018.
- d. Local Water Projects – (1) The City of Monterey had not submitted invoices for preparation of the Monterey Regional Water Recovery Study. (2) Development of the Stormwater Resource Plan for Carmel Valley and the Monterey Peninsula should be completed by July 2018. (3) The Pacific Grove Stormwater and Dry Weather Flow Reuse Project should begin operation in October 2017. The goal was to obtain final permits within 45 days of operation.

#### **4. Update on Los Padres Dam Studies**

Larry Hampson reported that consultants are working on fish passage and dam alternatives. Completion of the study had been delayed while consultants waited for government agencies to provide requested information.

**Set Next Meeting Date:** The next meeting was set for 3:30 pm on October 17, 2017

**Adjournment:** The meeting was adjourned at 9:30 am.