

ITEM: IV-B SECOND READING OF ORDINANCE NO. 4

MEETING DATE: February 9, 1981

BACKGROUND INFORMATION: At the January 12, 1981 Board Meeting, the District held a Public Hearing on Ordinance No. 4 and the Board passed to print on first reading the proposed text. Subsequent to that hearing, no additional public input has been received.

RECOMMENDATION: Staff recommends adoption of Ordinance No. 4 as drafted with an amendment to Rule 101 as illustrated on Exhibit A. At the first reading staff has suggested deletion of reference to the District's Environmental Guidelines; however, State law requires minimal guidelines even if the State's Guidelines are adopted by reference. Therefore, Staff recommends against deleting this reference. District Counsel has ruled that this amendment does not require reprocessing of the Ordinance.

ACTION REQUIRED: By motion, adopt Ordinance No. 4.

ORDINANCE NO. 4

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT
AMENDING THE RULES AND REGULATIONS OF THE DISTRICT

The Board of Directors of the Monterey Peninsula Water Management District hereby ordains the following additions or amendments to the Rules and Regulations of the District:

RULE 101. Definitions: "ENVIRONMENTAL REVIEW" - The definition of Environmental Review is hereby amended as follows: ENVIRONMENTAL REVIEW - "Environmental Review" means the consideration of environmental impacts of a project pursuant to the California Environmental Quality Act and the Monterey Peninsula Water Management District Environmental Guidelines. ~~-(Resolution 79-7)~~

RULE 106. Immunity: Rule 106 is hereby added as follows: "RULE 106. Immunity - The provisions of the Code of Civil Procedure, Section 1094.6 shall hereinafter be adopted and made applicable to the judicial review of any decision of the Monterey Peninsula Water Management District or any commission, board, officer, employee or agent thereof."

RULE 107. Environmental Guidelines - Rule 107 is hereby added as follows:

"RULE 107. Environmental Guidelines - The Monterey Peninsula Water Management District Environmental Guidelines as required pursuant to the California Environmental Quality Act shall henceforth be those guidelines adopted by the State of California and published in the State Administrative Code, Title 14, Section 15000 et. seq. and as these may be amended."

RULE 504 (B) Reporting Status. Rule 504 (B) is hereby amended as follows:

B. Reporting Status - The reporting status of a well refers to the computation method selected for calculating production on the semi-annual water production statement. There shall be three categories of reporting status:

(1) Land Use Method - Every owner and/or operator of a well which is located

on a parcel smaller than 2 1/2 acres ^{and} ~~or~~ which has a discharge opening smaller than or equal to two inches shall report by the Land Use Method as described in Rule 505 unless the owner and/or operator elects the water meter method. (2) Water Meter Method - Every owner and/or operator of a well which is located on a parcel larger than 2 1/2 acres ~~or~~ ^{and} which has a discharge opening larger than two inches shall report by the water meter method as described in Rule 506 unless that owner and/or operator elects the power consumption correlation method. (3) Power Consumption Correlation Method - Any owner and/or operator of a well which is located on a parcel larger than 2 1/2 acres ~~or~~ ^{and} which has a discharge opening larger than two inches may elect to report by the power consumption correlation method as described in Rule 507.

RULE 509. Well Construction Standards - Rule 509 is hereby amended to read as follows: "RULE 509. Well Construction Standards - In addition to the water well standards of the State of California and the County of Monterey, all new wells within the District shall be equipped with a sounding tube. Where the well uses an electrical motor pump, that pump shall be metered separately from any other power use except booster pumps."

REGULATION VI. FEES - Regulation VI is hereby amended as follows: "REGULATION VI. FEES - RULE 600. Permit Fees. Every applicant, excepting governmental agencies, shall pay a non-refundable fee at time of application. ~~The~~ ^{as follows:} amount of such fee shall be set forth in a fee schedule established by the General Manager and maintained in the District office. No fee shall exceed the maximum limit of such fee as set forth in this regulation. (1) Fee for Permit to Create/Establish a Water Distribution System - \$150.00. (2) Fee for Permit to Expand/Extend a Water Distribution System - \$5.00. (3) Fee for Amendment of Permit - \$25.00.

RULE 601. Publication Fees - When other than a public agency, the maximum fees and charges for publications shall be set forth below: (1) Copies of

Rules and Regulations - \$5.00. (2) Copies of Environmental Guidelines - \$5.00. (3) Copies of permits and other materials - 10¢ per page.

RULE 602. Well Monitoring Fees - Every applicant, excepting governmental agencies, shall pay up to the maximum, a non-refundable fee as follows:

(1) Fee for existing well registration ^{\$10.00} ~~\$25.00~~. (2) Fee for new well registration - \$25.00. (3) Fee for amendment of Declaration of Reporting Status - \$25.00. (4) Fee for late registration - \$100.00 in addition to the above.

RULE 603. Miscellaneous Fees - Every applicant excepting governmental agencies, shall pay at time of application, up to the maximum, a non-refundable fee as follows: (1) Fee for appeal of determination - \$25.00. (2) Fee for variance - \$25.00.

On motion of Director _____ and second by Director _____, the foregoing ordinance is duly adopted this _____ day of _____, 1981, by the following votes:

AYES:

NAYES:

ABSENT:

I, Gladys McKillop, Secretary of the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a full, true and correct copy of an ordinance duly adopted on the _____ day of _____, 1981, and now is of record in my office.

Witness my hand and seal of the Board of Directors this _____ day of _____, 1981.

Secretary, Monterey Peninsula Water Management District

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

Regular Meeting, February 9, 1981

I. CALL TO ORDER/ROLL CALL

The regular monthly meeting of the Monterey Peninsula Water Management District was called to order by Chairman Alfred Gawthrop at 7:30 p.m. in the City of Monterey Council Chambers on Monday, February 9, 1981. Roll was called, and all members were present except for Director Fry.

II. CONSENT CALENDAR

The Consent Calendar for the month of January, including the Treasurer's Report indicating expenditures in the sum of \$12,294.47, paid by check No.'s 872 through 909, was presented for Board approval. Director McClintock moved to adopt the Consent Calendar. Director Williams seconded the motion, which carried unanimously.

(Director Fry arrived at the meeting at 7:35 p.m.)

III. INFORMATIONAL ITEMS BEFORE THE BOARD

A. ORAL COMMUNICATIONS - Hibert Olson expressed his opinion that Board members need more time to consider the staff reports, and that any action taken by the Board could be presented at one meeting and voted at the next meeting to allow both public and board review before action is taken. He further suggested that Board members prepare written statements for oral presentations.

IV. ACTION ITEMS BEFORE THE BOARD

A. PUBLIC HEARINGS - (1) Variance for Water Connection - Dallas: Manager Buel reviewed the variance of Steve and Hermina Dallas, and reported that the Demand Management Committee recommend denial. Manager Buel also noted that the Committee had reviewed the variance policy previously adopted by the Board, and was recommending amendment. Chairman Gawthrop opened the public hearing. Mrs. Dallas reviewed her need for the variance. No further public comments were presented, and the public hearing was closed. Director Williams disagreed with both the existing policy and the proposed variance policy, adding that planting on property before building is a legitimate need, and that he would support the variance. Director Williams further added that the District should have a policy which precludes speculation in water meters. Director Lee stated his support of the adopted policy. Director Peters supported Director Williams' comments, adding that a meter should be removed if a building permit is not obtained in a designated time. After additional discussion, Director Lee moved to adopt the findings in support of denying the variance. Director McClintock seconded the motion. Motion carried, with Directors Williams and Peters casting a "no" vote. Director Lee moved that the variance be denied. Director Fry seconded the motion. Motion carried, with Directors Williams and Peters casting a "no" vote.

Manager Buel reviewed the revised policy statement. Director Williams stated that rather than accept a policy statement, staff should develop an ordinance that would both allow prevention of speculation and allow the District to deal with variances without vesting a right in a meter. Director McClintock, after questioning Director Williams if he would support the proposed policy until an ordinance was adopted, moved to adopt the amended variance policy. Director Fry seconded the motion. Motion carried unanimously. The Board, by consensus, directed the Manager to develop

the short-term variance provisions discussed by the Board.

(2) PUBLIC HEARINGS - Variance for Water Connection - Shipman: Manager Buel reviewed the request for variance by Bruce Shipman. Chairman Gawthrop opened the public hearing. As there was no public response, the meeting was closed. Director Lee moved to adopt findings supporting denial of the application, with Director McClintock seconding the motion. Motion carried unanimously. Director McClintock then moved to deny the variance. Director Lee seconded the motion, which carried unanimously.

B. SECOND READING OF ORDINANCE NO. 4 - Manager Buel recommended adoption with the amendment that reference to the District's Environmental Guidelines in Rule 101 not be deleted as previously recorded. There were no public comments. Director McClintock moved to adopt Ordinance No. 4 as amended, with Director Williams seconding the motion. The ordinance was passed unanimously on a roll call vote as follows: Ayes: Directors Peters, Fry, Lee, McClintock, Williams, Woodworth and Chairman Gawthrop.

C. DISCUSSION OF RATIONING ALTERNATIVES - Manager Buel presented rationing alternatives for discussion as directed at the previous Board meeting, and requested further Board direction. Director Fry moved that the staff be directed to develop a standby rationing ordinance for Board review. Director McClintock seconded the motion. Directors were requested to submit additional comments to the Manager. The motion carried unanimously.

D. DISCUSSION OF CONNECTION CHARGE ALTERNATIVES - Manager Buel recommended a fee structure be developed through an ordinance to implement connection charges as a source of revenue for mitigations of Cal Am's four wells, and that he be directed to develop an ordinance for Board review. Director Williams so moved. Director McClintock seconded the motion. Motion carried unanimously.

E. (1) CAL AM ANNEXATION PROPOSALS: CARMEL VALLEY RANCH - Manager Buel presented background information of the Carmel Valley Ranch application for annexation to Cal Am. He also reviewed the recommended policy statement of the Demand Management Committee. He distributed letters from W. C. Stowers and the Carmel Valley Property Owners Association, both opposing annexation. Chairman Gawthrop called for comments from the public. Jack Sassard supported the statements in the CVPOA letter. Other members of the public addressing the agenda item were Richard Dolsemer, on behalf of Carmel Views Community Association, Darby Worth, CREW, Stanley Worth, and Glen Chang, all opposing annexation to the Cal Am service area. Mr. Kay Chandler representing the Carmel Valley Ranch addressed the Board in support of its application for annexation, based on the condition set forth in the Use Permit that domestic water supply shall be provided by Cal Am Water Company. A series of questions and answers were exchanged between Board members and the Carmel Valley Ranch representatives. Attorney Myron E. Ettienne, Jr. offered additional support for annexation. John Logan addressed the Board as member of the Policy Advisory Committee and as an individual regarding the County's use of the water allocation. Director McClintock moved to accept the Manager's recommendation that the policy statement of the Demand Management Committee be adopted, and that the staff be directed to recommend denial of the Carmel Valley Ranch annexation at the PUC hearing. Director Williams seconded the motion, which carried unanimously.

(Director Fry left the meeting at 9:00 p.m.)

E. (2) CAL AM ANNEXATION PROPOSALS: OAKLEY AND BARBARA HALL - Manager Buel presented background information on the proposed annexation. Director McClintock moved to recommend denial at the PUC hearing for this application. Director Williams seconded the motion, which carried unanimously.

F. CREATION OF PART-TIME CLERK/TYPIST POSITION - Manager Buel recommended that the part-time position be approved by the Board with a transfer of funds from the Conservation Account to Salaries Account, that the position be advertised and filled as soon as possible. He further noted that the Personnel Resolution, Appendix A, would be amended to incorporate the part-time position. Comments were made by Director Peters regarding fringe benefits, Director McClintock regarding possible alternatives, and Director Williams, regarding word processing systems. Director Peters moved that the position be created by Resolution 81-2, including a transfer of \$2,500 to Salaries from Conservation Account, with the option of receiving fringe benefits and a lower salary, or a higher set salary of \$5.60 per hour. Director McClintock seconded the motion, which carried unanimously.

G. CONSIDERATION OF STANTON/SCARLETT WELLS MITIGATION - Manager Buel presented background information on the two wells and conditions imposed by the County Use Permit. He requested direction from the Board whether the District should seek the County's implementation of those conditions and whether or not the District will assume the same financial agreement with Cal Am to implement the system as with the other four wells. After lengthy discussion among the Board members, Director McClintock moved to table the agenda item until results were obtained from the mitigations of the four wells, and that Manager Buel should discuss mutually agreeable mitigations with Cal Am. Director Woodworth seconded the motion to table. Motion passed unanimously.

Director Lee offered to make another motion relating to Agenda Item IV-G, at which time point of order was called by Director Peters. District Counsel noted that according to Roberts Rules of Order, the Board should be considering the next item of business. He also noted that Board members are offered an opportunity to bring up matters under "Board Member Comments" on the agenda. At that point, Director Lee offered his motion that the Board of Supervisors be notified that the MPWMD is willing to enter the same agreement on Stanton and Scarlet Wells as the four new wells, and to support similar mitigation conditions. Director Williams seconded the motion. Director Woodworth moved for a point of order. He pointed out the motion is still on the same subject which was tabled by the previous motion, and Director Lee's motion will have to be heard another time. Chairman Gawthrop called for the vote. Those in favor of the motion were Directors Williams, Peters and Lee. Directors Woodworth, Gawthrop and McClintock voted against the motion. The motion failed on a tie vote.

Chairman Gawthrop called a recess at 9:35 p.m. Meeting reconvened at 9:45 p.m.

H. DRAFT ANNUAL REPORT REVIEW - Manager Buel presented the Draft Annual Report for Board review and asked for Board comments. Director McClintock moved that the Board approve the draft report, and that Board members offer comments in writing. Director Lee seconded the motion. Motion carried unanimously.

I. CONSIDERATION OF REVISING ENVIRONMENTAL GUIDELINES - Manager Buel recommended adoption of Resolution 80-3, a new set of guidelines in compliance with CEQA that will replace Resolution 79-5. Director Williams so moved, with Director Lee seconding the motion. Motion carried unanimously.

V. OTHER MATTERS

A. DISCUSSION OF MRWPCA REGIONAL PLANT - Director Woodworth distributed a prepared statement, and asked that the Board review the mandate of Senate Bill 1329, the District Law, and that the Board as a whole should be kept fully advised of the regional sewer plant problems in the area.

VI. BOARD MEMBER COMMENTS

Director McClintock suggested that the Board packet should be kept to a minimum, and distributed earlier. Chairman Gawthrop suggested that the agenda be prepared earlier to facilitate earlier distribution of the board packets.

District Counsel noted that within legal requirements for public hearings it is often necessary to include certain materials within the record. He also asked for direction from the Board regarding his parliamentary function in keeping the meetings structured. The consensus was that the meetings should be semi-structured.

Director Peters asked for earlier distribution of lengthy documents for review time before Board meetings.

VII. ADJOURNMENT

There being no further business before the Board, the meeting was adjourned at 10:00 p.m.

Respectfully submitted,



Gladys McKillop, Secretary to the
Board

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

January 12, 1981

I. CALL TO ORDER/ROLL CALL

The regular monthly meeting of the Monterey Peninsula Water Management District was called to order at 7:30 p.m. in the City of Monterey Council Chambers on Monday, January 12, 1981 by Chairman Alfred Gawthrop. Roll was called with all members present except for Directors Williams and Moore.

II. CONSENT CALENDAR

Chairman Gawthrop called for questions on the Consent Calendar. Concerning Item II A, Minutes of the meeting of December 8th, Director Woodworth requested that (1) the minutes of the Special meeting of January 5th, 1981 be provided at the next meeting of the Board rather than the regular February meeting, (2) the minutes of December 8th, Page 3, last paragraph, (added Agenda Item IV-D) be changed to "four" proposals received, rather than "three", and (3) the reasons for his objections be included in the minutes as follows: That more time is needed to study the proposals in that it is one of the largest contracts the Board has reviewed to date, and that the Augmentation Subcommittee used possibly inadequate procedures in selecting the consultant. The Treasurer's Report for the month of December, 1980, showed expenses of \$12,644.12 paid by check No.'s 832 through 871 inclusive.

John Williams arrived at the meeting at 7:34 p.m.

Director Lee commented on Agenda Item II-E, noting that the Board should be fully apprised of the economic consequences regarding the formation of a regional government office complex, and that such funds may be put to better use.

Director Fry moved for adoption of the Consent Calendar as amended. Director Williams seconded the motion, which carried unanimously.

III. INFORMATIONAL ITEMS BEFORE THE BOARD

A. ORAL COMMUNICATIONS - There was no response from the audience for this agenda item.

B. PRESENTATIONS - Ben Wells, U.S. Corps of Engineers -

Michal Moore arrived at the meeting at 7:37 p.m.

Mr. Wells made a short presentation on costs, yield and selected investment plans for the Carmel River Feasibility Study. Mr. Wells answered questions by Board members and the audience, followed by the statement that the final report will be submitted to the Board March 30th. Board members requested copies of the transparency charts used by Mr. Wells in his presentation.

IV. ACTION ITEMS BEFORE THE BOARD

A. ELECTION OF OFFICERS - Director Fry moved that Director Gawthrop

be nominated to serve as Chairman of the Board. Director Moore seconded the motion. Chairman Gawthrop called for additional nominations. Director Williams commented that it would be wise to follow the Board of Supervisors in rotating the Chair each year, and nominated Director McClintock for the office of Chair. Director Lee seconded the nomination. Director Fry moved that nominations be closed. Director Williams seconded the motion. Motion passed unanimously. Written ballots were presented to the Board for the office of Chair. Each member was instructed to cast a vote and sign their ballot. The ballots were tallied by the General Manager and the Secretary of the Board. Chairman Gawthrop read the votes as follows: Director Gawthrop received votes from Directors Fry, Gawthrop, Woodworth and Moore; Director McClintock received three votes from Directors Williams, McClintock and Lee. Director Gawthrop was elected to the office of Chair for 1981.

Director Moore nominated Nancy McClintock for the position of Vice Chair. Director Fry seconded the motion. Director McClintock stated her preference for positions being rotated, and nominated Director Williams for the position of Vice Chair. Motion died for a lack of second. Director Fry moved that nominations be closed. Director Moore seconded the motion. A roll call vote was held, with the following vote for Director McClintock as Vice Chair: Ayes: Directors Moore, Fry, Lee, Williams, Woodworth and Gawthrop; Noes: Director McClintock. Motion carried.

District Counsel noted that the office of Treasurer and Secretary are appointed by the Chair.

B. PUBLIC HEARINGS - (1) CAL AM FOUR WELLS PERMIT - Manager Buel noted that the public hearing has been published, properties within 300 feet of the well have been noticed, and the well sites were posted. Manager Buel read into the record additional letters received concerning the Cal Am application as follows: Prado del Sol - Rancho Bonita Home Owners Association referring to aesthetics, potential noise, drawdown, impacts of the proposed wells and water lines; Lower Carmel Valley Advisory Committee requesting the District Board to consider their letters to the Board of Supervisors dated September 22 and November 13th, referring to the potential impact from the wells, and requesting that certain conditions be placed on the wells; and a letter from Leonard Weiss, Cal Am attorney transmitting to the District its application of the Use Permits granted by Monterey County, the Findings and Resolutions of the Monterey County Board of Supervisors, and Cal Am's proposed Findings.

Chairman Gawthrop opened the Public Hearing on the application. Members of the audience addressing the Board were Russell Wolter, Charles Wilson, John Logan, Leonard Weiss and Patricia Bernardi. A period of questions and answers followed. There being no further comments from the public, the Chairman closed the public hearing.

1 (A) Consideration of Tentative Agreement with Cal Am - Manager Buel asked the Board to consider the tentative agreement with Cal Am as the first step in reviewing the permit application as Agenda Item 1 (a) of Public Hearings, and to review the potential impacts of the agreement. Manager Buel noted that the agreement as tentatively drafted requires the District to (1) assume the obligation of developing and operating a mitigation system to preserve the riparian vegetation in the impact zone, (2) retain a plant physiologist and irrigation engineer, (3) acquire rights-of-way, (4) install equipment and (5) dedicate staff time to monitor the vegetation and irrigation as necessary. He noted also that financial mechanisms are yet to be established to pay for this project. Manager Buel recommended that the permit not become effective until such a final agreement is consummated between the District and Cal Am.

1 (B) Consideration of Forming a Zone for Irrigation - Manager Buel noted that the formation of an irrigation zone provides one alternative mechanism to finance the portion of the irrigation costs not paid by Cal Am. He noted the District could also use general funds or raise revenues through connections charges which was the recommendation of the Resources Committee. Director Williams moved to pursue connection charges as a source of revenue to raise additional money not supplied by Cal Am. Director Fry seconded the motion. Motion passed unanimously. Director Lee noted that connection charges have also been suggested as a means for financing a dam should one be approved.

1 (C) Consideration of Permit - Manager Buel recommended approval of the permit with the amended conditions which he distributed to the Board. He noted that the District is required to make certain findings in support of the Board's decision before approving the permit. Director Lee suggested naming Cal Am Water Company as a responsible party in No. 3 of the Findings, and suggested adding the words "under the proposed conditions" in Finding No. 7 after "The proposed system ...". He also suggested Finding No. 11 be deleted. A general discussion followed between Board members and District Counsel. Director Lee suggested the Board exclude reference to "the Monterey County General Plans, the proposed Carmel Valley Master Plan, the opinions, findings and decisions of the California Public Utilities Commission in its Case No. 9530, including, but not limited to its decision No.'s 84527, 86807 and 89195, the Certified Environmental Impact Report of the CPUC for the Cal Am Canada de la Segunda Pipeline and Begonia Iron Removal Plant, dated April 1977" as the wording appears in Recital C. Director Lee also requested that the letters from the Lower Carmel Valley Advisory Committee to Monterey County Planning Commission dated September 22, 1980 and to the Monterey County Board of Supervisors dated November 13, 1980 be included in Recital C by reference.

Director Fry moved that the Board adopt the Findings and grant Cal Am's permit as conditioned by Exhibit D. Manager Buel noted the Board had not reviewed Exhibit D. Director Fry reworded his motion to adopt the Findings and Recitals. Director Moore seconded the motion. Director Fry stated his motion does not include the amendments that were offered. Director Lee offered a substitute motion to adopt the Recitals including the two letters from the Lower Carmel Valley Advisory Committee. Director Fry, and Director Moore, as seconder, stated they would accept Director Lee's motion as an amendment to Director Fry's motion. The Board voted on the Recitals and Findings as proposed by staff with the inclusion of the two letters from the LCVAC. Motion carried unanimously.

Upon acceptance of Findings, the Board was asked to review the proposed amended conditions on the permit granting Cal Am approval to add four wells and to expand their water distribution system. Director Gawthrop suggested that Condition No. 7 be amended by adding the words "based on their percentage of net pumpage in the impact area" before "as defined in the Final Agreement".

Director Lee asked to change No. 6 of the conditions by adding the words "from each well which has operated since January 1st of the then current year. Drawdown data shall be measured with the well on, and after a twenty-four hour shutdown". Director Lee suggested that No. 8 include the words "approved by" rather than "submitted to" the Monterey Peninsula Water Management District, and also add the words "on the schedule determined by the MPWMD" at the end of No. 8.

Director Williams discussed point No. 9, noting the definition of system capacity in the District Ordinance, and taking into account the reduction in the wells when the water table goes down, stating this has not been considered in previous discussions with Cal Am.

Recess was called at 9:37 p.m. and reconvened at 9:45 p.m.

Director Fry moved to accept the permit subject to the staff recommended conditions and including Chairman Gawthrop's recommendation for Condition No. 7. Director Woodworth seconded the motion.

Director Williams referred to No. 9, questioning if the Board was giving up 2,000 acre feet of drought reserve, and asked Director Fry to comment. Director Fry noted that municipal units are set by this Board, and the District should reserve 2,000 acre feet when municipal unit allocations are set. Director Williams asked for an opinion from the District Counsel, who noted that the allotment for each municipal unit is based upon a formula contained in Rule 400-A of the Rules and Regulations. The system capacity is a factor in the calculation, and unless a reserve is placed at this time on a system on a system capacity, the Manager would be obligated to allocate that percentage among the municipal units. Director Williams stated that the District should either leave the expansion capacity to the Final Agreement or that a drought reserve figure be identified and reduce the 22,000 acre feet by that amount. He noted that additional information is needed from Cal Am to determine what each of their wells can produce in a drought situation when the water table is lowered.

Director Lee read a prepared statement regarding approval of a plan as outlined in Condition No. 8 (attached as Appendix A).

Director Williams moved to amend Condition No. 9 to change 22,000 acre feet to 19,000 acre feet, noting that Cal Am has the opportunity under the District regulations to submit evidence and ask that the system capacity be increased at any time. Director Lee seconded the amendment. Mr. Weiss noted that the PUC directive to Cal Am stated that the system shall be expanded to 22,000 acre feet. Director Moore called for the question on the amendment. Directors Lee and Williams voted in favor of the amendment. Directors Moore, Fry, Woodworth, McClintock and Gawthrop voted against the amendment. The motion to amend failed. Director Lee asked to amend Condition No. 6 by including the language "from each well which has been operated since January 1st of the then current year. Drawdown data shall be measured with the well on and after a twenty-four hour shutdown." He also amended Condition No. 8 to change the words "submitted to" to "approved by". Director Williams stated he would second the motion if the language would be amended to leave out the second sentence regarding drawdown data. Director Lee accepted that change to his motion to amend. Director Moore called for the question on the amendment. Directors voting in favor of the amendment to the motion were Lee and Williams. Directors voting against the amendment to the motion were Moore, McClintock, Fry, Woodworth and Gawthrop. Motion failed.

Director Lee moved that Condition No. 8 be changed from "submitted to" to "approved by". The motion died for a lack of a second.

Director Moore called for the question. Chairman Gawthrop called for a vote on the original motion to approve, as submitted with the one amendment to Condition No. 7 recommended by Chairman Gawthrop. Directors voting in favor of the motion were Moore, McClintock, Fry, Gawthrop and Woodworth. Directors voting against the motion were Lee and Williams. Motion carried.

Manager Buel noted that staff was withdrawing from Board consideration the Scope of Work for a Baseline Analysis of the Riparian Vegetation in the Lower Carmel Valley. (Item IV A 1 (D)).

Director Moore left the meeting at 10:10 p.m.

B. PUBLIC HEARINGS - (2) ORDINANCE NO. 4 AMENDING RULES AND REGULATIONS OF THE DISTRICT.

Manager Buel provided background information regarding the proposed changes to the existing rules and regulations. Chairman Gawthrop opened the public hearing on the amendments to the ordinance. Pat Bernardi asked Mr. Buel to explain the purpose of the ordinance. Mr. Buel noted that the Rules and Regulations are composed of three ordinances establishing well registration and monitoring and allocation and water permit systems. The intent of Ordinance No. 4 is to "clean up" problems in implementing the Rules and Regulations. There being no further public comments, Chairman Gawthrop closed the public hearing. Director Lee questioned Rule 106, Immunity, which referred to Section 1094.6 of the Code of Civil Procedure, and asked for clarification of that section. District Counsel stated this section allows for an option provision of review of a final decision by the Board within ninety days, who provides the records, and how it is requested. Director Lee asked the Manager to provide the Board with details of that section for the next meeting. Chairman Gawthrop asked for a change in Rule 602 (1) which sets forth fees for existing well registration from \$25.00 to \$10.00. Director Fry moved that Ordinance No. 4 be approved as amended by Chairman Gawthrop, and passed to print. Director Woodworth seconded the motion. Motion carried unanimously.

C. RATIFICATION OF CONTRACT TO DRILL MONITORING WELLS - Manager Buel noted that only one bid was received to drill monitoring wells in Lower Carmel Valley, and that bid did not meet the specifications. He recommended that the Board adopt Resolution 81-1 rejecting all bids and direct staff to develop a new bid package. Director McClintock moved for adoption. Director Fry seconded the motion. Motion carried unanimously.

V. OTHER MATTERS

A. REVIEW OF POSSIBLE DROUGHT - Manager Buel noted the Peninsula has received about one third of the expected annual rainfall to date, and that if the situation should continue into March, the District may desire to implement volunteer rationing. Director Williams suggested if there has been no additional rain by February, the District should review volunteer rationing. Director Lee asked if there is a current rationing program which the Board can implement at its discretion. Manager Buel noted that the PUC has a rationing program that can be implemented. He further added that the District can directly mandate rationing independent of the PUC by ordinance, or the District could apply to the PUC for a rationing program. It was suggested that an ordinance be prepared for this eventuality. It was noted that the District does not have a current rationing plan. Mr. Weiss reviewed the PUC conditioned implementation of phases of the drought as presented in PUC Decision 86987 of Case 9530. Chairman Gawthrop suggested review of the PUC decision and present a recommendation at the next meeting.

B. PROGRESS REPORT - PREDESIGN AND ECONOMIC FEASIBILITY STUDY - Manager Buel provided background information on the proposals as submitted by Converse Ward, Davis, Dixon and reviewed the cash flow projected costs for Alternative A, Alternative B, and Alternative C which was presented in the Board packet for review. He reported that the Budget Committee's recommendation is that the District suspend negotiations with CWDD, and to negotiate with Wahler for the predesign work. Manager Buel noted that the Economic Feasibility proposal by CWDD was attractive and would prefer to maintain future negotiations for that study. Mr. Gene Miller of CWDD presented a brief summary of their proposal and possible effects of securing another consultant. Director Lee expressed concern with cost of delays and questioned the possibility of securing enough information to go before the State

Water Resources Control Board to request a permit for water rights and staying within the budget. The Board expressed concern with proposals being submitted without identifying cost factors. Director Lee moved that the Manager continue discussion with CWDD to determine what can be produced within the budgeted amount, and to return with information to the Board at the earliest possible opportunity. Director Fry seconded the motion. Motion carried unanimously.

VI. BOARD MEMBER COMMENTS

Director Lee reported from the Resources Committee that conditions on two of the Cal Am wells, Stanton and Scarlett, were held in abeyance until certain agreements were worked out, and suggested that this Board request the Board of Supervisors to reopen the hearings on those wells and apply the same conditions as applied for the four new wells. It was suggested that this be a separate agenda item if necessary.

VII. ADJOURNMENT

There being no further business, Director Lee moved to adjourn, with Director McClintock seconding the motion. Motion carried unanimously. The meeting adjourned at 11:00 p.m.

Respectfully submitted,



Gladys McKillop, Secretary