



AGENDA

Water Demand Committee

Thursday, August 6, 2026, at 1:30 p.m. | *Virtual Meeting*

COMMITTEE MEMBERS	STAFF	<u>Mission Statement</u>
<i>Alvin Edwards – Chair</i> <i>Marianne Gawain</i> <i>Ian Oglesby</i> <i>Rebecca Lindor - Alternate</i>	<i>David J. Stoldt, General Manager</i> <i>Mike McCullough, Assistant General Manager</i> <i>Mollie Wooden, Water Demand Manager</i>	Sustainably manage and augment the water resources of the Monterey Peninsula to meet the needs of its residents and businesses while protecting, restoring, and enhancing its natural and human environments. <u>Vision Statement</u> Model ethical, responsible, and responsive governance in pursuit of our mission. <u>Board's Goals and Objectives</u> Are available online at https://www.mpwmd.net/who-we-are/mission-vision-goals/

Join the meeting at:

<https://mpwmd-net.zoom.us/j/81688745261?pwd=YGEbOa8zkL9SKwQfmoyaB5jXKUbkEX.1>

Webinar ID: **816 8874 5261** | Password: **080626** | To Participate by Phone: **(669) 900-9128**

For detailed instructions on how to connect to the meeting, please click the link below:

<https://www.mpwmd.net/instructions-for-connecting-to-the-zoom-meetings/>

Copies of the agenda packet are available for review on the District website (www.mpwmd.net) and at 5 Harris Court, Bldg. G, Monterey, CA.

Call to Order / Roll Call

Additions and Corrections to the Agenda

Comments from Public – *The public may comment on any item within the District's jurisdiction. Please limit your comments to three (3) minutes in length.*

Action Items – *Public comment will be received. Please limit your comments to three (3) minutes per item.*

1. Consider Adoption of Committee Meeting Minutes from June 4, 2026

Discussion Items – *Public comment will be received. Please limit your comments to three (3) minutes per item.*

2. Update on Summer Splash Water Challenge Giveaway Event
3. Response to City of Carmel Letter

Suggest Items to be Placed on Future Agendas

Adjournment

Accessibility

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Options for Providing Public Comment

Submission of Written Public Comment

Send written comments to District Office, 5 Harris Court, Building G, Monterey, CA or online at comments@mpwmd.net. Include the following subject line: "PUBLIC COMMENT ITEM #" (insert the agenda item number relevant to your comment). Written comments must be received by 12:00 PM on the day of the meeting. All submitted comments will be provided to the Committee, compiled as part of the record, and placed on the District's website as part of the agenda packet for the meeting. Correspondence is not read during public comment portion of the meeting.

Instructions for Connecting to the Zoom Meeting can be found at
<https://www.mpwmd.net/instructions-for-connecting-to-the-zoom-meetings/>

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WATER DEMAND COMMITTEE

ITEM: ACTION ITEM

1. CONSIDER ADOPTION OF COMMITTEE MEETING MINUTES FROM JUNE 4, 2026

Meeting Date: August 6, 2026

From: David J. Stoldt,
General Manager

Prepared By: Sara Reyes

CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: Exhibit 1-A contains the draft minutes from the Water Demand Committee meeting held on June 4, 2026.

RECOMMENDATION: Staff recommends that the Water Demand Committee adopt the draft minutes.

EXHIBIT:

1-A Draft Minutes from the June 4, 2026 Water Demand Committee Meeting



EXHIBIT 1-A

Draft Minutes Water Demand Committee Meeting Thursday, June 4, 2026, at 1:30 p.m. Meeting Location: Zoom

Call to Order / Roll Call

Chair Edwards called the meeting to order at 1:30 p.m.

Committee Members Present

Alvin Edwards
Ian Oglesby
Marianne Gawain

Committee Members Absent

None

District Staff Members Present

Dave Stoldt, General Manager
Mike McCullough, Assistant General Manager
Mollie Wooden, Water Demand Manager
Stephanie Locke
Sara Reyes, Board Clerk

District Counsel Present

Michael Laredo, De Lay & Laredo
Fran Farina, De Lay & Laredo

Additions and Corrections to the Agenda

None

Comments from the Public

Chair Edwards opened the Public Comment period; however, no comments were received.

Action Items

Chair Edwards introduced the item.

1. Consider Adoption of Committee Meeting Minutes from April 2, 2026

On a motion by Gawain, seconded by Oglesby, the minutes of the April 2, 2026, committee meeting were approved by a voice vote of 3 Ayes (Oglesby, Gawain, and Edwards) and 0 Noes.

2. Discuss Policy Questions Related to Upcoming Amendments to Rules and Regulations

Stephanie Locke presented the item and reported that the Committee was asked to provide policy direction on potential updates to water permit and efficiency requirements. Topics included expanding deed restrictions to all water permits, requiring high-efficiency appliances, such as dishwashers, clothes washers, and toilets, and considering rebates or credits. The presentation is available on the District's website.

Chair Edwards opened the public comment period, during which the following comment was received:

- 1) Andrew Myrick representing the City of Seaside, expressed support for the Committee's approach but cautioned that requiring new appliances could disproportionately burden households that do not currently have dishwashers or clothes washers, raising equity concerns.

He encouraged the Committee to consider this issue as discussions proceed to the Technical Advisory Committee.

Discussion Items

Chair Edwards introduced this item.

3. Personnel Update

Mollie Wooden introduced herself to the Committee as the new Water Demand Manager. She shared recent staffing changes and noted that efforts are underway to hire an inspector to maintain service and compliance.

Chair Edwards opened the public comment; however, no comments were received.

4. Summary of Jurisdictional Water Allocation Policies

General Manager Dave Stoldt presented this item and referenced his report in the meeting packet. He highlighted recent jurisdictional policies and positions, noting the County's proposed policy remains under consideration and is prescriptive in defining development limits (e.g., size, bathrooms, and fixture counts). He also noted that the City of Monterey is not currently releasing water allocations pending State Water Board action, which is affecting business expansions, remodels, and residential projects. Staff will work to improve online access to this information.

Chair Edwards opened the public comment period, during which the following comments were received:

- 1) Monique Olson, a Monterey resident and property owner expressed frustration over the City of Monterey eliminating the water waiting list without clear notice. She stated her previously approved single-family project is now disadvantaged by the city's prioritization of affordable housing for water allocations. She urged reconsideration of policies to prioritize individuals who were on the waiting list, citing fairness concerns and feeling excluded from the current process.
- 2) Andrew Myrick, City of Seaside, noted concerns that jurisdictions may appear underutilizing water due to allocation strategies aimed at reserving supply for future priority projects. He suggested a potential policy allowing water allocations to be replenished incrementally as projects are completed, rather than waiting until allocations are fully depleted. This approach could provide greater flexibility and confidence in approving smaller projects, and he recommended further discussion at a Technical Advisory Committee meeting.

5. Update on Application to Modify CDO

Mike McCullough, Assistant General Manager provided a verbal update on efforts related to the Cease and Desist Order, including meeting with Senator John Laird, submitting correspondence and supplemental materials (including the Urban Water Management Plan) to the State Water Resources Control Board, and raising procedural questions. Despite these efforts, the District has not yet received any response or confirmation from the State Water Board.

6. Status of SB 1139 (Non-Functional Turf Enforcement)

Mike McCullough, reported that the Assembly Committee on Water, Parks, and Wildlife is scheduled to hear the bill on June 16 at 9:00 a.m. The General Manager is expected to attend in person and provide public comment as needed. Staff have communicated with a committee staffer and provided additional information on the bill but have not received further feedback. Preparations are underway, and the hearing is expected to proceed as scheduled.

7. Update on Summer Splash Water Challenge Giveaway Event

Stephanie Kister Campbell, Water Demand Analyst, outlined plans for the 7th annual Summer Splash game, launching July 1, focused on Global Water Use. The program includes interactive online activities and videos, culminating in a personal water footprint calculator. Game materials are being updated with new graphics, and prizes remain similar to prior years to encourage participation. An image of the gameboard was shared with the Committee and is available on the District's website.

8. Update on Mulch Madness Event

Stephanie Kister Campbell reported plans for a fall mulch distribution event, likely in October, with the exact date to be determined based on staffing. The half-day event allows residents to receive free mulch in an efficient drive-through format, either by truckload or bagged options.

9. Update on Rosie's Garden Project

Kyle Smith, Water Demand Analyst, provided an update on the Rosie's Garden Project, noting that the Board approved funding in October 2025. He shared before, during, and after photos of the completed project. The full presentation is available on the District's website.

Suggest Items to Be Placed on a Future Agenda

No items were presented.

Adjournment

There being no further business, Chair Edwards adjourned the meeting at 2:52 p.m.

/s/ Sara Reyes

Sara Reyes, Board Clerk to the
MPWMD Water Demand Committee

Approved by the MPWMD Water Demand Committee on _____.

Received by the MPWMD Board of Director's on _____.

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WATER DEMAND COMMITTEE

ITEM: DISCUSSION ITEM

3. RESPONSE TO CITY OF CARMEL LETTER

Meeting Date:	August 6, 2026	Budgeted:	N/A
From:	David Stoldt General Manager	Program/ Line Item No.:	N/A
Prepared By:	David Stoldt	Cost Estimate:	N/A

General Counsel Review: N/A.

Committee Recommendation: N/A

CEQA Compliance: This does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

SUMMARY: On July 13, 2026 the District received a letter (**Exhibit 3-A**) from the Mayor of Carmel-by-the-Sea, co-signed by its Acting City Administrator, requesting clarification by the District on its policy for future allocation of water.

The General Manager has proposed a response (**Exhibit 3-B.**)

The Water Demand Committee is to provide general guidance on whether the letter is a sufficient response, or whether a more formal policy should be developed and adopted by the District.

EXHIBITS

3-A Letter from the City of Carmel

3-B Proposed Response

EXHIBIT 3-A

Board of Directors
Monterey Peninsula Water Management District
5 Harris Court, Building G
Monterey, CA 93940

Subject: Request for Formal Written Policy Guidance on Future Water Allocations

Dear Chair and Members of the Board,

On behalf of the Carmel-by-the-Sea City Council, we are writing to request formal, written policy guidance from the Monterey Peninsula Water Management District (MPWMD) Board of Directors regarding the future allocation of water made available under District Ordinance No. 197.

The City is grateful for the District's work to make additional water available to local jurisdictions. The allocation provided to Carmel-by-the-Sea has already supported meaningful residential and commercial reinvestment that would not otherwise have been possible.

As we administer these water resources and plan for the future, a fundamental tension between expectations has emerged, requiring written policy guidance from the MPWMD Board. California expects Carmel-by-the-Sea to plan for 349 housing units under its Regional Housing Needs Allocation (RHNA). The City must also reserve water capacity for future municipal facilities and essential public services. At the same time, we understand from informal staff guidance that MPWMD expects jurisdictions to substantially utilize existing allocations before seeking additional allocations. These two expectations are difficult to balance without clearer direction from the Board. The long-term planning consequences of getting that balance wrong -- for housing compliance, for public facilities, and for our community -- are significant.

Our Council therefore respectfully requests the following policy guidance, in writing:

1. The District's expectations for when a jurisdiction should seek additional water allocations relative to their remaining balances;
2. The criteria that will be used to evaluate such requests;
3. The process and anticipated timeline for District consideration;
4. How RHNA obligations and public facility needs will be weighted in future allocation decisions; and
5. Whether the District intends to develop a formal policy framework applicable to all jurisdictions regarding future allocation requests.

We are not requesting additional water at this time. Rather, we are requesting the written policy guidance necessary to make responsible, informed decisions on behalf of our community and in compliance with state law. We believe this guidance would benefit every jurisdiction on the Monterey Peninsula facing the same challenge.

The City of Carmel-by-the-Sea appreciates the District's partnership and looks forward to continued collaboration. We would welcome the opportunity to meet with the Board and District staff to further discuss these matters and work toward obtaining formal written guidance.

Sincerely,



Dale Byrne
Mayor
City of Carmel-by-the-Sea



Brandon Swanson
Acting City Administrator
City of Carmel-by-the-Sea

cc: Carmel-by-the-Sea City Council
Monterey Peninsula Water Management District General Manager

EXHIBIT 3-B



August 7, 2026

Hon. Dale Byrne, Mayor
City of Carmel-by-the-Sea
P.O. Box CC
Carmel-by-the-Sea, CA 93921

RE: Policy Guidance on Future Water Allocations

Dear Mayor:

Thank you for your letter of July 13, 2026, requesting guidance from the Monterey Peninsula Water Management District ("District") regarding future water allocations.

Your letter raises five very thoughtful and important questions, each of which I will address below. Before doing so, however, it is helpful to revisit the assumptions and methodology the District used in establishing the initial allocations to each jurisdiction in March 2025.

2025 Water Allocation Process

Water usage on the Monterey Peninsula is approximately two-thirds residential and one-third non-residential. The District maintains historical water-use data by jurisdiction and established a baseline for each jurisdiction using a recent 5-year average that included a representative mix of dry, normal and wet water years.

The District then projected each jurisdiction's water demand over a 25-year planning horizon using the Association of Monterey Bay Area Governments ("AMBAG") 2022 Regional Growth Forecast ("RGF"), together with updates available through 2024. Residential demand projections were based on AMBAG's population growth forecasts, non-residential water demand projections were based on employment growth forecasts.

Since the District completed its allocation process, AMBAG has adopted its 2026 Regional Growth Forecast, which reflects slightly lower projected growth rates than those used in the District's original analysis.

Using these projected 25-year water needs, the District allocated approximately one-third of each jurisdiction's anticipated demand while retaining approximately 2,100 acre-feet in reserve for future allocations.

The District is Not a Land Use Agency

The District has encouraged the jurisdictions to release water for projects on a first-come, first-

served basis through the Water Release Form process. Some jurisdictions, however, have developed water allocation policies that split their allocation into categories – or “buckets” – and have prioritized certain project types over others.

These categories are local policy decisions. The District does not recognize such distinctions and does not intend to assist a jurisdiction refill a bucket, when sufficient water exists in other buckets. Doing so would require the District to engage in land use planning, which is outside its statutory mission and authority.

When Should a Jurisdiction Seek Additional Allocation?

Although the District has not adopted a formal policy establishing a specific threshold, the following expectations provide general guidance:

- When one or more jurisdictions have released approximately 80 percent of their allocated water through Water Release Forms, the District is prepared to begin discussions regarding future needs, particularly if pending development inquiries exceed the remaining available allocation.
- If significant amounts of released water have not resulted in the timely issuance of Water Permits or Building Permits, those discussions will necessarily include a review of the jurisdiction’s progress in utilizing previously released water.
- The District does not intend to consider additional allocations solely at the request of an individual jurisdiction. Instead, it will evaluate all jurisdiction’s progress, remaining allocations, and demonstrated need before considering another round of allocations.

What Criteria Will be Used to Evaluate Such Requests?

The District intends to evaluate future allocation requests using the considerations described above, including each jurisdiction’s demonstrated progress in utilizing existing allocations, projected future water demand, and the relative needs of all jurisdictions.

What is the Process and Timeline for Consideration?

District Ordinance No. 197 amended Rule 33-F-2 to read:

“The Board of Directors shall examine the Allocations at least every four years following the AMBAG Regional Growth Forecast. Allocations may be reviewed more frequently at the discretion of the Board.”

Any revised allocation would also require amendment of Rule 33-A., Table 5, through adoption of a new District ordinance. Accordingly, if the District determines that additional allocations are warranted after reviewing jurisdictional needs, the ordinance would require both first and second readings before adoption.

Assuming requests are received, jurisdictional needs are evaluated, and a new allocation proposal is recommended, the overall process would likely require a minimum of four months.

How are RHNA Obligations and “Public Facility Needs” Weighed?

State Senate Bill 375 synchronized AMBAG’s four-year Regional Growth Forecast and Metropolitan Transportation Plan/Sustainable Communities Strategy (“MTP/SCS”) with the State’s eight-year Regional Housing Needs Allocation (“RHNA”) cycle. In 2022, all three planning documents were adopted concurrently and will again align in 2030. Although AMBAG’s 2022 MTP/SCS states that “The 2045 MTP/SCS includes an updated RHNA. The 6th Cycle Regional Housing Needs Determination (RHND) from HCD to AMBAG is 33,274 units,”¹ the District found significant inconsistencies between AMBAG’s population forecasts and housing allocations assigned to individual jurisdictions.

For example, AMBAG projected Carmel-by-the-Sea’s population to increase by only 35 residents by 2045 while simultaneously assigning the City 349 housing units under the Sixth Cycle RHNA. Because water demand is driven by occupancy rather than housing units alone, those projections are difficult to reconcile

To account for this disparity, the District independently estimated the water demand associated with full buildout of the RHNA allocation by assuming a reasonable mix of housing types, occupancy, plumbing fixtures, and water-use characteristics. For Carmel, that analysis produced an estimated demand of approximately 40 acre-feet if all 349 units were constructed and occupied:

	Very Low Income	Low Income	Moderate		Above Moderate		Total Allocation
	100% Multifamily	100% Multifamily	50% Multifamily	50% Singlefamily	33% Multifamily	67% Singlefamily	Total Allocation
Carmel							
# Units	113	74	22	22	39	79	349
Served by Others	0	0	0	0	0	0	0
Net # Units	113	74	22	22	39	79	349
Water per Unit (AF)	0.0895	0.0895	0.0895	0.1800	0.0895	0.1800	
Water Required (AF)	10.11	6.62	1.97	3.96	3.49	14.22	40.38

By comparison, AMBAG’s projected population increase alone would have generated demand for only about 4 acre-feet. As a reasonable compromise between these conflicting forecasts, the District allocated 22 acre-feet for future residential demand. Combined with 21 acre-feet projected for non-residential growth, Carmel’s total projected 25-year need was calculated at 43 acre-feet. Applying the District’s one-third allocation methodology resulted in an allocation of 14 acre-feet.

¹ The 2022 MTP/SCS, “Moving Forward Monterey Bay 2045”, AMBAG, p. 4-38.

The District hopes that AMBAG will better reconcile these inconsistencies in the 2030 Regional Growth Forecast and Seventh Cycle RHNA. In the meantime, the District has taken reasonable steps to account for the disparity.

With respect to public facility needs, the District assumes that anticipated public infrastructure growth is already reflected within each jurisdiction's non-residential water demand. Furthermore, renovations receive water-use credit for demolished square footage, with only the net increase in floor area requiring additional allocation.

Because these projects generally fall within the District's Group I non-residential use category, they typically require relatively small amounts of new water. The District remains willing to evaluate individual public facility projects on a case-by-case basis.

Does the District Intend to Develop a Formal Policy for Future Allocations?

No.

The District believes that retaining flexibility is preferable to adopting a rigid allocation policy. Future allocation decisions should continue to be based on demonstrated need, actual utilization of existing allocations, regional growth conditions, and the availability of water at the time requests are considered.

I hope this correspondence provides the City of Carmel-by-the-Sea with sufficient guidance regarding the District's approach to future water allocations.

The District's immediate priorities remain twofold: first, to successfully modify the State's Cease and Desist Order this autumn to allow new water meters to be set; and second, to encourage all jurisdictions to advance projects from approval to construction. As those projects move forward, the District will gain a clearer understanding of each jurisdiction's demonstrated housing and employment needs, as well as its utilization of existing water allocations. That information will help inform any future allocation decisions made by the District.

Sincerely,

David J. Stoldt
General Manager