Distributed by staff at 3/3/16 meeting

Item 1 – Provide Direction to Staff on Consulting Team for North Monterey County Drought Contingency Plan

North Monterey County Drought Contingency Plan: Detailed Work Plan

Applicant

Monterey Peninsula Water Management District (MPWMD) office is located in the City of Monterey in Monterey County, California. The MPWMD is the lead agency and fiscal agent for the North Monterey County Drought Contingency Plan (DCP) and convener of the Plan Task Force (Task Force). The Task Force includes MPWMD, Monterey Regional Water Pollution Control Agency (MRWPCA), Monterey County Water Resources Agency (MCWRA), and Monterey County Office of Emergency Services, among others.

Summary

The DCP Plan Area (Plan Area) is home to some of California's most valuable agriculture, diverse communities, and spectacular natural resources. It is also not served by a state or federal water project, groundwater basins are over-drafted, in some cases with significant saltwater intrusion, and court-mandated or regulatory actions have pending catastrophic impacts to urban water supplies. These conditions coupled with the 4th year of drought provide the catalyst to bring stakeholders together to share technical information, understand the impacts of drought and climate change to their way of life and jointly develop a DCP to manage their scarce water resources to the benefit of all.

Description of Drought Contingency Plan Area

The Plan Area is the northern portion of Monterey County including a part of the Salinas Valley situated from the southern edge of the City of Salinas to the Pacific Ocean, the western portion of Carmel Valley, and the urbanized Monterey Peninsula area between the two valleys as shown on Figure 1 below. The main geographic features in the Plan Area are the lower Salinas River valley and Carmel River valley. The urban areas consist of the cities of Carmel, Monterey, Pacific Grove, Del Rey Oaks, Seaside, Marina, and Salinas, and the Castroville area. Major land uses include agriculture, rangeland, forest, and urban development.

The key water supply challenges facing the Plan Area according to the California Water Plan are as follows:

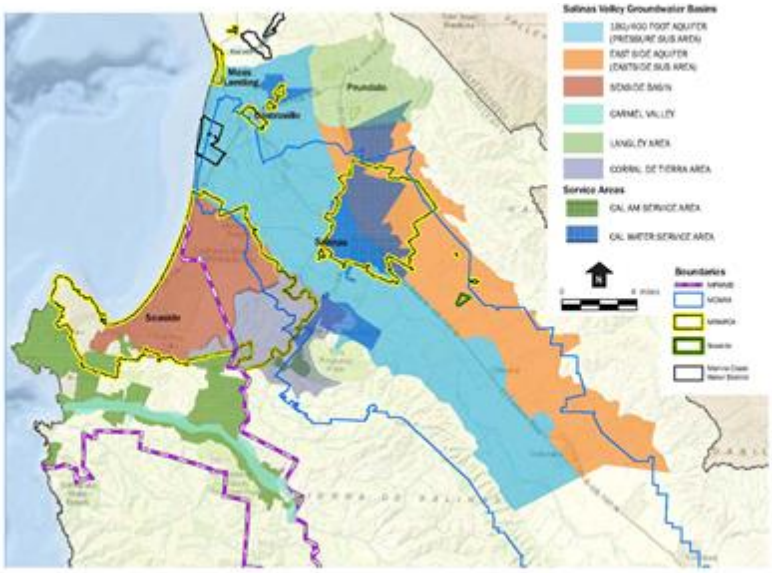

Figure 1 DCP Plan Area

Groundwater Quality. Seawater intrusion and nitrate pollution of groundwater aquifers.

Agricultural and Rangeland Water Quality. Runoff, tail water, and percolation of agricultural and rangeland water continues to negatively impact regional surface waters and groundwater.

Salinas River Watershed. Flood risk, river channel congestion, seawater intrusion, nitrate contamination, and the distribution of water supplies continue to be a challenge to this critical watershed.

Water Reliability. The Monterey Peninsula must develop new water supplies due to a Cease and Desist Order requiring Cal-Am to reduce water diversion from the Carmel River and an adjudication of the Seaside groundwater basin requiring Cal-Am to reduce its groundwater pumping.

Steelhead Fisheries. The Carmel River steelhead population has declined by up to 90% since the early 20th century. Surface water diversions and development on the floodplain have greatly reduced steelhead habitat in both the Salinas and Carmel Rivers.

In addition to the above listed water supply challenges there are also state and federal water quality protection goals for the Monterey Bay where the Carmel River, Salinas River, and urban areas drain into the Bay.

Coordination with Other Studies

The DCP is being conducted in parallel and in coordination with the Salinas and Carmel Rivers Basin Study (Basin Study). The DCP is a 24 month look at how to predict the different stages or levels of severity of drought; to address near-term vulnerabilities; to identify mitigation actions and activities that will build long-term resiliency to drought and reduce the need for response actions; identify drought response actions and activities that can be implemented quickly during a drought and, develop an operational and administrative framework to identify who is responsible for undertaking the actions necessary to implement each element of the Plan. The Basin Study is a longer-term study process that will develop new modeling and information to be used for the formulation and evaluation of currently identified and potential new mitigation measures.

The Basin Study and the DCP will access data created under the locally sponsored and currently underway, Salinas River Groundwater Basin Investigation. The combination of the technical analysis of the Salinas River Groundwater Basin Investigation feeding both the near-term drought response actions and organization aspects of the DCP and the long-term planning efforts of the Basin Study provides for synergy and consistency between the studies while meeting the needs of the stakeholders in a timely manner.

The study area for the DCP is a much smaller sub-region of the Basin Plan area. However this sub-region is the most critically impacted by the drought, with the greatest diversity of stakeholders and, seriously competing demands between agricultural, environmental and urban water-users. The DCP Plan Area was shown on Figure 1 and the plan area of the Basin Study is shown on Figure 2 below.

Figure 2 Basin Study Plan Area

Plan of Study Activities

The scope of Work Tasks and the activities to complete the tasks are summarized in Table 1 – Detailed Work Plan

Table 1 Detailed Work Plan	
Task	**Activities**
Task 1. Initial Drought Contingency Plan Steps Following finalization of the financial assistance agreement, MPWMD and their consultants will work with Reclamation to finalize the DCP work plan before development of the plan begins. **1.1. Establish the North Monterey County Drought Contingency Plan Task Force.** MPWMD will lead a DCP Task Force (Task Force) and connect with various stakeholders in the region that represent multiple interests within the planning area. **1.2. Development of a Detailed Work Plan** Develop a work plan in consultation with Reclamation that will describe in detail how the various tasks included in developing the DCP will be accomplished. **1.3. Development of a Communication and Outreach Plan.** The purpose of this effort is to build understanding and support for drought contingency planning. Planning for a sustainable, resilient water supply will take consistent coordination, cooperation and focused planning and management with North County stakeholders in the preparation of a DCP. **1.4. Engage DCP Consulting Team** MPWMD will Develop request for qualifications, solicit, and hire consulting team for the DCP.	**1.1 Task Force** • MPWMD to identify and solicit the Task Force members • Develop meeting agenda and presentation and hand out materials Assumptions • Initial meeting in February coordinated with Basin Study • Following meetings coordinated with Basin Study Schedule **1.2. Work Plan** • Develop a project schedule • Identify tasks to implement scope of work • Identify coordination and responsibilities of Reclamation, MPWMD as the planning lead, the Task Force and other interested stakeholders. Assumptions • Coordinate with Salinas River Groundwater Basin Investigation schedule of products • Coordinate the approach to water supply vulnerability, mitigation actions, and stakeholder activities with the Basin Study **1.3 Outreach Plan** • Establish a Task Force that will coordinate and make initial planning decisions to be vetted by various stakeholders and the North County communities through a series of collaborative activities. • Define meetings, products, stakeholder list development, communications plan Assumptions • Coordinated stakeholder lists, meetings, materials with Basin Study • Develop Website or SharePoint on MPWMD to convey draft materials for review and comment

Table 1 Detailed Work Plan	
Task	**Activities**
Task 2. Background, Study Area, and Participating Agencies Describe the background of the DCP, the Plan Area, the participating agencies, and other water and wastewater agencies located within the Plan Area. Describe existing plans that have portions relevant to drought planning and an explanation of why a new plan is needed will also be compiled. The history of drought in the area, current drought situation, severity of drought conditions, recent drought experiences, and the period of time that the area has been experiencing drought conditions will be described.	• Coordinated effort of the MPWMD staff and consulting team to access all available information regarding the Plan Area • Meetings with the Monterey County Water Resources Agency, OES, and other stakeholders. • Review existing relevant water basin study and drought plans, response policies, emergency response plans, urban water management plans, water management plans, the Greater Monterey County and Monterey Peninsula Integrated Regional Water Management Plans, California Department of Water Resources and Reclamation drought planning guidelines, groundwater management plans, general plans, and other relevant information will be reviewed • Present existing meteorological and drought analysis data and summarize historical drought frequency and magnitude, including multi-year droughts and seasonal droughts. Assumptions • Detail of the stakeholder processes are in the Significant information available from MPWMD staff or through the MPWMD staff describing the required information • Team approach with MPWMD staff to develop the descriptions using available materials • Coordinated with Salinas River Groundwater Basin Investigation team for available information
Task 3. Water Supplies and Demands Review and summarize existing water supply and demand data for all pertinent water agencies and end users. Describe the availability and quality of existing data and models applicable to the proposed plan. Define the drought impacts to each water purveyor's water supply. Identify the vulnerability of the existing water supply sources. Describe water quality impacts of drought conditions. Present projected water demands for municipal, agricultural, and environmental uses. Provide a total water supply to demand comparison. The water supply and demand comparison will compare the water supply sources available in normal and dry periods to the projected water demands.	• Describe existing water supplies and the key water supply facilities. These sources include river surface water, ocean water, groundwater, recycled water, wastewater, stormwater, agricultural return water, and interconnections with neighboring systems. • The groundwater-surface water model from the Salinas River Groundwater Basin Investigation will be used as an evaluation tool. • The Carmel River Basin Hydrologic Model (CRBHM) will be used as an evaluation tool. • Consider long term replenishment requirements for Seaside Groundwater Basin • The water rights and/or contracts and historical use for each source will be presented • Quantify stream flows, reservoir storage levels and yield, water quality, and historic flow patterns, flow requirements, including magnitude and timing of release. Assumptions • Urban water demands developed in coordination with the 2015 Urban Water Management Plans being developed by July 1, 2016. • Groundwater usage records have been acquired for the development of the model in the Salinas River Groundwater Basin Investigation and will be used for the DCP in the DCP project area. • CRBHM will have been calibrated by USGS and will be used for the DCP.

Table 1 Detailed Work Plan	
Task	**Activities**
	• Salinas River Groundwater Basin Investigation and Basin Study climate change analysis will be adopted by the DCP for consistency between the studies. • DCP schedule delayed to anticipate data availability given the USGS schedule for the Salinas River Groundwater Basin Investigation. • Coordinated efforts with Basin Study to share water demand information for consistency.
Task 4. Drought Monitoring Process Establish a process for monitoring near and long-term water availability, and a framework for predicting the probability of future droughts or confirming an existing drought. Develop a process for the collection, analysis, and dissemination of water availability and other drought-related data. Explain how this data will be used to predict or confirm droughts, including identifying metrics and triggers that may be used to define stages of drought, to trigger mitigation or response actions, and to define the different stages or levels of severity of drought.	• Identify drought indicators and trigger levels that are currently being used by each participating agency to signal pending drought conditions and severity. • Summarize current drought monitoring strategies used by each water purveyor. • Develop as necessary specific parameters and triggers to monitor for drought conditions. • Provide recommendations for drought indicators and triggers to use for deciding when a drought starts and when it ends. Assumptions • Coordinate with the Task Force agencies on available definition of drought, current agency approaches to drought prediction and drought data dissemination
Task 5. Vulnerability Assessment Evaluate the vulnerability of water supplies to drought and climate change. Describe the reliability and vulnerability of the water supply to seasonal or climatic shortage. Consider a range of future conditions, including the effects of climate change. Describe the severity of consequences for not addressing drought risks to water supplies. Present descriptions of existing or potential risks to human health and safety including water quality risks; endangered, threatened, or candidate species; agricultural water supplies; hydropower production; fish and wildlife habitat; recreation; and any other significant areas of risk. The consequences of seawater intrusion and sea level rise will be evaluated.	• Provide an analysis of the drought impacts of climate change and the resulting practical implications for drought planning for the plan area. • Develop one or more synthetic drought scenarios for evaluation with planning tools • Identify impacts to water supplies for a range of possible drought and climate change scenarios. • Review and summarize the climate change work being done by Reclamation, the State of California, and other federal and state agencies. • Summarize the climate change analysis presented in each of the two integrated regional water management plans Assumptions • Key input from Salinas River Groundwater Basin Investigation Analysis of Water Availability – schedule of DCP set based on the modeling results • Coordinate definitions and consequences with Basin Study activities and define the water supply needs

Table 1 Detailed Work Plan	
Task	**Activities**
Task 6. Mitigation Actions Identify, evaluate, and prioritize mitigation actions and activities that will build long-term resiliency to drought, mitigate the risks posed by drought, decrease sector vulnerabilities, and reduce the need for response actions. Identify drought actions, responses, programs, and strategies. Consider the best way to equitably allocate drought water resources to the various types of water needs. Provide recommendations to improve the consistency of the region's drought response. Other regionally significant objectives defined by the stakeholder process will be considered that may be incorporated into the above objectives or stated as additional objectives such as enhanced groundwater replenishment, river restoration, and mitigating seawater intrusion. For the short list of potential drought mitigation projects, describe each mitigation project and how the identified project would address the existing or potential drought risks and develop cost estimates. Describe: • The benefits that are expected to result from implementing the projects based on whether the projects will result in benefits to the health and safety of people and fish and wildlife and the environment. • The benefits that are not captured above including projects that support agriculture, promote and encourage collaboration among parties, prevent a water-related crisis or conflict, and facilitate the voluntary sale, transfer or exchange of water. • How the identified projects have a nexus to Reclamation project activities. • Define the steps that are required for implementing the identified projects, including developing an estimated project schedule for implementing each project. • Describe the magnitude of the impacts if the identified projects are not implemented including economic, social, public health, and number of people impacted by the risks.	• Review, compare, and summarize the staged demand reduction program used by each participating agency. Identify and evaluate potential additional responses for use at each stage of drought. • Identify potential mitigation projects that would build long-term resilience to drought and reduce the need for emergency response actions. Work with the participating agencies to include projects that have been previously identified and discussed, regardless of the level of planning and development that has been done to date. • Evaluate the projects using screening criteria and develop a short list of the best projects, mitigation actions, and response actions and their associated triggers. • Identify screening criteria including anticipated drought supply amounts, cost, sustainability, legal and contractual issues, policy synergism, reliability history, and ease of implementation. This criteria list will be compiled into a matrix of criteria with weighting factors and used to screen potential response actions and mitigation actions • Projects will be selected that accomplish one or more of the following objectives: – increase the reliability of water supply and sustainability; – improve water management and/ or decrease consumptive use; – expand beneficial reuse of municipal wastewater, dry weather storm drain flows, and agricultural runoff; – implement systems to facilitate voluntary sale, transfer, or exchange of water; – provide benefits for fish and wildlife and the environment; and – mitigate poor water quality caused by drought Assumptions • Early activities coordinating with MPWMD and County of Monterey to identify potential projects to address water shortages in North Monterey County from past studies and ongoing activities. • Following completion of analysis by Salinas River Groundwater Basin Investigation and the definition of vulnerability develop of list of potential mitigation actions • Develop a DCP- Basin Study- Monterey County Study team to address the mitigation actions including linkages beyond the DCP boundaries • Provide mitigation action alternative information to the County of Monterey for evaluation of alternatives using the model from the Salinas River Groundwater Basin Investigation • Output from models used for both the DCP and the Basin Study

Table 1 Detailed Work Plan	
Task	**Activities**
Task 7. Response Actions Identify, evaluate, and prioritize drought response actions and activities that can be implemented quickly during a drought to mitigate the impacts and provide rapid benefits. Establish a staged approach to implementation. Develop bundles of response actions that would be implemented at each stage.	• Define the stages of drought when the response actions are triggered to manage the limited supply and decrease the severity of immediate impacts. • Estimate the expected ability each stage of response actions are expected to have on reducing water demands on a temporary basis. • Consider water savings, lead time to activate response actions, costs, and procedural requirements for implementation Assumptions • Coordinated activities with the Task Force agencies
Task 8 Administrative and Organizational Framework Develop an operational and administrative framework to identify who is responsible for undertaking the actions necessary to implement each element of the plan, including communicating with the public about those actions.	• Identify roles, responsibilities, and procedures necessary to conduct drought monitoring, initiate response and mitigation actions, and update the DCP. • The organizational structure currently used by each of the participating agencies to respond to a drought will be reviewed, and updated if appropriate. This includes elements such as the establishment of a described water shortage response team, public information, interagency coordination, staffing, costs, communications, and drought response actions. • The participating agencies process for the development of the DCP will consist of having: – Regular progress meetings, – Providing status reporting, – Conducting workshops. • Stakeholders will be engaged through Drought Summit Workshops and other Outreach Tactics and Tools described in the Communications and Outreach Plan Assumptions • Details of stakeholder communications are in the Communication and Outreach Plan • Coordinated “Participating Agency” meetings with Basin Study and Monterey County Inter-Agency Drought Task Force • Work with MPWMD and Task Force agencies to develop conceptual
Task 9. Update Process Describe a process and schedule for monitoring, evaluating, and updating the DCP.	• Develop an organizational framework and process to routinely update the DCP. • Develop guidelines to use to determine the triggers to identify when an update should be done. • Coordinate with Task Force agencies

Table 1 Detailed Work Plan	
Task	**Activities**
Task 10. Drought Contingency Plan Document Summarize all task efforts and findings into a DCP document. Prepare the DCP document and associated appendices, maps, figures, tables, and computer models.	• Submit first draft of the DCP for review and comment. • Submit second draft of the DCP for review and comment. • Based on the results of agency input, a final submittal will be prepared. • Twenty copies of each submittal, as well as one electronic/digital copy, will be provided
Task 11. Project Management Provide monthly updates of project status, issues, and concerns. Maintain project schedule. Conduct project progress meetings once per month with senior staff. Provide weekly email project status reports. Provide project documentation, quality control checks on project deliverables, management of progress against budget and schedule commitments, and submittal of monthly invoices and monthly project status reports.	

DCP Schedule

The DCP schedule is coordinated with the Salinas & Carmel River Basins Study and the Salinas River Groundwater Basin Investigation currently being conducted by Monterey County using the USGS. Key data regarding demands and supplies are needed from the County's groundwater model to both the DCP and the Basin Study as shown in Figure 3. Key points of coordination needed between the DCP and the Basin Study are illustrated in Table 2:

Table 2. Key Points of Coordination

DCP Task	Basin Study Task	Comments
1 Initial Planning Steps	1. Study Work Plan	Coordinated schedules, coordinated stakeholder processes
5. Vulnerability Assessment	5. System Reliability Analysis	Common definition of the water needs
6. Mitigation Actions	6. Alternatives Development and Evaluation	Interrelated potential projects to address the water needs. Coordinated evaluation of alternatives
8. Admin & Organizational Framework	Stakeholder Processes	Coordinated and consistent public information processes and stakeholders

Figure 3 shows the DCP 2 year program and linkages to the Salinas & Carmel Rivers Basin Study and the Salinas River Groundwater Basin Investigation.

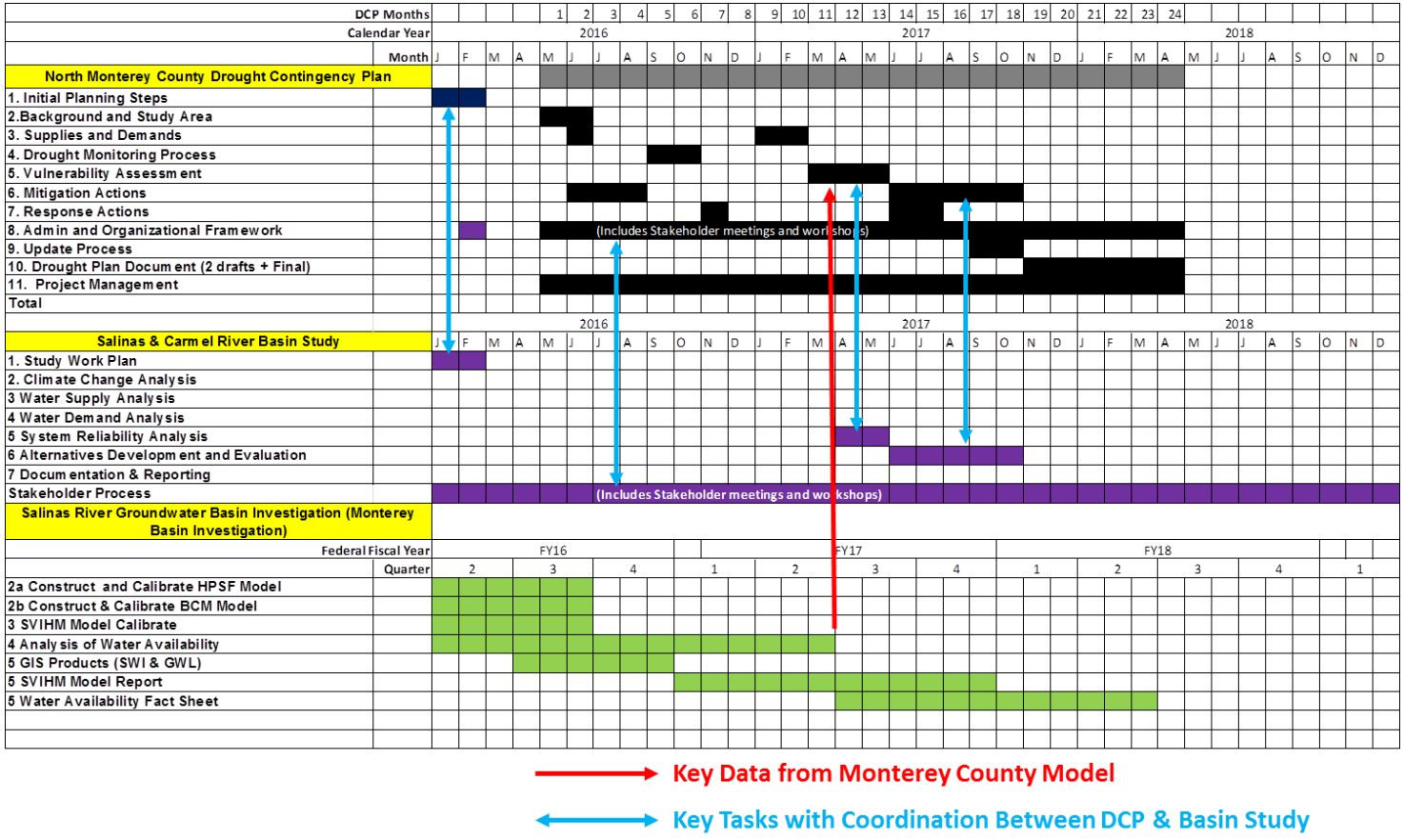

Figure 3. DCP, Basin Study and Salinas River Groundwater Basin Investigation Coordinated Schedules

DCP Budget

Agency Costs

Monterey Peninsula Water Management District administration will include an allocation of up to seven staff members with some level of responsibility in each of Tasks 1 through 11. The General Manager, David Stoldt, will have Program Manager responsibility. However, as shown in Table 3 other staff will have additional responsibilities receiving and administering federal grant funds, regular conference calls and meetings, contract consultant management, budget and schedule tracking, performance and documentation of project progress and success, overseeing and advising on technical complexities and local data needs, reviewing contracted work product. MPWMD staff will coordinate the other public agencies comprising the Drought Contingency Plan Task Force, the Advisory Committee, and the Outreach Group.

Key MPWMD employees are as follows:

- General Manager: David Stoldt
- District Engineer and Planning and Engineering Manager: Larry Hampson
- Water Demand Manager: Stephanie Locke
- Water Resources Manager: Joe Oliver
- Senior Hydrologist: Jonathon Lear
- Water Project Manager: Currently being hired
- Administrative Services: Suresh Prasad

Employee tasks, hours, labor rates, and fringe rates have been clearly shown in the Table 3 Budget Proposal. Travel, equipment, materials, and supplies, as well as indirect costs, have been budgeted at zero dollars. In the event such out-of-pocket costs occur, MPWMD will absorb them with no offset from federal monies received.

Table 3. Budget Proposal										
Task	Subtask		General Manager	District Engineer	Water Demand Manager	Water Resources Manager	Senior Hydrologist	Water Project Manager	Administrative Servcies	Total
1. Initial Plannning Steps	001	Drought Planning Task Force	2	4	2			8		16
	002	Detailed Work Plan	3	8	8	4	4	10	3	40
	003	Communication and Outreach Plan	4	4	8			6		22
2.Background and Study Area	001	Study Area		2		1				3
	002	Background		4						4
	003	Review Plans								0
	004	Drought History	1		3	2	4			10
3. Supplies and Demands	001	Review Data and Models		5		4	4	1		14
	002	Surface Water Supplies		2				2		4
	003	Groundwater Supplies				2		2		4
	004	Other Supply Sources		2			2	2		6
	005	Urban Demands	1	1	2					4
	006	Ag and Other Demands								0
	007	Conservation Programs			4					4
	008	Supply to Demand Comparison	1							1
4. Drought Monitoring Process	001	Drought Indicators	1		1	1	2			5
	002	Drought Triggers	1		1	1	2			5
5. Vulnerability Assessment	000	Assess Supply Vulnerability		3				2		5
	000	No Action Consequences	1	3	2	3	3	4		16
	000	Climate Change Impacts	1	4			3	3		11
6. Mitigation Actions	001	Drought Mitigation Measures		2				6		8
	002	Initial List of Drought Projects		2				6		8
	003	Short List of Drought Projects		2				6		8
	004	Benefits of Projects		2				6		8
	005	Implementation		4		2	2	6		14
7. Response Actions	001	Response Actions	1	2	4					7
8. Admin and Organizational Framework	001	Drought Response Organization	10	8	12			4	6	40
	002	Participating Agencies Process	12	4	4			2	4	26
	003	Stakeholder Process	12	4	4			2	4	26
9. Update Process	001	Default Task		2				2		4
10. Drought Plan Document	001	First Draft	2	8	2	2		2		16
	002	Second Draft	2	4	2	1		1		10
	004	Final Report	2	2	2	1		1		8
11. Project Management	001	Project Management	12	40	20			20	36	128
	002	Meetings	20	20	12			12		64
		Total Hours	89	148	93	24	26	116	53	549
		Labor Rate per Hour	$ 93.75	$ 67.82	$ 50.32	$ 55.92	$ 50.22	$ 50.22	$ 64.62	
Salaries and Wages			$ 8,344	$ 10,037	$ 4,680	$ 1,342	$ 1,306	$ 5,826	$ 3,425	$34,959
		Fringe Benefit Rate	$ 19.33	$ 17.83	$ 15.73	$ 35.85	$ 33.86	$ 33.92	$ 17.40	
Fringe Benefits			$ 1,720	$ 2,639	$ 1,463	$ 860	$ 880	$ 3,935	$ 922	$12,420
Travel			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0
Equipment			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0
Materials/Supplies			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0
Contractual - Direct (see Table 4)										$422,939
		Total Direct Costs								$470,318
Indirect Costs			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$0
		Total Project Costs								$470,318

Contractual Costs

The costs shown in Table 4 below reflect the consulting team to be competitively selected to conduct the Drought Contingency Plan tasks as identified.

Table 4 Contracted Costs

Task		Subtask	Engineering Consultant	Public Involvment Consultant	Planning Consultant	Donald Wilhite Senior Researcher	Labor Hours	Labor Cost	Materials and Travel	Total by Subtask
1. Initial Planning Steps	001	Drought Planning Task Force	4	32	4	4	44	$8,332	$2,425	$10,757
	002	Detailed Work Plan	36		8	16	60	$13,754	$2,009	$15,763
	003	Communication and Outreach Plan	4	46	4	4	58	$10,942	$734	$11,676
2.Background and Study Area	001	Study Area	18				18	$3,764	$0	$3,764
	002	Background	16				16	$3,736	$0	$3,736
	003	Review Plans	16				16	$3,614	$0	$3,614
	004	Drought History	8				8	$2,021	$0	$2,021
3. Supplies and Demands	001	Review Data and Models	8				8	$2,143	$0	$2,143
	002	Surface Water Supplies	12				12	$2,077	$0	$2,077
	003	Groundwater Supplies	4				4	$1,011	$0	$1,011
	004	Other Supply Sources	24				24	$5,351	$0	$5,351
	005	Urban Demands	12				12	$2,077	$0	$2,077
	006	Ag and Other Demands	12		8		20	$3,677	$80	$3,757
	007	Conservation Programs	12		8		20	$3,677	$80	$3,757
	008	Supply to Demand Comparison	28				28	$4,736	$0	$4,736
4. Drought Monitoring	001	Drought Indicators	34				34	$6,312	$0	$6,312
	002	Drought Triggers	42				42	$7,378	$0	$7,378
5. Vulnerability Assessment	000	Assess Supply Vulnerability	32				32	$7,229	$0	$7,229
	000	No Action Consequences	34				34	$6,312	$0	$6,312
	000	Climate Change Impacts	44				44	$9,259	$0	$9,259
6. Mitigation Actions	001	Drought Mitigation Measures	40				40	$8,295	$700	$8,995
	002	Initial List of Drought Projects	50		8		58	$12,557	$80	$12,637
	003	Short List of Drought Projects	84		8		92	$19,657	$780	$20,437
	004	Benefits of Projects	50		16		66	$14,157	$160	$14,317
	005	Implementation	38				38	$7,804	$0	$7,804
7. Response Actions	001	Response Actions	40				40	$8,822	$0	$8,822
8. Admin and Organizational Framework	001	Drought Response Organization	12	22		8	42	$8,134	$277	$8,410
	002	Participating Agencies Process	50	92	56		198	$39,402	$11,020	$50,423
	003	Stakeholder Process	48	140	24		212	$39,203	$5,533	$44,737
9. Update Process	001	Default Task	30				30	$6,738	$0	$6,738
10. Drought Plan Document	001	First Draft	156	8	40	4	208	$36,335	$1,140	$37,475
	002	Second Draft	102	2	8	2	114	$20,513	$100	$20,613
	004	Final Report	64	2	8	2	76	$14,111	$1,252	$15,363
11. Project Management	001	Project Management	120	4			124	$27,327	$739	$28,066
	002	Meetings	64	6			70	$17,057	$8,315	$25,372
Total			1348	354	200	40	**1942**	**$387,516**	**$35,423**	**$422,939**

North Monterey County Drought Contingency Plan
Communication and Outreach Plan

Geographic Project Area and Community Overview

This Communication and Outreach Plan describes how stakeholders and the general public will be informed of and involved in the planning process, including providing input on the drafting of the Drought Contingency Plan (DCP) and providing feedback to the Task Force.

Study Overview

The DCP Communication and Outreach Plan coincides with the DCP Detailed Work Plan and elaborates on DCP Tasks 1.1, 1.3, and 8.

- Appoint and describe Drought Task Force (*Underway*)
- State purpose and objective

Develop a process to identify appropriate stakeholders and interested parties who would contribute to the process by participating. Potential stakeholders include water agencies, County agencies, business groups, agricultural groups, property owners, environmental groups, and special interest groups, such as the Salinas Valley Water Coalition and the Grower–Shipper Association.

Study Audience and Participants

- Key Stakeholders
- General Public

Outreach Goals

The purpose of this effort is to build understanding, involvement, and support for drought contingency planning throughout the defined affected region.

The Task Force will coordinate, gather data from existing sources, and make initial planning decisions to be vetted by various stakeholders and the North County communities through a series of collaborative activities.

At various intervals during the process, data collection and assessment will reach plateaus or milestones. These are opportune times in the process where key stakeholders and the general public could be briefed on the status of assessments and provide comment and input to the Task Force. These intervals in the process may be difficult to initially pinpoint but it is anticipated that

3 “Drought Summit Workshops” could occur during the process as identified in the later section “Opportunities for Providing Input - Public Involvement Workshops”.

Internal Engagement: Drought Task Force

The Task Force will be convened for a kickoff workshop to introduce team members, project purpose, scope, schedule, and committee operating guidelines. The kickoff workshop will solicit and document stakeholder issues and values pertaining to drought management and risk levels that will serve as guiding principles throughout the project.

External Engagement

- Stakeholders
- Public

It is essential for Task Force members to identify citizen groups (stakeholders) that have a stake in drought contingency planning, and to understand their interests (environmental, civic, agricultural, etc.). These groups will be involved early and continuously in the interest of fair representation and effective drought management and planning. Opportunities to discuss and understand diverse viewpoints will be an integral part of the process. It is envisioned that the series of stakeholder forums will have a unique, memorable name such as the “Drought Summit Series.”

- Assist with coordinating and conducting a total of three Drought Summit Series workshops. Assist with promoting the workshops and inviting stakeholders. Provide workshop agendas and handout materials as necessary including summaries of existing policies and industry examples. Prepare a summary documenting the meeting discussions and outcomes.
- Task Force Meetings
  - Participation
  - Feedback/Input
  - Venues
- Public Meetings
  - Participation
  - Feedback/Input
  - Venues

Outreach Tactics and Tools

Once the Task Force is formed, kickoff activities will include a summit session to define the objectives, timeline, and financial obligations of each participating agency and/or organization represented. This session will include a focus on desired outcomes and key milestones to be achieved.

A series of relevant topical Workshops or Public Informational Meetings will be developed to inform and involve stakeholders, the public, and media (Drought Summit Series). Topics would be determined by the Task Force based on informational objectives identified to reach key milestones. Outcomes of each topical Workshop will be documented and provided to the Task Force and public/stakeholders.

Outreach Tools

Notification/Announcements. Possible subjects for the Drought Summit Series stakeholder workshops include: criteria for defining water shortages, potential actions in advance of water shortage, priorities of water use, classes of customers, nonessential uses, environmental (instream flows), recreational needs, and overall drought equity issues.

- Prepare announcements and distribute via email and social media.
- Prepare advertisements for general public awareness of the Drought Summit Series workshops for print and digital media distribution

Informational Materials

Providing information to and receiving input from community members will be critical as well. For simplification, the following list of activities is categorized, though there is overlap between some of the categories and actions.

- Web activities: expand existing Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management (www.mpirwm.org) websites to include pages with DCP project-related information, maps, data, and contact information.
  - Provide guidance on functionality for ease of use by a variety of potential participants/users.
  - Password- protected pages could be incorporated that house modelling information, GIS functions, and information being developed and shared by team members but not yet ready for release to broader audiences.
  - Once information is ready for broader publication it can move to common access areas of these web pages.
- Written communications: produce and distribute email updates, informational project fact sheet, and press releases.
- Initiate articles for appropriate newspapers and other publications and websites.
- As appropriate, arrange for face-to-face activities including personal briefings with small stakeholder groups, presentations at neighborhood meetings, and offer presentations via a speaker's bureau.

- Assist the project team with creating PowerPoint presentations and other informational materials for public workshops and Task Force meetings.
- Use social media tools (Twitter, Facebook) and email to generate community interest and direct the public and stakeholders to project-related web resources.

Study Participant Database

Utilize a contact management database to track and provide segmentation of the various participants, stakeholders, and stakeholder groups in order to direct targeted communications as appropriate. Such a tool provides for tracking of which stakeholders attend which meetings, who was sent information, and who may have issues that need to be tracked and/or addressed over time.

Create segmented classifications per stakeholder audience definitions for contact management, mailing lists, and email broadcasts. Maintain and manage customer contact records, mailing lists, and email lists on an on-going basis. Manage data security, integrity, and data hygiene. Maintain database, coordinate updates, and make modifications to system as needed

Measurements of Success

Establish agreed-upon indicators of successful community and stakeholder outreach efforts.

Measurements can document outreach effectiveness to audiences and can be conducted in several ways, for example:

- Audience/participant comments gathered at meetings, workshops, speaker's bureau presentations, and community events.
- General comments registered by the public through the website, and received via email.
- Number of letters received from local agencies and stakeholder groups.
- Measure traffic on project web pages and responses on social media.

Opportunities for Providing Input - Public Involvement Workshops

The DCP is part of a multi-agency effort. Input opportunities for stakeholders and the public can occur throughout the process but we anticipate 3 key workshops where collated data is at a point where weighing viewpoints and gathering input is valuable.

The Drought Summit Workshop will focus on 3 areas (potential dates of the summits are shown:

1. Discuss preliminary supply & demand and identification of potential mitigation options to be addressed. Receive any additional potential mitigation options to have a complete list. Discuss goals, objectives and measures of success for screening mitigation actions July 2016
2. Discuss the definition of vulnerability and define the needs to be addressed with mitigation actions April 2017

3. Discuss early results of mitigation action screening and receive input to adjust analysis as needed. September 2017

Coordination with Basin Study Plan Activities

The next few pages outline how the DCP efforts could potentially interface with the broader Salinas and Carmel River Basin Study (Basin Study) plan.

Coordinate with Reclamation regarding the interface of the DCP and the Basin Study:

- Coordinate public outreach process when possible between both activities; meetings, social media outreach tools, and associated stakeholder contact database management software
- Webpage management could address both Reclamation and local participating agency requirements
- Coordinate technical products sharing with public outreach processes between the DCP and the Basin Study

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	**Basin Study**	**Comments**
Geographic Project Area and Community Overview Prepare a communication and outreach plan that provides an explanation of how stakeholders and the public will be involved in the planning process, including providing input on the drafting of the Drought Contingency Plan and providing feedback to the Task Force.	**Geographic Project Area and Community Overview** (State the problem)	Parallel activities that need to link directly at the geographic overlap of the project areas
Study Overview (Performance Work Statement and Plan of Study or Approach)	**Study Overview** (Performance Work Statement and Plan of Study or Approach)	
- Appoint and describe Drought Task Force		
- State purpose and objective		

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	**Basin Study**	**Comments**
Develop a process to identify and contact stakeholders. Potential stakeholders include water agencies, County agencies, business groups, homeowners, environmental groups, and citizens groups, such as the Salinas Valley Water Coalition and the Grower–Shipper Association.		
Study Audience and Participants	**Study Audience and Participants**	Develop total list of stakeholders in the Basin Study Area with notation of those also in the DCP area. Use of a Contact Manager database will help to manage this.
Key Stakeholders	Cost Share Partners	
Public	Stakeholders	
	Public	
Outreach Goals Informing participant, stakeholders and public through-out the process steps. Explain informational gaps. And once drought plans are created inform and educate stakeholders and public about them.	**Outreach Goals** (list primary goals/objectives)	Illustrate the goals and activities that are consistent between the projects and those that are not. See the attached comparison of project tasks to the right
Internal Engagement	**Internal Engagement**	Some common agencies - Learn what each is doing: their roles, their reach, etc.
Drought Task Force	**Project Steering Team** List Tentative Dates	Develop process for consistency of message and accuracy of common and different activities between the studies.
	Executive Committee List Tentative Dates	

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	Basin Study	Comments
The Task Force will be convened for a kickoff workshop to introduce team members, project purpose, scope, schedule, and committee operating guidelines. The kickoff workshop will solicit and document stakeholder issues and values pertaining to drought management and risk levels that will serve as guiding principles throughout the project.		

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	Basin Study	Comments
External Engagement	External Engagement	
It is essential for Task Force members to identify citizen groups (stakeholders) that have a stake in drought contingency planning, and to understand their interests (environmental, civic, agricultural, etc.). These groups will be involved early and continuously in the interest of fair representation and effective drought management and planning. Opportunities to discuss and understand diverse viewpoints will be an integral part of the process. It is envisioned that the series of stakeholder forums will have a unique, memorable name such as the "Drought Summit Series."		Combine and coordinate external meetings to the extent that stakeholder organizations can come together in appropriate geographic areas and in time frames that coincide with key study milestones. Acknowledge some meetings may have to be held separately.
Conduct a total of three Drought Summit workshops. Provide meeting agenda and handout materials as necessary including summaries of existing policies and industry examples. Prepare memorandum documenting the meeting discussions.		The capabilities of the coordinators is key to bringing this all together.
Task Force Meetings	Technical Advisory Group Meetings	Some common members - Maximize involvement of key decision makers.
Participation	Participation	
Feedback/ Input	Feedback/ Input	
Venues	Venues	
Public Meetings		Some common members
Participation		
Feedback/ Input		
Venues		

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	Basin Study	Comments
Outreach Tactics and Tools	Outreach Tactics and Tools	
Once the Task Force is formed kickoff activities will include defining the objectives, timeline and financial obligations of each participating agency and/or organization represented.		May be several opportunities to combine efforts. Combine and coordinate tactics and tools when and where appropriate.
A series of relevant topical Workshops or Public Informational meetings will be developed to inform stakeholders, the public and media alike. Topics would be determined by the Task Force based on informational objectives needed to reach key milestones. Outcomes of each topical Workshop will be feedback to the Task Force.		
Notification/Announcements	Notification/Announcements	
Possible subjects for the stakeholder workshops include criteria for defining water shortages, potential actions in advance of water shortage, priorities of water use, classes of customers, nonessential uses, environmental (instream flows), recreational needs, and overall drought equity issues.	Use periodic email broadcasts to keep all audience segments informed. These would be monthly, bi-monthly or quarterly but always consistent. During dormant informational periods we provide updates on what research, modeling or studies are underway.	Notifications could be cross coordinated whenever possible.
Announcements Email/Mailers/Twitter	Announcements Email/Mailers/Twitter	Similar for each
Advertisements Print & Digital	Advertisements Print & Digital	Similar for each
Informational Materials	Informational Materials	
Providing information and receiving input from various community members will be critical as well. For simplification, the following list of activities is categorized, though there is overlap between some of the categories and items.		Similar process for each.

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	Basin Study	Comments
Web activities: Expand existing Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management (www.mpirwm.org) website to include pages with DCP project related information, maps and data. Provide guidance on functionality for ease of use by a variety of potential participant users.	Web activities: Expand existing Monterey Peninsula, Carmel Bay, and South Monterey Bay Integrated Regional Water Management (www.mpirwm.org) website to include pages with DCP project related information, maps and data. Provide guidance on functionality for ease of use by a variety of potential participant users.	Similar for both efforts. Assumes Project Website will be hosted, managed and maintained by Reclamation Staff but outreach team will provide guidance for organizing information and provide content as appropriate.
Written communication Activities include e-mail updates, informational materials, newspaper articles and press releases		Similar for each.
Face-to-Face Activities include one-to-one briefings, small group/round table discussions, neighborhood meetings, formal presentations, speakers bureau, and facility tours		May not be appropriate for both
Use of Social Media To direct stakeholders to project-related web pages/website		May not be appropriate for both

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	Basin Study	Comments
Study Participant Database	Study Participant Database	
Utilize a contact manager database to track and segment the various stakeholders and stakeholder groups. Such a tool allows tracking who comes to which meeting, who was sent information and who had issues that needed to be tracked over time.	Utilize a contact manager database to track and segment the various stakeholders and stakeholder groups. Such a tool allows tracking who comes to which meeting, who was sent information and who had issues that needed to be tracked over time.	One overall database indicating which project they participate in, mtgs attended, documents received, correspondence, etc.
Roles and Responsibilities	Roles and Responsibilities	Possible to merge the communications into single documents to clearly indicate Reclamation funded activities benefiting the Basins?
Email/Mailers to Stakeholder Database	Email/Mailers to Stakeholder Database	
Advertisements	Advertisements	
Media Relations	Media Relations	
Measurements of success	Measurements of success	

Communication Plan Outlines - Depicting Potential Overlaps and Differences		
DCP	Basin Study	Comments
Establish agreed upon indicators	Establish agreed upon indicators	Measurements help note progress and can acknowledge achievement of objectives • This plan can identify specific measurements in each tactical section. Other opportunities for measuring success include: • Media coverage is balanced and accurate. Counting the numbers • Attendance at various stakeholder and public meetings and presentations, and community events. Results of this data, including monitoring and documenting oral comments received at each activity, could be compiled in a summary report. • Quantity of letters of support received from local agencies and stakeholder groups. • Quantity of public input via phone calls, email through the website and various social media platforms.

CALIFORNIA AMERICAN WATER

PO Box 7150, Pasadena, CA 91109-7150

0001015220003993400000000000000078720197

Account Number	[redacted]
Due Date	July 30, 2014
Total Due	$78.72

For Service To: 9TH LINCOLN N E 52

☐ Check this box for address changes and note new address on back.

Amount Enclosed $

[redacted]
CARMEL, CA 93921-4875

CALIFORNIA AMERICAN WATER
PO BOX 7150
PASADENA, CA 91109-7150

Please tear along the dotted line and return this portion with your payment.

BILLING PERIOD AND METER READINGS

- Billing date: July 8, 2014
- Due Date: **July 30, 2014**
- Billing period: Jun 06 to Jul 07 (32 Days)
- Next reading on or about: Aug 06, 2014
- Customer Type: Residential
- Meter Reading Measurement: 1 unit = 10 CF or 74.8 gallons of water
- Billing Measurement: 100 gallons (CGL)

Meter No.	X086517048
Size of meter	5/8"
Current Read	3,701 (Actual)
Previous Read	3,626 (Actual)
Total water used this billing period	75 units (5,610 gallons)

Total Water Use Comparison (in 100 gallons)

- Current billing period 2014: 56.10 CGL
- Same billing period 2013: 0.00 CGL

Rate Block Allotments

Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
33.66	33.66	33.66	33.66	All Other Usage

BILLING SUMMARY

For Service To: 9TH LINCOLN N E 52
For Account 1015-220003993400

Prior Balance		
• Balance from last bill		51.67
• Payments as of Jun23. Thank you!		-51.67
Balance Forward		**0.00**
Current Water Service		
• Water Service Charge		10.11
• Water Usage Charge	($0.56520000 x 33.66)	19.02
	($1.18320000 x 22.44)	26.55
• **Total Water Service Related Charges**		**55.68**
Other Charges		
• Conservation Surcharge		2.00
• Gen Exp Balance Acct Srchg		5.41
• Coastal Water Project Surcharge (55.68 x 15.00%)		8.35
• MPWMD Cnsvn Surcharge		0.78
• MPWMD Surcharge		4.38
• Seaside Basin BA Surcharge		0.37
• **Total Other Charges**		**21.29**
Taxes		
• County Franchise Taxes		0.70
• Commission Surcharge		1.05
• **Total Taxes**		**1.75**
TOTAL CURRENT CHARGES		**78.72**
TOTAL AMOUNT DUE		**$78.72**

Important messages from California American Water

• Contact California American Water's local conservation department at 831.646.3205 to take advantage of rebates, water wise house calls and more. For more information visit www.montereywaterinfo.org.

• We want to help you better understand your water bill - why you are paying the amount you are, and where the money is going. A large part of your water bill is invested directly into the water system to make sure it is reliably delivering quality water when you need it. To learn more, visit www.californiaamwater.com/aboutyourbill.

Questions about this bill? Call our 24-Hour Customer Service Center: **1-888-237-1333** www.californiaamwater.com

625000337657

Collection of User Fee from Cal-Am Bills

Key Issues:

- Ease of reinstatement on bill (Legal opinions requested)
- Appearance on bill; How many MPWMD surcharges?
- What to do about existing programs funded through rates?
- Current GRC period versus next GRC period
- Variability and Predictability (Cal-Am collection history)
- Upon what is it calculated?
- How Much Does it Potentially Represent?
- How much "excess" is there?

Calculating Potential Collections:

2015 Revenue Requirement per CPUC General Rate Case A.13-07-002=	$53,205,444
2016 allowed increase of 3.90%	$55,280,456
2017 allowed increase of 3.02%	$56,949,926

But Cal-Am has had collections issues:

CALIFORNIA AMERICAN WATER COMPANY
MONTEREY RATE DESIGN AND RATIONING APPLICATION
FIVE YEAR COMPARISON OF AUTHORIZED/ACTUAL CONSUMPTION AND REVENUE

	Residential Consumption (AF)			Residential Qnantity Revenue		
	Authorized	Actual	Percent Dif.	Authorized	Actual	Percent Dif.
2010[(1)]	7,755	7,140	-7.9%	$ 22,564,085	$ 14,764,965	-34.6%
2011	8,216	7,202	-12.3%	$ 24,165,312	$ 15,071,310	-37.6%
2012	7,315	7,392	1.0%	$ 27,672,417	$ 20,926,190	-24.4%
2013	8,433	6,865	-18.6%	$ 28,136,600	$ 18,954,319	-32.6%
2014	7,278	6,951	-4.5%	$ 28,846,295	$ 22,178,830	-23.1%
		Average	-8.5%		Average	-30.5%

Residential volumetric revenue is approximately 37% of the whole revenue requirement.

30.5% x 37% = 11.3% average undercollection of total revenues

Thus, 2017 assumed revenues of $56,949,926 minus 11.3% = $50,523,127 of revenue

1.2% ASR User Fee = $606,280 per year (2017 revenues)

7.125% User Fee = $3,599,770 per year (2017 revenues)

Establish Priority Uses of User Fee:

ASR component is dedicated to ASR. The Older, 7.125% component could be used first on existing MPWMD programs funded through Cal-Am ratepayers include the Conservation Surcharge and the Carmel River Mitigation Program.

Available from 7.125% User Fee	$3,599,770
Conservation Surcharge costs	330,000
Mitigation Program Costs	2,580,130
"Excess" Available for other uses	689,640

If undercollection issue abates, an additional $457,910 is available. Board will need to adopt policy for under/over-collection. (WRAM issues; Reserves versus offset to future year).

Existing GRC versus next GRC:

When to implement is affected by existing GRC and timing of next GRC.

Period	Conservation Program	Mitigation Program
7/1/16 to 12/31/16 (Current)	$149,833	$1,228,444
2017 (Current)	299,667	2,580,129
2018 (next GRC)	330,000	2,624,000

(Actual amounts to be confirmed before CPUC action)

Adopted June 27, 2012 – Effective July 1, 2012

ORDINANCE NO. 152

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA WATER MANAGEMENT DISTRICT IMPOSING AN ANNUAL WATER SUPPLY CHARGE TO FUND WATER SUPPLY SERVICES, FACILITIES AND ACTIVITIES NEEDED TO ENSURE SUFFICIENT WATER FOR PRESENT BENEFICIAL WATER USE IN THE MAIN CALIFORNIA AMERICAN WATER DISTRIBUTION SYSTEM

Section Ten: Effective Date; Review Requirement; Sunset

A. This Ordinance shall take effect at 12:01 a.m. on July 1, 2012. This Ordinance shall not have a sunset date, provided however, that charges set by this Ordinance shall not be collected to the extent proceeds exceed funds required to achieve the Purposes of this Ordinance, as set forth in Section Three or as described in the Findings referenced in Section Two.

B. So long as this annual water supply charge is collected, the Board of Directors shall hold a public hearing each calendar year in connection with review of the annual District budget. At that time, the Board shall review amounts collected and expended in relation to the purposes for which the charge is imposed. The District shall require the annual water supply charge to sunset in full or in part unless the Board determines that the purpose of the charge is still required, and the amount of the charge is still appropriate and less than the proportionate cost of the service attributable to each parcel on which the charge is imposed. If the purpose is fully accomplished, the charge shall be required to sunset. If the purpose for the charge is determined to continue, but amounts needed to fund that purpose are decreased, the charge shall be reduced to that lesser amount. In the event aggregate annual charge collections are insufficient to fund all appropriate purposes to which the charge may be expended, the Board may determine, in its sole discretion, the extent to which any purpose or purposes shall be funded provided that the charge does not exceed the proportionate cost of the service attributable to each parcel on which the charge is imposed.

C. Notwithstanding any other provision of this Ordinance, the District shall not collect a water supply charge pursuant to this Ordinance: (a) in Fiscal Year 2018-19 (or any subsequent fiscal year) if no District project is identified and determined by the Board of Directors to have been underway as of December 31, 2017, (b) to the extent alternative funds are available via a charge collected on the California American Water Company bill, or (c) to the extent the Board of Directors determines that the charge (or portion thereof) is no longer required because bonds financing a specific project having been repaid.

MPWMD

10 Year Forecast

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
PROGRAMS										
Mitigation Program	2,580,129	2,631,732	2,684,366	2,738,054	2,792,815	2,848,671	2,905,644	2,963,757	3,023,032	3,083,493
Conservation Surcharge Program	300,000	306,000	312,120	318,362	324,730	331,224	337,849	344,606	351,498	358,528
Groundwater Replenishment Project	2,000,000	400,000								
GWR Operating Reserve (1)			894,000	223,500	223,500	223,500				
GWR Drought Reserve (2)				217,242	217,242	217,242	217,242	217,242		
ASR - Phase 1 (3)	505,000	22,000	11,680	11,914	12,152	12,395	12,643	12,896	13,154	13,417
ASR - Future Phases (4)	50,000	50,000		260,000	260,000	520,000	520,000	520,000	520,000	520,000
Cal-Am Desalination	510,000	400,000								
Local Water Projects	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Alternate Desal	0									
Carmel River/Los Padres (5)	400,000	500,000	350,000	100,000	50,000	50,000	50,000	50,000	50,000	50,000
Water Allocation Process		900,000	400,000							
PEOPLE, SERVICES, AND SUPPLIES										
Water Supply Staff	1,152,000	1,175,040	1,198,541	1,222,512	1,246,962	1,271,901	1,297,339	1,323,286	1,349,752	1,376,747
Services and Supplies	477,600	487,152	496,895	506,833	516,970	527,309	537,855	548,612	559,585	570,776
FINANCIAL										
Rabobank Loan Debt Service	230,000	230,000	230,000	230,000	230,000	230,000	230,000			
Rabobank Loan Sinking Fund (6)			504,738	504,738	504,738	504,738	504,738	504,738		
TOTAL	8,404,729	7,301,924	7,282,340	6,533,154	6,579,108	6,936,980	6,813,310	6,685,137	6,067,020	6,172,960
Water Supply Charge Revenue	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000	3,400,000
ASR User Fee	606,280	618,406	630,774	643,389	656,257	669,382	682,770	696,425	710,354	724,561
Other User Fee	3,599,770	3,671,765	3,745,201	3,820,105	3,896,507	3,974,437	4,053,926	4,135,004	4,217,704	4,302,058
Shortfall	(798,679)	388,247	493,634	1,330,340	1,373,656	1,106,839	1,323,385	1,546,293	2,261,038	2,253,659

NOTES:

(1) $894 per AF @1000 AF in year 1; @250 AF per year three years after
(2) $894 per AF @243 AF/yr for 5 years
(3) Current draft of Seaside lease agreement
(4) 2 well pairs; 1 in 2019, 1 in 2021; Does not include Carmel Valley well capacity
(5) IFIM and GSFlow; Insurance; No capital included
(6) $3,105,159 due in 2023

Monterey County District - excl. MPWMD					
Program 2015-2017 Budget	CAW Direct	CAW Rebuttal	ORA Report	Difference	Settlement
Conservation Coordinator & Training	100,000	100,000			100,000
Public Information Program	400,000	400,000			400,000
School Education Program	15,000	15,000			15,000
Residential Water Audits	0	0			0
Residential Plumbing Retrofit	22,500	22,500			22,500
Rebates (CII, Large Landscape, Residential-Toilet & Clothes Washer)	1,600,000	1,600,000			1,600,000
CII Audits	175,000	175,000			175,000
WBIC Pilot Study Project (Rain Sensor Installation Program)	25,000	25,000			25,000
Large Landscape Upgrade Grant Program	25,000	25,000			25,000
HET Direct Installations - Low-Income	36,000	36,000			36,000
Total Conservation Budget	2,398,500	2,398,500			2,398,500

Monterey County District - MPWMD Conservation Programs					
Program 2015-2017 Budget	MPWMD Direct	MPWMD Rebuttal	ORA Report	Difference	Settlement
Conservation Representative	335,000	335,000			335,000
Conservation Technician	160,000	160,000			160,000
Water Audits/Budgets - Stage 2	150,000	150,000			150,000
Conservation & Efficiency Workshops/Training	30,000	30,000			30,000
In-Line Meter Pilot Program	35,000	35,000			35,000
Pressure Regulator Pilot Program	35,000	35,000			35,000
Gardensoft WaterWise Gardening	15,000	15,000			15,000
Community Gardens	25,000	25,000			25,000
Website Upgrades	10,000	10,000			10,000
CIMIS Station Annual Maintenance	7,500	7,500			7,500
Linen/Towel Reuse Program	5,000	5,000			5,000
Water Conservation Devices	75,000	75,000			75,000
Water Conservation Printed Materials	15,000	15,000			15,000
Flow Measurement Devices	1,500	1,500			1,500
Water Auditor Training (CLIA)	0	0			0
Supersavor Recognition	0	0			0
School Retrofits	0	0			0
Rainwater/Graywater Education/Demo	0	0			0
Total	899,000	899,000			899,000

REFERENCES: Hearing Exh. 1, CAW Pilz Direct, pp14-19, and Attachments 3 & 4 to CAW Pilz Direct. Hearing Exh. 34, MPWMD Locke Direct Attachments 7 & 8.

MPWMD Program Budget for 2018-2020

Item	2015-2017	2018-2020	Change
Conservation Representative	$332,000	$342,000	$10,000.00
Conservation Technician	$160,000	$160,000	$0.00
Water Audits/Budgets – Stage 2	$150,000	$0	($150,000.00)
Water Conservation Devices	$75,000	$150,000	$75,000.00
Conservation & Efficiency Workshops/Training	$30,000	$100,000	$70,000.00
In-Line Meter Pilot Program	$35,000	$0	($35,000.00)
Pressure Regulator Pilot Program	$35,000	$100,000	$65,000.00
Gardensoft WaterWise Gardening	$15,000	$16,500	$1,500.00
Community Demonstration Gardens	$0	$0	$0.00
Website Upgrades	$10,000	$7,500	($2,500.00)
CIMIS Station Annual Maintenance	$7,500	$8,000	$500.00
Linen/Towel Reuse Program	$5,000	$25,000	$20,000.00
Flow Measurement Devices	$1,500	$0	($1,500.00)
Water Auditor Training (CLIA)	$0	Workshops	
Supersavor Recognition	$0	$0	$0.00
School Retrofits	$0	$50,000	$50,000.00
Water Conservation Printed Materials	$15,000	$30,000	$15,000.00
Rainwater/Graywater Education/Demo	$0	Workshops	
			$0.00
Total	***$871,000***	***$989,000***	$118,000.00

Distributed by staff at 3/3/16 meeting
Item 4 - Update on Carmel River Basin (Carmel Valley Alluvial Aquifer SGMA Process)

The Carmel Valley Alluvial Aquifer and the Sustainable Groundwater Management Act (SGMA)

There appears to be an inherent conflict between how the Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB) view the Carmel Valley Alluvial Aquifer, which affects how the aquifer must be viewed relative to SGMA.

> *Water Code Section 10722 states that a basin's boundaries shall be as identified in Bulletin 118 and Section 10722.4 sets that the Department of Water Resources (DWR) shall categorize the basins by priority, including medium- or high-priority.*

The Carmel Valley Groundwater Basin is an identified groundwater basin in Bulletin 118. DWR has ranked it a "high-priority" basin (Basin 3-7) under its CASGEM Basin Prioritization program. Hence, according to DWR the Carmel Valley Groundwater Basin is subject to SGMA.

> *Water Code Section 10727 states that a groundwater sustainability plan shall be developed for each medium- or high-priority basin.*

Therefore, the Carmel Valley Groundwater Basin would appear to need a groundwater sustainability plan (GSP) developed by a declared groundwater sustainability agency (GSA). The Monterey Peninsula Water Management District has already become the GSA for the Carmel Valley.

> *However, Water Code Section 10721 states "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated, but does not include water that flows in known and definite channels.*
>
> *State Water Resources Control Board (SWRCB) in Section 3.2 of its Order WR 95-10 (July 6, 1995) determined (a) "surface flow recharges river underflow and, consequently, causes a rise in Carmel Valley aquifer levels"; (b) "The subsurface flow has a pattern which demonstrates that it is within a known and definite channel rather than that of a diffused body of percolating groundwater."; and (c) the SWRCB found that "downstream of RM 15 the aquifer underlying and closely paralleling the surface water course of the Carmel River is water flowing in a subterranean stream and subject to the jurisdiction of the SWRCB."*

Since then, the aquifer has been subject to surface water rights and the jurisdiction of the SWRCB. Because of the determination of the SWRCB and SGMA's definition of "groundwater" excluding water that flows in known and definite channels, then the Carmel River Groundwater Basin identified in Bulletin 118 is not groundwater at all and should therefore be removed from the Bulletin and the requirements of SGMA.

Dave Stoldt

From: Dave Stoldt
Sent: Monday, February 29, 2016 8:08 PM
To: Gutierrez, David@DWR
Cc: Evoy, Barbara@Waterboards; Joseph, Trevor@DWR; Tim.Miller@amwater.com; Joe Oliver; Larry Hampson; Juricich, Rich@DWR; Ekdahl, Erik@Waterboards; Boland-Brien, Samuel
Subject: Re: Carmel River and SGMA

Hi David

Thanks. Will await, but keep in mind that if this has to go through the boundary adjustment process we will need time before March 31st. And if you want to keep the basin on DWR's books (Bulletin 118) we now know that the existing DWR boundaries are out of date, so we would need to file new boundaries in that instance, anyway.

I think you'll find a similar problem in the San Juan River (Creek?) and another one further south.

Keep me posted. Thanks!

Dave Stoldt

Sent from my iPhone

On Feb 29, 2016, at 7:48 PM, Gutierrez, David@DWR <David.Gutierrez@water.ca.gov> wrote:

> Hi Dave
> SWRCB and DWR talked about the issue in general regarding these types of conditions. Give us a couple weeks to figure out exactly how we would handle this. We will be meeting with SWRCB and have this on our agenda during our next coordination meeting.
>
> We will contact you after our discussion.
>
> David
>
> ---
>
> **From:** Dave Stoldt [dstoldt@mpwmd.net]
> **Sent:** Monday, February 29, 2016 9:57 AM
> **To:** Gutierrez, David@DWR; Juricich, Rich@DWR; Evoy, Barbara@Waterboards
> **Cc:** Joseph, Trevor@DWR; Tim.Miller@amwater.com; Joe Oliver; Larry Hampson
> **Subject:** Carmel River and SGMA
>
> Hi Dave and Barbara,
>
> There is an inherent conflict in how DWR and SWRCB view the Carmel River Alluvial Aquifer and how it will be affected by the Sustainable Groundwater Management Act (SGMA). We have mentioned it briefly to DWR staff on a few occasions, but now I have summarized the issue in a single page, attached.
>
> The Water Management District's conclusion is that what DWR refers to as the Carmel Valley Groundwater Basin in Bulletin 118 has been determined to be surface water by the SWRCB. This leads to several questions:

- Should the Carmel River aquifer be exempt from SGMA?
- What is the best way to exempt it – by letter from DWR or by removal from Bulletin 118?
- If by removal from Bulletin 118, should it be done through the DWR Basin Boundary Modification Request System by formal request by March 31st, or some other method?
- Do you foresee a meeting between DWR, SWRCB, and the District (the GSA) necessary to discuss this matter? If so, when?

Please let me know how you would like to approach a timely resolution of this issue. Thank you.

Regards,

Dave

David J. Stoldt
General Manager
Monterey Peninsula Water Management District
5 Harris Court – Bldg G
Monterey, CA 93940

831.658.5651


Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

Distributed by staff at 3/3/16 meeting
Item 6 - Update on Pure Water Monterey Project

Calculation of annual cost of CAW-Only Facilities:

	9.6 MGD ($ Million)
CAPITAL COSTS	
Desal Plant	227.1
CAW-Only Facilities	110.8
Capitalized AFUDC	16.5
Allocate AFUDC to Desal	11.1
Allocate AFUDC to CAW-Only	5.4
Total Desal	238.2
Total CAW-Only	116.2
% that is CAW-Only	33%
ANNUAL COSTS	
Cost to Customer, excl O&M	19.3
CAW-Only Cost to Customer excluding O&M	6.3
CAW-Only Cost per AF	$661

(Uses Linam December 15, 2015 testimony, Attachment 1)

Cost Per Acre-Foot:

COST PER AF		w/o CAW-Only
GWR Low Scenario	$1,379	$1,379
GWR Median Scenario	$1,811	$1,811
6.4 MGD Desal	$6,147	$5,486
9.6 MGD Desal	$4,364	$3,703
6.4 MGD Desal + GWR Median	$4,591	$3,930
6.4 MGD Desal + GWR Low	$4,435	$3,774

Uses Pure Water Monterey Cost Comparison Model and Cal-Am Public Model for O&M and Desal facility capital.