

This meeting has been noticed according to the Brown Act rules. The Board of Directors meets regularly on the third Monday of each month, except in January and February. The meetings begin at 6:00 PM.



**REVISED AGENDA
Regular Meeting
Board of Directors
Monterey Peninsula Water Management District

Thursday, February 24, 2022, 2022 at 6:00 PM, Virtual Meeting

As a precaution to protect public health and safety, and pursuant to provisions of AB 361, this meeting will be conducted via Zoom Video/Teleconference only.

Join the meeting at this link:

<https://us06web.zoom.us/j/84415987380?pwd=dkI2WitTb3ZINmpUc3pwUEQwTFF4UT09>

Or join at: <https://zoom.us/>

Webinar ID: 844 1598 7380

Passcode: 02242022

Participate by phone: (669) 900-9128

For detailed instructions on how to connect to the meeting, please see page 5 of this agenda.

You may also view the live webcast on AMP <https://accessmediaproductions.org/>
scroll down to the bottom of the page and select the Peninsula Channel

Staff notes will be available on the District web site at
<http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/>
by 5:00 PM on Friday, February 18, 2022

CALL TO ORDER / ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS AND CORRECTIONS TO AGENDA - *The General Manager will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.*

Board of Directors

Karen Paull, Chair – Division 4
Mary L. Adams, Vice Chair – Monterey County
Board of Supervisors Representative
Alvin Edwards – Division 1
George Riley – Division 2
Safwat Malek – Division 3
Amy Anderson – Division 5
Clyde Roberson – Mayoral Representative

General Manager

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G Monterey, California on Friday, February 18, 2022. After staff reports have been posted and distributed, if additional documents are produced by the District and provided to a majority of the Board regarding any item on the agenda, they will be posted on the District website. Documents distributed on the afternoon of the meeting will be available upon request and posted to the web within five days of adjournment of the meeting. The next regularly scheduled meeting of the MPWMD Board of Directors will be on Monday, March 21, 2022.

ORAL COMMUNICATIONS- - *Anyone wishing to address the Board on Consent Calendar, Information Items, Closed Session items, or matters not listed on the agenda may do so only during Oral Communications. Please limit your comment to three (3) minutes. The public may comment on all other items at the time they are presented to the Board.*

AWARD AND PRESENTATION

- Pure Water Monterey Advanced Water Purification Facility | Engineering Excellence Honor Award by the American Council of Engineering Companies presented by Mike McCullough, Director of External Affairs with Monterey One Water

CONSENT CALENDAR - *The Consent Calendar consists of routine items for which staff has prepared a recommendation. Approval of the Consent Calendar ratifies the staff recommendation. Consent Calendar items may be pulled for separate consideration at the request of a member of the public, or a member of the Board. Following adoption of the remaining Consent Calendar items, staff will give a brief presentation on the pulled item. Members of the public are requested to limit individual comment on pulled Consent Items to three (3) minutes. Unless noted with double asterisks “**”, Consent Calendar items do not constitute a project as defined by CEQA Guidelines section 15378.*

1. Consider Adoption of Minutes from the January 21, 2022 Special Board Meeting and January 27, 2022 Regular Board Meeting (*REVISED EXHIBIT 1-A AND 1-B SUBMITTED VIA SUPPLEMENTAL*)
2. Consider Adopting Draft Resolution No. 2022-04 Authorizing Remote Teleconferencing Meetings of all District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas)
3. Receive and File Second Quarter Financial Activity Report for Fiscal Year 2021-2022
4. Ratify Board Committee Assignments for Calendar Year 2022 (Revised)
5. Consider Approval of Second Quarter Fiscal Year 2021-2022 Investment Report
6. Consider Adoption of Treasurer's Report for December 2021
7. Review Annual Disclosure Statement of Employee/Board Reimbursements for Fiscal Year ~~2021-2022~~ 2020-21 (*REVISED TITLE VIA SUPPLEMENTAL- see page 4*)
8. Receive Pension Reporting Standards Government Accounting Standards Board Statement No. 68 Accounting Valuation Report
9. Receive Government Accounting Standards Board Statement No. 75 Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions
10. Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey

GENERAL MANAGER'S REPORT

11. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision
12. Update on Development of Water Supply Projects
13. Report to the Board on Fish Rescues for 2021
14. *Informational Item* | Monterey County Board of Supervisors Meeting on Tuesday, March 15, 2022 | Workshop to Review Regional Water Issues and Potential Solutions

REPORT FROM DISTRICT COUNSEL

15. Read out by District Counsel on the MPWMD Regular Board of Director's – Closed Session meeting on Thursday, January 27, 2022

DIRECTORS' REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)

16. Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations

ACTION ITEMS – *Public Comment will be received. Please limit your comments to three (3) minutes per item.*

17. Consider Adoption of Resolution No. 2022-05 Declaring the Week of March 14 – 20, 2022, to be Fix a Leak Week

Recommended Action: As a U.S. Environmental Protection Agency (USEPA) WaterSense Program Partner, the Board will consider adoption of Resolution 2022-05 declaring the Week of March 14 through March 20th to be Fix a Leak Week.

18. Consider Adoption of District Strategic Goals and Objectives for 2022

Recommended Action: The Board will consider adoption of District Strategic Goals and Objectives for 2022. (REVISED EXHIBIT 18-A SUBMITTED VIA SUPPLEMENTAL, see page 4)

19. Consider Adoption of Draft Resolution No. 2022-06 In Support of Activation of Latent District Powers

Recommended Action: The Board will consider adopting Resolution No. 2022-06 in support of activation of latent district powers.

20. Expenditure of Funds to Purchase and Install Security Surveillance Camera System

Recommended Action: The Board will consider approval of expenditures not-to-exceed \$50,000 to acquire and install surveillance system.

21. Consider Adoption of Mid-Year Fiscal Year 2021-22 Budget Adjustment

Recommended Action: The Board will consider adoption of the proposed mid-year budget adjustment for FY2021-2022.

INFORMATIONAL ITEMS/STAFF REPORTS - The public may address the Board on Information Items and Staff Reports during the Oral Communications portion of the meeting. Please limit your comments to three minutes.

- 22. Report on Activity/Progress on Contracts Over \$25,000
- 23. Status Report on Measure J/Rule 19.8 Phase II Spending
- 24. Letters Received
- 25. Committee Reports
- 26. Monthly Allocation Report
- 27. Water Conservation Program Report
- 28. Carmel River Fishery Report for January 2022
- 29. Monthly Water Supply and California American Water Production Report
- 30. Semi-Annual Financial Report on the CAWD/PBCSD Wastewater Reclamation Project

RECESS THE BOARD TO CLOSED SESSION

PUBLIC COMMENT ON CLOSED SESSION AGENDA ITEMS

CONVENE TO CLOSED SESSION— *As permitted by Government Code Section 54956.9 et seq., the Board may recess to closed session to consider specific matters dealing with pending or threatened litigation, certain personnel matters, or certain property acquisition matters.*

- CS 1 Conference with Legal Counsel – the board will review Significant Exposure to Threatened or Potential Litigation (§ 54956.9). MPWMD v. LAFCO of Monterey County – Case No.: Not Yet Assigned

- CS 1.1 Conference with Legal Counsel- the board will confer with District Counsel to review pending litigation pursuant to Government Code § 54956.9:

a. Conference with Legal Counsel- (§ 54956.9 (a)) MPTA v. MPWMD: Case No. 21CV003066
(*ADDED VIA ADDENDA- see page 4*)

- CS 2 Conference with Labor Negotiators (Gov. Code §54957.6) –
Agency Designated Representatives: the MPWMD Board of Directors
Unrepresented Employee: General Manager

- CS 3 Conference with Labor Negotiators (Gov. Code §54957.6) –
Agency Designated Representatives: the MPWMD Board of Directors
Unrepresented Employee: District Counsel

DISTRICT COUNSEL REPORT FROM CLOSED SESSION- *District Counsel will report out at the Monday, March 21, 2022 Regularly Scheduled Meeting on matters listed on the Closed Session Agenda.*

ADJOURNMENT

DISTRICT MEETING AGENDA SUPPLEMENTAL / ADDENDA

The Agenda for the February 24, 2022, Regular MPWMD Board of Directors meeting is hereby amended as follows.

Revised Attachments Under Consent Calendar - Supplemental

1. Consider Adoption of Minutes from the January 21, 2022 Special Board Meeting and January 27, 2022 Regular Board Meeting
- Revised Exhibit 1-A and 1-B

Revised Title - Supplemental

7. Review Annual Disclosure Statement of Employee/Board Reimbursements for Fiscal Year 2020-21

Revised Attachments Under Action Items – Supplemental

18. Consider Adoption of District Strategic Goals and Objectives for 2022
- Revised Exhibit 18-A

Addition to Closed Session Agenda – Addenda

- CS 1.1 Conference with Legal Counsel- the board will confer with District Counsel to review pending litigation pursuant to Government Code § 54956.9:

a. Conference with Legal Counsel- (§ 54956.9 (a)) MPTA v. MPWMD: Case No. 21CV003066

Board Meeting Schedule			
Monday, March 21, 2022	Regular Meeting	6:00 pm	Virtual – Zoom
Monday, April 18, 2022	Regular Meeting	6:00 pm	Virtual – Zoom
Monday, May 16, 2022	Regular Meeting	6:00 pm	Virtual – Zoom
Thursday, May 26, 2022	Special- Budget Workshop	6:00 pm	Virtual – Zoom

Board Meeting Television and On-Line Broadcast Schedule View Live Webcast at https://accessmediaproductions.org/ scroll to the bottom of the page and select the Peninsula Channel	
Television Broadcast	Viewing Area
Comcast Ch. 25 (Monterey Channel), Mondays view live broadcast on meeting dates, and replays on Mondays, 7 pm through midnight	City of Monterey
Comcast Ch. 28, Mondays, replays only 7 pm	Throughout the Monterey County Government Television viewing area.
For Xfinity subscribers, go to https://www.xfinity.com/support/local-channel-lineup/ or https://www.xfinity.com/stream/listings - enter your address for the listings and channels specific to your city.	Pacific Grove, Pebble Beach, Sand City, Seaside, Monterey
Internet Broadcast	
Replays – Mondays, 4 pm to midnight at https://accessmediaproductions.org/ scroll to Peninsula Channel	
Replays – Mondays, 7 pm and Saturdays, 9 am www.mgtvonline.com	
YouTube – available five days following meeting date - https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg	

Upon request, MPWMD will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. MPWMD will also make a reasonable effort to provide translation services upon request. Submit requests by noon on Monday, February 21, 2022 to joel@mpwmd.net, or at (831) 658-5652. Alternatively, you may reach Sara Reyes, Admin Services Division at (831) 658-5610.

Instructions for Connecting to the **Zoom Meeting**

Note: If you have not used Zoom previously, when you begin connecting to the meeting you may be asked to download the app. If you do not have a computer, you can participate by phone.

Begin: Within 10 minutes of the meeting start time from your computer click on this link: <https://us06web.zoom.us/j/84415987380?pwd=dk12WitTb3ZINmpUc3pwUEQwTFF4UT09> or paste the link into your browser.

DETERMINE WHICH DEVICE YOU WILL BE USING
(PROCEED WITH ONE OF THE FOLLOWING INSTRUCTIONS)

USING A DESKTOP COMPUTER OR LAPTOP

1. In a web browser, type: <https://www.zoom.us>
2. Hit the enter key
3. At the top right-hand corner, click on “Join a Meeting”

4. Where it says “Meeting ID”, type in the Meeting ID# above and click “Join Meeting”
5. Your computer will begin downloading the Zoom application. Once downloaded, click “Run” and the application should automatically pop up on your computer. (If you are having trouble downloading, alternatively you can connect through a web browser – the same steps below will apply).
6. You will then be asked to input your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting.
7. From there, you will be asked to choose either ONE of two audio options: Phone Call or Computer Audio:

COMPUTER AUDIO

1. If you have built in computer audio settings or external video settings – please click “Test Speaker and Microphone”.
2. The client will first ask “Do you hear a ringtone?” • If no, please select “Join Audio by Phone”.
 - If yes, proceed with the next question:
3. The client will then ask “Speak and pause, do you hear a replay?” • If no, please select “Join Audio by Phone”
- If yes, please proceed by clicking “Join with Computer Audio”

PHONE CALL

1. If you do not have built in computer audio settings or external video settings – please click “Phone Call”
2. Select a phone number based on your current location for better overall call quality.

+1 669-900-9128 (San Jose, CA)	+1 253-215-8782 (Houston, TX)
+1 346-248-7799 (Chicago, IL)	+1 301-715-8592 (New York, NY)
+1 312-626-6799 (Seattle, WA)	+1 646-558-8656 (Maryland)
3. Once connected, it will ask you to enter the Webinar ID No. and press the pound key
4. It will then ask you to enter your participant ID number and press the pound key.
5. You are now connected to the meeting.

USING AN APPLE/ANDROID MOBILE DEVICE OR SMART PHONE

1. Download the Zoom application through the Apple Store or Google Play Store (the application is free).
2. Once download is complete, open the Zoom app.
3. Tap “Join a Meeting”
4. Enter the Meeting ID number
5. Enter your name. It is imperative that you put in your first and last name, as participants and attendees should be able to easily identify who is communicating during the meeting.
6. Tap “Join Meeting”
7. Tap “Join Audio” on the bottom left hand corner of your device
8. You may select either ONE of two options: “Call via Device Audio” or “Dial in”

DIAL IN

1. If you select “Dial in”, you will be prompted to select a toll-free number to call into.
2. Select a phone number based on your current location for better overall call quality.

+1 669-900-9128 (San Jose, CA)	+1 253-215-8782 (Houston, TX)
+1 346-248-7799 (Chicago, IL)	+1 301-715-8592 (New York, NY)
+1 312-626-6799 (Seattle, WA)	+1 646-558-8656 (Maryland)
3. The phone will automatically dial the number, and input the Webinar Meeting ID No. and your Password.
4. Do not hang up the call, and return to the Zoom app
5. You are now connected to the meeting.

Presenting Public Comment

Receipt of Public Comment – the Chair will ask for comments from the public on all items. Limit your comment to 3 minutes but the Chair could decide to set the time for 2 minutes.

- (a) Computer Audio Connection: Select the “raised hand” icon. When you are called on to speak, please identify yourself.
- (b) Phone audio connection **with** computer to view meeting: Select the “raised hand” icon. When you are called on to speak, dial *6 to unmute and please identify yourself.
- (c) Phone audio connection only: Press *9. Wait for the clerk to unmute your phone and then identify yourself and provide your comment. Press *9 to end the call.

Submit Written Comments

If you are unable to participate via telephone or computer to present oral comments, you may also submit your comments by e-mailing them to comments@mpwmd.net with one of the following subject lines "PUBLIC COMMENT ITEM #" (insert the item number relevant to your comment) or "PUBLIC COMMENT – ORAL COMMUNICATIONS". Comments must be received by 12:00 p.m. on Thursday, February 24, 2022. Comments submitted by noon will be provided to the Board of Directors and compiled as part of the record of the meeting.

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EXHIBIT 1-A (REVISED- CLEAN)

DRAFT MINUTES Board of Directors – Special Meeting Friday, January 21, 2021

Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.

CALL TO ORDER

The meeting was called to order by Chair Paull at 2:01 p.m.

ROLL CALL

Directors Present via Zoom:

Karen Paull, Chair – Division 4
Mary L. Adams, Vice-Chair – Monterey County Board of Supervisors Representative
Alvin Edwards, Director – Division 1
George Riley, Director – Division 2
Safwat Malek, Director – Division 3
Amy Anderson, Director – Division 5
Clyde Roberson, Mayoral Representative

Directors Absent: None

General Manager present: David J. Stoldt

Staff members present: Suresh Prasad, Chief Financial Officer/Administrative Services Manager
Stephanie Locke, Water Demand Manager
Thomas Christensen, Environmental Resources Manager
Jonathan Lear, Water Resources Manager
Stephanie Kister, Conservation Analyst
Corryn Bennett, Accountant
Joel G. Pablo, Board Clerk
Sara Reyes, Senior Office Specialist

District Counsel present: David Laredo and Fran Farina with De Lay and Laredo

PLEDGE OF ALLEGIANCE

The assembly recited the Pledge of Allegiance.

ADDITIONS AND CORRECTIONS TO AGENDA

None

PUBLIC COMMENT

The following comments were directed to the Board during Public Comment:

- a. *Michael Baer*: Provided congratulatory remarks to both incoming Chair Paull and outgoing Chair Edwards. He mentioned to the board his attendance at one of Ron Weitzman's groups featuring special guest speaker and candidate for State Assembly Jon Wizard. Baer brought up a point Wizard mentioned during the meeting and suggested the board work with the City of Monterey to capture excess rainwater from Lake El Estero and expand Aquifer Storage and Recovery Units.

ACTION ITEM

1. Consider Adopting Draft Resolution No. 2022-01 Authorizing Remote Teleconferencing Meetings of All District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas).

Opened Public Comment; no comments were directed to the board on Item No. 1.

2. A motion was offered by Director Riley with a second by Director Anderson to Adopt Resolution No. 2022-01: Authorizing Remote Teleconferencing Meetings of All District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas). The motion passed on a roll-call vote of 6-Ayes (Paull, Riley, Malek, Anderson, Roberson and Edwards), 0-Noes and 0-Abstain.

Director Adams was in attendance and no vote was received from her on this matter.

DISCUSSION ITEMS

3. Discuss and Draft Strategic Goals and Near- and Long-Term Objectives of the District for CY2022.

David J. Stoldt, General Manager provided introductory remarks and presented via MS PowerPoint. *A copy of the presentation is on file with the District and can be found on the District website.* Stoldt provided an overview of Dr. Richard Garcia's strategic planning session: Hierarchy of Strategic Planning and noted that the focus of the meeting will be focused on Goals and Objectives of the District.

-
- 1) David J. Stoldt, General Manager provided an overview of the six (6) adopted 2021 Goals and sought Board input on continuing, deleting or adding goals moving into 2022 and developing objectives in pursuit of those goals.

Through board deliberation and via Board Consensus, the Board developed the following goals and objectives for the District for Calendar Year 2022, received the following public comments and provided general direction to staff to return to the Full Board at its February 2022 meeting for their consideration and adoption.

Goal No. 1

Goal - Secure a safe, reliable, sustainable, diversified, affordable, legal water supply to the Monterey Peninsula Region.

Near-Term Objectives

- a. As project manager, complete Pure Water Monterey Deep Injection Wells 3 and 4 within the year.
- b. Work on expanding base PWM capacity in 2022
- c. Partner with Monterey One Water to expand the Pure Water Monterey Project.

Long-Term Objectives

- a. Continue implementing Measure J for long-term lower water costs.
- b. Develop plan for lifting CDO & Moratorium

Goal No. 2

Goal - Pursue public ownership of the water distribution system as directed by the voters in Measure J.

Near-Term Objectives

- a. Complete the LAFCO process and, if necessary, seek judicial review of LAFCO decision in 2022.
- b. Update appraisal, make offer, develop findings
- c. Hold a hearing of public necessity in 2022 or 2023.
- d. Develop a public outreach/awareness campaign in support and/or survey in 2022.

Long-Term Objectives

- a. Complete rate study in advance of bench trial.
- b. Initiate bench trial phase in 2023.
- c. Succeed at bench trial phase and move to valuation phase within two years.
- d. Organizational planning for success under Measure J

Director Clyde Roberson left the virtual Zoom meeting at 3:10 p.m.

Opened Public Comment. The following comments were directed to the Board on Goal No. 1 and 2:

George Soneff, Esq. with Manatt, Phelps and Phillips, LLP, *Attorney for California-American Water*: Explained to the board that its goal and pursuit of Measure J has high unrealistic costs, time-estimate, and planning issues. He also asked the board to consider this goal and consider if it would undermine other district goals being discussed.

Michael Baer: In response to Mr. Soneff, Baer reminded Soneff that Measure J is voter approved initiative, the rationale for its passage and the board's action on this matter.

Marli Melton: Provided remarks on the Districts public outreach goal and stressed the need for a good public relations team

Goal No. 3

Goal - Be a regional leader on water issues, continue to raise the District profile and instill public trust.

Near-Term Objectives

- a. Resolve the Water for Housing initiative at SWRCB in 2022; Address 2022 RHNA #s
- b. Coordinate on regional issues with other water agencies quarterly or more often; and participate in regional water discussions/forums
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues needed by public, media, and regulators.
- d. Bring the Salinas and Carmel River Basins study to completion within a year.
- e. Coordinate/Communicate w/ Salinas Valley GSA

Long-Term Objectives

- a. Maintain leadership of the Integrated Regional Water Management Program (IRWM) process.
- b. Continue to coordinate on regional issues with other water agencies.
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues.

Goal No. 4

Goal - Plan for long-range surface and groundwater resource needs.

Near-Term Objectives

- a. Bring Los Padres Dam Alternatives study to a conclusion within a year.
- b. Address Seaside Basin protective water levels
- c. Evaluate/update Carmel River pumpers load and Rule 160-164 impacts
- d. Update description of supplies, projects, WSC and User Fee on Website

Long-Term Objectives

- a. Assess climate change impacts on local water supplies, primarily through completion of Basin Study.
- b. Work with watermaster and affected parties on replenishment and protective water levels in Seaside Groundwater Basin. Explore possibilities of public funding for replenishment or protective water levels.
- c. Continue discussion of regional desalination options, and other regional water supply options
- d. Leverage funding sources federal & state

Opened Public Comment: No Comments were directed to the Board on Goal No. 3 and 4

Goal No. 5

Goal - Protect and enhance the District's financial resources.

Near-Term Objectives

- a. Receive GFOA award for annual comprehensive financial report (ACFR) for 2022
- b. Maintain CSDA transparency certificate of compliance in 2022.
- c. Continue to develop strategy for PERS and OPEB liabilities in 2022-23 budget.
- d. Pay down a portion of the Mechanics Bank loan in July/August 2022.
- e. Improve asset management documentation and funding in Capital Improvement Plan for 2022-23 budget.
- f. Place all financial documents (Audit, Budget, other) online within 1 month of adoption.

Long-Term Objectives

- a. Implement the Board's policy to use surplus User Fee revenue to (i) pay down the Mechanic's Bank loan, (ii) repay other District reserves used for water supply projects, and (iii) sunset a portion of the Water Supply Charge. Identify potential competing uses for "surplus" User Fee and determine timeline.

Goal No. 6

Goal - Promote and enhance organizational efficiency and effectiveness.

Near-Term Objectives

- a. Discuss implementation of an employee hybrid remote work schedule.
- b. Determine the type of support needed in GM office. Create position and fill it by year end.

Long-Term Objectives

- a. Continue to develop electronic documents library and migrate data.
- b. Develop sustainability plan for District assets and practices.

Goal No. 7 (New Goal)

Goal – Overhaul Public Outreach Effort

Near-Term Objectives

- a. Public awareness of all District activities
- b. Support Measure J milestones
- c. Determine new District Public Outreach model and budget

Long-Term Objectives

- a. Resolve newsletter product
- b. Resolve email communications
- c. Make social media more consistent and orderly

- d. Determine need, timing, and budget for website update

Opened Public Comment: The following comments were directed to the Board

John Tilley: Stated prior boards approved the Water Supply Project (WSP) Agreement on Desalinization and noted the WSP has been bypassed by the current board in its pursuit of Measure J. Tilley brought up water for housing issues and his concern for District revenues/expenditures on matters unrelated to capital improvement projects / water supply projects.

ADJOURNMENT

Chair Paull adjourned the meeting at 4:41 p.m.

Joel G. Pablo, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on Monday, February ___, 2022

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EXHIBIT 1-A (REVISED- REDLINE)

DRAFT MINUTES Board of Directors – Special Meeting Friday, January 21, 2021

Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.

CALL TO ORDER

The meeting was called to order by Chair Paull at 2:01 p.m.

ROLL CALL

Directors Present via Zoom:

Karen Paull, Chair – Division 4
 Mary L. Adams, Vice-Chair – Monterey County Board of Supervisors Representative
 Alvin Edwards, Director – Division 1
 George Riley, Director – Division 2
 Safwat Malek, Director – Division 3
 Amy Anderson, Director – Division 5
 Clyde Roberson, Mayoral Representative

Directors Absent: None

General Manager present: David J. Stoldt

Staff members present: Suresh Prasad, Chief Financial Officer/Administrative Services Manager
 Stephanie Locke, Water Demand Manager
 Thomas Christensen, Environmental Resources Manager
 Jonathan Lear, Water Resources Manager
 Stephanie Kister, Conservation Analyst
 Corryn Bennett, Accountant
 Joel G. Pablo, Board Clerk
 Sara Reyes, Senior Office Specialist

District Counsel present: David Laredo and Fran Farina with De Lay and Laredo

PLEDGE OF ALLEGIANCE

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ADDITIONS AND CORRECTIONS TO AGENDA

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ACTION ITEM

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2. A motion was offered by Director Riley with a second by Director Anderson to Adopt Resolution No. 2022-01: Authorizing Remote Teleconferencing Meetings of All District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas). The motion passed on a roll-call vote of 6-Ayes (Paull, Riley, Malek, Anderson, Roberson and Edwards), 0-Noes and 0-Abstain.

Director Adams was in attendance and no vote was received from her on this matter.

DISCUSSION ITEMS

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Through board deliberation and via Board Consensus, the Board developed the following goals and objectives for the District for Calendar Year 2022, received the following public comments and provided general direction to staff to return to the Full Board at its February 2022 meeting ~~to consider and adopt 2022 Goals/Near Term and Long Term Objectives.~~ for their consideration and adoption.

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- a. Continue implementing Measure J for long-term lower water costs.
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Long-Term Objectives

- a. Complete rate study in advance of bench trial.
- b. Initiate bench trial phase in 2023.
- c. Succeed at bench trial phase and move to valuation phase within two years.
- d. Organizational planning for success under Measure J

Director Clyde Roberson left the virtual Zoom meeting at 3:10 p.m.

Opened Public Comment. The following comments were directed to the Board on Goal No. 1 and 2:

George Soneff, Esq. with Manatt, Phelps and Phillips, LLP, *Attorney for California-American Water*: Explained to the board that its goal and pursuit of Measure J has high unrealistic costs, time-estimate, and planning issues. He also asked the board to consider this goal and consider if it would undermine other district goals being discussed.

Michael Baer: In response to Mr. Soneff, Baer reminded Soneff that Measure J is voter approved initiative, the rationale for its passage and the board's action on this matter.

Marli Melton: Provided remarks on the Districts public outreach goal and stressed the need for a good public relations team

Goal No. 3

Goal - Be a regional leader on water issues, continue to raise the District profile and instill public trust.

Near-Term Objectives

- a. Resolve the Water for Housing initiative at SWRCB in 2022; Address 2022 RHNA #s
- b. Coordinate on regional issues with other water agencies quarterly or more often; and participate in regional water discussions/forums
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues needed by public, media, and regulators.
- d. Bring the Salinas and Carmel River Basins study to completion within a year.
- e. Coordinate/Communicate w/ Salinas Valley GSA

Long-Term Objectives

- a. Maintain leadership of the Integrated Regional Water Management Program (IRWM) process.
- b. Continue to coordinate on regional issues with other water agencies.
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues.

~~*Opened Public Comment: No Comments were directed to the Board on Goal No. 3 and 4*~~

Goal No. 4

Goal - Plan for long-range surface and groundwater resource needs.

Near-Term Objectives

- a. Bring Los Padres Dam Alternatives study to a conclusion within a year.
- b. Address Seaside Basin protective water levels
- c. Evaluate/update Carmel River pumpers load and Rule 160-164 impacts
- d. Update description of supplies, projects, WSC and User Fee on Website

Long-Term Objectives

- a. Assess climate change impacts on local water supplies, primarily through completion of Basin Study.
- b. Work with watermaster and affected parties on replenishment and protective water levels in Seaside Groundwater Basin. Explore possibilities of public funding for replenishment or protective water levels.
- c. Continue discussion of regional desalination options, and other regional water supply options
- d. Leverage funding sources federal & state

Opened Public Comment: No Comments were directed to the Board on Goal No. 3 and 4

Goal No. 5

Goal - Protect and enhance the District's financial resources.

Near-Term Objectives

- a. Receive GFOA award for annual comprehensive financial report (ACFR) for 2022
- b. Maintain CSDA transparency certificate of compliance in 2022.
- c. Continue to develop strategy for PERS and OPEB liabilities in 2022-23 budget.
- d. Pay down a portion of the Mechanics Bank loan in July/August 2022.
- e. Improve asset management documentation and funding in Capital Improvement Plan for 2022-23 budget.
- f. Place all financial documents (Audit, Budget, other) online within 1 month of adoption.

Long-Term Objectives

- a. Implement the Board's policy to use surplus User Fee revenue to (i) pay down the Mechanic's Bank loan, (ii) repay other District reserves used for water supply projects, and (iii) sunset a portion of the Water Supply Charge. Identify potential competing uses for "surplus" User Fee and determine timeline.

Goal No. 6

Goal - Promote and enhance organizational efficiency and effectiveness.

Near-Term Objectives

- a. Discuss implementation of an employee hybrid remote work schedule.
- b. Determine the type of support needed in GM office. Create position and fill it by year end.

Long-Term Objectives

- a. Continue to develop electronic documents library and migrate data.
- b. Develop sustainability plan for District assets and practices.

Goal No. 7 (New Goal)

Goal – Overhaul Public Outreach Effort

Near-Term Objectives

- a. Public awareness of all District activities
- b. Support Measure J milestones
- c. Determine new District Public Outreach model and budget

Long-Term Objectives

- a. Resolve newsletter product
- b. Resolve email communications

- c. Make social media more consistent and orderly
- d. Determine need, timing, and budget for website update

Opened Public Comment: The following comments were directed to the Board

John Tilley: Stated prior boards approved the Water Supply Project (WSP) Agreement on Desalinization and noted the WSP has been bypassed by the current board in its pursuit of Measure J. Tilley brought up water for housing issues and his concern for District revenues/expenditures on matters unrelated to capital improvement projects / water supply projects.

ADJOURNMENT

Chair Paull adjourned the meeting at 4:41 p.m.

Joel G. Pablo, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on Monday, February ___, 2022

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EXHIBIT 1-B (REVISED- CLEAN)

Draft Minutes Regular Meeting Board of Directors Monterey Peninsula Water Management District January 27, 2022

The meeting was called to order at 6:01 p.m. by Chair Paull. *Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.*

CALL TO ORDER

Directors Present via Zoom:

Karen Paull, Chair – Division 4
Mary L. Adams, Vice Chair – Monterey County Board of Supervisors Representative
Alvin Edwards – Division 1
George Riley – Division 2
Safwat Malek – Division 3
Amy Anderson – Division 5
Clyde Roberson – Mayoral Representative

ROLL CALL

Directors Absent: None

General Manager present: David J. Stoldt

District Counsel present: Dave Laredo with De Lay and Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Joel G. Pablo, *Board Clerk* noted the following addition to the Published Agenda:

ADDITIONS AND CORRECTIONS TO THE AGENDA

Insert Recognition of Outgoing Chair Alvin Edwards as Board Chair for Calendar Year 2020 and 2021 and to be placed following Oral Communications.

Public Comment Period Opened. The following comments were directed to the board:

ORAL COMMUNICATIONS

(a) *John Tilley representing the Coalition of Peninsula Businesses:* Addressed the board on past decisions made by the body and its support of Aquifer Storage and Recovery, Pure Water Monterey and the Water Supply Project (WSP)-Desalinization. He noted the current board has moved away from the WSP- Desalinization due to its ongoing pursuit of Measure J. Tilley addressed the board on water for housing, on water supply concerns and asked the board to refrain from using the term: Lettuce Curtain.

(b) *Rudy Fischer*: Encouraged and reminded the Board to remain in compliance with the Brown Act and to achieve all goals as listed on the District’s website. Fischer addressed issues attributed to the Cease-and-Desist Order and asked the board to find new sources of water.

(c) *Susan Schiavone*: Applauded the board for their continued efforts in pursuing Measure J, recognized the excellent work as done by the Board and the District. Schiavone asked the board to educate the community relating to water supply.

(d) *Michael Baer*: Responded to comments made by John Tilley and noted an incentive received by commercial businesses. Baer noted private entities are not subject to the same disclosure and transparency processes public agencies must abide by as opposed to back-door deals made by private entities.

Written Public Comment Received:

Rudy Fischer | E-mail dated January 25, 2022

Subject Line: Reminder to the Board to Act in Compliance with the Brown Act and Goals of the District. A copy of the letter is on file at the District office and can be viewed on the District website.

No further oral or written communications were received.

The Board praised Director Edwards for his leadership, his intelligence, his enthusiasm and expressed gratitude for all he accomplished during his two years as Board Chair.

Director Edwards thanked the Board and District Staff for all the hard worked accomplished during the past two years.

Chair Paull pulled Item No. 2 from the Consent Calendar and asked that it be placed following Discussion Item No. 15. No further requests were received by Chair Paull to pull matters from the Consent Calendar.

Opened Public Comments; *No comments were received.*

A motion was made by Director Malek with a second by Director Anderson to approve the Consent Calendar Items No. 1; 3 through 8. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Adopted the Meeting Minutes from the November 29, 2021 Special Board Meeting, December 13, 2021 Special/Regular Board Meeting, and December 29, 2021 Special Board Meeting.

[Item No. 2 considered by the Board following Discussion

**RECOGNITION OF OUTGOING CHAIR
ALVIN EDWARDS AS BOARD CHAIR
FOR 2020 AND 2021**

CONSENT CALENDAR

- 1. Consider Adoption of Minutes from the November 29, 2021 Special Board Meeting, December 13, 2021 Special/Regular Board Meeting and December 29, 2021 Special Board Meeting**
- 2. Ratify Board Committee Assignments**

Item No. 15.]

for Calendar Year 2022

Matter Pulled by Chair Paull. Further discussion was had regarding Board Committee Preferences and Assignments for Calendar Year 2022.

Opened Public Comment; No comments were received.

A motion was made by Director Riley with a second by Director Adams to Revise Exhibit 2-A to include Director Mary L. Adams to serve as the alternate committee member on the Legislative Advocacy Committee. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Reviewed and adopted the revised CY2022 through February 2023 MPWMD Board meeting schedule.

Adopted Resolution No. 2022-02 authorizing remote teleconference meetings of all District legislative bodies for the following 30 days in accord with the Ralph M. Brown Act and AB 361 (Rivas).

Reviewed and approved the District Investment Policy.

Adopted the November 2021 Treasurer's Report and financial statements, and ratification of the disbursements made during the month.

Approved the funds for road maintenance and directed the General Manager to enter into a contract with Valley Grading and Paving, Inc., for a not-to-exceed amount of \$9,950.

Approved the funds for deferred road maintenance and direct the General Manager to reimburse California America Water up to \$9,950 for repair work.

David J. Stoldt, General Manager responded to comments received during Oral Communications. He noted that the District's priority is to provide an adequate water supply and noted ongoing efforts with the CA Public Utilities Commission on the Pure Water Monterey Expansion. Stoldt clarified no discussion was had pertaining to the extension of the CA SWRCB Cease-and-Desist Order and further clarified the District's goals and objectives.

David J. Stoldt, General Manager presented via MS

3. Adopt the Revised Board Meeting Schedule for CY2022 through February 2023

4. Consider Adopting Draft Resolution No. 2022-02 Authorizing Remote Teleconferencing Meetings of all District Legislative Bodies for the Following 30 Days in Accord with the Ralph M. Brown Act and AB 361 (Rivas)

5. Consider Approval of Annual Update on Investment Policy

6. Consider Adoption of Treasurer's Report for November 2021

7. Consider Expenditure of Funds to Maintain the Access to the Sleepy Hollow Steelhead Rearing Facility.

8. Consider Expenditure of Funds for Deferred Maintenance of the Access Road to the Sleepy Hollow Steelhead Rearing Facility.

GENERAL MANAGER'S REPORT

9. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision

PowerPoint entitled Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Decision as of January 2022 and answered Board questions. *A copy of the presentation is on file at the District office and can be viewed on the district website.*

GM Stoldt provided an overview of the slide-deck, and the following points were made: (1) The Monterey Peninsula Water Resources System (Carmel River & Seaside Groundwater Basin) noting that year to date through the first quarter of the water year is below target; (2) On Water Projects and Rights Actuals for the PWM Recovery include 739 AF, Table 13 – 42 Acre feed and Sand City Desal – 34 AF. (3) The Monthly Demands/Deliveries for Customer Service is down by 160 AF compared to WY2021; (4) Provided an overview of Monthly/Rainy Recorded Rainfall at the San Clemente Rain Gage for Water Year 2022. (5) Estimated Unimpaired Carmel River Flow at Sleepy Hollow WEIR: Water Year 2022 he noted a steady flow of water due rainfall received in December 2021.

David J. Stoldt, General Manager provided a verbal status update on Measure J / Proposed Acquisition of the Monterey Water System, answered questions from the Board and the following points were made:

10. Update on Measure J / Proposed Acquisition of the Monterey Water System

1. LAFCo of Monterey County at its January 5, 2022 Special Meeting dismissed the District's application to activate latent powers.
2. The District hired Legal Counsel to weigh out options pertaining to the LAFCo decision.
3. LAFCo of Monterey County approved the annexation of 58 parcels in Yankee Point and Hidden Hills at its December 6, 2021 meeting.
4. The District will make efforts to rectify the LAFCo Decision through the reconsideration process and proceed from there.

In response to Director Riley, Dave's understanding is the LAFCo of Monterey County will consider the reconsideration request as an action item at its February 2022 meeting.

In response to Director Edwards, Dave confirmed the District Boundary maps to include the 58 parcels has been sent to the County of Monterey and the CA State Board of Equalization. He noted the District is awaiting a response and further action from the CA State Board of Equalization.

The following comments were directed to the Board:

- (a) *John Tilley:* Stated the frequent delays in bringing up the parallel pipeline has caused lost years of production due to public outcry. Tilley noted that part of the water supply production includes the 'sustainable water supply project' on desalinization along with other water

supply projects.

- (b) *Michael Baer*: Responding to John Tilley's comments stated he should read the CA Coastal Commission's staff report over the denial of the proposed desalinization plant and look at the commission's rationale for denial.

David Laredo, District Counsel provided introductory remarks and greetings to the Board.

Laredo congratulated outgoing Chair Edwards for his service to the Board as Chairman of the Board for 2020 and 2021.

Laredo reported out from the Closed Session meeting held on Wednesday, December 29, 2021 to consider one item of potential litigation: *MPWMD v. LAFCo of Monterey County – Case No.: Not Yet Assigned*. He noted that the board received a status report from staff, potential retention of legal services from Shute, Mihaly & Weinberger and the board provided general direction to staff. *No reportable or specific action was taken during the Closed Session meeting on December 29, 2021.*

Director Riley recently attended a Seaside Basin Groundwater Watermaster meeting and an Outreach Committee was formed to address stresses on the Seaside Groundwater Basin and how to address those issues with the community. Riley informed the board of his meeting with the Monterey County Special District's Association featuring special guest speaker Steve Vagnini, County-Clerk-Recorder/Assessor. At the meeting, Vagnini addressed and answered specific questions relating to public acquisitions of private entities.

Director Paull mentioned she also attended the Special District's Association meeting and noted Vagnini provided a few examples of when private property is sold to a tax-exempt agency.

Vice-Chair Adams made the board aware of an upcoming water forum to be placed on the Monterey County Board of Supervisors agenda for March 15, 2022 at 1:30 p.m.

General Manager Stoldt provided a verbal status report and an overview of his staff report.
Opened Public Comment; The following comments were directed to the Board:

REPORT FROM DISTRICT COUNSEL

Read out by District Counsel on the MPWMD Special Board of Director's – Closed Session meeting on Wednesday, December 29, 2022

DIRECTORS' REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONVERENCE ATTENDANCE AND MEETINGS)

- 11. Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations**

ACTION ITEMS

- 12. Consider Adoption of Resolution No. 2022-03 for Reimbursement of Expenditures for Pure Water Monterey Expansion**

(a) *John Tilley*: Thanked the District on the good news received on the Water Purchasing Agreement. Tilley provided suggestions on where to direct District monies.

(b) *Rudy Fischer*: Expressed support on this matter and touts the Pure Water Monterey Base Project and now the Expansion project as being a proven technology, environmentally friendly and noted previous funding mechanisms to fund the base project to include state financing, federal grants, and contributions from MPWMD. Fischer would like to see additional grants come in for various water projects and looks forward to seeing Deep Injection Wells fully operable by March 2022.

A motion was made by Director Malek with a second by Director Riley to adopt Resolution 2022-03 for reimbursement of expenditures for Pure Water Monterey Expansion. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

General Manager Stoldt and Joel G. Pablo, Board Clerk provided a verbal status report, an overview of the staff report and responded to Board questions.

Opened Public Comment; no comments were directed to the board.

A motion was made by Director Paull with a second by Director Malek to ratify Director- Division Appointments to include the appointments made by the County Supervisorial Representative and Mayoral Representative. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Marc Eisenhart and N. Monica Lal shared brief statements, shared relevant background information, shared their interest and qualifications in serving on the MPWMD Redistricting Advisory Commission as At-Large Commissioners.

The following comment was directed to the Board:

(1) *John Tilley*: Mentioned that the board has an opportunity to select a candidate in this matter.

Original Motion: A motion was made by Director Paull with a second by Director Adams to appoint Eisenhart and Lal to the At-Large roles on the MPWMD Redistricting Advisory Commission.

A motion was offered by Director Riley and Director Edwards to formally close nominations. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek,

13. **Ratify Director- Division Appointments and Appoint Two At-Large Commissioners to the MPWMD Redistricting Advisory Commission**

Anderson, Adams, Riley and Roberson), 0-Noes, and 0-Absent.

On the Original Motion: The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes, and 0-Absent.

General Manager Stoldt provided a historical overview of Ordinance No. 152, the Ord. No. 152 Citizen's Oversight Panel and an overview of his staff report.

Opened Public Comment; The following comments were directed to the Board:

(a) *John Tilley with the Monterey Peninsula Taxpayer's Association:* Expressed gratitude for including both majority and minority opinion within the Ordinance No. 152 Citizen's Oversight Panel 2021 Annual Report.

The Board received the 2021 Ordinance No. 152 Oversight Panel Annual Report.

Chair Karen Paull addressed the board on District Board Committees, meeting frequency and allowed for Board discussion.

Vice-Chair Adams suggested for a sub-committee to be formed to consider the matter further and bring the matter back to the board for potential action. Mayor Roberson accepted an offer to serve on the sub-committee.

In response to Director Edwards, Chair Paull noted his concerns pertaining to resources to be used for Public Outreach over the Legislative Advocacy Committee may have to deal with District priorities.

Alvin Edwards, Clyde Roberson and Karen Paull agree to participate and form a sub-committee in order to have further discussion on the matter.

[Following Board Discussion on Item No. 15, the Board Considered Consent Item No. 2: Ratification of Board Committee Assignments for Calendar Year 2022. (See Page No. 2 for Action Taken)]

There was no discussion of the Informational Items/Staff Reports.

14. Receive 2021 Ordinance 152 Oversight Panel Annual Report

DISCUSSION ITEMS

15. Streamlining and Scheduling of District Board Committees

INFORMATIONAL ITEMS/STAFF REPORTS

- 16. Report on Activity/Progress on Contracts Over \$25,000**
- 17. Status Report on Measure J/Rule 19.8 Phase II Spending**
- 18. Letters Received**
- 19. Committee Reports**
- 20. Monthly Allocation Report**
- 21. Water Conservation Program Report**

- 22. Carmel River Fishery Report for December 2021
- 23. Monthly Water Supply and California American Water Production Report
- 24. Quarterly Carmel River Riparian Corridor Management Program Report
- 25. Quarterly Water Use Credit Transfer Status Report
- 26. Semi-Annual Groundwater Quality Monitoring Report

Chair Paull closed out the open session of the agenda and proceeded to matters on the Closed Session Agenda.

RECESS THE BOARD TO CLOSED SESSION

No comments were directed to the board.

PUBLIC COMMENT ON CLOSED SESSION AGENDA ITEMS

The Board recessed to closed session at 8:14 p.m. and adjourned Closed Session at 8:18 p.m.

CONVENE TO CLOSED SESSION

- CS 1 Conference with Labor Negotiators (Gov. Code §54957.6) – The Board will select and provide direction to its designated representatives (a sub-quorum of Board Members) as to the negotiation of wages and benefits for General Manager Dave Stoldt, an unrepresented employee.**

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on Thursday, February XX, 2022



EXHIBIT 1-B (REVISED- REDLINE)

Draft Minutes Regular Meeting Board of Directors Monterey Peninsula Water Management District January 27, 2022

The meeting was called to order at 6:01 p.m. by Chair Paull. *Pursuant to AB 361, the meeting was conducted with virtual participation via Zoom.*

CALL TO ORDER

Directors Present via Zoom:

Karen Paull, Chair – Division 4
Mary L. Adams, Vice Chair – Monterey County Board of Supervisors Representative
Alvin Edwards – Division 1
George Riley – Division 2
Safwat Malek – Division 3
Amy Anderson – Division 5
Clyde Roberson – Mayoral Representative

ROLL CALL

Directors Absent: None

General Manager present: David J. Stoldt

District Counsel present: Dave Laredo with De Lay and Laredo

The assembly recited the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Joel G. Pablo, *Board Clerk* noted the following addition to the Published Agenda:

ADDITIONS AND CORRECTIONS TO THE AGENDA

Insert Recognition of Outgoing Chair Alvin Edwards as Board Chair for Calendar Year 2020 and 2021 and to be placed following Oral Communications.

Public Comment Period Opened. The following comments were directed to the board:

ORAL COMMUNICATIONS

(a) *John Tilley representing the Coalition of Peninsula Businesses:* Addressed the board on past decisions made by the body and its support of Aquifer Storage and Recovery, Pure Water Monterey and the Water Supply Project (WSP)-Desalinization. He noted the current board has moved away from the WSP- Desalinization due to its ongoing pursuit of Measure J. Tilley addressed the board on water for housing, on water supply concerns and asked the board to refrain from using the term: Lettuce Curtain.

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Written Public Comment Received:

Rudy Fischer | E-mail dated January 25, 2022

Subject Line: Reminder to the Board to Act in Compliance with the Brown Act and Goals of the District. A copy of the letter is on file at the District office and can be viewed on the District website.

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The Board praised Director Edwards for his leadership, his intelligence, his enthusiasm and expressed gratitude for all he accomplished during his two years as Board Chair.

Director Edwards thanked the Board and District Staff for all the hard worked accomplished during the past two years.

Chair Paull pulled Item No. 2 from the Consent Calendar and asked that it be placed following Discussion Item No. 15. No further requests were received by Chair Paull to pull matters from the Consent Calendar.

Opened Public Comments; *No comments were received.*

A motion was made by Director Malek with a second by Director Anderson to approve the Consent Calendar Items No. 1; 3 through 8. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Adopted the Meeting Minutes from the November 29, 2021 Special Board Meeting, December 13, 2021 Special/Regular Board Meeting, and December 29, 2021 Special Board Meeting.

**RECOGNITION OF OUTGOING CHAIR
ALVIN EDWARDS AS BOARD CHAIR
FOR 2020 AND 2021**

CONSENT CALENDAR

- 1. Consider Adoption of Minutes from the November 29, 2021 Special Board Meeting, December 13, 2021 Special/Regular Board Meeting and December 29, 2021 Special Board Meeting**

[Item No. 2 considered by the Board following Discussion Item No. 15.]

Matter Pulled by Chair Paull. Further discussion was had regarding Board Committee Preferences and Assignments for Calendar Year 2022.

Opened Public Comment; No comments were received.

A motion was made by Director Riley with a second by Director Adams to Revise Exhibit 2-A to include Director Mary L. Adams to serve as the alternate committee member on the Legislative Advocacy Committee. The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

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2. Ratify Board Committee Assignments for Calendar Year 2022

3. Adopt the Revised Board Meeting Schedule for CY2022 through February 2023

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GENERAL MANAGER'S REPORT

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Director Riley recently attended a Seaside Basin Groundwater Watermaster meeting and an Outreach Committee was formed to address stresses on the Seaside Groundwater Basin and how to address those issues with the community. Riley informed the board of his meeting with the Monterey County Special District’s Association featuring special guest speaker Steve Vagnini, County-Clerk-Recorder/Assessor. At the meeting, Vagnini addressed and answered specific questions relating to public acquisitions of private entities.

Director Paull mentioned she also attended the Special District’s Association meeting and noted Vagnini provided a few examples of when private property is sold to a tax-exempt agency.

Vice-Chair Adams made the board aware of an upcoming water forum to be placed on the Monterey County Board of Supervisors agenda for March 15, 2022 at 1:30 p.m.

REPORT FROM DISTRICT COUNSEL

Read out by District Counsel on the MPWMD Special Board of Director’s – Closed Session meeting on Wednesday, December 29, 2022

DIRECTORS’ REPORTS (INCLUDING AB 1234 REPORTS ON TRIPS, CONFERENCE ATTENDANCE AND MEETINGS)

11. **Oral Reports on Activities of County, Cities, Other Agencies/Committees/Associations**

ACTION ITEMS

General Manager Stoldt provided a verbal status report and an overview of his staff report.

Opened Public Comment; The following comments were directed to the Board:

(a) *John Tilley*: Thanked the District on the good news received on the Water Purchasing Agreement. Tilley provided suggestions on where to direct District monies.

(b) *Rudy Fischer*: Expressed support on this matter and touts the Pure Water Monterey Base Project and now the Expansion project as being a proven technology, environmentally friendly and noted previous funding mechanisms to fund the base project to include state financing, federal grants, and contributions from MPWMD. Fischer would like to see additional grants come in for various water projects and looks forward to seeing Deep Injection Wells fully operable by March 2022.

A motion was made by Director Malek with a second by Director Riley to adopt Resolution 2022-03 for reimbursement of expenditures for Pure Water Monterey Expansion. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

General Manager Stoldt and Joel G. Pablo, Board Clerk provided a verbal status report, an overview of the staff report and responded to Board questions.

Opened Public Comment; no comments were directed to the board.

A motion was made by Director Paull with a second by Director Malek to ratify Director- Division Appointments to include the appointments made by the County Supervisorial Representative and Mayoral Representative. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes and 0-Absent.

Marc Eisenhart and N. Monica Lal shared brief statements, shared relevant background information, shared their interest and qualifications in serving on the MPWMD Redistricting Advisory Commission as At-Large Commissioners.

The following comment was directed to the Board:

(1) *John Tilley*: Mentioned that the board has an opportunity to select a candidate in this matter.

Original Motion: A motion was made by Director Paull

12. Consider Adoption of Resolution No. 2022-03 for Reimbursement of Expenditures for Pure Water Monterey Expansion

13. Ratify Director- Division Appointments and Appoint Two At-Large Commissioners to the MPWMD Redistricting Advisory Commission

with a second by Director Adams to appoint Eisenhart and Lal to the At-Large roles on the MPWMD Redistricting Advisory Commission.

A motion was offered by Director Riley and Director Edwards to formally close nominations. The motion passed on a roll call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes, and 0-Absent.

On the Original Motion: The motion passed on a roll-call vote of 7-Ayes (Edwards, Paull, Malek, Anderson, Adams, Riley and Roberson), 0-Noes, and 0-Absent.

General Manager Stoldt provided a historical overview of Ordinance No. 152, the Ord. No. 152 Citizen's Oversight Panel and an overview of his staff report.

Opened Public Comment; The following comments were directed to the Board:

(a) *John Tilley with the Monterey Peninsula Taxpayer's Association:* Expressed gratitude for including both majority and minority opinion within the Ordinance No. 152 Citizen's Oversight Panel 2021 Annual Report.

The Board received the 2021 Ordinance No. 152 Oversight Panel Annual Report.

Chair Karen Paull addressed the board on District Board Committees, meeting frequency and allowed for Board discussion.

Vice-Chair Adams suggested for a sub-committee to be formed to consider the matter further and bring the matter back to the board for potential action. Mayor Roberson accepted an offer to serve on the sub-committee.

In response to Director Edwards, Chair Paull noted his concerns pertaining to resources to be used for Public Outreach over the Legislative Advocacy Committee may have to deal with District priorities.

Alvin Edwards, Clyde Roberson and Karen Paull agree to participate and form a sub-committee in order to have further discussion on the matter.

[Following Board Discussion on Item No. 15, the Board Considered Consent Item No. 2: Ratification of Board Committee Assignments for Calendar Year 2022. (See Page No. 2 for Action Taken)]

There was no discussion of the Informational Items/Staff Reports.

14. Receive 2021 Ordinance 152 Oversight Panel Annual Report

DISCUSSION ITEMS

15. Streamlining and Scheduling of District Board Committees

INFORMATIONAL ITEMS/STAFF REPORTS

16. **Report on Activity/Progress on Contracts Over \$25,000**
17. **Status Report on Measure J/Rule 19.8 Phase II Spending**
18. **Letters Received**
19. **Committee Reports**
20. **Monthly Allocation Report**
21. **Water Conservation Program Report**
22. **Carmel River Fishery Report for December 2021**
23. **Monthly Water Supply and California American Water Production Report**
24. **Quarterly Carmel River Riparian Corridor Management Program Report**
25. **Quarterly Water Use Credit Transfer Status Report**
26. **Semi-Annual Groundwater Quality Monitoring Report**

Chair Paull closed out the open session of the agenda and proceeded to matters on the Closed Session Agenda.

RECESS THE BOARD TO CLOSED SESSION

No comments were directed to the board.

PUBLIC COMMENT ON CLOSED SESSION AGENDA ITEMS

The Board recessed to closed session at 8:14 p.m. and adjourned Closed Session at 8:18 p.m.

CONVENE TO CLOSED SESSION

CS 1 Conference with Labor Negotiators (Gov. Code §54957.6) – The Board will select and provide direction to its designated representatives (a sub-quorum of Board Members) as to the negotiation of wages and benefits for General Manager Dave Stoldt, an unrepresented employee.

ADJOURNMENT

Joel G. Pablo, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on Thursday, February XX, 2022

EXHIBIT 18-A (REVISED- CLEAN)

MPWMD 2022 Strategic Goals and Objectives

(Proposed – January 21, 2021)

1. **Goal** - Secure a safe, reliable, sustainable, diversified, affordable, legal water supply to the Monterey Peninsula Region.

Near-Term Objectives

- a. As project manager, complete Pure Water Monterey Deep Injection Wells 3 and 4 within the year.
- b. Work on expanding base PWM capacity in 2022
- c. Partner with Monterey One Water to expand the Pure Water Monterey Project.

Long-Term Objectives

- a. Continue implementing Measure J for long-term lower water costs.
- b. Develop plan for lifting CDO & Moratorium

2. **Goal** - Pursue public ownership of the water distribution system as directed by the voters in Measure J.

Near-Term Objectives

- a. Complete the LAFCO process and, if necessary, seek judicial review of LAFCO decision in 2022.
- b. Update appraisal, make offer, develop findings
- c. Hold a hearing of public necessity in 2022 or 2023.
- d. Develop a public outreach/awareness campaign in support and/or survey in 2022.

Long-Term Objectives

- a. Complete rate study in advance of bench trial.
- b. Initiate bench trial phase in 2023.
- c. Succeed at bench trial phase and move to valuation phase within two years.
- d. Organizational planning for success under Measure J

3. **Goal** - Be a regional leader on water issues, continue to raise the District profile and instill public trust.

Near-Term Objectives

- a. Resolve the Water for Housing initiative at SWRCB in 2022; Address 2022 RHNA #s
- b. Coordinate on regional issues with other water agencies quarterly or more often; and participate in regional water discussions/forums
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues needed by public, media, and regulators.
- d. Bring the Salinas and Carmel River Basins study to completion within a year.

- e. Coordinate/Communicate w/ Salinas Valley GSA

Long-Term Objectives

- a. Maintain leadership of the Integrated Regional Water Management Program (IRWM) process.
- b. Continue to coordinate on regional issues with other water agencies.
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues.

4. **Goal** - Plan for long-range surface and groundwater resource needs.

Near-Term Objectives

- a. Bring Los Padres Dam Alternatives study to a conclusion within a year.
- b. Address Seaside Basin protective water levels
- c. Evaluate/update Carmel River pumpers load and Rule 160-164 impacts
- d. Update description of supplies, projects, WSC and User Fee on Website

Long-Term Objectives

- a. Assess climate change impacts on local water supplies, primarily through completion of Basin Study.
- b. Work with watermaster and affected parties on replenishment and protective water levels in Seaside Groundwater Basin. Explore possibilities of public funding for replenishment or protective water levels.
- c. Continue discussion of regional desalination options, and other regional water supply options
- d. Leverage funding sources federal & state

5. **Goal** - Protect and enhance the District's financial resources.

Near-Term Objectives

- a. Receive GFOA award for annual comprehensive financial report (ACFR) for 2022
- b. Maintain CSDA transparency certificate of compliance in 2022.
- c. Continue to develop strategy for PERS and OPEB liabilities in 2022-23 budget.
- d. Pay down a portion of the Mechanics Bank loan in July/August 2022.
- e. Improve asset management documentation and funding in Capital Improvement Plan for 2022-23 budget.
- f. Place all financial documents (Audit, Budget, other) online within 1 month of adoption.

Long-Term Objectives

- a. Implement the Board's policy to use surplus User Fee revenue to (i) pay down the Mechanic's Bank loan, (ii) repay other District reserves used for water supply projects, and (iii) sunset a portion of the Water Supply Charge. Identify potential competing uses for "surplus" User Fee and determine timeline.

6. **Goal** - Promote and enhance organizational efficiency and effectiveness.

Near-Term Objectives

- a. Discuss implementation of an employee hybrid remote work schedule.
- b. Determine the type of support needed in GM office. Create position and fill it by year end.

Long-Term Objectives

- a. Continue to develop electronic documents library and migrate data.
- b. Develop sustainability plan for District assets and practices.

7. **Goal** – Overhaul Public Outreach Effort

Near-Term Objectives

- a. Public awareness of all District activities
- b. Support Measure J milestones
- c. Determine new District Public Outreach model and budget

Long-Term Objectives

- a. Resolve newsletter product
- b. Resolve email communications
- c. Make social media more consistent and orderly
- d. Determine need, timing, and budget for website update

EXHIBIT 18-A (REVISED- REDLINE)

MPWMD 2022 Strategic Goals and Objectives

(Proposed – January 21, 2021)

1. **Goal** - Secure a safe, reliable, sustainable, diversified, affordable, legal water supply to the Monterey Peninsula Region.

Near-Term Objectives

- a. As project manager, complete Pure Water Monterey Deep Injection Wells 3 and 4 within the year.
- b. Work on expanding base PWM capacity in 2022
- c. Partner with Monterey One Water to expand the Pure Water Monterey Project.

Long-Term Objectives

- a. Continue implementing Measure J for long-term lower water costs.
- b. Develop plan for lifting CDO & Moratorium

2. **Goal** - Pursue public ownership of the water distribution system as directed by the voters in Measure J.

Near-Term Objectives

- a. Complete the LAFCO process and, if necessary, seek judicial review of LAFCO decision in 2022.
- b. Update appraisal, make offer, develop findings
- c. Hold a hearing of public necessity in 2022 or 2023.
- d. Develop a public outreach/awareness campaign in support and/or survey in 2022.

Long-Term Objectives

- a. Complete rate study in advance of bench trial.
- b. Initiate bench trial phase in 2023.
- c. Succeed at bench trial phase and move to valuation phase within two years.
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3. **Goal** - Be a regional leader on water issues, continue to raise the District profile and instill public trust.

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- a. Resolve the Water for Housing initiative at SWRCB in 2022; Address 2022 RHNA #s
- b. Coordinate on regional issues with other water agencies quarterly or more often; and participate in regional water discussions/forums
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues needed by public, media, and regulators.
- d. Bring the Salinas and Carmel River Basins study to completion within a year.

- e. Coordinate/Communicate w/ Salinas Valley GSA

Long-Term Objectives

- a. Maintain leadership of the Integrated Regional Water Management Program (IRWM) process.
- b. Continue to coordinate on regional issues with other water agencies.
- c. Be the knowledgeable source for reliable information on supply, demand, drought, and other local water issues.

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Near-Term Objectives

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- b. Address Seaside Basin protective water levels
- c. Evaluate/update Carmel River pumpers load and Rule 160-164 impacts
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- b. Maintain CSDA transparency certificate of compliance in 2022.
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- e. Improve asset management documentation and funding in Capital Improvement Plan for 2022-23 budget.
- f. Place all financial documents (Audit, Budget, other) online within 1 month of adoption.

Long-Term Objectives

- a. Implement the Board's policy to use surplus User Fee revenue to (i) pay down the Mechanic's Bank loan, (ii) repay other District reserves used for water supply projects, and (iii) sunset a portion of the Water Supply Charge. Identify potential competing uses for "surplus" User Fee and determine timeline.

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- d. Determine need, timing, and budget for website update