



**Item No. 1, Exhibit A**

**Draft Minutes  
Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
Monday, August 15, 2022**

*As a precaution to protect public health and safety, and pursuant to provisions of AB 361 (Rivas), this meeting was conducted via Zoom Video/Teleconference only.*

**REGULAR SESSION**

Chair Paull called the meeting to order at 6:03 p.m.

**CALL TO ORDER**

*Directors Present via Zoom:*

Karen Paull, Chair – Division 4  
Alvin Edwards – Division 1  
George Riley – Division 2  
Safwat Malek – Division 3  
Amy Anderson – Division 5  
Clyde Roberson – Mayoral Representative (*Joined at 6:04 p.m.*)

**ROLL CALL**

*Directors Absent:* Mary L. Adams, Vice Chair – Monterey County Board of Supervisors Representative

*General Manager Present:* David J. Stoldt

*District Counsel Present:* David C. Laredo with De Lay and Laredo

The assembly recited the Pledge of Allegiance.

**PLEDGE OF ALLEGIANCE**

No additions and corrections.

**ADDITIONS AND CORRECTIONS TO THE AGENDA**

[General Manager Stoldt informed the Board of non-substantive edits made to the Board meeting minutes for its meeting on Monday, July 18, 2022 and to be further revised by the Board Clerk.]

No comments were directed to the Board during Oral Communications.

**ORAL COMMUNICATIONS**

Chair Paull briefly described the two consent matters for the Board's consideration and approval.

**CONSENT CALENDAR**

A motion was offered by Director Anderson with a second by Director Edwards to approve Consent Calendar Item 1 and 2. The motion passed on a roll-call vote of 6-Ayes (Paull, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 1-Absent (Adams).

Approved the MPWMD Board of Director’s Special and Regular Board Meeting on July 18, 2022

1. **Consider Adoption of Minutes of the Special and Regular Board Meeting on July 18, 2022**

Adopted Resolution No. 2022 – 23 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).

2. **Consider Adopting Draft Resolution No. 2022-23 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)**

### GENERAL MANAGER’S REPORT

David J. Stoldt, General Manager (GM) touched upon the monkeypox virus epidemic as it relates to the District, other public water/wastewater agencies and governments. Stoldt noted public health emergencies have been declared at the national level and in various local/state jurisdictions. He mentioned the monkeypox virus itself is known to spread via direct contact with others and respiratory secretions. Stoldt stated there have been four (4) reported cases of monkeypox as of August 9, 2022 in Monterey County and the demand for the vaccine remains high. Stoldt made known of the Carmel Area Wastewater District’s (CAWD) COVID-19 (SARS-CoV-2) monitoring program that produces a collection report of the virus in the wastewater stream and is available on CAWD’s website. In addition, he mentioned the Sewer Coronavirus Alert Network (SCAN) has announced 11 agencies in California to be part of its COVID-19 (SARS-CoV-2) monitoring program. Stoldt stated the District will continue to monitor the situation and explained the presence of a virus in the water/wastewater system is not indicative of COVID-19 or monkeypox being easily communicable or transmittable to these systems, instead is a result of waste discharge being brought into the system.

*In response to Director Anderson, Stoldt noted wastewater treatment facilities have had the ability to collect and monitor for viruses during the middle of the COVID-19 Pandemic.*

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David J. Stoldt, General Manager presented via MS PowerPoint entitled, “Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Basin Decision as of August 1, 2022” and answered committee questions. *A copy of the presentation is available at the District office and can be found on the District website.*

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

GM Stoldt provided an overview of the slide-deck and the following points were made:

(1) Monterey Peninsula Water Resources System (MPWRS) for the period covering October through July 2022 of the Water Year the Carmel River Basin is below the quarterly water supply forecast [Actual: 3,403 Acre Feet (AF); and Target: 4,807 AF] and for the total MPWRS (Actual: 4,551 AF; and Target: 5,432 AF).

(2) Water Projects and Rights for the period covering October through July 2022 of the Water Year: (a) an update on Sand City Wells was done at the August 1, 2022 Water Supply Planning Committee on the new intake well anticipated to be completed in 2023; (b) Pure Water Monterey (PWM) Recovery: The contractual obligation and performance guarantee for 3,500 AF is on a Fiscal Year (FY) and the chart contained in the slide-deck is on a Water Year (WY) calendar basis. 3,034 AF was delivered with two months remaining in the Water Year. He made known reporting for both FY and WY is highly likely to meet the 3,500 AF guarantee by the closing of each of the respective calendar years.

(3) Monthly Production from all Sources for Customer Services: WY 2022. With two months remaining in the water year demand is 62 AF below the same time last year.

**End of Item No. 3**

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Stoldt reported on Steelhead Rescues as of July 2022:

- (a) 12,408 Steelhead fish have been rescued;
- (b) 8,906 Steelhead stocked in rearing channel.

General Manager/Board Member  
Discussion and Public Comment

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*In response to Director Riley*, Stoldt explained the different methodologies used by the District and California American Water on monthly production from all sources for Customer Service resulting from different analysis and conclusions by both entities.

Director Edwards requested staff to provide a status report at a future board meeting on the following topics:

- (a) Aquifer and Storage Recovery on General Jim Moore;
- and (b) Progress on Sleepy Hollow Projects

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The following comments were directed to the board:

- (a) John Tilley: Disagrees with the water demand and supply conclusions made by the District staff. He believes that water supply on the Peninsula is insufficient and asked the board to consider desalinization as part of the water supply solution.

*No further comments were made.*

**REPORT FROM DISTRICT COUNSEL**

District Counsel Laredo provided introductory remarks and reported out from the Closed Session Meeting on Monday, July 18, 2022 Regular and Special Board Meeting on the following items:

**CS 1 | Threat to Public Services or Facilities (Government Code § 54957)**

- a. Consultation with District Staff, re: Cybersecurity Assessment and Report

*No reportable action taken by the Board.*

**CS 2 | Conference with Labor Negotiations (Government Code 54957.6)**

- a. Agency Designated Representatives: David J. Stoldt, General Manager and Suresh Prasad, Administrative Services Managers Employee Organization: General Staff and Management Units Represented by United Public Employees of California/LIUNA, Local 492

*No reportable action taken by the Board.*

Laredo announced that his office will be conducting a virtual/teleconference AB1234: Ethics/Brown Act Training on Wednesday, August 31, 2022 from 9 to 11 a.m. and reminded the board of their obligation to complete the training every two (2) years.

*In response to Director Edwards*, Laredo informed the board the Administrative Record on both cases pertaining to the District’s lawsuit on LAFCo of Monterey County has not been filed along with MPTA’s lawsuit against the District.

Stoldt made known that the administrative record on the MPTA lawsuit against the District has been and will be wrapped up soon.

Director Paull announced she attended the July 19, 2022 Monterey County Special District’s Association meeting along with Dave Stoldt where discussion on the Regional Housing Needs Allocation was had.

Director Edwards and Riley attended the two community meetings hosted by California American Water in Marina and Seaside, CA sharing their thoughts and experiences at

**4. Report Out from Closed Session Meeting on Friday, July 18, 2022 (Verbal Report)**

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

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

both venues.

Director Edwards asked staff to do a public outreach event like the one did by representatives of California American Water. He

Director Riley mentioned at both meetings no new information was presented and concurred with Edwards thoughts on doing a community meeting. He added staff should be prepared to present information to the community at future District public outreach event.

*The following comments were directed to the Board:*

- (a) John Tilley: Stated the California American Water (CalAm) Community meetings in Seaside and Marina had informational material presented at both the Seaside and Marina locations. He spoke briefly regarding efforts in Marina on the build out of a future subdivision complex and shared his concerns about water being pulled from an aquifer.
- (b) Melodie Chrislock: Stated shared her experiences at the CalAm Community meeting where representatives were unable to answer integral and important questions posed by community members. She commented on comments made by Tilley.
- (c) Susan Schiavone: Shared her experiences at the CalAm Community meeting in Seaside and Marina, CA. She opposes CalAm’s desalinization project and application before the California Coastal Commission and does not believe they have adequately addressed the concerns raised previously. She fully supports Measure J and believes it should be pursued and enacted.

*No further comments were made to the Board.*

David J. Stoldt, General Manager provided introductory remarks.

Stephanie Locke, Water Demand Manager presented via MS PowerPoint Presentation entitled, “Item 6, Consider First Reading of Ordinance No. 192 to Define Montage Health’s Main Campus, Carmel Hill Professional Center, and Ryan Ranch Campus as a Site for Purposes of the Hospital Water Use Limit.” *A copy of the presentation is available at the District office and can be found on the District website.*

## **PUBLIC HEARINGS**

- 6. Consider First Reading of Ordinance No. 192 to Define Community Hospital of the Monterey Peninsula’s Main Campus and Ryan Ranch Campus as a Site for Purposes of the “Hospital Water Use Limit”**

*Opened Public Comment; no comments were received by the Board.*

Chair Paull closed the public hearing.

A motion was offered by Director Roberson with a second by Director Anderson to approve the first reading of Ordinance No. 192. The motion passed on a roll-call vote of 6-Ayes (Paull, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 1-Absent (Adams).

David J. Stoldt, General Manager provided an overview of his staff report, recommended approval of the matter and answered Board questions.

*In response to Director Edwards, Thomas Christensen, Environmental Resources Manager stated it is customary to send service appreciation letters to outgoing members of the Carmel River Advisory Committee and will send a letter to those current members for their time-in-service following board approval of Ordinance No. 191.*

*Opened Public Comment; no comments were received by the Board.*

Chair Paull closed the Public Hearing.

A motion was offered by Director Riley with a second by Director Edwards adopting Ordinance No. 191 repealing and deleting Rule 120- Carmel River Advisory Committee. The motion passed on a roll-call vote of 6-Ayes (Paull, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 1-Absent (Adams).

David J. Stoldt, General Manager provided an overview of his staff note, Budget Summary, Measure J Phase 3 Timeline, the rationale and need for added expenditure of funds for services as it relates to the acquisition of the Monterey Water System (Measure J), answered Board questions and recommended board approval of the matter.

*The following comments were directed to the Board:*

- (a) John Tilley: Requested the board discuss amongst themselves in closed session regarding the risk of pursuing Measure J. He mentioned the board should examine other examples and efforts of public efforts in pursuing a takeover and buyout of private water systems in California.
- (b) Susan Schiavone: Supports Measure J and reminded that the District is legally bound to pursue the voter approved initiative. She asked the District to look at risk, requested staff to conduct

**7. Consider Adoption of Ordinance No. 191 Repealing and Deleting Rule 120- Carmel River Advisory Committee**

**ACTION ITEMS**

**8. Consider Authorization of Expenditure of Funds for Services Related to the Acquisition of the Monterey Water System (Measure J)**

community public outreach events and to keep pressing forward on Measure J.

- (c) Melodie Chrislock: She reminded the Board of the potential risks in staying with CalAm and costs to Peninsula consumers over the years on their past mistakes. She is glad the board is moving forward on the matter.
- (d) Margaret-Anne Coppernoll: Expressed her support on the District's and Board's continued work pursuing Measure J.
- (e) Anna Thompson: Voiced her support for the matter and thanks the District for their efforts in pursuing Measure J.

*No further comments were made to the Board.*

In response to comments made during public comment, Dave Stoldt responded and shared that the District has shared with the public at prior Board meetings the risks involved with a public takeover of the Monterey Water System.

A motion was offered by Director Riley with a second by Director Edwards authorizing an expenditure of funds for Monterey Water System Appraisal Services (not-to-exceed \$160,000), Additional Real Estate Appraisal Services (not-to-exceed \$80,000) and Water Rights Appraisal Services (not-to-exceed \$75,000) related to the acquisition of the Monterey Water System (Measure J) for a total budget of \$315,000. The motion passed on a roll-call vote of 6-Ayes (Paull, Riley, Edwards, Anderson, Roberson and Malek), 0-Noes and 1-Absent (Adams).

David J. Stoldt, General Manager provided an overview of his staff note, answered Board questions and recommended approval of the matter.

**9. Consider Authorization of Expenditure of Funds for Prepayment of a Portion of Mechanics Bank Loan**

*The following comments were made to the Board:*

- (a) Susan Schiavone: Supports staff's recommendation to pay down the Mechanics Bank Loan.
- (b) John Tilley: Mentioned that the District should plan to pay off approximately \$2.1 million of the loan.

*No further comments were directed to the Board.*

A motion was offered by Director Anderson with a second by Director Malek to authorize its CFO to prepay the Mechanics Bank loan in the amount of \$500,000. The motion passed on a roll-call vote of 6-Ayes (Paull, Riley,

Edwards, Anderson, Roberson and Malek), 0-Noes and 1-Absent (Adams).

Director Riley directed attention to Dave Stoldt’s letter to the American Automobile Association (AAA) found under Item No. 12: Letters Received and Sent and shared with the Board his appreciation for the General Manager going the extra mile.

*No further discussion was had on Informational Items.*

There being no further business, Chair Paull adjourned the meeting at 7:46 p.m.

**INFORMATIONAL ITEMS/STAFF REPORTS**

10. **Report on Activity/Progress on Contracts Over \$25,000**
11. **Status Report on Measure J/Rule 19.8 Phase II Spending**
12. **Letters Received and Sent**
13. **Committee Reports**
14. **Monthly Allocation Report**
15. **Water Conservation Program Report**
16. **Carmel River Fishery Report for July 2022**
17. **Monthly Water Supply and California American Water Production Report**

**ADJOURNMENT**

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Joel G. Pablo, Deputy District Secretary

Minutes approved by the MPWMD Board of Directors on Monday, September XX, 2022