

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.



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

**Monday, January 25, 2021, 6:00 PM, Virtual Meeting**

Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33-20, and to do all we can to help slow the spread of COVID-19 (coronavirus), meetings of the Monterey Peninsula Water Management District Board of Directors and committees will be conducted with virtual (electronic) participation only using Zoom.

Join the meeting at this link:

<https://zoom.us/j/99505503918?pwd=MDR5OHdQazlXM0RaZlVmdEJHN1R6UT09>

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

Webinar ID: 995 0550 3918

Meeting password: 01252021

Participate by phone: (669) 900-9128

**For detailed instructions on how to connect to the meeting, please see page 4 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 PM on Friday, January 22, 2021

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**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**

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

**General Manager**

David J. Stoldt

This agenda was posted at the District office at 5 Harris Court, Bldg. G Monterey on Friday, January 22, 2021. Staff reports regarding these agenda items will be available for public review on Friday, January 22, 2021 at the District's website [www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/](http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/). After staff reports have been 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 meeting of the Board is set for January 28, 2021 at 6 pm.

## **RECOGNITION OF OUTGOING DIRECTOR DAVE POTTER FOR YEARS OF EXCEPTIONAL SERVICE**

**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.

**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 of the December 14, 2020 Regular and December 23, 2020 Special Meetings of the Board of Directors
2. Ratify Board Committee Assignments for Calendar Year 2021
3. Ratify Appointments to Ordinance No. 152 Oversight Panel
4. Review Annual Disclosure Statement of Employee/Board Reimbursements for Fiscal Year 2019-2020
5. Consider Authorizing a Contract Amendment with Martin Feeney for Performing Project Management for the Final Conditioning of the Pure Water Monterey Injection Well Field
6. Consider Approval of Annual Update on Investment Policy
7. Consider Adoption of Treasurer's Report for October 2020

## **GENERAL MANAGER'S REPORT**

8. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision
9. Update on Development of Water Supply Projects
10. Report to the Board on Fish Rescues for 2020

## **REPORT FROM DISTRICT COUNSEL**

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

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

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

12. Consider First Reading of Ordinance 187 – (1) Establishing the Department of Defense as a Jurisdiction and adding a Water Use Credit Process Specific to the Department of Defense, and (2) Authorizing the General Manager to Extend Water Use Credits for One Year for Justifiable Cause  
*Action: The Board will consider the first reading of draft Ordinance No. 187. If approved for second reading, California Environmental Quality Act (CEQA) certification will occur during the second reading and consideration of adoption of this ordinance.*

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

13. Consider Placing the Senior Water Resources Engineer Position on the District's Current Salary Scale  
*Action: The Board will consider placing the Senior Water Resources Engineer Position on the District's current salary scale.*

14. Consider Adoption of an Addendum to the District’s Prior ASR Environmental Impact Report for Construction of a Bypass Pipeline to Allow Simultaneous Pure Water Monterey Recovery and ASR Injection (Subject to CEQA Review per CEQA Guideline Sections 15162 and 15164)  
*Action: The Board will consider adoption of Resolution 2020-13 that would adopt Addendum 6 to the ASR EIR/EA.*

**DISCUSSION ITEMS** – Discussion Only. No action will be taken by the Board.  
 Public Comment will be received. Please limit your comments to three (3) minutes per item.

15. Options for Election of Director Division 3
16. Timeline on Future Decision Points - Feasibility of Public Ownership of California American Water Monterey Water System

**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.

17. Report on Activity/Progress on Contracts Over \$25,000
18. Status Report on /Rule 19.8 Phase II Spending
19. Monthly Progress Report - Santa Margarita Water Treatment Facility
20. Letters Received Supplemental Letter Packet
21. Committee Reports
22. Monthly Allocation Report
23. Water Conservation Program Report
24. Carmel River Fishery Report for December 2020
25. Monthly Water Supply and California American Water Production Report
26. Quarterly Carmel River Riparian Corridor Management Program Report

**ADJOURNMENT**

Board Meeting Schedule			
Thursday, January 28, 2021	Special Board Meeting	6:00 pm	Virtual - Zoom
Thursday, February 25, 2021	Regular Board Meeting	6:00 pm	Virtual - Zoom
Monday, March 15, 2020	Regular Board Meeting	6:00 pm	Virtual - Zoom

Board Meeting Television and On-Line Broadcast Schedule View Live Webcast at <a href="https://accessmediaproductions.org/">https://accessmediaproductions.org/</a> 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 <a href="https://www.xfinity.com/support/local-channel-lineup/">https://www.xfinity.com/support/local-channel-lineup/</a> or <a href="https://www.xfinity.com/stream/listings">https://www.xfinity.com/stream/listings</a> - 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 <a href="https://accessmediaproductions.org/">https://accessmediaproductions.org/</a> scroll to Peninsula Channel	
Replays – Mondays, 7 pm and Saturdays, 9 am <a href="http://www.mgtvonline.com">www.mgtvonline.com</a>	

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 Friday, January 22, 2021 to [joel@mpwmd.net](mailto:joel@mpwmd.net), or call 831-658-5652.

### 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://zoom.us/j/99505503918?pwd=MDR5OHdQazlXM0RaZlVmdEJHN1R6UT09> 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, 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](mailto: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 Monday, January 25, 2021. 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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**ITEM: CONSENT CALENDAR****1. CONSIDER ADOPTION OF MINUTES OF THE DECEMBER 14, 2020 REGULAR AND DECEMBER 23, 2020 SPECIAL MEETINGS OF THE BOARD OF DIRECTORS****Meeting Date:** January 25, 2021 **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager **Program/** N/A  
**Line Item No.:****Prepared By:** Joel G. Pablo **Cost Estimate:** N/A**General Counsel Review:** N/A**Committee Recommendation:** N/A**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**SUMMARY:** Attached as **Exhibits 1-A and Exhibit 1-B** are draft minutes of the December 14, 2020 Regular meeting and December 23, 2020 Special Meeting of the Board of Directors.**RECOMMENDATION:** District staff recommends approval of the minutes with adoption of the Consent Calendar.**EXHIBIT****1-A** Draft Minutes of the December 14, 2020 Regular Meeting of the Board of Directors**1-B** Draft Minutes of the December 23, 2020 Special Meeting of the Board of Directors







**EXHIBIT 1-A**

DRAFT MINUTES  
**Special and Regular Meeting**  
**Board of Directors**  
**Monterey Peninsula Water Management District**  
*December 14, 2020*

The meeting was called to order at 5:00 pm. Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33-20, the meeting was conducted with virtual participation via WebEx.

**CALL TO ORDER/ROLL CALL**

*Directors Present via WebEx:*

Alvin Edwards, – Chair, Division 1  
 George Riley, Division 2  
 Molly Evans, Division 3  
 Karen Paull – Division 4  
 Amy Anderson – Division 5  
 Mary Adams – Monterey County Board of Supervisors Rep.  
 David Potter – Mayoral Representative

*Directors Absent: None*

*General Manager present:* David J. Stoldt

*District Counsel present:* David Laredo

The assembly recited the Pledge of Allegiance.

**PLEDGE OF ALLEGIANCE**

The Oath of Office was administered to Molly Evans, Karen Paul and Amy Anderson.

**ADMINISTER OATH OF OFFICE TO  
 MOLLY EVANS, DIRECTOR DIVISION 3;  
 KAREN PAULL, DIRECTOR DIVISION 4;  
 AND AMY ANDERSON, DIRECTOR  
 DIVISION 5**

No changes.

**ADDITIONS AND CORRECTIONS TO  
 AGENDA**

The following comments were directed to the Board during Oral Communications. **(a) Michael Baer** proposed that a trophy should be given to Director Evans as the longest serving one-term director, as she served for 5 years due to a modification to election dates. He noted that she may also have the distinction of serving the shortest time, as her resignation was effective following the Board meeting. He asked if there would be a report regarding Cal-Am v MPWMD that was scheduled for closed session discussion. **(b) Margaret-Anne Coppernoll** congratulated Amy Anderson and Karen Paull for their election to the Board of Directors. She urged the Board to do everything possible to support certification of the Pure Water Monterey Project Expansion EIR. **(c) Tom Rowley** congratulated the newly

**ORAL COMMUNICATIONS**

elected directors, and congratulated Arlene Tavani on her retirement.

Potter offered a motion that was seconded by Evans to adopt the Consent Calendar. The motion was approved on a unanimous vote of 7 – 0 by Potter, Evans, Adams, Anderson, Edwards, Paull, and Riley

Adopted.

Adopted.

Approved contract with Dudek in an amount not to exceed \$132,204. The expenditure will be fully reimbursed from a Proposition 1 IRWM Implementation Round 1 Grant.

Adopted.

Received.

Approved.

Director Adams presented resolutions adopted by the Monterey County Board of Supervisors recognizing Molly Evans, Jeanne Byrne and Arlene Tavani for their contributions to the District and the community. Evans stated that it was an honor to serve the residents of Division 3, also to work with her fellow directors and excellent District staff. The directors expressed appreciation to Molly Evans for her intelligence, commitment, insightful comments and coordination with her fellow directors. Arlene Tavani expressed appreciation to the Directors she worked with through the years who were willing to make difficult water policy decisions, and the hard working and intelligent staff who carried out the Board’s directives. The directors thanked Tavani for her commitment, proficiency, and professionalism. Jeanne Byrne was not in attendance. The Directors thanked for Jeanne Byrne for her long-term commitment to the Board and public service, and willingness to welcome and educate new directors.

General Manager Stoldt reported that the chart titled Actual versus Target Production Oct – Nov Water Year 2021 had been updated to incorporate the 1,000 acre-feet reduction in the effective diversion limit as reflected in the Carmel River Basin Target number. He reported that 600 acre-feet of

## CONSENT CALENDAR

1. **Consider Adoption of Minutes of the November 16, 2020 Regular Meeting of the Board of Directors**
2. **Adopt Board Meeting Schedule for 2021**
3. **Consider Authorizing the General Manager to Enter into a Contract for Grant Administration Services with Dudek**
4. **Consider Adoption of Treasurer's Report for September 2020**
5. **Receive and File First Quarter Financial Activity Report for Fiscal Year 2020-2021**
6. **Consider Approval of First Quarter Fiscal Year 2020-2021 Investment Report**

## PRESENTATIONS TO OUTGOING DIRECTORS MOLLY EVANS, DIVISION 3; JEANNE BYRNE, DIVISION 4; AND RETIRING BOARD CLERK ARLENE TAVANI

## GENERAL MANAGER’S REPORT

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

water from the Pure Water Monterey project was purchased by Cal-Am for distribution. He also noted that customer demand for the period of October 20 through November 20, 2020 was 120 acre-feet below production recorded in 2019. Staff would conduct further analysis to separate commercial from residential use and compare pre-COVID water use records to the current situation under COVID restrictions. Stoldt reported that rainfall was at  $\frac{3}{4}$  of an inch for the Water Year, and normal rainfall would be  $6\frac{3}{4}$  inches. Regarding unimpaired streamflow, the actual streamflow recorded was well below the long-term average.

Stoldt reviewed information that was presented in the staff report under agenda item 8.

Counsel Laredo reported that prior to adjournment of the open session, public comment would be received on agenda item 28, the closed session item regarding Cal-Am v MPWMD, Case # 20CV003201. In the lawsuit, Cal-Am asserted that the District's certification of the EIR was flawed because the District did not take into consideration the environmental impacts that would result from public ownership of the water system. Laredo explained that the next step in the process was for the District to confirm with the Local Agency Formation Commission that the District had authority to operate the water system. The District would operate the water system in the same manner as Cal-Am. Laredo also reported that resolution of Cal-Am's three-year General Rate case had been delayed due to the COVID pandemic. Evidentiary hearings could be held at the end of January 2021. The proposed decision might not be issued until early June 2021, with a final decision in September 2021.

Adams reported that the Monterey County Board of Supervisors was considering amendments its well ordinance. Changes to the ordinance would affect well owners within the District. She noted that a public workshop on the changes would be conducted in early 2021. Riley reported that the Watermaster had met bi-monthly during the COVID pandemic. He expressed a concern that the committee had become active in promoting Cal-Am's proposed desalination project before the California Coastal Commission (CCC). He asked if the Watermaster had the authority to engage in political activism, and he questioned the accounting system used for collection of groundwater replenishment funds. Edwards reported that in January 2021 the District's virtual public meetings would be conducted with Zoom, instead of WebEx.

## **8. Report on Legislative Outreach for Calendar Year 2020**

### **REPORT FROM DISTRICT COUNSEL**

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

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

On a motion by Evans, seconded by Potter, Resolution No. 2020-19 was adopted on a unanimous roll-call vote of 7 – 0 by Evans, Potter, Adams, Anderson, Edwards, Paull and Riley. No comments were directed to the Board during the Public Hearing on this item.

Riley offered a motion that was seconded by Adams to adopt the January through March 2021 Quarterly Water Supply Strategy and Budget. The motion was adopted unanimously on a roll-call vote by Riley, Adams, Anderson, Edwards, Evans, Paull and Potter. No comments were directed to the Board during the Public Hearing on this item.

Potter offered a motion that was seconded by Adams to receive the Fiscal Year 2019-2020 Comprehensive Annual Financial Report with minor, non-substantive changes. The motion was approved unanimously on a roll-call vote by Potter, Adams, Anderson, Edwards, Evans, Paull and Riley.

The following comments were directed to the Board during the public comment period on this item. **(a) John Tilley** asked staff to provide an estimate of the Measure J costs and contingent liabilities. **(b) Michael Baer** acknowledged that the District’s accounting processes received the highest possible rating, which could be an advantage in any future court cases, when compared to Cal-Am’s accounting processes. **(c) Margaret-Anne Coppernoll** congratulated the District on receiving the Certificate of Achievement for Excellence in Financial Reporting for the fifth consecutive year. **(d) Susan Schiavone** stated that she was proud of the Board and staff for receiving the Certificate of Achievement for Excellence in Financial Reporting, and the Transparency Certificate of Excellence.

On a motion by Evans and second by Riley, agenda item 16 would be considered before agenda item 13. The motion was approved unanimously on a roll-call vote of 7 – 0 by Evans, Riley, Adams, Anderson, Edwards, Paull and Potter. Refer to agenda item 16 for the record of action taken by the Board.

## PUBLIC HEARINGS

10. **Consider Adoption of Resolution No. 2020-19 Modifying Rule 160 – Regulatory Water Production Targets for California American Water System (Exempt from environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources.)**
11. **Consider Adoption of January through March 2021 Quarterly Water Supply Strategy and Budget (Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1))**

## ACTION ITEMS

12. **Receive Fiscal Year 2019-2020 Comprehensive Annual Financial Report**

Potter offered a motion that was seconded by Anderson to enter into the cost sharing agreement and authorize an expenditure of \$4,070,000 to fund construction of Deep Injection Well 4. The motion was approved on a unanimous roll-call vote of 7 – 0 by Potter, Anderson, Adams, Edwards, Evans, Paull and Riley.

The following comments were directed to the Board during the public comment period on this item. **(a) Michael Baer** asked the Board to remember that the configuration of the Monterey One Water Board could change in January with the appointment of a new member. **(b) Susan Schiavone** expressed support for construction of the new wells and urged cooperation between agencies in order to assure a water supply for the region. **(c) John Tilley** spoke in support of measures required to enable success of the Pure Water Monterey Project.

Evans offered a motion that was seconded by Potter, that the General Manager edit the letter incorporating the Directors' comments and present the letter for public review and Board consideration at a special meeting. The motion was approved on a unanimous roll-call vote of 7 – 0 by Evans, Potter, Adams, Anderson, Edwards, Paull and Riley.

**(a) John Tilley** stated that the Board was doing its best to litigate and not meet its responsibilities with regards to a water supply project. **(b) Michael Baer** asked that the Directors' edits be incorporated into the letter and that the Board review the edited letter, even if there was insufficient time for public review of the final letter.

Evans proposed a motion that no action be taken and that the item be brought forward at a future meeting of the Board. The motion was seconded by Potter.

Evans amended the motion to state that no action be taken that evening and that the item be brought forward to the February 25, 2021 regular meeting of the Board. Potter agreed to the amendment. The motion was approved on a unanimous roll-call vote of 7 – 0 by Evans, Potter, Adams, Anderson, Edwards, Paull and Riley.

**(a) John Tilley** stated that it was not clear as to whether the Board was seeking a water supply project or litigious behavior. **(b) Michael Baer** stated that the incompleteness letter from the CCC to Cal-Am pointed out how building the desalination project was a “pipe dream.”

On a motion by Riley, seconded by Paull, the Board authorized an interim expenditure of \$200,000 from the General Reserve Fund to continue the program until Cal-Am's General Rate Case was approved and funding for the rebate program was available. The motion was approved on a unanimous roll-call vote of 7 – 0 by Riley, Paull, Adams, Anderson, Edwards, Evans and Potter.

**13. Consider Approval of Amendment 4 to the Cost Sharing Agreement with Monterey One Water for Pure Water Monterey Deep Wells 3 and 4**

**14. Consider Response to State Water Resources Control Board regarding Reduction in Effective Diversion Limit under the Cease and Desist Order**

**15. Consider Development of Board Position on California American Water Application to the California Coastal Commission for a Coastal Development Permit – Monterey Peninsula Water Supply Project**

**16. Consider Funding Rebates in the California American Water System between January 1, 2020 and the Availability of Funding from the California-American Water General Rate Case**

During the public comment period on this item, Michael Baer expressed support for continuance of the program.

On a motion by Riley, seconded by Edwards, Resolution No. 2020-18 was adopted by the Board of Directors authorizing a contract with Arlene Tavani in an amount not to exceed \$15,000. The motion was approved on a unanimous roll-call vote of 7 – 0 by Riley, Edwards, Adams, Anderson, Evans, Paull and Potter. No comments were directed to the Board during the public comment period on this item.

On a motion by Riley, seconded by Potter, the Board agreed to call for statements of interest from potential candidates interested in serving as Division 3 Director, and to also retain the right to choose instead to call an election. The motion was approved on a unanimous roll-call vote of 7 – 0 by Riley, Potter, Adams, Anderson, Edwards, Evans and Paull.

**(a) John Tilley** expressed opposition to the option of appointing a person to represent Division 3, instead of conducting an election. **(b) Michael Baer** expressed support for conducting an election to determine the Division 3 representative.

District Counsel Laredo noted that Director Evans resigned that evening, effective December 15, 2020.

Evans offered a motion to nominate Director Riley as Board Chair for 2021. There was no second to the motion.

On a motion of Riley, seconded by Adams, Director Edwards was elected to serve as interim Board Chair in 2021. The motion was approved on a unanimous roll-call vote of 7 – 0 by Riley, Adams, Anderson, Edwards, Evans, Paull and Potter.

**(a) Michael Baer** thanked Director Edwards for his leadership as Chair of the Board in 2000. He endorsed Directors Adams, Edwards and Riley to serve as Chair in 2021. **(b) Melodie Chrislock** expressed support for the election of Director Edwards to serve as interim Chair in 2021. **(c) Margaret-Anne Coppernoll** spoke in support of the election of Director Edwards to serve as interim Chair in 2021.

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

**17. Consider Adoption of Resolution 2020-18 Authorizing an Exception to the CALPERS 180-Day Wait Period for Hiring**

**18. Consider Calling for Applications and Discuss Process to Fill the Position of Director Division 3**

**19. Conduct Election of Board Officers for 2021**

#### INFORMATIONAL ITEMS/STAFF REPORTS

**20. Report on Activity/Progress on Contracts Over \$25,000**

**21. Status Report on /Rule 19.8 Phase II Spending**

**22.. Letters Received**

**23. Committee Reports**

- 24. **Monthly Allocation Report**
- 25. **Water Conservation Program Report**
- 26. **Carmel River Fishery Report**
- 27. **Monthly Water Supply and California American Water Production Report**

The following comments were directed to the Board. (a) **Michael Baer** encouraged the Board to deal aggressively with Cal-Am. (b) **Marli Melton** expressed confidence that the District could respond successfully to the charges made by Cal-Am in the lawsuit. (c) **Tom Rowley** stated that he could not comment on the Final EIR for the Potential Acquisition of Monterey Water System and Boundary Adjustment because he had seen no update on two related issues: the Operations Plans for acquisition of the Monterey Water System and adoption of an addendum to the District's prior ASR EIR for construction of a bypass pipeline.

Adjourned to closed session at 8:47 pm.

The meeting adjourned at approximately 9:20 pm.

**RECEIVE PUBLIC COMMENT ON  
CLOSED SESSION ITEMS**

**ADJOURN TO CLOSED SESSION**

- 28. **Cal-Am v. MPWMD; Monterey Superior Court Case No. 20CV003201**

**ADJOURNMENT**

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Joel G. Pablo, Deputy District Secretary







## **EXHIBIT 1-B**

### DRAFT MINUTES

### **Special Meeting – Board of Directors Monterey Peninsula Water Management District December 23, 2020**

The meeting was called to order at 9:04 am by Chair Edwards. Pursuant to Governor Newsom's Executive Orders N-29-20 and N-33-20, the meeting was conducted with virtual participation via WebEx.

#### **CALL TO ORDER/ROLL CALL**

#### *Directors Present via WebEx:*

Alvin Edwards, – Chair, Division 1  
Karen Paull – Vice Chair, Division 4  
George Riley, Division 2  
Amy Anderson – Division 5 (Joined the meeting at 9:09 am)  
Mary Adams – Monterey County Board of Supervisors Rep.  
David Potter – Mayoral Representative

*Directors Absent: Division 3 - Vacant*

*General Manager present: David J. Stoldt*

*District Counsel present: David Laredo*

The assembly recited the Pledge of Allegiance.

#### **PLEDGE OF ALLEGIANCE**

No changes.

#### **ADDITIONS AND CORRECTIONS TO THE AGENDA**

Michael Baer addressed the Board. He suggested that runoff from runways at the Monterey Peninsula Airport would be a good source of stormwater for reclamation.

#### **ORAL COMMUNICATIONS**

District Counsel Laredo reported that the Board discussed California-American Water (Cal-Am) vs MPWMD Case No. 20CV003201. The Board provided direction regarding defense of the matter. Refer to agenda item 1 on the 12/23/20 Board meeting agenda regarding engagement of special counsel.

#### **REPORT FROM DISTRICT COUNSEL ON DECEMBER 14, 2020 CLOSED SESSION OF THE BOARD**

Riley offered a motion that was seconded by Potter to approve the engagement letter with Shute, Mihaly Weinberger LLP. The motion was adopted on a unanimous roll-call vote of 6 – 0 by Riley, Potter, Adams, Anderson, Edwards and Paull.

#### **ACTION ITEM**

- 1. Consider Approval of Engagement Letter with Shute, Mihaly & Weinberger LLP for Representing the District in Cal-Am v. MPWMD; Monterey Superior Court Case No. 20CV003201**

During the public comment period on this item Michael Baer addressed the Board. He described the complaint as largely frivolous. He expressed concern about continuous

lawsuits that could be brought against the District at no risk to Cal-Am as the ratepayers would be responsible for the cost. He encouraged the Board to be aggressive in handling the lawsuit.

Riley offered a motion to approve the response letter and authorize the General Manager to edit as necessary and transmit the letter to the SWRCB. The motion was seconded by Adams who requested that the motion be amended to add that the General Manager approach the Pebble Beach Company, the City of Pacific Grove and other cities that were previously represented on the Monterey Peninsula Water Authority to determine their support for the content of the letter. Riley accepted the amendment.

Potter offered an additional amendment to the motion, that the Legislative Advocacy Committee be authorized to advocate for the District's position directly with the State Water Resources Control Board. Riley and Adams accepted the amendment. The amended motion was approved on a unanimous roll-call vote of 6 – 0 by Riley, Adams, Anderson, Edwards, Paull and Riley. No comments were directed to the Board during the public comment period on this item.

The meeting was adjourned at 9:35 am.

2. **Consider Response to State Water Resources Control Board regarding Reduction in Effective Diversion Limit under the Cease and Desist Order**

## ADJOURNMENT

**ITEM: CONSENT CALENDAR****2. RATIFY BOARD COMMITTEE ASSIGNMENTS FOR CALENDAR YEAR 2021****Meeting Date: January 25, 2021** **Budgeted: N/A****From: David J. Stoldt,  
General Manager** **Program/  
Line Item No.: N/A****Prepared By: Joel G. Pablo** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** A list of committee assignments for calendar year 2021 is attached as **Exhibit 2-A**.

All committees are made up of less than a quorum of the Board. The Administrative Committee is the District's one standing committee. It generally meets one week prior to the Board meeting. The other committees do not meet regularly, but only as needed.

**RECOMMENDATION:** Ratify appointments as presented or modify them by motion.**EXHIBIT****2-A** Proposed Committee Assignments for Calendar Year 2021



**EXHIBIT 2-A**

**MPWMD COMMITTEE APPOINTMENTS**  
**Proposed 1/25/2021**

Each listing with a \* indicates a committee charge is attached to the Board Meeting Rules

<b>Board Committees</b>	<b>2021 Appointees</b>	<b>General Information</b>
*Administrative Committee	Karen Paull – Chair Amy Anderson Division 3 Director Alvin Edwards, Alternate	<b>Legislative Body</b> Meets monthly generally one week prior to the Board meeting.
*Public Outreach/Communications	Mary Adams – Chair Amy Anderson Division 3 Director Karen Paull - Alternate	Not a legislative body. Monthly meetings scheduled, can be cancelled if no need to meet.
*Water Demand	Amy Anderson – Chair Alvin Edwards Clyde Roberson George Riley -Alternate	Not a legislative body. Monthly meetings scheduled, can be cancelled if no need to meet.
*Legislative Advocacy	George Riley – Chair Karen Paull Division 3 Director Alvin Edwards, Alternate	Not a legislative body. Quarterly meetings scheduled, can be cancelled if no need to meet.
*Water Supply Planning	George Riley – Chair Karen Paull Mary Adams Alvin Edwards, Alternate	Not a legislative body. Quarterly meetings scheduled, can be cancelled if no need to meet.
<b>Outside Agencies/Liaisons</b>	<b>2021 Appointees</b>	<b>General Information</b>
Monterey Peninsula Water Supply Project Governance Committee	The Board of Directors appoints one of its members to this committee.  Alvin Edwards, Representative Karen Paull, Alternate	<b>Legislative Body</b> Monthly meeting schedule developed and sent to committee/interested persons. Meetings cancelled if no need to meet. District serves a secretary to this committee. Committee appoints a Chair. Members: District, Board of Supervisors, Monterey Peninsula Regional Water Authority (since disbanded), Cal-Am (non-voting).
Monterey County Special Districts' Association	The Board of Directors appoints one of its members, and an alternate to this committee.  George Riley, Representative Alvin Edwards, Alternate	Coordinated by Marina Coast Water District. Meets quarterly, generally the third Tuesday.
Seaside Groundwater Basin Watermaster	The Board of Directors appoints one of its members, and an alternate to this committee.  George Riley, Representative Alvin Edwards, Alternate	The Watermaster schedules and coordinate the meetings. The Watermaster Board meets once a month. District staff participates on a technical committee monthly. The Watermaster has a website with postings of agendas and other materials.
Association of California Water Agencies/Joint Powers Insurance Agency	Alvin Edwards, Representative	The District is a member of the JPIA. One member of the Board of Directors is designated as a rep to the JPIA. Generally, only meet at ACWA conferences.

<b>Advisory Committees</b>	<b>2021 Appointees</b>	<b>General Information</b>
*Policy Advisory Committee	Alvin Edwards, Chair Karen Paull, Alternate	<b>Legislative Body</b> Board Chair serves as non-voting Chair of committee. Membership is one elected representative from each land use jurisdiction within the District (MPAD, Co of Monterey, and each city located within the boundaries of the MPWMD). Appointed to committee by the jurisdiction.
*Technical Advisory Committee	No members of the Board serve on this committee.	<b>Legislative Body</b> Membership is a representative from each land use jurisdiction within the District (see above). Generally, the representative will be a member of the planning division staff. That is not a requirement. The committee selects a Chair and Vice Chair from its members annually or biennially.
Ordinance No. 152 Oversight Panel	No members of the Board serve on this committee.	<b>Legislative Body</b> Each director selects a community member to serve a 2-year term. The Monterey Peninsula Taxpayers Association appoints a member to the committee, as does the Monterey County Association of Realtors. The Board ratifies the appointments. The General Manager serves as Chair of the committee.
*Carmel River Advisory Committee	No members of the Board serve on this committee.	<b>Legislative Body</b> Each Director appoints a member to this committee for a 2-year term. Coordination and support for this committee are provided by the Environmental Resources Division – Thomas Christensen Manager. The committee annually selects a Chair and Vice Chair.

**ITEM: CONSENT CALENDAR****3. RATIFY APPOINTMENTS TO ORDINANCE NO. 152 OVERSIGHT PANEL****Meeting Date: January 25, 2021 Budgeted: N/A****From: David Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Joel Pablo Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** Ordinance No. 152 created a nine-member Ordinance No. 152 Citizen's Oversight Panel as an advisory group to the Board of Directors on expenditures from the Connection Charge adopted in June 2012. Each Director appoints one person to participate on the panel. In addition, the Monterey Peninsula Taxpayers Association (MPTA) and the Monterey County Association of Realtors (MCAR) each appoint a member to the Panel.

The terms of the persons appointed by the Directors representing Divisions 1 and 2 have expired. The recently elected Director representing Division 5 must designate an appointee. The list of new appointees is shown below. The Division 4 Director and Board of Supervisors representative will present appointees for ratification at the February 25, 2021 Board meeting.

**RECOMMENDATION:** Ratify the appointment of Susan Schiavone, Jason Campbell and Mike Rachel to serve two-year terms on the Ordinance No. 152 Oversight Panel.

<b>Appointing Director</b>	<b>Appointee</b>
Division 1, Alvin Edwards	Susan Schiavone
Division 2, George Riley	Jason Campbell
Division 5, Amy Anderson	Mike Rachel

**EXHIBIT**

None









**MPWMD Annual Disclosure Statement - Employee/Board Reimbursement Report  
Fiscal Year 2019-2020**

<b>Vendor Name</b>	<b>Payable Number</b>	<b>Payment Date</b>	<b>Payment Number</b>	<b>Description (Payable)</b>	<b>Amount</b>
Stephanie L Locke	05302019	07/03/2019	35138	Accommodations SWRCB Meeting S. Locke	222.62
Gary Hoffmann	07122019	07/19/2019	35184	Expenses - GHoffmann - July 2019 CSDA Conference	361.11
Gary Hoffmann	07122019	07/19/2019	35184	Expenses - GHoffmann - July 2019 CSDA Conference	229.00
Gary Hoffmann	07122019	07/19/2019	35184	Expenses - GHoffmann - July 2019 CSDA Conference	290.65
Joseph Suwada	08132019	09/06/2019	35569	Mileage for Stream Gauging	75.12
Joseph Suwada	08132019	09/06/2019	35569	Mileage for Stream Gauging	4.80
Joseph Suwada	08272019	09/06/2019	35569	ASR Water Meter Parts	51.68
Kevan Urquhart	08282019	09/06/2019	35570	Car Wash & Safety Glasses form FY 18-19	54.59
Kevan Urquhart	08282019	09/06/2019	35570	Car Wash & Safety Glasses form FY 18-19	26.95
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	141.35
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	26.11
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	49.13
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	76.47
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	18.56
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	14.19
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	27.19
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	43.68
Kevan Urquhart	08282019-1	09/06/2019	35570	Waders, Life Vests, Polarized Glasses & Technu	23.91
Kevan Urquhart	616367130	09/06/2019	35570	Chest Waders for NMFS Fall Crew	88.00
Kevan Urquhart	616367130	09/06/2019	35570	Chest Waders for NMFS Fall Crew	78.21
Kevan Urquhart	616367130	09/06/2019	35570	Chest Waders for NMFS Fall Crew	78.21
Larry Hampson	092012019	09/27/2019	35656	Expense Reimbursement: Mileage and Pool Car Wash	59.07
Beverly Chaney	10012019	10/11/2019	35783	Exp Reimb National Professional Conference	403.68
Beverly Chaney	10012019	10/11/2019	35783	Exp Reimb National Professional Conference	21.00
Beverly Chaney	10012019	10/11/2019	35783	Exp Reimb National Professional Conference	477.21
Beverly Chaney	10012019	10/11/2019	35783	Exp Reimb National Professional Conference	183.63
Kyle Smith	10012019	10/11/2019	35799	Expense Reimb WaterSmart Conference	85.57
Kyle Smith	10012019	10/11/2019	35799	Expense Reimb WaterSmart Conference	213.76
Kyle Smith	10012019	10/11/2019	35799	Expense Reimb WaterSmart Conference	198.39
Robert Manos	09272019	10/11/2019	35810	Mileage Reimbursement	29.58
Stephanie Kister	10072019	10/11/2019	35811	WSI Expenses Reimbursement	213.76
Stephanie Kister	10072019	10/11/2019	35811	WSI Expenses Reimbursement	33.73
Stephanie Kister	10072019	10/11/2019	35811	WSI Expenses Reimbursement	166.29
Christopher Timmer	10/11/2019	10/25/2019	35860	Expense Reimbursements: Water Smart Conference	213.76
Christopher Timmer	10/11/2019	10/25/2019	35860	Expense Reimbursements: Water Smart Conference	16.00
Christopher Timmer	10/11/2019	10/25/2019	35860	Expense Reimbursements: Water Smart Conference	10.77
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	45.00
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	61.37
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	126.85
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	9.23
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	82.09
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	14.16
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	75.00
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	102.27
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	13.99
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	211.41
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	15.38
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	136.82
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	23.60
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	180.00
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	245.47
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	507.38
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	36.90
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	328.37
Dave Stoldt	10252019	11/04/2019	35973	Expense Reimbursement - Stoldt	56.64
Kevan Urquhart	11302019	12/06/2019	36243	Expense Reimbursement: AIFRB Dues FY19-20	45.00
Stephanie Kister	11212019	12/06/2019	36260	Mileage for Water Efficiency Workshop1	226.20
Stephanie Kister	11212019	12/06/2019	36260	Mileage for Water Efficiency Workshop1	9.99
Stephanie Kister	11212019	12/06/2019	36260	Mileage for Water Efficiency Workshop1	13.88
Kevan Urquhart	11262019	12/13/2019	36279	National AFS Mtg. & Training, Reno NV	725.00
Kevan Urquhart	11262019	12/13/2019	36279	National AFS Mtg. & Training, Reno NV	47.42

**EXHIBIT 4-A****MPWMD Annual Disclosure Statement - Employee/Board Reimbursement Report  
Fiscal Year 2019-2020**

<b>Vendor Name</b>	<b>Payable Number</b>	<b>Payment Date</b>	<b>Payment Number</b>	<b>Description (Payable)</b>	<b>Amount</b>
Kevan Urquhart	11262019	12/13/2019	36279	National AFS Mtg. & Training, Reno NV	18.23
Kevan Urquhart	11262019	12/13/2019	36279	National AFS Mtg. & Training, Reno NV	382.80
Kevan Urquhart	11262019	12/13/2019	36279	National AFS Mtg. & Training, Reno NV	1,100.58
Beverly Chaney	11152019	01/03/2020	36397	Reimbursement: Invasive Weeds Symposium Regist	60.00
Christopher Timmer	10122019	01/03/2020	36402	Reimbursement: GreyWater/RainWater Workshop	70.90
Larry Hampson	12162019	01/03/2020	36415	Reimbursement: Sleepy Hollow Project	136.59
Larry Hampson	12162019	01/03/2020	36415	Reimbursement: Sleepy Hollow Project	21.95
Larry Hampson	12162019	01/03/2020	36415	Reimbursement: Sleepy Hollow Project	37.12
Suresh Prasad	12272019	01/03/2020	36435	Exp Reimb - Incode User Group Training Fresno CA	78.48
Suresh Prasad	12272019	01/03/2020	36435	Exp Reimb - Incode User Group Training Fresno CA	29.38
Suresh Prasad	12272019	01/03/2020	36435	Exp Reimb - Incode User Group Training Fresno CA	49.76
Suresh Prasad	12272019	01/03/2020	36435	Exp Reimb - Incode User Group Training Fresno CA	18.62
Suresh Prasad	12272019	01/03/2020	36435	Exp Reimb - Incode User Group Training Fresno CA	63.16
Suresh Prasad	12272019	01/03/2020	36435	Exp Reimb - Incode User Group Training Fresno CA	23.65
Christopher Timmer	578944--2	01/23/2020	36648	WAC Christmas Lunch	17.99
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	41.09
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	26.22
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	138.14
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	174.30
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	0.98
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	68.49
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	43.70
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	230.24
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	290.50
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	1.63
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	164.38
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	104.88
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	552.58
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	697.20
Dave Stoldt	03062020	03/06/2020	36812	Stoldt Expense Reimbursement	3.91
Jeanne Byrne	03102020	03/17/2020	36885	ACWA 2020 Washington DC Conference	855.02
Jeanne Byrne	03102020	03/17/2020	36885	ACWA 2020 Washington DC Conference	542.21
Jeanne Byrne	03102020	03/17/2020	36885	ACWA 2020 Washington DC Conference	688.19
Jonathan Lear	05052020	05/22/2020	37234	Expense Reimbursement - Professional Licenses	371.25
Maureen Hamilton	04132020	05/29/2020	37267	Reimbursement - Professional Engineers License	241.00
Beverly Chaney	05052020	06/05/2020	37281	Expense Reimbursement - SHSRF Supplies	127.90
Mary L. Adams	04222020	06/05/2020	37288	ACWA 2020 DC Conference	797.48
Mary L. Adams	04222020	06/05/2020	37288	ACWA 2020 DC Conference	505.72
Mary L. Adams	04222020	06/05/2020	37288	ACWA 2020 DC Conference	641.88
Molly Evans	04162020	06/05/2020	37289	Expense Reimbursement - 2020 ACCWA DC Conference	844.62
Molly Evans	04162020	06/05/2020	37289	Expense Reimbursement - 2020 ACCWA DC Conference	535.61
Molly Evans	04162020	06/05/2020	37289	Expense Reimbursement - 2020 ACCWA DC Conference	679.82
<b>Total</b>					<b>\$19,125.30</b>

**ITEM: CONSENT CALENDAR****5. CONSIDER AUTHORIZING A CONTRACT AMMENDMENT WITH MARTIN FEENEY FOR PERFORMING PROJECT MANAGEMENT FOR THE FINAL CONDITIONING OF THE PURE WATER MONTEREY INJECTION WELL FIELD**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>David J. Stoldt General Manager</b>	<b>Program/ Line Item No.:</b>	<b>Water Supply Projects 1-2-1</b>
<b>Prepared By:</b>	<b>Jonathan Lear</b>	<b>Cost Estimate:</b>	<b>\$2,970</b>

**General Counsel Review: N/A****Committee Recommendation: The Administrative Committee reviewed this item on January 13, 2021 and recommended approval.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines section 15378.**

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**SUMMARY:** Pure Water Monterey (PWM) began injecting water in March. In August, the wells moved into the final commissioning stage. This stage involved chemical treatment, brushing and swabbing of the well screens. The final commissioning is a step that has been performed on all injection wells in the Santa Margarita Sandstone to restore the injection well capacity after a preliminary decline following initial injection. It is the District's experience that all injection wells in the geologic formation experience an initial decline of injection capacity and the final commissioning step returns the wells to their initial performance. Final commissioning of both wells was completed early January 2021.

**DISCUSSION:** Martin Feeney was retained by the District to supervise the final commissioning of the PWM injection wells. The commissioning began with DIW 1 in August and was completed with the DIW 2 work finishing in January 2021. Both wells improved in injection performance as expected. Acid treatment is a step in the commissioning process and the program specified for the PWM commissioning work was developed from the District's experience with its ASR wells. Because the water quality of the Advanced Treated Water and the Carmel River Water differ, the amount of acid required to commission an ASR well is greater than the amount of acid required to commission the PWM wells. In the District's experience with ASR well commissioning, acid is added to a well and after 2 days the pH of the acid water mix is close to neutral due to the reaction of the acid with minerals deposited in the well through the injection of Carmel River water. In the case of PWM, there was not as much deposition of minerals in the well so there was not as much reaction with the acid introduced into PWM injection well 1. The District's permit to spread water on to the former Fort Ord lands has water quality specifications and the discharge water from PWM injection well 1 required treatment to reach pH neutral prior to pumping the water from the well. This process added 3 days to the estimated schedule and the increased labor is the cause for the cost increase. Martin Feeney adjusted the amount of acid added to PWM injection well 2 based on what we learned from the commissioning of well 1 and the neutralization step was not required

for commission of well 2. The contract amendment to compensate Martin Feeney for the unexpected time required for the neutralization step completed during the well 1 commissioning is included as **Exhibit 5-A**.

**RECOMMENDATION:** The Administrative Committee recommends that the Board authorize the General Manager to enter into a contract amendment with Martin Feeney for \$2,970 to compensate the neutralization step completed during the commissioning of PWM well 1.

**BACKGROUND:** The District has been investigating and operating ASR wells in the Santa Margarita Sandstone since 2001. There are now 6 wells including the Carmel River ASR and PWM projects. All 6 wells have experienced an initial drop off in performance following startup. In the Carmel River ASR wells, the commissioning step has proved to restore the wells to near their post development performance.

**IMPACT TO STAFF/RESOURCES:** Funds for this project were not included in the FY 2020-21 budget under “Water Supply Projects,” line item 1-2-1 and will be addressed through the mid-year budget adjustment process.

#### **EXHIBIT**

**5-A** Contract Amendment No. 1

**CONTRACT AMENDMENT No. 1**  
**TO**  
**AGREEMENT BETWEEN**  
**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AND**  
**MARTIN FEENEY**  
**FOR PROFESSIONAL SERVICES,**  
**MONTEREY PENINSULA ASR PROJECT**

**Original Contract, Date Signed: November 3, 2006**

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THIS AMENDMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2017, by and between Martin Feeny (Consultant) and the Monterey Peninsula Water Management District (MPWMD). This amendment pertains to the following sections of the original contract agreement signed November 3, 2006:

SECTION I, SCOPE OF SERVICES is outlined in “**Exhibit A**”

SECTION II (A), FEE SCHEDULE is increased by \$2,970.

SECTION II (C), MAXIMUM PAYMENT is increased from \$53,820 to \$56, 790.

SECTION II (D), LATE PERFORMANCE PENALTY is outlined in “**Exhibit A**”

SECTION VII, INSURANCE Consultant shall confirm in writing that the insurance requirements specified in **Exhibit A**.

ALL SECTIONS. References to “**Exhibit A**” include and incorporate the exhibits described above and attached hereto, which are in addition to those described in the original contract agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the day and year first above written.

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

\_\_\_\_\_  
BY: David J. Stoldt, General Manager

MARTIN FEENEY

\_\_\_\_\_  
BY:

FEDERAL TAX IDENTIFICATION NUMBER: \_\_\_\_\_



**AGREEMENT BETWEEN THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT AND  
MARTIN FEENEY, CONSULTING HYDROGEOLOGIST  
FOR PROFESSIONAL SERVICES TO PROVIDE PROJECT MANAGEMENT OF THE  
PURE WATER MONTEREY INJECTION WELL COMMISSIONING PROGRAM**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_, by and between Right on Q, Inc., hereinafter called "Consultant," and the Monterey Peninsula Water Management District, hereinafter called "MPWMD".

**SECTION I  
SCOPE OF SERVICES**

MPWMD hereby engages Consultant for services as set forth in **Exhibit A**, Scope of Services.

**SECTION II  
COMPENSATION**

**A. FEE SCHEDULE**

Fees payable to Consultant for services specified herein shall be in accordance with the Fee Schedule in **Exhibit B**.

**B. METHOD OF PAYMENT**

Payment of fees shall be based on work completed, as documented in monthly billings submitted by Consultant. Work reports shall be rendered in accordance with the schedule shown in **Exhibit C**, Work Schedule. Payments are due and payable within thirty (30) days after receipt of each invoice subject to a finding by MPWMD that work performed has been satisfactory and that payment is for the work specified in **Exhibit A**, Scope of Services. Where MPWMD finds the work to be unsatisfactory, MPWMD shall describe deficiencies in writing to Consultant within ten (10) days.

**C. MAXIMUM PAYMENT**

Payments to Consultant for services rendered and expenses incurred under this Agreement **shall not exceed \$ 53,820 without written authorization from MPWMD.**

**SECTION III  
INSPECTION OF WORK**

The books, papers, records and accounts of Consultant or any subconsultants retained by Consultant insofar as they relate to charges for services, or are in any way connected with the work herein contemplated, shall be open at all reasonable times to inspection and audit by the agents and authorized representatives of MPWMD. Said records shall be retained for a minimum of five (5) years after completion of services.

SECTION IV  
OWNERSHIP OF PROJECT REPORT AND EQUIPMENT PURCHASED

All original documents, explanations of methods, maps, tables, computer programs, reports and other documents prepared under this Agreement and equipment purchased specifically for the project shall become the exclusive property of MPWMD.

Digital data used to generate tables, figures, diagrams, images, Geographical Information System (GIS) or Computer Aided Design (CAD) layers shall be considered separate deliverables and shall be provided to MPWMD after acceptance by MPWMD of the final work product(s).

Global Positioning System (GPS) data deliverables shall include the following:

- Original rover files, unless otherwise specified by MPWMD
- Base station correction files, unless otherwise specified by MPWMD
- Differentially corrected GPS files, if requested by MPWMD
- Copies of field data collection notes
- Completed documentation sheet for each collection event
- Almanac files are optional

GIS deliverables shall include the following:

- Geospatial dataset [generated from GPS data] in Environmental Systems Research Institute, Inc.'s (ESRI) shapefile format, including a projection file. In this regard, point features shall be generated as point shapefiles, linear features shall be generated as line shapefiles, and area features shall be generated as polygon shapefiles.
- Each geospatial dataset shall be accompanied by documentation sufficient to meet the Content Standard for Digital Geospatial Metadata (CSDGM), Vers. 2 (FGDC-STD-001-1998), dated June 1998.
- Any geospatial dataset derived from new or existing geospatial data in shapefile format, along with an explanation of the methodology used to generate the derived geospatial data.

Consultant may retain copies for his/her own use. Consultant shall not be held liable for reuse of documents or modifications of the subject data thereof, including documents on electronic media, by MPWMD, or its representatives, for any purpose other than the original intent of this Agreement.

SECTION V  
TIME OF PERFORMANCE

Consultant shall begin work upon the effective date of this Agreement and shall complete all tasks described herein according to the schedule shown in **Exhibit C**, Work Schedule.

SECTION VI  
RESPONSIBILITIES

- A. Consultant represents that he has or will secure at his own expense all personnel, materials, and related services required to perform the services under this Agreement. Consultant shall act as an independent consultant and not as an agent or employee of MPWMD. Consultant shall have exclusive and complete control over his employees and subcontractors, and shall determine the method of performing the services hereunder.
- B. MPWMD shall provide Consultant with all relevant data and studies in its possession without charge. Consultant represents that he/she is familiar with such materials in the possession of MPWMD and that they are sufficient to discharge MPWMD's obligation hereunder.
- C. MPWMD shall coordinate and arrange for all meetings required to be held with other agencies or persons hereunder, unless otherwise specified in **Exhibit A**, Scope of Services.
- D. Consultant shall be responsible for the reproduction of work produced by Consultant hereunder.
- E. The officers, agents, and employees of MPWMD shall cooperate with Consultant in the performance of services under this agreement without charge to Consultant. Consultant agrees to use such services insofar as feasible in order to effectively discharge his/her obligations hereunder and further agrees to cooperate with MPWMD's officers, agents and employees.
- F. The Consultant agrees to indemnify, defend and save harmless MPWMD, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all consultants, subcontractors, materialmen, laborers and any other person, firm or corporation who may be injured or damaged by the negligent acts, errors, and/or omissions of the Consultant, Consultant's employees, or Consultant's subcontractors or subconsultants in the performance of this Agreement.
- G. Consultant shall comply with all applicable laws, ordinances and codes of the federal, California, and local governments.

SECTION VII  
INSURANCE

- A. Consultant shall obtain and keep insurance policies in full force and effect for the following forms of coverage as shown in **Exhibit D**, Insurance Requirements.

SECTION VIII  
CHANGES AND CHANGED CONDITIONS

- A. If, during the course of the work herein contemplated, the need to change the Scope of Services should arise, for whatever reasons, whichever party first identifies such need to change shall notify the other party in writing. The representatives of the parties shall meet within seven (7) working days of the date of such notice to discuss the need for change so identified and to set the proposed action to be taken by the parties. A change in the Scope of Services may also result in a change in the compensation amount. Compensation changes shall be based upon the Consultant Fee Schedule (**Exhibit B**) attached hereto. Any changes agreed to shall be documented by duly executed amendments to this Agreement.
  
- B. MPWMD reserves the right to specify individual employees, subconsultants or agents of Consultant who shall be assigned to perform the tasks specified in **Exhibit A**, Scope of Services. If, during the course of the work herein contemplated, there is a change such that the specified individual employees, subconsultants or agents are no longer assigned to the work described in this contract and/or are no longer affiliated with Consultant, Consultant shall immediately notify MPWMD in writing. Consultant shall assign the rights to this contract to another entity, if requested by MPWMD, as part of termination proceedings pursuant to Section IX, Termination.

SECTION IX  
TERMINATION

- A. MPWMD may terminate Consultant's services at any time by written notice to Consultant at least thirty (30) days prior to such termination. Upon receipt of written notice from MPWMD that this Agreement is terminated, Consultant shall submit an invoice for an amount that represents the value of services actually performed to the date of said notice for which he/she has not previously been compensated. Upon approval of this invoice by MPWMD, Consultant shall be paid from the sum found due after having applied the provisions of Section II, Paragraph (D) of this Agreement, "Late Performance Penalty," where applicable, and MPWMD shall have no further obligation to Consultant, monetarily or otherwise.
  
- B. Upon receipt of written notice of termination, the Consultant shall (1) promptly discontinue all services affected (unless the notice directs otherwise), and (2) deliver or otherwise make available to MPWMD, copies, including magnetic media, of data, design calculations, drawings, specifications, reports, estimates, summaries and other such information and materials as may have been accumulated by the Consultant in performing the services under this Agreement.

SECTION X

SUB-CONTRACTING AND ASSIGNABILITY

Consultant shall not sub-contract any portion of the work required by this Agreement nor otherwise assign or transfer any interest in it without prior written approval of MPWMD. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement.

SECTION XI

DISCRIMINATION AND FAIR EMPLOYMENT

Attention is directed to Section 1735 of the California Labor Code, which reads as follows:

“No discrimination shall be made in the employment of persons upon public works because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons, except as provided in Section 12940 of the government code and every Consultant for public works violating this section is subject to all penalties imposed by a violation of this chapter.”

During the performance of this Agreement, Consultant and its Consultants shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Consultant and its Consultants shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Consultant and its Consultants shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

SECTION XII

INTEREST OF CONSULTANT

Consultant covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement.

SECTION XIII

CONTINGENT FEES

Consultant warrants that he/she has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant to solicit or secure this Agreement, and that he/she has not paid or agreed to pay any company, or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gifts, or other consideration, contingent upon or resulting from the award or making of this Agreement. For breach of violation of this warranty, MPWMD shall have the right to annul this Agreement without liability or at its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage, gift or contingent fee.

**SECTION XIV  
DISPUTES**

In the event of a dispute arising out of the performance of this Agreement either party shall, as soon as a conflict is identified, submit a written statement of the conflict to the other party. Within five (5) working days of receipt of such a statement of conflict, the second party will respond and a meeting will be arranged not more than five (5) working days thereafter to arrive at a negotiated settlement or procedure for settlement. If, within twenty (20) working days from the initial filing of a statement of conflict an agreement cannot be reached, it is agreed that the dispute may be resolved in a court of law competent to hear this matter. This Agreement shall be construed in accord with California law and it is agreed that venue shall be in the County of Monterey. The prevailing party shall be awarded costs of suit, and attorneys' fees.

**SECTION XV  
NOTICES**

All communications to either party by the other shall be deemed given when made in writing and delivered or mailed to such party at its respective address, as follows:

MPWMD: Jonathan Lear, Water Resources Division Manager  
Monterey Peninsula Water Management District  
5 Harris Court, Building G  
Monterey CA 93940  
or  
P. O. Box 85  
Monterey, CA 93942-0085

CONSULTANT: Martin Feeney  
PO Box 23240  
Ventura, CA 93002

**SECTION XVI  
AMENDMENTS**

This Agreement together with **Exhibits A, B, C, and D** sets forth the entire understanding of the parties with respect to the subject matter herein. There are no other agreements expressed or implied, oral or written, except as set forth herein. This Agreement may not be amended except

upon written amendment, executed by both parties hereto.

**SECTION XVII  
ATTACHMENTS**

The following exhibits attached hereto and referred to in the preceding sections are, by reference, incorporated herein and made an integral part of this Agreement:

- Exhibit A.** Scope of Services
- Exhibit B.** Fee Schedule
- Exhibit C.** Work Schedule
- Exhibit D.** Insurance Requirements

**IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the day and year first above written.**

**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**

---

**BY: David J. Stoldt, General Manager**

**CONSULTANT**

---

**BY:**

**FEDERAL TAX IDENTIFICATION NUMBER:**

**EXHIBIT A – SCOPE OF SERVICES**

Consultant will provide experienced field staff to observe the work being performed to complete the Pure Water Monterey Injection Well Commissioning Program and assure that the work is being conducted in accordance with the specifications. Consultant will take detailed notes that will be distributed daily to the District. Consultant will provide oversight to field staff and be in telephone communication. Should issues develop during performance of the work, Consultant will coordinate with the District and Todd so that these parties can make a decision as to the best approach to move forward.

**EXHIBIT B - FEE SCHEDULE**

The fee schedule by task is broken down on the next page in Table 1. Task costs are related to the billing rate and time allotted to each task. Payment will only be made for actual hours worked towards completion of tasks and this breakdown of cost shows the distribution of level of effort associated with each task. Billing rate and hours for each task are attached to this document.





**EXHIBIT C – SCHEDULE**

Work is expected to be initiated with an on-site startup meeting after contracting is complete and is expected to be completed within 180 days.

**EXHIBIT D - INSURANCE REQUIREMENTS**

- I. Consultant shall provide evidence of valid and collectible insurance carried for those exposures indicated by an "X".
  - A.  X  Professional Liability Errors & Omissions
  - B.  X  Workers Compensation and Employers Liability
  - C.  X  Automobile Liability - "Any Auto - Symbol 1"
  - D.      Comprehensive General Liability, including Bodily Injury, Property Damage and Personal Injury
  - E.      Protection & Indemnity (Marine/Aviation)
  
- II. The minimum limit of protection provided by insurance policies for each of the coverages listed above shall be not less than \$1,000,000, except for coverage "D", which shall not be less than \$2,000,000. The procurement and maintenance by the Consultant of the policies required to be obtained and maintained by Consultant under this Agreement shall not relieve or satisfy Consultant's obligation to indemnify, defend and save harmless the District.
  
- III. Evidence of insurance carried shall be Certificates of Insurance for the current policies. The District shall be listed as a certificate holder on the Consultant's Commercial or Comprehensive General Liability insurance policy and the policy must be endorsed to provide a 30-day prior written notice of cancellation.
  
- IV. The District requires that the Consultant carry a commercial liability policy written on a broad comprehensive general liability form.
  - A. Such protection is to include coverage for the following, indicated by an "X":
    - 1.      Premises and Operations
    - 2.      Products and Completed Operations
    - 3.      Explosion Collapse and Underground
    - 4.      Broad Form Blanket Contractual
    - 5.      Broad Form Property Damage
    - 6.      Personal Injury, A, B & C
    - 7.      Employees named as Persons Insured
  
  - B. The "Persons Insured" provision on each comprehensive general liability policy shall include as an insured the "Monterey Peninsula Water Management District,

its officers, directors, agents and employees."

- C. This policy shall contain a severability of interest clause or similar language to the following:

"The insurance afforded applies separately to each insured against whom claim is made or suit is brought including claims made or suits brought by any persons included within the persons insured provision of the insurance against any other such person or organization."

- D. All policies shall contain a provision that the insurance company shall give the District at least thirty (30) days prior written notice mailed to the address shown below prior to any cancellation, lapse or non-renewal. The 30-day written notice must be shown on all certificates of insurance.
- E. Certificates of Insurance for the current policies shall be delivered by the Consultant to the Risk Manager for the District as verification that terms A, B, C and D have been met.

- V. All insurance correspondence, certificates, binders, etc., shall be mailed to:

Monterey Peninsula Water Management District  
Attn: Administrative Services Manager  
5 Harris Court, Building G  
P.O. Box 85  
Monterey, CA 93942-0085

- VI. All policies carried by the Consultant shall be primary coverage as to the interest of the additional insured to any and all other policies that may be in force. The District shall not be responsible for payment of premiums due as a result of compliance with the terms and conditions of the insurance requirements.
- VII. All such policies of insurance shall be issued by domestic United States insurance companies with general policy holders' rating of not less than "B" and admitted to do business in the State of California. The policies of insurance so carried shall be carried and maintained throughout the term of this Agreement.



**ITEM: CONSENT CALENDAR****6. CONSIDER APPROVAL OF ANNUAL UPDATE OF INVESTMENT POLICY**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Suresh Prasad</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review:** N/A**Committee Recommendation:** The Administrative Committee reviewed this item on January 13, 2021 and recommended approval.**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

**SUMMARY:** The State of California Government Code requires the District Board to annually review and approve the District Investment Policy. The District's current investment policy, included as **Exhibit 6-A**, was adopted by the Board on September 20, 1997 and has been reviewed and approved annually by the Board. The policy provides guidance for the District Treasurer, who acts on behalf of the Board in all investment matters. The policy was last reviewed and approved by the Board on January 23, 2020. District staff has again reviewed the investment policy and determined that it complies with the current Government Code; and that it is adequate for protecting safety and providing liquidity while yielding a reasonable rate of return given current market conditions.

**RECOMMENDATION:** The Administrative Committee recommends that the Board review and approve the District's Investment Policy. This item will be approved if adopted along with the Consent Calendar.

**BACKGROUND:** The State of California Government Code requires the District Board to annually review and approve the District Investment Policy. The District's current policy was adopted on September 20, 1997 and has been reviewed and approved annually by the Board since that time. Additionally, State law, as well as District policy, requires that each quarter the Board receive and approve a report of investments held by the District. This requirement has been met as the Board has received quarterly reports on the contents and performance of the investment portfolio since adoption of the investment policy.

**EXHIBIT****6-A** Monterey Peninsula Water Management District Investment Policy



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
INVESTMENT POLICY**

| Approved by the MPWMD Board on January ~~23~~5, 2020~~1~~



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**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**INVESTMENT POLICY**

1 Introduction

This policy governs the investment of District funds. The purpose of the policy is to provide guidance to the District Treasurer to invest funds in a manner that provides for the protection of principal (safety), meets the cash flow (liquidity) demands of the District and earns a reasonable yield. It shall be the policy of the District to invest all funds in strict conformance with all state statutes governing the investment of public monies. Moreover, it shall be the policy to manage investments under the prudent investor rule. This rule affords the District a broad spectrum of investment opportunities so long as the investment is deemed prudent and is allowable under State of California Government Code section 53600 et. seq., the investment policy of Monterey County and Section 118-507 (West's Annotated Government Code) of the District's enabling legislation.

2 Prudence

The District Treasurer is a trustee and therefore a fiduciary subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the treasurer shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investments of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the District. Within the limitation of this policy and considering individual investments as part of an overall investment strategy, a trustee is authorized to acquire investments as authorized by law.

3 Investment and Risk

The objectives of the District's investment program in order of priority are:

- 1) Safety of invested funds – The Treasurer shall ensure the safety of the District's invested funds by limiting, as much as possible, credit and interest rate risk. Credit risk is the risk of loss due to failure of the security issuer or backer. Interest rate risk is the risk that the market value of investments will fall due to an increase in the general level of interest rates.
- 2) Maintenance of sufficient liquidity to meet cash flow requirements – Attainment of a market average rate of return during budgetary and economic cycles, taking into account the District's investment risk constraints and cash requirements. The Treasurer, acting in accordance with District procedures and this policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4 Types of Investments

District funds may be placed in any instrument or medium approved by the State of California as enumerated in Government Code Section 53651, and not otherwise limited by the Monterey County Investment Policy. A listing of currently eligible securities shall be maintained. The Treasurer shall submit any proposed changes to the list of eligible investments to the Administrative Committee and Board of Directors. The Administrative Committee shall approve investment in a class of securities included on the list, but in which the District has not previously invested. The Board of Directors shall approve changes to the list of eligible securities. The currently approved list of securities is incorporated as Attachment I.

5 Prohibited Investments

The District shall not be authorized to invest in any security that has the possibility of returning a zero or negative yield if held to maturity except that investment in U. S. Treasury Certificates of indebtedness ("SLUGS") issued by the U. S. Bureau of Public debt is authorized. Prohibited investments shall include inverse floaters, range notes and interests only strips derived from a pool of mortgages.

6 Access to Funds

The premise underlying the District's investment policy is to ensure that money is available when needed. To this end, the District will maintain funds on deposit in a local bank or other federal or state regulated depository sufficient to meet expenditure requirements for the following six months as represented in the most recent budget adopted by the Board of Directors.

7 Authority

The Treasurer of the Board of Directors of the Monterey Peninsula Water Management District is responsible for the custody and management of District investments. Management activity will adhere to applicable state law, provisions of the District's enabling legislation and this policy. The Treasurer may delegate ministerial duties related to the investment program to other District staff, but shall retain responsibility for all transactions undertaken and shall establish a system of internal control to regulate activity of subordinate personnel.

8 Reports

Pursuant to Government Code Section 53646 the Treasurer shall provide quarterly investment reports to the Board of Directors. Each report shall include a listing of all securities held in the portfolio. It shall list investments by type, issuer, maturity, par value, market value, and dollar amount invested. The report shall contain a citation of compliance with this policy, an explanation for any non-compliance and a statement as to the ability or inability to meet expenditure requirements for the following six months. District monies over which the Treasurer does not exercise control or safekeeping e.g., does not determine how the funds are to be invested or banked, need not be included in the report. Agency contributions to the Public Employees Retirement

System need not be included. Deferred compensation funds (Section 457) held by third-party administrators and invested at the direction of program participants need not be included pursuant to PL 104-188.

9 Audits

The District's portfolio, quarterly reports, policy, internal control procedures and investment practices shall be the subject of scrutiny in the course of annual audits performed by external independent auditors selected by the Board of Directors.

10 Policy Review

The Board of Directors shall review this policy at least annually.

| [Z:\Investments\Investment Policy 2021.docx](#)~~[Z:\Investments\Investment Policy 2020.docx](#)~~

## 11 Attachment I

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE  
AS OF JANUARY 1, 2020

INVESTMENT TYPE	MAXIMUM SECURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTION	MPWMD ALLOWED
Local Agency Bonds	5 years	None	None	53601(a)	<u>Yes</u>
U.S. Treasury Obligations	5 years	None	None	53601(b)	<u>Yes</u>
State Obligations – CA and Others	5 years	None	None	53601(d)	<u>Yes</u>
CA Local Agency Obligations	5 years	None	None	53601(e)	<u>Yes</u>
U.S. Agency Obligations	5 years	None	None	53601(f)	<u>Yes</u>
Bankers' Acceptances	180 days	40%	None	53601(g)	<u>Yes</u>
Commercial Paper – Pooled Funds	270 days	40% of the agency's money	Highest letter and number rating by an NRSRO	53635(a)(1)	<u>Yes</u>
Commercial Paper – Non-Pooled Funds	270 days	25% of the agency's money	Highest letter and number rating by an NRSRO	53601(h)(2)(C)	<u>Yes</u>
Negotiable Certificates of Deposits	5 years	30%	None	53601(i)	<u>Yes</u>
Non-negotiable Certificates of Deposits	5 years	None	None	53630 et seq.	<u>Yes</u>
Placement Service Deposits	5 years	30%	None	53601.8 and 53635.8	<u>Yes</u>
Placement Service Certificates of Deposits	5 years	30%	None	53601.8 and 53635.8	<u>Yes</u>
Repurchase Agreements	1 year	None	None	53601(i)	<u>No</u>
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio	None	53601(j)	<u>No</u>
Medium-Term Notes	5 years	30%	“A” rating category or its equivalent or better	53601(k)	<u>Yes</u>
Mutual Funds and Money Market Mutual Funds	N/A	20%	Multiple	53601(l) and 53601.6(b)	<u>Yes</u>
Collateralized Bank	5 years	None	None	53630 et seq. and	<u>No</u>

Deposits				53601(n)	
Mortgage Pass-Through Securities	5 years	20%	“AA” rating category or its equivalent or better	53601(o)	<u>No</u>
County Pooled Investment Funds	N/A	None	None	27133	<u>Yes</u>
Joint Powers Authority Pool	N/A	None	Multiple	53601(p)	<u>Yes</u>
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1	<u>Yes</u>
Voluntary Investment Program Fund	N/A	None	None	16340	<u>Yes</u>
Supranational Obligations	5 years	30%	“AA” rating category or its equivalent or better	53601(q)	<u>Yes</u>



**ITEM:      CONSENT CALENDAR****7.           CONSIDER ADOPTION OF TREASURER’S REPORT FOR OCTOBER 2020**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Suresh Prasad</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review:** N/A

**Committee Recommendation:** The Administrative Committee considered this item on January 13, 2021 and recommended approval.

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

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**SUMMARY:** Exhibit 7-A comprises the Treasurer’s Report for October 2020. Exhibit 7-B and Exhibit 7-C are listings of check disbursements for the period October 1-31, 2020. Check Nos. 37862 through 38053, the direct deposits of employee’s paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$2,416,881.15. This amount included \$21,850.00 for conservation rebates paid out during the current period. Exhibit 7-D reflects the unaudited version of the financial statements for the month ending October 31, 2020.

**RECOMMENDATION:** The Administrative Committee recommends the Board adopt the October 2020 Treasurer’s Report and financial statements, and ratification of the disbursements made during the month.

**EXHIBITS**

- 7-A** Treasurer’s Report
- 7-B** Listing of Cash Disbursements-Regular
- 7-C** Listing of Cash Disbursements-Payroll
- 7-D** Financial Statements





**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
TREASURER'S REPORT FOR OCTOBER 2020**

<u>Description</u>	<u>Checking</u>	<u>MPWMD Money Market</u>	<u>L.A.I.F.</u>	<u>Multi-Bank Securities</u>	<u>MPWMD Total</u>	<u>PB Reclamation Money Market</u>
<b>Beginning Balance</b>	(\$71,643.55)	\$756,825.04	\$12,162,102.53	\$2,854,683.60	\$15,701,967.62	\$1,219,822.12
Fee Deposits		664,691.98			664,691.98	333,718.18
MoCo Tax & WS Chg Installment Pymt					0.00	
Interest Received			27,803.52	2,100.29	29,903.81	
Transfer - Checking/LAIF					0.00	
Transfer - Money Market/LAIF		1,600,000.00	(1,600,000.00)		0.00	
Transfer - Money Market/Checking	2,590,000.00	(2,590,000.00)			0.00	
Transfer - Money Market/Multi-Bank					0.00	
Transfer to CAWD					0.00	(1,540,000.00)
Voided Checks					0.00	
Bank Corrections/Reversals/Errors					0.00	
Bank Charges/Other	(532.35)				(532.35)	
Credit Card Fees	(482.55)				(482.55)	
Returned Deposits	-				0.00	
Payroll Tax/Benefit Deposits	(134,763.43)				(134,763.43)	
Payroll Checks/Direct Deposits	(150,331.74)				(150,331.74)	
General Checks	(2,129,429.12)				(2,129,429.12)	
Bank Draft Payments	(1,341.96)				(1,341.96)	
<b>Ending Balance</b>	<b>\$101,475.30</b>	<b>\$431,517.02</b>	<b>\$10,589,906.05</b>	<b>\$2,856,783.89</b>	<b>\$13,979,682.26</b>	<b>\$13,540.30</b>



**Check Report**

By Check Number

Date Range: 10/01/2020 - 10/31/2020



Monterey Peninsula Water Management Dist

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: APBNK -Bank of America Checking</b>						
<b>Payment Type: Regular</b>						
00249	A.G. Davi, LTD	10/02/2020	Regular	0.00	395.00	37864
00010	Access Monterey Peninsula	10/02/2020	Regular	0.00	1,750.00	37865
00252	Cal-Am Water	10/02/2020	Regular	0.00	78.24	37866
00252	Cal-Am Water	10/02/2020	Regular	0.00	115.48	37867
00024	Three Amigos Pest Control DBA Central Coast Exte	10/02/2020	Regular	0.00	104.00	37868
00224	City of Monterey	10/02/2020	Regular	0.00	697.75	37869
00277	Home Depot Credit Services	10/02/2020	Regular	0.00	115.42	37870
04717	Inder Osahan	10/02/2020	Regular	0.00	1,293.21	37871
00222	M.J. Murphy	10/02/2020	Regular	0.00	43.44	37872
01012	Mark Dudley	10/02/2020	Regular	0.00	540.00	37873
01002	Monterey County Clerk	10/02/2020	Regular	0.00	50.00	37874
01002	Monterey County Clerk	10/02/2020	Regular	0.00	50.00	37875
13396	Navia Benefit Solutions, Inc.	10/02/2020	Regular	0.00	100.00	37876
19100	Norton Rose Fulbright	10/02/2020	Regular	0.00	33,598.50	37877
00282	PG&E	10/02/2020	Regular	0.00	13.10	37878
04736	Pitney Bowes Global Financial Svc, LLC	10/02/2020	Regular	0.00	392.41	37879
00159	Pueblo Water Resources, Inc.	10/02/2020	Regular	0.00	3,675.00	37880
04709	Sherron Forsgren	10/02/2020	Regular	0.00	869.02	37881
09989	Star Sanitation Services	10/02/2020	Regular	0.00	71.01	37882
17965	The Maynard Group	10/02/2020	Regular	0.00	1,522.23	37883
18737	U.S. Bank Equipment Finance	10/02/2020	Regular	0.00	871.82	37884
00763	ACWA-JPIA	10/09/2020	Regular	0.00	358.54	37885
00767	AFLAC	10/09/2020	Regular	0.00	907.16	37886
01188	Alhambra	10/09/2020	Regular	0.00	95.72	37887
00253	AT&T	10/09/2020	Regular	0.00	801.73	37888
00252	Cal-Am Water	10/09/2020	Regular	0.00	167.46	37889
01001	CDW Government	10/09/2020	Regular	0.00	757.35	37890
00224	City of Monterey	10/09/2020	Regular	0.00	171.33	37891
04041	Cynthia Schmidlin	10/09/2020	Regular	0.00	868.03	37892
00046	De Lay & Laredo	10/09/2020	Regular	0.00	102,460.50	37893
18734	DeVeera Inc.	10/09/2020	Regular	0.00	7,049.39	37894
15398	GovInvest	10/09/2020	Regular	0.00	4,900.00	37895
00083	Hayashi & Wayland Accountancy Corp.	10/09/2020	Regular	0.00	3,500.00	37896
05371	June Silva	10/09/2020	Regular	0.00	578.00	37897
05830	Larry Hampson	10/09/2020	Regular	0.00	2,098.20	37898
13431	Lynx Technologies, Inc	10/09/2020	Regular	0.00	1,200.00	37899
00259	Marina Coast Water District	10/09/2020	Regular	0.00	232.63	37900
00259	Marina Coast Water District	10/09/2020	Regular	0.00	232.63	37901
07418	McMaster-Carr	10/09/2020	Regular	0.00	149.50	37902
04034	Monterey County Tax Collector	10/09/2020	Regular	0.00	192.94	37903
04034	Monterey County Tax Collector	10/09/2020	Regular	0.00	192.94	37904
00274	Monterey One Water	10/09/2020	Regular	0.00	176.41	37905
01199	Monterey Signs, Inc.	10/09/2020	Regular	0.00	295.00	37906
13396	Navia Benefit Solutions, Inc.	10/09/2020	Regular	0.00	662.49	37907
00036	Parham Living Trust	10/09/2020	Regular	0.00	850.00	37908
00755	Peninsula Welding Supply, Inc.	10/09/2020	Regular	0.00	127.64	37909
00282	PG&E	10/09/2020	Regular	0.00	27.13	37910
00262	Pure H2O	10/09/2020	Regular	0.00	65.54	37911
04709	Sherron Forsgren	10/09/2020	Regular	0.00	869.02	37912
19098	Specialty Construction, Inc.	10/09/2020	Regular	0.00	606,260.30	37913
04719	Telit Io T Platforms, LLC	10/09/2020	Regular	0.00	232.98	37914
09425	The Ferguson Group LLC	10/09/2020	Regular	0.00	8,000.00	37915
00271	UPEC, Local 792	10/09/2020	Regular	0.00	997.50	37916

**EXHIBIT 7-B**

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## Check Report

Date Range: 10/01/2020 - 10/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
06827	Waterline Envirotech Ltd	10/09/2020	Regular	0.00	1,267.79	37917
18163	Wex Bank	10/09/2020	Regular	0.00	808.82	37918
03966	ACWA (Memberships/Conferences/Publications	10/16/2020	Regular	0.00	11,900.00	37922
00760	Andy Bell	10/16/2020	Regular	0.00	711.00	37923
00252	Cal-Am Water	10/16/2020	Regular	0.00	5.00	37924
12601	Carmel Valley Ace Hardware	10/16/2020	Regular	0.00	92.23	37925
06268	Comcast	10/16/2020	Regular	0.00	196.37	37926
19765	Daniel Larson	10/16/2020	Regular	0.00	87.40	37927
12655	Graphicsmiths	10/16/2020	Regular	0.00	568.00	37928
19894	Gray CPA Consulting PC	10/16/2020	Regular	0.00	7,500.00	37929
00986	Henrietta Stern	10/16/2020	Regular	0.00	1,293.21	37930
00277	Home Depot Credit Services	10/16/2020	Regular	0.00	504.39	37931
03857	Joe Oliver	10/16/2020	Regular	0.00	1,293.21	37932
00094	John Arriaga	10/16/2020	Regular	0.00	2,500.00	37933
19897	John K. Cohan dba Telemetry	10/16/2020	Regular	0.00	2,358.00	37934
19900	Jonathan Stewart	10/16/2020	Regular	0.00	29.90	37935
19764	Katrina Herrmann	10/16/2020	Regular	0.00	169.05	37936
19899	Marina Hernandez	10/16/2020	Regular	0.00	122.48	37937
00242	MBAS	10/16/2020	Regular	0.00	1,893.75	37938
00274	Monterey One Water	10/16/2020	Regular	0.00	731,336.70	37939
00274	Monterey One Water	10/16/2020	Regular	0.00	389,648.94	37940
00282	PG&E	10/16/2020	Regular	0.00	37,985.60	37941
00282	PG&E	10/16/2020	Regular	0.00	19.53	37942
00282	PG&E	10/16/2020	Regular	0.00	51.64	37943
18544	Psomas	10/16/2020	Regular	0.00	22,504.44	37944
00159	Pueblo Water Resources, Inc.	10/16/2020	Regular	0.00	1,579.50	37945
17968	Rutan & Tucker, LLP	10/16/2020	Regular	0.00	16,248.52	37946
16121	Skillpath	10/16/2020	Regular	0.00	149.00	37947
09351	Tetra Tech, Inc.	10/16/2020	Regular	0.00	2,041.38	37948
00281	CoreLogic Information Solutions, Inc.	10/23/2020	Regular	0.00	1,054.05	38015
00046	De Lay & Laredo	10/23/2020	Regular	0.00	35,871.50	38016
00192	Extra Space Storage	10/23/2020	Regular	0.00	885.00	38017
00758	FedEx	10/23/2020	Regular	0.00	15.89	38018
00277	Home Depot Credit Services	10/23/2020	Regular	0.00	55.82	38019
03965	Irrigation Association	10/23/2020	Regular	0.00	75.00	38020
19764	Katrina Herrmann	10/23/2020	Regular	0.00	123.05	38021
00117	Marina Backflow Company	10/23/2020	Regular	0.00	150.00	38022
19899	Marina Hernandez	10/23/2020	Regular	0.00	94.88	38023
05829	Mark Bekker	10/23/2020	Regular	0.00	1,094.00	38024
00118	Monterey Bay Carpet & Janitorial Svc	10/23/2020	Regular	0.00	1,260.00	38025
01002	Monterey County Clerk	10/23/2020	Regular	0.00	3,343.25	38026
13396	Navia Benefit Solutions, Inc.	10/23/2020	Regular	0.00	727.19	38027
00154	Peninsula Messenger Service	10/23/2020	Regular	0.00	870.00	38028
00282	PG&E	10/23/2020	Regular	0.00	6,949.25	38029
00282	PG&E	10/23/2020	Regular	0.00	2,075.55	38030
19575	RJA Management Services	10/23/2020	Regular	0.00	8,788.30	38031
00176	Sentry Alarm Systems	10/23/2020	Regular	0.00	309.25	38032
04359	The Carmel Pine Cone	10/23/2020	Regular	0.00	726.00	38033
08105	Yolanda Munoz	10/23/2020	Regular	0.00	540.00	38034
00010	Access Monterey Peninsula	10/30/2020	Regular	0.00	875.00	38035
00252	Cal-Am Water	10/30/2020	Regular	0.00	118.58	38036
00252	Cal-Am Water	10/30/2020	Regular	0.00	78.38	38037
08926	Capitol Enquiry	10/30/2020	Regular	0.00	44.68	38038
00230	Cisco Systems, Inc.	10/30/2020	Regular	0.00	290.00	38039
18734	DeVeera Inc.	10/30/2020	Regular	0.00	1,168.52	38040
00993	Harris Court Business Park	10/30/2020	Regular	0.00	721.26	38041
04717	Inder Osahan	10/30/2020	Regular	0.00	1,293.21	38042
01012	Mark Dudley	10/30/2020	Regular	0.00	540.00	38043
16182	Monterey County Weekly	10/30/2020	Regular	0.00	863.00	38044
13430	Premiere Global Services	10/30/2020	Regular	0.00	432.57	38045
00251	Rick Dickhaut	10/30/2020	Regular	0.00	543.40	38046

**EXHIBIT 7-B**

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Check Report

Date Range: 10/01/2020 - 10/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
09425	The Ferguson Group LLC	10/30/2020	Regular	0.00	63.17	38047
00024	Three Amigos Pest Control DBA Central Coast Ext	10/30/2020	Regular	0.00	104.00	38048
00269	U.S. Bank	10/30/2020	Regular	0.00	6,072.76	38049
	**Void**	10/30/2020	Regular	0.00	0.00	38050
18737	U.S. Bank Equipment Finance	10/30/2020	Regular	0.00	871.82	38051
00221	Verizon Wireless	10/30/2020	Regular	0.00	1,448.52	38052
18163	Wex Bank	10/30/2020	Regular	0.00	352.73	38053
<b>Total Regular:</b>				<b>0.00</b>	<b>2,107,579.12</b>	

**EXHIBIT 7-B**

Check Report

Date Range: 10/01/2020 - 10/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Payment Type: Bank Draft</b>						
00266	I.R.S.	10/09/2020	Bank Draft	0.00	13,262.62	DFT0001733
00266	I.R.S.	10/09/2020	Bank Draft	0.00	2,834.33	DFT0001734
00267	Employment Development Dept.	10/09/2020	Bank Draft	0.00	5,449.21	DFT0001735
00266	I.R.S.	10/09/2020	Bank Draft	0.00	939.36	DFT0001736
00256	PERS Retirement	10/02/2020	Bank Draft	0.00	15,920.38	DFT0001737
00256	PERS Retirement	10/05/2020	Bank Draft	0.00	15,920.38	DFT0001739
00256	PERS Retirement	10/05/2020	Bank Draft	0.00	-15,920.38	DFT0001739
00256	PERS Retirement	10/02/2020	Bank Draft	0.00	700.00	DFT0001740
00266	I.R.S.	10/07/2020	Bank Draft	0.00	47.09	DFT0001742
00266	I.R.S.	10/07/2020	Bank Draft	0.00	70.50	DFT0001743
00266	I.R.S.	10/07/2020	Bank Draft	0.00	301.32	DFT0001744
00769	Laborers Trust Fund of Northern CA	10/13/2020	Bank Draft	0.00	28,094.00	DFT0001745
00266	I.R.S.	10/16/2020	Bank Draft	0.00	3,410.48	DFT0001747
00266	I.R.S.	10/16/2020	Bank Draft	0.00	370.98	DFT0001748
00267	Employment Development Dept.	10/16/2020	Bank Draft	0.00	1,169.86	DFT0001749
00266	I.R.S.	10/23/2020	Bank Draft	0.00	13,687.97	DFT0001751
00266	I.R.S.	10/23/2020	Bank Draft	0.00	2,843.17	DFT0001752
00267	Employment Development Dept.	10/23/2020	Bank Draft	0.00	5,670.81	DFT0001753
00266	I.R.S.	10/23/2020	Bank Draft	0.00	943.48	DFT0001754
00766	Standard Insurance Company	10/26/2020	Bank Draft	0.00	1,341.96	DFT0001755
00266	I.R.S.	10/30/2020	Bank Draft	0.00	1,081.21	DFT0001757
00266	I.R.S.	10/30/2020	Bank Draft	0.00	162.40	DFT0001758
00267	Employment Development Dept.	10/30/2020	Bank Draft	0.00	435.23	DFT0001759
00256	PERS Retirement	10/15/2020	Bank Draft	0.00	16,138.49	DFT0001760
00768	ICMA	10/09/2020	Bank Draft	0.00	2,655.09	DFT0001761
00768	ICMA	10/23/2020	Bank Draft	0.00	2,655.09	DFT0001762
00256	PERS Retirement	10/05/2020	Bank Draft	0.00	15,920.36	DFT0001819
<b>Total Bank Draft:</b>				<b>0.00</b>	<b>136,105.39</b>	

Payment Type	Bank Code APBNK		Summary	
	Payable Count	Payment Count	Discount	Payment
Regular Checks	181	120	0.00	2,107,579.12
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	43	27	0.00	136,105.39
EFT's	0	0	0.00	0.00
	<b>224</b>	<b>148</b>	<b>0.00</b>	<b>2,243,684.51</b>

**EXHIBIT 7-B**

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Check Report

Date Range: 10/01/2020 - 10/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: REBATES-02-Rebates: Use Only For Rebates						
Payment Type: Regular						
19655	Shannon Ashley	10/02/2020	Regular	0.00	-500.00	37406
19655	Shannon Ashley	10/02/2020	Regular	0.00	500.00	37863
19860	Abraham Ramirez	10/23/2020	Regular	0.00	500.00	37949
19863	Alan Mah	10/23/2020	Regular	0.00	500.00	37950
19882	Alden Adolph	10/23/2020	Regular	0.00	500.00	37951
19885	Alicia Suits	10/23/2020	Regular	0.00	500.00	37952
19864	Amrita Prasad	10/23/2020	Regular	0.00	500.00	37953
19843	Angela Guerra	10/23/2020	Regular	0.00	75.00	37954
19837	Annette Jankosky	10/23/2020	Regular	0.00	75.00	37955
19834	Barbara Bastian	10/23/2020	Regular	0.00	75.00	37956
19854	Ben Trainer	10/23/2020	Regular	0.00	125.00	37957
19893	Brandon Smart	10/23/2020	Regular	0.00	500.00	37958
19865	Brendan Devine	10/23/2020	Regular	0.00	500.00	37959
19856	Brita Bruemmer	10/23/2020	Regular	0.00	125.00	37960
19500	Caroline MacDonald	10/23/2020	Regular	0.00	125.00	37961
19883	Christopher A. Costa	10/23/2020	Regular	0.00	500.00	37962
19890	Courtney Wettstein	10/23/2020	Regular	0.00	500.00	37963
19833	Cynthia Ovens	10/23/2020	Regular	0.00	75.00	37964
19857	Danielle Coelho	10/23/2020	Regular	0.00	125.00	37965
19875	David Ghio	10/23/2020	Regular	0.00	500.00	37966
19866	David J. Nelson	10/23/2020	Regular	0.00	500.00	37967
19877	David Refuerzo	10/23/2020	Regular	0.00	500.00	37968
19844	David Winter	10/23/2020	Regular	0.00	75.00	37969
18145	Debbie Britz	10/23/2020	Regular	0.00	500.00	37970
19845	Deborah Appel	10/23/2020	Regular	0.00	150.00	37971
19831	Eldred Griffin	10/23/2020	Regular	0.00	225.00	37972
19886	Elizabeth Page	10/23/2020	Regular	0.00	100.00	37973
19835	George Hoffman	10/23/2020	Regular	0.00	150.00	37974
19855	Helena Lum	10/23/2020	Regular	0.00	125.00	37975
19851	Hillary Cook	10/23/2020	Regular	0.00	125.00	37976
19884	Holly Philipsen	10/23/2020	Regular	0.00	500.00	37977
19872	Jack Lagier	10/23/2020	Regular	0.00	500.00	37978
19874	James Peterson	10/23/2020	Regular	0.00	500.00	37979
19892	Janice Uhler	10/23/2020	Regular	0.00	500.00	37980
19869	Jennifer Greunke	10/23/2020	Regular	0.00	500.00	37981
19870	Jimmy Cook	10/23/2020	Regular	0.00	500.00	37982
19841	John Gill	10/23/2020	Regular	0.00	75.00	37983
19871	John Gordon Morrison	10/23/2020	Regular	0.00	500.00	37984
19832	John T. Michiels	10/23/2020	Regular	0.00	225.00	37985
19868	Johnathan Smith	10/23/2020	Regular	0.00	500.00	37986
19888	JuanJuan Zang	10/23/2020	Regular	0.00	250.00	37987
19852	Julie Filizetti	10/23/2020	Regular	0.00	125.00	37988
19861	Karen Crockett	10/23/2020	Regular	0.00	500.00	37989
19881	Karen D. King	10/23/2020	Regular	0.00	500.00	37990
19878	Kimberly Gilbreath	10/23/2020	Regular	0.00	500.00	37991
19887	Lane Trotter	10/23/2020	Regular	0.00	75.00	37992
19858	Linda Watson	10/23/2020	Regular	0.00	500.00	37993
19697	Mast Realty	10/23/2020	Regular	0.00	75.00	37994
19848	Michael McCarver	10/23/2020	Regular	0.00	150.00	37995
19891	Michael Ryan Griffin	10/23/2020	Regular	0.00	500.00	37996
19879	Moyara Ruehsen	10/23/2020	Regular	0.00	500.00	37997
19847	Patrick Catania	10/23/2020	Regular	0.00	150.00	37998
19840	Peter Dienna	10/23/2020	Regular	0.00	225.00	37999
19876	Preston Flatley	10/23/2020	Regular	0.00	500.00	38000
19846	Sal Dimaggio	10/23/2020	Regular	0.00	75.00	38001
19867	Sandy Shore	10/23/2020	Regular	0.00	500.00	38002
19873	Sau Sy	10/23/2020	Regular	0.00	500.00	38003
19889	Sean Spowart	10/23/2020	Regular	0.00	500.00	38004
19849	Stephanie Dutra	10/23/2020	Regular	0.00	125.00	38005

**EXHIBIT 7-B**

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Check Report

Date Range: 10/01/2020 - 10/31/2020

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
19862	Stewart Tabak	10/23/2020	Regular	0.00	500.00	38006
19836	Sung Choe	10/23/2020	Regular	0.00	425.00	38007
19838	Susan Greenbaum	10/23/2020	Regular	0.00	75.00	38008
19853	Tammy Jennings	10/23/2020	Regular	0.00	125.00	38009
19880	Tippon or Debby Weiss	10/23/2020	Regular	0.00	500.00	38010
19859	Tom Barrera	10/23/2020	Regular	0.00	500.00	38011
19839	Warren Neidenburg	10/23/2020	Regular	0.00	225.00	38012
19850	William Brosseau	10/23/2020	Regular	0.00	625.00	38013
19842	William Potter	10/23/2020	Regular	0.00	75.00	38014
<b>Total Regular:</b>				<b>0.00</b>	<b>21,850.00</b>	

Bank Code REBATES-02 Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	67	67	0.00	22,350.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	-500.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>67</b>	<b>68</b>	<b>0.00</b>	<b>21,850.00</b>



**All Bank Codes Check Summary**

<b>Payment Type</b>	<b>Payable Count</b>	<b>Payment Count</b>	<b>Discount</b>	<b>Payment</b>
Regular Checks	248	187	0.00	2,129,929.12
Manual Checks	0	0	0.00	0.00
Voided Checks	0	2	0.00	-500.00
Bank Drafts	43	27	0.00	136,105.39
EFT's	0	0	0.00	0.00
	<b>291</b>	<b>216</b>	<b>0.00</b>	<b>2,265,534.51</b>

**Fund Summary**

<b>Fund</b>	<b>Name</b>	<b>Period</b>	<b>Amount</b>
99	POOL CASH FUND	10/2020	2,265,534.51
			<b>2,265,534.51</b>





Payment Number	Payment Date	Payment Type	Employee Number	Employee Name	Check Amount	Direct Deposit Amount	Total Payment
5367	10/09/2020	Regular	1024	Stoldt, David J	0.00	5,669.24	5,669.24
5368	10/09/2020	Regular	1025	Tavani, Arlene M	0.00	2,227.83	2,227.83
5369	10/09/2020	Regular	1044	Bennett, Corryn D	0.00	2,031.06	2,031.06
5370	10/09/2020	Regular	1018	Prasad, Suresh	0.00	4,067.47	4,067.47
5371	10/09/2020	Regular	1019	Reyes, Sara C	0.00	1,891.34	1,891.34
5372	10/09/2020	Regular	1075	Valencia, Mariel C	0.00	2,542.02	2,542.02
5373	10/09/2020	Regular	1042	Hamilton, Maureen C.	0.00	2,653.43	2,653.43
5374	10/09/2020	Regular	6063	Hampson, Larry M	0.00	2,190.64	2,190.64
5375	10/09/2020	Regular	1009	James, Gregory W	0.00	3,266.43	3,266.43
5376	10/09/2020	Regular	1011	Lear, Jonathan P	0.00	4,230.74	4,230.74
5377	10/09/2020	Regular	1012	Lindberg, Thomas L	0.00	2,677.95	2,677.95
5378	10/09/2020	Regular	1043	Suwada, Joseph	0.00	2,011.60	2,011.60
5379	10/09/2020	Regular	1045	Atkins, Daniel N	0.00	1,965.50	1,965.50
5380	10/09/2020	Regular	1004	Chaney, Beverly M	0.00	2,702.76	2,702.76
5381	10/09/2020	Regular	1005	Christensen, Thomas T	0.00	3,685.20	3,685.20
5382	10/09/2020	Regular	6071	Foster, Ivie M	0.00	231.56	231.56
5383	10/09/2020	Regular	1007	Hamilton, Cory R	0.00	2,373.14	2,373.14
5384	10/09/2020	Regular	6072	Hernandez, Marina	0.00	878.08	878.08
5385	10/09/2020	Regular	6069	Herrmann, Katrina F	0.00	821.66	821.66
5386	10/09/2020	Regular	6074	Kruse, Emerentia B	0.00	922.96	922.96
5387	10/09/2020	Regular	6070	Larson, Daniel K	0.00	415.47	415.47
5388	10/09/2020	Regular	1048	Lumas, Eric M	0.00	1,811.39	1,811.39
5389	10/09/2020	Regular	6073	Stewart, Jonathan D	0.00	922.96	922.96
5390	10/09/2020	Regular	1001	Bravo, Gabriela D	0.00	2,830.87	2,830.87
5391	10/09/2020	Regular	1076	Jakic, Tricia	0.00	2,583.98	2,583.98
5392	10/09/2020	Regular	1010	Kister, Stephanie L	0.00	2,706.87	2,706.87
5393	10/09/2020	Regular	1017	Locke, Stephanie L	0.00	3,468.23	3,468.23
5394	10/09/2020	Regular	1040	Smith, Kyle	0.00	2,389.57	2,389.57
5395	10/09/2020	Regular	1047	Timmer, Christopher	0.00	2,190.67	2,190.67
5396	10/07/2020	Regular	7015	Adams, Mary L	0.00	236.96	236.96
5397	10/07/2020	Regular	7014	Evans, Molly F	0.00	374.02	374.02
5398	10/07/2020	Regular	7017	Hoffmann, Gary D	0.00	124.67	124.67
5399	10/07/2020	Regular	7018	Riley, George T	0.00	249.34	249.34
5400	10/16/2020	Regular	1043	Suwada, Joseph	0.00	7,867.70	7,867.70
5401	10/23/2020	Regular	1024	Stoldt, David J	0.00	5,657.12	5,657.12
5402	10/23/2020	Regular	1025	Tavani, Arlene M	0.00	2,227.86	2,227.86
5403	10/23/2020	Regular	1044	Bennett, Corryn D	0.00	2,031.07	2,031.07
5404	10/23/2020	Regular	1018	Prasad, Suresh	0.00	4,067.46	4,067.46
5405	10/23/2020	Regular	1019	Reyes, Sara C	0.00	1,891.34	1,891.34
5406	10/23/2020	Regular	1075	Valencia, Mariel C	0.00	4,472.10	4,472.10
5407	10/23/2020	Regular	1042	Hamilton, Maureen C.	0.00	2,653.44	2,653.44
5408	10/23/2020	Regular	6063	Hampson, Larry M	0.00	2,636.31	2,636.31
5409	10/23/2020	Regular	1009	James, Gregory W	0.00	3,266.43	3,266.43
5410	10/23/2020	Regular	1011	Lear, Jonathan P	0.00	4,230.74	4,230.74
5411	10/23/2020	Regular	1012	Lindberg, Thomas L	0.00	2,677.94	2,677.94
5412	10/23/2020	Regular	1045	Atkins, Daniel N	0.00	1,965.50	1,965.50
5413	10/23/2020	Regular	1004	Chaney, Beverly M	0.00	2,702.76	2,702.76
5414	10/23/2020	Regular	1005	Christensen, Thomas T	0.00	3,685.20	3,685.20
5415	10/23/2020	Regular	6071	Foster, Ivie M	0.00	197.52	197.52
5416	10/23/2020	Regular	1007	Hamilton, Cory R	0.00	2,373.14	2,373.14
5417	10/23/2020	Regular	6072	Hernandez, Marina	0.00	534.05	534.05
5418	10/23/2020	Regular	6069	Herrmann, Katrina F	0.00	658.19	658.19
5419	10/23/2020	Regular	6074	Kruse, Emerentia B	0.00	1,003.44	1,003.44
5420	10/23/2020	Regular	6070	Larson, Daniel K	0.00	197.52	197.52
5421	10/23/2020	Regular	1048	Lumas, Eric M	0.00	1,811.39	1,811.39
5422	10/23/2020	Regular	6073	Stewart, Jonathan D	0.00	1,003.44	1,003.44
5423	10/23/2020	Regular	1001	Bravo, Gabriela D	0.00	2,620.76	2,620.76

**EXHIBIT 7-C**

<b>Payment Number</b>	<b>Payment Date</b>	<b>Payment Type</b>	<b>Employee Number</b>	<b>Employee Name</b>	<b>Check Amount</b>	<b>Direct Deposit Amount</b>	<b>Total Payment</b>
5424	10/23/2020	Regular	1076	Jakic, Tricia	0.00	2,583.99	2,583.99
5425	10/23/2020	Regular	1010	Kister, Stephanie L	0.00	2,706.86	2,706.86
5426	10/23/2020	Regular	1017	Locke, Stephanie L	0.00	3,468.23	3,468.23
5427	10/23/2020	Regular	1040	Smith, Kyle	0.00	2,389.58	2,389.58
5428	10/23/2020	Regular	1047	Timmer, Christopher	0.00	2,190.68	2,190.68
5429	10/30/2020	Regular	1043	Suwada, Joseph	0.00	4,002.36	4,002.36
37919	10/07/2020	Regular	7007	Byrne, Jeanne	498.69	0.00	498.69
37920	10/07/2020	Regular	7009	Edwards, Alvin	476.36	0.00	476.36
37921	10/07/2020	Regular	7004	Potter, David L	236.96	0.00	236.96
<b>Total:</b>					<b>1,212.01</b>	<b>149,119.73</b>	<b>150,331.74</b>



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**FOR THE MONTH OCTOBER 31, 2020**

	Mitigation	Conservation	Water Supply	Current Period Activity	FY 2020/2021 Year-to-Date Actual	FY 2020/2021 Annual Budget	Prior FY Year-to-Date Actual
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,050,000	\$ 1,000
Water supply charge			(159)	(159)	(159)	3,300,000	(2,376)
User fees	357,204	137,212	81,151	575,567	1,763,315	4,250,000	1,039,126
Mitigation revenue	-			-	-	-	-
Capacity fees			41,382	41,382	75,145	400,000	132,139
Permit fees	-	20,124		20,124	54,920	198,000	76,660
Investment income	7,564	6,783	30,807	45,154	(23,591)	200,000	52,220
Miscellaneous	4	2	3	9	9,542	15,000	5,765
<b>Sub-total district revenues</b>	<b>364,771</b>	<b>164,121</b>	<b>153,184</b>	<b>682,077</b>	<b>1,879,172</b>	<b>10,413,000</b>	<b>1,304,535</b>
Project reimbursements	8,579	24,069	894,686	927,335	1,140,639	2,436,000	792,446
Legal fee reimbursements		150		150	450	16,000	150
Grants	-	-	-	-	7,274	2,495,400	-
Recording fees		4,290		4,290	13,420	6,000	11,940
<b>Sub-total reimbursements</b>	<b>8,579</b>	<b>28,509</b>	<b>894,686</b>	<b>931,775</b>	<b>1,161,783</b>	<b>4,953,400</b>	<b>804,536</b>
From Reserves	-	-	-	-	-	9,055,400	-
<b>Total revenues</b>	<b>373,351</b>	<b>192,630</b>	<b>1,047,870</b>	<b>1,613,851</b>	<b>3,040,956</b>	<b>24,421,800</b>	<b>2,109,071</b>
<b>EXPENDITURES</b>							
<b>Personnel:</b>							
Salaries	77,002	43,895	89,470	210,368	766,695	2,651,200	813,901
Retirement	6,342	4,033	7,642	18,017	472,852	647,400	420,287
Unemployment Compensation	205	-	-	205	4,964	3,000	2,457
Auto Allowance	92	92	277	462	1,801	6,000	1,847
Deferred Compensation	143	143	429	714	2,787	9,400	2,858
Temporary Personnel	-	-	-	-	-	50,000	43,308
Workers Comp. Ins.	3,333	247	2,164	5,744	17,833	85,000	37,171
Employee Insurance	15,978	9,971	15,332	41,280	155,931	505,700	147,808
Medicare & FICA Taxes	2,069	729	1,479	4,277	16,087	46,800	16,527
Personnel Recruitment	-	-	-	-	-	3,000	505
Other benefits	41	26	33	100	400	1,500	210
Staff Development	-	506	-	506	1,662	29,700	2,652
<b>Sub-total personnel costs</b>	<b>105,206</b>	<b>59,642</b>	<b>116,825</b>	<b>281,673</b>	<b>1,441,010</b>	<b>4,038,700</b>	<b>1,489,530</b>
<b>Services &amp; Supplies:</b>							
Board Member Comp	1,361	1,320	1,369	4,050	14,715	33,900	10,530
Board Expenses	109	69	88	266	2,491	10,000	995
Rent	985	230	915	2,130	8,520	23,200	8,120
Utilities	988	608	801	2,397	9,396	33,200	10,889
Telephone	1,802	1,113	1,279	4,194	18,283	46,500	15,666
Facility Maintenance	2,245	1,424	1,807	5,476	10,829	56,300	23,575
Bank Charges	416	264	335	1,015	5,083	15,100	5,985
Office Supplies	281	152	243	676	3,981	17,700	5,790
Courier Expense	194	123	156	473	1,597	6,100	2,280
Postage & Shipping	7	4	5	16	756	6,800	1,332
Equipment Lease	357	227	288	872	4,279	13,900	5,349
Equip. Repairs & Maintenance	-	-	-	-	341	7,000	2,119
Photocopy Expense							
Printing/Duplicating/Binding	-	-	-	-	-	500	-
IT Supplies/Services	8,078	5,123	6,502	19,703	109,041	220,000	81,174
Operating Supplies	121	60	38	219	496	16,100	4,374
Legal Services	8,181	5,560	6,550	20,291	92,869	400,000	56,179



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
 STATEMENT OF REVENUES AND EXPENDITURES  
 FOR THE MONTH OCTOBER 31, 2020

	Mitigation	Conservation	Water Supply	Current Period Activity	FY 2020/2021 Year-to-Date Actual	FY 2020/2021 Annual Budget	Prior FY Year-to-Date Actual
Professional Fees	8,420	5,340	6,777	20,537	78,750	360,200	101,757
Transportation	1,177	50	826	2,053	8,638	34,000	10,029
Travel	697	-	-	697	1,899	26,100	6,107
Meeting Expenses	718	455	578	1,750	5,250	6,700	907
Insurance	-	-	-	-	-	98,000	23,438
Legal Notices	-	-	-	-	-	3,100	-
Membership Dues	8,362	5,303	6,730	20,395	22,086	38,300	26,010
Public Outreach	82	52	66	200	230	3,900	1,288
Assessors Administration Fee	-	-	-	-	-	20,000	-
Miscellaneous	158	100	127	386	386	3,000	379
<b>Sub-total services &amp; supplies costs</b>	<b>44,739</b>	<b>27,577</b>	<b>35,480</b>	<b>107,796</b>	<b>399,913</b>	<b>1,499,600</b>	<b>404,270</b>
Project expenditures	32,934	26,877	697,357	757,168	4,031,096	16,639,100	2,045,513
Fixed assets	-	-	-	-	34,270	220,000	7,363
Contingencies	-	-	-	-	-	70,000	-
Election costs	-	-	-	-	-	200,000	-
Debt service: Principal	-	-	-	-	-	-	-
Debt service: Interest	-	-	-	-	-	230,000	-
Flood drought reserve	-	-	-	-	-	-	-
Capital equipment reserve	-	-	-	-	-	324,400	-
General fund balance	-	-	-	-	-	1,000,000	-
Pension reserve	-	-	-	-	-	100,000	-
OPEB reserve	-	-	-	-	-	100,000	-
Other	-	-	-	-	-	-	-
<b>Sub-total other</b>	<b>32,934</b>	<b>26,877</b>	<b>697,357</b>	<b>757,168</b>	<b>4,065,367</b>	<b>18,883,500</b>	<b>2,052,876</b>
<b>Total expenditures</b>	<b>182,879</b>	<b>114,095</b>	<b>849,662</b>	<b>1,146,637</b>	<b>5,906,290</b>	<b>24,421,800</b>	<b>3,946,676</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>\$ 190,471</b>	<b>\$ 78,535</b>	<b>\$ 198,208</b>	<b>\$ 467,214</b>	<b>\$ (2,865,335)</b>	<b>\$ -</b>	<b>\$ (1,837,605)</b>

**ITEM: PUBLIC HEARING****12. CONSIDER FIRST READING OF ORDINANCE NO. 187 -- (1) ESTABLISHING THE DEPARTMENT OF DEFENSE AS A JURISDICTION AND ADDING A WATER USE CREDIT PROCESS SPECIFIC TO THE DEPARTMENT OF DEFENSE, AND (2) AUTHORIZING THE GENERAL MANAGER TO EXTEND WATER USE CREDITS FOR ONE YEAR FOR JUSTIFIABLE CAUSE****Meeting Date: January 25, 2021 Budgeted: N/A****From: David Stoldt General Manager Program/ Line Item No.: N/A****Prepared By: Stephanie Locke Cost Estimate: N/A****General Counsel Review: Yes.****Committee Review: The Water Demand Committee reviewed the draft ordinance on January 7, 2021, and recommended approval.****CEQA Compliance: An initial study has been prepared and will be filed with the County Recorder's office and distributed to interested parties for comment.**

**SUMMARY:** Draft Ordinance No. 187 (**Exhibit 12-A**) responds to direction from the Water Demand Committee to prepare an ordinance that establishes a process for the Department of Defense properties (e.g. those properties owned by the Army, Navy, and Coast Guard) to have an extended length of time to utilize Water Use Credits<sup>1</sup>, to reinstate credits that have expired during the newly extended period of time, and to recognize the Department of Defense as a Jurisdiction for future water Allocation. A similar consideration was given to Redevelopment Agency Sites when the Board adopted Ordinance No. 121 on August 15, 2005, to extend credit for Redevelopment Projects for up to 20 years. Staff's estimate of an extension to the Department of Defense Sites would extend/reinstate approximately 25 acre-feet of Water Use Credits. The ordinance also authorizes the General Manager to extend a Water Use Credit for up to one year for justifiable cause.

An Initial Study has been prepared and will be filed and circulated prior to consideration of second reading and adoption. The California Environmental Quality Act (CEQA) certification will occur during the second reading and consideration of adoption of this ordinance.

The draft ordinance was reviewed by the Water Demand Committee who recommended the Board approve the ordinance. A letter in support of the ordinance from the Presidio of Monterey is attached as **Exhibit 12-B**.

**DISCUSSION:** Staff has long been aware of the significant amount of time it often takes for federally funded projects to receive appropriations to begin construction. Conversations with representatives of both the Presidio of Monterey (Army) and the Naval Support Activity (the two

<sup>1</sup> Capitalized terms are defined in [MPWMD Rule 11](#).

largest Department of Defense entities served by Cal-Am) resulted in requests for future Allocation of water separate from the City of Monterey's Allocation and an extension in the length of time a Water Use Credit is valid. Both facilities are in Monterey, which has no water available.

The Department of Defense facilities (including the Naval Postgraduate School and the Naval Support Activity, the Defense Language Institute Foreign Language Center and the U.S. Army Garrison, Presidio of Monterey, the Fleet Numerical Meteorology and Oceanography Center, and the U.S. Coast Guard Station Monterey) may need Water Use Credits to permit projects in the next few years, many of which have been planned and approved, but have not received funding. The Army (Presidio of Monterey) undertook a number of retrofit projects in the early 2000's in anticipation of receiving federal construction funding, and when federal funding did not materialize the credits expired. The shortage of space at the Presidio of Monterey often results in the untimely demolition of buildings before/after construction of new ones, resulting in a Water Use Credit that is not available to offset a project. Staff, faculty, and students must wait for construction of the new building before vacating the old one for demolition. The opposite is also true where buildings are demolished to make space for new construction that is dependent on federal funding that may not come through.

The Presidio has 7.11 Acre-Feet of documented Water Use Credit that will expire under the current rules in 2021. The success of the Presidio's mission to train military linguists depends on its ability to modernize and expand its training facilities. In order to do this, the Presidio needs to have enough Water Use Credit available to offset its projects so that it can comply with District law when a project moves forward.

Ordinance No. 187 amends [Rule 25.5](#) to extend Water Use Credits at Department of Defense Sites for an additional ten years, making the credit available for a total of 20 years. It is anticipated that the current lack of water for construction will be replaced with new Allocations in the next several years when the Peninsula's water supply is legalized and expanded. Allocations to each of the branches of the Department of Defense can be determined at that time. In the meanwhile, the extension of credit to Department of Defense Sites will facilitate national security and the mission of these important facilities.

**RECOMMENDATION:** Following a public hearing, the Board should approve the first reading of Ordinance No. 187.

## **EXHIBIT**

**12-A** Draft Ordinance No. 187

**12-B** Letter of Support



**EXHIBIT 12-A****DRAFT****ORDINANCE NO. 187**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
(1) ESTABLISHING THE DEPARTMENT OF DEFENSE AS A JURISDICTION  
AND ADDING A WATER USE CREDIT PROCESS SPECIFIC TO THE  
DEPARTMENT OF DEFENSE, AND (2) AUTHORIZING  
THE GENERAL MANAGER TO EXTEND WATER USE CREDITS  
FOR ONE YEAR FOR JUSTIFIABLE CAUSE**

**FINDINGS**

1. The Water Management District is charged under the Monterey Peninsula Water Management District Law with the integrated management of the ground and surface water resources in the Monterey Peninsula area.
2. The Water Management District has general and specific power to cause and implement water conservation activities as set forth in Sections 325 and 328 of the Monterey Peninsula Water Management District Law.
3. District Regulations require a Water Permit before any Person connects to or modifies a Connection to a Water Distribution System regulated by the District, such Person shall obtain a written permit from the District, as described in District Rules 21, 23 and 24. The addition of any Connection and/or modification of an existing water Connection to any Water Distribution System regulated by the District requires a Water Permit.
4. Department of Defense projects do not require approvals from the Jurisdiction in which they are located as they are federally owned lands outside the local Jurisdiction's control. For this reason, it is prudent to establish the Department of Defense as a separate "Jurisdiction" as defined by Rule 11.
5. Existing District Regulations, set forth at Rule 25, allow Water Use Credits to be created, but limit their use on the originating site to a term not to exceed ten (10) years.
6. The modifications enacted by this ordinance are intended to facilitate Department of Defense project planning and implementation. Department of Defense project approval and financing processes are often complex, and the time required to implement a Department of Defense project can often exceed the ten (10) year life of a water credit set forth in Rule 25.
7. The Department of Defense has two important schools in the City. The Defense Language Institute is located at the Presidio of Monterey. It is the primary language instruction

**EXHIBIT 12-A**

facility for all branches of the military. The Naval Postgraduate School provides postgraduate degrees for military personnel and is a significant military research center.

8. The Department of Defense plays an important role in the Monterey Peninsula community. The armed forces comprise 18% of the City of Monterey's labor force according to the 2000 Census.
9. The Department of Defense has extensive housing facilities for its employees, students, and their families. Renovations and expansions of these facilities have occurred as the result of Water Use Credit to offset the new uses.
10. The Presidio undertook a number of retrofit projects and demolitions in the early 2000's in anticipation of receiving federal funding for various planned construction/reconstruction projects. Funding did not materialize, and those credits have expired or are about to expire. The projects are still in the Presidio of Monterey's Real Property Master Plan.
11. The shortage of space at the Presidio of Monterey often results in the untimely demolition of buildings after construction of new ones, resulting in a post-project credit that cannot be applied to a previous project.
12. The Presidio of Monterey's Master Plan lists planned projects that would have used Water Use Credits that were not funded during the District's current ten-year credit window. The former uses may have been prematurely extinguished in anticipation of federal funding approvals that did not occur.
13. The success of the Presidio of Monterey's mission to train military linguists and the success of the Naval Postgraduate School depends on their ability to modernize and expand their training facilities. In order to do this, these Department of Defense Sites need to have enough water available to offset their projects so that they can comply with District law when a project moves forward.
14. The Department of Defense Foreign Language Proficiency Enhancement Program changes the student-to-instructor ratio and will result in a greater population of students and instructors. The Presidio of Monterey needs to train more linguists for deployment throughout the world because current projections indicate a shortfall in personnel properly trained to interface with people of other nations. The existing facilities at the Presidio of Monterey neither meet current needs nor the projected requirements at the Defense Language Institute Foreign Language Center.<sup>1</sup>
15. A similar consideration was given to Redevelopment Agency Sites when the Board adopted Ordinance No. 121 on August 15, 2005, to extend credit for Redevelopment Projects for up to 20 years.

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<sup>1</sup> Record of Decision for the Presidio of Monterey Real Property Master Plan Environmental Impact Statement, Monterey, CA (<https://www.federalregister.gov/documents/2014/01/09/2014-00153/record-of-decision-for-the-presidio-of-monterey-real-property-master-plan-environmental-impact>)

**EXHIBIT 12-A**

16. This ordinance amends Rule 11 to add the Department of Defense to the definition of Jurisdiction to enable Allocations of future water to the Department of the Army, Department of the Navy and to the Coast Guard. At such time as new water supply is allocated, the needs of each branch can be considered and assigned separately.
17. This ordinance modifies the Water Use Credit expiration provision of District Rule 25.5 to extend the termination of Water Use Credits associated with Department of Defense properties. This ordinance shall also add a definition for the term “Department of Defense Sites” to Rule 11 and clarify the meaning of the term “Site” within that same Rule.
18. This ordinance reinstates Department of Defense Water Use Credits that expired less than twenty years ago. According to District records, this equates to between 16.5-24.5 Acre-Feet: The difference in the amount of potential reinstated credit is the result of an issued Water Permit for a barracks project at the Presidio of Monterey that could expire creating a Water Use Credit of eight Acre-Feet.
19. This ordinance requires a Memorandum of Agreement between two or more branches of the Department of Defense (i.e., Army, Coast Guard, Navy) to use a Department of Defense Water Use Credit at a Department of Defense location other than where the Water Use Credit originated. As the Department of Defense does not have a single, authoritative point of contact for the Department of Defense Jurisdiction as a whole, this reduces the potential for one branch to take another’s Water Use Credit without the originating branch’s consent.
20. This ordinance authorizes the General Manager to extend a Water Use Credit for up to one year for justifiable cause.
21. This ordinance shall amend and republish the Rules and Regulations of the Monterey Peninsula Water Management District.
22. CEQA finding..... (to be added prior to second reading)

NOW THEREFORE be it ordained as follows:

EXHIBIT 12-A

## ORDINANCE

Section One:            Short Title

This ordinance shall be known as the 2021 Department of Defense Water Use Credit Ordinance of the Monterey Peninsula Water Management District.

Section Two:            Purpose

This ordinance shall streamline water credit provisions to facilitate governmental planning and operations for Department of Defense Sites. This ordinance adds a definition for Department of Defense Site, and the ten (10) year limit for such credit shall be replaced with a maximum period of twenty (20) years and shall apply retroactively to previously documented Water Use Credits. This ordinance also adds the Department of Defense to the list of Jurisdictions defined in Rule 11 and authorizes the General Manager to extend an expiring Water Use Credit for up to one year for justifiable cause.

Section Three:            Amendment to Rule 11

Rule 11 shall be amended as shown below in *bold italic* type face.

***DEPARTMENT OF DEFENSE SITE - “Department of Defense Site” shall mean all facilities and properties owned by one or more branches of the United States Department of Defense that are located within the MPWMD and that are supplied water by California American Water.***

JURISDICTION – “Jurisdiction” shall mean one of the following: (1) Carmel-by-the-Sea, (2) Del Rey Oaks, (3) Monterey City, (4) Monterey County, (5) Monterey Peninsula Airport District, (6) Pacific Grove, (7) Sand City, or (8) Seaside, ***or (9) Department of Defense.***

PARCEL – “Parcel” shall mean any unit of land which qualifies as a Parcel under the Subdivision Map Act, and shall include all units of land: (1) which are contiguous to any other Parcel (or are separated only by a road or easement), and (2) which have identical owners, and (3) have an identical present use; or (4) are an Accredited Institution of Higher Education Site, ***a Department of Defense Site***, a Jurisdiction Site, or a Public School District Site. The term “Parcel” shall be given the same meaning as the term “Site”.

SITE - “Site” shall mean any unit of land which qualifies as a Parcel under the Subdivision Map Act, and shall include all units of land: (1) which are contiguous to any other Parcel (or are separated only by a road or easement), and (2) which have identical owners, or (3) are an Accredited Institution of Higher Education Site, ***a Department of Defense Site***, a Jurisdiction Site, or a Public School District Site. The term “Site” shall be given the same meaning as the term “Parcel”.

EXHIBIT 12-ASection Four: Amendments to Rule 25.5

1. Rule 25.5 shall be amended to incorporate a new subparagraph. Rule 25.5-C shall be replaced with the text shown in ***bold italic*** type face.
  - C. A Water Use Credit may be applied to and shall allow future water use on that Site at any time within a period of ten years. ***A one-year extension may be granted by the General Manager for justifiable cause.*** Subsequently, any remaining unused Water Use Credit shall expire.
2. Rule 25.5 shall be amended to incorporate a new subparagraph. Rule 25.5-E shall be replaced with the text shown in ***bold italic*** type face. The remainder of Rule 25.5 shall be renumbered.
  - E. ***A Water Use Credit at a Department of Defense Site shall expire after twenty (20) years.***
3. Rule 25.5 shall be amended to incorporate a new subparagraph Rule 25.5-I-4 as shown in ***bold italic*** type face.
  4. ***Water Use Credits shall remain on the Department of Defense location where the credit originated unless there is a Memorandum of Agreement between two or more military departments (e.g., Army, Navy, and Coast Guard).***

Section Five: Retroactive Application

The amendment to Rule 25.5 shall apply retroactively to all Water Use Credits documented by the District at Department of Defense Sites as of the effective date of this ordinance. Water Use Credits that expired as a result of having ten years pass since the Abandonment of Use shall be reinstated with a Water Use Credit available for a total of twenty years from the date Permanent Abandonment of Use occurred.

Section Six: Publication and Application

The provisions of this ordinance shall cause the republication and amendment of the permanent Rules and Regulations of the Monterey Peninsula Water Management District.

Section Seven: Effective Date and Sunset

This ordinance shall take effect at 12:01 a.m. on the 30th day after it has been enacted on second reading. This Ordinance shall not have a sunset date.

Section Eight: Severability

If any subdivision, paragraph, sentence, clause or phrase of this ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect

**EXHIBIT 12-A**

the validity or enforcement of the remaining portions of this ordinance, or of any other provisions of the Monterey Peninsula Water Management District Rules and Regulations. It is the District's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

On motion by Director \_\_\_\_\_, and second by Director \_\_\_\_\_, the foregoing ordinance is adopted upon this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by the following vote:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify the foregoing is a full, true and correct copy of an ordinance duly adopted on the \_\_\_\_\_ day of \_\_\_\_\_ 2021.

Witness my hand and seal of the Board of Directors this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

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David J. Stoldt, District Secretary

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**DEPARTMENT OF THE ARMY**  
**UNITED STATES ARMY INSTALLATION MANAGEMENT COMMAND**  
**HEADQUARTERS, US ARMY GARRISON, PRESIDIO OF MONTEREY**  
**1759 LEWIS ROAD, SUITE 210**  
**MONTEREY, CA 93944-3223**

January 8, 2021

Board of Directors  
MPWMD  
P.O. Box 85  
Monterey, CA 93942-0085

Dear Monterey Peninsula Water Management District Board of Directors:

My name is Erika Marx, Water Program Manager for the United States Army Garrison, Presidio of Monterey. On behalf of the Garrison Commander, I would like to extend the Army's appreciation to both the District staff and Board members for your consideration of Draft Ordinance No. 187.

The current water credit expiration term in Rule 25.5 constrains the Army from meeting its mission at the Defense Language Institute, or DLI. As one of the most prestigious military language training institutes in the world, DLI is dedicated to providing the necessary language training for military service members that remains vital to the protection of our national security. The Presidio and DLI also play an integral role in sustaining our local economy, contributing approximately \$373 million to the Peninsula's economy last year and providing military training, jobs, and housing for over 10,000 military service members, civilians, and their families.

As a leader in water conservation and in an effort to help the District manage this scarce resource, the Presidio has earned water credits through retrofitting and integrating innovative water-savings technologies over the years and we plan to implement several more such projects in the future, including an installation-wide greywater and rainwater capture and reuse system as well as replacement of 250 clothes washers with high-efficiency machines. These water credits ensure we can continue executing critical infrastructure projects, such construction of additional classroom and administrative office spaces, which are essential for DLI to continue its mission successfully.

As we currently have no recourse for extending the expiration date beyond ten years, we lost 6.803 AF of water credits in 2019, and we stand to lose another 7.110 AF water credits this June, which will leave us with zero water credits. Critical infrastructure projects slated for funding in the next five to ten years are now at risk due to our lack of water credits. At the time we earned our water credits, we anticipated receiving funding for several such projects before the credits expired, but due to frequently changing priorities in Congress and many other variables, we have experienced funding delays spanning ten years or more. We anticipate these delays will continue into the foreseeable future; thus, we will continue to encounter the same issue of water credits expiring before we are able to use them. Although the District anticipates a new water supply will become available to the Peninsula in the next 2-3 years, we

-2-

have no guarantees, which is why this ordinance is of paramount importance to the Army. We greatly appreciate the time and effort dedicated to this matter and respectfully ask the Board for your support of this ordinance.

Sincerely,

A handwritten signature in black ink that reads "Erika Marx". The signature is written in a cursive, flowing style.

Erika Marx  
Water Program Manager,  
Environmental Division  
Directorate of Public Works



**ITEM: CONSENT CALENDAR****13. CONSIDER PLACING THE SENIOR WATER RESOURCES ENGINEER POSITION ON THE DISTRICT'S CURRENT SALARY SCALE**

<b>Meeting Date:</b>	<b>January 25, 2019</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>David J. Stoldt</b>	<b>Cost Estimate:</b>	<b>\$6,341 annually \$2,642 in FY20-21, plus benefits</b>

**General Counsel Approval: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

**SUMMARY:** The Water Resources Engineer, Maureen Hamilton, was promoted to Senior Water Resources Engineer in December, with a salary adjustment to occur in the first pay period following the January 25, 2021 Board meeting. When the position was approved by the Board a salary range was not established because recruitment was done for three different authorized positions on the District's engineering position ladder in hope that we would find a qualified candidate for one or more of them. Ms. Hamilton was hired in August 2016 in the Water Resources Engineer position, hence both the Senior Water Resources Engineer and the Assistant Water Resources Engineer position salaries were never established. The District then revised its salary schedule based on the 2016-17 salary survey. As a result, there is no established salary for the position.

Ms. Hamilton has been an exemplary addition to the District team managing construction of ASR backflush pit expansion and the chemical building, project management for the Pure Water Monterey injection well field (having additional reporting duties to Monterey One Water), manages the IRWM grant process, among other duties. During her time with the District she became a registered Professional Engineer in a discipline in which she was not previously trained.

The proposed salary at Range 44 Step E will result in a 5% annual increase.

**RECOMMENDATION:** The General Manager recommends the Board place the Senior Water Resources Engineer position at Range 44 Step E on the District's salary schedule.

**BACKGROUND:** In October and early November of 2015, the District conducted extensive recruitment for a Water Resources Engineer. Despite one month of advertisement on multiple government, private industry and professional websites, as well as in related publications, this recruitment yielded only three applications. A highly qualified candidate, willing to accept the salary and benefits package was not found. In January and February of 2016, the District engaged in an ever more extensive recruitment at the Senior Water Resources Engineer level. In addition

to the advertisement described above, a recruitment brochure was created for targeted mailing to Engineering departments and individuals at twenty-three public agencies involved in projects similar to those conducted at the District. Despite the more aggressive outreach and significantly higher salary, only three applications were received. Of the two candidates authorized to work in the United States, neither had the experience needed to successfully perform at the Senior Water Resources Engineer level without extensive training.

It was determined that finding an advanced journey or senior level Water Resources Engineer may not have been possible. Therefore, in early 2016 staff proposed creating a basic journey-level position as the entry to the District's Water Resources Engineer career ladder. That position, entitled Assistant Water Resources Engineer would require a degree in Civil Engineering or a closely related field and two years of experience working with other Civil Engineering professionals.

The District then publicized an Engineering vacancy that could be hired at any of the three levels on the career ladder. That search resulted in the hiring of Ms. Hamilton at the Water Resources Engineer position.

## **EXHIBIT**

None

**ITEM: ACTION ITEM****14. CONSIDER ADOPTION OF AN ADDENDUM TO THE DISTRICT'S PRIOR ASR ENVIRONMENTAL IMPACT REPORT FOR CONSTRUCTION OF A BYPASS PIPELINE TO ALLOW SIMULTANEOUS PURE WATER MONTEREY RECOVERY AND ASR INJECTION (Subject to CEQA Review per CEQA Guideline Sections 15162 and 15164)**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item:</b>	<b>Water Supply Projects N/A</b>
<b>Prepared By:</b>	<b>Jonathan Lear</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: Yes****Committee Recommendation: On December 7, 2020 Water Supply Planning Committee deferred a recommendation and suggested bringing the item to the full Board in 2021, no later than April 2021, by a vote of 2-1.****CEQA Compliance: Addendum to EIR under CEQA Guidelines Sections 15162 and 15164**

**SUMMARY:** In June 2020, staff reported to the Board that a bottleneck in simultaneous operation of ASR injection and Pure Water Monterey recovery had been identified due to the existing piping configuration in General Jim Moore Blvd. A bypass pipeline around the bottleneck was identified as a solution that would allow simultaneous operation of both projects. The proposed pipeline is above the length and diameter to be exempt from the CEQA process. In order to facilitate this solution in an expedited manner, Cal-Am asked the District to act as Lead Agency under CEQA for the project. At the Board Meeting on June 22, 2020, MPWMD Board directed the General Manager enter into a reimbursement agreement with Cal-Am for the CEQA work to construct to bypass pipeline necessary to allow simultaneous PWM recovery and ASR injection. The appropriate agreements were executed and the environmental work has been completed.

At the July 6, 2020 Water Supply Planning Committee meeting staff presented the Environmental Impact Report (EIR) Addendum to the Committee. The Committee recommended that the Addendum be brought before the full Board for consideration of adoption. MPWMS staff worked with Denise Duffy and Associates to prepare the findings that were needed to be made in order to adopt the Addendum.

During public comments at the July 31, 2020 Board Meeting, Marina Coast Water District (MCWD) provided comments stating that the parallel pipeline would not be necessary if a change petition was filed for the water rights associated with the Carmel River ASR project and Cal-Am's Table 13 water rights. Staff was directed by the Board to meet with MCWD staff and the item was tabled at the District's July Board meeting without a vote and sent back to the Water Supply Committee.

On September 24, 2020 District staff met with MCWD General Manager and District Counsel to discuss the water rights and the need for a parallel pipeline to operate ASR and PWM at the same time. MCWD suggested that if a change petition was filed and granted to change the place of use for ASR and Table 13 water rights, these permits could be used in the winter and PWM water could be banked in the Seaside Groundwater Basin and recovered in the summer and used for drought. Cal-Am was not present at the meeting.

Following the meeting, District staff discussed the proposal with District Counsel and looked at how the changes in operation of the system would affect compliance with existing State Board Orders, existing inter-agency agreements, and existing CPUC testimony.

On November 2, 2020 the issue was brought back to the Water Supply Planning Committee for approval to advance the topic of certification of the Addendum back to the full Board. Instead, the Water Supply Planning Committee asked a series of questions that they wanted answers to, before making a decision. The eight questions included the following as a representation:

1. Is the proposed by-pass pipeline in the District's Addendum the same as the geographically similar pipeline described in the as-yet-uncertified Pure Water Monterey expansion SEIR?
2. Would the same by-pass pipeline be needed anyway for Pure Water Monterey expansion?
3. How many months a year, and how frequent on a water-year basis, would this pipeline be needed and effective?

And other questions.

On December 7, 2020 Water Supply Planning Committee deferred a recommendation and suggested bringing the item to the full Board in 2021, no later than April 2021, by a vote of 2-1. The Board Chair has decided the full Board shall review the question at its January 25, 2021 meeting.

**RECOMMENDATION:** That Board of Directors should consider several options regarding the Addendum:

- 1) Given rainfall and Carmel River streamflow to date, elect to defer a decision until summer 2021;
- 2) Given the similarities between the pipeline configuration in the Addendum and the Pure Water Monterey (PWM) expansion Supplemental EIR (SEIR), take no action until it is clear that Monterey One Water will once again refuse to certify the PWM expansion SEIR;
- 3) Do not approve Construction of a Bypass Pipeline Modification Addendum as Addendum 6 to the ASR EIR/EA until the California Coastal Commission acts on a resubmitted application by Cal-Am for a Coastal Development Permit for the Monterey Peninsula; or
- 4) Certify the Addendum and approve the project.

**BACKGROUND:** At the July 6, 2020 Water Supply Planning Committee staff presented the EIR Addendum to the Committee. The introduction to the Addendum is attached to this staff note as **Exhibit 14-A**.

The entire document can be downloaded from this link: <https://www.mpwmd.net/water-supply/aquifer-storage-recovery/technical-aspects/>.

MPWMS staff worked with Denise Duffy and Associates to prepare the findings that will need to be made in order to adopt the Addendum. These findings are included in this staff note as **Exhibit 14-B**. If the MPWMD Board adopts this Addendum at its July meeting, construction on the pipeline would begin in August 2020.

The Pure Water Monterey (PWM) Project began injecting water into the Seaside Groundwater Basin in March 2020 and building up the 1,000 Acre Foot Operating Reserve. After the Operating Reserve was injected, PWM water became available as a source to the water supply portfolio and will become a component of the Quarterly Water Budget and used to shift production away from the Carmel River and comply with the Cease and Desist Order (CDO). In meetings between District Staff and Cal-Am for planning the recovery schedule for PWM, it was identified that in order to recover all PWM and Native Seaside Groundwater, the Seaside well field would need to operate for more months of the year than previous operational protocols. Additionally, only the ASR wells are connected to the pipeline in General Jim Moore Blvd. that is attached to the transfer (Monterey) pipeline that can move water to the Forest Lake Tanks. The Forest Lake Tanks supply water to meet water demand in New Monterey, Pacific Grove, and the Del Monte Forest. The rest of the wells in Seaside provide water to meet demand in Seaside and Old Monterey as far as the Naval Post Graduate School and are isolated from the demands met by the Forest Lake Tanks. The demand on the Seaside system is between 10 to 12 Acre Feet per day and is not enough to consume all of the recovered PWM water, so water must be recovered by the ASR wells and moved through the transfer pipeline to the Forest Lake Tanks to ensure all of the PWM water can be consumed.

### **Project Description**

Cal-Am proposes to construct a new 36-inch-diameter, 7,000 LF, potable water transmission pipeline (Bypass Pipeline) in located General Jim Moore Blvd (GJM) between Hilby Avenue and approximately 750 feet south of Coe Avenue in Seaside, CA. The proposed Bypass Pipeline would connect to an existing 36-inch pipeline at each end.

The Bypass Pipeline would be located in the Former Fort Ord within the Seaside Munitions Response Area (MRA).

The project would also include a new dechlorination facility and a new 16-inch diameter connection to the Cal-Am Aquifer Storage and Recovery (ASR) well sites 3 and 4 located at the Seaside Middle School.

## **Purpose**

The proposed Bypass Pipeline would improve the existing ASR system and allow Cal-Am to perform simultaneous ASR injection and extraction operations in order to meet customer demand as a result of reduced Carmel River diversions. The Bypass Pipeline would be used to convey water from Crest Tank to ASR Wells 3 and 4 for injection. Extraction operations would be performed at ASR Wells 1 and 2 and would be conveyed through existing infrastructure to Forest Lake Reservoir in Pacific Grove.

Under current Cal-Am permit requirements, a 30-day retention period is required between ASR injection and extraction operations. Due to reduced Carmel River diversions, Cal-Am would not be able to meet customer demand during the 30-day retention period when extraction operations are not allowed. The proposed dechlorination facility would dechlorinate water prior to injection into ASR Wells 3 and 4 which would remove the 30-day retention period requirement and allowing Cal-Am to meet customer demand.

## **Construction**

The Bypass Pipeline would be constructed by open trench within the paved roadway of the northbound lanes of GJM. The typical trench width would be approximately 6-feet wide and 6.5-foot deep. Excess soil would be handled and disposed of per requirements of City of Seaside Programmatic On-Call Construction Support Plan – Roadways and Utilities – Seaside Munitions Response Area. Pavement and striping would be restored per City of Seaside requirements. Traffic control plans would be developed and submitted to the City of Seaside for review and approval.

The pipeline would include blow off and air vent appurtenances installed in either the sidewalk or median of GJM. Blow offs would be pump out style, located within utility boxes that are flush with the surrounding ground. Air vents would be installed above grade in locked cages. The locations of the appurtenances would be per approval of the City of Seaside.

## **EXHIBITS**

**14-A** Introduction to the Addendum

**14-B** Resolution No. 2020-13

**14-C** Memorandum responding to comments raised by Marina Coast Water District concerning the Aquifer Storage & Recovery Project EIR/EA – Addendum No.

# **ADDENDUM No. 6**

*TO THE*

## **AQUIFER STORAGE AND RECOVERY PROJECT ENVIRONMENTAL IMPACT REPORT/ENVIRONMENTAL ASSESSMENT**

*FOR THE*

## **BYPASS PIPELINE & DE-CHLORINATION FACILITY MODIFICATION**

**July 2020**

**Prepared for  
Monterey Peninsula Water Management District**

**Prepared by  
Denise Duffy and Associates, Inc.**



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**LIST OF ATTACHMENTS**

- 1. Initial Study Checklist for the Proposed Modification to Support Addendum No. 6 to the ASR EIR/EA
- 2. Air Quality and GHG Calculations Spreadsheets dated June 19, 2020
- 3. ASR Bypass Pipeline & De-Chlorination Facility Modification – Botanical Survey Results (June 24, 2020)
- 4. Approved MMRP for the Aquifer Storage and Recovery Project

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## I. INTRODUCTION

Pursuant to the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq. (CEQA) and the California Environmental Quality Act Guidelines, Title 14, Chapter 3 of the California Code of Regulations (CEQA Guidelines), and in cooperation with other affected agencies and entities, the Monterey Peninsula Water Management District (MPWMD) has prepared this Addendum to the Final Environmental Impact Report/Environmental Assessment for the Monterey Peninsula Water Management District Phase 1 Aquifer Storage and Recovery (ASR) Project (EIR/EA), certified by MPWMD's Board of Directors on August 21, 2006, as modified by:

- Addendum No. 1 to the ASR EIR/EA, which addressed full implementation of ASR Phase 2 and was adopted by MPWMD's Board of Directors on April 16, 2012;
- Addendum No. 2 to the ASR EIR/EA, which addressed the addition of the Hilby Pump Station and was adopted by MPWMD's Board of Directors on June 20, 2016;
- Addendum No. 3 to the ASR EIR/EA, which addressed the Monterey Pipeline and was adopted by MPWMD's Board of Directors on February 22, 2017;
- Addendum No. 4 to the ASR EIR/EA, which addressed the Backflush Basin Expansion and was adopted by MPWMD's Board of Directors on July 16, 2018; and,
- Addendum No. 5 to the ASR EIR/EA, which addressed the Water Treatment Facility Modification and was adopted by MPWMD's Board of Directors on July 15, 2019.

MPWMD prepared this Addendum to the ASR EIR/EA to address the effects of constructing and operating the proposed Bypass Pipeline and De-Chlorination Facility Modification (Proposed Modification), which would constitute a minor modification to the ASR Project. This Addendum evaluates the potential environmental effects associated with the Proposed Modification, which consists of a 36-inch potable water transmission pipeline, located in General Jim Moore Boulevard between Hilby Avenue and Coe Avenue, and a proposed de-chlorination facility to serve the ASR project.

The ASR Project entails diversion of "excess" Carmel River winter flows, as allowed under water rights permits issued by the State Water Resources Control Board, which is then treated and transmitted via the California American Water (CalAm) distribution system to specially-constructed injection/recovery wells, known as ASR wells, in the Seaside Groundwater Basin and injected under an authorization from the Environmental Protection Agency (EPA). The excess water is diverted by CalAm wells only during periods when flows in the Carmel River exceed fisheries bypass flow requirements. After treatment to potable drinking water standards, water is then conveyed through CalAm's distribution system to ASR facilities (injection wells) to recharge the over-pumped Seaside Groundwater Basin. Available storage capacity in the Seaside Groundwater Basin serves as an underground reservoir for the diverted water. Water is then pumped back out from the Seaside Groundwater Basin in dry periods to help reduce pumping-related impacts on the Carmel River. This "conjunctive use" more efficiently utilizes local water resources to improve the reliability of the community's water supply while reducing the environmental impacts to the Carmel River and Seaside Groundwater Basins.

This Addendum evaluates whether construction and operation of the proposed Bypass Pipeline and De-Chlorination Facility would result in a new significant impact, or an impact that is substantially more severe than the impacts disclosed in the ASR EIR/EA as amended. This Addendum is supported by **Attachment 1, Initial Study Checklist for the Bypass Pipeline Modification**, which conclusively determines the following in accordance with CEQA Guidelines Section 15464:

- No new or previously unidentified adverse significant impacts would result from the construction and operation of the Proposed Modification.
- The Proposed Modification would not result in a substantial increase in the severity of the impacts identified in the ASR EIR/EA and Addenda.

MPWMD's Board of Directors will consider this Addendum, along with the certified ASR EIR/EA and its Addenda, prior to making a decision on any approvals pertaining to the Proposed Modification.

## II. PROJECT LOCATION

The Proposed Modification is located in the City of Seaside. More specifically, the Proposed Modification includes the construction of the Bypass Pipeline, which is located within the existing paved area of the General Jim Moore Boulevard roadway between Hilby Avenue and approximately 750 feet south of Coe Avenue and the Paralta well site (see **Figure 1. Regional Map**). The Bypass Pipeline is primarily located in the northbound lane of General Jim Moore Boulevard and will tie into an existing pipeline at the intersection of Hilby Avenue and General Jim Moore Boulevard

The Proposed Modification also includes the construction and operation of a de-chlorination facility located within the Paralta well site, which is a previously developed site that includes existing water distribution system infrastructure. The existing water distribution system improvements includes a well and associated infrastructure (see **Figure 2. Site Photos**). The de-chlorination facility would tie into an existing ASR pipeline along the southbound lane of General Jim Moore Boulevard. This existing pipeline would transfer de-chlorinated water to ASR Wells 3 and 4 to be injected into the Seaside Groundwater Basin. The de-chlorination facility would also connect to an existing water transfer pipeline, which would transfer water supplies from the proposed Bypass Pipeline to the de-chlorination facility, as more thoroughly described below. The Proposed Modification also includes the construction and operation of a de-chlorination facility at the existing Santa Margarita Treatment facility, located at 1910 General Jim Moore Boulevard. The de-chlorination facility at the Santa Margarita site would occur entirely within the existing footprint of the treatment facility.

The Proposed Modification also includes the use of an existing soil deposition site along the west side of General Jim Moore Boulevard. More specifically, the soil deposition site is along Mescal Street between Plumas Avenue and Kimball Avenue and has been used historically for soil deposition purposes (see **Figure 2. Site Photos**).

As previously mentioned, the Proposed Modification is located in the City of Seaside. Per the Seaside General Plan, the modification site is designated as Low-Density Single Family Residential. The surrounding land uses include existing residential uses to the north, habitat management and low-density single family residential to the south and east, and existing residential uses to the west (see **Figure 3. Surrounding Land Use**).

## III. PROJECT DESCRIPTION

The Proposed Modification would improve the existing ASR system and allow CalAm to perform simultaneous ASR injection and extraction operations to meet customer demand as a result of reduced Carmel River diversions, as well as ensure the simultaneous recovery of Pure Water Monterey water and the injection of Carmel River water as part of the ASR program. The Proposed Modification would be used

to convey water from the existing Crest Water Tank to ASR Wells 3 and 4 for injection. Extraction operations would be performed at ASR Wells 1 and 2 and would be conveyed through existing infrastructure to Forest Lake Reservoir in Pacific Grove. Under current CalAm permit requirements, a 30-day retention period is required between ASR injection and extraction operations. Due to reduced Carmel River diversions, CalAm would not be able to meet customer demand during the 30-day retention period when extraction operations are not allowed.

The Proposed Modification consists of several distinct sub-components, including the construction and operation of the proposed Bypass Pipeline, de-chlorination facility, and the use of an existing soil deposition site. These components are collectively referred to as the “Proposed Modification” in this Addendum. The following includes a description of each of the separate sub-components of the Proposed Modification.

### **BYPASS PIPELINE MODIFICATION**

The proposed Bypass Pipeline Modification is necessary to allow the simultaneous recovery of Pure Water Monterey water and the operation of the existing ASR system. Under existing operations, the simultaneous recovery of Pure Water Monterey water and the operation of the existing ASR system is not possible due to existing system limitations. As a result, an additional pipeline (i.e., the proposed Bypass Pipeline) is necessary to allow recovery of Pure Water Monterey water and injection of Carmel River water at the same time. If the proposed Bypass Pipeline Modification is not constructed, even if flows in the Carmel River are above permit conditions allowing injection, ASR injection would need to be stopped to recover all Pure Water Monterey water via the existing transfer pipeline. The proposed Bypass Pipeline Modification would allow both Pure Water Monterey and ASR water resources projects to function simultaneously.

In the absence of the proposed Bypass Pipeline Modification, ASR injection would be limited to certain months. This would substantially reduce the injection capacity of the ASR system. And it would further reduce the amount of available “ASR bank.” Without the Bypass Pipeline Modification, Seaside Basin and Carmel River source water may have a 200 acre-feet (AF) buffer or less. Whereas with the proposed Bypass Pipeline Modification, would increase the “ASR bank” and would result in an approximately 1,000 AF buffer. As a result, the proposed Bypass Pipeline Modification would improve existing system operation, provide additional system redundancy, and ensure the simultaneous operation of both the Pure Water Monterey and ASR projects.

The Bypass Pipeline consists of the construction and operation of a new 36-inch-diameter, 7,000 linear foot (LF), potable water transmission pipeline located in General Jim Moore Boulevard between Hilby Avenue and approximately 750 feet south of Coe Avenue in Seaside, CA (see **Figure 2. Site Photos**). The Bypass Pipeline would connect to an existing 36-inch pipeline at each end. The Bypass Pipeline would be constructed using open trench technology within the paved roadway of the northbound lanes of General Jim Moore Boulevard (see **Figures 4a. and 4b. Site Plan**). The typical trench width would be approximately 6-feet wide and 6.5-feet deep. Excess soil would be handled and disposed of per requirements of the Fort Ord Reuse Authority (FORA) and City of Seaside Programmatic On-Call Construction Support Plan – Roadways and Utilities – Seaside Munitions Response Area. Pavement and striping would be restored per City of Seaside requirements. Traffic control plans would be developed and submitted to the City of Seaside for review and approval. The pipeline would include blow off and air vent appurtenances installed in either the sidewalk or median of General Jim Moore Boulevard. Blow offs would be pump out style, located within utility boxes that are flush with the surrounding ground. Air vents would be installed above grade in locked cages. The locations of the appurtenances would be per approval of the City of Seaside.

**DE-CHLORINATION FACILITY MODIFICATION**

The Proposed Modification would include the construction and operation of the de-chlorination facility, which would be located at the Paralta well site on southwest corner of General Jim Moore Boulevard and Coe Avenue (see **Figure 4a. Site Plan**). The proposed de-chlorination facility modification would dechlorinate water prior to injection into ASR Wells 3 and 4 which would remove the 30-day retention period requirement discussed above thereby allowing CalAm to meet customer demand. The de-chlorination facility would include two connections at General Jim Moore Boulevard and Coe Avenue. One connection would be to an existing transfer pipeline that would bring water supplies in through the proposed Bypass Pipeline and the other connection would be to an existing ASR pipeline in order to inject the de-chlorinated water into ASR Wells 3 and 4 .

The de-chlorination facility would be housed in an approximately 268 square foot building and would include a skid pump, chemical tank, and associated piping. The energy use associated with the electrical components of de-chlorination facility include the building and the interior lighting, sodium bisulfite metering pumps, exhaust fan, sodium bisulfite analyzer system and chlorine residual analyzer systems, and instrumentation. These electrical components would require an additional load of approximately 20 Amps. The de-chlorination facility would connect to a new 16-inch diameter connection to existing ASR Wells 3 and 4 located at the Seaside Middle School.

The Proposed Modification would include the construction and operation of the de-chlorination facility at the existing Santa Margarita Treatment Facility, located at 1910 General Jim Moore Boulevard. This modification would occur entirely within the existing treatment facility footprint. The proposed de-chlorination facility modification would dechlorinate water prior to injection into ASR Wells 1 and 2 which would remove the 30-day retention period requirement discussed above thereby allowing CalAm to meet customer demand.

**SOIL DEPOSITION MODIFICATION**

The Proposed Modification also includes the use of a soil deposition site along the west side of General Jim Moore Boulevard, known as the Mescal site. More specifically, the soil deposition site is along Mescal Street between Plumas Avenue and Kimball Avenue and has been used for soil deposition associated with ASR construction activities in the past (see **Figure 4b. Site Plan**). Excess soil would be disposed of at this existing soil deposition site consistent with the requirements of FORA. Additionally, fencing and/or flagging will be installed at the soil deposition site under the direction of a qualified biologists to ensure that all documented special-status species are located outside of the soil deposition area.

**CONSTRUCTION AND OPERATION**

Construction is anticipated to begin in January of 2021 and will last approximately eight (8) months. Construction activities will include site grading and trenching. The total amount of earthwork for the Proposed Modification is 7,800 Cubic Yards (CY) of cut and 5,270 CY of fill, with a net cut and fill of approximately 2,530 CY. It is anticipated that a majority of native soils can be used as backfill. Construction is planned to occur Monday through Friday from 7am to 7pm. It is estimated that an average of eight (8) construction workers will be required onsite during construction with a peak on-site presence of approximately eight (8) to ten (10) personnel at the peak of construction. Materials and equipment will also be delivered to the site; it is anticipated that approximately 100 deliveries would occur during construction, which would include piping, fill material, the chemical building, chemical tank, pump skid, and concrete. This would mean that material delivery would occur approximately two (2) to three (3)

times per week throughout the duration of construction activities. Construction workers will access the site from General Jim Moore Boulevard and will park at or near the site. Traffic control will be required during construction. Traffic controls will include, at a minimum, measures to ensure safety of pedestrians and bicyclists on General Jim Moore Boulevard.

Additionally, operational workers will access the modification site (specifically the de-chlorination facility) in order to provide routine maintenance and material delivery. Furthermore, maintenance will take place once a month for the air valves on the pipeline alignment. Operational workers may visit the de-chlorination facility twice a week when the de-chlorination system is operated and ASR water is being injected to ASR Wells 3 and 4, which would probably be combined with maintaining the existing Paralta well site. Lastly, the chemical tank in the de-chlorination facility was sized for at least 14-days of storage so operational workers may deliver up to two (2) trucks of chemicals each month.

#### **IV. COMPARISON TO THE CONDITIONS LISTED IN CEQA GUIDELINES SECTION 15162**

MPWMD prepared this Addendum pursuant to CEQA Guidelines Section 15164, which states: “A lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.” CEQA Guidelines Section 15162 establishes the following criteria for the preparation of a Supplemental EIR.

- 1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- 2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- 3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
  - a) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
  - b) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
  - c) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
  - d) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

The following discussion summarizes the reasons why a subsequent or supplemental EIR, pursuant to CEQA Guidelines Section 15162, is not required in connection with approvals for the Proposed Modification and why an addendum is appropriate.

## V. CHANGES TO THE PROJECT

### 1. Project Background

The ASR EIR/EA and its Addenda did not contemplate the Proposed Modification. The draft ASR EIR/EA can be accessed on the MPWMD website at the following address: <http://www.mpwmd.net/wp-content/uploads/2015/08/MPWMD-Draft-EIR-EA-3-06.pdf>; the final ASR EIR/EA can be accessed at the following address: [https://www.mpwmd.net/wp-content/uploads/2015/08/FEIR\\_8-21-06.pdf](https://www.mpwmd.net/wp-content/uploads/2015/08/FEIR_8-21-06.pdf). Addendum No. 1 to that document can be found online at the following address: [http://www.mpwmd.net/asd/board/boardpacket/2012/20120416/16/item16\\_exh16b.pdf](http://www.mpwmd.net/asd/board/boardpacket/2012/20120416/16/item16_exh16b.pdf), Addendum No. 2 can be found here: <http://www.mpwmd.net/asd/board/boardpacket/2016/20160620/16/Item-16-Exh-A.pdf>, and Addendum No. 3 can be found here: <https://www.mpwmd.net/asd/board/boardpacket/2017/20170222/02/Item-2-Exh-A.pdf>. Addendum No. 4 can be found here: <https://www.mpwmd.net/asd/board/boardpacket/2018/20180716/16/Item-16-Exh-A.pdf>. Addendum No. 5 to that document can be found online at the following address: <https://www.mpwmd.net/asd/board/boardpacket/2019/20190715/18/Item-18-Exh-A.pdf>

### 2. Environmental Effects

As detailed in **Attachment 1, Initial Study Checklist for the Proposed Modification**, the Proposed Modification would not result in any new significant environmental effects that cannot be mitigated with existing, previously identified mitigation measures in the ASR EIR/EA and its Addenda. In addition, the Proposed Modification would not substantially increase the severity of environmental effects identified in the ASR EIR/EA and its Addenda.

### 3. New Information

No new information of substantial importance has been identified or presented to MPWMD such that the ASR Project would result in: 1) significant environmental effects not identified in the ASR EIR/EA and its Addenda, or 2) more severe environmental effects than described in the ASR EIR/EA and its Addenda, or 3) require mitigation measures which were previously determined not to be feasible, or mitigation measures that are considerably different from those recommended in the ASR EIR/EA and its Addenda.

### 4. Conclusion

Section 15164 of the CEQA Guidelines states that a lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred. Based on the information in this Addendum, MPWMD has determined that:

- No new significant environmental effects or a substantial increase in the severity of previously identified significant effects would occur as a result of the construction and operation of the Proposed Modification;
- No substantial changes have occurred or would occur with respect to the circumstances under which the ASR Project was originally undertaken, which would require major revisions to the previously certified ASR EIR/EA due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and



- No new information of substantial importance has been received or discovered, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous ASR EIR/EA and its Addenda were certified as complete.



**EXHIBIT 14-B****RESOLUTION NO. 2020-13****RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
CERTIFYING ADDENDUM No. 6  
TO THE AQUIFER STORAGE AND RECOVERY EIR/EA**

WHEREAS, the Board of Directors of the Monterey Peninsula Water Management District (MPWMD) has directed that its staff pursue Aquifer Storage and Recovery (ASR) as a means to facilitate conjunctive use of local water resources for the benefit of the environment and the community; and

WHEREAS, MPWMD adopted Findings Related to the Certification of the MPWMD Phase 1 Aquifer Storage and Recovery Project EIR and Determining Compliance with the California Environmental Quality Act, adopted the Mitigation and Monitoring Plan, certified the Final Environmental Impact Report/Environmental Assessment (EIR/EA) for the Phase 1 ASR Project, and approved the Phase 1 ASR Project on August 21, 2006; and

WHEREAS, MPWMD approved and adopted the April 2012 Addendum to the Phase 1 ASR EIR/EA, adopted the April 2012 Mitigation Monitoring Plan, and approved the full implementation of ASR Water Project 2 on April 16, 2012; and

WHEREAS, MPWMD approved the Hilby Avenue Pump Station and adopted the June 2016 Hilby Avenue Pump Station Addendum as Addendum 2 to the Aquifer Storage and Recovery Project Environmental Impact Report/Environmental Assessment on June 20, 2016; and

WHEREAS, MPWMD approved a realignment of a segment of the Monterey Pipeline and adopted the February 2017 Monterey Pipeline Addendum as Addendum 3 to the ASR EIR/EA on February 22, 2017; and

WHEREAS, MPWMD approved an expansion to the backflush basin and adopted the July 2018 Backflush Basin Expansion Addendum as Addendum 4 to the ASR EIR/EA on July 16, 2018; and

WHEREAS, MPWMD approved a modification to the water treatment facility and adopted the July 2019 Water Treatment Facility Modification Addendum as Addendum 5 to the ASR EIR/EA on July 15, 2019; and

WHEREAS, MPWMD has followed guidelines of the California Environmental Quality Act (CEQA) and prepared the Bypass Pipeline and De-Chlorination Facility Modification Addendum 6 to modify the approved ASR Phase 1 Project by allowing the construction and operation of the proposed Bypass Pipeline, De-Chlorination Facility, and the Soil Deposition site; and

WHEREAS, MPWMD has prepared Findings of Environmental Review for the Bypass Pipeline and De-Chlorination Facility Modification Addendum to the ASR EIR/EA, attached hereto as **Attachment A** and hereby incorporated by reference.

NOW THEREFORE, BE IT RESOLVED:

We, the Board of Directors of the Monterey Peninsula Water Management District, certify the Bypass Pipeline and De-Chlorination Facility Modification Addendum as a true and accurate statement of the environmental impacts of the construction of the Bypass Pipeline and De-Chlorination Facility Modification; and

Adopt the July 2020 Bypass Pipeline and De-Chlorination Facility Modification Addendum as Addendum 6 to the ASR EIR/EA, which found that the proposed modifications to the approved ASR Phase 1 Project would not result in a measurable increase in environmental impacts over what was previously analyzed in the 2006 ASR EIR/EA, the 2012 ASR Phase 2 Addendum, the Hilby Avenue Pump Station Addendum, the Monterey Pipeline Addendum, the Backflush Basin Expansion Addendum, and the Water Treatment Facility Modification Addendum; and

Directs staff to post a Notice of Determination of this action in accordance with Section 15094 of the CEQA Guidelines.

On motion of Director \_\_\_\_\_ and second by Director the \_\_\_\_\_ foregoing resolution is duly adopted this 25th day of January 2021 by the following votes:

AYES:

NAYS:

ABSENT:

I, David J. Stoldt, Secretary to the Board of Directors on the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the 25th day of January 2021.

Witness my hand and seal of the Board of Directors this \_\_\_\_\_ day of July 2021.

\_\_\_\_\_  
David J. Stoldt, Secretary to the Board

**ATTACHMENT A****FINDINGS OF ENVIRONMENTAL REVIEW  
FOR THE  
BYPASS PIPELINE AND DE-CHLORINATION  
FACILITY MODIFICATION ADDENDUM TO THE  
ASR EIR/EA**

- 1) **FINDING:** The Monterey Peninsula Water Management District (MPWMD) Board of Directors adopted the Findings Relating to Certification of the MPWMD Phase 1 Aquifer Storage and Recovery Project EIR and Determining Compliance with the California Environmental Quality Act, adopted the Mitigation Monitoring Plan, certified the Final Aquifer Storage and Recovery (ASR) Environmental Impact Report/Environmental Assessment (EIR/EA) for the Phase 1 ASR Project, and approved the Phase 1 ASR Project on August 21, 2006.

**EVIDENCE:** The ASR EIR/EA and related documents are on file in the MPWMD office.

- 2) **FINDING:** The MPWMD Board of Directors approved and adopted the April 2012 Addendum to the Phase 1 EIR/EA (Addendum 1), adopted the April 2012 Mitigation Monitoring Plan for ASR Water Project 2, and approved the full implementation of ASR Water Project 2 on April 16, 2012.

**EVIDENCE:** Addendum 1 and related documents are on file in the MPWMD office.

- 3) **FINDING:** The MPWMD Board of Directors approved the Hilby Avenue Pump Station and adopted the June 2016 Hilby Avenue Pump Station Addendum as Addendum 2 to the ASR EIR/EA on June 20, 2016

**EVIDENCE:** Addendum 2 and related documents are on file in the MPWMD office.

- 4) **FINDING:** The MPWMD Board of Directors approved a realignment of a segment of the Monterey Pipeline and adopted the February 2017 Monterey Pipeline Addendum as Addendum 3 to the ASR EIR/EA on February 22, 2017.

**EVIDENCE:** Addendum 3 and related documents are on file in the MPWMD office.

- 5) **FINDING:** The MPWMD Board of Directors approved an expansion to the backflush basin and adopted the July 2018 Backflush Basin Expansion Addendum as Addendum 4 to the ASR EIR/EA on July 16, 2018; and

**EVIDENCE:** Addendum 4 and related documents are on file in the MPWMD office.

- 6) **FINDING:** The MPWMD Board of Directors approved a modification to the water treatment facility and adopted the July 2019 Water Treatment Facility Modification Addendum as Addendum 5 to the ASR EIR/EA on July 15, 2019; and

**EVIDENCE:** Addendum 5 and related documents are on file in the MPWMD office.

- 7) **FINDING:** MPWMD followed the California Environmental Quality Act (CEQA) Guidelines Sections 15162 and 15164 to determine that an Addendum evaluating the environmental effect of the Bypass Pipeline and De-Chlorination Facility Modification and related improvements (together hereinafter referred to as Modification) is appropriate based on the following:
- a. The Modification would not result in new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and
  - b. No changes in circumstances have occurred involving new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and,
  - c. No new information of substantial importance which was not known and could not have been known at the time of the previous EIR/EA and Addenda were found.

The MPWMD Board of Directors at their July 20, 2020 meeting reviewed the Bypass Pipeline and De-Chlorination Facility Modification Addendum (Addendum 6).

**EVIDENCE:**

- a. Construction and operational environmental impacts and mitigation measures at the Phase 1 ASR Project site were previously considered with the ASR EIR/EA; and
- b. The proposed Modification consists of several distinct sub-components, including the construction and operation of the proposed Bypass Pipeline, De-Chlorination Facility, and the Soil Deposition site. The proposed location of the Bypass Pipeline is within an existing roadway, the De-Chlorination Facility is located within the existing Paralta well site, similarly, the De-Chlorination modification at the Santa Margarita site is located entirely within the existing water treatment facility, and the Soil Deposition site has been used for soil deposition purposes in the past. The Modification's potential environmental effects are consistent with the impacts previously considered in the ASR EIR/EA and subsequent Addenda including impacts to air quality, noise, and sensitive species in addition to cultural resources and hazardous materials; and
- c. All appropriate measures to reduce impacts to less than significant described in the adopted ASR EIR/EA Mitigation and Monitoring Programs would apply to the Modification; and
- d. The proposed Modification would not result in any new significant environmental effects that cannot be mitigated with existing, previously identified mitigation measures in the ASR EIR/EA; and
- e. The proposed Modification would not substantially increase the severity of environmental effects identified in the ASR/EIR and its Addenda; and

- f. No new information of substantial importance has been identified or presented to MPWMD Board of Directors that the Modification would result in significant environmental effects not identified in the ASR EIR/EA and its Addenda, more severe environmental effects than described in the ASR EIR/EA and its Addenda, or require mitigation measures which were previously determined not to be feasible or are considerably different from those recommended in the ASR EIR/EA and its Addenda; and
- g. The Agenda and supporting documents for the July 20, 2020 Board Meeting are on file in the District office.

- 8) FINDING:** Addendum 6 reflects the independent judgement of the MPWMD Board, and each participating Director has reviewed and considered the information contained in the Addendum and related documents prior to making the decision on the Addendum.

**EVIDENCE:** Each Director on the Board received a copy of Addendum 6 and supporting documents as evidenced by the July 20, 2020 Board meeting packet.

- 9) FINDING:** The MPWMD Board finds that the proposed modifications to the approved ASR Phase 1 Project would not result in a measurable increase in environmental impacts over what was previously analyzed in the August 21, 2006 ASR EIR/EA and subsequent Addenda.

**EVIDENCE:** The above stated facts.







## **Denise Duffy & Associates, Inc.**

PLANNING AND ENVIRONMENTAL CONSULTING

### **MEMORANDUM**

**To:** Monterey Peninsula Water Management District, Board of Directors

**From:** Denise Duffy & Associates, Inc.

**CC:** David Stoldt, General Manager, MPWMD  
Jonathan Lear, PG, CHg, Water Resources Manager, MPWMD  
Maureen Hamilton, Water Resources Engineer, MPWMD

**Date:** July 29, 2020

**Subject:** **Aquifer Storage & Recovery Project EIR/EA – Addendum No. 6: MCWD Response**

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#### **I. Introduction**

This memorandum responds to comments raised by Marina Coast Water District (“MCWD”) in a letter dated July, 20, 2020 concerning modifications to the existing Aquifer Storage & Recovery (“ASR”) Project.<sup>1</sup> As described in Addendum No. 6 to the ASR Final Environmental Impact Report/Environmental Assessment (“ASR Final EIR/EA”)(SCH#2004121065), California American Water (“CalAm”) proposes to modify the existing ASR Project. More specifically, the proposed modification consists of the following: 1) Bypass Pipeline Modification; 2) De-Chlorination Facility Modification; and, 3) Soil Deposition Modification. These modifications are collectively referred to as the “Proposed Modification.” The Monterey Peninsula Water Management District (“MPWMD”) prepared Addendum No. 6 to the ASR Final EIR/EA to evaluate the potential environmental effects associated with the Proposed Modification in accordance with the requirements of the California Environmental Quality Act (“CEQA”) and consistent with prior modifications to the ASR Project. As discuss below, MPWMD appropriately considered the potential environmental effects associated with the Proposed Modification.

This memorandum consists of the following: 1) an introduction; 2) a brief procedural overview regarding the ASR Project, including prior modifications and related CEQA review; 3) a brief summary of the Proposed Modification; 4) a description of the applicable CEQA regulatory requirements; 5) a detailed response to Marina Coast Water District’s (“MCWD”) comments; and, 6) a general conclusion.

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<sup>1</sup> The ASR Project entails diversion of “excess” Carmel River winter flows, as allowed under water rights permits issued by the State Water Resources Control Board (“SWRCB”). These diversions are subsequently treated and transmitted via CalAm’s distribution system to specially-constructed injection/recovery wells, known as ASR wells, in the Seaside Groundwater Basin. CalAm wells divert the excess flows only during specific periods when flows exceed fisheries bypass requirements. After treatment to potable drinking water standards, water is conveyed through CalAm’s distribution system to ASR facilities (injection wells) to recharge the over-pumped Seaside Groundwater Basin. Water is then pumped back out from the Seaside Groundwater Basin during dry periods to reduce pumping-related effects on the Carmel River. This “conjunctive use” more efficiently utilizes local water resources to improve the reliability of the community’s water supply while reducing adverse effects to the Carmel River and Seaside Groundwater Basins.

## II. Procedural Overview

On March 23, 2006, MPWMD circulated the Draft EIR/EA for the ASR Project for public review. MPWMD received 13 public comments on the Draft EIR/EA. MPWMD subsequently prepared a Final EIR/EA that responded to public comments and made minor revisions/clarifications to the Draft EIR/EA. On August 21, 2006 MPWMD certified the Final EIR/EA for Phase 1 of the ASR Project, adopted a Mitigation Monitoring and Reporting Program (“MMRP”), and approved the ASR Project. ASR Phase 1 became operational in 2008.

Following certification of the ASR Final EIR/EA and construction of ASR Phase 1, MPWMD incorporated several modifications and refinements to the ASR Project to expand system operations, account for necessary modifications to improve system efficiency, and maximize allowable diversions of excess Carmel River flows. These modifications included the implementation of ASR Phase 2, addition of the Hilby Pump Station, modifications to the Monterey Pipeline, expansion of the existing backflush basin, and a water treatment facility modification. MPWMD evaluated the effects of these modifications consistent with the requirements of CEQA as follows:

- Addendum No. 1 to the ASR EIR/EA evaluated implementation of ASR Phase 2. MPWMD adopted Addendum No. 1 on April 16, 2012;
- Addendum No. 2 to the ASR EIR/EA evaluated the addition of the Hilby Pump Station. MPWMD adopted Addendum No. 2 on June 20, 2016;
- Addendum No. 3 to the ASR EIR/EA evaluated modifications to the Monterey Pipeline. MPWMD adopted Addendum No. 3 on February 22, 2017;
- Addendum No. 4 to the ASR EIR/EA evaluated the Backflush Basin Expansion. MPWMD adopted Addendum No. 4 on July 16, 2018; and,
- Addendum No. 5 to the ASR EIR/EA evaluated the Water Treatment Facility Modification. MPWMD adopted Addendum No. 6 on July 15, 2019.

In July 2020, MPWMD prepared Addendum No. 6 to the ASR Final EIR/EA. Addendum No. 6 included a comprehensive evaluation of the potential environmental effects associated with the construction and operation of the Proposed Modification in connection with the ASR Project, which MPWMD previously evaluated and approved. Based on the information contained in Addendum No. 6, MPWMD determined that the Proposed Modification would not result in any additional environmental effects beyond those previously identified in the ASR EIR/EA, as modified, or increase the severity of a previously identified significant impact. MPWMD prepared Addendum No. 6 consistent with the approach and methodology followed by MPWMD for previous modifications to the ASR Project.

Prior to adoption of Addendum No. 6, MPWMD received a letter from legal counsel representing MCWD regarding the Proposed Modification. These comments ranged from concerns related to pipeline sizing, the necessity of the Proposed Modification, as well as comments regarding the level of analysis contained in Addendum No. 6. A copy of that correspondence is included as **Attachment A**.

## III. Overview of the Proposed Modification

The Proposed Modification consists of several distinct sub-components that would improve existing ASR system operations to allow for the simultaneous ASR injection and extraction operations and recovery of Pure Water Monterey (“PWM”) water (see MPWMD ASR Final EIR/EA Addendum No. 6, at pg. 2; see also MPWMD Water Supply Committee Board Report dated April 6, 2020). Simultaneous operations would occur in March, April, and May. Injection activities at Seaside Middle School (ASR Wells 3 and 4) would be fed by the Crest Tank and utilize the proposed Bypass Pipeline (discussed below). ASR Wells 1 and 2 would produce and treat PWM water at the Santa Margarita Well site and use the existing pipeline in General Jim Moore Boulevard to transfer water south to the Hilby Pump Station. The Proposed Modification includes the

construction and operation of the proposed Bypass Pipeline, de-chlorination facility modification, and use of an existing soil deposition site. (Ibid.). The following provides a brief overview of the Proposed Modification to provide additional background regarding the Proposed Modification and supporting CEQA analysis.

The proposed Bypass Pipeline Modification consists of the construction of a new 36-inch diameter, 7,000 linear foot (“LF”), potable water transmission pipeline in General Jim Moore Boulevard.<sup>2</sup> This modification would allow for the simultaneous recovery of PWM water and the operation of the existing ASR system (Ibid.). Under existing operations, simultaneous recovery is not possible due to existing system limitations (Ibid.). Absent the proposed Bypass Pipeline, ASR injection would be limited to certain months. This would reduce the injection capacity of the ASR system and would reduce the amount of available “ASR bank.” (Ibid.). **Attachment B** includes two (2) exhibits prepared by MPWMD showing the different scenarios with and without the proposed Bypass Pipeline. As shown in these exhibits, if the bypass pipeline is not constructed (even if flows in the Carmel River are above permit conditions allowing injection), ASR injection would need to stop to allow use of the existing singular pipeline for PWM recovery in order to comply with the Cease and Desist Order (“CDO”) and recover all PWM water (Ibid.). The proposed Bypass Pipeline would allow PWM and ASR projects to function simultaneously.

The Proposed Modification also includes the construction and operation of a de-chlorination facility at the Paralta well site. This facility would dechlorinate water prior to injection into ASR Wells 3 and 4. Under current CalAm permit requirements, a 30-day retention period is required between ASR injection and extraction operations (Ibid.). This requirement effectively precludes CalAm from being able to meet existing customer demand during the 30-day retention period when extraction operations are not allowed because of reduced Carmel River diversions. Similarly, this modification also includes a de-chlorination facility at the existing Santa Margarita Treatment Facility. This modification would be located entirely within the existing treatment facility footprint and would also remove the 30-day retention period requirement prior to extraction from ASR Wells 1 and 2.

Finally, the Proposed Modification also entails the use of an existing soil deposition site located along the west side of General Jim Moore Boulevard. This site is commonly referred to as the “Mescal Soil Deposition Site.” This site has been used for soil deposition associated with construction activities in the past and excess soil would be disposed of at this location consistent with soil disposal requirements for property located within the former Fort Ord. Fencing and/or flagging would be installed at the soil deposition site under the direction of a qualified biologist to ensure impacts to biological resources would be avoided.

In addition to the physical site improvements described above, the Proposed Modification would also be required to comply with applicable Project Environmental Commitments contained in the ASR Final EIR/EA (see **Attachment C**). Similarly, the Proposed Modification would also be required to comply with applicable mitigation measures identified in the MMRP prepared for the ASR Project. MPWMD identified the mitigation measures that would be applicable to the Proposed Modification in Addendum No. 6 (see Attachment 4 to Addendum No. 6). The implementation of these measures would ensure that the Proposed Modification would not result in any new significant environmental effects beyond those identified in the ASR Final EIR/EA or increase the severity of a previously identified significant effect. MPWMD would be responsible for ensuring that all applicable environmental commitments and mitigation measures are implemented in connection with the Proposed Modification.

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<sup>2</sup> Public Resources Code Sec. 21080.21 excludes pipelines of less than one (1) mile in length (i.e., less than 5,280 LF) from CEQA review if the pipeline is within a public street or highway or any other public right-of-way. Here, the proposed Bypass Pipeline is entirely within the exiting paved right-of-way of General Jim Moore Boulevard. However, because the proposed Bypass Pipeline is 7,000 LF it exceeds that one (1) mile, the Bypass Pipeline is not excluded from further CEQA review. As a result, MPWMD determined that an Addendum to the existing ASR Final EIR/EA would be the appropriate level of environmental review due to the direct nexus between the Proposed Modification and the ASR Project.

#### IV. Applicable CEQA Requirements

Sec. 15164 of the CEQA Guidelines governs the preparation of an addendum to an EIR or Negative Declaration. Section 15164(a) states that the “lead agency... shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR have occurred.” CEQA Guidelines Sec. 15162(a) indicates that “no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in light of the whole record, one or more of the following:<sup>3</sup>

- 1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- 2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- 3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
  - a) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
  - b) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
  - c) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
  - d) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.”

As described below, MPWMD determined that an Addendum was the appropriate level of environmental review for the Proposed Modification, MPWMD concluded that a subsequent or supplemental EIR was not required under CEQA Guidelines Section 15162. Here, MPWMD determined that the Proposed Modification would not result in: 1) a substantial change in the project which would require *major revisions* of the environmental impact report; 2) substantial changes with the respect to the circumstances under which the project is being undertaken which would require *major revisions* in the environmental impact report; and, 3) new information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available that would result in additional environmental effects beyond those previously identified in the ASR Project Final EIR/EA. As a result, MPWMD determined that the Proposed Modification would not result in any additional adverse

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<sup>3</sup> CEQA Guidelines Sec. 15162 implements the requirements of Public Resources Code Sec. 21166, which limits the preparation of subsequent EIRs under certain situations. Sec. 15162 interprets the three (3) situations in which Public Resources Code Sec. 21166 requires preparation of a subsequent EIR. Public Resources Code Sec. 21166 states that: “When an environmental impact report has been prepared for a project pursuant to this division, no subsequent or supplemental environmental impact report shall be required by the lead agency or by any responsible agency, unless one or more of the following events occurs: (a) Substantial changes are proposed in the project which will require major revisions of the environmental impact report; (b) Substantial changes occur with respect to the circumstances under which the project is being undertaken which will require major revisions in the environmental impact report; or, (c) New information, which was not known and could not have been known at the time the environmental impact report was certified as complete, becomes available.”

environmental effects beyond those disclosed in the ASR Final EIR/EA or result in an increase in the severity of a previously identified significant impact. MPWMD based their conclusion on substantial evidence, including, but not limited to, 1) existing site characteristics (i.e., developed/disturbed nature of the site); 2) description of the Proposed Modification, including information related to each of the proposed sub-components, anticipated construction schedule, and supporting exhibits; 3) site visits conducted by DD&A and MPWMD's staff familiarity with the site; 4) existing information contained in the ASR Final EIR/EA; 5) existing mitigation measures and Project Environmental Commitments identified in the ASR Final EIR/EA; 6) technical documentation previously prepared in support of the ASR Project; and, 7) project-level technical review of the Proposed Modification.

## V. Response to MCWD Comments

MCWD submitted written comments regarding the adequacy of MPWMD's environmental review, as well as the necessity of the Proposed Modification (see **Attachment A**). As described above, MPWMD previously described the purpose of the Proposed Modification. The following specifically responds to environmental issues raised by MCWD's legal counsel.

### a. The Proposed Modification would modify the existing ASR Project and MPWMD is the appropriate lead agency.

MCWD states that it appears that the proposed Bypass Pipeline is necessary to address deficiencies with CalAm's proposed Monterey Peninsula Water Supply Project ("MPWSP") rather than address existing operational needs of the ASR Project. MCWD contends that the Proposed Modification is an attempt to avoid mitigation requirements required by the California Public Utilities Commission ("CPUC") identified in the MPWSP Final EIR/EIS. MCWD further appears to suggest that MPWMD is not that appropriate Lead Agency to consider the Proposed Modification.

As noted above, the Proposed Modification is an important component of the ASR Project and is necessary to ensure the simultaneous operation of the ASR Project and the PWM Project under existing conditions regardless of whether the MPWSP or PWM Expansion are pursued in the future. MPWMD previously identified that failure to construct the Proposed Modification would limit ASR operations and thereby reduce available water supply to serve existing demand (see **Attachment B**). While the Proposed Modification would connect to CalAm's transfer pipeline and could be used to transfer other source supplies in the future (e.g., PWM expansion), the Proposed Modification has separate and independent utility from both the PWM Expansion and MPWSP. The Proposed Modification is necessary to ensure the simultaneous operation of the ASR Project and PWM under existing conditions. As a result, there is a direct nexus between the Proposed Modification and the existing ASR Project. Therefore, the Proposed Modification has independent utility from the MPWSP and PWM Expansion – if neither project is constructed, the Proposed Modification would still be needed, could still be implemented by MPWMD, and is not contingent upon the approval of either project. (see *Del Mar Terrace Conservancy, Inc. v. City Council of the City of San Diego* (1992) 10 Cal. App. 4th 712 (upholding an EIR that treated as a project one freeway segment within a long term, multi-segment regional plan because the one segment would serve a viable purpose even if the later segments were never built); see also *Sierra Club v. West Side Irrigation Dist.* (2005) 128 Cal.App.4th 690, 698-700 (finding independent utility where two projects could be implemented independently of each other and where they were approved by different independent agencies.) For these reasons, MPWMD appropriately evaluated the Proposed Modification as a modification to the ASR Project.

In addition, as identified in Sec. 15051(b) of the CEQA Guidelines, "[i]f a project is to be carried out by a nongovernmental person or entity, the lead agency shall be the public agency with the greatest responsibility for supervising or approving the project as a whole." Here, MPWMD is the public agency with the greatest responsibility for supervising or approving the Proposed Modification. The Proposed Modification, which includes several sub-components, is directly related to improving existing ASR system

operations to account for previously identified system limitations that will prevent MPWMD and CalAm for maximizing ASR diversions. Moreover, the Proposed Modification is not merely limited to the proposed Bypass Pipeline. The Proposed Modification also includes the construction and operation of a de-chlorination facility at the Paralta Well site to eliminate the 30-day retention period for ASR Wells 3 and 4. Similarly, the Proposed Modification also includes the addition of a de-chlorination facility at the Santa Margarita Well site to eliminate the 30-day retention period for ASR Wells 1 and 2. MPWMD is the primary public entity responsible for the oversight and operation of the ASR program. Therefore, because the Proposed Modification is to the existing ASR Project it is appropriate that MPWMD serves as the Lead Agency for the Proposed Modification.

As identified by MPWMD, the Proposed Modification would be required to comply with all applicable mitigation measures identified in the ASR Final EIR/EA. While the mitigation measures contained in the ASR Final EIR/EA may be different from those contained in the MPWSP EIR/EIS, MPWMD previously determined that these mitigation measures were appropriate to ensure that the potential environmental effects associated with the ASR Project and subsequent modifications were adequately addressed within the context of CEQA. Furthermore, it is also important to recognize that the Proposed Modification is located primarily within paved portions of the General Jim Moore Boulevard road right-of-way and previously developed/disturbed sites (i.e., Paralta Well site and Santa Margarita Well site) that are improved with existing ASR Project infrastructure. As a result, the existing mitigation measures contained in the ASR Final EIR/EA are more than adequate to address that the potential effects associated with the Proposed Modification.

The Proposed Modification, as described in Addendum No. 6 and supporting documentation presented before the MPWMD Water Supply Committee, clearly demonstrate the necessity of the Proposed Modification to ensure the simultaneous operation of both the ASR Project and the PWM Project. MPWMD served as lead agency for prior modifications to the ASR Project and it is appropriate for MPWMD to serve as lead agency in connection with the Proposed Modification. As described above, the Proposed Modification is necessary to ensure system reliability and redundancy, maximize allowable Carmel River diversions and maintain consistency with SWRCB Orders related to reducing diversions from the Carmel River.

For these reasons, MPWMD appropriately considered the Proposed Modification as a change to the approved ASR Project and the Proposed Modification has independent utility from potential future water supplies. Furthermore, MPWMD is the appropriate lead agency to consider the Proposed Modification.

**b. MPWMD appropriately considered and evaluated the potential environmental effects associated with the Proposed Modification consistent with the requirements of CEQA Guidelines Secs. 15162 and 15164.**

MCWD suggests that Addendum No. 6 is not adequate to cover the additional project components and that MPWMD only considered the additional project components included in the Proposed Modification in isolation. MCWD states that an agency must consider the impacts caused by the project modifications in combination with the impacts previously analyzed in the EIR to determine whether there would be any new or more severe impacts.

MPWMD did not consider the potential impacts associated with the Proposed Modification in isolation. In fact, MPWMD clearly evaluated the effects of the Proposed Modification within the context of the entire ASR Project and related modifications. MPWMD summarized the findings of the prior CEQA documentation, evaluated the effects of the Proposed Modification, and then subsequently concluded whether the Proposed Modification would increase the severity of a previously identified significant impact (i.e., MPWMD considered whether the Proposed Modification would contribute, that is add, to a previously identified impact for the approved ASR Project). MPWMD included a detailed evaluation of the individual effects associated with the Proposed Modification and evaluated whether those effects would increase the

severity of a previously identified impact. This approach is consistent with the requirements of CEQA – the only way to effectively determine whether a project would increase the severity of a previously identified impact is to consider the incremental effects associated with a modification in combination with the effects associated with the original project. In this instance, Addendum No. 6 clearly concludes under each of the respective CEQA topical sections that the Proposed Modification would not result in any additional impacts *or* increase the severity of a previously identified impact. Based on this analysis, MPWMD appropriately concluded that the Proposed Modification would not result in any additional environmental effects beyond those previously identified or increase the severity of any significant impacts identified in the ASR Final EIR/EA and related addenda.

For these reasons, MPWMD did not consider the Proposed Modification in isolation and appropriately considered whether the Proposed Modification would increase the severity of a previously identified impact.

**c. Addendum No. 6 does not constitute improper “piecemealing.”**

MCWD suggests that Addendum No. 6 violates CEQA’s supplemental review requirements and constitutes improper “piecemealing.”

CEQA requires that a lead agency must consider the “whole of the action” – in other words CEQA does not allow a project proponent or Lead Agency to “piecemeal” a project (i.e., pursue separate smaller projects that are part of a larger action to minimize the level of environmental review). In this instance, MPWMD considered and fully evaluated the environmental effects associated with the construction and operation of the ASR Project. Subsequently, MPWMD and CalAm identified that additional modifications were necessary to improve system function and reliability, maximize diversions of excess Carmel River flows, and incorporate additional modifications to account for design changes due to the development of other water supply projects (e.g., Monterey Pipeline, PWM, etc.). The preparation of an addendum to account for necessary modifications to an existing project does not constitute “piecemealing.”

Here, MPWMD prepared Addendum No. 6 to consider further modifications to the ASR Project proposed by CalAm. These modifications are necessary to address existing system deficiencies and ensure system reliability. This approach does not constitute piecemealing – MPWMD considered these modifications within the context of previous environmental review process, including prior addenda. The incorporation of a modification to an existing project that was subject to prior environmental review does not constitute piecemealing. Rather, this is the exact circumstance that the legislature envisioned when providing for a process to amend an existing EIR or Negative Declaration. i.e., when some changes or additions are necessary to a project, but those revisions would not result in additional environmental effects or an increase the severity of an identified significant impact. Moreover, the Proposed Modification, as previously described, is directly related to the ASR Project. As a result, an addendum to the ASR Project is the appropriate form of review for the Proposed Modification. This does not constitute a situation of improper “piecemealing” – the Proposed Modification is not being pursued independently from the ASR Project. Rather, MPWMD considered and evaluated the effects of the Proposed Modification within the context of the existing ASR Project and associated environmental review.

As noted above, CEQA allows for lead agencies to prepare an addendum to a previously certified EIR if some changes or additions are necessary provided the project would not result in any additional significant environmental effects or increase the severity of a previously identified significant impact. As identified throughout Addendum No. 6, none of these conditions would occur in connection with the Proposed Modification. In fact, Addendum No. 6 clearly identifies that the Proposed Modification would be exclusively located within the existing paved right-of-way of General Jim Moore Boulevard and previously disturbed/developed sites that are improved with existing water supply infrastructure associated with the ASR Project. Moreover, MPWMD also identified that the Proposed Modification would be required to comply

with applicable mitigation measures and project environmental commitments identified in the ASR Final EIR/EA. MPWMD did not consider the Proposed Modification in isolation, but rather considered the Proposed Modification within the context of the ASR Project, as a whole, as well as site-specific environmental conditions.

MPWMD appropriately evaluated the potential effects associated with the Proposed Modification and did not improperly “piecemeal” the Proposed Modification.

**d. MPWMD appropriately evaluated potential air quality effects associated with the Proposed Modification consistent with the Monterey Bay Air Resources District (“MBARD”) CEQA Guidelines.**

MCWD erroneously contends that MPWMD determined that Proposed Modification does not require CEQA review for air quality and greenhouse gas emissions because it does not meet threshold screening criteria given the limited scope of the Proposed Modification. This is factually incorrect. MCWD also further suggests that the analysis must consider whether adding the new components would result in new or more severe impacts.

MPWMD evaluated the potential air quality effects, including potential greenhouse gas emissions, associated with the construction and operation of the Proposed Modification. In fact, MPWMD clearly identified that the Proposed Modification would generate emissions during construction and operation of the Proposed Modification. Table 1, Construction Air Quality Emissions, identifies that the Proposed Modification would result in temporary air quality emission during construction-related activities. The temporary increase in construction-related emissions would be below applicable MBARD CEQA thresholds of significance. In addition, Table 2, Operational Air Quality Emissions, also identifies that the Proposed Modification would generate additional air quality emissions during operation. In addition, MPWMD also identified anticipated greenhouse gas emissions associated with the Proposed Modification (see Addendum No. 6, at pg. 23 – 24). These potential effects are also below applicable MBARD thresholds of significance. Contrary to MCWD assertions, MPWMD clearly evaluated potential air quality effects associated with the Proposed Modification.

MPWMD clearly identified that the Proposed Modification would not increase the severity of a previously identified significant impact. As discussed above, MPWMD appropriately considered whether the environmental effects would increase the severity of a previously identified impact (i.e., would the Proposed Modification, when considered with the ASR Project and prior modifications, increase the severity of a previously identified impact). Here, the potential air quality effects associated with the Proposed Modification are relatively insignificant. Similarly, the ASR Final EIR/EA identified that potential air quality effects associated with the ASR Project, as modified, would be relatively insignificant and would not exceed applicable MBARD thresholds of significance. The relatively minor increase in air quality effects associated with the Proposed Modification would not increase the severity of any previously identified air quality effect. In addition, it is also worth noting that construction-related effects are temporary in nature and therefore the incremental increase in impacts associated with the Proposed Modification would not contribute to other ASR related construction emissions since the ASR Project, as modified, has already been constructed.

MPWD appropriately evaluated potential air quality effects, including greenhouse gas emissions.

**e. Addendum No. 6 contains sufficient information to determine the extent of potential environmental effects associated with the Proposed Modification and appropriately concludes that the Proposed Modification would not result in new or substantially more severe significant impacts than those disclosed in the ASR Final EIR/EA, as modified.**



MCWD states that there is insufficient information to determine whether the ASR Project, as modified, would result in new or substantially more severe impacts that were not disclosed in the EIR.

MPWMD determined that the Proposed Modification would not result in any new environmental effects beyond those associated with the ASR Project, as modified, or increase the severity of a previously identified significant effect. MPWMD based this determination on a variety of factors, including, but not limited to: 1) existing site characteristics (i.e., developed/disturbed nature of the site); 2) description of the Proposed Modification, including information related to each of the proposed sub-components, anticipated construction schedule, and supporting exhibits; 3) site visits conducted by DD&A, MPWMD's environmental consultant, as well as MPWMD's staff familiarity with the site; 4) existing information contained in the ASR Final EIR/EA; 5) existing mitigation measures and Project Environmental Commitments identified in the ASR Final EIR/EA; 6) technical documentation previously prepared in support of the ASR Project; and, 7) project-level technical review of the Proposed Modification. MPWMD relied on this information to determine the extent of potential environmental effects associated with the Proposed Modification and whether the Proposed Modification would result in any new or more severe environmental effects.

In addition to the factors listed above, it is also important to recognize that the extent of potential impacts associated with the Proposed Modification would be limited given the existing developed/disturbed nature of the site. For instance, the proposed Bypass Pipeline modification would be entirely within the existing paved right-of-way of General Jim Moore Boulevard. Potential resources-related effects, therefore, would be limited. Similarly, the Proposed De-chlorination Facility Modification, which includes a de-chlorination facility at the Paralta Well site and a facility at the Santa Margarita Well site, would also be within existing developed/disturbed areas - the Paralta and Santa Margarita Well sites are both improved with existing ASR infrastructure. Given the existing developed/disturbed nature of the project footprint, MPWMD concluded that the extent of environmental effects would be limited primarily to temporary construction-related effects (e.g., temporary air quality emissions, temporary construction-related erosion, temporary traffic-related effects due to lane closures, temporary construction-related noise, etc.).<sup>4</sup> MPWMD appropriately disclosed the nature of potential impacts associated with the Proposed Modification. MPWMD also appropriately identified that temporary construction-related effects would be addressed through the implementation of existing mitigation measures identified in the ASR Final EIR/EA.<sup>5</sup>

While the location of a project informs the extent of potential environmental effects, it is also important to recognize that the project type also similarly informs the extent of potential effects. Here, the Proposed Modification consists of a new pipeline, de-chlorination facilities, and the temporary use of an existing soil deposition in accordance with soil disposal requirements for properties in the former Fort Ord. Most impacts associated with these types of activities are typically temporary in nature and are associated with construction. For instance, impacts associated with potable pipelines tend to be limited to construction. Most pipelines are typically underground and do not result in above ground features that would permanently alter the existing character of a site following construction and subsequent restoration-related activities. Once constructed, operational impacts are limited to periodic maintenance related activities and routine inspections. Here, the Proposed Modification includes the construction of a new pipeline within the existing paved right-of-way of General Jim Moore Boulevard. Given the nature of this modification (and the existing developed nature of the site), MPWMD appropriately concluded that the effects would be relatively insignificant and confined to temporary construction impacts. Similarly, the De-chlorination Facility Modification would also primarily result in temporary construction-related effects. Unlike the proposed Bypass Pipeline, the De-Chlorination Facility Modification would include permanent above ground features. This could result in

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<sup>4</sup> MPWMD also identified that the Proposed Modification would result in potential operational impacts associated with routine maintenance related activities associated with the proposed de-chlorination facility modification.

<sup>5</sup> It is also worth noting that construction-related effects are temporary in nature and therefore construction-related effects associated with the ASR Project have already occurred. Therefore, the incremental construction-related effects associated with the Proposed Modification would not substantially increase construction effects associated with the ASR Project.

potential effects due to on-going operation, including potential aesthetic-related effects, hydrology/drainage, noise, traffic, etc. MPWMD clearly disclosed these effects in Addendum No. 6. Additionally, the use of an existing soil deposition site to temporarily stockpile soil in accordance with soil handling procedures for properties within the former Fort Ord would result in limited environmental effects. The Proposed Modification includes measures to ensure that temporary construction effects due to the use of this area would be addressed. Again, just like the characteristics of a site inform the environmental analysis, the project type also equally informs environmental analysis and extent of potential effects.

Finally, as noted elsewhere in this memorandum, it is necessary to reiterate that MPWMD did not consider the Proposed Modification's potential environmental effects in isolation. MPWMD clearly summarized the effects of the ASR Project, as modified, evaluated the impacts associated with the Proposed Modification, and then subsequently considered whether the Proposed Modification would result in any new environmental effects or increase the severity of a previously identified impact. In order to determine whether the Proposed Modification would increase the severity of a previously identified impact, MPWMD necessarily considered whether the Proposed Modification would contribute (i.e., add) to a previously identified impact. MPWMD appropriately concluded that the Proposed Modification would not increase the severity of a previously identified impact.

For these reasons, MPWMD adequately disclosed the extent of potential impacts associated with the Proposed Modification based on a detailed review of the Proposed Modification, as well as existing technical information prepared in support of the ASR Project, including documentation prepared in support of previous modifications to the ASR Project.

**f. MPWMD appropriately evaluated potential transportation related impacts.**

MCWD states that the analysis of transportation impacts is also inadequate. MCWD, incorrectly, states that MPWMD did not analyze the extent of potential traffic disruption or the amount of traffic. MCWD further states that the conclusion that traffic control measures would be sufficient to ensure that temporary construction-related traffic effects due to temporary lane closures is not adequate.

MPWMD appropriately identified that construction of the Proposed Modification could result in temporary traffic-related impacts due to lane closures associated with the construction of the proposed Bypass Pipeline. More specifically, MPWMD identified that temporary lane closures could potentially affect the existing transportation circulation system and affect emergency access. MPWMD also further identified that the Proposed Modification would result in temporary increases in construction-related traffic, as well as a minor increase in operational traffic due to on-going maintenance related activities and routine deliveries. MPWMD further identified anticipated construction and operational traffic associated with the Proposed Modification.

MPWMD concluded that temporary construction impacts due to temporary lane closures would be addressed through the implementation of traffic control measures. Addendum No. 6 identifies that CalAm would implement traffic control measures as part of the Proposed Modification. Moreover, MPWMD also requires the implementation of traffic control measures as part of the ASR Project and associated modifications. More specifically, the ASR Final EIR/EA identifies several "Project Environmental Commitments" that MPWMD requires as part of the ASR Project. One of the applicable "Project Environmental Commitments" requires the preparation of a traffic control plan. The purpose of the traffic control plan is to: 1) reduce, to the extent feasible, the number of vehicles on roadways adjacent to the project; 2) reduce, to the extent feasible, the interaction between construction equipment and other vehicles; 3) promote public safety through actions aimed at driver and road safety; and, 4) ensure safety for bicyclists and pedestrians. **Attachment C** identifies the traffic control plan requirements as specified in the ASR Final EIR/EA. In addition, it is also worth noting that the Proposed Modification will also be required to comply with mitigation measures identified in the ASR Final EIR/EA, including Mitigation Measure Cume-1 which

requires coordination with affected jurisdictions to ensure construction phasing to minimize potential traffic-related effects, as well as other potential cumulative effects. Additionally, CalAm will also need to submit a detailed traffic control plan to the City of Seaside as part of the City's encroachment permit process for work within the City's right-of-way (i.e., General Jim Moore Boulevard).

The implementation of traffic control measures during temporary lane closures will ensure that the Proposed Modification would not result in any additional impacts or increase the severity of a previously identified impact. MPWMD appropriately identified that the Proposed Modification would result in temporary construction-related effects and identified that the Proposed Modification will implement applicable traffic control measures to address temporary impacts due to lane closures.

**g. MPWMD appropriately considered potential growth inducing effects associated with the Proposed Modification.**

MCWD states that MPWMD did not consider potential growth inducing effects associated with the Proposed Modification.

MPWMD identified that the Proposed Modification would not induce substantial unplanned population growth. The Proposed Modification is a necessary modification to the existing ASR Project. More specifically, the Proposed Modification is necessary to ensure that the ASR Project and PWM can operate simultaneously during certain periods of the year when the use of the existing single pipeline would cause ASR operations to temporarily cease which would reduce available water supplies to serve existing demand. The Proposed Modification would not result in an increase in existing diversion limits for ASR or cause an increase in available water supply to facilitate additional growth or development. Rather, this modification would allow MPWMD and CalAm to ensure that existing water rights are perfected to ensure reliability of water supply serving the Monterey Peninsula. Moreover, as identified in the ASR Final EIR/EA, the ASR Project is not considered growth-inducing since the ASR Project is not creating a new source of water, which represents the primary constraint/obstacle to growth in the region. Rather, the purpose of the ASR Project is to reduce the amount of water diverted from the Carmel River during the summer by diverting, on average, a similar amount of water during the winter when flows are greater, and storing the water in the Seaside Groundwater Basin. The ASR Project, including the Proposed Modification, is necessary to comply with applicable SWRCB Orders mandating the reduction of diversions from the Carmel River. As identified in the ASR Final EIR/EA, no allocation of new water would result from the ASR Project - the ASR Project is not creating a new source of water and is not removing an obstacle to population growth or fostering growth.

The construction of a new water supply pipeline is not, in and of itself, evidence of a potential growth inducing effect. Moreover, pipeline sizing is also not necessarily indicative of a potential growth inducing effect. There are certain situations where the extension of water supply/wastewater infrastructure to a previously unserved area would be considered growth-inducing because those facilities would potentially remove an obstacle to development (i.e., lack of available water supply or wastewater services). The construction of the Proposed Modification is not, however, akin to extending services to a previously unserved area. Similarly, the Proposed Modification would not remove an existing obstacle to development. As discussed elsewhere, this modification is necessary to ensure that the ASR Project and PWM can operate simultaneously and thereby ensure that ASR diversions are fully realized. The ASR Final EIR/EA appropriately accounted for and evaluated potential growth inducing effects associated with the full utilization of the ASR Project. The purpose of the Proposed Modification is not to facilitate additional development nor would the Proposed Modification remove an existing obstacle to development. The Proposed Modification represents a modification to an existing water supply project to ensure that the project can fully operate. The Proposed Modification would not be growth inducing.

For these reasons, MPWMD appropriately concluded that the Proposed Modification would not result in any potential growth inducing effects consistent with the findings of the ASR Final EIR.

**h. The Proposed Modification would not result in any new cumulative effects or increase the severity of a previously identified cumulatively considerable effect.**

MCWD states that the addendum must consider other cumulative projects, including the MPWSP, and other projects in the area.

MPWMD evaluated the potential cumulative effects associated with the construction and operation of the ASR Project. As previously identified by MPWMD, cumulative effects associated with the ASR Project are primarily related to construction activities and the potential overlap of ASR construction with other projects in the project vicinity. MPWMD identified that the ASR Project could result in cumulative traffic effects, cumulative air quality related effects during overlapping construction schedules with other planned projects, cumulative noise effects due to construction, as well as potential cumulative effects to biological resources. MPWMD identified that these effects would be less-than-significant through the incorporation of Mitigation Measure Cume-1, which requires MPWMD to coordinate with local agencies to develop and implement a phased construction plan to reduce potential cumulative traffic, air quality, and noise related effects. See Attachment 4 to Addendum No. 6 for a full listing of mitigation measures applicable to the ASR Project, including the Proposed Modification.

The Proposed Modification would not increase the severity of a previously identified cumulative effect or result in any additional cumulative effects beyond those previously identified in the ASR Final EIR/EA. The Proposed Modification would primarily result in temporary construction-related impacts. Construction impacts would be limited in duration and primarily confined within the existing paved right-of-way of General Jim Moore Boulevard and previously developed/disturbed well sites that are improved with existing ASR infrastructure. The Proposed Modification would not overlap with the construction of other ASR components since those elements have been constructed. In addition, the Proposed Modification is not anticipated to result in any construction schedule overlap with portions of the MPWSP located in the vicinity of the Proposed Modification. Construction of the Proposed Modification would commence in January 2021 (or sooner) depending on equipment and material procurement, coordination with the City of Seaside, and finalization of construction specifications. While MPWMD identified that construction of the Proposed Modification would take approximately eight (8) months, actual pipeline installation would take approximately 3.5 months (assuming installation of 500 LF per week). As noted above, MPWMD requires that all modifications to the ASR Project comply with the mitigation measures identified in the ASR Final EIR/EA. As a result, construction activities would be coordinated with local land use jurisdictions (i.e., City of Seaside) to ensure that construction activities would be phased to minimize potential effects.

For the reasons described above, MPWMD appropriately concluded that the Proposed Modification would not result in any additional cumulative effects beyond those previously disclosed in the ASR Final EIR/EA.

## **VI. Conclusion**

MPWMD appropriately evaluated the potential effects associated with the Proposed Modification in accordance with the requirements of CEQA. MPWMD prepared a detailed addendum that described the Proposed Modification, summarized the findings of prior environmental documentation prepared for the ASR Project, disclosed the extent of potential effects associated with the Proposed Modification, and considered whether the Proposed Modifications would result in any additional environmental effects beyond those previously identified or would increase the severity of a previously identified significant impact. MPWMD did not consider the Proposed Modification in isolation, but rather considered the potential effects associated with the Proposed Modification within the context of the entire ASR Project and prior CEQA review.

**Attachment A**

**MCWD Comment Letter**



Howard "Chip" Wilkins III  
cwilkins@rmmenvirolaw.com

July 20, 2020

Via Email

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

Re: Proposed Bypass Pipeline & De-Chlorination Facility Modification

Dear Board of Directors:

This letter provides Marina Coast Water District's (MCWD) comments on the Sixth Addendum to the Aquifer Storage and Recovery Project Environmental Impact Report/Environmental Assessment, which purports to cover a proposed Bypass Pipeline and De-Chlorination Facility Modification ("Project"). As explained herein, MCWD requests the Monterey Peninsula Water Management District's (MPWMD) delay voting on the Project and confer with MCWD to address potential conflicts with MCWD's infrastructure and pipelines in the Project area. MCWD wishes to convey its full support for MPWMD's objectives for the ASR Project. MCWD is confident that it can work with MPWMD to ensure its interests and concerns relating the Project's environmental impacts are resolved in a way that allows both the Project to move forward and MCWD to meet the present and planned future water supply needs of the Central Marina and Ord Community service areas.

Initially, we note that the footprint of the proposed bypass pipeline Cal-Am now wants to build matches the footprint of the new Cal-Am pipeline that was analyzed as part of the Pure Water Monterey (PWM) expansion project. The proposed bypass pipeline doesn't appear to have any impact on simultaneous ASR injection and PWM extraction because, pursuant to Cal-Am's agreement with the Seaside Basin Watermaster, PWM water can be extracted at eleven different wells in Seaside, include the existing ASR wells—which are both injection and extraction. The new "bypass" pipeline, on the other hand, appears to be intended to move PWM water further south into the Cal-Am system.

If Cal-Am wants to inject and extract ASR water simultaneously, it should better explain the deficiencies in its system to justify the need for this extra pipeline. As explained below, it appears that Cal-Am proposed modifications to its facilities are an attempt to address deficiencies in the Monterey Peninsula Water Supply Project (MPWSP) and to avoid mitigation requirements for these facilities required by the

a

California Public Utilities Commission (CPUC) in the MPWSP EIR/EIS. To avoid this subversion of CEQA, MCWD supports and believes CEQA requires exploring mutually beneficial uses of MCWD’s potable water conveyance pipeline that can meet the present and planned future needs of MCWD and ASR without Cal-Am’s proposed new 36 inch pipeline. MCWD incorporates by reference its comments on the pipeline for the “Proposed Modifications to the Pure Water Monterey Groundwater Replenishment Project.” Those comments can be found at <https://purewatermonterey.org/wp/wp-content/uploads/Final-SEIR-Proposed-Modifications-PWM-GWR-Project-April-2020.pdf> from pages 4-90 through 4-97. As explained in our comments on the PWM expansion project, the modification to Cal-Am’s distribution system are proposed for the Monterey Peninsula Water Supply Project and the CPUC is the CEQA Lead Agency for the proposed modifications to Cal-Am’s distribution system. MCWD also requests MPWMD review other comments in the Final EIR relating to the project to ensure it has fully considered the environmental impacts of the project.

a  
continued

Based on our limited review, the addendum is not adequate to cover the additional project components. In general, CEQA Guidelines section 15162 requires a subsequent or supplemental EIR if changes to a project will result in new or substantially more severe significant impacts compared to what was disclosed in the EIR, and an addendum is only permissible if none of the conditions specified in Guidelines section 15162 have occurred. When performing the analysis required under section 15162, an agency must *add* the impacts caused by the project modifications to the project analyzed in the EIR to determine whether there would be any new or more severe impacts. Although an addendum will focus on the project modifications, it cannot analyze the modifications in isolation. Otherwise the document would be more akin to a Mitigated Negative Declaration, which is subject to a different set of CEQA rules.

b

Here, the addendum violates CEQA by only looking at the additional components—that were not even contemplated in the EIR—in complete isolation and analyzes whether the additional components, by themselves, would result in significant impacts. This does not fulfill CEQA’s requirements. Instead, the addendum must look at the entire project—the EIR project plus the additional components—to determine whether any of the events triggering the need for a supplemental or subsequent EIR have occurred. Otherwise, a project proponent would be able to continuously add new components onto a project without CEQA review so long the impacts caused by the additional component, by itself, are less than significant. That is not how CEQA works. This violates CEQA’s supplemental review requirements and constitutes improper “piecemealing.” Moreover, even if CEQA did allow new components to be continuously tacked-on to a project after an EIR is complete, despite the snowballing of environmental impacts, the addendum fails to consider cumulative impacts caused by the entire project, or other cumulative projects.

c

For example, for Air Quality and Greenhouse Gas Emissions, the addendum claims that the additional project components do not require CEQA review because they do not meet threshold screening criteria given their limited scope. But the analysis must

d



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consider whether *adding* the new components to the project would result in new or more severe significant impacts, not whether the additional components meet the screening thresholds by themselves. By dodging this analysis, the addendum does not disclose the amount of emissions that the new components would generate or whether the addition of those emissions would cause new or more severe environmental impacts.

d  
continued

In fact, because the addendum does not quantify emissions, it is impossible to tell whether there would be new or more severe impacts. This problem runs throughout the addendum into other resources, including noise and hydrology/water quality, for example. There is simply not enough information in the addendum to determine whether the project, as modified with the additional components, would result in new or substantially more severe significant impacts that were not disclosed in the EIR.

e

The analysis of transportation impacts is also inadequate. Although the addendum acknowledges that temporary lane closures could adversely affect the existing circulation system and affect existing emergency access, it does not analyze the extent of the disruption or the amount of traffic. Instead, the addendum concludes in half-a-sentence that the proposed modification would include traffic control measures to ensure that potential temporary impacts during construction would not adversely affect existing traffic operations. There is no analysis or data provided to support that conclusion, and the reader has no idea what the traffic control measures might entail, much less whether they would be adequate to ensure impacts are less than significant.

f

CEQA also requires analysis of growth inducement, which appears to be missing from the addendum. This analysis is particularly important here as the proposed 36 inch pipeline seems to be vastly oversized for the stated purpose.

g

Finally, the addendum must consider other cumulative projects including the MPWSP, and other projects in the area.

h

Very truly yours,

/s/ Chip Wilkins

Howard "Chip" Wilkins III



**Attachment B**

**MPWMD April 6, 2020 Water Supply Committee Exhibit**



Without separate parallel pipeline, ASR injection would be limited to certain months to allow extraction of all additional source water from the north. With limited ASR bank and Table 13, Seaside Basin and Carmel River source water may have 200 AF buffer or less.

EXHIBIT 14-C

119

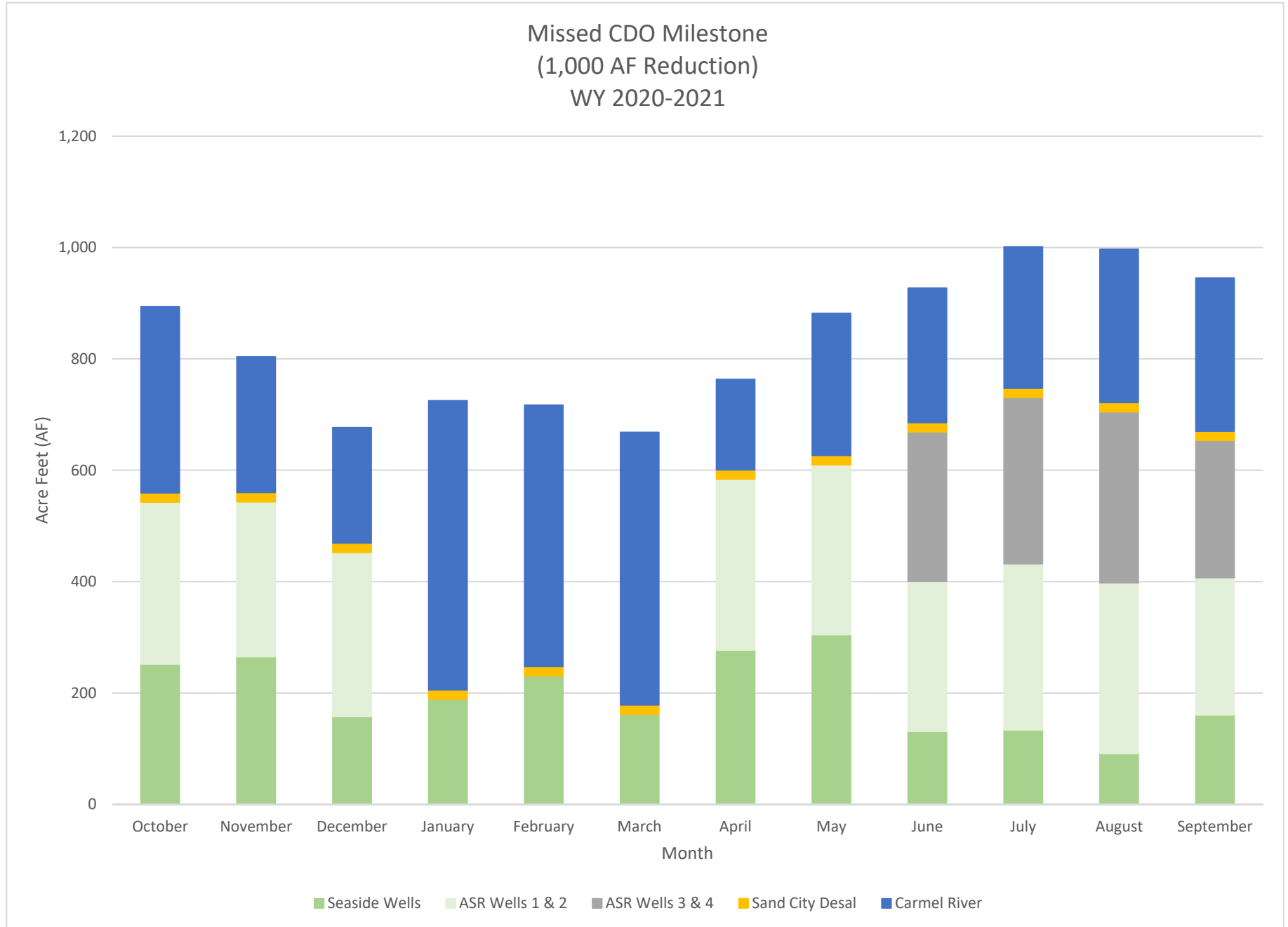
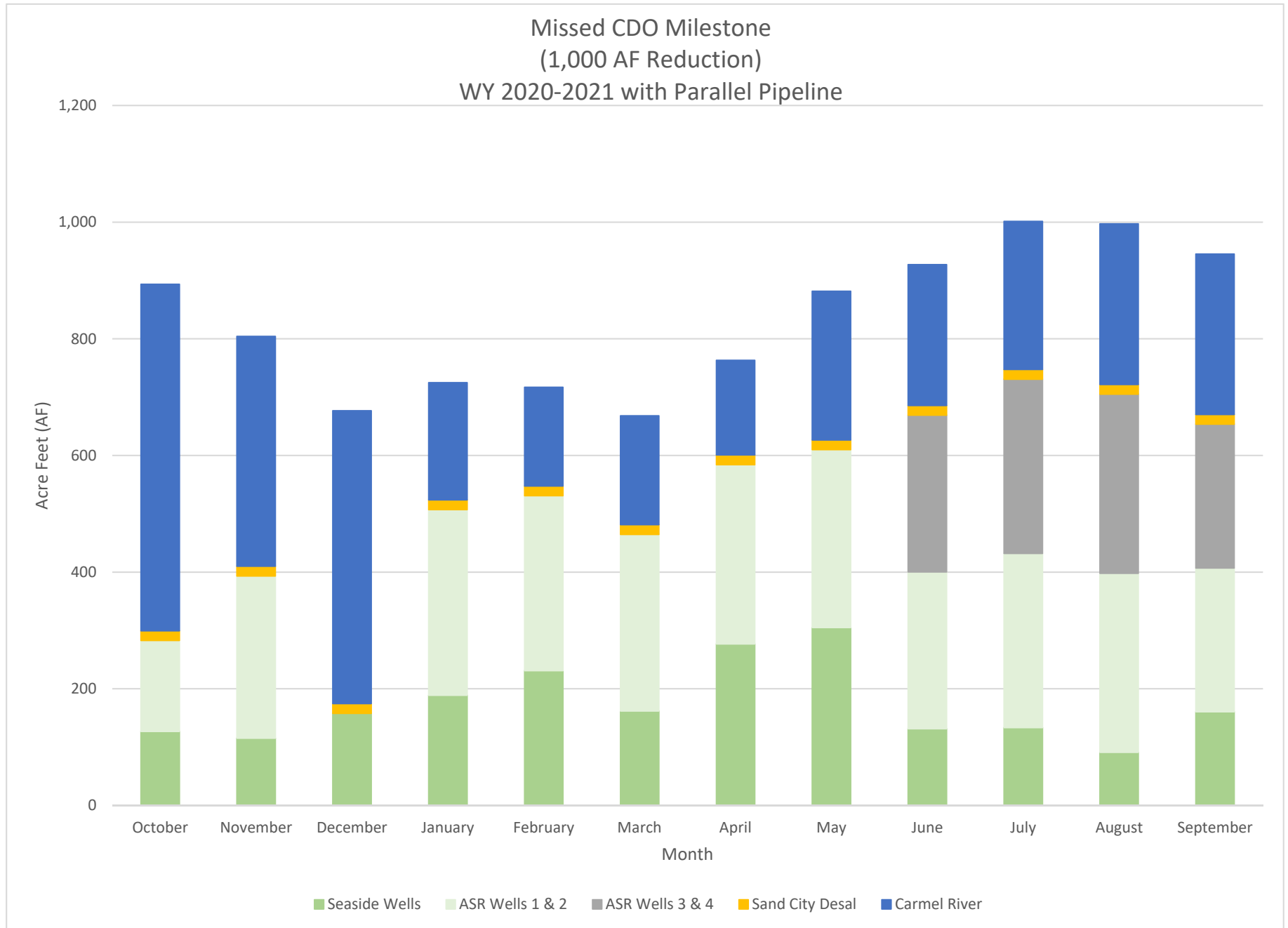


EXHIBIT 3-A

Injection of ASR via separate parallel pipeline while extracting additional source water from the north, increases ASR bank and Table 13. This results in allowing Seaside Basin limits and Carmel River ED ~~EXHIBIT 14-C~~ <sup>EXHIBIT 14-C</sup> max ASR injection year with approximately 1,000 AF <sup>120</sup> buffer.



**Attachment C**

**Project Environmental Commitments**





*The following is an excerpt from the ASR Draft EIR/EA and identifies Project Environmental Commitments that will be implemented in connection with the ASR Project, including previous modifications. These measures would also be applicable to the Proposed Modification.*

### **Project Environmental Commitments**

As part of the project planning and impact assessment process, MPWMD will incorporate the following environmental commitments into the project to avoid or minimize impacts.

### **Traffic Control Plan**

The construction contractor will coordinate with local public works or planning departments, including the City of Seaside, to prepare a traffic control plan during the final stage of project design. The purpose of the traffic control plan will be to:

- reduce, to the extent feasible, the number of vehicles (construction and other) on the roadways adjacent to the project;
- reduce, to the extent feasible, the interaction between construction equipment and other vehicles;
- promote public safety through actions aimed at driver and road safety; and
- ensure safety for bicyclists and pedestrians throughout the project study.

The traffic control plan will include the following measures:

- Through access for emergency vehicles will be provided at all times.
- Access will be maintained for driveways and private roads.
- Adequate off-street parking will be provided for construction-related vehicles through the construction period.
- Pedestrian and bicycle access and circulation will be maintained during construction. If construction encroaches onto a sidewalk, a safe detour will be provided for pedestrians at the nearest painted crosswalk. If construction encroaches on a bike lane, warning signs will be posted that indicate that bicycles and vehicles are sharing the roadway.
- Lane closures (partial or entire), traffic controls, and construction materials delivery will be restricted to between 9:00 a.m. and 4:00 p.m. on weekdays to avoid more congested morning and evening hours.
- Roadway segments or intersections that are at or approaching LOS that exceed local standards will be identified. A plan will be provided for construction-generated traffic to avoid these locations at the peak periods, either by traveling different routes or by traveling at nonpeak times.
- Traffic controls on arterials and collectors should include flag persons wearing bright orange or red vests and using a “stop/slow” paddle to warn drivers.
- Access to public transit should be maintained, and movement of public transit vehicles will not be impeded as a result of construction activities. Coordination with Monterey-Salinas Transit (MST) will be required regarding lane closures (partial or entire) that occur on bus routes and to provide notice

- of construction that could affect transit service routes so that MST can adjust routes or schedules. Adequate lead-time will need to be afforded to MST for developing temporary service changes due to construction and providing notice of changes to the public.
- Construction warning signs will be posted, in accordance with local standards or those set forth in the Manual on Uniform Traffic Control Devices in advance of the construction area and at any intersection that provides access to the construction area.
- If lane closures occur, local fire and police departments will be notified of construction locations and alternative evacuation and emergency routes will be designed to maintain response times during construction periods, if necessary.
- Written notification will be provided to appropriate contractors regarding appropriate routes to and from construction sites, and weight and speed limits for local roads used to access construction sites.
- A sign will be posted at all active construction sites. This sign will give the name and telephone number or electronic mail address of the MPWMD staff member to contact with complaints regarding construction traffic. The area of the sign should be at least 1 square yard.

The traffic control plan will be included in the construction specifications, implemented by construction contractor throughout the construction period, and monitored by MPWMD.

#### **Health and Safety Plan and Risk Management Plan**

As required by Cal/OSHA standards, the construction contractor will prepare and implement a hazardous operations site-specific Health and Safety Plan (HSP) and Resource Management Plan (RMP) for construction activities that occur on designated DOD and NPL sites (former Fort Ord). A site-specific HSP will be developed, as necessary, by an environmental contractor before any investigation or cleanup activities or construction activities begin in the area. Workers who could directly contact soil, vapors, or groundwater containing hazardous levels of constituents will perform all activities in accordance with the HSP. The RMP for construction in this portion of the project study area would identify specific measures to reduce potential risks to human and ecological populations during construction of the Proposed Project. The RMP will be submitted to the Regional Water Quality Control Board (RWQCB) for review and approval. Preparation of the RMPs and subsequent RWQCB staff approval will occur independent of the CEQA process under the administrative jurisdiction of the RWQCB.

**ITEM: DISCUSSION ITEM****15. OPTIONS FOR ELECTION OF DIRECTOR DIVISION 3**

**Meeting Date:** January 25, 2021                      **Budgeted:**

**From:** David J. Stoldt,                              **Program/**  
General Manager                                      **Line Item No.:**

**Prepared By:** David J. Stoldt                      **Cost Estimate:**

**General Counsel Approval: N/A****Committee Recommendation: None****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

**SUMMARY:** Division 3 Director Molly Evans ran unopposed in the last election, hence was appointed by the County Registrar to the District Board as Division 3 Director through 2024. Subsequently, she accepted employment on the East Coast and has decided to resign her position on the Board.

California Government Code Section 1780 dictates how a special district vacancy is filled. The Board will have the ability to either appoint a Director or call an election to fill the vacancy.

The general procedure is as follows:

	Item
December 14, 2020	New Board calls for applications from interest Director candidates
December 15, 2020	Resignation effective date
By December 30, 2020	District notifies County Registrar of vacancy (15 days from effective date)
January 20, 2021	Candidate statements of interest due at District
January 28, 2021	Board decides whether it will appoint or call for an election; May decide to appoint at special meeting on January 28, 2021
February 12, 2021	Last day for Board to appoint (60 days from effective date)
May 31, 2021	Earliest date an election could be held (no earlier than 130 days from January Board mtg)
November 2, 2021	Earliest regularly scheduled in-person election (see <b>Exhibit 15-A</b> )
November 1, 2022	Appointed Director would run for reelection
November 5, 2024	Elected Director would run for reelection

**RECOMMENDATION:** The Board should consider the trade-offs between making an appointment or calling for an election and be prepared to make a decision at its January 28, 2021 Special Meeting.

**EXHIBIT**

**15-A** Elections Code Criteria to Fill Board Vacancy

EXHIBIT 15-A

**David C. Laredo**  
**Heidi A. Quinn**  
**Frances M. Farina**  
**Michael D. Laredo**

**Paul R. De Lay**  
**(1919 – 2018)**

**Pacific Grove Office:**  
 606 Forest Avenue  
 Pacific Grove, CA 93950  
 Telephone: (831) 646-1502  
 Facsimile: (831) 646-0377

December 16, 2020

TO: Dave Stoldt, General Manager

FROM: David C. Laredo, General Counsel

RE: Elections Code Criteria to Fill Board Vacancy

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This memorandum provides analysis of MPWMD’s enabling law and the Elections Code as it pertains to MPWMD’s ability and timing to call for an election to fill its Board vacancy. For the reasons stated below as to any election called on January 25, 2021, the District Board could either set an election to fill the board vacancy on either August 31, 2021 or on November 2, 2021.

The MPWMD enabling law (found in West’s Water Code Appendix) provides at sections 118-135 and 118-223 that the Uniform District Election Law (UDEL) is applicable to MPWMD. Section 118-205 provides a Board vacancy “shall be filled pursuant to section 1780 of the Government Code.”

Gov Code Section 1780 (e) provides:

- (1) In lieu of making an appointment the remaining members of the board may within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, call an election to fill the vacancy.
- (2) The election called pursuant to this subdivision shall be held on the next established election date provided in Chapter 1 (commencing with Section 1000) of Division 1 of the Elections Code that is 130 or more days after the date the district board calls the election.

Monterey County Registrar of Voters reports there are no scheduled elections during 2021. California Election Code Section 1000 establishes the following non-scheduled election dates for elections that include polls<sup>1</sup>:

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<sup>1</sup> Alternatively, California Election Code section 1500 establishes non-scheduled election dates for all mail ballot elections as follows:

- (a) The first Tuesday after the first Monday in May of each year.
- (b) The last Tuesday in August of each year.

Importantly, section 1500 does not currently apply to a MPWMD election to fill a Board vacancy.

- (a) The first Tuesday after the first Monday in November of each year. The first Tuesday after the first Monday in March of each even-numbered year even-numbered year that is evenly divisible by four.
- (b) The first Tuesday after the first Monday in March of each odd-numbered year.
- (c) The second Tuesday of April in each even-numbered year.
- (d) The first Tuesday after the first Monday in June in each even-numbered year that is not evenly divisible by four
- (e) The first Tuesday after the first Monday in November of each year.

If the MPWMD Board calls an election to fill a Board vacancy at its meeting of January 25, 2021, neither the March 2021 election date for a poll election (Elections Code section 1000(b)) nor the May 2021 election date for an all-mail ballot election (Elections Code section 1500(a)<sup>2</sup>) are available as neither can satisfy the 130 day-or-more criteria.

For these reasons, the election date that currently applies to fill a Board vacancy called on January 25, 2021 would be held on November 2, 2021 in accord with Election Code Section 1000(e). This election would occur only within voter Division 3 in which the vacancy occurs.

Of note is Elections Code Section 4002 that further provides the District an option to enable use of all-mailed (no polls) elections under Elections Code Section 1500. To use this option, the District Board would must first adopt the Resolution referenced in Elections Code Sections 4105 and submit to all voters of the District the following ballot question asking: “Shall the Mailed Ballot be Used to Conduct All Future General District Elections.” This measure must be submitted at the time the first all-mailed ballot election occurs. Simultaneously the election to fill the Division 3 vacancy would be held but only within voter Division 3 as that is the Division in which the vacancy occurs.

In sum, without a resolution and ballot measure to seek voter-approval to modify all future District elections, an election to fill a MPWMD Board vacancy called on January 25, 2021 can only be held on November 2, 2021 within voter Division 3 in accord with Elections Code Section 1000.

As an alternative, the District Board could on or before January 25, 2021 adopt a resolution to seek modification of future District election processes by including the ballot proposition for all District voters as required by Elections Code Sections 4105 and simultaneously call an all-mail ballot election in voter Division 3 to be held on August 31, 2021 to fill a MPWMD board vacancy.

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<sup>2</sup> Water Code Appendix, section 118-477 provides all-mail ballots apply to any election “pursuant to this chapter” but the referenced chapter is limited to “project and works” elections; alternate authorization is needed to enable a director election by mail ballot.







**ITEM: INFORMATIONAL ITEM****17. REPORT ON ACTIVITY/PROGRESS ON CONTRACTS OVER \$25,000**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Suresh Prasad</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: The Administrative Committee reviewed this item on January 13, 2021.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** Attached for review is **Exhibit 17-A**, monthly status report on contracts over \$25,000 for the period October 2020. This status report is provided for information only, no action is required.

**EXHIBIT****17-A** Status on District Open Contracts (over \$25k)



**EXHIBIT 17-A**

**Monterey Peninsula Water Management District  
Status on District Open Contracts (over \$25K)  
For The Period October 2020**

Contract	Description	Date Authorized	Contract Amount	Prior Period		Total Expended To Date	Expected Completion	Current Period Activity	P.O. Number
				Expended To Date	Current Period Spending				
1	Hayashi & Wayland Accountancy Corp.	Audit services	6/15/2020	\$ 68,000.00	\$ 3,500.00	\$ 3,500.00			PO02426
2	Martin B. Feeney, PG, CHG	Construction Management of PWM final well comissioning	8/17/2020	\$ 53,820.00	\$ 20,110.00	\$ 20,110.00			PO02403
3	De Lay & Laredo	Measure J/Rule 19.8 3rd Party Operations Phase II	12/16/2019	\$ 87,000.00	\$ -	\$ -			PO02398
4	Weston Solutions, Inc.	UXO Support Services	6/15/2020	\$ 26,378.70	\$ -	\$ -			PO02371
5	Denise Duffy & Assoc. Inc.	CEQA addendum for ASR Parallel Pipeline	4/20/2020	\$ 28,567.00	\$ 8,526.00	\$ 15,228.74	\$ 23,754.74	Current period billing for CEQA services	PO02363
6	Lynx Technologies, Inc	Geographic Information Systems contractual services	6/15/2020	\$ 35,000.00	\$ 2,100.00	\$ 2,100.00			PO02357
7	Regional Government Services	Human Resouces contractual services	6/15/2020	\$ 70,000.00	\$ 12,111.30	\$ 9,270.40	\$ 21,381.70	Current period billing for HR services	PO02356
8	DeVeera Inc.	BDR Datto Services Contract FY 2020/2021	9/16/2019	\$ 26,352.00	\$ 6,588.00	\$ 2,196.00	\$ 8,784.00	Current period billing for IT backup services	PO02349
9	DeVeera Inc.	IT Managed Services Contract for FY 2020/2021	6/15/2020	\$ 57,012.00	\$ 14,253.00	\$ 4,751.00	\$ 19,004.00	Current period billing for IT managed services	PO02348
10	The Ferguson Group LLC	2020-21 - Legislative and Administrative Services	6/15/2020	\$ 99,500.00	\$ 24,204.35	\$ 8,075.71	\$ 32,280.06	Current period retainer billing	PO02339
11	JEA & Associates	Contract for Legislative and Administrative Services - FY 20-21	6/15/2020	\$ 35,000.00	\$ 7,500.00	\$ 2,500.00	\$ 10,000.00	Current period retainer billing	PO02338
12	MBAS	ASR Water Quality	6/15/2020	\$ 40,000.00	\$ 10,891.25	\$ 1,418.75	\$ 12,310.00	Current period billing related to ASR water quality testing	PO02330
13	Pueblo Water Resources, Inc.	ASR Operations Support	6/15/2020	\$ 75,000.00	\$ 1,995.00	\$ 1,995.00			PO02320
14	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/MAI Services	6/15/2020	\$ 120,000.00	\$ 63,066.00	\$ 11,616.00	\$ 74,682.00	Current period billing appraisal services related to Phase 2 Measure J	PO02316
15	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/Rate Study Phase II	12/16/2019	\$ 200,000.00	\$ 165,082.50		\$ 165,082.50		PO02282
16	De Lay & Laredo	Measure J/Rule 19.8 Operations Plan - Phase II	12/16/2019	\$ 145,000.00	\$ 47,972.50		\$ 47,972.50		PO02281
17	De Lay & Laredo	Measure J/Rule 19.8 CEQA Services Consultant	12/16/2019	\$ 129,928.00	\$ 129,889.49		\$ 129,889.49		PO02273
18	Rutan & Tucker, LLP	Rule 19.8 Eminent Domain Legal Services Phase II	12/16/2019	\$ 200,000.00	\$ 133,201.51	\$ 9,937.50	\$ 143,139.01	Current period billing for eminent domain work related to phase 2 Measure J	PO02236
19	Norton Rose Fulbright	Cal-Am Desal Structuring & Financing Order	4/20/2015	\$ 307,103.13	\$ 38,557.29		\$ 38,557.29		PO02197
20	Pueblo Water Resources, Inc.	ASR SMWTF Engineering Services During Construction	10/21/2019	\$ 148,100.00	\$ 127,080.36	\$ 2,989.35	\$ 130,069.71	Current period billing related to ASR engineering services	PO02163
21	Specialty Construction, Inc.	ASR SMWTF Construction	10/21/2019	\$ 4,649,400.00	\$ 4,026,129.19	\$ 134,515.25	\$ 4,160,644.44	Current period billing related to ASR construction management services	PO02162
22	Psomas	ASR Construction Management Services	8/19/2019	\$ 218,822.00	\$ 176,703.18	\$ 14,207.50	\$ 190,910.68	Current period billing related to ASR construction management services	PO02160
23	U.S. Bank Equipment Finance	Copier machine leasing - 60 months	7/15/2019	\$ 52,300.00	\$ 12,243.15	\$ 871.82	\$ 13,114.97	6/30/2024 Current period billing for photocopy machine lease	PO02108
24	Monterey One Water	Supplemental EIR Costs for PWM Expansion Project	3/18/2019	\$ 750,000.00	\$ 731,336.70		\$ 731,336.70		PO02095
25	Monterey One Water	Pre-Construction Costs for PWM Expansion Project	11/13/2017	\$ 360,000.00	\$ 312,617.94		\$ 312,617.94		PO02094
26	DUDEK	Consulting Services for Prop 1 grant proposal	4/15/2019	\$ 95,600.00	\$ 94,315.05		\$ 94,315.05		PO01986

**EXHIBIT 17-A**

**Monterey Peninsula Water Management District  
Status on District Open Contracts (over \$25K)  
For The Period October 2020**

Contract	Description	Date Authorized	Contract Amount	Prior Period		Current Period Spending	Total		Expected Completion	Current Period Acitivity	P.O. Number
				Expended To Date			Expended To Date				
27	Denise Duffy & Associates	Consulting Services IRWM plan update	12/17/2018	\$ 55,000.00	\$ 53,322.32		\$ 53,322.32				PO01985
28	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	7/16/2018	\$ 30,000.00	\$ 21,490.66		\$ 21,490.66				PO01880
29	Colantuono, Highsmith, & Whatley, PC	Legal Services for MCWD vs PUC Matter for FY 2018-2019	7/1/2018	\$ 60,000.00	\$ 54,628.80		\$ 54,628.80	6/30/2021			PO01874
30	Ecology Action of Santa Cruz	IRWM HEART Grant	4/16/2018	\$ 152,600.00	\$ 86,362.33		\$ 86,362.33				PO01824
31	Pueblo Water Resources, Inc.	ASR Backflush Basin Expansion, CM services	7/16/2018	\$ 96,034.00	\$ 68,919.39		\$ 68,919.39				PO01778
32	Rural Community Assistance Corporation	IRWM DAC Needs Assessment	4/16/2018	\$ 100,000.00	\$ 69,095.92		\$ 69,095.92				PO01777
33	Mercer-Fraser Company	Sleepy Hollow Intake upgrade project	7/16/2018	\$ 1,802,835.00	\$ 1,786,834.91		\$ 1,786,834.91				PO01726
34	Fort Ord Reuse Authority	ASR Backflush basin expansion project UXO support	7/16/2018	\$ 55,215.00	\$ 8,241.72		\$ 8,241.72				PO01686
35	Pueblo Water Resources, Inc.	ASR operations support	1/24/2018	\$ 70,000.00	\$ 68,652.56		\$ 68,652.56				PO01645
36	Pueblo Water Resources, Inc.	Seaside Groundwater Basin Geochemical Study	1/24/2018	\$ 68,679.00	\$ 36,795.25		\$ 36,795.25				PO01628
37	Pueblo Water Resources, Inc.	SSAP Water Quality Study	8/21/2017	\$ 94,437.70	\$ 44,318.11		\$ 44,318.11				PO01510
38	Normandeau Associates, Inc.	Assistance with IFIM Study	11/13/2017	\$ 35,000.00	\$ 24,180.00		\$ 24,180.00				PO01509
39	Accela Inc.	Acquisition of Water Demand Database System	11/13/2017	\$ 676,377.00	\$ 669,227.81		\$ 669,227.81	6/30/2021			PO01471
40	Balance Hydrologics, Inc	Design Work for San Carlos Restoration Project	6/19/2017	\$ 51,360.00	\$ 50,894.32		\$ 50,894.32				PO01321
41	AECOM Technical Services, Inc.	Los Padres Dam Alternatives Study	1/25/2017	\$ 700,700.00	\$ 505,766.50		\$ 505,766.50				PO01268
42	Denise Duffy & Assoc. Inc.	MMRP Services for Monterey Pipeline	1/25/2017	\$ 80,000.00	\$ 73,144.06		\$ 73,144.06				PO01202
43	Goodin,MacBride,Squeri,Day,Lamprey	User Fee PUC Proceedings Legal Fee	7/1/2016	\$ 50,000.00	\$ 33,411.85		\$ 33,411.85	6/30/2021			PO01100
44	Whitson Engineers	Carmel River Thawleg Survey	9/19/2018	\$ 52,727.43	\$ 49,715.00		\$ 49,715.00				PO01076
45	HDR Engineering, Inc.	Los Padres Dam Fish Passage Study	4/18/2016	\$ 310,000.00	\$ 309,751.71		\$ 309,751.71				PO01072
46	Michael Hutnak	GS Flow Modeling for Water Resouces Planning	8/19/2013	\$ 71,800.00	\$ 65,880.00		\$ 65,880.00				PO00123
47	Justin Huntington	GS Flow Modeling for Water Resouces Planning	8/19/2013	\$ 59,480.00	\$ 53,918.98		\$ 53,918.98				PO00122

**ITEM: INFORMATIONAL ITEM****18. STATUS REPORT ON MEASURE J/RULE 19.8 PHASE II SPENDING**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Suresh Prasad</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review:** N/A**Committee Recommendation:** The Administrative Committee reviewed this item on January 13, 2021.**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

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**SUMMARY:** Attached for review is **Exhibit 18-A**, monthly status report on Measure J/Rule 19.8 Phase II spending for the period October 2020. This status report is provided for information only, no action is required.

**EXHIBIT****18-A** Status on Measure J/Rule 19.8 Phase II Spending



**Monterey Peninsula Water Management District  
Status on Measure J/Rule 19.8 Spending Phase II  
For the Period October 2020**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Contract/Approved Amount</b>	<b>Prior Period Spending</b>	<b>Current Period Spending</b>	<b>Total Expended To Date</b>	<b>Spending Remaining</b>	<b>Project No.</b>
1	Eminent Domain Legal Counsel	12/16/2019	\$ 225,000.00	\$ 133,201.51	\$ 9,937.50	\$ 143,139.01	\$ 81,860.99	PA00005-01
2	CEQA Work	12/16/2019	\$ 129,928.00	\$ 129,889.49	\$ -	\$ 129,889.49	\$ 38.51	PA00005-02
3	Appraisal Services	12/16/2019	\$ 200,000.00	\$ 165,082.50	\$ -	\$ 165,082.50	\$ 34,917.50	PA00005-03
4	Operations Plan	12/16/2019	\$ 145,000.00	\$ 47,972.50	\$ -	\$ 47,972.50	\$ 97,027.50	PA00005-04
5	District Legal Counsel	12/16/2019	\$ 40,000.00	\$ 62,662.51	\$ 8,313.00	\$ 70,975.51	\$ (30,975.51)	PA00005-05
6	MAI Appraiser	12/16/2019	\$ 120,000.00	\$ 63,066.00	\$ 11,616.00	\$ 74,682.00	\$ 45,318.00	PA00005-06
7	Jacobs Engineering	12/16/2019	\$ 87,000.00	\$ 51,686.78	\$ -	\$ 51,686.78	\$ 35,313.22	PA00005-07
6	Contingency/Miscellaneous/Uncommitted	12/16/2019	\$ 294,072.00	\$ 1,090.40	\$ 3,343.25	\$ 4,433.65	\$ 289,638.35	PA00005-20
	<b>Total</b>		<b>\$ 1,241,000.00</b>	<b>\$ 654,651.69</b>	<b>\$ 33,209.75</b>	<b>\$ 687,861.44</b>	<b>\$ 553,138.56</b>	





**ITEM: INFORMATIONAL ITEM/STAFF REPORT****19. MONTHLY PROGRESS REPORT – SANTA MARGARITA WATER TREATMENT FACILITY**

**Meeting Date:** January 25, 2021                      **Budgeted:** N/A

**From:** David J. Stoldt                                      **Program/** N/A  
    **General Manager**                                      **Line Item:**

**Prepared By:** Maureen Hamilton                      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** N/A

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

**SUMMARY:** This progress report is provided for information only; no action is required.

The final invoice was received for the Santa Margarita Water Treatment Facility construction contract. The following table details the construction contract cost:

Item	Amount	Notes
Awarded Construction Contract	\$4,649,400.00	
Allowed Contingency	\$464,940.00	10% of awarded construction contract amount
<b>Total Board Authorized Expenditure</b>	<b>\$5,114,340.00</b>	
Change Orders	\$190,968.42	4% of awarded construction contract amount
Bid Items not Required	-\$160,000.00	Soundwall, standby time
<b>Construction Contract Expenditure</b>	<b>\$4,680,368.42</b>	
Reimbursement Request	-\$112,551.43	Flow meter installed on behalf of Cal Am
<b>Estimated MPWMD Construction Contract Expenditure</b>	<b>\$4,567,816.99</b>	

The bid line item for soundwalls was a placeholder in the amount of \$150,000 because the design was not finalized at bid time. As the design progressed, it became apparent that there is insufficient space for a soundwall, protective bollards, vehicle passage, and the temporary chlorination facility housing. A soundwall may be revisited as part of a future project. No standby time was used for the project, resulting in a \$10,000 savings.

Cal-Am was required to install a flow meter (Meter Works) on the lateral pipeline connecting the Santa Margarita site to the transmission pipeline CalAm shares with Marina Coast Water District. MPWMD and Cal-Am agreed to install the meter as part of the Santa Margarita construction project in an effort to reduce cost and minimize public nuisance due to traffic impacts. A separate bid line item was created for the reimbursable Meter Works. MPWMD is submitting a reimbursement request to Cal-Am now that the construction contract final payment request has been received.



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****20. LETTERS RECEIVED****Meeting Date: January 20, 2021** **Budgeted: N/A****From: David J. Stoldt,  
General Manager** **Program/ N/A  
Line Item No.:****Prepared By: Joel G. Pablo** **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

A list of letters submitted to the Board of Directors or General Manager and received between December 10, 2020 and January 19, 2021 is shown below. The purpose of including a list of these letters in the Board packet is to inform the Board and interested citizens. Copies of the letters are available for public review at the District office. If a member of the public would like to receive a copy of any letter listed, please contact the District office. Reproduction costs will be charged. The letters can also be downloaded from the District's web site at [www.mpwmd.net](http://www.mpwmd.net).

<b>Author</b>	<b>Addressee</b>	<b>Date</b>	<b>Topic</b>
David L. Stivers	David Stoldt	01/11/2021	Missed Milestones- Cease and Desist Order WRCB Order WR-2016-0016
Robert Hedberg	MPWMD	12/7/2020	Request for Appeal of Monetary Penalty and Request for Correction of Usage Records



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****21. COMMITTEE REPORTS**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Joel G. Pablo</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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Attached for your review as **Exhibits 21-A through 23-C** are the final minutes of the committee meetings listed below.

**EXHIBITS**

- 21-A** December 8, 2020: Administrative Committee
- 21-B** December 7, 2020: Water Supply Planning Committee of the Monterey Peninsula Water Management District
- 21-C** December 3, 2020: Water Demand Committee of the Monterey Peninsula Water Management District





**EXHIBIT 21-A**

FINAL MINUTES  
**Monterey Peninsula Water Management District**  
**Administrative Committee**  
*December 8, 2020*

**Call to Order**

The meeting was called to order at 4:00 PM via WebEx.

Committee members present: Alvin Edwards  
 Molly Evans  
 George Riley

Staff present: David Stoldt, General Manager  
 Jonathan Lear, Water Resources Manager  
 Suresh Prasad, Administrative Services Manager/Chief Financial Officer  
 Stephanie Locke, Water Demand Manager  
 Thomas Christensen, Environmental Resources Division Manager  
 Maureen Hamilton, Water Resources Engineer  
 Sara Reyes, Sr. Office Specialist

**Comments from Public**

None

**Action Items**

On a motion by Evans and second by Riley, the Committee voted to move Item 8 - Consider Adoption of Resolution 2020-18 Authorizing an Exception to the CalPERS 180-Day Waiting Period for Hiring a Retiree, as an Action Item on the agenda. The motion was approved 3 – 0 on a roll call vote.

**1. Consider Approval of Amendment 4 to the Cost Sharing Agreement with the Monterey One Water for the Pure Water Monterey Project Expansion**

On a motion by Riley and second by Evans, the Committee voted to recommend the Board approve Amendment 4 to the Cost Sharing Agreement with Monterey One Water for the Pure Water Monterey Project expansion and execute per agreement with Monterey One Water and at the direction of the CFO and General Manager. The motion was approved 3 – 0 by a roll call vote.

**Consent Calendar**

On a motion by Evans and second by Riley, the committee voted to approve Consent Calendar items 2, 4, 5 and 6. The motion was approved 3 – 0 on a roll call vote by Evans, Riley and Edwards.

**2. Consider Adoption of October 13, 2020 Administrative Committee Meeting Minutes**  
 Approved.

**3. Consider Authorizing the General Manager to Enter into a Contract for Grant Administration Services with Dudek**

On a motion by Riley and second by Evans, the Committee voted to recommend the Board Authorize the General Manager to enter into a contract for grant administration services with Dudek in the amount of \$114,960 plus 1.5% contingency for a total contract amount not-to-exceed \$132,204. The contract will be paid on a time and material basis. The contract amount will be 100% reimbursed by grant funding. The motion was approved 3 – 0 by Riley, Evans and Edwards.

**4. Consider Adoption of Treasurer’s Report for September 2020**

Approved.

**5. Receive and File First Quarter Financial Activity Report for Fiscal Year 2020-2021**

Approved.

**6. Consider Approval of Third Quarter Fiscal Year 2020-2021 Investment Report**

Approved.

**7. Consider Recommendation to the Board to Fund Rebates in the California American Water System Between January 1, 2021 and the Availability of Funding from the California American Water General Rate Case**

On a motion by Evans and second by Riley, the Committee voted to recommend the Board approve interim funding up to \$200,000 through June 2021 for the Rebate Program from the District’s general reserve fund. District expenditures for Cal-Am customers will be reimbursed by Cal-Am when a rebate fund is approved in the General Rate Case. The motion was approved 3 – 0 by Evans, Riley and Edwards.

**8. Consider Adoption of Resolution 2020-18 Authorizing an Exception to the CalPERS 180-Day Waiting Period for Hiring a Retiree**

On a motion by Evans and second by Riley, the Committee voted to adopt Resolution 2020-18 authorizing an exception to the CalPERS 180-day wait period to hire Ms. Arlene Tavani as a part-time, limited term employee. The motion was approved 3 – 0 by Evans, Riley and Edwards.

**Informational Items**

**9. Report on Activity/Progress on Contracts Over \$25,000**

This item was presented as information to the committee. No action was required or taken by the committee.

**10. Status Report on Measure J/Rule 19.8 Phase II Spending**

This item was presented as information to the committee. No action was required or taken by the committee.

**Other Items**

**11. Review Draft December 14, 2020 Board Meeting Agenda**

No changes were made to the December 14 Regular Board meeting agenda. The committee agreed to move the start time to 5 PM due to the lengthy agenda.

**Suggest Items to be Placed on Future Agendas**

No items were presented.



**Adjournment**

The meeting adjourned at 5:01 PM.

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**EXHIBIT 21-B**

**FINAL MINUTES  
Water Supply Planning Committee of the  
Monterey Peninsula Water Management District  
December 7, 2020**

**Call to Order:** The WebEx virtual meeting was called to order at 4:00 pm.

**Committee members present:** George Riley, Chair  
Mary Adams  
Molly Evans

**Committee members absent:** None

**Staff members present:** David J. Stoldt, General Manager  
Jonathan Lear, Water Resources Division Manager  
Thomas Christensen, Environmental Resources Div. Mgr.  
Maureen Hamilton, Water Resources Engineer  
Arlene Tavani, Executive Assistant

**District Counsel present:** David Laredo, De Lay & Laredo  
(departed from the meeting at 5:09 pm)

**Comments from the Public:** No comments were directed to the Board.

**Action Items**

1. **Consider Adoption of November 2, 2020 Committee Meeting Minutes**  
On a motion by Evans, seconded by Adams, the minutes of November 2, 2020 were adopted on a unanimous roll-call vote of 3 – 0 by Evans, Adams and Riley.
  
2. **Consider Development of a Recommendation to the Board of Directors regarding Adoption of an Addendum to the District's Prior ASR Environmental Impact Report for Construction of a Bypass Pipeline to Allow Simultaneous Pure Water Monterey Recovery and ASR Injection** *(Subject to CEQA Review per CEQA Guideline Sections 15162 and 15164)*  
The staff report on this item listed eight questions that had been asked about this project at a previous meeting. Staff responded to several of the questions. The District's Water Resources Division Manager, Jon Lear, presented a PowerPoint that provided information related to questions 3 and 4. Staff noted that the statistics presented were based on 90 years of streamflow records. The PowerPoint can be viewed on the District's website. Additional comments were provided by Tyler Potter, Senior Planner with Denise Duffy and Associates.  
  
Adams made a motion to table this issue until a later date. The motion was seconded by Riley. Riley then offered an amendment to table the issue until April 2021. Adams accepted the amendment. The amended motion was approved on a roll-call vote of 2 – 1 by Adams and Riley. Evans was opposed.

Public Comment: Ian Crooks, California American Water, stated that the community faced a reduction in the effective diversion limit of 1,000 acre-feet. Every drop of water must be maximized, including water from the Pure Water Monterey facility. The PowerPoint presented by Jon Lear illustrated how that could be accomplished with the bypass pipeline. He stated that the proposed portion of pipeline would be constructed as part of the Pure Water Monterey Expansion if it were to be approved. The pipeline could be constructed now in order to achieve maximum water production until another water supply project was approved.

### **Discussion Items**

#### **3. Update on Pure Water Monterey Project**

Stoldt reported that following conditioning of deep injection well #1, injection rates had increased. Maureen Hamilton, Water Resources Engineer, reported on progress on the conditioning of deep injection well #2 that should be complete by December 21, 2020. In addition, she provided an update on work that had begun at the Vados well #3 site.

#### **4. Update on ASR Construction**

Hamilton reported that construction of fencing around the site was underway.

### **Suggest Items to be Placed on Future Agendas**

**Adjournment:** The meeting was adjourned at 5:20 pm.

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**EXHIBIT 21-C**

**FINAL MINUTES  
Water Demand Committee of the  
Monterey Peninsula Water Management District  
December 3, 2020**

**Call to Order**

The virtual meeting was called to order at 3 pm via WebEx.

**Committee members present:** Alvin Edwards, Chair  
George Riley

**Committee members absent:** Gary Hoffmann

**Staff members present:** David Stoldt, General Manager  
Stephanie Locke, Water Demand Division Manager  
Arlene Tavani, Executive Assistant

**District Counsel present:** David Laredo

**Comments from the Public:** No comments were directed to the committee.

**Action Items**

1. **Consider Adoption of November 5, 2020 Committee Meeting Minutes**  
On a motion by Riley, seconded by Edwards, minutes of the November 5, 2020 committee meeting were approved on a roll-call vote of 2 – 0 by Riley and Edwards. Hoffmann was absent.
2. **Consider Recommendation to Board to Fund Rebates in the California American Water System between January 1, 2021 and the Availability of Funding from the California American Water General Rate Case**  
On a motion by Riley, seconded by Edwards, the committee recommended that the Board of Directors approve interim funding in the amount of \$200,000 for the rebate program. The motion was approved on a roll-call vote of 2 – 0 by Riley and Edwards. Hoffmann was absent.

**Discussion Items**

3. **Update on Water for Near-Term Housing Needs Initiative**  
Stoldt presented a graphic that outlined the timeline for completion of this initiative. The graphic can be viewed on the District's website. Stoldt stated that he met with primary consultants on the Senate Housing Committee and the Legislative Consultant to Nancy Skinner, the author of SB330 the Housing Crisis Act of 2019. They recommended that the District request that Senator John Laird and Assemblymember Mark Stone author a letter of support which could be presented to others for their concurrence. The District planned to prepare a draft application to the SWRCB requesting limited relief from Condition 2 of the Cease and Desist Order, and the ability to allocate 75 acre-feet of saved water. The draft application would be submitted to potential supporters, including cities within the District, for review along with a sample letter of support. After the

application is submitted to the SWRCB, letters of support should follow.

Public comment: Ande Flower, Principal Planner for the City of Monterey, expressed gratitude to the District for exhibiting leadership and solidarity with the City, as it could not plan ahead to construct affordable housing without the District's support.

**4. Update on Action to be Taken Regarding Reduction in Diversion Limits Instituted by the State Water Resources Control Board**

Stoldt reported that the District would notify the jurisdictions and the local press that no action would be taken by the District to invoke rationing or conservation rates in the 2020-2021 Water Year. At the December 14, 2020 Board meeting, the Board would review a letter for submission to the SWRCB chronicling the District's view that none of the applicants including the District were at fault for the missed milestone.

Public Comment: Mark Kelley asked if Mr. Stoldt's chart titled Supplies Required to Get off the River assumes that either the Pure Water Monterey Expansion project or Cal-Am's proposed desalination project should be approved within the next three years. *Stoldt responded that the District's position is that both projects would provide water for 30 years, but one of the projects is less expensive and environmentally superior to the other project.*

**5. Suggest Items to be Placed on Future Agendas**

The Water Supply Planning committee should review concerns about the possibility of seawater intrusion in the Seaside Basin.

**Adjournment:** The meeting adjourned at 3:35 pm.

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**ITEM: INFORMATIONAL ITEM/STAFF REPORT****22. MONTHLY ALLOCATION REPORT**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program:</b>	<b>N/A</b>
		<b>Line Item No.:</b>	
<b>Prepared By:</b>	<b>Gabriela Bravo</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**SUMMARY:** As of December 31, 2020, a total of **26.419** acre-feet (**7.7%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **35.026** acre-feet is available to the Jurisdictions, and **28.839** acre-feet is available as public water credits.

**Exhibit 22-A** shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in December 2020 (“changes”), and the quantities remaining. The Paralta Allocation had one debit in December 2020.

**Exhibit 22-A** also shows additional water available to each of the Jurisdictions. Additional water from expired or canceled permits that were issued before January 1991 are shown under “PRE-Paralta.” Water credits used from a Jurisdiction’s “public credit” account are also listed. Transfers of Non-Residential Water Use Credits into a Jurisdiction’s Allocation are included as “public credits.” **Exhibit 22-B** shows water available to Pebble Beach Company and Del Monte Forest Benefited Properties, including Macomber Estates, Griffin Trust. Another table in this exhibit shows the status of Sand City Water Entitlement and the Malpas Water Entitlement.

**BACKGROUND:** The District’s Water Allocation Program, associated resource system supply limits, and Jurisdictional Allocations have been modified by a number of key ordinances. These key ordinances are listed in **Exhibit 22-C**.

**EXHIBITS****22-A** Monthly Allocation Report**22-B** Monthly Entitlement Report**22-C** District’s Water Allocation Program Ordinances





**EXHIBIT 22-A**  
**MONTHLY ALLOCATION REPORT**  
**Reported in Acre-Feet**  
**For the month of December 2020**

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Credits	Changes	Remaining	Public Credits	Changes	Remaining	Total Available
Airport District	8.100	0.000	5.197	0.000	0.000	0.000	0.000	0.000	0.000	5.197
Carmel-by-the-Sea	19.410	0.000	1.398	1.081	0.000	1.081	0.910	0.000	0.182	2.661
Del Rey Oaks	8.100	0.000	0.000	0.440	0.000	0.000	0.000	0.000	0.000	0.000
Monterey	76.320	0.000	0.245	50.659	0.000	0.030	38.121	0.000	2.300	2.575
Monterey County	87.710	0.138	10.579	13.080	0.000	0.352	7.827	0.000	1.775	12.706
Pacific Grove	25.770	0.000	0.000	1.410	0.000	0.014	15.874	0.000	0.065	0.079
Sand City	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.373	23.373
Seaside	65.450	0.000	0.000	34.438	0.000	33.549	2.693	0.000	1.144	34.693
District Reserve	9.000	0.000	9.000	N/A			N/A			9.000
<b>TOTALS</b>	<b>342.720</b>	<b>0.138</b>	<b>26.419</b>	<b>101.946</b>	<b>0.000</b>	<b>35.026</b>	<b>90.142</b>	<b>0.000</b>	<b>28.839</b>	<b>90.284</b>

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
Quail Meadows	33.000	0.000	32.320	0.680
Water West	12.760	0.000	9.564	3.196

\* Does not include 15.280 Acre-Feet from the District Reserve prior to adoption of Ordinance No. 73.



**EXHIBIT 22-B**  
**MONTHLY ALLOCATION REPORT**  
**ENTITLEMENTS**  
**Reported in Acre-Feet**  
**For the month of December 2020**

**Recycled Water Project Entitlements**

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
<b>Pebble Beach Co. <sup>1</sup></b>	219.760	0.100	31.302	188.458
<b>Del Monte Forest Benefited Properties <sup>2</sup> (Pursuant to Ord No. 109)</b>	145.240	0.552	58.499	86.741
<b>Macomber Estates</b>	10.000	0.000	10.000	0.000
<b>Griffin Trust</b>	5.000	0.000	4.829	0.171
<b>CAWD/PBCSD Project Totals</b>	<b>380.000</b>	<b>0.652</b>	<b>104.630</b>	<b>275.370</b>

Entitlement Holder	Entitlement	Changes this Month	Total Demand from Water Permits Issued	Remaining Entitlement/and Water Use Permits Available
<b>City of Sand City</b>	206.000	0.000	7.115	198.885
<b>Malpaso Water Company</b>	80.000	0.053	18.265	61.735
<b>D.B.O. Development No. 30</b>	13.950	0.000	3.784	10.166
<b>City of Pacific Grove</b>	38.390	0.018	4.841	33.549
<b>Cypress Pacific</b>	3.170	0.000	3.170	0.000

Increases in the Del Monte Forest Benefited Properties Entitlement will result in reductions in the Pebble Beach Co. Entitlement.



## EXHIBIT 22-C

### **District's Water Allocation Program Ordinances**

**Ordinance No. 1** was adopted in September 1980 to establish interim municipal water allocations based on existing water use by the jurisdictions. Resolution 81-7 was adopted in April 1981 to modify the interim allocations and incorporate projected water demands through the year 2000. Under the 1981 allocation, Cal-Am's annual production limit was set at 20,000 acre-feet.

**Ordinance No. 52** was adopted in December 1990 to implement the District's water allocation program, modify the resource system supply limit, and to temporarily limit new uses of water. As a result of Ordinance No. 52, a moratorium on the issuance of most water permits within the District was established. Adoption of Ordinance No. 52 reduced Cal-Am's annual production limit to 16,744 acre-feet.

**Ordinance No. 70** was adopted in June 1993 to modify the resource system supply limit, establish a water allocation for each of the jurisdictions within the District, and end the moratorium on the issuance of water permits. Adoption of Ordinance No. 70 was based on development of the Paralta Well in the Seaside Groundwater Basin and increased Cal-Am's annual production limit to **17,619** acre-feet. More specifically, Ordinance No. 70 allocated 308 acre-feet of water to the jurisdictions and 50 acre-feet to a District Reserve for regional projects with public benefit.

**Ordinance No. 73** was adopted in February 1995 to eliminate the District Reserve and allocate the remaining water equally among the eight jurisdictions. Of the original 50 acre-feet that was allocated to the District Reserve, 34.72 acre-feet remained and was distributed equally (4.34 acre-feet) among the jurisdictions.

**Ordinance No. 74** was adopted in March 1995 to allow the reinvestment of toilet retrofit water savings on single-family residential properties. The reinvested retrofit credits must be repaid by the jurisdiction from the next available water allocation and are limited to a maximum of 10 acre-feet. This ordinance sunset in July 1998.

**Ordinance No. 75** was adopted in March 1995 to allow the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities. Fifteen percent of the savings are set aside to meet the District's long-term water conservation goal and the remainder of the savings are credited to the jurisdictions allocation. This ordinance sunset in July 1998.

**Ordinance No. 83** was adopted in April 1996 and set Cal-Am's annual production limit at **17,621** acre-feet and the non-Cal-Am annual production limit at **3,046** acre-feet. The modifications to the production limit were made based on the agreement by non-Cal-Am water users to permanently reduce annual water production from the Carmel Valley Alluvial Aquifer in exchange for water service from Cal-Am. As part of the agreement, fifteen percent of the historical non-Cal-Am production was set aside to meet the District's long-term water conservation goal.

**Ordinance No. 87** was adopted in February 1997 as an urgency ordinance establishing a community benefit allocation for the planned expansion of the Community Hospital of the Monterey Peninsula (CHOMP). Specifically, a special reserve allocation of 19.60 acre-feet of production was created exclusively for the benefit of CHOMP. With this new allocation, Cal-Am's annual production limit was increased to **17,641** acre-feet and the non-Cal-Am annual production limit remained at **3,046** acre-feet.

**Ordinance No. 90** was adopted in June 1998 to continue the program allowing the reinvestment of toilet retrofit water savings on single-family residential properties for 90-days following the expiration of Ordinance No. 74. This ordinance sunset in September 1998.

**Ordinance No. 91** was adopted in June 1998 to continue the program allowing the reinvestment of water saved through toilet retrofits and other permanent water savings methods at publicly owned and operated facilities.

**Ordinance No. 90 and No. 91** were challenged for compliance with CEQA and nullified by the Monterey Superior Court in December 1998.

**Ordinance No. 109** was adopted on May 27, 2004, revised Rule 23.5 and adopted additional provisions to facilitate the financing and expansion of the CAWD/PBCSD Recycled Water Project.

**Ordinance No. 132** was adopted on January 24, 2008, established a Water Entitlement for Sand City and amended the rules to reflect the process for issuing Water Use Permits.

**Ordinance No. 165** was adopted on August 17, 2015, established a Water Entitlement for Malpas Water Company and amended the rules to reflect the process for issuing Water Use Permits.

**Ordinance No. 166** was adopted on December 15, 2015, established a Water Entitlement for D.B.O. Development No. 30.

**Ordinance No. 168** was adopted on January 27, 2016, established a Water Entitlement for the City of Pacific Grove.

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****23. WATER CONSERVATION PROGRAM REPORT**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Kyle Smith</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**I. MANDATORY WATER CONSERVATION RETROFIT PROGRAM**

District Regulation XIV requires the retrofit of water fixtures upon Change of Ownership or Use with High Efficiency Toilets (HET) (1.28 gallons-per-flush), 2.0 gallons-per-minute (gpm) Showerheads, 1.2 gpm Washbasin faucets, 1.8 gpm Kitchen, Utility, and Bar Sink faucets, and Rain Sensors on all automatic Irrigation Systems. Property owners must certify the Site meets the District's water efficiency standards by submitting a Water Conservation Certification Form (WCC), and a Site inspection is often conducted to verify compliance.

**A. Changes of Ownership**

Information is obtained monthly from *Realquest.com* on properties transferring ownership within the District. The information is compared against the properties that have submitted WCCs. Details on **114** property transfers that occurred between December 1, 2020, and December 31, 2020, were added to the database.

**B. Certification**

The District received **66** WCCs between December 1, 2020, and December 31, 2020. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

**C. Verification**

From December 1, 2020, to December 31, 2020, **60** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **60** verifications, **43** properties verified compliance by submitting certification forms and/or receipts. District staff completed **29** Site inspections. Of the **29** properties verified, **17 (59%)** passed.

Note that most Site inspections were suspended March 13, 2020, due to concerns about the novel coronavirus. Staff has continued to certify properties electronically through owner certification or other methods. Site inspections may be done in limited cases when the property is vacant, and staff has access without others present. Safety protocols (e.g. masks, gloves, hand sanitizer, etc.) are in place for those instances.

#### D. CII Compliance with Water Efficiency Standards

Effective January 1, 2014, all Non-Residential properties were required to meet Rule 143, Water Efficiency Standards for Existing Non-Residential Uses. To verify compliance with these requirements, property owners and businesses are being sent notification of the requirements and a date that inspectors will be on Site to check the property. In December, District inspectors performed **no** verification.

MPWMD is forwarding its CII inspection findings to California American Water (Cal-Am) for their verification with the Rate Best Management Practices (Rate BMPs) that are used to determine the appropriate Non-Residential rate division. Compliance with MPWMD's Rule 143 achieves Rate BMPs for indoor water uses, however, properties with landscaping must also comply with Cal-Am's outdoor Rate BMPs to avoid Division 4 (Non-Rate BMP Compliant) rates. In addition to sharing information about indoor Rate BMP compliance, MPWMD notifies Cal-Am of properties with landscaping. Cal-Am then conducts an outdoor audit to verify compliance with the Rate BMPs. During December 2020, MPWMD referred **no** properties to Cal-Am for verification of outdoor Rate BMPs.

#### E. Water Waste Enforcement

The District has a Water Waste Hotline 831-658-5653 or an online form to report Water Waster occurrences at [www.mpwmd.net](http://www.mpwmd.net) or [www.montereywaterinfo.org](http://www.montereywaterinfo.org). There were **no** Water Waste responses during the past month. There were **no** repeated incidents that resulted in a fine.

## II. WATER DEMAND MANAGEMENT

#### A. Permit Processing

As of March 18, 2020, the District has been processing only electronic applications for Water Permits. Information can be found at <https://www.mpwmd.net/regulations/water-permits>.

District Rule 23 requires a Water Permit application for all properties that propose to expand or modify water use on a Site, including New Construction and Remodels. District staff processed and issued **53** Water Permits from December 1, 2020 to December 31, 2020. **Eight** Water Permits were issued using Water Entitlements (Pebble Beach Company, Malpasso Water, etc.). No Water Permits involved a debit to a Public Water Credit Account. In addition to those Water Permits issued in December, **three** Meter Permits and **four** Hydrant Meter Permits were issued. All Water Permits have a disclaimer informing applicants of the Cease and Desist Order against California American Water and that MPWMD reports Water Permit details to California American Water.

District Rule 24-3-A allows the addition of a second Bathroom in an existing Dwelling Unit. Of the **53** Water Permits issued from December 1, 2020, to December 31, 2020, **three** were issued under this provision.

#### B. Permit Compliance



District staff completed **six** conditional Water Permit finals during December 2020. Staff completed **27** site inspections of vacant properties. **Twenty-one** properties passed and **three** failed due to unpermitted fixtures.

### C. Deed Restrictions

District staff prepares deed restrictions that are recorded on the property title to provide notice of District Rules and Regulations, enforce Water Permit conditions, and provide notice of public access to water records. In April 2001, the District Board of Directors adopted a policy regarding the processing of deed restrictions. As of March 18, 2020, MPWMD offices are closed to the public. While still processing and issuing Water Permits, staff is no longer available for notary services. Applicants can obtain notary services at local UPS stores and other locations. Staff receives notarized deed restrictions via email and records the documents electronically with the County.

### D. Rebates

Rebates continue to be processed during the Shelter-in-Place.

Rebate Program Summary -- Calendar Year 2019								
REBATE PROGRAM SUMMARY		December-2020			2020 YTD		1997 - Present	
<b>I. Application Summary</b>								
A.	Applications Received	82			865		28,305	
B.	Applications Approved	69			689		22,082	
C.	Single Family Applications	64			620		25,126	
D.	Multi-Family Applications	5			66		1,526	
E.	Non-Residential Applications	0			3		358	
		Number of devices	Rebate Paid	Estimated AF	Gallons Saved	Year to Date Number	Year to Date Paid	Year to Date Estimated AF
<b>II. Type of Devices Rebated</b>								
A.	High Efficiency Toilet (HET)	20	\$2,225.00	0.100000	32,585	216	\$16,850.00	1.08000
B.	Ultra HET	1	\$125.00	0.010000	3,259	22	\$2,750.00	0.22000
C.	Toilet Flapper			0.000000	0	0	\$0.00	0.00000
D.	High Efficiency Dishwasher	14	\$1,750.00	0.042000	13,686	120	\$15,125.00	0.36000
E.	High Efficiency Clothes Washer - Res	29	\$14,500.00	0.466900	152,140	342	\$170,955.99	5.50620
F.	High Efficiency Clothes Washer - Com			0.000000	0	0	\$0.00	0.00000
G.	Instant-Access Hot Water System	1	\$164.22	0.005000	1,629	14	\$2,561.17	0.07000
H.	Zero Use Urinals			0.000000	0	0	\$0.00	0.00000
I.	Pint Urinals			0.000000	0	0	\$0.00	0.00000
J.	Cisterns	4	\$925.00	0.000000	0	16	\$9,912.50	0.00000
K.	Smart Controllers	2	\$260.00	0.000000	0	16	\$1,637.49	0.00000
L.	Rotating Sprinkler Nozzles			0.000000	0	0	\$0.00	0.00000
M.	Moisture Sensors			0.000000	0	0	\$0.00	0.00000
N.	Lawn Removal & Replacement			0.000000	0	3	\$8,456.00	0.00000
O.	Graywater			0.000000	0	0	\$0.00	0.00000
R.	Other			0.000000	0	0	\$0.00	0.00000
<b>III. TOTALS</b>		71	\$19,949.22	0.623900	203,298	749	\$228,248.15	7.23620
<b>IV. TOTALS Since 1997</b>								
					Paid Since 1997: \$		6,587,003	606 AF Saved Since 1976 (from Quantifiable Retrofits)



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****24. CARMEL RIVER FISHERY REPORT FOR DECEMBER 2020**

<b>Meeting Date:</b>	<b>January 25, 2021</b>	<b>Budgeted:</b>	<b>N/A</b>
<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
<b>Prepared By:</b>	<b>Beverly Chaney</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**AQUATIC HABITAT AND FLOW CONDITIONS:** Despite the continued dry weather conditions, the Carmel River front reached the lagoon in Mid-December, providing good rearing conditions for steelhead young-of-the-year (YOY) in the mid to upper watershed and improving conditions in the lower valley.

December's mean daily streamflow at the Sleepy Hollow Weir increased from 9.7 to 12 cubic-feet-per-second (cfs) (monthly mean 10.5 cfs) resulting in 654 acre-feet (AF) of runoff while the Highway 1 gage increased from 0 to 4.4 cubic-feet-per-second (cfs) (monthly mean 1.3 cfs) resulting in 79 acre-feet (AF) of runoff.

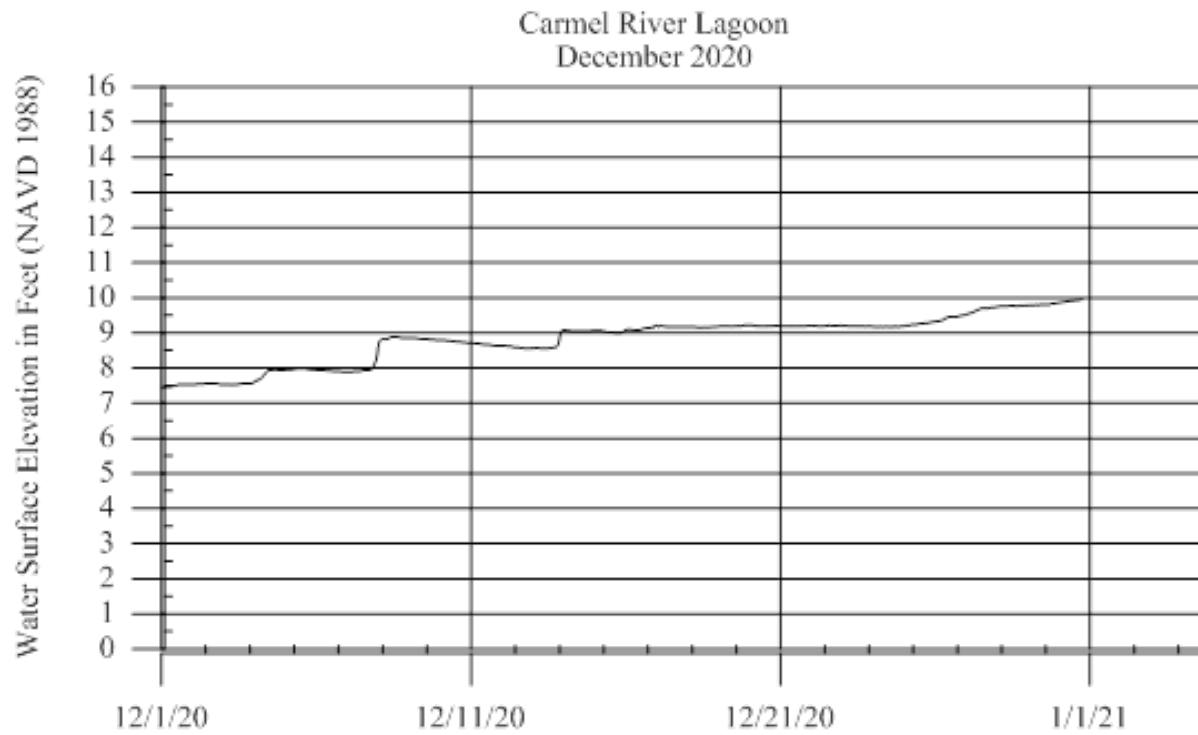
There were 0.70 inches of rainfall in December as recorded at the San Clemente gauge. The rainfall total for WY 2021 (which started on October 1, 2020) is 1.24 inches, or 18% of the long-term year-to-date average of 6.76 inches.

**CARMEL RIVER LAGOON:** During December, the lagoon water surface elevation (WSE) ranged from approximately 7.5 to 10.0 feet due to river flow and waves overtopping the beach berm (North American Vertical Datum of 1988; NAVD 88) (See graph below).

Water quality depth-profiles were conducted at five sites on December 16, 2020 while the lagoon mouth was closed, water surface elevation was 9.0 feet, and river inflow was 1.1 cfs. Steelhead rearing conditions were generally "good", above one-meter depth. Salinity was high and ranged from 13 - 26 ppt, dissolved oxygen (DO) levels were variable ranging from 1.1 – 11mg/l, and water temperatures continued to cool, ranging from 48 - 55 degrees F.

**RESISTANCE BOARD WEIR:** As part of the District's steelhead life cycle monitoring program, FISHBIO Consulting was hired to design and install a fish weir in the lower river to temporarily trap migrating adult steelhead for tagging and measurement. The installation began in December and will be completed in January in time to operate during the 2021 migration period.

Carmel River Lagoon Plot:



**ITEM: INFORMATIONAL ITEM/STAFF REPORT**

**25. MONTHLY WATER SUPPLY AND CALIFORNIA AMERICAN WATER PRODUCTION REPORT**

**Meeting Date:** January 25, 2021      **Budgeted:** N/A  
**From:** David J. Stoldt,      **Program/** N/A  
    **General Manager**      **Line Item No.:**  
**Prepared By:** Jonathan Lear      **Cost Estimate:** N/A

**General Counsel Review:** N/A

**Committee Recommendation:** N/A

**CEQA Compliance:** Exempt from environmental review per SWRCB Order Nos. 95-10 and 2016-0016, and the Seaside Basin Groundwater Basin adjudication decision, as amended and Section 15268 of the California Environmental Quality Act (CEQA) Guidelines, as a ministerial project; Exempt from Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources.

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**Exhibit 25-A** shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **January 1, 2021**. This system includes the surface water resources in the Carmel River Basin, the groundwater resources in the Carmel Valley Alluvial Aquifer and the Seaside Groundwater Basin. **Exhibit 25-A** is for Water Year (WY) 2021 and focuses on four factors: rainfall, runoff, and storage. The rainfall and Streamflow values are based on measurements in the upper Carmel River Basin at Sleepy Hollow Weir.

**Water Supply Status:** Rainfall through **December** 2020 totaled **0.94 inches** and brings the cumulative rainfall total for WY 2021 to **1.48 inches**, which is **22%** of the long-term average through **December**. Estimated unimpaired runoff through **December** totaled **652 acre-feet (AF)** and brings the cumulative runoff total for WY 2021 to **1,656 AF**, which is **24%** of the long-term average through **December**. Usable storage for the MRWPRS was **28,920 acre-feet**, which is **100%** of average through **December**, and equates to **87%** percent of system capacity.

**Production Compliance:** Under State Water Resources Control Board (SWRCB) Cease and Desist Order No. 2016-0016 (CDO), California American Water (Cal-Am) is allowed to produce no more than 7,310 AF of water from the Carmel River in WY 2021. Through **December**, using the CDO accounting method, Cal-Am has produced **852 AF** from the Carmel River (including ASR capped at 600 AF, Table 13, and Mal Paso.) In addition, under the Seaside Basin Decision, Cal-Am is allowed to produce 1,474 AF of water from the Coastal Subareas and 0 AF from the Laguna Seca Subarea of the Seaside Basin in WY 2021. Through **December**, Cal-Am has produced **760 AF** from the Seaside Groundwater Basin. Through **December**, **0 AF** of Carmel River Basin groundwater have been diverted for Seaside Basin injection; **0 AF** have been recovered for customer use, **0 AF** have been diverted under Table 13 water rights, and **700 AF** of Pure Water Monterey recovered. Cal-Am has produced **2,329 AF** for customer use from all sources through **November**. **Exhibit 25-B** shows production by source. Some of the values in this report may be revised in the future as Cal-Am finalizes their production values and monitoring data.

**EXHIBITS**

**25-A** Water Supply Status: **January 1, 2021**

**25-B** Monthly Cal-Am production by source: WY 2021



**Monterey Peninsula Water Management District  
Water Supply Status  
January 1, 2021**

<b>Factor</b>	<b>Oct – Dec 2020</b>	<b>Average To Date</b>	<b>Percent of Average</b>	<b>Oct - Dec 2019</b>
<b>Rainfall</b> (Inches)	1.48	6.73	22%	10.23
<b>Runoff</b> (Acre-Foot)	1,656	6,886	24%	14,284
<b>Storage</b> <sup>5</sup> (Acre-Foot)	28,920	29,000	100%	29,720

**Notes:**

1. Rainfall and runoff estimates are based on measurements at San Clemente Dam. Annual rainfall and runoff at Sleepy Hollow Weir average 21.22 inches and 67,246 acre-feet, respectively. Annual values are based on the water year that runs from October 1 to September 30 of the following calendar year. The rainfall and runoff averages at the Sleepy Hollow Weir site are based on records for the 1922-2020 and 1902-2020 periods respectively.
2. The rainfall and runoff totals are based on measurements through the dates referenced in the table.
3. Storage estimates refer to usable storage in the Monterey Peninsula Water Resources System (MPWRS) that includes surface water in Los Padres and San Clemente Reservoirs and ground water in the Carmel Valley Alluvial Aquifer and in the Coastal Subareas of the Seaside Groundwater Basin. The storage averages are end-of-month values and are based on records for the 1989-2020 period. The storage estimates are end-of-month values for the dates referenced in the table.
4. The maximum storage capacity for the MPWRS is currently 33,130 acre-feet.





### Production vs. CDO and Adjudication to Date: WY 2021

(All values in Acre-Feet)

Year-to-Date Values	MPWRS					Water Projects and Rights				Water Projects and Rights Total
	Carmel River Basin <sup>2,6</sup>	Seaside Groundwater Basin		Ajudication Compliance	MPWRS Total	ASR Recovery	Table 13 <sup>7</sup>	Pure Water Monterey	Sand City <sup>3</sup>	
		Coastal	Laguna Seca							
Target	886	573	0	573	<b>1,459</b>	0	24	700	75	<b>799</b>
Actual <sup>4</sup>	852	687	73	760	<b>1,612</b>	0	0	700	17	<b>717</b>
Difference	34	-114	-73	-187	<b>-153</b>	0	24	0	58	<b>82</b>
WY 2020 Actual	1,758	789	83	881	<b>2,639</b>	0	75	0	0	<b>75</b>

1. This table is current through the date of this report.
2. For CDO compliance, ASR, Mal Paso, and Table 13 diversions are included in River production per State Board.
3. Sand City Desal, Table 13, and ASR recovery are also tracked as water resources projects.
4. To date, 0 AF and 0 AF have been produced from the River for ASR and Table 13 respectively.
5. All values are rounded to the nearest Acre-Foot.
6. For CDO Tracking Purposes, ASR production for injection is capped at 600 AFY.
7. Table 13 diversions are reported under water rights but counted as production from the River for CDO tracking.

### Monthly Production from all Sources for Customer Service: WY 2021

(All values in Acre-Feet)

	Carmel River Basin	Seaside Basin	ASR Recovery	Table 13	Sand City	Mal Paso	Pure Water Monterey	Total
Oct-20	293	266	0	0	10	0	300	869
Nov-20	233	219	0	0	0	5	300	757
Dec-20	314	276	0	0	7	6	100	703
Jan-21								
Feb-21								
Mar-21								
Apr-21								
May-21								
Jun-21								
Jul-21								
Aug-21								
Sep-21								
<b>Total</b>	<b>840</b>	<b>760</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>11</b>	<b>700</b>	<b>2,329</b>
<b>WY 2020</b>	<b>1,421</b>	<b>881</b>	<b>0</b>	<b>75</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>2,382</b>

1. This table is produced as a proxy for customer demand.
2. Numbers are provisional and are subject to correction.



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****26. QUARTERLY CARMEL RIVER RIPARIAN CORRIDOR MANAGEMENT PROGRAM REPORT****Meeting Date: January 25, 2021**                      **Budgeted: N/A****From: Dave Stoldt,**                      **Program/ N/A**  
**General Manager**                      **Line Item No.:****Prepared By: Thomas Christensen and**                      **Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

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**IRRIGATION OF RIPARIAN VEGETATION:** The supplemental watering of riparian restoration plantings was carried out for the dry season in 2020 at seven Monterey Peninsula Water Management District (District) riparian habitat restoration sites. The following irrigation systems were in use April through December: Sleepy Hollow, deDampierre, Trail and Saddle Club, Begonia, Cypress, Schulte, and Rancho San Carlos.

**Water Use in Acre-Feet (AF)**  
(preliminary values subject to revision)

January - March 2020	0.22 AF
April - June 2020	0.63
July – September 2020	1.20
October – December 2020	<u>1.90</u> AF
Year-to-date	3.95 AF

**MONITORING OF RIPARIAN VEGETATION:** Starting in June 2020, staff recorded monthly observations of canopy vigor on target willow and cottonwood trees to provide an indication of plant water stress and corresponding soil moisture levels. Four locations (Rancho Cañada, San Carlos, Valley Hills, and Schulte) are monitored monthly for canopy ratings based on a scale from one to ten. This scale evaluates characteristics such as yellowing leaves and percentages of defoliation (see scale on **Exhibit 26-A**). A total of 12 willows and 12 cottonwoods at these locations provide a data set of established and planted sample trees that are representative of trees in the Carmel River riparian corridor. Combined with monthly readings from the District’s array of monitoring wells and pumping records for large-capacity Carmel Valley wells in the California American Water service area, the District’s monitoring provides insight into the status of soil moisture through the riparian corridor.

Monitoring results for the 2020 season show that riparian vegetation was below threshold

moisture stress levels because of adequate soil moisture. The graph in **Exhibit 26-A** shows average canopy ratings for willows and cottonwoods in selected restoration sites in lower Carmel Valley. The graph in **Exhibit 26-B** shows impacts to water table elevations.

The types of monitoring measurements made during June - October 2020 are as follows:

**Monitoring Measurement**

Canopy ratings	(See <b>Exhibit 26-A</b> for trends.)
Groundwater levels (monitoring wells)	(See <b>Exhibit 26-B</b> for trends.)
Groundwater pumping (production wells)	

**OTHER TASKS PERFORMED SINCE THE OCTOBER 2020 QUARTERLY REPORT:**

1. On December 23, 2020, District staff helped consultant FISHBIO install the Carmel River Resistance Board Weir. This weir will help District staff count all the adult steelhead entering the Carmel River Watershed. This information is required under the District's Steelhead Rescue and Rearing Program.
2. District staff have also been winterizing and carrying out maintenance at the Sleepy Hollow Steelhead Rearing Facility.

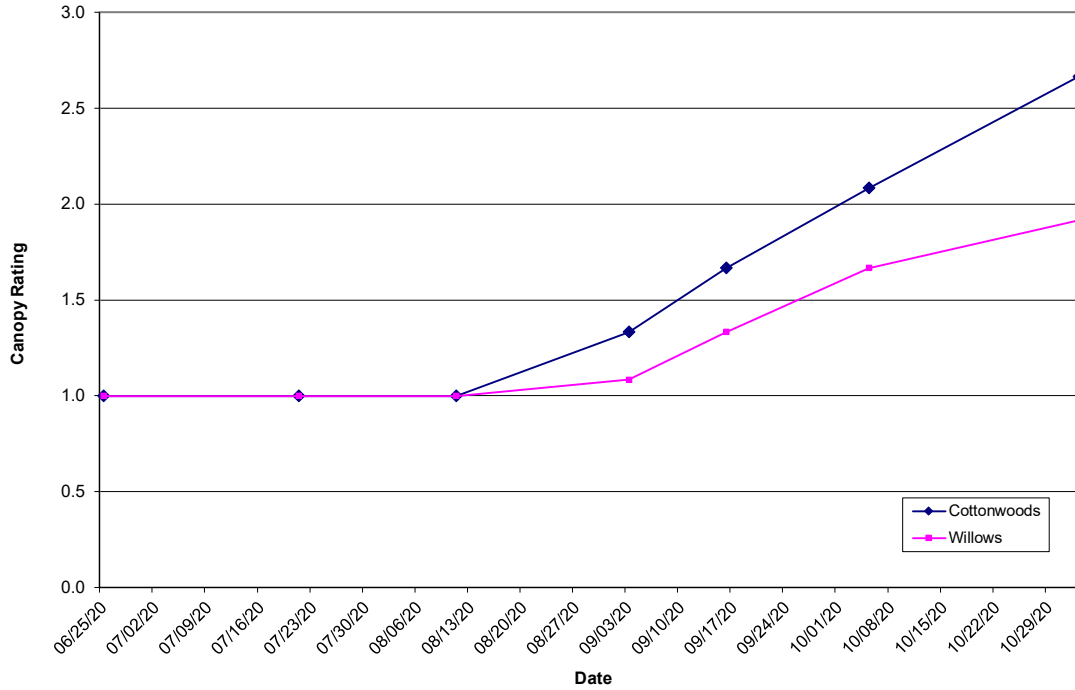
**EXHIBITS**

**26-A** Average Willow and Cottonwood Canopy Rating

**26-B** Depth to Groundwater

**EXHIBIT 26-A**

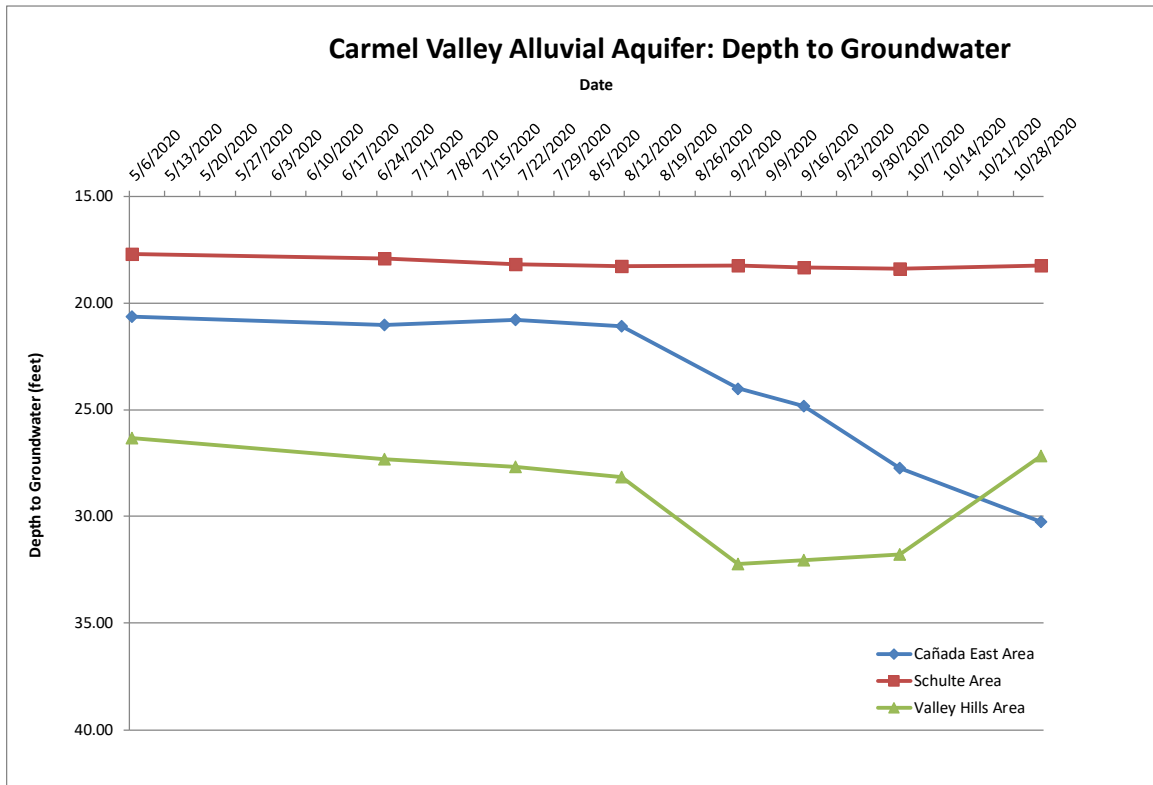
**Carmel River Riparian Vegetation:  
Average Canopy Rating for Cottonwoods and Willows**



Canopy Rating Scale		Stress Level
1=	Green, obviously vigorous	none, no irrigation required
2=	Some visible yellowing	low, occasional irrigation required
3=	Leaves mostly yellowing	moderate, regular irrigation required
4=	< 10% Defoliated	moderate, regular irrigation required
5=	Defoliated 10% to 30%	moderate, regular irrigation required
6=	Defoliated 30% to 50%	moderate to high, additional measures required
7=	Defoliated 50% to 70%	high stress, risk of mortality or canopy dieback
8=	Defoliated 70% to 90%	high stress, risk of mortality or canopy dieback
9=	> 90% Defoliated	high stress, risk of mortality or canopy dieback
10=	Dead	consider replanting



**EXHIBIT 26-B**





# Supplement to 1/25/2021 MPWMD Board Packet

Attached are copies of letters received between December 10, 2020 and January 19, 2021. These letters are listed in the January 25, 2021 Board packet under Letters Received.

<b>Author</b>	<b>Addressee</b>	<b>Date</b>	<b>Topic</b>
David L. Stivers	David Stoldt	01/11/2021	Missed Milestones- Cease and Desist Order WRCB Order WR-2016-0016
Robert Hedberg	MPWMD	12/7/2020	Request for Appeal of Monetary Penalty and Request for Correction of Usage Records







PEBBLE BEACH  
RESORTS

January 11, 2021

**Via U.S. Mail & Electronic Mail**

Eileen Sobeck, Executive Director  
State Water Resources Control Board  
1001 I Street  
P.O. Box 100  
Sacramento, CA 95812  
Eileen.Sobeck@waterboards.ca.gov

Richard Svindland, President  
California American Water  
655 W. Broadway, Suite 1410  
San Diego, CA 92101  
Rich.Svindland@amwater.com

Chris Cook, PE  
Director of Operations - Monterey  
California American Water  
511 Forest Lodge Road, Suite 100  
Pacific Grove, CA 93950  
Christopher.Cook@amwater.com

David Stoldt  
General Manager  
Monterey Peninsula Water Management District  
5 Harris Court, Building G  
P.O. Box 85  
Monterey, CA 93942-0085  
dstoldt@mpwmd.net

Dear Ms. Sobeck and Messrs. Svindland, Cook, and Stoldt:

Pebble Beach Company (PBC) has received and reviewed the June 5, 2020 report and October 21, 2020 letter from California American Water (Cal-Am) to the State Water Resources Control Board (SWRCB), and the November 17, 2020 response letter from SWRCB to Cal-Am, regarding the potential consequences for Cal-Am of missing Milestone 5 on September 30, 2020 - namely a potential reduction of 1,000 acre-feet of the Effective Diversion Limit of SWRCB WR-2016-0016 (2016 Order).

January 11, 2021

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PBC is one of the Applicants in the 2016 Order. PBC was not copied on the Cal-Am June 4, 2020 report nor on its October 21, 2020 letter to SWRCB. We were only copied on SWRCB's response to Cal-Am of November 17, 2020, wherein we learned of the likelihood of Cal-Am agreeing to the 1,000 acre-foot reduction in the Effective Diversion Limit.

Cal-Am stated in its October 21 letter that it is "preparing its Water Year 2020-2021 operations plan - with the expectation that the Effective Diversion Limit under the CDO is reduced from 8,310 acre-feet to 7,310 acre-feet." Cal-Am explained that its position is because "we understand that the State Water Board is not likely to find that delays were beyond the control of the 'Applicants.'" In other words, Cal-Am is acceding to the 1,000 acre-foot reduction in the Effective Diversion Limit based on speculation over what the SWRCB Board will or will not approve.

PBC respectfully disagrees with Cal-Am's position, and as an Applicant to the 2016 Order we feel an obligation to provide input on the issue at hand.

Paragraph 3.b.viii of the 2016 Order provides in part as follows:

If the report [i.e., the June 5 Cal-Am report] indicates that a Milestone is likely to be missed for reasons beyond Applicants' control, the State Water Board may make a determination during that meeting or at a subsequent meeting whether the cause for delay is beyond Applicants' control. If the State Water Board determines that the cause is beyond Applicants' control, it may suspend any corresponding reductions under Condition 3.b.vi until such time as the Applicants can reasonably control progress towards the Milestone.

The June 5, 2020 Cal-Am report presents what we believe to be incontrovertible evidence that missing Milestone 5 was beyond the Applicants' control. First, the delays imposed by the California Coastal Commission's processing of Cal-Am's appeal of the decision of Marina, and Cal-Am's own separate application for a coastal development permit, have made it impossible for Cal-Am to proceed with the activities necessary to meet Milestone 5. Notwithstanding warnings of dire consequences by Cal-Am, the Seaside Groundwater Basin Watermaster, and others, including SWRCB in its letter to the Coastal Commission dated May 8, 2020 indicating no further studies were needed, the Coastal Commission staff has insisted that they are requiring further studies and have continued to recommend denial of the project - which, of course, would leave the project dead in the water with no possibility whatsoever of meeting Milestone 5 or any subsequent Milestones.

Second, the Stay Order issued by the Monterey County Superior Court in the lawsuit brought by the City of Marina against Monterey County (County) represents a separate and independent reason for non-compliance that is clearly outside of Cal-Am's control. Simply put, the order precludes Cal-Am from proceeding with the work necessary to meet the requirements of Milestone 5. How can that not be viewed as outside of Cal-Am's control?

January 11, 2021

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In sum, the material delays caused both by the Coastal Commission staff and by order of the Monterey Superior Court were clearly and undeniably beyond Cal-Am's and the other Applicants' control. Based on the facts, no other conclusion is remotely tenable.


And what of the consequences for the community of enforcing a cut-back due to circumstances beyond Cal-Am's and the community's control? 1,000 acre-feet is a lot of water to be unfairly deprived of. Once the restrictions of COVID 19 are eased, there will be many businesses opening up again, and the economy of the Monterey Peninsula will undoubtedly experience an upsurge in water demand compared to what has occurred in the past year. The community will need this water, but what it certainly does not need are any additional restrictions that would hamper its ability to recover from the dire economic consequences of the pandemic.

In conclusion, we believe the evidence overwhelmingly supports a finding that missing Milestone 5 was beyond the control of Cal-Am and the other Applicants. PBC requests a factual hearing before the SWRCB Board on whether the cause for delay in meeting Milestone 5 is/was beyond the Applicants' control.

Thank you for consideration of our views as not only an "Applicant," but equally importantly, as one of the major employers and businesses on the Monterey Peninsula.

Respectfully submitted,

PEBBLE BEACH COMPANY

By: 

David L. Stivers, President

cc: Bill Perocchi, Chief Executive Officer, Pebble Beach Company  
Perocchb@pebblebeach.com

Ian Crooks, Vice-President, California American Water  
Ian.Crooks@amwater.com

Mayor Bill Peake, City of Pacific Grove  
bpeake@cityofpacificgrove.org

Mayor Clyde Roberson, City of Monterey  
roberson@monterey.org

Mayor Ian Oglesby, City of Seaside  
ioglesby@ci.seaside.ca.us

January 11, 2021

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Mayor Mary Ann Carbone, City of Sand City  
maryann@sandcityca.org

Mayor Alison Kerr, Del Rey Oaks  
akerr@delreyoaks.org

Mayor Dave Potter, City of Carmel-by-the-Sea  
dpotter@ci.carmel.ca.us

Bob McKenzie, Consultant to Coalition of Peninsula Businesses  
jrbobmck@gmail.com

Jeff Davi, Co-Chair, Coalition of Peninsula Businesses  
Jeff.Davi@mphtre.com

John Tilley, Co-Chair, Coalition of Peninsula Businesses  
The5amswim@Yahoo.com

Steve Park, President, Carmel River Steelhead Association  
stevepark@razzolink.com

E. Joaquin Esquivel  
Joaquin.esquivel@waterboards.ca.gov

Erik Ekdahl, SWRCB  
Erik.Ekdahl@waterboards.ca.gov

Steven Westhoff, SWRCB  
Steven.Westhoff@waterboards.ca.gov

# HACIENDA CARMEL COMMUNITY ASSOCIATION 5

1000 Hacienda Carmel  
Carmel, California 93923-7949  
Telephone (831) 624 - 8261 Fax (831) 625 - 7805  
www.haciendacarmel.org

December 7, 2020

RECEIVED

MPWMD  
ATTN: Board of Directors  
PO Box 85  
Monterey, CA 93942-0085

DEC 10 2020

MPWMD

**RE: Request for appeal of monetary penalty & Request for correction of usage records**

To the MPWMD Board of Directors:

In accordance with the letter of 11/10/20 from MPWMD (received in our office 11/18/20 due to being improperly addressed) Hacienda Carmel Community Association wishes to formally request an appeal of the \$300 monetary penalty imposed as the result of a second report of excess water run-off on our grounds.

The request for appeal is for the following reasons:

- The first notice that a report had been received by MPWMD on June 16, 2020 was not conveyed in writing to Hacienda Carmel. I received the notice via a voice message from Water Conservation Representative Chris Timmer.
- Upon placing a follow-up call to Chris Timmer as to where exactly on our approximately fifty acres of property the excess run-off was reportedly occurring, he was unable to give me a specific location that I could in-turn convey to our grounds supervisor for attention. Our conversation evolved into more of a general discussion of water waste awareness, which we subsequently conveyed to our grounds crew of seven.
- Upon receiving the letter of 11/10/20 from MPWMD (on 11/18/20) notifying us of a second report of excess run-off, I again spoke by phone with Chris Timmer. I again asked for specific location information such as photographs showing where the excessive run-off was occurring in order to adequately address the problem area. Chris indicated he had photographs and would send them to me in a subsequent email. That email on 11/19/20 stated photographs were attached that were taken during the complaint investigation on 11/02/20, however, there were no such photos attached – only a “Google Earth” photo of the north-west quadrant of Hacienda Carmel with several circles made with a yellow highlighter pen. The circled areas include one large area that has been converted to drought resistant landscaping and is on a drip-irrigation system. Another portion of the circled areas is turf with a significant slope toward the street, making it somewhat inevitable that some water run-off will occur during a watering cycle. It seems that it would be very helpful if our business office had been contacted during the on-site visit to speak with a manager or grounds supervisor while the issue was occurring, so that the specific locations of the areas in question could be readily addressed.

Although Hacienda Carmel utilizes non-potable well water for our irrigation systems, we certainly strive to be conscientious about water waste and conservation whenever possible. Since beginning a community-wide awareness and conservation campaign in 2015 we have, as a community, reduced our measured potable water usage by more than 50%. In addition, we have converted more than five thousand square feet of turf to drought-resistant landscape including drip irrigation, with plans for more turf conversion in our current operating plan for the coming year.

Therefore, based upon the information provided above, and taking into consideration the methods used in communicating to us the reports of excessive run-off with very sparse information to assist us in making operational modifications to avert subsequent issues, we respectfully ask the Board to abate the \$300 monetary penalty with the agreement that going forward there will be clear and specific evidence of occurrences with either face-to-face contact at the time of investigation, or photographs showing the nature of the alleged water waste. Please note that it is certainly our intent to continue educating and monitoring our staff to help avoid any future occurrences of this nature.

#####

Aside from the notification of the monetary penalty, the same letter of 11/10/20 goes on to state: ***"...it has come to our attention that Hacienda Carmel's exterior water use is one of the highest in Carmel Valley."***

We respectfully take exception to that point: When I addressed this topic in my conversation with Chris Timmer on 11/19/20 I asked him to please send me data to verify this statement. Chris emailed me some info later that day which included a table of all user wells along the *Carmel Valley Alluvial Aquifer* for the year 2017, along with a separate page (enclosed) listing Hacienda Carmel's total usage for our two wells from 2011 to 2020. If one looks at this list, it clearly indicates there was some type of anomaly in 2017 when it shows HC's usage at approximately five times the normal usage listed for all other years. The answer to this anomaly is simple. In 2017 the meter on the east well was changed and when the meter was subsequently read and the number reported at the end of the year, it indicated usage of 148.24 acre feet due to the disparity in the numbers from the old meter and the new one. Rather than 148.24, it was actually just 4.62 acre feet. Therefore, **total actual usage for 2017 was 36.86 AF** and not the 180.48 listed in the District's data base. Our records indicate this corrected information was communicated to Thomas Lindley at MPWMD in 2017. Therefore, we would also respectfully request that MPWMD's records be corrected to reflect the actual total for the year 2017 for accuracy of historical usage.

Thank you,



Robert Hedberg, CMCA  
General Manager  
Hacienda Carmel Community Association

cc: David Stoldt – MPWMD General Manager  
Stephanie Locke – MPWMD Water Demand Manager  
HCCA Board of Directors

(enclosure)

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
**Production History for Hacienda Carmel**

Report Period	East Well	West Well	TOTAL
	AF RECORDED	AF RECORDED	
WY 2011	16.20	8.29	24.49
WY 2012	0.09	29.57	29.66
WY 2013	0.01	34.46	34.47
WY 2014	0.002	34.46	34.46
WY 2015	0.59	23.67	24.26
WY 2016	5.41	17.82	23.23
WY 2017	148.24	32.24	180.48
WY2018	13.46	16.97	30.43
WY2019	27.76	0.0003	27.76
WY2020	32.98	0.86	33.84

Notes:

WY = Water Year, runs October 1 through September 30  
 Based on observations by MPWMD staff.  
 West Well meter changed 2013

\* SHOULD BE 36.86

A.6Z ACTUAL