

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, *unless otherwise noted.*



AGENDA  
**Special and Regular Meeting**  
**Board of Directors**  
**Monterey Peninsula Water Management District**  
\*\*\*\*\*  
**Monday, March 18, 2024 at 5:00 p.m. [PST]**

Meeting Location: MPWMD – Main Conference Room  
5 Harris Court, Building G, Monterey, CA 93940

[This is an In-Person meeting. Remote participation may be offered via Zoom, but this is optional as connectivity cannot be assured and thus is not a necessary requisite for the meeting to proceed in-person.]

To Join via Zoom- Teleconferencing means, please click the link below:

<https://mpwmd-net.zoom.us/j/83169138394?pwd=gmwxbChdnLAUY9v7kg6vtSXdpawYdP.1>

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

Webinar ID: 831 6913 8394

Passcode: 031824

To Participate by Phone: (669) 900-9128

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

You may also view the live webcast on AMP <https://accessmediaproductions.org/>  
scroll down to the bottom of the page and select AMP 1.

This agenda was posted at the District website ([www.mpwmd.net](http://www.mpwmd.net)) and at 5 Harris Court, Bldg. G, Monterey, California on Thursday, March 14, 2024. Staff notes will be available on the District web site at <http://www.mpwmd.net/who-we-are/board-of-directors/bod-meeting-agendas-calendar/> by 5:00 P.M. on Friday, March 15, 2024.

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**CLOSED SESSION AT 5:00 P.M.**

**CALL TO ORDER / ROLL CALL**

**Board of Directors**

Amy Anderson, Chair – Division 5  
George Riley, Vice-Chair – Division 2  
Alvin Edwards – Division 1  
Marc Eisenhart – Division 3  
Karen Paull – Division 4  
Mary L. Adams– Monterey County Board of Supervisors Representative  
Ian Oglesby– Mayoral Representative

**General Manager**

David J. Stoldt

**Mission Statement**

Sustainably manage and augment the water resources of the Monterey Peninsula to meet the needs of its residents and businesses while protecting, restoring, and enhancing its natural and human environments.

**Vision Statement**

Model ethical, responsible, and responsive governance in pursuit of our mission.

**Board's Goals and Objectives**

Are available online at: <https://www.mpwmd.net/who-we-are/mission-vision-goals/>

**ADDITIONS AND CORRECTIONS TO THE 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.*

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

- CS 1. Conference with Labor Negotiators (Gov Code §54957.8)  
Agency Designated Representatives: David Stoldt  
Employee Organization: General Staff and Management Bargaining Units Represented by United Public Employees of California/LIUNA, Local 792  
Unrepresented Employees: Confidential Unit
- CS 2. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), MPWMD v. LAFCO – Case No. 22 CV 000925
- CS 3. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), MPWMD v. Cal-Am – Case No. 23 CV 004102
- CS 4. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)) (Monterey Peninsula Taxpayers Assoc. v. Monterey Peninsula Water Management District) – Case No. 21CV003066

**RECESS TO CLOSED SESSION**

*Any Closed Session Items not completed may be continued to after the end of all open session items.*

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**REGULAR SESSION AT 6:00 P.M.**

**CALL TO ORDER / ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**ADDITIONS AND CORRECTIONS TO THE 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.*

**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 Special and Regular Board Meeting on February 12, 2024
- 2. Declaration of Surplus Items
- 3. Consider Adoption of Treasurer’s Report for January 2024

#### **GENERAL MANAGER'S REPORT**

4. Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision (*Verbal Report*)
5. Update on Water Supply Projects (*Verbal Report*)

#### **REPORT FROM DISTRICT COUNSEL**

6. Report From District Counsel (*Verbal Report*)

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

7. 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.*

8. Consider Adoption of the 2023 MPWMD Annual Report

*Recommended Action:* *The Board will conduct a public hearing and adopt the proposed 2023 MPWMD Annual Report with any changes or edits as recommended.*

9. Consider Adoption of April through June 2024 Quarterly Water Supply Strategy and Budget

*Recommended Action:* *The Board will consider approval of a proposed production strategy for the California American Water Distribution Systems for the three-month period of April through June 2024. The strategy sets monthly goals for surface and groundwater production from various sources within the California American Water systems.*

*CEQA Compliance:* *Notice of Exemption, CEQA, Article 19, section 15301 (Class 1)}*

*ESA Compliance:* *Consistent with the September 2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016*

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

10. Consider Adoption of Mid-Year Fiscal Year 2023-2024 Budget Adjustment

*Recommended Action:* *The Board will consider adoption of the proposed mid-year budget adjustment for FY2023 – 2024.*

11. Consider Adoption of Resolution 2024-03 Authorizing an Exception to the CalPERS 180-Day Wait Period for Hiring a Retiree

*Recommended Action:* *The Board will consider adoption of a resolution in compliance with the California Public Retirement System (CalPERS) requirement that the governing body of any agency wishing to hire a retiree prior to 180-days following their retirement date, pass a resolution to that effect.*

12. Consider Findings Pursuant to Public Contract Code Section 22050

*Recommended Action:* The Board will consider the emergency with the two Aquifer Storage and Recovery (ASR) wells and provide guidance to staff to seek immediate assistance to restore full ASR well capacity before the next injection season.

**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.

13. Report on Activity/Progress on Contracts Over \$25,000
14. Status Report on Measure J / Rule 19.8
15. Letters Received and Sent Supplemental Letter Packet
16. Committee Reports
17. Monthly Allocation Report
18. Water Conservation Program Report
19. Carmel River Fishery Report for February 2024
20. Monthly Water Supply and California American Water Production Report  
 [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]

**ADJOURNMENT**

Board Meeting Schedule		
Monday, April 15, 2024	Regular	6:00 p.m.
Monday, May 20, 2024	Regular	6:00 p.m.

Board Meeting Television and On-Line Broadcast Schedule	
<b>Television Broadcast</b>	<b>Viewing Area</b>
Comcast Ch. 24   View live broadcast on meeting dates, and replays on Mondays, Tuesdays and Thursdays at 4:00 p.m.	All Peninsula Cities
Comcast Ch. 28 (Monterey County Government Channel) Replays only at 9:00 a.m. on Saturdays	Throughout the Monterey County Government Television viewing area.
<b>Internet Broadcast</b>	
AMP 1   View live broadcast on meeting dates, and replays on Mondays, Tuesdays, and Thursdays at 4:00 p.m. and at <a href="https://accessmediaproductions.org/">https://accessmediaproductions.org/</a> scroll to <b>AMP 1</b> .	
Monterey County Government Channel   Replays only at 9:00 a.m. on Saturdays at <a href="http://www.mgtvonline.com">www.mgtvonline.com</a>	
MPWMD YouTube Page – View live broadcast on meeting dates. Recording/Replays available five (5) days following meeting date - <a href="https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg">https://www.youtube.com/channel/UCg-2VgzLBmgV8AaSK67BBRg</a>	

**Accessibility**

In accordance with Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), 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 at least 48 hours prior to the scheduled meeting date/time to Sara Reyes, Board Clerk by e-mail at [sara@mpwmd.net](mailto:sara@mpwmd.net) or at (831) 658-5610.

### Provide Public Comment at the Meeting

#### Attend In-Person

The Board meeting will be held in the Main Conference Room at **5 Harris Court, Building G, Monterey, CA 93942** and has limited seating capacity. Face coverings are encouraged, but not required. Please fill out a speaker card for each item you wish to speak on, and place in the speaker card box next to the Board Clerk.

**Attend via Zoom:** See below “Instructions for Connecting to the **Zoom Meeting**”

#### Submission of Public Comment via E-mail

Send comments to [comments@mpwmd.net](mailto:comments@mpwmd.net) with one of the following subject lines "PUBLIC COMMENT ITEM #"<sup>(insert the item number relevant to your comment)</sup> or “PUBLIC COMMENT – ORAL COMMUNICATIONS.” Staff will forward correspondence received to the Board. Correspondence is not read during public comment portion of the meeting. However, all written public comment received becomes part of the official record of the meeting and placed on the District’s website as part of the agenda packet for the meeting.

#### Submission of Written Public Comment

All documents submitted by the public must have no less than fifteen (15) copies to be received and distributed by the **Clerk** prior to the Meeting.

#### Document Distribution

In accordance with Government Code §54957.5, any materials of public record relating to an agenda item for a meeting of the Board of Directors that are provided to a majority of the members less than 72 hours before the meeting will be made available at the **District Office, 5 Harris Court, Building G, Monterey, CA** during normal business hours. Materials of public record that are distributed during the meeting shall be made available for public inspection at the meeting if prepared by the Board or a member of its legislative/advisory body, or the next business day after the meeting if prepared by some other person.

### Instructions for Connecting to the **Zoom Meeting**

**The public may remotely view and participate in the meeting to make public comment by computer, by phone or smart device.**

Please log on or call in as early as possible to address any technical issues that may occur and ensure you do not miss the time to speak on the desired item. Follow these instructions to log into Zoom from your computer, smart device or telephone. (Your device must have audio capability to participate).

To Join via Zoom- Teleconferencing means, please click the link below:

<https://mpwmd-net.zoom.us/j/83169138394?pwd=gmwxbChdnLAUY9v7kg6vtSXdpawYdP.1>

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

Webinar ID: 831 6913 8394

Passcode: 031824

To Participate by Phone: (669) 900-9128

1. Use the “raise hand” function to join the queue to speak on the current agenda item when the Chair calls

the item for Public Comment.

**COMPUTER / SMART DEVICE USERS:** You can find the raise hand option under your participant's name.

**TELEPHONE USERS:** The following commands can be entered using your phone's dial pad:

- \*6 – Toggle Mute / Unmute
- \*9 – Raise Hand

2. Staff will call your name or the last four digits of your phones number when it is your time to speak.
3. You may state your name at the beginning of your remarks for the meeting minutes.
4. Speakers will have up to three (3) minutes to make their remarks. *The Chair may announce and limit time on public comment.*
5. You may log off or hang up after making your comments.

*Refer to the Meeting Rules to review the complete Rules of Procedure for MPWMD Board and Committee Meetings:*  
<https://www.mpwmd.net/who-we-are/board-of-directors/meeting-rules-of-the-mpwmd/>

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**ITEM: CONSENT CALENDAR****1. CONSIDER ADOPTION OF MINUTES OF THE SPECIAL AND REGULAR BOARD MEETING ON FEBRUARY 12, 2024****Meeting Date: March 18, 2024** **Budgeted: N/A****From: David J. Stoldt,  
General Manager** **Program/  
Line Item No.: N/A****Prepared By: Sara Reyes** **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:** The Board will review, provide suggested edits, and consider approval of the draft meeting minutes of the Special and Regular Board Meeting on February 12, 2024, attached as **Exhibit 1-A**.**RECOMMENDATION:** The Board will consider approval of the draft minutes of the Special and Regular Board Meeting on February 12, 2024.**EXHIBIT****1-A** MPWMD Board of Director's Special and Regular Board Meeting on February 12, 2024

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## **EXHIBIT 1-A**

**Draft Minutes  
Special and Regular Meeting  
Board of Directors  
Monterey Peninsula Water Management District  
February 12, 2024 at 5:00 P.M.**

Meeting Location: District Office, Main Conference Room  
5 Harris Court, Building G, Monterey, CA 93940 AND  
By Teleconferencing Means - *Zoom*

### **CLOSED SESSION AT 5:00 P.M.**

#### **CALL TO ORDER:**

Chair Anderson called the meeting to order at 5:01 PM.

#### **ROLL CALL:**

Board members present: Amy Anderson, Chair  
George Riley, Vice Chair  
Marc Eisenhart  
Karen Paull  
Ian Oglesby  
Alvin Edwards  
Mary Adams

Board members absent: None

District staff members present: David Stoldt, General Manager  
Sara Reyes, Executive Assistant/Board Clerk

District staff members absent: None

District Counsel present: David Laredo with De Lay & Laredo  
Michael Laredo with De Lay & Laredo

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

None

#### **PUBLIC COMMENT ON THE CLOSED SESSION AGENDA:**

Chair Anderson opened Oral Communications; *the following comments were directed to the Board:*

- (1) Michael Baer, commented on the letter sent by the Local Agency Formation Commission (LAFCO) stating they plan to appeal the decision by Judge Wills and asked for an update as to what the District will be doing in response to that.

- (2) Margaret Anne Coppernoll, stated she agreed with Mr. Baer’s comments and asked the Board to investigate the legality of the appeal by LAFCO.

**CLOSED SESSION:**

District Counsel Laredo led the Board into Closed Session.

- CS 1. Conference with Labor Negotiators (Gov Code §54957.8)  
Agency Designated Representatives: David Stoldt  
Employee Organization: General Staff and Management Bargaining Units Represented by United Public Employees of California/LIUNA, Local 792  
Unrepresented Employees: Confidential Unit
- CS 2. Conference with Legal Counsel -- Existing Litigation (§54956.9(d)(1)), Monterey Peninsula Taxpayers Assoc. v. Monterey Peninsula Water Management District – Case No.: 21CV003066
- CS 3. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), MPWMD v. LAFCO – Case No. 22 CV 000925
- CS 4. Conference with Legal Counsel – Existing Litigation (§54956.9(d)(1)), MPWMD v. Cal-Am – Case No. 23 CV 004102
- CS 5. Public Employee Performance Evaluation, (Gov Code §54957) - Title: General Counsel, David Laredo

**RECESS TO CLOSED SESSION:**

The Board recessed the Closed Session at 5:10 p.m.

**REGULAR SESSION AT 6:00 P.M.**

**CALL TO ORDER:**

Chair Anderson called the meeting to order at 6:05 p.m.

**ROLL CALL:**

- |                                 |   |
|---------------------------------|---|
| Board members present:          | Amy Anderson, Chair<br>George Riley, Vice Chair<br>Marc Eisenhart<br>Karen Paull<br>Ian Oglesby<br>Alvin Edwards<br>Mary Adams  |
| Board members absent:           | None  |
| District staff members present: | David Stoldt, General Manager<br>Nishil Bali, Administrative Services Manager/Chief Financial Officer<br>Jonathan Lear, Water Resources Manager<br>Maureen Hamilton, District Engineer<br>Stephanie Locke, Water Demand Manager<br>Thomas Christensen, Environmental Resources Manager<br>Sara Reyes, Executive Assistant/Board Clerk |
| District staff members absent:  | None  |
| District Counsel present:       | David Laredo with De Lay & Laredo<br>Fran Farina with De Lay & Laredo   |

Michael Laredo with De Lay & Laredo

**PLEDGE OF ALLEGIANCE:**

The assembly recited the Pledge of Allegiance.

**ADDITIONS AND CORRECTIONS TO THE AGENDA:**

General Manager Stoldt stated that there is a clarification that he will address when the Board reaches Item 13.

**ORAL COMMUNICATIONS:**

Chair Anderson opened Oral Communications; *the following comments were directed to the Board:*

- (1) Margaret Anne Coppernoll expressed her concerns about LAFCO's appeal and the potential outcome. Ms. Coppernoll also stated that the State Lands Commission should be concerned about constructing a Desal pipeline beneath an aquifer.
- (2) Michael Baer, expressed the same sentiments as Ms. Coppernoll and hopes the District will respond to the State Lands Commission with the environmental concerns of the public.
- (3) Susan Schiavone, expressed the same sentiments as Ms. Coppernoll and Mr. Baer and expressed thanks to General Manager Stoldt and Monterey One Water for their testimony at the CPUC regarding supply and demand.

**CONSENT CALENDAR:**

Chair Anderson introduced the matter.

Director Eisenhart requested to pull Item 3 for comment. Stephanie Locke, Water Demand Manager answered questions from the Board on Item 3.

There being no further discussion, a motion was offered by Director Adams with a second by Director Eisenhart to approve the Consent Calendar. The motion passed by a voice vote of 7-Ayes (Adams, Oglesby, Eisenhart, Anderson, Paull, Edwards and Riley), and 0-Noes.

**The following agenda items were accepted as part of the Consent Calendar:**

1. **Consider Adoption of Minutes of the Special and Regular Board Meeting on January 22, 2024**
2. **Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey County**
3. **Consider Expenditure of Budgeted Funds for Water Conservation Equipment**
4. **Receive and File Second Quarter Financial Activity Report for Fiscal Year 2023-2024**
5. **Consider Approval of Second Quarter Fiscal Year 2023-2024 Investment Report**
6. **Consider Adoption of Treasurer's Report for December 2023**

**GENERAL MANAGER'S REPORT:**

Chair Anderson introduced the matter.

7. **Status Report on California American Water Compliance with State Water Resources Control Board Order 2016-0016 and Seaside Groundwater Basin Adjudication Decision**
  - General Manager Stoldt presented a photo featuring Stephanie Locke celebrating 15 Years of membership with the Monterey Peninsula Chamber of Commerce. Mr. Stoldt stated that the District is also a member of the Pacific Grove, Carmel, and Salinas Chamber of Commerce.
  - General Manager Stoldt provided information on the status of this agenda item via slide-deck presentation titled "Status Report on Cal-Am Compliance with SWRCB Orders and Seaside Basin Decision as of February 1, 2024". Board discussion ensued. *A copy of the presentation is available at the District office and can be found on the District website.*

**REPORT FROM DISTRICT COUNSEL:**

Chair Anderson introduced the matter.

**8. Report From District Counsel**

District Counsel stated that there were five items on the Closed Session agenda, with one item not being considered due to time constraints, and will be discussed after the February 12, 2024 regular session.

- The District’s Eminent Domain lawsuit against California American Water Company: Cal-Am has challenged the decision of Judge Wills to be assigned to this case. The Superior Court is now set to decide who will be the judge that presides over that matter.
- The District’s lawsuit against LAFCO and Cal-Am: Cal-Am filed a notice of appeal on February 8, 2024, and LAFCO filed its notice of appeal on February 9th. The District is now in a position to decide whether or not it will maintain a cross-appeal because not all matters that were in the judgement in that case were in favor of the District and the Board did resolve to authorize a cross-appeal against LAFCO and CalAm on a motion by Director Paull and second by Director Edwards with a vote of 7-0 in favor.

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

Chair Anderson introduced the matter.

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

Director Riley reported that he attended the Seaside Basin Watermaster meeting on February 7, 2024, and stated that there was discussion on options for the watermaster to raise funds to support its ideas regarding maintaining the basin. Future meetings will now be held in person at City Hall in the City of Sand City.

Director Edwards reported that he also attended the Seaside Basin Watermaster meeting and would like a report on the health of the Seaside Basin be presented to the Board.

Chair Anderson opened the public comment for Item Nos. 7-9; no comments were directed to the Board.

**PUBLIC HEARING:**

Chair Anderson introduced the matter.

**10. Consider Second Reading and Adoption of Ordinance No. 194 Amending Rule 11 and Adding Rule 23.10 to Establish a Water Entitlement for the City of Seaside**

Stephanie Locke, Water Demand Manager, provided an overview of her staff report, answered questions, and presented via slide-deck presentation titled “Consider Second Reading and Adoption of Ordinance No 194, Amending Rule 11 and Adding Rule 23.10 to Establish a Water Entitlement for the City of Seaside”. Board discussion ensued. *A copy of the presentation is available at the District office and can be found on the District website.*

Chair Anderson opened the public comment; *the following comments were directed to the Board:*

- (1) Sheri Damon, the City Attorney for the City of Seaside, stated that the City is in favor of the minor changes to the ordinance and expressed gratitude to District staff for their work and assistance with the City's project and hopes for continued support.
- (2) Susan Schiavone congratulated all involved in this project; it will greatly enhance the City of Seaside and its housing needs.

A motion was offered by Director Edwards with a second by Director Riley to approve the second reading and adopt Ordinance No. 194, Amending Rule 11 and Adding Rule 23.10 to Establish a Water Entitlement for the City of Seaside. The motion passed by roll-call vote of 7-Ayes (Oglesby, Adams, Eisenhart, Paull, Edwards, Riley and Anderson). 0-Noes.

**ACTION ITEMS:**

Chair Anderson introduced the matter.

**11. Consider Adoption of Resolution No. 2024-02 Declaring the Week of March 18-24, 2024 to be Fix a Leak Week**

Stephanie Locke, Water Demand Manager, provided an overview of her staff report, answered questions, and presented via slide-deck presentation titled “Fix A Leak Week March 18-24, 2024”. Board discussion ensued. *A copy of the presentation is available at the District office and can be found on the District website.*

Chair Anderson opened the public comment; no comments were directed to the Board.

A motion was offered by Director Eisenhart with a second by Director Paull to adopt Resolution 2024-02, declaring the week of March 18<sup>th</sup> through March 24<sup>th</sup> to be Fix a Leak Week. The motion passed by a voice vote of 7-Ayes (Oglesby, Eisenhart, Adams, Anderson, Riley, Paull and Edwards), and 0-Noes.

**12. Receive Fiscal Year 2022-2023 Annual Comprehensive Financial Report**

Nishil Bali, Chief Financial Officer/Administrative Services Manager, provided an overview of his staff report, answered questions, and presented via slide-deck presentation titled “Receive Fiscal Year 2022-2023 Annual Comprehensive Financial Report (ACFR). Mr. Bali reported that Rae Gularte and Mike Briley with CliftonLarsonAllen LLP, were in attendance and would be presenting information to the Board. Ms. Gularte presented via slide-deck presentation titled "Audit Results for June 30, 2023". Board discussion ensued. *Copies of both presentations are available at the District office and can be found on the District website.*

Chair Anderson opened the public comment; no comments were directed to the Board.

The Board received the Annual Comprehensive Financial Report for the year commencing June 30, 2023.

**13. Consider Approval of an Addendum to the Pure Water Monterey Supplemental Environmental Impact Report for the District’s Water Allocation Program**

General Manager Stoldt clarified that the CEQA Compliance language in the staff report may have appeared confusing and assured the Board that it is acting on a project under CEQA. Mr. Stoldt also reported this item is being presented to the Board to consider and approve an addendum to the Pure Water Monterey Supplemental EIR. Upon approval, the District will file a Notice of Determination with the State Clearing House. Board discussion ensued.

Chair Anderson opened the public comment; *the following comments were directed to the Board:*

- (1) Sheri Damon, City Attorney with the City of Seaside, stated that since the District is considering an allocation to the city of Seaside, she requested that her office be kept informed so that the city staff can manage the allocation process.

A motion was offered by Director Riley and second by Director Edwards to approve the Addendum, in conjunction with the 2021 SEIR, and find that there is substantial evidence that there will be no new significant impacts and none of the conditions described in Section 15162 of the CEQA Guidelines calling for preparation of a subsequent EIR have occurred. The motion passed by a voice vote of 7-Ayes (Oglesby, Eisenhart, Adams, Anderson, Riley, Paull and Edwards), 0-Noes.

**14. Consider Approval of a District Legislative Advocacy Plan for 2024**

General Manager Stoldt provided an overview of his report and answered questions from the Board. Board discussion ensued.

Chair Anderson opened the public comment; no comments were directed to the Board.

A motion was offered by Director Paull and second by Director Eisenhart to adopt the proposed 2024 Legislative Advocacy Plan. The motion passed by a voice vote of 7-Ayes (Oglesby, Eisenhart, Adams, Anderson, Riley, Paull and Edwards), 0-Noes.

**DISCUSSION ITEM:**

Chair Anderson introduced the matter.

**15. Discuss the Preferred Approach to the Development of District Goals and Objectives for 2024**

General Manager Stoldt provided an overview of his staff report and answered questions from the Board. Following discussion, the Board agreed to conduct a Strategic Planning Session, facilitated by the General Manager.

**INFORMATIONAL ITEMS/STAFF REPORTS:**

- 16. Report on Activity/Progress on Contracts Over \$25,000**
- 17. Status Report on Measure J/Rule 19.8 Phase II Spending**
- 18. Letters Received**
- 19. Committee Reports**
- 20. Monthly Allocation Report**
- 21. Water Conservation Program Report**
- 22. Carmel River Fishery Report for January 2024**
- 23. Monthly Water Supply and California American Water Production Report**

*These items were informational only and no action was taken. Copies of these reports are available at the District office and can be found on the District website.*

**ADJOURNMENT:**

1. Chair Anderson adjourned the Regular Session at 8:05 PM.
2. Recessed the Board into continued Closed Session at 8:10 PM.
3. The Board departed from Closed Session after 8:10 PM (Legal Counsel and staff were not present).

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Sara Reyes, Deputy District Secretary

Minutes Approved by the MPWMD Board of Directors on Monday, \_\_\_\_\_, 2024

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**ITEM: CONSENT CALENDAR****2. DECLARATION OF SURPLUS ITEMS**

<b>Meeting Date:</b>	<b>March 18, 2024</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>Nishil Bali</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Approval: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on March 11, 2024 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:** On July 21, 2003, the District Board of Directors adopted a Policy Regarding Disposal of Surplus Property. The guidelines set forth in the District's policy state that Surplus District property that is determined to have no value may be donated to a non-profit organization that is willing to accept it or disposed of at a landfill or by other appropriate manner. Items listed on **Exhibit 2-A** have been determined to be of no value and need to be declared as surplus.

**RECOMMENDATION:** The Finance and Administration Committee recommends that the Board declare the items listed on **Exhibit 2-A** as surplus items to be either donated or disposed at the Monterey Regional Waste Management District.

**EXHIBIT****2-A Surplus List**





**EXHIBIT 2-A****MPWMD E-Waste Inventory**

	<b><u>Description</u></b>	<b><u>Serial No.</u></b>
1.	PC People Desktop x 14 quantity	None (custom desktops)
2.	Lenovo Laptop	R9-K1YK8
3.	Lenovo Laptop	PC-00W0JY
4.	Windows Surface Tablet	039038550453
5.	HP ProDesk	MXL8512NB2
6.	Toshiba Laptop	540B1701PU



**ITEM: CONSENT CALENDAR****3. CONSIDER ADOPTION OF TREASURER'S REPORT FOR JANUARY 2024****Meeting Date: March 18, 2024 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Nishil Bali Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee considered this item on March 11, 2024 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 3-A comprises the Treasurer's Report for January 2024. Exhibit 3-B includes listings of check disbursements for the period January 1-31, 2024. Checks, virtual checks (AP Automation), direct deposits of employee paychecks, payroll tax deposits, and bank charges resulted in total disbursements for the period in the amount of \$1,825,197.27. Exhibit 3-C reflects the unaudited version of the Statement of Revenues and Expenditures for the month ending January 31, 2024.

**RECOMMENDATION:** The Finance and Administration Committee recommends that the Board adopt the January 2024 Treasurer's Report and Statement of Revenues and Expenditures and ratify the disbursements made during the month.

**EXHIBITS****3-A** Treasurer's Report**3-B** Listing of Cash Disbursements-Regular**3-C** Statement of Revenues and Expenditures



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT  
TREASURER'S REPORT FOR JANUARY 2024**

<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>	<b>\$633,645.32</b>	<b>\$7,200,888.33</b>	<b>\$9,990,839.26</b>	<b>\$8,934,939.22</b>	<b>\$26,760,312.13</b>	<b>\$379,073.36</b>
Fee Deposits		571,686.25			571,686.25	284,248.57
MoCo Tax & WS Chg Installment Pymt					0.00	
Interest Received			100,369.51	22,694.29	123,063.80	
Transfer - Checking/LAIF					0.00	
Transfer - Money Market/LAIF					0.00	
Transfer - Money Market/Checking	2,000,000.00	(2,000,000.00)			0.00	
Transfer - Money Market/Multi-Bank					0.00	
Transfer to CAWD					0.00	(379,000.00)
Voided Checks					0.00	
Bank Corrections/Reversals/Errors					0.00	
Bank Charges/Other	-				0.00	
Credit Card Fees	(738.82)				(738.82)	
Returned Deposits	-				0.00	
Payroll Tax/Benefit Deposits	(206,513.96)				(206,513.96)	
Payroll Checks/Direct Deposits	(247,630.02)				(247,630.02)	
General Checks	(3,141.89)				(3,141.89)	
Rebate Payments	(500.00)				(500.00)	
Bank Draft Payments	(12,140.35)				(12,140.35)	
AP Automation Payments	(1,354,532.23)				(1,354,532.23)	
<b>Ending Balance</b>	<b>\$808,448.05</b>	<b>\$5,772,574.58</b>	<b>\$10,091,208.77</b>	<b>\$8,957,633.51</b>	<b>\$25,629,864.91</b>	<b>\$284,321.93</b>

\* Fixed Income investments are reported at par value



**EXHIBIT 3-B**

**My Check Report**

By Check Number

Date Range: 01/01/2024 - 01/31/2024



Monterey Peninsula Water Management Di

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: APBNK</b>	<b>-Bank of America Checking</b>					
01002	Monterey County Clerk	01/11/2024	Regular	0.00	50.00	40819
01020	Sara Reyes - Petty Cash Custodian	01/11/2024	Regular	0.00	225.63	40820
01195	California Dept. of Fish & Wildlife	01/25/2024	Regular	0.00	2,103.00	40822
04040	City of Seaside	01/25/2024	Regular	0.00	533.26	40823
26080	Nishil Bali	01/25/2024	Regular	0.00	110.00	40824
03979	Special Districts Association of Monterey Count	01/25/2024	Regular	0.00	120.00	40825
15399	Accela Inc.	01/09/2024	Virtual Payment	0.00	38,278.50	APA003989
00767	AFLAC	01/09/2024	Virtual Payment	0.00	771.59	APA003990
00263	Arlene Tavani	01/09/2024	Virtual Payment	0.00	1,044.60	APA003991
00253	AT&T	01/09/2024	Virtual Payment	0.00	1,348.56	APA003992
04043	Campbell Scientific, Inc.	01/09/2024	Virtual Payment	0.00	3,415.16	APA003993
12601	Carmel Valley Ace Hardware	01/09/2024	Virtual Payment	0.00	9.69	APA003994
18734	DeVeera Inc.	01/09/2024	Virtual Payment	0.00	19,900.92	APA003995
12655	Graphicsmiths	01/09/2024	Virtual Payment	0.00	175.00	APA003996
02833	Greg James	01/09/2024	Virtual Payment	0.00	804.58	APA003997
00993	Harris Court Business Park	01/09/2024	Virtual Payment	0.00	396.54	APA003998
00993	Harris Court Business Park	01/09/2024	Virtual Payment	0.00	396.85	APA003999
04717	Inder Osahan	01/09/2024	Virtual Payment	0.00	1,413.12	APA004000
13431	Lynx Technologies, Inc	01/09/2024	Virtual Payment	0.00	3,600.00	APA004001
00222	M.J. Murphy	01/09/2024	Virtual Payment	0.00	62.47	APA004002
05829	Mark Bekker	01/09/2024	Virtual Payment	0.00	435.46	APA004003
00242	MBAS	01/09/2024	Virtual Payment	0.00	2,745.00	APA004004
00118	Monterey Bay Carpet & Janitorial Svc	01/09/2024	Virtual Payment	0.00	1,260.00	APA004005
04729	Monterey Commercial Property Owners Associ	01/09/2024	Virtual Payment	0.00	400.00	APA004006
13396	Navia Benefit Solutions, Inc.	01/09/2024	Virtual Payment	0.00	852.83	APA004007
23759	Ozark Underground Lab, Inc	01/09/2024	Virtual Payment	0.00	935.43	APA004008
00036	Parham Living Trust	01/09/2024	Virtual Payment	0.00	850.00	APA004009
04736	Pitney Bowes Global Financial Svc, LLC	01/09/2024	Virtual Payment	0.00	392.41	APA004010
07627	Purchase Power	01/09/2024	Virtual Payment	0.00	59.01	APA004011
00262	Pure H2O	01/09/2024	Virtual Payment	0.00	65.54	APA004012
04359	The Carmel Pine Cone	01/09/2024	Virtual Payment	0.00	726.00	APA004013
09425	The Ferguson Group LLC	01/09/2024	Virtual Payment	0.00	6,058.58	APA004014
00024	Three Amigos Pest Control DBA Central Coast E	01/09/2024	Virtual Payment	0.00	104.00	APA004015
00207	Universal Staffing Inc.	01/09/2024	Virtual Payment	0.00	928.00	APA004016
20230	Zoom Video Communications Inc	01/09/2024	Virtual Payment	0.00	918.21	APA004017
00763	ACWA-JPIA	01/11/2024	Virtual Payment	0.00	313.56	APA004018
12601	Carmel Valley Ace Hardware	01/11/2024	Virtual Payment	0.00	133.58	APA004019
00224	City of Monterey	01/11/2024	Virtual Payment	0.00	697.75	APA004020
04041	Cynthia Schmidlin	01/11/2024	Virtual Payment	0.00	2,041.28	APA004021
18734	DeVeera Inc.	01/11/2024	Virtual Payment	0.00	4,044.00	APA004022
00986	Henrietta Stern	01/11/2024	Virtual Payment	0.00	2,826.24	APA004023
05371	June Silva	01/11/2024	Virtual Payment	0.00	732.40	APA004024
05830	Larry Hampson	01/11/2024	Virtual Payment	0.00	1,413.12	APA004025
00222	M.J. Murphy	01/11/2024	Virtual Payment	0.00	23.66	APA004026
00259	Marina Coast Water District	01/11/2024	Virtual Payment	0.00	177.74	APA004027
00259	Marina Coast Water District	01/11/2024	Virtual Payment	0.00	3,020.96	APA004028
00274	Monterey One Water	01/11/2024	Virtual Payment	0.00	1,156,508.76	APA004029
13396	Navia Benefit Solutions, Inc.	01/11/2024	Virtual Payment	0.00	1,143.74	APA004030
00154	Peninsula Messenger Service	01/11/2024	Virtual Payment	0.00	524.00	APA004031
19700	Shute, Mihaly & Weinberger LLP	01/11/2024	Virtual Payment	0.00	8,407.12	APA004032
00269	U.S. Bank	01/11/2024	Virtual Payment	0.00	5,779.76	APA004033
00269	U.S. Bank	01/11/2024	Virtual Payment	0.00	101.58	APA004034
00207	Universal Staffing Inc.	01/11/2024	Virtual Payment	0.00	696.00	APA004035
23550	WellmanAD	01/11/2024	Virtual Payment	0.00	8,325.00	APA004036

## My Check Report

Date Range: 01/01/2024 - 01/31/2024

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
01188	Alhambra	01/25/2024	Virtual Payment	0.00	143.09	APA004037
19446	American Fisheries Society	01/25/2024	Virtual Payment	0.00	135.00	APA004038
01015	American Lock & Key	01/25/2024	Virtual Payment	0.00	7.72	APA004039
00760	Andy Bell	01/25/2024	Virtual Payment	0.00	618.00	APA004040
14567	Applicant Information	01/25/2024	Virtual Payment	0.00	98.95	APA004041
12601	Carmel Valley Ace Hardware	01/25/2024	Virtual Payment	0.00	193.88	APA004042
14225	Cla-Val Company	01/25/2024	Virtual Payment	0.00	7,149.40	APA004043
00281	CoreLogic Information Solutions, Inc.	01/25/2024	Virtual Payment	0.00	1,314.91	APA004044
18734	DeVeera Inc.	01/25/2024	Virtual Payment	0.00	586.63	APA004045
22793	ETech Consulting, LLC	01/25/2024	Virtual Payment	0.00	525.00	APA004046
00192	Extra Space Storage	01/25/2024	Virtual Payment	0.00	936.00	APA004047
00993	Harris Court Business Park	01/25/2024	Virtual Payment	0.00	396.85	APA004048
00993	Harris Court Business Park	01/25/2024	Virtual Payment	0.00	396.54	APA004049
03857	Joe Oliver	01/25/2024	Virtual Payment	0.00	705.00	APA004050
26079	Jonathan Lee	01/25/2024	Virtual Payment	0.00	2,000.00	APA004051
24868	Loggerhead Navigation Company	01/25/2024	Virtual Payment	0.00	3,029.38	APA004052
00222	M.J. Murphy	01/25/2024	Virtual Payment	0.00	210.06	APA004053
00259	Marina Coast Water District	01/25/2024	Virtual Payment	0.00	226.74	APA004054
05829	Mark Bekker	01/25/2024	Virtual Payment	0.00	300.18	APA004055
00223	Martins Irrigation Supply	01/25/2024	Virtual Payment	0.00	21.69	APA004056
07418	McMaster-Carr	01/25/2024	Virtual Payment	0.00	766.54	APA004057
16182	Monterey County Weekly	01/25/2024	Virtual Payment	0.00	1,940.00	APA004058
00278	Monterey Tire Service	01/25/2024	Virtual Payment	0.00	30.37	APA004059
13396	Navia Benefit Solutions, Inc.	01/25/2024	Virtual Payment	0.00	1,143.74	APA004060
00755	Peninsula Welding Supply, Inc.	01/25/2024	Virtual Payment	0.00	64.50	APA004061
24869	Raftelis Financial Consultants, Inc.	01/25/2024	Virtual Payment	0.00	1,925.00	APA004062
13394	Regional Government Services	01/25/2024	Virtual Payment	0.00	2,422.08	APA004063
17968	Rutan & Tucker, LLP	01/25/2024	Virtual Payment	0.00	23,642.51	APA004064
00176	Sentry Alarm Systems	01/25/2024	Virtual Payment	0.00	524.75	APA004065
09989	Star Sanitation Services	01/25/2024	Virtual Payment	0.00	117.61	APA004066
04359	The Carmel Pine Cone	01/25/2024	Virtual Payment	0.00	2,178.00	APA004067
09425	The Ferguson Group LLC	01/25/2024	Virtual Payment	0.00	6,000.00	APA004068
18737	U.S. Bank Equipment Finance	01/25/2024	Virtual Payment	0.00	871.81	APA004069
00207	Universal Staffing Inc.	01/25/2024	Virtual Payment	0.00	928.00	APA004070
00271	UPEC, Local 792	01/25/2024	Virtual Payment	0.00	1,111.00	APA004071
04707	VertiGIS	01/25/2024	Virtual Payment	0.00	6,373.00	APA004072
08105	Yolanda Munoz	01/25/2024	Virtual Payment	0.00	540.00	APA004073
00252	Cal-Am Water	01/08/2024	Bank Draft	0.00	182.87	DFT0003132
00252	Cal-Am Water	01/08/2024	Bank Draft	0.00	78.79	DFT0003133
00758	FedEx	01/08/2024	Bank Draft	0.00	90.95	DFT0003134
00277	Home Depot Credit Services	01/08/2024	Bank Draft	0.00	66.19	DFT0003135
00259	Marina Coast Water District	01/09/2024	Bank Draft	0.00	-177.74	DFT0003136
00259	Marina Coast Water District	01/08/2024	Bank Draft	0.00	177.74	DFT0003136
00259	Marina Coast Water District	01/09/2024	Bank Draft	0.00	-3,020.96	DFT0003137
00259	Marina Coast Water District	01/08/2024	Bank Draft	0.00	3,020.96	DFT0003137
17964	SWRCB	01/08/2024	Bank Draft	0.00	399.00	DFT0003138
00266	I.R.S.	01/12/2024	Bank Draft	0.00	71,508.95	DFT0003142
00266	I.R.S.	01/12/2024	Bank Draft	0.00	6,226.06	DFT0003143
00267	Employment Development Dept.	01/12/2024	Bank Draft	0.00	13,293.13	DFT0003144
00252	Cal-Am Water	01/11/2024	Bank Draft	0.00	186.80	DFT0003145
00282	PG&E	01/11/2024	Bank Draft	0.00	10.18	DFT0003146
00282	PG&E	01/11/2024	Bank Draft	0.00	26.06	DFT0003147
00282	PG&E	01/11/2024	Bank Draft	0.00	54.84	DFT0003148
18163	Wex Bank	01/11/2024	Bank Draft	0.00	697.45	DFT0003149
17964	SWRCB	01/11/2024	Bank Draft	0.00	798.00	DFT0003152
00266	I.R.S.	01/26/2024	Bank Draft	0.00	12,548.73	DFT0003155
00266	I.R.S.	01/26/2024	Bank Draft	0.00	2,926.58	DFT0003156
00267	Employment Development Dept.	01/26/2024	Bank Draft	0.00	5,070.49	DFT0003157
00769	Laborers Trust Fund of Northern CA	01/10/2024	Bank Draft	0.00	35,650.00	DFT0003158
00758	FedEx	01/22/2024	Bank Draft	0.00	383.31	DFT0003159
00277	Home Depot Credit Services	01/25/2024	Bank Draft	0.00	96.37	DFT0003160



My Check Report

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
00282	PG&E	01/22/2024	Bank Draft	0.00	2,500.46	DFT0003161
00282	PG&E	01/22/2024	Bank Draft	0.00	2,515.49	DFT0003162
00282	PG&E	01/22/2024	Bank Draft	0.00	4,053.59	DFT0003163
00256	PERS Retirement	01/11/2024	Bank Draft	0.00	21,021.54	DFT0003180
00256	PERS Retirement	01/31/2024	Bank Draft	0.00	20,720.66	DFT0003185
00768	MissionSquare Retirement- 302617	01/26/2024	Bank Draft	0.00	4,885.88	DFT0003191
00768	MissionSquare Retirement- 302617	01/12/2024	Bank Draft	0.00	6,330.97	DFT0003195

Payment Type	Bank Code APBNK		Summary	
	Payable Count	Payment Count	Discount	Payment
Regular Checks	6	6	0.00	3,141.89
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	43	31	0.00	212,323.34
EFT's	0	0	0.00	0.00
Virtual Payments	143	85	0.00	1,354,832.23
	<b>192</b>	<b>122</b>	<b>0.00</b>	<b>1,570,297.46</b>

My Check Report

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
26086	Rita Boborg	01/11/2024	Regular	0.00	500.00	40821

Bank Code REBATES-02 Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	1	1	0.00	500.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
Virtual Payments	0	0	0.00	0.00
	<b>1</b>	<b>1</b>	<b>0.00</b>	<b>500.00</b>

### All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	7	7	0.00	3,641.89
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	43	31	0.00	212,323.34
EFT's	0	0	0.00	0.00
Virtual Payments	143	85	0.00	1,354,832.23
	<b>193</b>	<b>123</b>	<b>0.00</b>	<b>1,570,797.46</b>

### Fund Summary

Fund	Name	Period	Amount
99	POOL CASH FUND	1/2024	1,570,797.46
			<b>1,570,797.46</b>





**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
 STATEMENT OF REVENUES AND EXPENDITURES  
 FOR THE MONTH JANUARY 31, 2024

	<u>Mitigation</u>	<u>Conservation</u>	<u>Water Supply</u>	<u>Current Period Activity</u>	<u>Current FY Year-to-Date Actual</u>	<u>Current FY Annual Budget</u>	<u>Prior FY Year-to-Date Actual</u>
<b>REVENUES</b>							
Property taxes	\$ -	\$ -	-	-	\$ 1,503,617	\$ 2,600,000	\$ 1,429,959
Water supply charge			-	-	-	3,400,000	2,022,764
User fees	308,484	118,717	71,950	499,151	3,584,393	6,000,000	3,401,962
Mitigation revenue	-			-	-	-	-
PWM Water Sales			1,646,510	1,646,510	8,622,358	13,275,500	8,312,194
Capacity fees			31,725	31,725	169,783	500,000	220,824
Permit fees	-	17,265		17,265	131,822	198,000	121,264
Investment income	33,122	32,118	35,129	100,370	316,289	150,000	129,463
Miscellaneous	-	-	840	840	7,719	15,000	14,083
<b>Sub-total district revenues</b>	<b>341,606</b>	<b>168,100</b>	<b>1,786,154</b>	<b>2,295,861</b>	<b>14,335,982</b>	<b>26,138,500</b>	<b>15,652,513</b>
Project reimbursements	-	2,500	-	2,500	498,007	1,251,200	275,826
Legal fee reimbursements		150		150	10,634	16,000	2,850
Grants	-	-	-	-	182,652	18,940,000	333,785
Recording fees		4,510		4,510	33,440	25,000	20,570
<b>Sub-total reimbursements</b>	<b>-</b>	<b>7,160</b>	<b>-</b>	<b>7,160</b>	<b>724,733</b>	<b>20,232,200</b>	<b>633,032</b>
From Reserves	-	-	-	-	-	2,067,550	-
<b>Total revenues</b>	<b>341,606</b>	<b>175,260</b>	<b>1,786,154</b>	<b>2,303,021</b>	<b>15,060,715</b>	<b>48,438,250</b>	<b>16,285,544</b>
<b>EXPENDITURES</b>							
Personnel:							
Salaries	115,539	84,169	187,776	387,484	1,763,643	2,902,800	1,544,131
Retirement	7,676	5,042	9,525	22,243	665,713	820,700	664,532
Unemployment Compensation	-	-	-	-	-	10,100	-
Auto Allowance	92	92	277	462	3,346	6,000	3,369
Deferred Compensation	165	165	495	825	6,178	10,700	5,622
Temporary Personnel	1,175	1,139	1,246	3,560	12,340	10,000	6,264
Workers Comp. Ins.	3,367	367	3,969	7,704	44,664	56,600	41,706
Employee Insurance	16,091	11,288	17,169	44,548	315,443	583,700	299,308
Medicare & FICA Taxes	1,668	1,282	2,085	5,034	25,574	49,500	25,907
Personnel Recruitment	33	32	35	99	639	8,000	513
Other benefits	292	283	309	884	1,584	2,000	1,378
Staff Development	272	264	289	825	4,594	26,400	6,450
<b>Sub-total personnel costs</b>	<b>146,369</b>	<b>104,123</b>	<b>223,175</b>	<b>473,667</b>	<b>2,843,718</b>	<b>4,486,500</b>	<b>2,599,179</b>
Services & Supplies:							
Board Member Comp	936	936	964	2,835	15,525	37,000	17,010
Board Expenses	691	636	710	2,036	3,752	8,000	2,964
Rent	415	403	440	1,258	13,878	26,300	13,896
Utilities	1,257	1,219	1,333	3,809	21,696	33,200	20,145
Telephone	1,190	862	753	2,805	32,822	47,000	27,873
Facility Maintenance	1,388	1,346	1,472	4,205	23,995	55,100	19,855
Bank Charges	272	263	288	823	7,033	25,100	10,272
Office Supplies	301	336	368	1,006	9,473	24,200	19,592
Courier Expense	171	166	182	519	4,345	7,600	4,702
Postage & Shipping	45	43	47	135	1,315	7,500	2,588
Equipment Lease	357	227	288	872	6,050	13,100	6,922
Equip. Repairs & Maintenance	-	-	-	-	3,660	5,100	1,197
Photocopy Expense							
Printing/Duplicating/Binding	-	-	-	-	-	-	-
IT Supplies/Services	19,272	18,688	20,440	58,400	222,157	260,000	220,389
Operating Supplies	1,046	1,469	272	2,787	14,846	21,200	3,306
Legal Services	-	-	304	304	203,464	400,000	173,244



**MONTEREY PENINSULA WATER MANAGEMENT DISTRICT**  
 STATEMENT OF REVENUES AND EXPENDITURES  
 FOR THE MONTH JANUARY 31, 2024

	Mitigation	Conservation	Water Supply	Current Period Activity	Current FY Year-to-Date Actual	Current FY Annual Budget	Prior FY Year-to-Date Actual
Professional Fees	4,595	4,456	4,873	13,924	201,671	455,100	176,921
Transportation	9,137	345	146	9,628	26,816	31,000	16,163
Travel	31	43	88	162	3,481	19,500	17,862
Meeting Expenses	494	505	497	1,495	4,713	19,800	8,544
Insurance	7,507	7,962	7,280	22,750	159,295	250,000	101,152
Legal Notices	-	-	-	-	-	2,600	-
Membership Dues	260	-	-	260	34,120	41,200	30,953
Public Outreach	318	202	256	775	2,555	3,100	110
Assessors Administration Fee	-	-	-	-	-	34,000	-
Miscellaneous	-	-	-	-	387	3,200	393
<b>Sub-total services &amp; supplies costs</b>	<b>49,682</b>	<b>40,104</b>	<b>41,002</b>	<b>130,788</b>	<b>1,017,051</b>	<b>1,829,900</b>	<b>896,052</b>
Project expenditures	131,253	10,172	1,671,729	1,813,154	9,634,793	36,631,100	10,071,576
Fixed assets	-	216	-	216	37,042	230,000	240,519
Contingencies	-	-	-	-	-	70,000	-
Election costs	-	-	-	-	-	-	-
Debt service: Principal	-	-	-	-	-	-	-
Debt service: Interest	-	-	957	957	116	-	49,009
Flood drought reserve	-	-	-	-	-	171,056	-
Capital equipment reserve	-	-	-	-	-	330,300	-
General fund balance	-	-	-	-	-	1,089,394	270
Water Supply Charge Reserve	-	-	-	-	1,859,381	3,400,000	-
Pension reserve	-	-	-	-	-	100,000	-
OPEB reserve	-	-	-	-	-	100,000	-
<b>Sub-total other</b>	<b>131,253</b>	<b>10,387</b>	<b>1,672,686</b>	<b>1,814,327</b>	<b>11,531,332</b>	<b>42,121,850</b>	<b>10,361,374</b>
<b>Total expenditures</b>	<b>327,305</b>	<b>154,615</b>	<b>1,936,862</b>	<b>2,418,782</b>	<b>15,392,101</b>	<b>48,438,250</b>	<b>13,856,605</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>\$ 14,301</b>	<b>\$ 20,645</b>	<b>\$ (150,708)</b>	<b>\$ (115,761)</b>	<b>\$ (331,386)</b>	<b>\$ -</b>	<b>\$ 2,428,939</b>

**ITEM: PUBLIC HEARING****8. CONSIDER ADOPTION OF 2023 MPWMD ANNUAL REPORT**

<b>Meeting Date:</b>	<b>March 18, 2024</b>	<b>Budgeted:</b>	<b>Yes</b>
<b>From:</b>	<b>David J. Stoldt General Manager</b>	<b>Program/ Line Item No.:</b>	<b>4-2-1</b>
<b>Prepared By:</b>	<b>Stephanie Locke</b>	<b>Cost Estimate:</b>	<b>\$8,600</b>

**General Counsel Approval: N/A****Committee Recommendation: Public Outreach Committee met February 20, 2024, and directed staff to make certain edits and recommend approval to the Board.****CEQA Compliance: Action does not constitute a project as defined by CEQA**

**SUMMARY:** Attached as **Exhibit 8-A** is the draft MPWMD Annual Report for 2023. The District's enabling legislation requires production of an annual written report of the activities of the District in the protection and augmentation of water supplies of the District. The legislation further requires that a public hearing be held each year regarding the contents of the report before it is finalized.

The Public Outreach Committee reviewed the draft Annual Report and discussed distribution of to the public at its February 20, 2024, meeting. In addition to posting the report on the website and distributing it via the email newsletter, it is recommended that the Board approve distribution of the report to the public through the Monterey County Weekly as an insert to its newspaper the in late March or early April. The printing costs for the report (20,000 copies) will be \$6,500 (plus tax of approximately \$600) and insertion and distribution by Monterey County Weekly will be \$1,500 (\$1,300 plus 15% contingency) for a total of \$8,600. Funds are budgeted in the current budget for this expenditure.

**RECOMMENDATION:** The Board should conduct a public hearing and adopt the proposed 2023 MPWMD Annual Report with any changes or edits as recommended. The Board should also authorize the distribution of the report as recommended by the Public Outreach Committee.

**EXHIBIT****8-A Draft 2023 Annual Report**





# 2023 ANNUAL REPORT

**PWM Expansion on Its Way**  
**Preparations to Lift CDO**  
**District Expands Initiatives**  
**Steelhead Rescue**  
**Grants Bring New Projects**

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# Pure Water Monterey Expansion Expected to Meet Water Needs for Decades.

**AS A RESULT** of legal and regulatory constraints on the Carmel River and Seaside Aquifer over the last twenty-five years, long-term water supplies available to Monterey Peninsula customers from those sources have been reduced. New, permanent replacement water supplies are now being expanded.

The Pure Water Monterey project, funded and built by Monterey One Water, MPWMD (District), and Marina Coast Water, now provides 38% of the Peninsula's water. The District

believes that the expansion of Pure Water Monterey will supply all the drinking water needed for housing, jobs, growth, and drought for at least the next 30 years and is more affordable and better for the environment than desalination.

The California Public Utilities Commission approved a Water Purchase Agreement to support the 2,250 acre-feet per year (AFY) expansion, signed on March 31, 2023. Construction began in August 2023 and is expected to be completed in late 2025.







## Water Supply Gets Boost from ASR

In the second-best year ever, the District injected 1,656 AF (acre-feet) via the Aquifer Storage and Recovery Project (ASR), enough to meet 18% of annual demand. At the end of the year, the District had 1,870 AF stored in the Pure Water Monterey Operating Reserve and 2,159 AF in the Aquifer Storage and Recovery banked storage.

Customer demand for 2023 decreased by 441 AF over the year prior due to reduced irrigation needs during a very wet spring. That resulted in a production total for the year of 9,118 AF of drinking water. Water supply sources included 3,548 AF from Pure Water Monterey, 3,020 AF from the Carmel River, 1,571 AF from Seaside Groundwater sources, and 173 AF from the Sand City Desalination Facility.

## District Prepares for Lifting of CDO

Construction of the Pure Water Monterey Expansion project is expected to be completed in late 2025. If California American Water (Cal-Am), the District, and the State Water Board all cooperate, the PWM Expansion is expected to bring the permanent replacement water supply that will lift the State's cease and desist order (CDO) against Cal-Am and the moratorium on service connections for new housing.

The new supply (over and above existing demand) will be allocated to local cities and other jurisdictions through a process led by the District, and will involve the District's Technical Advisory Committee (TAC) and the District's Policy Advisory Committee (PAC).

Due to a delay in the County process of adopting a 2023-2031 Draft Housing Element to send to the State, the District was not ready to move forward with TAC meetings in 2023. The Allocation Process will become a priority for 2024. The jurisdictions will need to agree on several items, including:

- The methodology of forecast for water demand by jurisdiction
- How much shall be allocated and how much retained in the District Reserve
- How to incorporate existing unused jurisdictional allocations
- The impact of available Water Entitlements by jurisdiction





## Public Outreach Keeps Community Informed

To help the public better understand the role of the District in conservation and water supply on the Monterey Peninsula, the District ran monthly ads in the local newspapers, posted on social media, and produced a regular email newsletter. The District also actively engaged with local media on water supply projects, the Cal-Am acquisition (Measure J), and other relevant topics.

## Permits and Rebates Assure Greater Water Efficiency

The District approved 781 rebate applications for \$272,142 for quantifiable annual savings of 7.87 AF of water. Properties transferring ownership continued to self-certify compliance with the water efficiency requirements, and the District provided Certifications of Compliance as verification.

The District issued 743 Water Permits and 74 Water Use Permits to Benefited Properties (i.e., properties eligible to receive a portion of a Water Entitlement).

Staff completed 1,020 property inspections to verify compliance with water efficiency standards for changes of ownership and use, and 794 inspections were done to verify compliance with Water Permits. Staff mailed notices to property owners and businesses and conducted 77 Non-Residential property inspections to verify compliance with water efficiency standards. As the regional entity responsible for compliance with State landscaping regulations, the District issued 55 Water Permits for new and refurbished landscapes. A total of 140,766 square feet of new landscape area was permitted. The rehabilitated area totaled 181,103 square feet.

The District also approved two Water Distribution System Permit amendments. The September Ranch system was amended to allow the water pumped from the permitted system to be conveyed to Cal-Am's plant and returned to the property to serve 45 Parcels. The second amendment was to set System Limits and add a Residential Use to the Scarlett WDS Permit. Thirteen Confirmation of Exemptions from the Water Distribution System permit requirements were issued for private properties that met the criteria.

## Locals Win Big in Summer Splash Challenge

Entries were up 136% over the previous year for the 2023 Summer Splash Challenge, a fun family-oriented conservation game sponsored by the District in partnership with Cal-Am. Prizes included a High-Efficiency Clothes Washer, an iPad, and Amazon Gift Cards.

The game was designed for families and launched in the summer when children were out of school. The Challenge was to complete an educational gameboard where participants visited the event website and watched water efficiency videos to find the answers to gameboard questions. Look for the 2024 Challenge this summer.



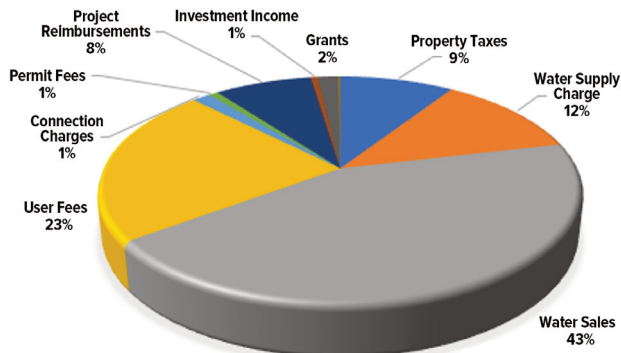
## Water Conservation Classes Cover Range of Topics

Topics for 20 courses presented online by the District included rainwater capture, composting to improve soil water holding capacity, landscape design, greywater, protecting trees, irrigation basics, and removing lawns. Staff distributed water conservation devices at various community events, including the Carmel Valley Fiesta, Monterey County Fair, and the West End Celebration. The District posted regular updates to its Facebook page and Instagram account. As a partner with the Water Awareness Committee for Monterey County, the District participated in presentations and assemblies at local schools.

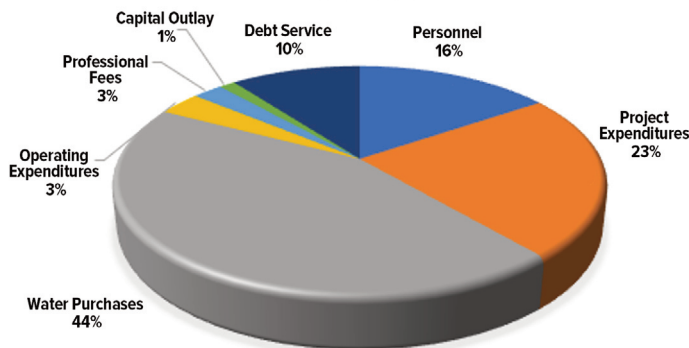




**2022-23 Revenues  
\$28.02 Million**



**2022-23 Expenditures  
\$27.72 Million**



**MPWMD Awarded Certificate of Financial Excellence**

Clifton Larson Allen, an independent auditing firm, conducted the fiscal year 2022-2023 audit. The District received a clean financial audit report with no material weaknesses or deficiencies. The District included the audit in its ninth consecutive Annual Comprehensive Financial Report (ACFR). The report consists of a set of government financial statements that comply with the accounting requirements promoted by the Government Accounting Standards Board and include relevant statistical information about the District.

In 2023, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District

for its ACFR for the June 30, 2022, fiscal year. The District has received the ACFR award for eight consecutive years. As shown here, total revenues in Fiscal Year 2022-2023 were \$28,022,905, while expenditures totaled \$27,723,329, generating an increase in fund balance of \$299,576. As of June 30, 2023, the District’s total fund balance was \$21,683,950. The Fiscal Year 2023-2024 budget anticipates revenues of \$48,438,250 and expenditures of \$43,247,500, with \$5,190,750 going into reserves.

**Grants Administered by District Bring New Projects**

MPWMD continues to manage grants for the Monterey Peninsula. Duties include: (a) Application coordination and submission; (b) Agreement execution and coordination with the California Department of Water Resources; (c) Invoicing, with documentation, on behalf of the Local Project Sponsors; and (d) Reporting.

In 2023, two grants were awarded to the District for the benefit of the Pure Water Monterey Expansion project:  
 1) Urban Community Drought Relief Grant from the Department of Water Resources for \$11,935,206 and  
 2) Directed Assistance Grant coordinated by the State Water Resources Control Board for \$4,800,000.

This year, the District was awarded an Integrated Regional Water Management (IRWM) Implementation Round 2 Grant for the Monterey Peninsula region for \$1,488,961. The two project recipients are: 1) Carmel River Floodplain Restoration and Environmental Enhancement (Carmel River FREE), sponsored by Monterey County, and 2) the Olivier Street Stormwater Diversion Project, sponsored by the City of Monterey.

The District received the IRWM Implementation Round 1 Grant in 2020. The grant award was \$2,238,904 for three non-District projects: 1) The Coe Avenue Recycled Water Pipeline in Seaside sponsored by Marina Coast Water District; 2) The Del Monte Manor Low Impact Development Project located in a severely disadvantaged community and sponsored by the City of Seaside; and 3) The West End Stormwater Improvement Project located in a disadvantaged community and sponsored by the City of Sand City. The Coe Avenue and Del Monte Manor projects were completed in 2023, and the West End Project will be under construction in 2024.





## Over 6,000 Juvenile Steelhead are Rescued

The District implemented the mitigation program associated with its Water Allocation Environmental Impact Report. It includes rescue and rearing of threatened steelhead from drying portions of the Carmel River, streambank restoration and maintenance, and lagoon habitat monitoring. This work is required under the California Environmental Quality Act. It is designed to offset the impacts associated with water extraction in the Carmel River Alluvial Aquifer and, ultimately, the flows in the Carmel River.

The District successfully rescued 6,352 juvenile steelhead from four Carmel River Basin tributaries in 2023 which were released into the Carmel River at the creek confluences. 304 rescued fish were implanted with radio tags before release.

Extremely high Carmel River flows damaged the District's steelhead counting station in early 2023, and no adult fish were counted or sized because of continued heavy flows. The District also monitors the status of the juvenile population, which has continued to be healthy since the end of the 2015 drought.

District crews carried out a Vegetation Management Program in the active channel of the Carmel River to prevent debris dams and erosion. This included trimming back encroaching vegetation and reducing the hazard of downed trees in

preparation for winter flows. In addition, the District took emergency action and cut several large trees that had fallen into the river during winter storms into smaller sections. The smaller debris will be naturally scattered by the flowing river when winter storms return. The District also assisted property owners along the Carmel River by evaluating streambanks for stability after high erosive stream flows and recommending protective measures.

## Sleepy Hollow Retrofit Completed

The District recently completed a retrofit of the Sleepy Hollow Steelhead Rearing Facility. The facility is an integral part of the District's mitigation program that rescues threatened steelhead from drying reaches of the Carmel River, rears them in an artificial channel during the summer months, and then releases them back to the Carmel River when it is flowing.

## Future of the Los Padres Dam and Reservoir

The District and Cal-Am finalized the Los Padres Alternatives Study which investigated the technical, biological, and economic feasibility of a broad suite of alternatives for the Los Padres Dam and Reservoir. Alternatives include removal, sediment management, storage expansion by dredging, and fish passage improvements. This study was partially funded by Cal-Am, the owner and operator of the dam. The final report and technical memoranda are located on the District's website under Water Supply (Los Padres Dam and Reservoir).

## Impact of Climate Change on Water Basins

The District continued to work with the Basin Study Team (USGS and U.S. Bureau of Reclamation) to evaluate future water demands, supplies, and the effects of climate change. The study includes the Salinas River Valley through Monterey and San Luis Obispo Counties, the Monterey Peninsula, and the Carmel River Basin. The U.S. Bureau of Reclamation is providing \$1.8 million in grant funds. The U.S. Bureau of Reclamation recently submitted a project extension request through May 2026.



**ITEM: PUBLIC HEARING****9. CONSIDER ADOPTION OF APRIL THROUGH JUNE 2024 QUARTERLY WATER SUPPLY STRATEGY AND BUDGET**

<b>Meeting Date:</b>	<b>March 18, 2024</b>	<b>Budgeted:</b>	<b>N/A</b>
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<b>From:</b>	<b>David J. Stoldt, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>N/A</b>
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<b>Prepared By:</b>	<b>Jonathan Lear</b>	<b>Cost Estimate:</b>	<b>N/A</b>
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**General Counsel Review: N/A****Committee Recommendation: N/A****CEQA Compliance: Notice of Exemption, CEQA, Article 19, Section 15301 (Class 1)****ESA Compliance: Consistent with the September 2001 and February 2009 Conservation Agreements between the National Marine Fisheries Service and California American Water to minimize take of listed steelhead in the Carmel River and Consistent with SWRCB WR Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016.**

**SUMMARY:** The Board will accept public comment and take action on the **April through June 2024** Quarterly Water Supply Strategy and Budget for California American Water's (CalAm's) Main and Satellite Water Distribution Systems (WDS), which are within the Monterey Peninsula Water Resources System (MPWRS). The proposed budget, which is included as **Exhibit 9-A**, outline monthly production by source of supply that will be required to meet projected customer demand in CalAm's Main and Laguna Seca Subarea systems, i.e., Ryan Ranch, Bishop, and Hidden Hills, during the **April through June 2024** period. The proposed strategy and budget is designed to maximize the long-term production potential and protect the environmental quality of the Seaside Groundwater and Carmel River Basins.

**Exhibit 9-A** shows the anticipated production by CalAm's Main system for each production source and the actual production values for the water year to date through the end of **February 2024**. Cal-Am's annual Main system production for Water Year (WY) 2024 will not exceed 4,850 acre-feet (AF). Sources available to meet customer demand are 1,474 AF from the Coastal Subareas of the Seaside Groundwater Basin as set by the Seaside Basin Adjudication Decision and 3,376 AF from the Carmel River as set by WRO 2016-16. Additional water projects and water rights available are an estimated 900 AF of Pure Water Monterey Injection over this quarter, an 200 AF recovery of ASR from the estimated 2,700 AF from ASR Phase 1 and 2 storage remaining from WY 2020 to WY 2024, an estimated 150 AF from the Sand City Desalination Plant, and an estimated 100 AF from CalAm's Table 13 water rights. Under Table 13 water rights, CalAm is allowed to produce water for in-basin uses when bypass flows are in excess of permit conditions. This water budget proposes to produce 575 AF of Pure Water Monterey, so about 450 AF will be added to the Operational Yield for this quarter. The schedule of production from the Carmel Valley Alluvial Aquifer is consistent with State Water Resources Control Board (SWRCB) Order Nos. 95-10, 98-04, 2002-0002, and 2016-0016. In compliance with WRO 2016-0016, any water diverted under these rights must be used to reduce unlawful diversion from the Carmel River Basin.

According to the Seaside Basin Adjudication Decision, CalAm's production has been reduced to 0 AF. It is recognized that CalAm will need to produce water to serve its customers in the Hidden Hills Distribution System and production in Laguna Seca will be tracked as a ministerial component of tracking production against the Adjudication Decision. CalAm has completed an intertie between the Monterey Main System and the Bishop and Ryan Ranch Systems that allows for transfer of water between the systems.

**RECOMMENDATION:** The Board should receive public input, close the Public Hearing, and discuss the proposed quarterly water supply budget. District staff recommends adoption of the proposed budget. The budget is described in greater detail in **Exhibit 9-B**, Quarterly Water Supply Strategy Report: **April – June 2024**.

**BACKGROUND:** The Water Supply Strategy and Budget prescribes production within CalAm's Main and Laguna Seca Subarea systems and is developed on a quarterly schedule. Staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) cooperatively develop this strategy to comply with regulatory requirements and maximize the environmental health of the resource system while meeting customer demand. To the greatest extent pumping in the Carmel Valley is minimized in the summer months and the Seaside wells are used to meet demand by recovering native water and banked Carmel River water. Also, it was agreed that CalAm will operate its wells in the Lower Carmel Valley in a downstream to upstream order.

If flows exceed 20 cfs at the District's Don Juan Gage, CalAm is allowed to produce from its Upper Carmel Valley Wells, which are used to supply water for injection into the Seaside Groundwater Basin. The permitted diversion season for ASR is between December 1 and May 31. Diversions to storage for ASR will be initiated whenever flows in the river are above permit threshold values. For planning purposes, the QWB group schedules diversions to ASR storage based on operational days that would occur in an average streamflow year. CalAm may also divert under Table 13 Water Rights for in-basin use within Carmel Valley when flows are adequate. This schedule is estimated with average year streamflow conditions and daily demand for Carmel Valley. CalAm will schedule the recovery of Pure Water Monterey water stored in the Seaside Basin with the goal of removing all water injected over the operational reserve for WY 2023. There is also a projected goal of producing 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

Rule 101, Section B of the District Rules and Regulations requires that a Public Hearing be held at the time of determination of the District water supply management strategy. Adoption of the quarterly water supply strategy and budget is categorically exempt from the California Environmental Quality Act (CEQA) requirements as per Article 19, Section 15301 (Class 1). A Notice of Exemption will be filed with the Monterey County Clerk's office, pending Board action on this item.

## **EXHIBITS**

**9-A** Quarterly Water Supply Strategy and Budget for Cal-Am Main System: April - June 2023

**9-B** Quarterly Water Supply Strategy and Budget Report: April - June 2023

**California American Water Main Distribution System**  
**Quarterly Water Supply Strategy and Budget: April - June 2024**  
**Proposed Production Targets by Source and Projected Use in Acre-Feet**

SOURCE/USE	MONTH			YEAR-TO-DATE		
	Apr-24	May-24	Jun-24	Oct-23 to Feb-24	% of YTD	% of Annual Budget
<b>Source</b>						
	ASR Injection					
<b>Carmel Valley Aquifer</b>						
Upper Subunits	200	200	0	1		
Lower Subunits	125	300	350	1,080	93%	32%
ASR Diversion	200	200	0	478		
Table 13 Diversion (Service)	50	50	0	117		
<b>Total</b>	<b>575</b>	<b>750</b>	<b>350</b>	<b>1,676</b>		
<b>Seaside Groundwater Basin</b>						
Coastal Subareas	200	300	300	582	102%	39%
ASR Recovery	0	0	200	0		
Sand City Desalination	25	25	25	36	29%	12%
Pure Water Monterey	375	200	0	1,622		
<b>Total</b>	<b>600</b>	<b>525</b>	<b>525</b>	<b>618</b>		
<b>Use</b>						
Customer Service	925	1,025	875	1,699	46%	35%
Table 13 In Basin use	50	50	0			
ASR Injection	200	200	0	478		
<b>Total</b>	<b>1,175</b>	<b>1,275</b>	<b>875</b>			

## Notes:

- The annual budget period corresponds to the Water Year, which begins on October 1 and ends on September 30 of the following Calendar Year.
- Total monthly production for "Customer Service" in CAW's main system was calculated by multiplying total annual production (4,850 AF) times the average percentage of annual production for April, May, and June (8.2%, 9.0%, and 8.9%, respectively). According to District Rule 160, the annual production total was based on the assumption that production from the Coastal Subareas of the Seaside Groundwater Basin would not exceed 1,474 AF and production from Carmel River sources, without adjustments for water produced from water resources projects, would not exceed 3,376 AF in WY 2023. The average production percentages were based on monthly data for customer service from WY 2015 to 2020.
- Maximum daily diversion values for ASR are based on an average diversion rate of approximately 13 AF per day from CAW's sources in the Carmel River Basin. Total monthly production is estimated by multiplying the maximum daily production by operational days per month for "Wet" flow conditions at the Sleepy Hollow Weir.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the assumption that sufficient flow will occur in the Carmel River at the targeted levels, to support ASR injection. It is planned that Coastal Subarea pumping will not occur, or will be proportionally reduced, if ASR injection does not occur at targeted levels.
- The production targets for CAW's wells in the Seaside Coastal Subareas are based on the need for CAW to produce its full Standard Allocation to be in compliance with SWRCB WRO No. 2016-0016.
- It should be noted that monthly totals for Carmel Valley Aquifer sources may be different than those shown in MPWMD Rule 160, Table XV-3. These differences result from monthly target adjustments needed to be consistent with SWRCB WRO 98-04, which describes how Cal-Am Seaside Wellfield is to be used to offset production in Carmel Valley during low-flow periods. Adjustments are also made to the Quarterly Budgets to ensure that compliance is achieved on an annual basis with MPWMD Rule 160 totals.
- Table 13 values reflect source/use estimates based on SWRCB Permit 21330, which allows diversions from the CVA for "In Basin use" (3.25 AFD) when flows in the River exceed threshold values. In accordance with Water Rights Permits 21330 and CDO2009-0060, water produced and consumed under this right is subtracted from the CVA annual base amount. Actual values will be dependant on the number of days flows exceed minimum daily instream flow requirements.





## **EXHIBIT 9-B**

### **Quarterly Water Supply Strategy and Budget Report California American Water Main Water Distribution System: April – June 2024**

#### 1. Management Objectives

The Monterey Peninsula Water Management District (District) desires to maximize the long-term production potential and protect the environmental quality of the Carmel River and Seaside Groundwater Basins. In addition, the District desires to maximize the amount of water that can be diverted from the Carmel River Basin and injected into the Seaside Groundwater Basin while complying with the instream flow requirements recommended by the National Marine Fisheries Service (NMFS) to protect the Carmel River steelhead population. To accomplish these goals, a water supply strategy and budget for production within California American Water's (CalAm's) Main and Laguna Seca Subarea water distribution systems is reviewed quarterly to determine the optimal strategy for operations, given the current hydrologic and system conditions, and legal constraints on the sources and amounts of water to be produced.

#### 2. Quarterly Water Supply Strategy: April - June 2024

On March 12, 2024 the Quarterly Water Budget Group including staff from the District, CalAm, the National Marine Fisheries Services (NMFS), State Water Resources Control Board's Division of Water Rights (SWRCB-DWR), and the California Department of Fish and Wildlife (CDFW) received the draft Quarterly Water Budget and were invited to provide comments and direction related to the proposed water supply strategy and related topics for upcoming quarter.

**Carmel River Basin** CalAm will operate its wells in the Lower Carmel Valley in a downstream to upstream sequence, as needed to meet customer demand. It was recognized by the group that WY 2024 began as an above average precipitation year, and the storms in early January resulted in sustainable flows on that Carmel River that would triggered sustained ASR Operations and Table 13 Diversions. The River dropped below flow triggers for diversion of ASR and Table 13 on January 27 and returned to flows allowing injection on February 1. For this quarterly water budget, it was agreed that CalAm would plan to produce water from the wells in the Upper Carmel Valley to support ASR diversions. It was assumed that the low flow trigger would not be met at some point during this quarter and continued rainfall in the forecast could push the trigger into July or August as it did in 2023, the group decided to assume the trigger would happen in July 2024 to be conservative. The group will be watching streamflow and when the low flow trigger occurs, to the maximum extent, pumping will be shifted away from the river wells and the Seaside well field will be used to meet system demand in the summer months. Any new sources of water reduce the water available to be pumped from the river on a one to one basis consistent with SBO 2016-0016.

**Seaside Groundwater Basin** Because production limits off the River are greatly reduced when compared to recent history, the Seaside Well Field is being used to recover a mix of Native Groundwater, Pure Water Monterey, and banked ASR water. The bypass pipeline is currently being utilized to allow for simultaneous PWM recovery and ASR injection. At that time, the Seaside wells will be utilized to recover Seaside Native Groundwater, stored Pure Water Monterey

water, and inject in ASR 1 and 2. There is also a goal to produce 25 AF of treated brackish groundwater from the Sand City Desalination Plant in each of these three months.

It is recognized that, based on recent historical use, CalAm's production from the Laguna Seca Subarea during this period cannot be reduced to zero, as is set by CalAm's allocation specified in the Seaside Basin Adjudication Decision. In this context, the production targets represent the maximum monthly production that should occur so that CalAm remains within its adjudicated allocation for the Laguna Seca Subarea. Under the amended Seaside Basin Decision, CalAm is allowed to use production savings in the Coastal Subareas to offset over-production in the Laguna Seca Subarea. However, the quarterly budget was developed so that CalAm would produce all native groundwater in the Coastal Subareas and Laguna Seca production would be over the Adjudication allotment. On February 5, 2020 the Seaside Groundwater Basin Watermaster Board voted to allow CalAm to claim carryover credits to cover the pumping over the Laguna Seca allotment in the interim prior to establishing a physical solution. Because of this decision, the Quarterly Water Budget Group decided that the table presenting the Laguna Seca allotment of zero would no longer be necessary as the Watermaster is now planning to handle the pumping over allotment with a different mechanism.

**ITEM: ACTION ITEM****10. CONSIDER ADOPTION OF MID-YEAR FISCAL YEAR 2023-2024 BUDGET ADJUSTMENT****Meeting Date: March 18, 2024 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Nishil Bali Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on March 11, 2024 and recommended approval.****CEQA Compliance: This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.**

**SUMMARY:** Annually, the District considers its financial position after the end of the first seven months of the fiscal year (FY). District staff has reviewed income and spending patterns from July 1, 2023, through the end of January 31, 2024, and determined that adjustments to the FY 2023-2024 Budget are required. The FY 2023-2024 Budget was adopted on June 20, 2023. Included in the budget adjustment process is a review of staffing levels, supplies, outside services, project expenditures, current work assignments, and other factors affecting the current budget. The table below summarizes the proposed changes to the budget:

**Monterey Peninsula Water Management District  
2023-2024  
Mid-Year Budget Adjustment-Summary**

<u>Revenue</u>	<u>Adopted</u>	<u>Change</u>	<u>Amended</u>
Property Tax	\$2,600,000	\$0	\$2,600,000
Permit Fees - WDD	150,000	\$1,075,000	1,225,000
Permit Fees - WDS	48,000	\$0	48,000
Capacity Fee	500,000	\$0	500,000
User Fees	6,000,000	\$0	6,000,000
Water Supply Charge	3,400,000	\$0	3,400,000
PWM Water Sales	13,275,500	\$0	13,275,500
Interest	150,000	\$0	150,000
Other	15,000	\$0	15,000
Subtotal District Revenues	26,138,500	1,075,000	27,213,500
Reimbursements - CAW	991,600	0	991,600
Reimbursements – Grants (PWM/IRMA)	18,940,000	(8,100,000)	10,840,000
Reimbursements - Watermaster	39,600	0	39,600
Reimbursements - Reclamation	20,000	0	20,000
Reimbursements - FEMA	165,000	0	165,000
Reimbursements - Other	35,000	0	35,000

Reimbursements - Recording Fees	25,000	60,000	85,000
Reimbursements - Legal Fees	16,000	0	16,000
Subtotal Reimbursements	\$20,232,200	(\$8,040,000)	\$12,192,200
Carry Forward From Prior Year	886,500	0	886,500
From Capital Reserve	100,000	0	100,000
From Fund Balance	1,081,050	0	1,081,050
Total Revenues	\$48,438,250	(\$6,965,000)	\$41,473,250
<u>Expenditures</u>	<u>Adopted</u>	<u>Change</u>	<u>Amended</u>
Personnel	\$4,486,500	\$245,000	\$4,731,500
Supplies & Services	1,829,900	59,000	1,888,900
Project Expenditures	36,631,100	(6,160,142)	30,470,958
Fixed Assets	230,000	0	230,000
Capital Equip. Reserve	330,300	0	330,300
General Reserve Balance	1,089,394	(1,089,394)	0
Pension Reserve	100,000	0	100,000
OPEB Reserve	100,000	0	100,000
Water Supply Charge Reserve	3,400,000	0	3,400,000
Flood/Drought Reserve	171,056	0	171,056
Contingency	70,000	(19,464)	50,536
Total	\$48,438,250	(\$6,965,000)	\$41,473,250

As the table above indicates, most of the change is attributed to a decrease in project expenditures. Relatively smaller budget additions have been requested in operating expenditures for personnel, additional insurance costs, and vehicle repairs. Additional information regarding all other proposed changes, as well as their effect on reserves, is detailed in the background section of this report.

**RECOMMENDATION:** The Finance and Administration Committee recommends that the Board adopt the proposed mid-year budget adjustment for FY 2023-2024 after receiving any public comments.

**BACKGROUND:** The Board of Directors adopted the original FY 2023-2024 budget on June 20, 2023. The paragraphs below summarize the original budget, proposed mid-year adjustments to the budget, and projected reserves accounts.

### Revenues

The 2023-2024 adopted budget anticipated revenue sources in the amount of \$48,438,250. Through January 31, 2024, actual revenue collections totaled \$15,060,715, or 31.09% of the budgeted amount. This includes budgeted revenues of \$3,400,000 for the Water Supply Charge, which is being set aside as a reserve pending the outcome of existing litigation. District staff has analyzed the revenue activity for the first seven months of the FY, as well as activities scheduled for the remainder of the FY, and recommends various adjustments to the revenue portion of the budget as shown in **Exhibit 10-A** and discussed below:

1. Increase of \$1,075,000 in Permit Fees. This includes \$525,000 in Permit Fees for the Sand City Marriott project, \$325,000 for the Ascent Project, and \$225,000 for the Laguna Seca Villas project at Seaside.
2. Decrease of \$8,100,000 in grant reimbursements based on projected collections through the end of the FY. The project expenditures related to the grants and related revenue have been deferred to the next fiscal year based on the timing of the projects.
3. Increase in reimbursements of \$60,000 for deed-restricted recording fees.

The cumulative effect of these revenue adjustments is a decrease of \$6,965,000 in projected revenues for FY 2023-2024.

### Expenditures

The original budget envisioned expenditures of \$48,438,250 in the fiscal year ending June 30, 2024. Through January 31, 2024, actual expenditures totaled \$15,392,101 or 31.78% of the budgeted amount. The spending pattern at this point of the fiscal year is not unusual because project expenditures for the first half of each fiscal year are low. District staff has analyzed the expenditure activity for the first seven months of the fiscal year, as well as activities scheduled for the remainder of the fiscal year, and recommends various adjustments to the expenditure portion of the budget as discussed below:

- Changes to the operations budget are shown in **Exhibit 10-B**. The operations budget is proposed to be increased by \$304,000 with adjustments as follows:
  1. Increase in personnel services budget of \$245,000 to account for existing and projected retirement payouts and the hiring of temporary staff/retirees.
  2. Increase in Supplies and Services by \$39,000 for additional costs related to insurance and repair of District vehicles.
  3. Increase in IT Supplies and Services of \$20,000 to account for disaster backup services and upgrade of servers.
  4. No adjustments are proposed for the fixed assets budget.
- As presented on **Exhibit 10-C**, project expenditures decreased by a net amount of \$6,160,142. The main adjustments in the project budget are as follows:
  1. Decrease of \$6,400,000 for the Pure Water Expansion project as these expenditures are deferred to the next fiscal year.
  2. Decrease of \$30,000 towards Cal-Am Desal and Water Allocation Process as this is deferred to next fiscal year.
  3. Increase of \$1,896,500 for the District's operating water reserve. This will allow the purchase of an additional 500 Acre Feet of water from Monterey One Water based on actual supply.
  4. Decrease of \$1,700,000 for the Integrated Resource Water Management implementation grant. These expenditures are deferred to next year.
  5. Increase of \$34,158 for Seaside Basin Watermaster adjudication support.
  6. Increase of \$60,000 in reimbursable expenses for Deed Restriction Recording Fees.
  7. Other adjustments to the project expenditures as noted in the exhibit.

The cumulative effect of the adjustments to the expenditure side of the budget is a net decrease of \$5,875,606, excluding changes to the General Reserve balance.

### Reserves

The District's reserve balance is projected to be as follows:

Reserves	Actual Balance 6/30/2023	FY 2023-24 Budget Changes	Est. Balance 06/30/2024
Litigation/Insurance Reserve	250,000	0	\$250,000
Capital Reserve	1,294,800	230,300	\$1,525,100
Flood/Drought Reserve	328,944	171,056	\$500,000
Pension Reserve	500,000	100,000	\$600,000
OPEB Reserve	500,000	100,000	\$600,000
General Operating Reserve	19,085,887	(1,975,894)	\$17,109,993
Totals	\$21,959,631	(\$1,374,538)	\$20,585,093

The District estimates a total reserve balance of \$20,585,093 at June 30, 2024, as shown on **Exhibit 10-D**. This amount meets the minimum 5% of the operating budget requirement established by the Board during the 2005-06 budget process. The original adopted budget had a projected reserve balance of \$21,959,631 for the fiscal year. Use of the general operating reserve (carry forward of project funds from prior year) in the amount of \$886,500 as detailed in Exhibit **10-D** remains unchanged for the mid-year budget.

### **EXHIBITS**

**10-A** Revenues

**10-B** Operating Expenditures

**10-C** Project Expenditures

**10-D** Reserves Analysis

**Monterey Peninsula Water Management District  
Mid-Year Budget Adjustment  
Revenues  
2023-2024**

<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
Permit Fees - WDD	150,000	1,075,000	1,225,000
Reimbursements - PWM Project (Grant)	18,940,000	(8,100,000)	10,840,000
Deed Restriction Recording Fees	50,000	60,000	110,000
Total	<u>19,140,000</u>	<u>(6,965,000)</u>	<u>12,175,000</u>





**Monterey Peninsula Water Management District  
Mid-Year Budget Adjustment - Operational Expenditures  
2023-2024**

**Personnel Costs**

<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
Personnel & Benefits	4,486,500	245,000	4,731,500
Total	<u>\$4,486,500</u>	<u>\$245,000</u>	<u>\$4,731,500</u>

**Supplies & Services**

<u>Division</u>	<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
ASD	Insurance	250,000	23,000	273,000
ASD	IT Supplies/Services	260,000	20,000	280,000
ERD	Transportation Equipment	100,000	16,000	116,000
Total		<u>\$610,000</u>	<u>\$59,000</u>	<u>\$669,000</u>



**Monterey Peninsula Water Management District  
Mid-Year Budget Adjustment-Project Expenditures  
2023-2024**

<u>Division</u>	<u>Description</u>	<u>Original Budget</u>	<u>Adjustment</u>	<u>Amended Budget</u>
GMO	1-5-1 E PWM Project Expansion	16,800,000	(6,400,000)	10,400,000
GMO	1-15-1 Water Allocation Process	100,000	(30,000)	70,000
ERD	2-3-4 Adult Steelhead Counts	77,000	(10,000)	67,000
WRD	1-1-2 A Los Padres Dam Outlet Modifications	2,500	10,000	12,500
WRD	1-5-1 C PWM Operating Reserve	759,000	1,896,500	2,655,500
WRD	2-1-1 Operate/Maintain Proj. System	22,000	(5,000)	17,000
WRD	2-1-4 Channel Clearing	71,500	(20,000)	51,500
WRD	1-2-1 Los Padres Dam Long Term Plan	2,500	700	3,200
WRD	2-6-1 IRWM-DAC Needs Assessment	2,200,000	(1,700,000)	500,000
WRD	2-5-2 A Seaside Basin Watermaster (MMP implementation)	35,000	34,158	69,158
WDD	4-1-1 A Deed Restriction Recording Fees	50,000	60,000	110,000
WDD	4-1-1 B CEQA Compliance	2,000	4,000	6,000
WDD	4-2-2 J Gardensoft WaterWise Gardening (non-reimb)	5,500	(500)	5,000
WDD	4-2-1 A Public Education	0	20,000	20,000
WDD	4-2-2 D Water Conservation Devices (non-reimb)	50,000	(20,000)	30,000
Total		<u>\$20,177,000</u>	<u>(\$6,160,142)</u>	<u>\$14,016,858</u>



**Monterey Peninsula Water Management District  
Analysis of Reserves  
2023-2024**

Reserves	Actual Balance 6/30/2023	FY 2023-2024 Budget Changes	Est. Balance 06/30/2024
Litigation/Insurance Reserve	250,000	0	\$250,000
Capital Reserve	1,294,800	230,300	\$1,525,100
Flood/Drought Reserve	328,944	171,056	\$500,000
Pension Reserve	500,000	100,000	\$600,000
OPEB Reserve	500,000	100,000	\$600,000
General Operating Reserve	19,085,887	(1,975,894)	\$17,109,993
<b>Totals</b>	<b>\$21,959,631</b>	<b>(\$1,374,538)</b>	<b>\$20,585,093</b>

Water Supply Charge Reserve	0	3,400,000	\$3,400,000
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Current Fiscal Year Use of Reserves	\$ -
Current Fiscal Year Excess Revenue	\$ (1,089,394)
Carry Forward Projects from Prior Year	(886,500)
Net Change in General Reserve for Current Fiscal Year	<u>\$ (1,975,894)</u>



**ITEM: ACTION ITEM****11. CONSIDER ADOPTION OF RESOLUTION 2024-03 AUTHORIZING AN EXCEPTION TO THE CALPERS 180-DAY WAIT PERIOD FOR HIRING A RETIREE**

<b>Meeting Date:</b>	<b>March 18, 2024</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>Simona Mossbacher / Nishil Bali</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**General Counsel Approval: N/A****Committee Recommendation: The Administrative Committee previously reviewed this item on December 4, 2023 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:** The District’s previous CFO/Administrative Services Manager, Suresh Prasad, retired on January 5, 2024. The District would benefit from Mr. Prasad’s historical knowledge and experience on select projects. District staff proposes hiring Mr. Prasad for the remainder of the current calendar year as a retired annuitant for short-term as-needed support on tasks requiring historical precedence. Examples include golf course water rates and Water Supply Charge annual billings due to the County Assessor’s office based on District GIS data. As a retired annuitant, Mr. Prasad will be reimbursed at his former hourly rate of \$97.45, subject to California Public Retirement System (CalPERS) rules.

CalPERS requires that the governing body of any agency wishing to hire a retiree prior to 180-days following their retirement date, adopt a resolution to that effect in an open session. Mr. Prasad’s retirement date precedes the ordinary CalPERS “normal retirement age”, and as such a mandatory 60-day waiting period was enforced prior to his re-employment as a retired annuitant; this waiting period expired on March 5<sup>th</sup>, 2024.

**RECOMMENDATION:** That the Board adopt Resolution 2024-03, **Exhibit 11-A**, authorizing an exception to the CalPERS 180-day wait period to hire Suresh Prasad as a part-time, limited-term employee for the calendar year 2024.

**EXHIBIT****11-A Resolution 2024-03**







**EXHIBIT 11-A**

**Draft  
RESOLUTION NO. 2024-03**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT REGARDING  
AUTHORIZING AN EXCEPTION TO THE 180-DAY WAIT  
PERIOD GOVERNMENT CODE SECTIONS 7522.56 & 21224**

The Board of Directors of the Monterey Peninsula Water Management District, hereby adopts the following Resolution:

**WHEREAS**, in compliance with Government Code section 7522.56 the Monterey Peninsula Water Management District must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since his retirement date; and

**WHEREAS**, Suresh Prasad, CalPERS ID 3686519953, has retired from the Monterey Peninsula Water Management District in the position of CFO/Administrative Services Division Manager, effective January 5, 2024; and

**WHEREAS**, section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is July 4th, 2024 without this certification resolution; and

**WHEREAS**, section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any retirement-related incentive; and

**WHEREAS**, the Monterey Peninsula Water Management District Board of Directors, the Monterey Peninsula Water Management District and Dave Stoldt certify that Suresh Prasad has not and will not receive a Golden Handshake or any other retirement-related incentive; and

**WHEREAS**, the Monterey Peninsula Water Management District Board of Directors hereby appoints Suresh Prasad as a retired annuitant to provide assistance and institutional knowledge for the Monterey Peninsula Water Management District under Government Code section (21224), effective March 19, 2024; and

**WHEREAS**, the entire employment agreement, contract or appointment document between Suresh Prasad and the Monterey Peninsula Water Management District has been reviewed by this body and is attached herein, as Attachment A; and

**WHEREAS**, the employment shall not exceed 300 hours; and

**WHEREAS**, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

**WHEREAS**, the maximum base salary for this position is \$16,891.35 per month and the hourly equivalent is \$97.45, and the minimum base salary for this position is \$13,896.55 and the hourly equivalent is \$80.17; and

**WHEREAS**, the hourly rate paid to Suresh Prasad will be \$97.45; and

**WHEREAS**, Suresh Prasad has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate;

**THEREFORE, BE IT RESOLVED THAT** the Monterey Peninsula Water Management District Board hereby certifies the nature of the appointment of Suresh Prasad as described herein and detailed in the attached employment contract document, and that this appointment is necessary to provide assistance and institutional knowledge for the Monterey Peninsula Water Management District beginning March 19, 2024.

**PASSED AND ADOPTED** on this 18<sup>th</sup> day of March 2024 on a motion by Director \_\_\_\_\_ and second by Director \_\_\_\_\_, by the following vote, to wit:

**AYES:**

**NAYES:**

**ABSENT:**

I, David J. Stoldt, Secretary to the Board of Directors of the Monterey Peninsula Water Management District, hereby certify that the foregoing is a resolution duly adopted on the 18<sup>th</sup> day of March 2024.

Dated: March \_\_\_\_, 2024

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

**ITEM: ACTION ITEM****12. CONSIDER FINDINGS PURSUANT TO PUBLIC CONTRACT CODE SECTION 22050**

<b>Meeting Date:</b>	<b>March 18, 2024</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>David J. Stoldt General Manager</b>	<b>Program/ Line Item:</b>	<b>Water Supply Projects 1-2-1</b>
<b>Prepared By:</b>	<b>Maureen Hamilton</b>	<b>Cost Estimate:</b>	<b>\$400,000</b>

**General Counsel Review: N/A****Committee Recommendation: The Administrative Committee has not reviewed this item.****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:** The two Aquifer Storage and Recovery (ASR) wells (Wells ASR-1 and ASR-2) permitted for injection experienced an event resulting in an injection capacity decline of over 33% on March 6, 2024. Staff attempted to recover injection capacity by performing a series of backflashes with no success. The ASR capacity loss constitutes an unexpected, emergency situation that must immediately be addressed. To recover ASR injection capacity both ASR wells must be rehabilitated.

Prior to full operation of Pure Water Monterey Expansion project, the Cal-Am system is relying on stored ASR water supply in lieu of overdrafted Seaside Groundwater Basin native water and illegal Carmel River water production to meet demand.

Staff recommends the District assess the benefit of a shut-down of injection for immediate well rehabilitation versus continuing constrained injection until the end of ASR injection season to maximize the quantity of this year's stored ASR water and then immediately after this injection season ends, as late as June 1, 2024, begin rehabilitation. Rehabilitation to restore full ASR well capacity must be complete prior to the next injection season, which could begin as early as December 1, 2024, to maximize this critical water supply source volume.

The best-case rehabilitation schedule including contracts, bonds, submittals, procurement, and work completion is estimated to take at least 5 months assuming no delays after the contract is awarded. The public bidding process adds 6-8 weeks to the schedule. If a bid is protested, all bids are rejected, an Act of God occurs, or the low-bid contractor delays the work; we would exceed the best-case schedule.

Maintenance and repair work at the ASR facilities is fully reimbursable by Cal-Am per the Amended and Restated Aquifer Storage and Recovery Management and Operations Agreement executed February 23, 2021.

**RECOMMENDATION:** That the Board of Directors:

1. Find pursuant to Public Contract Code Section 22050 that based on the evidence set forth, a delay resulting from a competitive solicitation for bids isn't permissible given the water supply shortage; and
2. Direct staff to obtain a quote and schedule for well rehabilitation and recommend a vendor at the next Board of Directors meeting.

**EXHIBIT****12-A** Memorandum Re: Residual Plugging of ASR 1 and ASR 2

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EXHIBIT 12-A**Memorandum**

To: Water Year 2024 ASR Operations File  
cc: Dave Stoldt, MPWMD General Manager;  
From: Jonathan Lear, Water Resources Division Manager  
Date: March 12, 2024

**Subject: Residual Plugging of ASR 1 and ASR 2 from High SDI Water and Loss of Specific Capacity**

This memo is to document the loss of specific capacity that occurred March 6, 2024 in ASR 1 and ASR 2 resulting from injecting water out of Silt Density Index (SDI) specifications.

On March 7, 2024, during a routine morning check of the ASR system, Jon Lear of MPWMD noticed that ASR 1 and 2 were both experiencing very high drawup, with ASR 2 having drawn up to just 37 feet below ground surface. The normal maximum allowed drawup for ASR 2 is approximately 220 feet below ground surface. ASR 2 was shut off and ASR 1 was shut off soon after also due to high draw up. No abnormal operation was noted in the 3/6/2024 afternoon ASR site visit, which occurred at approximately 4:30 pm.

A review of the pressure transducer logs from ASR 1 and 2 revealed that starting at about 8pm on 3/6/2024, ASR 1 and 2 began to draw up dramatically before reaching their maximum draw up at about 11pm that night. The maximum level of draw up at ASR 1 and 2 was approximately 191 and 37 feet below ground surface at ASR 1 and 2, respectively. In response, the ASR wells were shut down by MPWMD staff and the lube lines at ASR 1 and 2 were turned on so that an additional backflush operation could occur on 3/8/2024, to attempt to recover the specific capacity lost during the draw up event. A regularly scheduled backflush had previously occurred on 3/5/2024. No abnormal operation was observed during that regularly scheduled backflush.

On 3/8/2024, ASR 1 and 2 were backflushed. During the first backflush at ASR 1, the pump began cavitating and dewatering at the standard backflush rate of 3000 gallons per minute (gpm), indicating that significant specific capacity had been lost. The well also produced very high turbidity water during this initial backflush apparently a result of injecting off-specification water. The first backflush was cut short to prevent damaging the well and the variable frequency drive (VFD) was adjusted to allow the well to backflush without dewatering the well. ASR 1 normally backflushes at approximately 3000 gpm, however the maximum extraction rate that could be maintained without dewatering the well had been reduced to 2100 gpm. Water produced from the

## Memorandum – Residual Plugging of ASR 1 and ASR 2

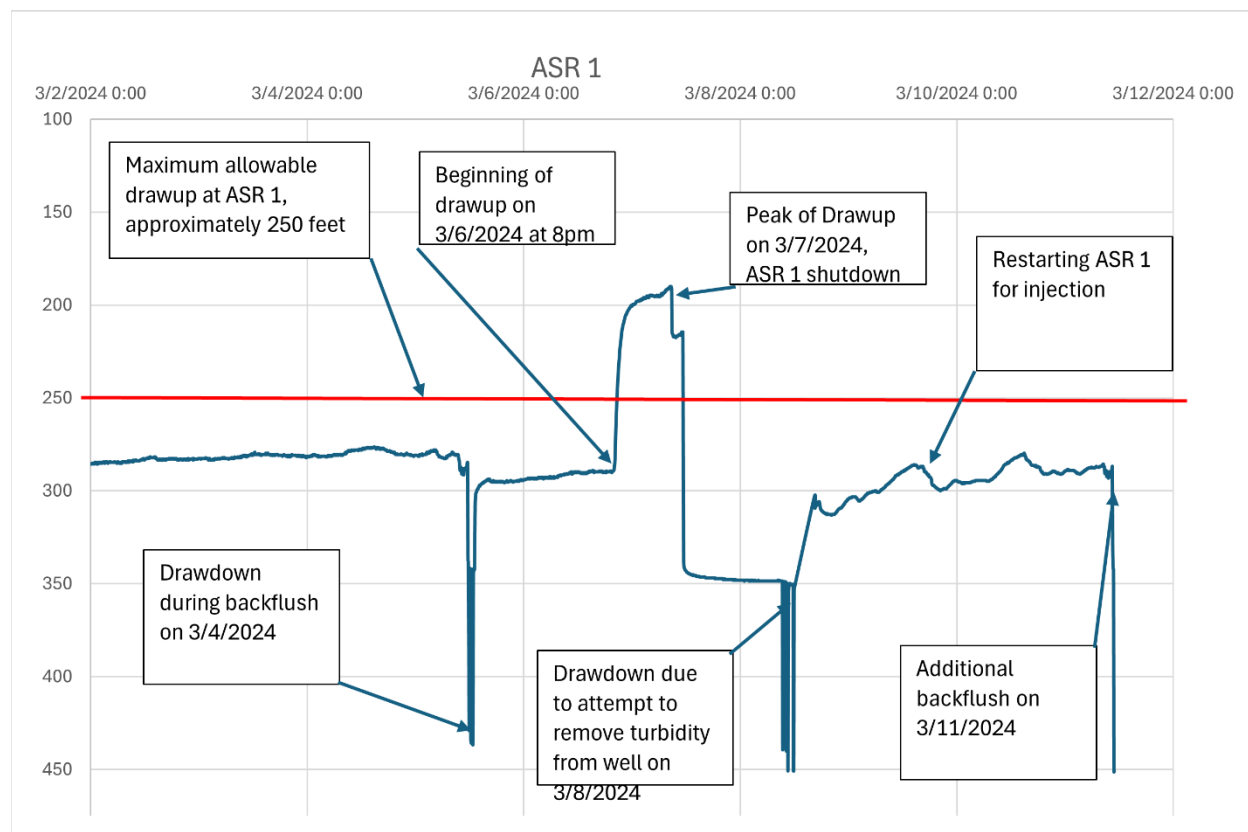
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March 12, 2024

well was turbid. ASR 2 was similarly affected, only being able to sustain a 2100 gpm backflush rate, compared to its standard 3000 gpm. Its VFD setting was also reduced to allow backflushing to occur without cavitating its pump.

On 3/8/2024, Jon Lear spoke with CalAm operations and inquired if any changes in system operations were made during 3/6/2024 that could have caused reversal of flows in the system that could have caused high SDI water to be introduced into the system. A reversal of flow event had caused high SDI water to be injected into ASR 4 in a previous operational year. Mr. Lear was informed that high SDI water had been produced from the Begonia Iron Removal Plant and introduced into the Cal-Am distribution system. The turbidity event occurred in the late morning on 3/6/2024 and had caused Cal-Am to receive a number of dirty water calls from the Carmel Valley service area of the main system. The off-specification water was then pumped into the Crest tanks, which supply the ASR wells and was injected, starting at approximately 8 pm on 3/6/2023.

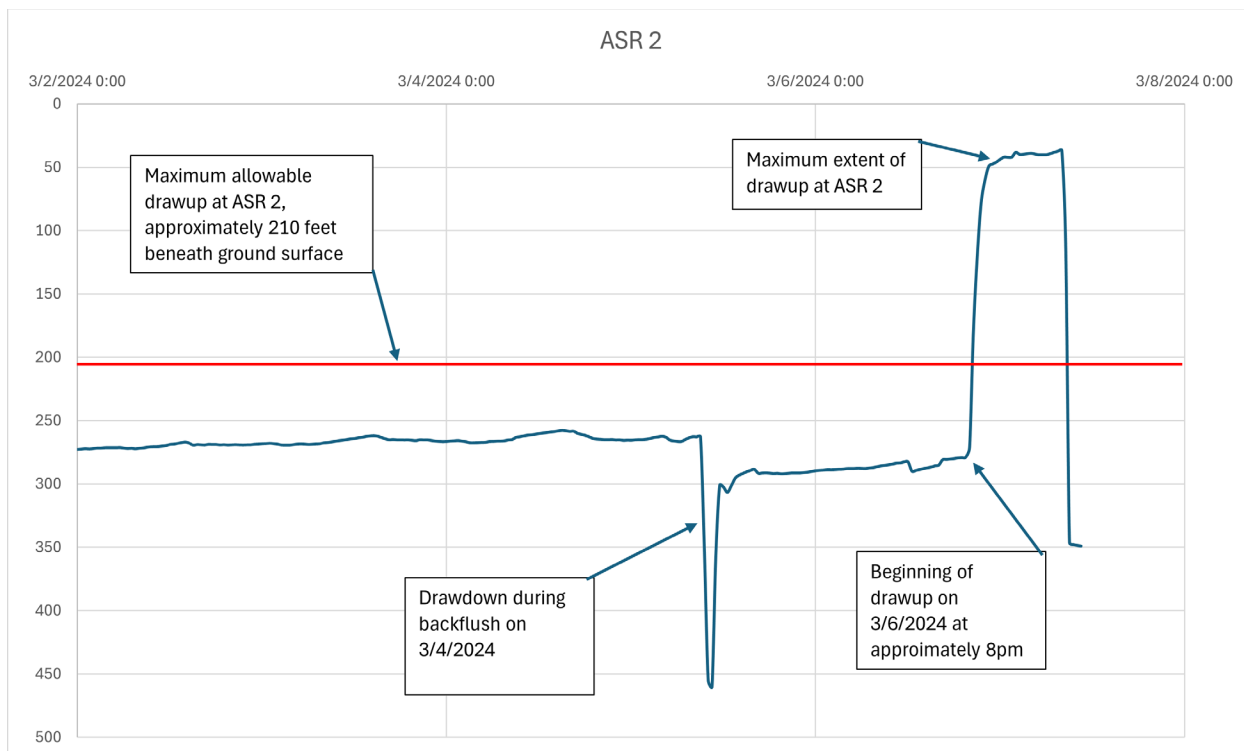
Despite numerous backflashes of ASR 1 and 2, specific capacity of both wells has been impacted by the event. ASR 1 and 2 are currently now only to operate at approximately 70 percent of capacity and it is unclear if any additional capacity can be recovered by additional backflushing efforts. Another backflush was conducted on 3/11/2024 at both ASR 1 and 2 but capacity remains reduced. Below are figures and tables that illustrate the timeline of events and subsequent losses in specific capacity at both wells.



Memorandum – Residual Plugging of ASR 1 and ASR 2

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March 12, 2024



Below is a picture of the water during the backflush of ASR 1 on 3/8/2024, which was the first backflush following the injection of the high SDI water.



## Memorandum – Residual Plugging of ASR 1 and ASR 2

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The above picture are the cells used to measure the turbidity in the water produced from the wells during backflushing. These data are used to determine if additional backflashes are required. The well was turned off during its 10-minute backflush after the two-minute sample was collected as the decreased specific capacity caused ASR 1 to dewater and begin cavitating the pump. The turbidity of cell number #2 was 160, approximately 10 times higher than the same cell from the 3/5/2024 scheduled backflush prior to the off-specification water being injected into the well. Below is a table that shows the turbidity of additional backflashes that occurred at ASR 1 and 2, compared to the results of regularly scheduled backflashes.

Date	Well	T0 (NTU)	T1 (NTU)	T2 (NTU)	T5 (NTU)	T10 (NTU)	Calc Specific Capacity
2/6/2024	ASR1	0.65	210	54.9	8.1	3.94	30.30
2/12/2024	ASR1	0.33	52.9	26.3	9.32	2.39	36.47
2/20/2024	ASR1	0.12	0.78	17.2	6.95	2.43	33.33
3/5/2024	ASR 1	0.09	0.36	16.9	6.2	2.22	33.33
3/8/2024	ASR 1	116	152	48.1	5.81	1.71	15.38
3/8/2024	ASR 1	4.39	1.48	7.6	9.26	4.6	17.09
3/11/2024	ASR 1	0.19	0.74	14.8	17.2	3.49	18.80
3/11/2024	ASR 1	3.26	3.09	6.16	3.26	1.74	22.22

Pumping water levels in ASR 1 are difficult to use to calculate the specific capacity, as the pressure transducer is set at 453 feet below ground level and was dewatered during. This specific capacity calculation assumes that drawdown only goes to 460 feet and is therefore conservative for estimation of the total loss of specific capacity in ASR 1.



## Memorandum – Residual Plugging of ASR 1 and ASR 2

Page 5 of 5

March 12, 2024

Date	Well	T0 (NTU)	T1 (NTU)	T2 (NTU)	T5 (NTU)	T10 (NTU)	Calc Specific Capacity
2/6/2024	ASR2	0.22	252	47.6	33.8	5.24	25.93
2/12/2024	ASR2	0.22	11.3	41.1	25.8	5.13	26.52
2/20/2024	ASR2	0.13	117	15	20.6	3.54	28.04
3/5/2024	ASR2	0.26	85.1	22.3	17.6	3.32	28.88
3/8/2024	ASR2	1.34	5.78	15.2	105	48.7	11.66
3/8/2024	ASR2	33	24.3	3	13.6	17.6	14.06
3/11/2024	ASR 2	0.13	0.65	8.62	61	8.93	13.86
3/11/2024	ASR 2	7.96	7.34	6.34	10.5	5.13	14.49

The pressure transducer is set lower in ASR 2 and was not dewatered during backflushing. Therefore, this calculation is more accurate and may be more representative of the total loss of specific capacity sustained at ASR 1 and 2.

This emergency situation results in a permanent decrease of injection capacity until both ASR wells have well rehabilitations performed to return the wells to their performance levels prior to injection of off-specification water. As a result of this event, MPWMD staff is planning to install continuous SDI monitoring equipment at each well head and build an automatic safety shut down mechanism to the well head valves should high SDI water be detected by the sensors. MPWMD staff will also work with Cal-Am operations to develop a notification protocol should another event like this one occur in the future while ASR is injecting. Had the District been notified, and should another event like this occur in the future and the District is notified, District staff would open the line flush at the Santa Margarita Site and flush the off-specification water to the backflush pit while monitoring the water quality. Once the off-specification water has been flushed, the ASR wells could be put back into injection service without sustaining damage.

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**ITEM: INFORMATIONAL ITEM/STAFF REPORT****13. REPORT ON ACTIVITY/PROGRESS ON CONTRACTS OVER \$25,000****Meeting Date: March 18, 2024 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Nishil Bali Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on March 11, 2024.****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 as **Exhibit 13-A** is a monthly status report on contracts over \$25,000 for the period January 2024. This status report is provided for information only, no action is required.**EXHIBIT****13-A** Status on District Open Contracts (over \$25k)



**EXHIBIT 13-A**

**Monterey Peninsula Water Management District  
Status on District Open Contracts (over \$25K)  
For The Period January 2024**

Contract	Description	Date Authorized	Contract Amount	Prior Period Expended To Date	Current Period Spending	Total Expended To Date	Current Period Activity	P.O. Number	
	Accela	Accela Annual Subscription Service 2024	6/20/2023	\$ 38,278.50	\$ -	\$ 38,278.50	\$ 38,278.50	Annual billing for Accela maintenance services	PO03618
1	Rutan & Tucker, LLP	Measure J/Rule 19.8 Eminent Domain Phase IV	2/24/2023	\$ 200,000.00	\$ 23,642.51		\$ 23,642.51		PO03639
2	DeVeera Inc.	Surveillance Video Equipment & Installation	2/24/2023	\$ 37,955.00	\$ 35,951.71		\$ 35,951.71		PO03578
3	Telemetrix	Flood Repair Services for Sleepy Hollow Facility	1/23/2023	\$ 85,000.00	\$ 41,124.09		\$ 41,124.09		PO03556
4	Clifton Larson Allen LLP	Audit for FYE 2022-23	8/21/2023	\$ 64,000.00	\$ 39,900.00		\$ 39,900.00		PO03541
5	Rincon Consultants, Inc.	Environmental Consulting Services for Water Allocation	5/25/2023	\$ 29,000.00	\$ 21,944.25		\$ 21,944.25		PO03525
6	Regional Government Services	HR Contracted Services for FY 2023-2024	6/20/2023	\$ 25,000.00	\$ 12,818.99	\$ 1,915.55	\$ 14,734.54	Current period billing for HR contract services	PO03499
7	Tyler Technologies	Incode Software Maintenance 09/2023-08/2024	6/20/2023	\$ 33,266.25	\$ 32,673.11		\$ 32,673.11		PO03476
8	Schaaf & Wheeler	Drawing Support Services	4/23/2023	\$ 30,000.00	\$ 6,752.50		\$ 6,752.50		PO03474
9	Lynx Technologies, Inc	GIS Consultant Contract for 2023-2024	6/20/2023	\$ 35,000.00	\$ 15,750.00	\$ 2,550.00	\$ 18,300.00	Current period billing for GIS services	PO03475
10	DeVeera Inc.	IT Managed Services Contract FY 2023-2024	6/15/2020	\$ 62,500.00	\$ 31,152.00	\$ 5,192.00	\$ 36,344.00	Current period billing for IT managed services	PO03433
11	JEA & Associates	Legislative and Administrative Services	6/20/2023	\$ 40,800.00	\$ 20,400.00	\$ 3,400.00	\$ 23,800.00	Current period retainer billing	PO03412
12	The Ferguson Group LLC	Contract for Legislative Services for FY 2023-2024	6/20/2023	\$ 72,000.00	\$ 36,148.86	\$ 6,058.67	\$ 42,207.53	Current period retainer billing	PO03411
13	Montgomery & Associates	Annual Groundwater Modeling Support	6/20/2023	\$ 55,000.00	\$ -		\$ -		PO03408
14	Maggiora Bros. Drilling, Inc	ASR Support from Maggiora Bros for Well Work	6/20/2023	\$ 50,000.00	\$ -		\$ -		PO03407
15	Pueblo Water Resources, Inc.	ASR Operations Support	6/20/2023	\$ 25,000.00	\$ -		\$ -		PO03406
16	CSC	Recording Fees	7/1/2023	\$ 50,000.00	\$ 30,000.00		\$ 30,000.00		PO03402
17	WellmanAD	Public Outreach Consultant	7/1/2023	\$ 94,500.00	\$ 56,225.00		\$ 56,225.00		PO03380
18	Montgomery & Associates	Tularcitos ASR Feasibility Study	3/20/2023	\$ 119,200.00	\$ 14,642.00		\$ 14,642.00		PO03368
19	Kevin Robert Knapp/ Tierra Plan LLC	Surface Water Data Portal	11/14/2022	\$ 27,730.00	\$ 24,025.81		\$ 24,025.81		PO03302
20	City of Monterey	MPWMD Local Water Project Development Grant	10/17/2022	\$ 25,000.00	\$ 14,955.50		\$ 14,955.50		PO03242
21	DeVeera Inc.	HP Smart Array 2062 SAN Server	12/12/2022	\$ 160,000.00	\$ 157,273.63		\$ 157,273.63		PO03222
22	DeVeera Inc.	Board Conference Room A/V Upgrade	12/12/2022	\$ 30,000.00	\$ 19,012.00		\$ 19,012.00		PO03221
23	Access Monterey Peninsula	Board Conference Room A/V Upgrade	12/12/2022	\$ 25,000.00	\$ 24,383.71		\$ 24,383.71		PO03220

**Monterey Peninsula Water Management District**  
**Status on District Open Contracts (over \$25K)**  
**For The Period January 2024**

Contract	Description	Date Authorized	Contract Amount	Prior Period Expended To Date	Current Period Spending	Total Expended To Date	Current Period Activity	P.O. Number	
24	Montgomery & Associates	Annual Groundwater Modeling Support	6/20/2022	\$ 50,000.00	\$ 7,957.00	\$ 7,957.00		PO03193	
25	Telemetrix	Consultant Services for Sleepy Hollow Facility	6/20/2022	\$ 27,060.00	\$ 24,554.64	\$ 24,554.64		PO03121	
26	De Lay & Laredo	Measure J/Rule 19.8 Appraisal/Water Rights Phase 3	8/15/2022	\$ 75,000.00	\$ 45,490.46	\$ 45,490.46		PO03113	
27	Monterey One Water	PWM Expansion Project Amd #6	11/15/2021	\$ 1,200,000.00	\$ 909,545.39	\$ 909,545.39		PO03042	
28	DeVeera Inc.	BDR Datto Services Contract FY 2022-2024	9/6/2019	\$ 35,136.00	\$ 32,940.00	\$ 32,940.00		PO03027	
29	MBAS	ASR Water Quality	6/20/2022	\$ 40,000.00	\$ 14,202.00	\$ 14,202.00		PO02982	
30	City of Sand City	IRWM Grant Reimbursement	3/28/2022	\$ 1,084,322.50	\$ 19,554.85	\$ 13,880.45	\$ 33,435.30	Current period IRWM Grant reimbursement	PO03093
31	Marina Coast Water District	IRWM Grant Reimbursement	3/28/2022	\$ 83,079.00	\$ 42,375.00	\$ 40,704.00	\$ 83,079.00	Current period IRWM Grant reimbursement	PO02947
32	City of Seaside	IRWM Grant Reimbursement	3/28/2022	\$ 578,987.90	\$ 442,866.17	\$ 58,784.58	\$ 501,650.75	Current period IRWM Grant reimbursement	PO02948
33	Montgomery & Associates	Annual Groundwater Modeling support	11/15/2021	\$ 50,000.00	\$ 44,122.00	\$ 44,122.00		PO02849	
34	DUDEK	Grant administration services for the Proposition 1 IRWM Implementation	12/14/2020	\$ 114,960.00	\$ 48,465.00	\$ 1,953.75	\$ 50,418.75	Current period billing for Prop 1 IRWM grant administration services	PO02847
35	Shute, Mihaly & Weinberger LLP	Measure J LAFCO Litigation Legal Services	1/1/2022	\$ 400,000.00	\$ 376,690.98	\$ 6,331.46	\$ 383,022.44	Current period billing for LAFCO Measure J litigation services	PO02843
36	Reiff Manufacturing	Quarantine tanks for the Sleepy Hollow steelhead facility	10/18/2022	\$ 48,000.00	\$ 40,350.00	\$ 40,350.00		PO02824	
37	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	6/21/2021	\$ 67,500.00	\$ 46,108.64	\$ 46,108.64		PO02693	
38	Monterey One Water	PWM Deep Injection Well #4 Design/Construction	9/21/2020	\$ 4,070,000.00	\$ 1,839,650.64	\$ 1,839,650.64		PO02604	
39	Weston Solutions, Inc.	UXO Support Services	6/15/2020	\$ 26,378.70	\$ 6,521.66	\$ 6,521.66		PO02371	
40	Pueblo Water Resources, Inc.	ASR SMWTF Engineering Services During Construction	10/21/2019	\$ 148,100.00	\$ 142,709.87	\$ 142,709.87		PO02163	
41	U.S. Bank Equipment Finance	Copier machine leasing - 60 months	7/15/2019	\$ 52,300.00	\$ 45,451.75	\$ 871.81	\$ 46,323.56	Current period billing for photocopy machine lease	PO02108
42	DUDEK	Consulting Services for Prop 1 grant proposal	4/15/2019	\$ 95,600.00	\$ 94,315.05	\$ 94,315.05		PO01986	
43	Tetra Tech, Inc.	Engineering services Sleepy Hollow Facility Upgrade	7/16/2018	\$ 30,000.00	\$ 26,878.87	\$ 26,878.87		PO01880	
44	Pueblo Water Resources, Inc.	ASR Backflush Basin Expansion, CM services	7/16/2018	\$ 96,034.00	\$ 68,919.39	\$ 68,919.39		PO01778	
45	Colantuono, Highsmith, & Whatley, PC	MPTA Legal Matter	7/1/2018	\$ 250,000.00	\$ 239,380.43	\$ 304.35	\$ 239,684.78	Current period billing for MPTA legal matter	PO01707
46	Pueblo Water Resources, Inc.	Seaside Groundwater Basin Geochemical Study	1/24/2018	\$ 68,679.00	\$ 57,168.85	\$ 57,168.85		PO01628	
47	Pueblo Water Resources, Inc.	SSAP Water Quality Study	8/21/2017	\$ 94,437.70	\$ 44,318.11	\$ 44,318.11		PO01510	

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****14. STATUS REPORT ON MEASURE J/RULE 19.8****Meeting Date: March 18, 2024 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Nishil Bali Cost Estimate: N/A****General Counsel Review: N/A****Committee Recommendation: The Finance and Administration Committee reviewed this item on March 11, 2024.****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 as **Exhibit 14-A** is a monthly status report on Measure J/Rule 19.8 spending for the period January 2024. This status report is provided for information only, no action is required.**EXHIBIT****14-A** Status on Measure J/Rule 19.8 Phase III/IV Spending





**Monterey Peninsula Water Management District  
Status on Measure J/Rule 19.8 Spending Phase IV  
Through January 2024**

<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized 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>
Phase IV - Authorization (unallocated)	11/13/2023	\$ 120,000.00	\$ -			\$ 120,000.00	
1 Eminent Domain Legal Counsel	12/16/2019	\$ 200,000.00	\$ 23,642.51		\$ 23,642.51	\$ 176,357.49	PA00009-01
2 Appraisal Services	8/21/2023	\$ 200,000.00	\$ 4,895.00	\$ 4,197.50	\$ 9,092.50	\$ 190,907.50	PA00009-03
3 District Legal Counsel		\$ 100,000.00	\$ 47,509.50	\$ 5,959.00	\$ 53,468.50	\$ 46,531.50	PA00009-05
<b>Total</b>		<b>\$ 620,000.00</b>	<b>\$ 76,047.01</b>	<b>\$ 10,156.50</b>	<b>\$ 86,203.51</b>	<b>\$ 533,796.49</b>	

**Monterey Peninsula Water Management District  
Status on Measure J/Rule 19.8 Spending Phase III  
Through October 2024**

<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized 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	\$ 200,000.00	\$ 98,283.28		\$ 98,283.28	\$ 101,716.72	PA00007-01
2 Appraisal Services	4/17/2023	\$ 220,000.00	\$ 220,000.75		\$ 220,000.75	\$ (0.75)	PA00007-03
3 District Legal Counsel	12/16/2019	\$ 100,000.00	\$ 46,361.50		\$ 46,361.50	\$ 53,638.50	PA00007-05
4 Real Estate Appraiser	8/15/2022	\$ 80,000.00	\$ 53,309.64		\$ 53,309.64	\$ 26,690.36	PA00007-06
5 Water Rights Appraisal	8/15/2022	\$ 75,000.00	\$ 45,490.46		\$ 45,490.46	\$ 29,509.54	PA00007-10
6 Contingency/Miscellaneous	12/16/2019	\$ -	\$ -		\$ -	\$ -	PA00007-20
<b>Total</b>		<b>\$ 675,000.00</b>	<b>\$ 463,445.63</b>	<b>\$ -</b>	<b>\$ 463,445.63</b>	<b>\$ 211,554.37</b>	

1 Measure J CEQA Litigation Legal Services	12/23/2020	\$ 200,000.00	\$ 140,303.06		\$ 140,303.06	\$ 59,696.94	PA00005-15
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1 Measure J LAFCO Litigation Legal Services	1/1/2022	\$ 400,000.00	\$ 368,283.86	\$ 6,331.46	\$ 374,615.32	\$ 25,384.68	PA00005-16
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**Monterey Peninsula Water Management District  
Status on Measure J/Rule 19.8 Spending Phase II  
Through September 2022**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized 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	9/20/2021	\$ 345,000.00	\$ 168,265.94		\$ 168,265.94	\$ 176,734.06	PA00005-01
2	CEQA Work	12/16/2019	\$ 134,928.00	\$ 134,779.54		\$ 134,779.54	\$ 148.46	PA00005-02
3	Appraisal Services	9/20/2021	\$ 430,000.00	\$ 188,683.75		\$ 188,683.75	\$ 241,316.25	PA00005-03
4	Operations Plan	12/16/2019	\$ 145,000.00	\$ 94,860.00		\$ 94,860.00	\$ 50,140.00	PA00005-04
5	District Legal Counsel	12/16/2019	\$ 40,000.00	\$ 162,254.16		\$ 162,254.16	\$ (122,254.16)	PA00005-05
6	MAI Appraiser	6/15/2020	\$ 170,000.00	\$ 76,032.00		\$ 76,032.00	\$ 93,968.00	PA00005-06
7	Jacobs Engineering	12/16/2019	\$ 87,000.00	\$ 86,977.36		\$ 86,977.36	\$ 22.64	PA00005-07
8	LAFCO Process	11/15/2021	\$ 240,000.00	\$ 217,784.62		\$ 217,784.62	\$ 22,215.38	PA00005-08
9	PSOMAS	9/20/2021	\$ 28,000.00	\$ 25,900.00		\$ 25,900.00	\$ 2,100.00	PA00005-09
10	Contingency/Miscellaneous/Uncommitted	12/16/2019	\$ 289,072.00	\$ 38,707.08		\$ 38,707.08	\$ 250,364.92	PA00005-20
	<b>Total</b>		<b>\$ 1,909,000.00</b>	<b>\$ 1,194,244.45</b>	<b>\$ -</b>	<b>\$ 1,194,244.45</b>	<b>\$ 714,755.55</b>	

**Phase I Costs  
Status on Measure J/Rule 19.8 Spending  
Through November 2019**

	<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized 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	12/17/2018	\$ 100,000.00	\$ 160,998.16		\$ 160,998.16	\$ (60,998.16)	PA00002-01
2	Investment Banking Services	2/21/2019	\$ 30,000.00	\$ 27,000.00		\$ 27,000.00	\$ 3,000.00	PA00002-02
3	Valuation & Cost of Service Study Consultant	2/21/2019	\$ 355,000.00	\$ 286,965.17		\$ 286,965.17	\$ 68,034.83	PA00002-03
4	Investor Owned Utility Consultant	2/21/2019	\$ 100,000.00	\$ 84,221.69		\$ 84,221.69	\$ 15,778.31	PA00002-04
5	District Legal Counsel		\$ 35,000.00	\$ 41,897.59		\$ 41,897.59	\$ (6,897.59)	PA00002-05

	<b>Contract</b>	<b>Date Authorized</b>	<b>Authorized 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>
6	Contingency/Miscellaneous		\$ 30,000.00	\$ 45,495.95		\$ 45,495.95	\$ (15,495.95)	PA00002-10
	<b>Total</b>		\$ 650,000.00	\$ 646,578.56	\$ -	\$ 646,578.56	\$ 3,421.44	



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****15. LETTERS RECEIVED AND SENT****Meeting Date:** March 18, 2024 **Budgeted:** N/A**From:** David J. Stoldt,  
General Manager **Program/** N/A  
**Line Item No.:****Prepared By:** Sara Reyes **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 sent by and/or received by the Board Chair and/or General Manager between February 5, 2024 and March 8, 2024 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 website at [www.mpwmd.net](http://www.mpwmd.net).

Author	Addressee	Date	Topic
Melodie Chrislock	MPWMD Board	2/20/2024	Herald Letter to the Editor – LAFCO's appeal
David J. Stoldt	Yessica Ramirez	2/20/2024	Environmental Justice Outreach: Application for a General Lease – Industrial Use, Monterey Peninsula Water Supply Project, near Marina, Monterey County
Sandy Raffelson	MPWMD	2/21/2024	District Transparency Certificate of Excellence Approval
Melodie Chrislock	MPWMD Board	2/21/2024	Letter to the State Lands Commission Opposing Cal-Am's Lease



**ITEM: INFORMATIONAL ITEM/STAFF REPORT**

**16. COMMITTEE REPORTS**

**Meeting Date:** March 18, 2024 **Budgeted:** N/A

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

**Prepared By:** Sara Reyes **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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The Final Minutes of the committee meetings listed below are being submitted for review.

**EXHIBIT**

- 16-A** MPWMD Public Outreach Committee Meeting of August 28, 2023
- 16-B** MPWMD Water Supply Planning Committee Meeting of January 8, 2024
- 16-C** MPWMD Finance and Administration Committee Meeting of February 5, 2024







## **EXHIBIT 16-A**

### **Final Minutes Monterey Peninsula Water Management District Public Outreach Committee Monday, August 28, 2023**

#### **Call to Order | Roll Call**

Chair Riley called the meeting to order at 3:03 p.m.

Committee members present: George T. Riley – Chair  
Amy Anderson  
Karen Paull

Committee members absent: None

District staff members present: David J. Stoldt, General Manager  
Stephanie Locke, Water Demand Manager  
Phil Wellman, Public Outreach Consultant with WellmanAd  
Sara Reyes, Sr. Office Specialist

District Counsel Present: David Laredo with De Lay and Laredo

Comments from the Public: Chair Riley opened public comment; *no comments were directed to the committee.*

#### **Action Item**

##### **1. Consider Adoption of June 26, 2023 Committee Meeting Minutes**

Riley introduced the matter and opened public comment; *no comments were directed to the committee.*

A motion was made by Paull with a second by Anderson to approve the June 26, 2023, Committee Meeting Minutes. The motion passed on a roll-call vote of 3-Ayes (Paull, Anderson and Riley), 0-Noes and 0-Absent

#### **Discussion Items**

##### **2. Status of Public Outreach Projects / WellmanAd**

Phil Wellman, Public Outreach Consultant with WellmanAd presented via slide-deck

entitled, MPWMD Public Outreach Report / August 28, 2023. A copy of the presentation is available online on the District website and available upon request at the District office. Mr. Wellman covered projects completed to include:

1. Summer Splash Ad Campaign in the Monterey County Weekly, Carmel Pinecone and the Monterey Bay Parent Magazine
2. Newsletter mailing
3. Branding Ads in the Monterey County Weekly and Carmel Pinecone

Mr. Wellman also provided an update on the status of the website update project.

**3. Discuss Current Status of Plans for Possible Hearing of Necessity Regarding Acquisition of the Monterey Water System (Measure J)**

General Manager Stoldt provided a brief update and stated the Board will meet on September 7, 2023, to discuss the matter and determine a hearing date in October. Once a hearing date is determined, it will be noticed on the District website and email blast. The committee stated additional communication on how to notify the public could be discussed on September 7.

**4. Suggest Items to be Placed on a Future Agenda**

None

**Adjournment**

There being no further business, Chair Riley adjourned the meeting at 3:36 p.m.

/s/ Sara Reyes

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Sara Reyes, Sr. Office Specialist

Approved by the MPWMD Public Outreach Committee on February 20, 2024

Received by the MPWMD Board of Director's on March 18, 2024



**EXHIBIT 16-B**

**Final Minutes  
Water Supply Planning Committee of the  
Monterey Peninsula Water Management District  
Monday, January 8, 2024**

**Call to Order:** Chair Edwards called the meeting to order at 3:07 p.m.

**Committee Members Present:** Alvin Edwards, Chair  
Karen Paull  
George T. Riley

**Committee Members Absent:** None

**Staff Members Present:** David J. Stoldt, General Manager  
Sara Reyes, Executive Assistant/Board Clerk

**District Counsel Present:** David Laredo with De Lay & Laredo  
Fran Farina with De Lay & Laredo

**Comments from the Public:** Chair Edwards opened public comment; no comments were directed to the Committee.

**Corrections / Additions to the Agenda** None

**Action Items**

**1. Consider Adoption of the November 7, 2023 Committee Meeting Minutes**

Chair Edwards introduced Item No. 1 and opened public comment; no comments were directed to the Committee.

A motion was offered by Director Riley with a second by Director Paull to approve the November 7, 2023 Committee Meeting minutes. The motion passed on a roll-call vote of 3-Ayes (Paull, Riley, and Edwards), 0-Noes and 0-Abstain.

**Discussion Items**

**2. Preliminary Results of Water Supply and Demand Assessment for CPUC Phase 2 Proceeding in A.21-11-024**

David J. Stoldt, General Manager provided a brief overview of the item and discussed various scenarios with the Committee. Committee discussion followed.

Chair Edwards opened public comment; no comments were directed to the Committee.

**3. ASR Third Injection Well Concept**

General Manager David J. Stoldt briefly discussed this and stated that the ASR Third Injection Well is an idea from District staff for discussion by the Committee. Committee discussion followed.

Chair Edwards opened public comment; no comments were directed to the Committee.

#### **4. Overview of December 6 Coordination Meeting with Cal-Am**

Mr. Stoldt briefly shared information from the meeting held with Cal-Am on December 6, 2023, attended by himself, Jonathan Lear, Water Resources Manager, Maureen Hamilton, District Engineer, and five individuals from Cal-Am. Mr. Stoldt reported the areas discussed included:

- Well program
- Pure Water Monterey Expansion Extraction Wells
- Status of the mercury and well conditions
- Readiness for ASR for the winter
- Supply source dispatching during the year
- Update on the interconnection with Marina Coast Water District
- Letter sent to the Presidio of Monterey regarding Fitch Park Wells

Committee discussion followed.

Chair Edwards opened public comment; no comments were directed to the Committee.

#### **5. Pure Water Monterey Expansion Update**

General Manager David J. Stoldt stated there was no new information to present and information was presented under Item 4. Committee discussion followed.

Chair Edwards opened public comment; no comments were directed to the Committee.

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

None.

#### **Adjournment**

There being no further business, Chair Edwards adjourned the meeting at 4:47 p.m.

/s/ Sara Reyes

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Sara Reyes, Committee Clerk  
to the Water Supply Planning Committee

Reviewed and Approved by the MPWMD Water Supply Planning Committee on March 5, 2024.  
Received by the MPWMD Board of Directors on March 18, 2024.



**EXHIBIT 16-C**

**FINAL MINUTES**  
**Monterey Peninsula Water Management District**  
**Finance and Administration Committee**  
*February 5, 2024*

Meeting Location: District Office, Main Conference Room  
 5 Harris Court, Building G., Monterey, CA 93940  
*(Hybrid: Meeting Held In-Person and via Zoom – Teleconferencing means)*

**Call to Order**

Chair Paull called the meeting to order at 2:05 PM.

Committee members present: Karen Paull (Served as Chair due to Director Riley's absence)  
 Alvin Edwards

Committee members absent: George Riley, Chair

District staff members present: David Stoldt, General Manager  
 Nishil Bali, Administrative Services Manager/Chief Financial Officer  
 Stephanie Locke, Water Demand Manager  
 Kyle Smith, Water Conservation Specialist II  
 Sara Reyes, Executive Assistant/Board Clerk

District staff members absent: None

District Counsel present: David Laredo, DeLay & Laredo

**Additions / Corrections to Agenda:**

None

**Comments from the Public:**

None

**Action Items:**

**1. Consider Adoption of January 16, 2024 Committee Meeting Minutes**

On a motion by Edwards and second by Paull, the minutes of the January 16, 2024 meeting were approved unanimously 2 – 0.

**2. Consider Approval of Annual Purchase of Internet License for Water Wise Gardening in Monterey**

On a motion by Edwards and second by Paull, the Finance and Administration Committee

recommended that the Board approve the expenditure of \$5000 to renew the internet license with GardenSoft for the Monterey County Water Wise Landscaping software. The motion was approved unanimously on a 2– 0 vote.

**3. Consider Expenditure of Budgeted Funds for Water Conservation Equipment**

On a motion by Edwards and second by Paull, the Finance and Administration Committee recommended that the Board approve an expenditure of up to \$20,000 to renew the District’s water conservation equipment prior to springtime outreach efforts. The motion was approved unanimously on a 2 – 0 vote.

**4. Receive and File Second Quarter Financial Activity Report for Fiscal Year 2023-2024**

Nishil Bali, Chief Financial Officer/Administrative Services Manager, reviewed this item with the Finance and Administration Committee and answered questions. No action was taken by the Committee.

**5. Consider Approval of the Second Quarter Fiscal Year 2023-2024 Investment Report**

On a motion by Edwards and second by Paull, the Finance and Administration Committee recommended that the Board approve the Second Quarter Fiscal Year 2023-2024 Investment Report. The motion was approved unanimously on a 2 – 0 vote.

**6. Consider Adoption of Treasurer’s Report for December 2023**

On a motion by Edwards and second by Paull the Finance and Administration Committee recommended that the Board adopt the December 2023 Treasurer’s Report and Statement of Revenues and Expenditures and ratify the disbursements made during the month. The motion was approved unanimously on a 2 – 0 vote.

**Informational Items:**

**7. 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.

**8. 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.

**Discussion Item:**

**9. Adopt 2024 Committee Meeting Schedule**

The committee examined and discussed and agreed to adopt the 2024 meeting schedule.

**10. Review Draft February 12, 2024 Special and Regular Board Meeting Agenda**

General Manager Stoldt reviewed the draft agenda with the committee. No changes were made by the committee.

**Adjournment**

Chair Paull adjourned the meeting at 3:02 PM.

**ITEM: INFORMATIONAL ITEM/STAFF REPORT****17. MONTHLY ALLOCATION REPORT**

<b>Meeting Date:</b>	<b>March 18, 2024</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 February 29, 2024, a total of **26.575** acre-feet (**7.8%**) of the Paralta Well Allocation remained available for use by the Jurisdictions. Pre-Paralta water in the amount of **30.501** acre-feet is available to the Jurisdictions, and **28.123** acre-feet is available as public water credits.

**Exhibit 17-A** shows the amount of water allocated to each Jurisdiction from the Paralta Well Allocation, the quantities permitted in February 2024 (“changes”), and the quantities remaining. The Paralta Allocation had no debits in February 2024.

**Exhibit 17-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 17-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 Malpaso 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 17-C**.

**EXHIBITS****17-A** Monthly Allocation Report**17-B** Monthly Entitlement Report**17-C** District’s Water Allocation Program Ordinances





**EXHIBIT 17-A**  
**MONTHLY ALLOCATION REPORT**  
 Reported in Acre-Feet  
 For the month of February 2024

Jurisdiction	Paralta Allocation*	Changes	Remaining	PRE-Paralta Water	Changes	Remaining	Public Credits	Changes	Remaining	Total Available
<b>Airport District</b>	8.100	0.000	5.197	0.000	0.000	0.000	0.000	0.000	0.000	5.197
<b>Carmel-by-the-Sea</b>	19.410	0.000	1.398	1.081	0.000	1.081	0.910	0.000	0.182	2.661
<b>Del Rey Oaks</b>	8.100	0.000	0.000	0.440	0.000	0.000	0.000	0.000	0.000	0.000
<b>Monterey</b>	76.320	0.000	0.298	50.659	0.000	0.181	38.121	0.000	2.451	2.920
<b>Monterey County</b>	87.710	0.000	10.578	13.080	0.000	0.352	7.827	0.000	1.181	12.121
<b>Pacific Grove</b>	25.770	0.000	0.000	1.410	0.000	0.014	15.874	0.000	0.002	0.016
<b>Sand City</b>	51.860	0.000	0.000	0.838	0.000	0.000	24.717	0.000	23.163	23.163
<b>Seaside</b>	65.450	0.000	0.497	34.438	0.003	28.873	2.693	0.000	1.144	30.514
<b>District Reserve</b>	9.000	0.000	8.607	N/A			N/A			8.607
<b>TOTALS</b>	<b>342.720</b>	<b>0.000</b>	<b>26.575</b>	<b>101.946</b>	<b>0.003</b>	<b>30.501</b>	<b>90.142</b>	<b>0.000</b>	<b>28.123</b>	<b>85.199</b>

Allocation Holder	Water Available	Changes this Month	Total Demand from Water Permits Issued	Remaining Water Available
<b>Quail Meadows</b>	33.000	0.000	32.320	0.680
<b>Water West</b>	12.760	0.000	10.074	2.686

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



**EXHIBIT 17-B**  
**MONTHLY ALLOCATION REPORT**  
**ENTITLEMENTS**  
**Reported in Acre-Feet**  
**For the month of February 2024**

**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. *</b>	192.880	0.100	32.282	160.598
<b>Del Monte Forest Benefited Properties (Pursuant to Ord No. 109)</b>	172.120	0.233	75.985	96.135
<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>0.333</b>	<b>123.096</b>	<b>256.904</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	15.055	23.169	182.831
<b>Malpaso Water Company</b>	80.000	0.215	22.959	57.041
<b>D.B.O. Development No. 30</b>	13.950	0.000	3.908	10.042
<b>City of Pacific Grove</b>	38.390	0.250	10.639	27.751
<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 17-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.

In addition to releasing water from the development of the Paralta Well, Ordinance No. 70 established a "special reserve" of 12.76 acre-feet of water saved by system improvements to the former Water West System when it was purchased and integrated into Cal-Am. This reserve was made available to properties in the former Water West System on a first-come, first-served basis. The ordinance also increased Cal-Am's production limit for savings related to the annexation of the Quail Meadows subdivision.

**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****18. WATER CONSERVATION PROGRAM REPORT**

<b>Meeting Date:</b>	<b>March 18, 2024</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>

**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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**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 occasionally conducted to verify compliance. Properties that do not require an inspection are issued a Conservation Certification document.

**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 **47** property transfers that occurred between February 1, 2024, and February 29, 2024, were added to the database.

**B. Certification**

The District received **56** WCCs between February 1, 2024, and February 29, 2024. Data on ownership, transfer date, and status of water efficiency standard compliance were entered into the database.

**C. Verification**

From February 1, 2024, and February 29, 2024, **30** properties were verified compliant with Rule 144 (Retrofit Upon Change of Ownership or Use). Of the **30** verifications, **7** properties verified compliance by submitting certification forms and/or receipts. District staff completed **39** Site inspections. Of the **39** properties verified, **23 (79%)** passed.

**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 sent notification of the requirements

and a date that inspectors will be on Site to check the property. In February, District inspectors performed **11** verification inspections.

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. 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 February 2024, MPWMD referred **one** property 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 Waste 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 July 6, 2021, the District has been processing both electronic and in person 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 **54** Water Permits from February 1, 2024, and February 29, 2024. **Twelve** Water Permits were issued using Water Entitlements (Pebble Beach Company, Malpaso Water, etc.). **No** Water Permits involved a debit to a Public Water Credit Account. In addition to those Water Permits issued in February **seven** Meter Permits and **three** 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 **54** Water Permits issued from February 1, 2024, and February 29, 2024, **three** were issued under this provision.

#### B. Permit Compliance

District staff completed **no** conditional Water Permit finals during February 2024. Staff completed **101** site inspections. **77** properties passed and **17** 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. District staff provided Notary services for **36** Water Permits with deed restrictions.

D. Rebates

The full list of available rebates can be found in Rule 141:

<https://www.mpwmd.net/rules/Rule141-TableXIV-1.pdf>. Below is the rebate information for January and February 2024.

**EXHIBITS**

**18-A** Rebate information for January 2024

**18-B** Rebate information for February 2024



January 2024 Rebate Report

REBATE PROGRAM SUMMARY		January-2024			2023 YTD		1997 - Present	
I. <u>Application Summary</u>								
A.	Applications Received	88			88		31,094	
B.	Applications Approved	78			78		24,340	
C.	Single Family Applications	75			75		27,228	
D.	Multi-Family Applications	3			3		1,627	
E.	Non-Residential Applications	0			0		362	
		Number of Devices	Rebate Paid	Estimated AF	Gallons Saved	Year to Date Number	Year to Date Paid	Year to Date Estimated AF
II. <u>Type of Devices Rebated</u>								
A.	High Efficiency Toilet (HET)	10	\$975.00	0.0500	16,293	10	\$975.00	0.05000
B.	Ultra HET	6	\$750.00	0.0600	19,551	6	\$750.00	0.06000
C.	Toilet Flapper			0.0000	0	0	\$0.00	0.00000
D.	High Efficiency Dishwasher	15	\$2,248.00	0.0450	14,663	15	\$2,248.00	0.04500
E.	High Efficiency Clothes Washer - Res	42	\$20,473.00	0.6762	220,340	42	\$20,473.00	0.67620
F.	High Efficiency Clothes Washer - Com	1	\$1,000.00	0.0900	29,327	1	\$1,000.00	0.09000
G.	Instant-Access Hot Water System	3	\$600.00	0.0150	4,888	3	\$600.00	0.01500
H.	Zero Use Urinals			0.0000	0	0	\$0.00	0.00000
I.	Pint Urinals			0.0000	0	0	\$0.00	0.00000
J.	Cisterns			0.0000	0	0	\$0.00	0.00000
K.	Smart Controllers			0.0000	0	0	\$0.00	0.00000
L.	Rotating Sprinkler Nozzles			0.0000	0	0	\$0.00	0.00000
M.	Moisture Sensors			0.0000	0	0	\$0.00	0.00000
N.	Lawn Removal & Replacement			0.0000	0	0	\$0.00	0.00000
O.	Graywater			0.0000	0	0	\$0.00	0.00000
P.	Smart Flowmeter	8	\$1,457.00	0.0000	0	8	\$1,457.00	0.00000
Q.	Smart Toilet Leak Detectors			0.0000	0	0	\$0.00	0.00000
R.	Other							
III. <u>TOTALS</u>		85	\$27,503.00	0.9362	305,062	85	\$27,503.00	0.93620

IV. TOTALS Since 1997 Paid Since 1997: \$ 6,386,258 593.2 Acre-Feet Per Year Saved Since 1997 (from quantifiable retrofits)



February 2024 Rebate Report

REBATE PROGRAM SUMMARY		February-2024			2023 YTD		1997 - Present	
<b>I. Application Summary</b>								
A.	Applications Received	67			155		31,161	
B.	Applications Approved	58			136		24,398	
C.	Single Family Applications	57			132		27,285	
D.	Multi-Family Applications	0			3		1,627	
E.	Non-Residential Applications	1			1		363	
		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)	11	\$825.00	0.055000	17,922	21	\$1,800.00	0.10500
B.	Ultra HET	2	\$250.00	0.020000	6,517	8	\$1,000.00	0.08000
C.	Toilet Flapper			0.000000	0	0	\$0.00	0.00000
D.	High Efficiency Dishwasher	16	\$2,000.00	0.048000	15,641	31	\$4,248.00	0.09300
E.	High Efficiency Clothes Washer - Res	24	\$11,998.00	0.386400	125,909	66	\$32,471.00	1.06260
F.	High Efficiency Clothes Washer - Com			0.000000	0	1	\$1,000.00	0.09000
G.	Instant-Access Hot Water System	1	\$200.00	0.005000	1,629	4	\$800.00	0.02000
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			0.000000	0	0	\$0.00	0.00000
K.	Smart Controllers			0.000000	0	0	\$0.00	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	0	\$0.00	0.00000
O.	Graywater			0.000000	0	0	\$0.00	0.00000
P.	Other - Smart Flowmeter	7	\$1,340.00	0.000000	0	15	\$2,797.00	0.00000
Q.	Smart Toilet Leak Detectors			0.000000	0	0	\$0.00	0.00000
<b>III. TOTALS</b>		61	\$16,613.00	0.5144	167,618	146	\$44,116.00	1.45060

V. TOTALS Since 1997

Paid Since 1997: \$ 6,402,871

593.7

Acre-Feet Per Year Saved Since 1997 (from quantifiable retrofits)



**ITEM: INFORMATIONAL ITEM/STAFF REPORT****19. CARMEL RIVER FISHERY REPORT FOR FEBRUARY 2024****Meeting Date: March 18, 2024 Budgeted: N/A****From: David J. Stoldt, General Manager Program/ Line Item No.: N/A****Prepared By: Beverly Chaney 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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**AQUATIC HABITAT AND FLOW CONDITIONS:** February was wet with 17 days of measurable rain at the San Clemente gage, bringing river flows above 3,000 cfs in the lower watershed. To date, one adult steelhead has been captured in the Los Padres Dam trap and moved above the dam. Staff observed a number sea-run adults in the Sleepy Hollow reach and fish have been seen in several tributaries.

February's streamflow at the Sleepy Hollow Weir gaging station ranged from 188 to 2,190 cfs (avg. 506 cfs), while flows at the Highway 1 gage ranged from 225 to 3,100 cfs (avg. 647 cfs).

There were 7.17 inches of rainfall in February as recorded at the San Clemente gauge. The total rainfall for Water Year (WY) 2024 (which started October 1, 2023) is 16.66 inches, or 107% of the long-term year-to-date average of 15.51 inches.

**CARMEL RIVER LAGOON:** In February, the lagoon's WSE ranged from approximately 4.6-11.2 feet (NGVD 1988) (see graph below).

Water quality depth-profiles were conducted at five sites on February 23, 2024, while the lagoon mouth was open, water surface elevation was 7.50 feet, and river inflow was 520 cfs. Steelhead migration and rearing conditions were good. Salinity levels were low, ranging from 0.3-14 ppt, water temperature ranged from 52-59 degrees Fahrenheit, and dissolved oxygen (DO) levels ranged from 8-11 mg/l.

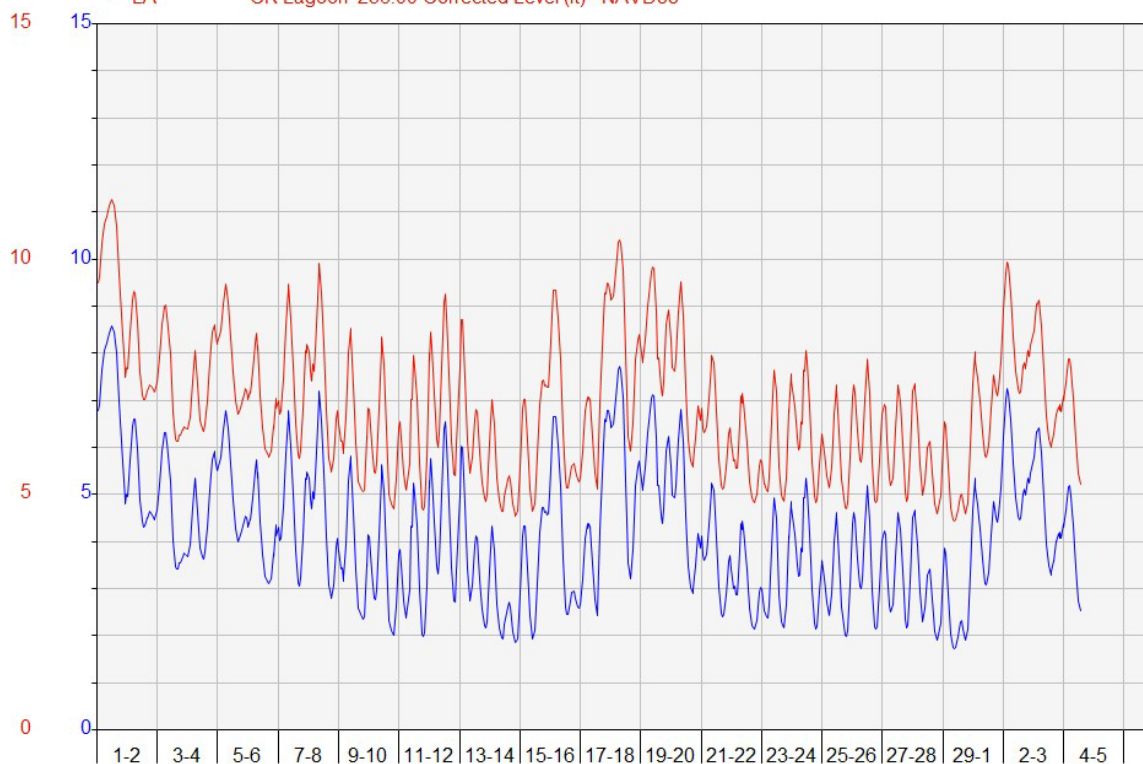
### Monterey Peninsula Water Management District

HYPLOT V134 Output 03/04/2024

Period 35 Day 02/01/2024 to 03/07/2024

2024

— LA CR Lagoon 232.00 Raw Level (ft) - NGVD29  
— LA CR Lagoon 236.00 Corrected Level (ft) - NAVD88





**ITEM: INFORMATIONAL ITEM/STAFF REPORT**

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

<b>Meeting Date:</b>	<b>March 18, 2024</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>Jonathan Lear</b>	<b>Cost Estimate:</b>	<b>N/A</b>

**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 20-A** shows the water supply status for the Monterey Peninsula Water Resources System (MPWRS) as of **March 1, 2024**. 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 20-A** is for Water Year (WY) 2024 and focuses on three 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 **February** 2024 totaled **6.47 inches** and brings the cumulative rainfall total for WY 2024 to **15.94 inches**, which is **103%** of the long-term average through **February**. Estimated unimpaired runoff through **January** totaled **3,190 acre-feet (AF)** and brings the cumulative runoff total for WY 2024 to **20,760 AF**, which is **71%** of the long-term average through **February**. Usable storage for the MRWPRS was **29,760 acre-feet**, which is **94%** of average through **February**, and equates to **90%** 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 3,376 AF of water from the Carmel River in WY 2024. Through **February**, using the CDO accounting method, Cal-Am has produced **1,081 AF** from the Carmel River (excluding **117 AF** of Table 13 and **30 AF** of 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 2024. Through **February**, Cal-Am has produced **631 AF** from the Seaside Groundwater Basin. Through **February**, **478 AF** of Carmel River Basin groundwater have been diverted for Seaside Basin injection; **0 AF** have been recovered for customer use, **117 AF** have been diverted under Table 13 water rights, and **1,622 AF** of Pure Water Monterey recovered. Cal-Am has produced **3,512 AF** for customer use from all sources through **February**. **Exhibit 20-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**

**20-A** Water Supply Status: **March 1, 2024**

**20-B** Monthly Cal-Am production by source: WY 2024



**EXHIBIT 20-A**

**Monterey Peninsula Water Management District  
Water Supply Status  
March 1, 2024**

<b>Factor</b>	<b>Oct – Feb 2024</b>	<b>Average To Date</b>	<b>Percent of Average</b>	<b>Oct – Feb 2023</b>
<b>Rainfall (Inches)</b>	15.94	15.52	103%	27.25
<b>Runoff (Acre-Feet)</b>	20,760	37,113	71%	105,232
<b>Storage<sup>5</sup> (Acre-Feet)</b>	29,760	31,720	94%	31,060

**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 1922-2022 and 1902-2022 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 1989-2022 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 2024

(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			MPWRS Total	ASR Recovery	PWM Recovery	Table 13 <sup>7</sup>	Sand City <sup>3</sup>	
		Coastal	Laguna Seca	Ajudication Compliance						
Target	1,160	570	0	570	1,730	0	1,680	0	125	1,805
Actual <sup>4</sup>	1,081	582	50	631	1,712	0	1,622	117	36	1,775
Difference	79	-12	-50	-62	18	0	58	-117	89	30
WY 2023 Actual	796	307	46	353	1,149	0	1,875	212	70	2,157

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, 478 AF and 117 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 2024

(All values in Acre-Feet)

	Carmel River Basin	Table 13	Mal Paso	Seaside Basin	ASR Recovery	PWM Recovery	Sand City	Total
Oct-23	220	0	7	347	0	254	0	828
Nov-23	224	0	6	169	0	305	19	724
Dec-23	192	0	5	40	0	393	17	647
Jan-24	305	23	6	38	0	290	0	661
Feb-24	134	94	6	38	0	380	0	652
Mar-24								
Apr-24								
May-24								
Jun-24								
Jul-24								
Aug-24								
Sep-24								
<b>Total</b>	<b>1,075</b>	<b>117</b>	<b>30</b>	<b>631</b>	<b>0</b>	<b>1,622</b>	<b>36</b>	<b>3,512</b>
WY 2023	796	212	38	353	0	1,875	70	3,344

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



## Supplement to March 18, 2024 MPWMD Board Packet

Attached are copies of letters sent and/or received between **February 5, 2024** and **March 8, 2024**. These letters are listed in the Monday, March 18, 2024 Board Packet under Letters Received.

Author	Addressee	Date	Topic
<b>Melodie Chrislock</b>	MPWMD Board	2/20/2024	Herald Letter to the Editor – LAFCO’s appeal
<b>David J. Stoldt</b>	Yessica Ramirez	2/20/2024	Environmental Justice Outreach: Application for a General Lease – Industrial Use, Monterey Peninsula Water Supply Project, near Marina, Monterey County
<b>Sandy Raffelson</b>	MPWMD	2/21/2024	District Transparency Certificate of Excellence Approval
<b>Melodie Chrislock</b>	MPWMD Board	2/21/2024	Letter to the State Lands Commission Opposing Cal-Am’s Lease

**From:** [mwchrislock@redshift.com](mailto:mwchrislock@redshift.com)  
**To:** [Alvin Edwards](#); [Amy Anderson](#); [George Riley](#); [Karen Paull](#); [District 5](#); [Marc Eisenhart](#); [Ian Oglesby](#); [Dave Stoldt](#); [Sara Reyes](#)  
**Subject:** Herald Letter to the Editor  
**Date:** Tuesday, February 20, 2024 6:46:27 PM

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# Monterey Herald Letters to the Editor: Feb. 20, 2024

By [DAVID KELLOGG](#) | [dkellogg@montereyherald.com](mailto:dkellogg@montereyherald.com)

## LAFCO's appeal

It wasn't enough that LAFCO's foolish decision against the Water Management District (MPWMD) was overturned in court. Now LAFCO is digging the hole deeper by appealing Judge Wills' decision against them. LAFCO has already wasted over half a million dollars of public money on legal costs and now more on the appeal.

LAFCO's own staff and their \$70,000 independent consultant recommended approval of MPWMD's latent power to sell water retail. But Chris Lopez, Matt Gourley, Kimbley Craig, Pete Poitras and Mary Ann Leffel all voted to block the buyout by refusing to approve MPWMD's latent powers. The court found they had no legal grounds for their decision.

Why are five LAFCO commissioners so determined to block the buyout of Cal Am? Most of them live in Salinas. They don't pay Cal Am bills and would not see a 60% increase in the cost of their water if Cal Am's desal plant were ever built. The two that do live on the Peninsula, Leffel and Poitras, are long-time supporters of Cal Am using their seats on LAFCO to carry out their personal opposition to the buyout.

Make no mistake, this LAFCO vote was about Cal Am's proposed desal plant. Add some hubris in the mix and you have the mess that LAFCO has created in opposing the will of 24,000 voters and attempting to block MPWMD from carrying out the mandate of Measure J.

In the five years since Measure J passed, the typical Peninsula water bill for 5,000 to 6,000 gallons a month has gone up more than 50

percent. That would never have happened under public ownership.

*Melodie Chrislock, Monterey*





VIA EMAIL

February 20, 2024

Ms. Yessica Ramirez  
Environmental Justice and Tribal Liaison  
Executive Office  
California State Lands Commission  
100 Howe Avenue, Suite 100 - South  
Sacramento CA 95825

RE: Environmental Justice Outreach: Application for a General Lease – Industrial Use,  
Monterey Peninsula Water Supply Project, near Marina, Monterey County

Dear Ms. Ramirez:

The Monterey Peninsula Water Management District (District) understands that the California-American Water Company has applied to the State Lands Commission to consider a long-term lease for appurtenant features of the Monterey Peninsula Water Supply Project (MPWSP) desalination plant. At build-out, the MPWSP could include up to six new slant wells to be located within a Cal-Am easement in part of the CEMEX sand mining facility near the Monterey Bay shoreline in the City of Marina.

The State Lands Commission envisions a future in which environmental justice communities are no longer disproportionately impacted by pollution or environmental hazards, and all Californians can access and enjoy our beautiful public lands and natural resources. Such protections should also extend to better financial protections for those least able to afford project costs.

In its final adopted findings at its De Novo Appeal Hearing for the MPWSP project held November 17, 2022 the California Coastal Commission identified that within Cal-Am's service area, there are significant concerns about how the cost of water from the Project will affect low-income ratepayers. Coastal Commission staff found that Cal-Am offers several rate assistance programs for low-income ratepayers; however, several of the programs have eligibility requirements that create a barrier to access, have not reached all low-income customers, and do not provide enough relief to offset the ongoing rate increases. In response, Cal-Am offered to submit proposals to the CPUC to offset the costs of the Project for low-income rate payers and to expand the eligibility requirements for the discount offered by its Customer Assistance Program.

Ms. Yessica Ramirez  
Page 2 of 2  
February 20, 2024

The Coastal Commission included Cal-Am's proposals as its Special Condition 16 of the Consolidated Coastal Development Permit and it is included here as Attachment C. There are many problems with Cal-Am's proposals, not the least of which is they will not provide the protections desired. In general, the State Lands Commission (SLC) should reject the lease application because of the following environmental justice issues: (i) Cal-Am has done nothing to act on its proposals to the Coastal Commission and there is no guarantee that such concessions will be approved by the California Public Utilities Commission (CPUC), thus the application to the SLC is premature; (ii) the Cal-Am Customer Assistance Program (CAP) does not adequately reach disadvantaged customers, hence cannot be counted on to ameliorate the financial injustice. Attachments A and B hereto show the woeful lack of overlap of Low-Income Ratepayer Assistance ratepayers (now called CAP participants) to the disadvantaged and severely disadvantaged communities (DACs/SDACs).<sup>1</sup>

Cal-Am promises a low-income ratepayer relief program plan and implementation strategy, one feature of which is a \$10 cap on rate increases per month for ratepayers enrolled in its Customer Assistance Program. No such program has been proposed to the CPUC, nor have the equity issues of a \$10 cap been vetted. These proposals are likely to be evaluated in a "Rulemaking" proceeding at the CPUC that can require three years, or more, to complete, and cannot provide a guaranteed outcome. It is absurd to assume the outcome today for purposes of a SLC environmental justice analysis.

Further, recent testimony submitted by Cal-Am to the CPUC shows that there are approximately 3,000 household account participants in Cal-Am's CAP program in the Monterey Main System.<sup>2</sup> However, as Attachment D to this letter shows, based on the California Department of Water Resources Disadvantaged Community database, there are 6,171 disadvantaged households in the Cal-Am system. Cal-Am's program does not reach even half of them; over 7,800 people in need are not addressed.

These reasons are among others I am sure you will hear where the proposed MPWSP does not meet the standards of environmental justice for Monterey Peninsula ratepayers.

Sincerely,



David J. Stoldt  
General Manager  
Monterey Peninsula Water Management District

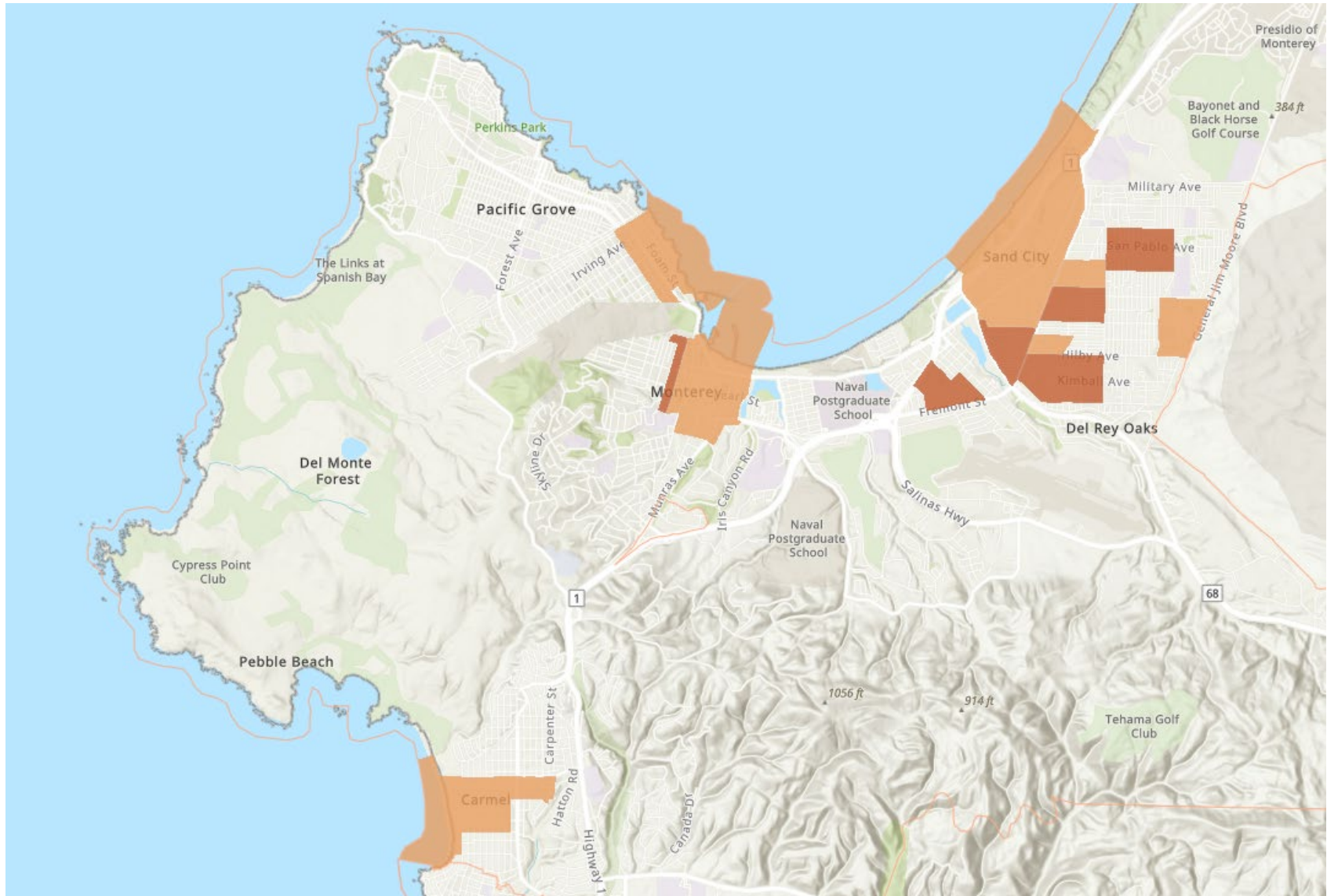
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<sup>1</sup> Low income ratepayers are shown as yellow circles and less than half overlap with a DAC.

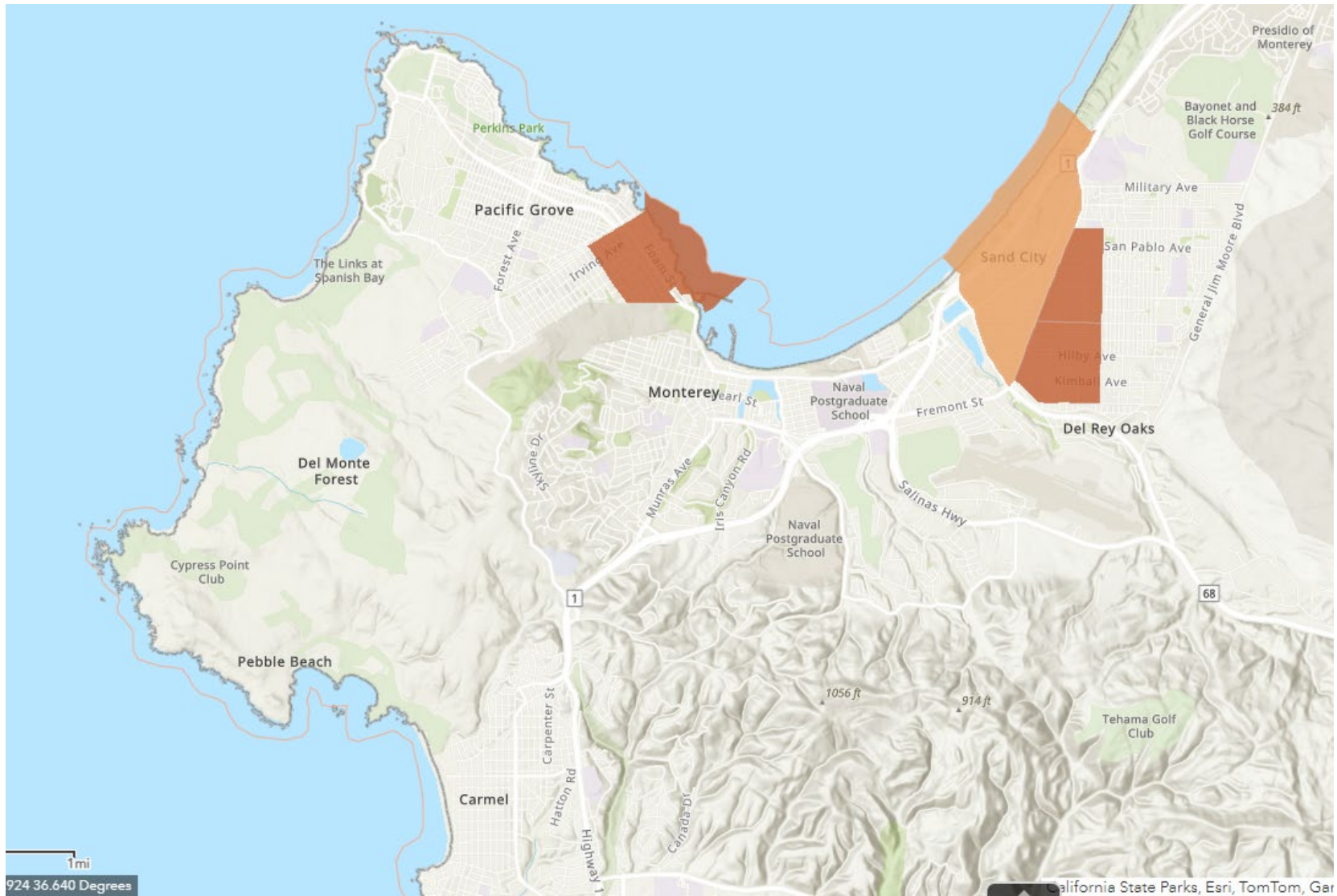
<sup>2</sup> Direct Testimony of David Mitchell in CPUC proceeding A.22-07-001 (the 2024-26 General Rate Case) Attachment 3, "Cal-Am Rate Design Bill Impact Analysis" Central Division Technical Memorandum #1, p70, June 2022

Attachment A  
Disadvantaged Community Maps  
California Department of Water Resources DAC Mapping Tool (2016-2020)

Cal-Am Service Territory - Disadvantaged Communities (2016-2020) by Block Groups



Cal-Am Service Territory - Disadvantaged Communities (2016-2020) by Census Tracts

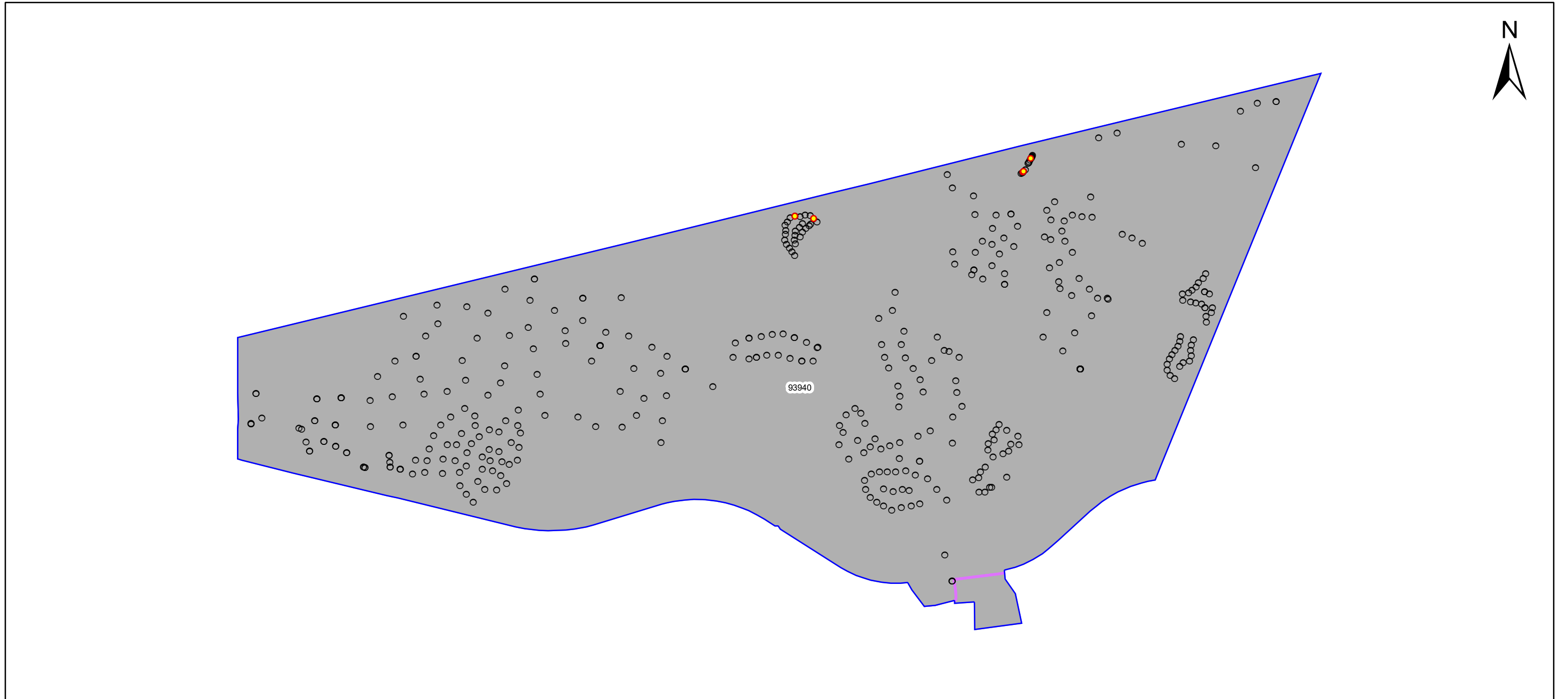


Attachment B

Low Income Ratepayer Assistance (LIRA) Program Maps

Direct Testimony of Jeffrey T. Linam, California-American Water Co. in

CPUC A.19-07-004, Attachment 1, July 1, 2019



**Legend**

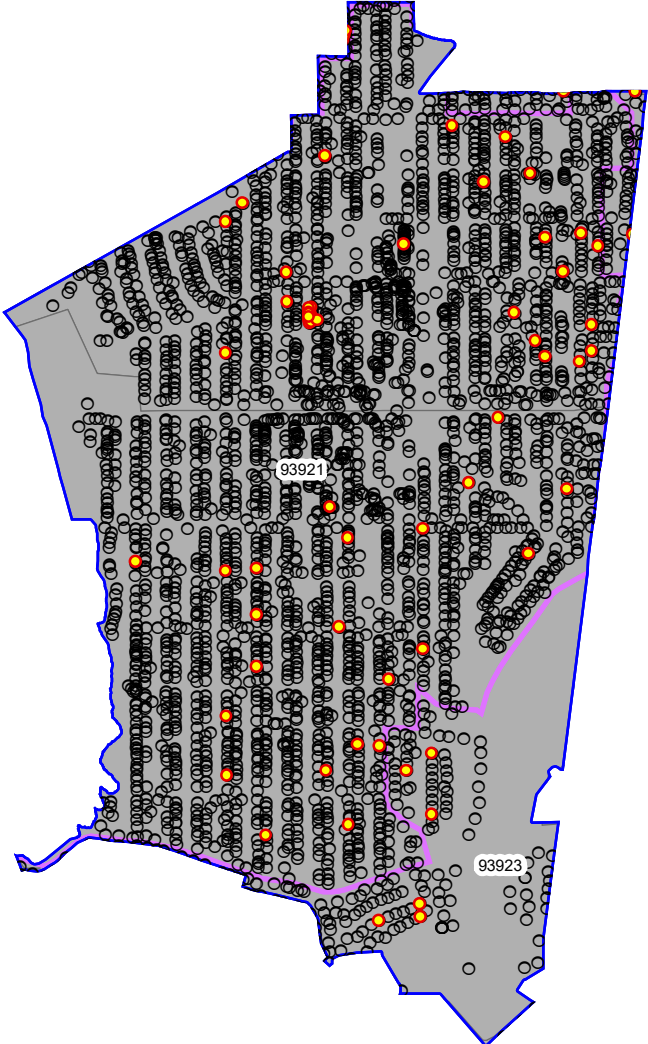
- LIRA Customers
- Customers
- Service Area
- CENSUS Zip Code 2010

**Low Income Community Opportunity Zones**

**Estimated Population Below Poverty Level**

- 0 - 445
- 446 - 908
- 909 - 1505
- 1506 - 2458
- 2459 - 5480
- CA Boundary

	93908 / 93926	93953 / 93950	93908 / 93907	93940 / 93923 / 93955	93908 / 93907	93940			
	Gonzales city, CA	Pacific Grove city, CA	Prunedale CDP, CA	Marina city, CA	Monterey city, CA	Salinas city, CA	Seaside city, CA	Monterey County, California	California
Fact									
Median value of owner-occupied housing units, 2013-2017	\$323,400	\$764,600	\$451,300	\$431,800	\$696,200	\$342,100	\$413,600	\$441,000	\$443,400
Median gross rent, 2013-2017	\$1,151	\$1,606	\$1,376	\$1,271	\$1,625	\$1,232	\$1,599	\$1,338	\$1,358
Households with a computer, percent, 2013-2017	74.20%	90.70%	90.10%	90.70%	90.60%	82.40%	87.80%	85.50%	90.20%
Households with a broadband Internet subscription, percent, 2013-2017	64.50%	84.80%	79.80%	84.90%	87.50%	74.90%	83.00%	78.30%	82.60%
High school graduate or higher, percent of persons age 25 years+, 2013-2017	51.10%	96.30%	77.90%	85.20%	92.90%	59.90%	76.90%	71.20%	82.50%
Bachelor's degree or higher, percent of persons age 25 years+, 2013-2017	9.90%	51.30%	20.40%	30.00%	50.10%	12.90%	22.60%	23.90%	32.60%



**Legend**

- LIRA Customers
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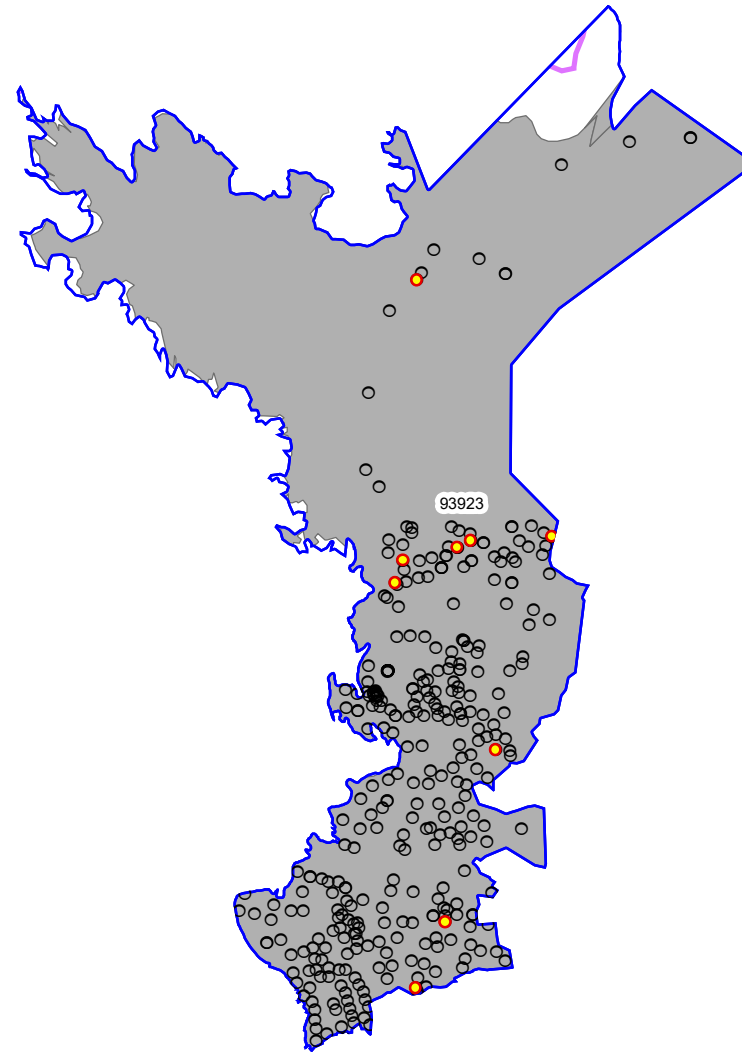
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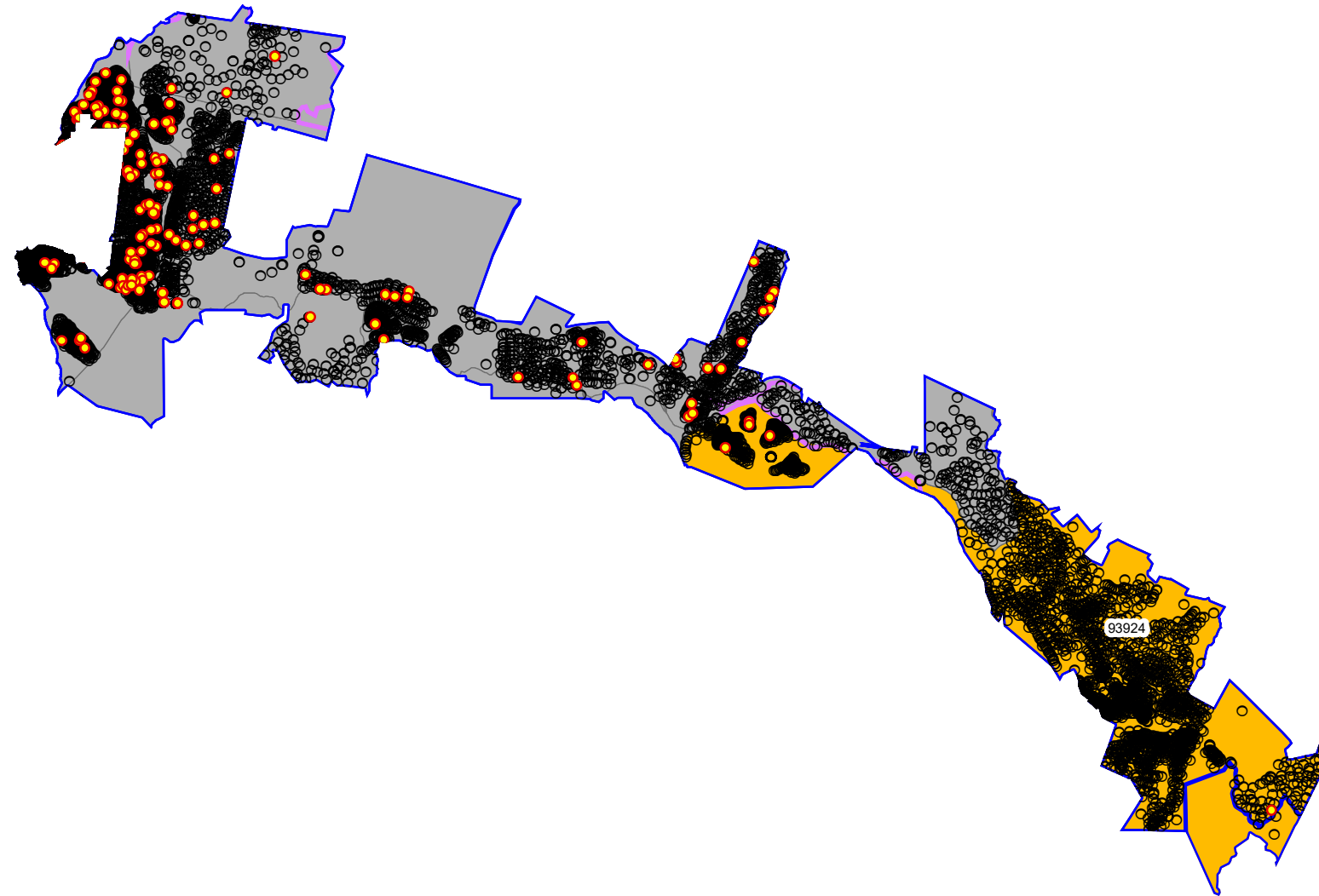
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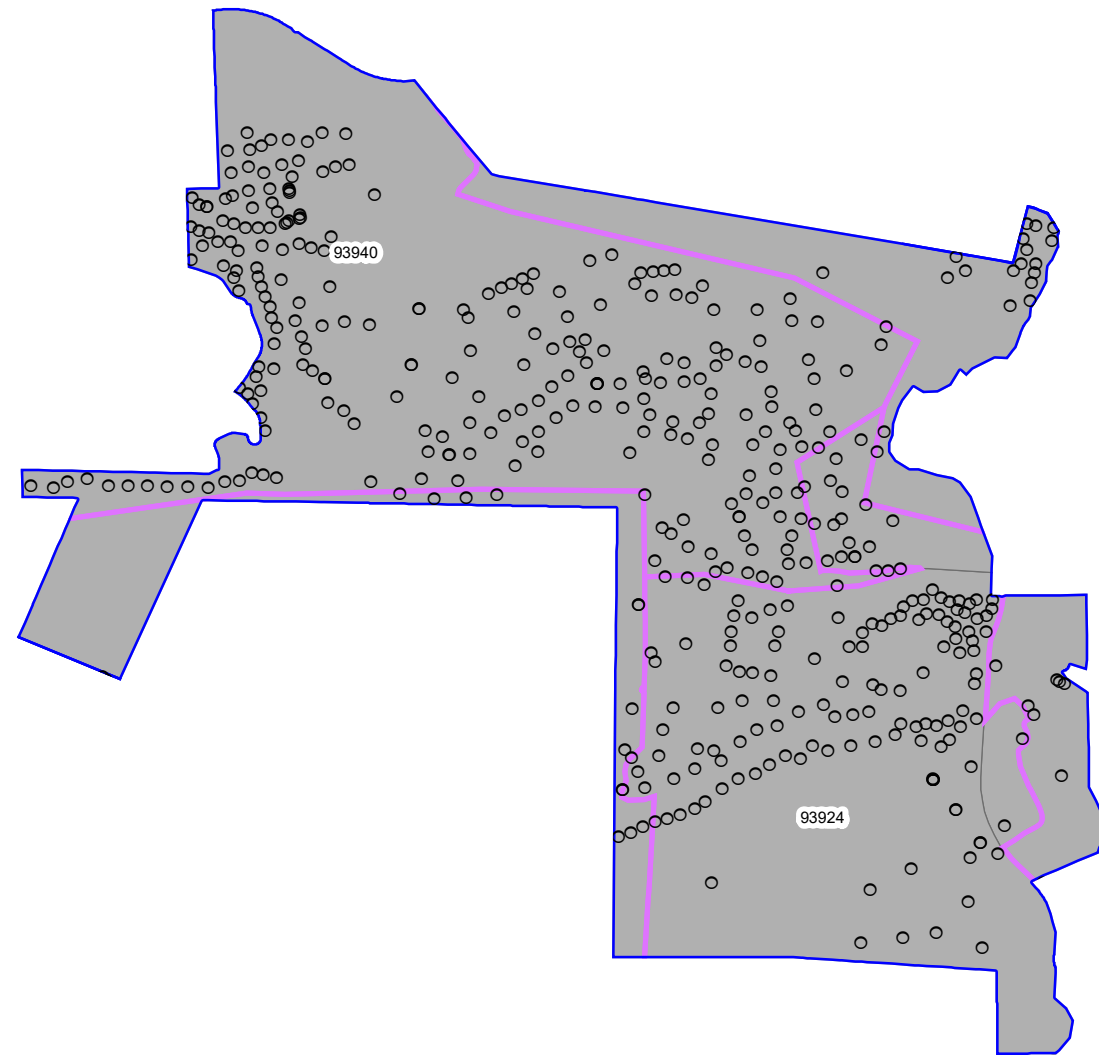
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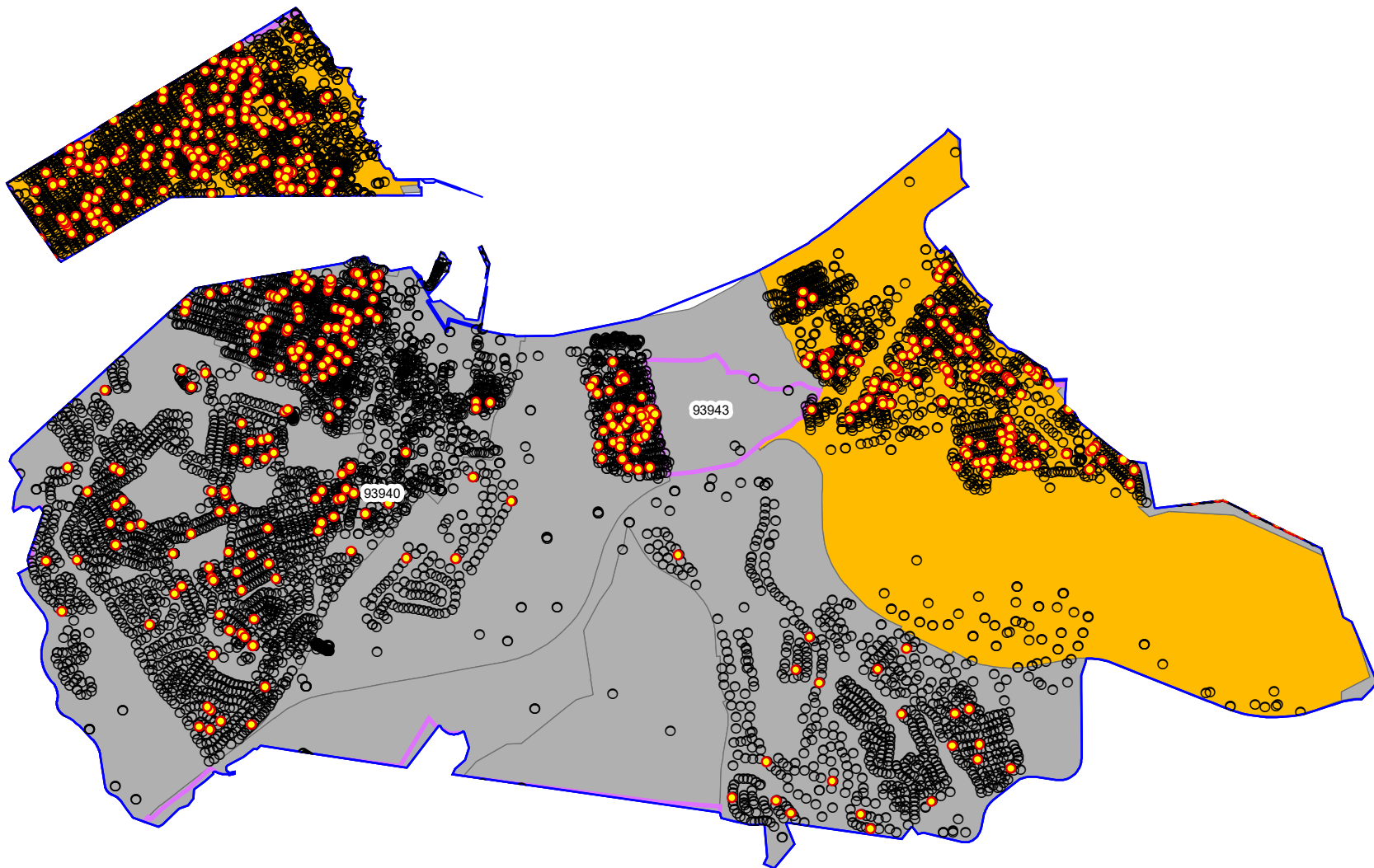
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Fact									
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Median gross rent, 2013-2017	\$1,151	\$1,606	\$1,376	\$1,271	\$1,625	\$1,232	\$1,599	\$1,338	\$1,358
Households with a computer, percent, 2013-2017	74.20%	90.70%	90.10%	90.70%	90.60%	82.40%	87.80%	85.50%	90.20%
Households with a broadband Internet subscription, percent, 2013-2017	64.50%	84.80%	79.80%	84.90%	87.50%	74.90%	83.00%	78.30%	82.60%
High school graduate or higher, percent of persons age 25 years+, 2013-2017	51.10%	96.30%	77.90%	85.20%	92.90%	59.90%	76.90%	71.20%	82.50%
Bachelor's degree or higher, percent of persons age 25 years+, 2013-2017	9.90%	51.30%	20.40%	30.00%	50.10%	12.90%	22.60%	23.90%	32.60%



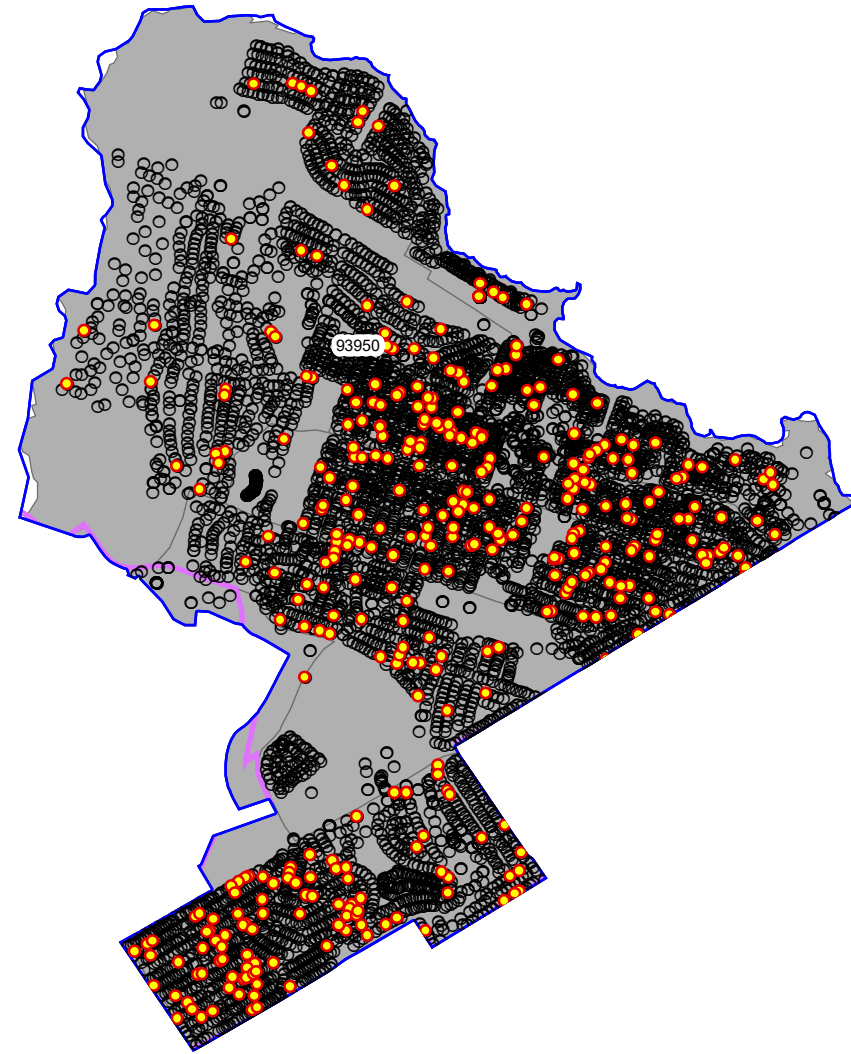
**Legend**

- LIRA Customers
- Customers
- Service Area
- CENSUS Zip Code 2010

**Low Income Community Opportunity Zones**  
**Estimated Population Below Poverty Level**

- 0 - 445
- 446 - 908
- 909 - 1505
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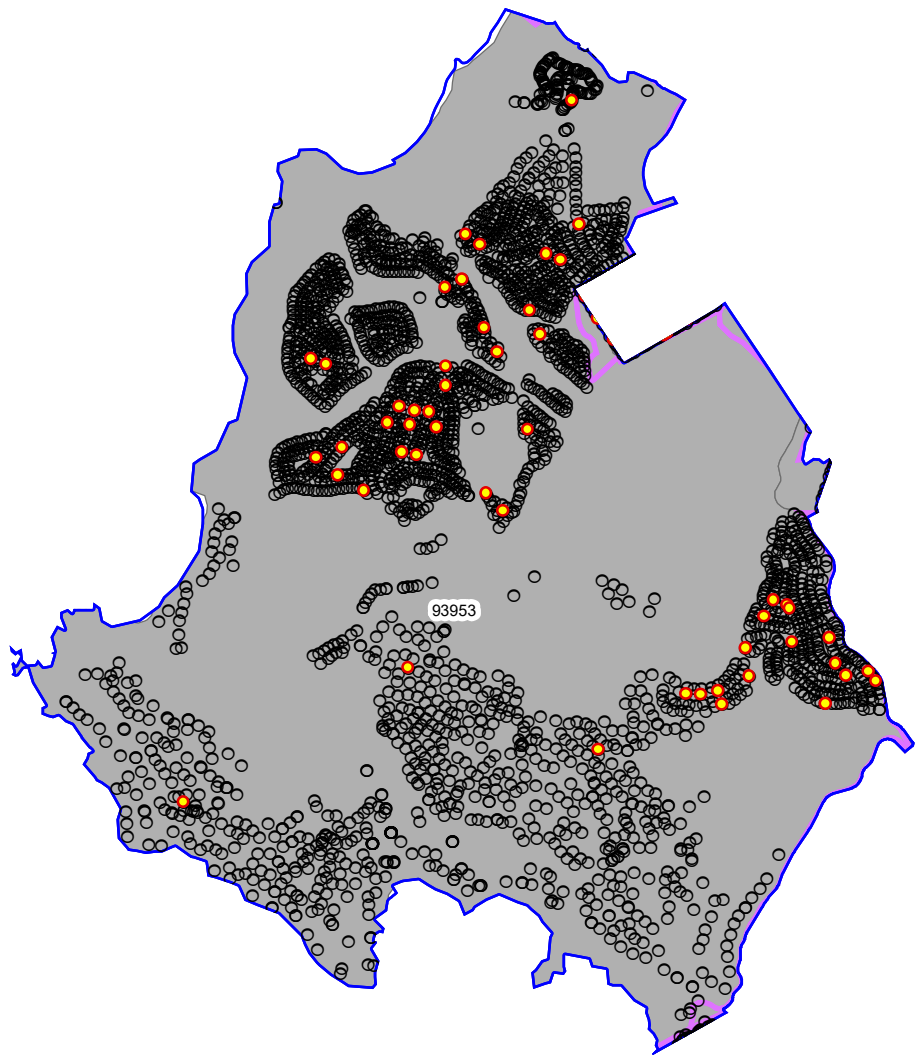
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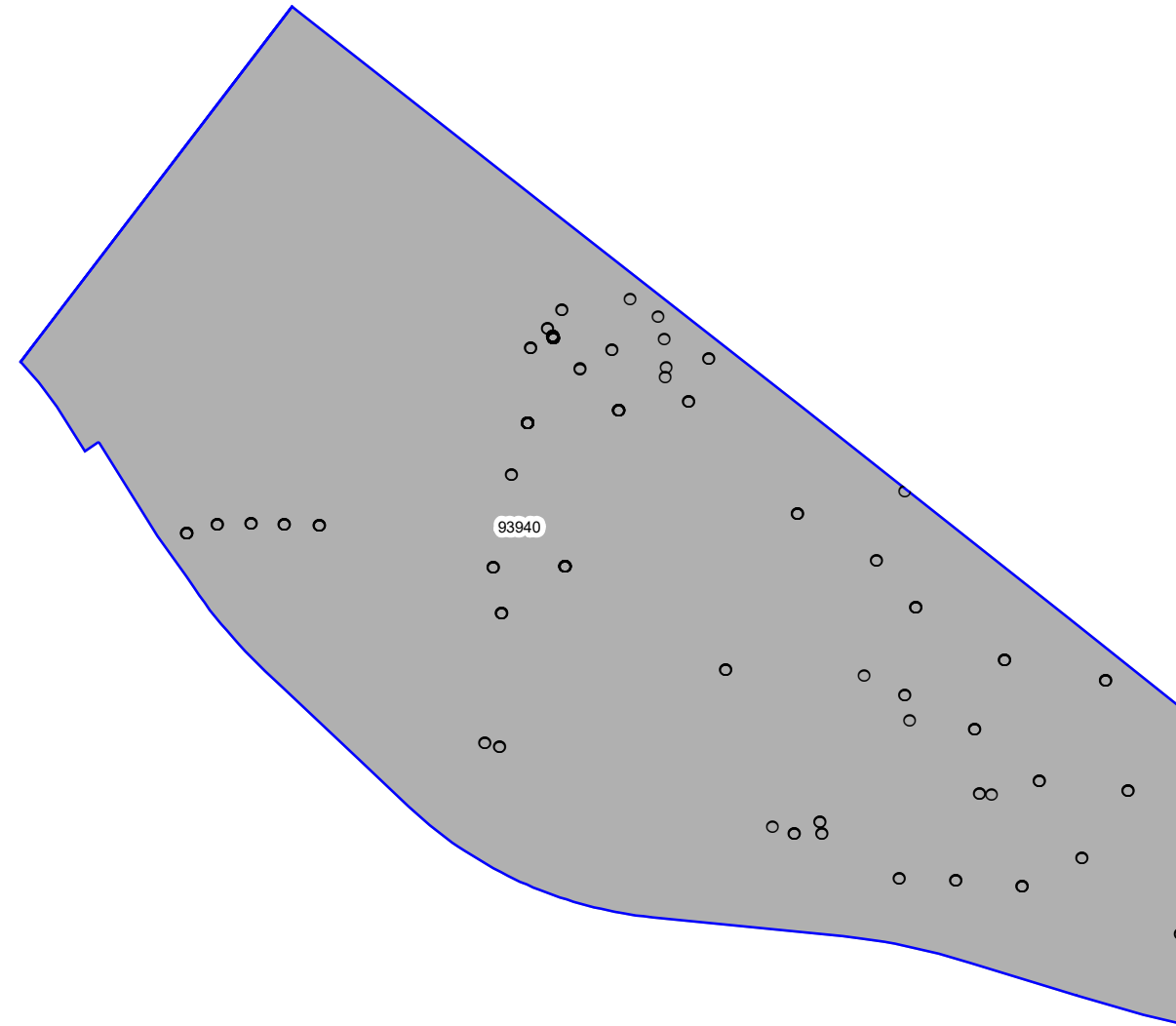
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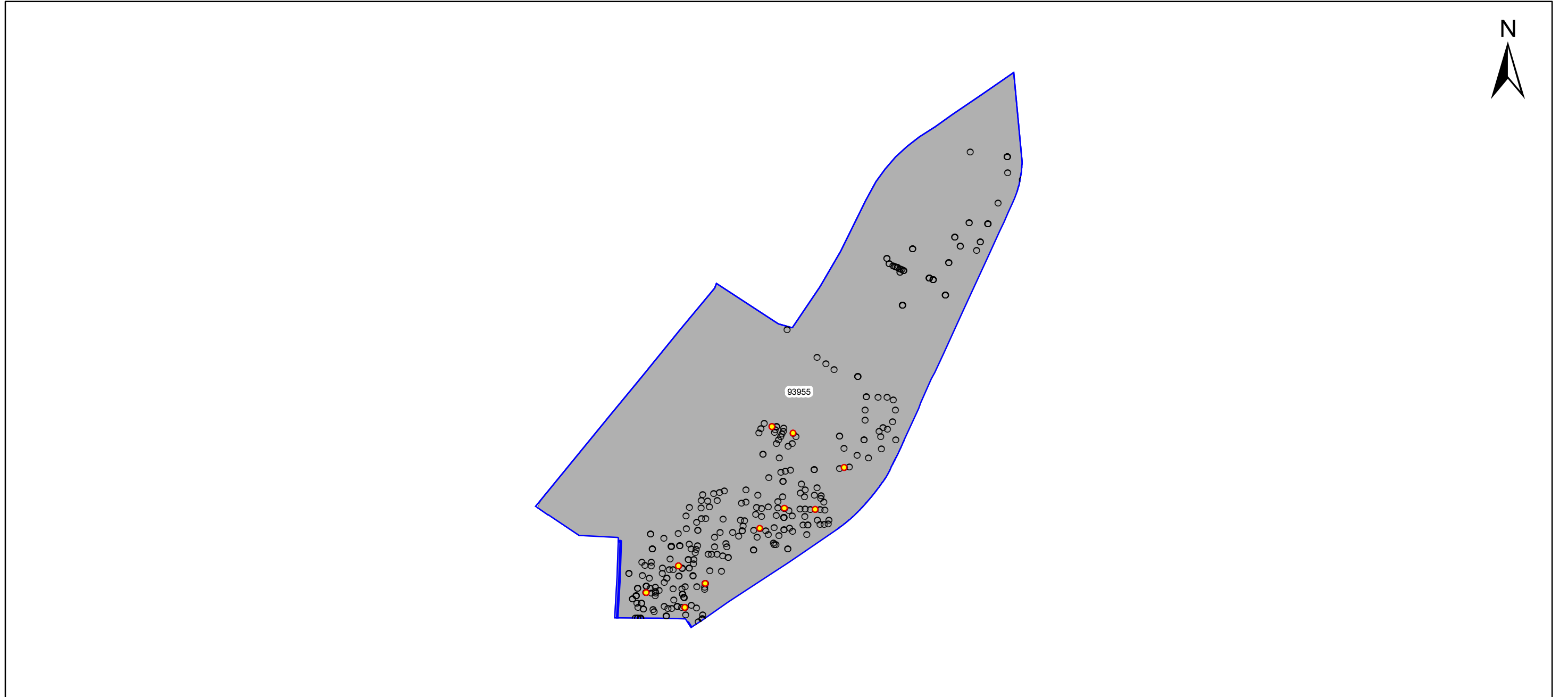
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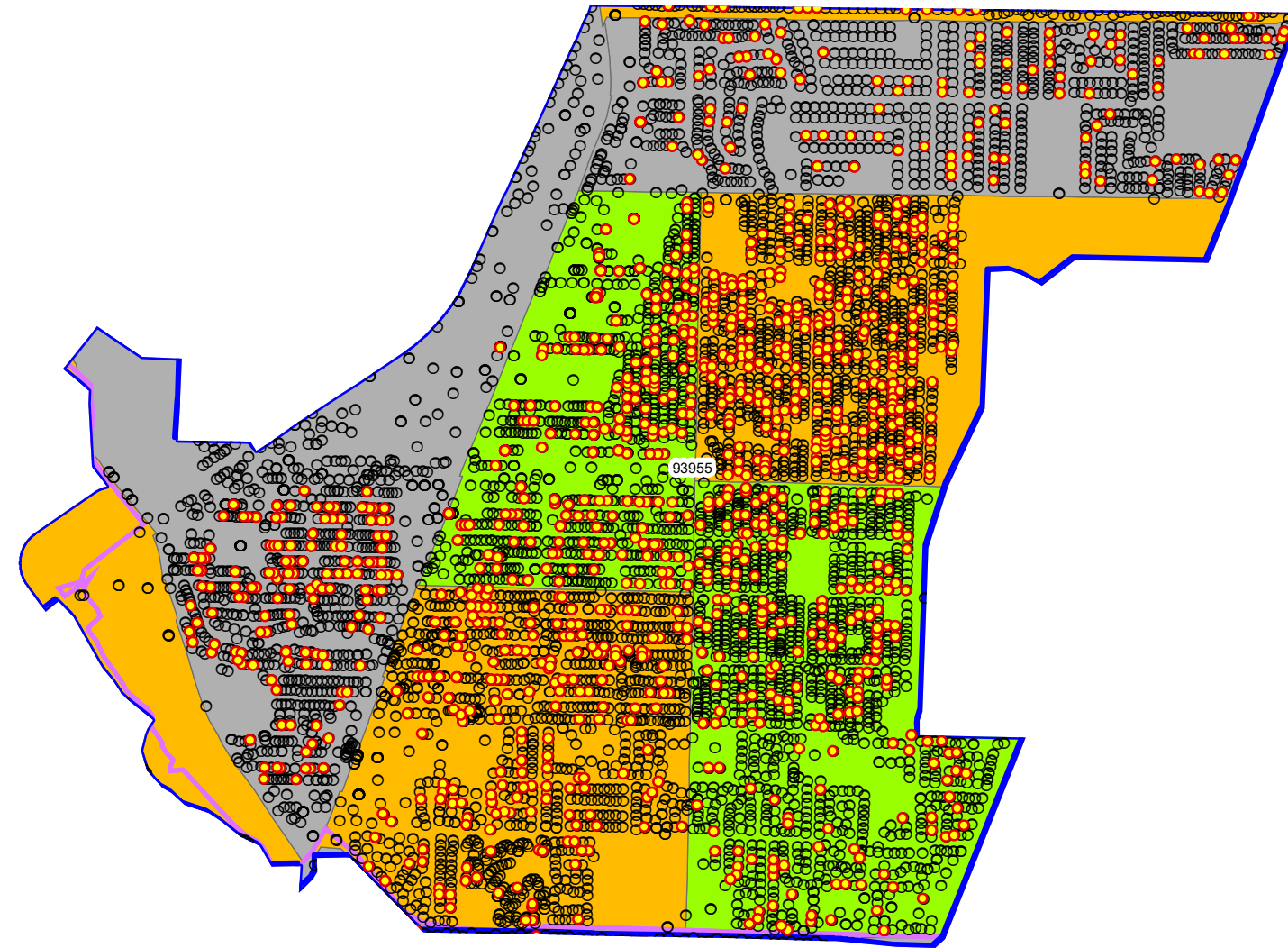




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Attachment C  
Coastal Commission Consolidated Coastal Development Permit  
Special Condition 16

**16. Low-income ratepayer relief.** The Applicant shall prepare and implement a low-income ratepayer relief program, inclusive of the following components, to offset the costs of the Project construction and operations on low-income customers in the service area:

a) PRIOR TO ISSUANCE OF THE PERMIT, the Applicant shall submit a low-income ratepayer relief program plan and implementation strategy that includes baseline information on the number of low-income ratepayers in the district, both in single-residential and multifamily units, that qualify as low-income according to the definition in AB 1550 and those who are eligible for the Applicant's Customer Assistance Program. The plan shall include current enrollment rates for the Applicant's existing income relief programs and the number that do not currently receive assistance. The plan will also include an outreach strategy including a timeline to enroll qualified ratepayers in its Customer Assistance Program. The plan shall explore options to offset the increased costs of desalinated water on low-income ratepayers identified through AB 1550 that are not currently eligible for rate assistance. This may include the Applicant working with the CPUC or independent of its approval to create new programs or expand income eligibility of existing programs, as detailed in subsection (b) and (c). The Plan shall also provide for annual reporting on the status and success of these programs, consistent with Special Condition 16.

b) PRIOR TO ANY INCREASE IN RATES RELATED TO THE DESALINATION FACILITY TAKING EFFECT, the Applicant shall implement the following:

- i. A \$500,000 grant to the United Way Hardship fund and proposal to continue funding the United Way Hardship fund in perpetuity.
- ii. A \$10 cap on rate increases per month for ratepayers enrolled in its Customer Assistance Program. The cap shall be in place for the duration of the Project. Annual reporting required here and under Special Condition 16 must demonstrate how the \$10 cap is being met.

c) The Applicant shall submit an annual report to the Executive Director that describes and provides the status of all Project-related measures meant to reduce Project costs to low-income ratepayers. These shall include, but are not limited to:

- All measures taken to enroll additional ratepayers into the Applicant's Customer Assistance and Low-Income Ratepayer Assistance programs, including the number and percentage of customers enrolled.
- All measures implemented to provide low- or no-cost purchase and installation of low-flow water fixtures (e.g., sink and bath faucets, showerheads, toilets, etc.), including the number of each type of fixture installed.
- The status of all requested or required CPUC proceedings meant to reduce costs to low-income ratepayers.
- All measures implemented to ensure that once deliveries of desalinated water from the Project start, ratepayers enrolled in these programs are subject to a rate increase of no more than \$10.00 per month for any costs associated with the delivery of desalinated water from the Project after start of those water deliveries until Cal-Am implements any CPUC-approved rate relief programs that effectively cap rate increases to no more than \$10 per month for such customers.
- A description of outreach activities to low-income ratepayers to inform them of the cost-saving measures.

## Attachment D

Disadvantaged Community Data  
 California Department of Water Resources  
 Disadvantaged Communities Mapping Tool  
<https://gis.water.ca.gov/app/dacs/>  
 2016-2020

<u>By 2020 Tract Identifier</u>	<b>Block Group Method</b>		Median Household
	<u>Population</u>	<u>Households</u>	<u>Income</u>
Carmel-by-the-Sea - 060530118022	390	277	\$43,380
Monterey - 060530127001	639	345	\$59,185
Monterey - 060530127002	601	413	\$42,443
Monterey - 060530125042	1,492	708	\$46,630
Monterey - 060530133003	2,486	984	\$47,604
Sand City - 060530140001	1,337	499	\$36,648
Seaside - 060530140002	1,187	312	\$56,500
Seaside - 0605301360001	1,405	610	\$48,500
Seaside - 0605301360003	933	336	\$43,558
Seaside - 060530137002	1,402	473	\$52,991
Seaside - 060530137001	1,140	401	\$34,746
Seaside - 060530135001	Removed - Served by Seaside Municipal Water		
Seaside - 060530138002	<u>2,698</u>	<u>813</u>	<u>\$52,364</u>
<b>Monterey Peninsula Total</b>	<b>15,710</b>	<b>6,171</b>	<b>\$47,046</b>



February 21, 2024

Monterey Peninsula Water Management District  
P.O. Box 85  
Monterey, CA 93942

RE: District Transparency Certificate of Excellence Approval

Congratulations Monterey Peninsula Water Management District has successfully completed the District Transparency Certificate of Excellence program through the Special District Leadership Foundation (SDLF).

On behalf of the SDLF Board of Directors, I would like to congratulate your district on achieving this important certificate. By completing the District Transparency Certificate of Excellence Program, Monterey Peninsula Water Management District has proven its dedication to being fully transparent as well as open and accessible to the public and other stakeholders.

Congratulations and thank you for your dedication to excellence in local government.

Most sincerely,

Sandy Raffelson  
SDLF Board President

## Public Water Now / LandWatch Monterey County

February 22, 2024

Environmental Justice and Tribal Liaison Executive Office

CALIFORNIA STATE LANDS COMMISSION

### **Environmental Justice Outreach: Application for a General Lease – Industrial Use, Monterey Peninsula Water Supply Project**

Making a community's water unaffordable is the epitome of environmental injustice.

The cost of water from this desal project would be added to already extremely high water costs.

In 2017, the national environmental watchdog, Food & Water Watch, rated the cost of Cal Am water on the Monterey Peninsula as the most expensive water in the country of the 500 largest water providers. [https://www.foodandwaterwatch.org/wp-content/uploads/2023/06/FS\\_Top-Ten-Most-Expensive-Water-Providers-June-2017.pdf](https://www.foodandwaterwatch.org/wp-content/uploads/2023/06/FS_Top-Ten-Most-Expensive-Water-Providers-June-2017.pdf)

Peninsula water costs have risen more than 50 percent since then. The cost for 5,000 gallons a month is now over \$150.

The CPUC Public Advocates Office estimates that if this desal plant were built it would add 60 to 70 percent to our bills. This is likely a very significant underestimate. As Coastal Commission staff acknowledged in their staff report, there will likely be no demand for water in excess of the expected supply from Pure Water Monterey until at least 2040. The Monterey Peninsula Water Management District's analysis demonstrates that running a desalination facility at 20% of its full capacity would quadruple the unit costs for water, from at least \$7,981 to \$32,398 per acre-foot. (LandWatch Monterey County LandWatch [Nov. 11, 2022 letter to Coastal Commission](#)).

There are egregious and unresolved environmental justice concerns for Marina as well. These were readily acknowledged by the Coastal Commission and were compelling in the Commission's original recommendation of denial for this project. If built, Cal Am's desal would result in a much higher burden of industrial footprint and the loss of public open space for Marina with no benefit.

"...the Project raises the most significant environmental justice issues the Commission has had to address since the 2019 adoption of the Commission's environmental justice policy. At both its reduced 4.8 mgd scale and its full 6.4 mgd scale, the Project would result in the most costly water of any of the desalination projects the Commission has considered recently and would involve locating some of the Project components in a community that has a long history of having a disproportionate share of industrial facilities and uses. Staff conducted in depth analyses of these issues and identified several communities of concern that would be affected by Cal-Am's proposed

Project – including the cities of Marina, Seaside, Sand City and Castroville. Overall, the analysis shows that Cal-Am’s Project creates several serious environmental justice issues...Additionally, the City and the Marina Coast Water District, which provides water to City residents, are deeply concerned that the Project would adversely affect the groundwater aquifers that the District relies on.” (p. 4-5 , CCC staff report 2022, Attachment A)

The Monterey Peninsula, especially Seaside, a lower-income, predominantly non-Caucasian city with a poverty rate of 12.9% (source: City of Seaside 2024), would be heavily impacted by extraordinary water costs.

“According to Cal Am, the average single-family customer in the Monterey service area will have a monthly rate increase of approximately \$47 to \$50 due to Project construction and operation costs once the Project is put into service.” (CCC Staff Report 2022, page107)

Today, this 50% monthly rate increase would be \$59 added to Cal Am’s current average bill of \$117 for 3,483 gallons per month, resulting in a total monthly bill of \$176 for a minimal amount of water.

Cal Am uses an extremely low average that includes all the empty homes on the Peninsula that use no water to figure cost increases, which makes them look lower than they are for most people. Cal Am is presenting a deceptively low increase with its example.

According to the CPUC Public Advocates Office, typical Peninsula water use is 5,000 to 6,000 gallons a month. The current bill for 5,000 gallons costs over \$150 and would see an increase of \$75 to \$105 a month if Cal Am’s desal were built.

Cal Am’s stated 50% increase added to future 2026 rates would be even higher. Using the CPUC Public Advocate’s estimate of a 60 to 70% increase with desal, the typical bill for a modest use of 5,500 gallons could easily reach \$300 a month.

These rates would cause extreme economic hardship for low-income families, forcing many residents to move from the Peninsula or endure a diminishing quality of life. This would be especially hard for seniors and others living on a fixed income who already face a higher cost of living on the Peninsula, including a 9.25% sales tax, along with increasingly higher utility, insurance rates and inflated prices for goods and services.

### **Why would this water be so expensive?**

The question that should have been asked long ago by the CPUC is why is this desal plant and the water it would provide so expensive.

When you compare Cal Am’s project to the Doheny Desal plant currently under construction, the costs just don’t make sense. Both plants are about the same size and produce about the same amount of water. Both use slant wells. But Doheny will deliver water at about \$2,000 per acre-foot, while Cal Am’s water would cost an estimated \$7,000 or more per acre-foot.

Cal Am has not updated costs for this project in many years, making it hard to trust any figure Cal Am gives for the cost of water.

## **The Return Water Agreement**

One of the major problems with this desal project is the fact that its slant wells draw water from the edge of the Salinas River Groundwater Basin in the Marina Coast Water District, not the ocean.

The Monterey County Water Resources Agency Act, Sec.21, prohibits any export of groundwater from the basin because it is critically over drafted.

To get around this law, Cal Am developed the Return Water Agreement:

<https://www.mpwmd.net/asd/board/boardpacket/2016/20160620/21/Item-21-Exh-E.pdf>

This agreement returns the freshwater component of the brackish groundwater to the Basin. Cal Am plans to calculate the percentage of freshwater drawn in the brackish groundwater and then return that amount of desalinated water to Castroville. There is no certainty as to what this percentage will be. Cal Am currently estimates it to be 4% to 5%. But some have pointed out that the freshwater percentage could be much higher. In that case, even more extremely expensive desalinated water would need to be returned to the Basin, raising the cost to Peninsula ratepayers.

### **Monterey Peninsula ratepayers would be asked to subsidize water for Castroville**

The Return Water Agreement states that 690 AFY of desalinated water will be returned to Castroville at \$110 an acre-foot, with a promise to Castroville ratepayers to ensure a monthly average of \$42.50. But this desal water would cost \$7,000 or more per acre-foot to produce. Who pays the difference? This agreement forces Cal Am's Monterey Peninsula customers to subsidize the cost of this water to Castroville. Cal Am's ratepayers certainly did not agree to this, and for the most part, are completely unaware of this agreement.

A major Environmental Justice issue with this project is that it would force low-income customers on the Monterey Peninsula to pay millions of dollars every year to subsidize Castroville's water.

In 2020, 17% of Monterey Peninsula residents had disadvantaged income levels. Those 15,710 people would have to subsidize 4,504 disadvantaged people in Castroville if this desal plant were built.

The US Census Quick Facts 2021 shows there are over five times more people living in poverty in Seaside on the Monterey Peninsula than in Castroville. Castroville has a population of 7,515, with 766 people (10.2%) living in poverty. Seaside, with a population of 32,085, has 3,914 people (12.9%) living in poverty.

Cal Am's Return Water Agreement forces Peninsula residents living in poverty to pay for another disadvantaged community's water.



## **Cal Am's Low Income Assistance Programs**

Cal Am's Monterey Peninsula district has 18,000 residents living within 200% of the poverty level. Many residents are low income by State HCD criteria but don't qualify for assistance under Cal Am's programs.

Cal Am serves 33,159 Peninsula households. Currently only 2,997 of those households are enrolled in its low-income Customer Assistance Program (CAP).

Cal Am's low-income assistance programs do not cover many low-income residents on the Peninsula. To qualify you must have a Cal Am water bill in your name. A family of four must have an annual income of \$60,000 or less to qualify. A family of two must have an income of \$39,440 to qualify. At these income levels, most would be renting.

But renters don't qualify unless they have a water bill in their name, and most tenants of multi-family units do not have separate water meters. Instead, their landlord passes on the water cost through their rent. Thus, Cal Am's low-income assistance programs are not available to many who need them.

One of our members with a \$ 26,000-a-year income is on Cal Am's CAP program. Her January water bill was \$53.87. The CAP discount was \$12.50 off her bill. But she reports that on her income, she can't afford her water bill even with the \$12.50 discount. She worries that if Cal Am were to add a 50% increase for the cost of desal she simply could not afford water.

When asked how people would be able to afford water if the desal costs were added to our current bills, Cal Am's Ian Crooks responded that there would be no tiers. Currently the Peninsula has a four-tier water pricing system.

The problem which Cal Am does not to recognize is that the current higher tiers subsidize the lower tiers. If the tiers were gone and everyone paid the same price per gallon for water, the low-income users would see their bills rise dramatically even before the cost of desal was added.

Another problem is that Cal Am passes the Customer Assistance Program (CAP) Surcharge onto ratepayers, further burdening lower income ratepayers who don't qualify for assistance.

While Cal Am offered a few modest options to alleviate the high cost to low-income households, Coastal Commission staff agreed none of them addressed the long-term effects of the higher costs endured by lower income ratepayers for this expensive water option. (CCC Staff Report, 2022, page 110).

Cal Am consistently continues to increase its rates to its Monterey district on an annual basis, raising them 50% since 2018. A current low-income resident in Seaside who does not qualify for the CAP program reported she pays \$121 for 3,216 gallons, a minimal low use of 45 gallons a day per person.

It should be noted that despite conditional approval, there was clear acknowledgement of the severe environmental justice effects of this project. The current chair of the Coastal Commissioners who voted no on the project made this clear.

“...Caryl Hart, one of the two commissioners to vote against the project, echoed this sentiment and said Thursday’s vote was a failure of the values the commission stood for. “You don’t buy off environmental justice concerns,” she said. “I just don’t understand why we’re plowing ahead in this way... this is a violation of our environmental justice policy, in my opinion.” (Los Angeles Times, November 18, 2022)

### **Pure Water Monterey is a more affordable solution**

The Pure Water Monterey potable recycled water project is a much more affordable water supply project. This is a public agency project of Monterey One Water and the Monterey Peninsula Water Management District (MPWMD). It was first proposed in 2014. Pure Water Monterey (PWM) is currently providing 3,500 AFY. That is over one third of the Peninsula’s potable water demand. When the expansion of Pure Water Monterey is completed in 2025, PWM will provide a total of 5,750 AFY (source: Monterey One Water) toward the Peninsula’s demand of approximately 9,500 acre-feet.

Cal Am has attempted to suppress, delay and discredit the PWM Expansion in order to justify its much more expensive desal plant.

Total PWM water recharged into the Seaside basin will approach 14,000 AF by the end of February 2024, equivalent to approximately 4.6 billion gallons of drinking water delivered since start-up. (source: Monterey One, Recycle Water Committee meeting staff report, February 15, 2024)

The Pure Water Monterey expansion is enough water for 30 years at less than half the cost of desal. It’s drought resistant as it uses wastewater as its water source.

Unfortunately, the Coastal Commission under pressure from Governor Newsom granted conditional approval to Cal Am ignoring testimony from our three local public water agencies – Monterey One Water, MPWMD and Marina Coast Water District – who provided this information in detail illustrating that desalination will not be needed for 30 years and there will be better options and technology for desal available in the future.

### **Water Needed for Affordable Housing**

Water for new and affordable housing will be available from the expansion of Pure Water Monterey (Completion 2025). Desal is not needed for affordable housing.

Historic use and studies done by the Monterey Peninsula Water Management District show that with the Pure Water Monterey Expansion the Peninsula will have water for 30 years of growth without desal.

## **CPUC Phase 2 Hearings**

It is premature to consider this application since the CPUC has not given final approval of Cal Am's desal project, an approval mandated by the California Coastal Commission as one of 22 conditions this project must meet. Until a decision on the CPUC Phase 2 Supply and Demand hearing is final, this project cannot move forward. This was clearly stated in the Coastal Commission 2022 Staff Report:

"...Ultimately, the CPUC will determine the longer-term supply and demand estimates after extensive testimony and evidence on this issue, which bears on whether the CPUC would approve the Project. Furthermore, without CPUC approval, the Project cannot proceed. Thus, the Commission's approval is conditioned on final CPUC approval for construction of the Project based on CPUC's findings of supply and demand. Moreover, if the Project does not begin construction within five years, Cal-Am must seek an extension through Executive Director approval or, if necessary, an amended CDP application through which the Commission may review any changed circumstances affecting the Project." (page 4, California Coastal Commission Staff Report, October 2022, Attachment A)

Furthermore, Cal Am is now proposing a phased approach, starting with a smaller 4.8 MGD desalination facility and later increasing that facility to 6.4 MGD. But the CPUC considered and rejected this phased approach in 2018, finding that it would be more expensive to ratepayers and more environmentally damaging. (CPUC Decision D.18-09-017, pp. 69-70.) The CPUC must reconsider these findings and reassess the rate impacts of this more expensive approach. Until then, approval of a lease is premature.

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**LandWatch Monterey County**

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## **PUBLIC WATER NOW**

Public Water Now is a local non-profit with over 4,000 members. Our interest is an affordable, sustainable water supply for the Monterey Peninsula. That goal cannot be realized under Cal Am's corporate ownership.

In 2018, PWN put Measure J on the ballot asking the public to vote on a public buyout of Cal Am. It passed with 56% of the vote mandating that the Monterey Peninsula Water Management District (MPWMD) pursue a buyout if feasible. It was found to be financially feasible and in December 2023 MPWMD filed its eminent domain court case to buy Cal Am's Monterey Peninsula system.

One reason Cal Am is in a hurry to build an unnecessary \$400 million desal plant is to drive up the price of the buyout in hopes of defeating the will of the community in Measure J.

Over the years we have often found conflict between Cal Am's need for profit and the truth.

## **LANDWATCH**

LandWatch's mission is to inspire Californians to create a sustainable future, using Monterey County as a model.

We work to enhance Monterey County's future by addressing climate change, affordable housing, reliable water supplies, and related land and water use policies.